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PROCEEDINGS AND DEBATES OF THE 93d CONGRESS, SECOND SESSION

SENATE—*Friday, November 22, 1974*

The Senate met at 10 a.m. and was called to order by Hon. JOHN V. TUNNEY, a Senator from the State of California.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, whose love is unfailing and whose mercies are new every morning, we lift our hearts to Thee in prayer for the leaders of this Nation, especially those who serve in this body. Give them kind hearts, clear thoughts, and quiet faith. In the grave responsibilities of public trust, endow them with ample energy great wisdom, and spiritual grace that they may forge enduring solutions to the vexing problems of our age. And while they labor, enable them to heed Thy Word: "Keep thy heart with all diligence, for out of it are the issues of life."

In Thy holy name, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 22, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN V. TUNNEY, a Senator from the State of California, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. TUNNEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 21, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1222 and Calendar No. 1228.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATION OF CERTAIN LANDS AS WILDERNESS

The Senate proceeded to consider the bill (S. 600) to designate certain lands as wilderness, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That (a) in accordance with subsection (c) of section 3 of the Wilderness Act (78 Stat. 890, 892), the following lands are hereby designated as wilderness and, therefore, as components of the national wilderness preservation system:

(1) certain lands in the Chamisso National Wildlife Refuge, Alaska, which comprise approximately four hundred and fifty-five acres, which are depicted on a map entitled "Chamisso Wilderness Proposal", dated November 1969, and which shall be known as the Chamisso Wilderness;

(2) certain lands in the Simeonof National Wildlife Refuge, Alaska, which comprise approximately twenty-five thousand one hundred and forty acres, which are depicted on a map entitled "Simeonof Wilderness—Proposed", dated November 1969, revised January 1971, and which shall be known as the Simeonof Wilderness;

(3) certain lands in the National Key Deer Refuge, Great White Heron National Wildlife Refuge, and the Key West National Wildlife Refuge, Florida, which comprise approximately four thousand seven hundred and forty acres, which are depicted on a map entitled "Florida Keys Wilderness—Proposed", dated August 1969, and which shall be known as the Florida Keys Wilderness;

(4) certain lands in the St. Marks Wildlife Refuge, Florida, which comprise approximately seventeen thousand seven hundred and forty-six acres, which are depicted on a map entitled "St. Marks Wilderness Proposal—Florida", dated September 1971, revised December 1971, and which shall be known as the St. Marks Wilderness;

(5) certain lands in the Blackbeard Island National Wildlife Refuge, Georgia, which comprise approximately three thousand acres, which are depicted on a map entitled "Blackbeard Island Wilderness—Proposed", dated December 1971, and which shall be known as the "Blackbeard Island Wilderness";

(6) certain lands in the Wolf Island National Wildlife Refuge, Georgia, which comprise approximately five thousand one hundred and twenty-six acres, which are depicted on a map entitled "Wolf Island Wilderness Proposal", dated March 1971, revised March 1973, further revised March 1974, and which shall be known as the Wolf Island Wilderness;

(7) certain lands in the Breton National Wildlife Refuge, Louisiana, which comprise approximately five thousand acres, which are depicted on a map entitled "Breton Wilderness—Proposed", dated December 1970, revised January 1974, and which shall be known as the Breton Wilderness;

(8) certain lands in the Moosehorn National Wildlife Refuge, Maine, which comprise approximately four thousand seven hundred and nineteen acres and which are depicted on a map entitled "Moosehorn Wilderness (Baring Unit)—Proposed", dated September 1971, revised December 1971, further revised September 1974, and which shall be known as the Moosehorn Wilderness (Baring Unit);

(9) certain lands in the Brigantine National Wildlife Refuge, New Jersey, which comprise approximately six thousand six hundred and three acres, which are depicted on the map entitled "Brigantine Wilderness—Proposed", dated August 1971, revised September 1974, and which shall be known as the Brigantine Wilderness;

(10) certain lands in the Bosque del Apache National Wildlife Refuge, New Mexico, which comprise approximately thirty thousand eight hundred and fifty acres, which are depicted on a map entitled "Bosque del Apache Wilderness—Proposed", dated July 1971, revised September 1974, and which shall be known as Bosque del Apache Wilderness;

(11) certain lands in the Chase Lake National Wildlife Refuge, North Dakota, which comprise approximately four thousand one hundred and fifty-five acres, which are depicted on the map entitled "Chase Lake Wilderness—Proposed", dated September 1971, and which shall be known as the Chase Lake Wilderness;

(12) certain lands in the Lostwood National Wildlife Refuge, North Dakota, which comprise approximately five thousand five hundred and seventy-seven acres, which are depicted on a map entitled "Lostwood Wilderness Proposal", dated August 1971, and which shall be known as the Lostwood Wilderness;

(13) all lands in the West Sister National Widlife Refuge, Ohio, which comprise approximately eighty-five acres, which are depicted on a map entitled "Proposed West Sister Island Wilderness", dated October 1969, and which shall be known as the West Sister Island Wilderness; and

(14) certain lands in the Cape Romain National Wildlife Refuge, South Carolina, which comprise approximately twenty-eight thousand acres, which are depicted on a map entitled "Cape Romain Wilderness Proposal", dated January 1971, and which shall be known as the Cape Romain Wilderness.

(b) As soon as practicable after this Act takes effect, maps of the wilderness areas and legal descriptions of their boundaries shall be filed with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such maps and descriptions shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such maps and descriptions may be made.

(c) The maps and descriptions of the boundaries of the areas designated in this Act shall be on file and available for public inspection in the offices of the United States Fish and Wildlife Service, Department of the Interior.

Sec. 2. The areas designated by this Act as wilderness shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to designate certain national wildlife refuge lands as wilderness."

FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1974

The Senate proceeded to consider the bill (S. 3202) to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That (a) this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision the reference shall be considered to be made to a section or other provision of the Farm Labor Contractor Registration Act of 1963 (7 U.S.C. 2041 et seq.).

Sec. 2. Section 3 of the Act is amended by striking out the word "interstate" each place where it appears therein. The first sentence of section 3(b) is amended to delete therefrom the phrase "ten or more" and the phrase "at any one time in any calendar year". The second sentence of section 3(b) is amended to read as follows: "Such term shall not include—

"(1) any nonprofit charitable organization, public or nonprofit private educational institution, or similar oragnization;

"(2) any farmer, processor, canner, ginner, packing shed operator, or nurseryman who personally engages in any such activity for the purpose of supplying migrant workers solely for his own operation;

"(3) any full-time or regular employee of any entity referred to in (1) or (2) above who engages in such activity solely for his employer on no more than an incidental basis;

"(4) any person who engages in any such activity (A) solely within a twenty-five mile intrastate radius of his permanent place of residence and (B) for not more than thirteen weeks per year;

"(5) any person who engages in any such activity for the purpose of obtaining migrant workers of any foreign nation for employment in the United States if the employment is subject to—

"(A) an agreement between the United States and such foreign nation; or

"(B) an arrangement with the government of any foreign nation under which written contracts for the employment of such workers are provided for and the enforcement thereof is provided for through the United States by an instrumentality of such foreign nation;

"(6) any full-time or regular employee of any person holding a certificate of registration under this Act; or

"(7) any common carrier or any full-time regular employee thereof engaged solely in the transportation of migrant workers."

Sec. 3. Section 3(d) of the Act is amended to read as follows:

"(d) The term 'agricultural employment' means employment in any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)), or section 3121(g) of the Internal Revenue Code of 1954 (26 U.S.C. 3121(g)) and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.".

Sec. 4. Section 4 of the Act is amended by adding at the end thereof the following new subsections:

"(c) No person shall engage the services of any farm labor contractor to supply farm laborers unless he first determines that the farm labor contractor possesses a certificate from the Secretary that is in full force and effect at the time he contracts with the farm labor contractor.

"(d) Upon determination by the Secretary that any person knowingly has engaged the services of any farm labor contractor who does not possess such certificate as required by subsection (c) of this section, the Secretary is authorized to deny such person the facilities and services authorized by the Act of June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly referred to as the Wagner-Peyser Act, for a period of up to three years.".

Sec. 5. Section 5(a) is amended by—

(1) striking the word "and" after paragraph (2),

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) adding the following new paragraphs:

"(4) has filed, under such terms as the Secretary may prescribe, a statement identifying each vehicle to be used by the applicant for the transportation of migrant workers, and all real property to be used by the applicant for the housing of migrant workers, during the period for which registration is sought, along with proof that every such vehicle and all such housing currently conform to all applicable Federal and State safety and health standards to the extent that such vehicle and all such housing are under the applicant's ownership or control; and

"(5) has consented to designation of the Secretary as the agent available to accept service of summons in any action against such farm labor contractor at any and all times during which such farm labor contractor has departed from the jurisdiction in which such action is commenced or otherwise has become unavailable to accept service, under such terms and conditions as are set by the court in which such action has been commenced.".

Sec. 6. (a) Section 5(a)(2) is amended by striking the second sentence and inserting in lieu thereof the following: "In no event shall the amount of such insurance be less than the amount currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, or amounts offering comparable protection to persons or property from damages arising out of the applicant's ownership of, operation of, or his causing to be operated any vehicle as provided herewith: *Provided*, That the Secretary shall have the discretion to issue regulations requiring insurance in the highest amounts feasible which are less than the amounts currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, if the Secretary, after due and careful consideration, determines that the insurance coverage in such amounts is not available to farm labor contractors in the same manner and in the same amounts as such coverage is available to other carriers used to transport passengers in interstate commerce;".

Sec. 7. Section 5(b) is amended by—

(1) striking "or" at the end of paragraph (9);

(2) striking the period at the end of paragraph (10) and inserting a semicolon in lieu thereof; and

(3) adding after paragraph (10) the following new paragraphs:

"(11) is not in fact the real party in interest in any such application or certificate of registration and that the real party in interest is a person, firm, partnership, association, or corporation who previously has been denied a certificate of registration, has had a certificate of registration suspended or revoked, or who does not presently qualify for a certificate of registration; or

"(12) has used a vehicle for the transportation of migrant workers, or has used real property for the housing of migrant workers, while such vehicle or real property failed to conform to all applicable Federal and State safety and health standards, to the extent any such vehicle or real property has come within the ownership or control of such farm labor contractor."

(4) striking "or prostitution", at the end of paragraph (7) and adding in lieu thereof the following: "prostitution, or peonage; where the date of the judgment of conviction of any crime as specified herein has been entered within a period of five years preceding the action of the Secretary under this subsection";

(5) striking all after the word "utilized" in paragraph (6) and inserting in lieu thereof the following: ", with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment;".

Sec. 8. Section 5 is amended by adding at the end thereof the following new subsection:

"(d) Persons issued a certificate of registration under this section shall provide to the Secretary a notice of each and every address change within 10 days after such change. The Secretary shall maintain a public central registry of all persons issued certificates of registration under this section. Persons issued a certificate of registration under this section shall provide to the Secretary documentation required under section 5(a)(4) of the Act applicable to any vehicle which the applicant obtains for use in the transportation of migrant workers and any real property which the applicant obtains or learns will be used for the housing of migrant workers during the period for which the certificate of registration is issued, within ten days after he obtains or learns of the intended use of such vehicle or real property, to the extent that such vehicle or such real property is under the ownership of control of such persons who have been issued certificates of registration".

Sec. 9. Section 6(a) of the Act is amended by inserting immediately before the semicolon at the end thereof the following: "and shall be denied the facilities and services authorized by the Act of June 6, 1933 (29 U.S.C. 49 et seq.), upon refusal or failure to exhibit the same".

Sec. 10. Section 6(b) of the Act is amended by striking the word "and" before paragraph (5), and by striking the semicolon at the end of paragraph (5) and adding at the end thereof the following: "(6) the period of employment, (7) the existence of a strike or other concerted stoppage, slowdown, or interruption of operations by employees at a place of contracted employment, and (8) the existence of any arrangements with any owner, proprietor, or agent of any commercial or retail establishment in the area of employment under which he is to receive a commission or any other benefit resulting from any sales provided to such commercial or retail establishment from the migrant workers whom he recruits. The disclosure required under this subsection shall be in writing in a language in which the worker is fluent, and written in a manner understandable by such workers on such forms and under such terms and conditions as the Secretary shall prescribe."

Sec. 11. (a) Section 6 is amended by—

(1) striking "and" after paragraph (d),

(2) striking the period at the end of paragraph (e) and inserting in lieu thereof a semicolon, and

(3) adding at the end thereof the following new paragraphs:

"(f) refrain from recruiting, employing, or utilizing, with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment;

"(g) promptly pay or contribute when due to the individuals entitled thereto all moneys or other things of value entrusted to the farm labor contractor by any farm operator for such purposes; and

"(h) refrain from requiring any worker to puchase any goods solely from such farm labor contractor or any other person."

(b) Section 6(e) of the Act is amended by striking "interstate" each time it appears.

(c) Section 6(e) of the Act is further amended by striking the last sentence and substituting the following: "He shall additionally provide to the person to whom any migrant worker is furnished all information and records required to be kept by such contractor under this subsection, and all information required to be provided to any migrant worker under this subsection. The Secretary may prescribe appropriate forms for the recording of information required by this subsection;".

(d) Section 2(b) of this Act is amended by striking the word "interstate" the second time it appears.

Sec. 12. Section 7 is amended by adding at the end thereof the following: "The Secretary may isue subpenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary may administer oaths and affirmations, examine witnesses, and receive evidence. For the purpose of any hearing or investigation provided for in this chapter, the provisions of section 9 and 10 of the Federal Trade Commission Act of September 16, 1914 (15 U.S.C. 49, 50) (relating to the attendance of witnesses and the production of books, papers, and documents), are made applicable to the jurisdiction, powers, and duties of the Secretary. The Secretary shall conduct investigations in a manner which protects the confidentiality of any complaint or other party who provides information to the Secretary with respect to which the Secretary commences an investigation. The Secretary shall monitor and investigate activities of farm labor contractors in such manner as is necessary to enforce the provisions of this Act.".

Sec. 13. Section 9 of the Act is amended by inserting the subsection designation "(a)" at the beginning thereof; by striking out "or any regulation prescribed hereunder"; and by striking the period at the end thereof and adding the following: ", sentenced to a prison term not to exceed one year, or both, and upon conviction for any subsequent violation, shall be punishable by a fine not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both. The Secretary shall report on enforcement of the provisions of this Act in the annual report of the Secretary required pursuant to section 9 of the Act entitled "An Act to create a Department of Labor", approved March 4, 1913 (37 Stat. 738, 29 U.S.C. 560). The reporting hereunder shall include, but shall not be limited to, a description of efforts to monitor and investigate the activities of farm labor contractors, the number of persons to whom certificates of registration have been issued, the number of complaints of violation received by the Secretary and their disposition, and the number and nature of any sanctions imposed.

"(b)(1) Any person who commits a violation of this Act or any regulations promulgated under this Act, may be assessed a civil money penalty of not more than $1,000 for each violation. The penalty shall be assessed by the Secretary upon written notice, under the procedures set forth herein.

"(2) The person assessed shall be afforded an opportunity for agency hearing, upon request made within thirty days after the date of issuance of the notice of assessment. In such hearing, all issues shall be determined on the record pursuant to section 554 of title 5, United States Code. The agency determination shall be made by final order subject to review only as provided in paragraph (3). If no hearing is requested as herein provided, the assessment shall constitute a final and unappealable order.

"(3) Any person against whom an order imposing a civil money penalty has been entered after an agency hearing under this section may obtain reveiew by the United States district court for any district in which he is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within 30 days from the date of such order, and simultaneously sending a copy of such notice by registered mail to the Secretary. The Secretary shall promptly certify and file in such court the record upon which the penalty was imposed. The findings of the Secretary shall be set aside if found to be unsupported by substantial evidence as provided by section 706(2)(E) of title 5, United States Code.

"(4) If any person fails to pay an assessment after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the Secretary shall refer the matter to the Attorney General, who shall recover the amount assessed by action in the appropriate United States district court. In such action the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

"(5) All penalties collected under authority of this section shall be paid into the Treasury of the United States.

"(c) Notwithstanding subsections (a) and (b) of this section, any farm labor contractor who commits a violation of subsection 6(f) of the Act or any regulations promulgated thereunder shall upon conviction be fined not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both, if the person committing such violation has failed to obtain a certificate of registration pursuant to this Act or is one whose certificate has been suspended or revoked by the Secretary."

Sec. 14. (a) The Farm Labor Contractor Registration Act of 1963 is amended by redesignating sections 12, 13, and 14 thereof as sections 15, 16, and 17, respectively, and by inserting after section 11 the following:

"CIVIL RELIEF

"Sec. 12. (a) Any person claiming to be aggrieved by the violation of any provision of this Act or any regulation prescribed hereunder may file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties and without regard to exhaustion of any alternative administrative remedies provided herein.

"(b) Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the action. If the court finds that the respondent has intentionally violated any provision of this Act or any regulation prescribed hereunder, it may award damages up to and including an amount equal to the amount of actual damages, or $500 for each violation, or other equitable relief. Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

"(c) If upon investigation the Secretary determines that the provisions of this Act have been violated, he may petition any appropriate district court of the United States for temporary or permanent injunctive relief.

"(d) Except as provided in section 518(a) of title 28, United States Code, relating to litigation before the Supreme Court, the Solicitor of Labor may appear for and represent the Secretary in any civil litigation brought under this Act but all such litigation shall be subject to the direction and control of the Attorney General.

"DISCRIMINATION PROHIBITED

"Sec. 13. (a) No person shall intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate any migrant worker because such worker has, with just cause, filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act or has testified or is about to testify in any such proceedings or because of the exercise, with just cause, by such worker on behalf of himself or others of any right or protection afforded by this Act.

"(b) Any worker who believes, with just cause, that he has been discriminated against by any person in violation of this section may, within one hundred eighty days after such violation occurs, file a complaint with the Secretary alleging such discrimination. Upon receipt of such complaint, the Secretary shall cause such investigation to be made as he deems appropriate. If upon such investigation, the Secretary determines that the provisions of this section have been violated, he shall bring an action in any appropriate United States district court against such person. In any such action the United States district courts shall have jurisdiction, for cause shown, to restrain violation of subsection (a) and order all appropriate relief including rehiring or reinstatement of the worker, with back pay, or damages.

"RECORDKEEPING

"SEC. 14. Any person who is furnished any migrant worker by a farm labor contractor shall maintain all payroll records required to be kept by such person under Federal law, and with respect to migrant workers paid by a farm labor contractor such person shall also obtain from the contractor and maintain records containing the information required to be provided to him by the contractor under section 6(e) of the Act."

SEC. 15. The Act is amended by addition at the end thereof the following new sections:

"WAIVER OF RIGHTS

"SEC. 18. Any agreement by an employee purporting to waive or to modify his rights hereunder shall be void as contrary to public policy, except a waiver or modification of rights or obligations hereunder in favor of the Secretary shall be valid for purposes of enforcement of the provisions of the Act.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 19. There are authorized to be appropriated to carry out the purposes of this Act such sums as may be necessary for the effective enforcement of this Act."

"SEC. 16. Section 17 of the Act (as redesignated by this Act) is amended by striking "of section 4, 5, 6, and 8".

Mr. JAVITS. Mr. President, is this the farm labor contractor bill?

The ACTING PRESIDENT pro tempore. It is.

Mr. JAVITS. Mr. President, this is a bill which I believe was vetoed, and the pending bill is designed to deal with the problems raised by the veto. I just wish to note that for the RECORD. I am delighted that the majority leader has called up the bill.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

A FEW WORDS ARE WORTH A THOUSAND PICTURES

Mr. HUGH SCOTT. Mr. President, a random observation: I have been thinking of how rare it is that complicated and difficult situations are brilliantly summarized in a few words, so that what many have sought to comprehend becomes encapsulated in a phrase.

I am thinking of Thomas Paine's remark in "Common Sense" about the impossibility of a continent being ruled by an island.

I think of a recent remark by James Callahan, of the British Government:

> I can conceive of no problems which can be better handled outside the European Community than inside.

The only relatively recent brilliant summarization of a major problem that I can recall occurring in Congress was when our good friend, the distinguished senior Senator from Vermont (Mr. AIKEN) commented succinctly, and on an early occasion, that the best thing to do about Vietnam was to say that we won and then get out of there.

So here are three illustrations of commentary which summarize and which therefore become eminently rememberable.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Montana (Mr. MANSFIELD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, on my time, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR CERTAIN MEASURES TO BE PLACED UNDER "SUBJECTS ON THE TABLE"

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the following bills on the calendar be placed under "Subjects on the Table": Calendar No. 498, S. 2548; Calendar No. 873, S. 3423; Calendar No. 1046, Senate Resolution 381; Calendar No. 1203, Senate Resolution 424; Calendar No. 1204, Senate Resolution 425; Calendar No. 1205, Senate Resolution 426; Calendar No. 1214, Senate Resolution 430; and Calendar No. 1215, Senate Concurrent Resolution 118.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, this does not mean that these proposals are not subject to being called up. They are just being put under "Subjects on the Table."

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. On whose time?

Mr. MANSFIELD. On my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 10:45 A.M.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

I ask unanimous consent that the Senate stand in recess until the hour of 10:45 today.

There being no objection, the Senate, at 10:13 a.m., recessed until 10:45 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. TUNNEY).

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr MANSFIELD Mr President, I ask unanimous consent. that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

MESSAGE FROM THE HOUSE

At 11:28 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (H.R. 16373) to amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records and to provide that individuals be granted access to records concerning them which are maintained by Federal agencies, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. TUNNEY) laid before the Senate the following letters, which were referred as indicated:

APPROPRIATION REQUEST BY THE U.S. RAILWAY ASSOCIATION

A letter from the President of the United States Railway Association transmitting an appropriation request in the amount of $14 million (with accompanying papers). Referred to the Committee on Appropriations.

PROPOSED LEGISLATION BY THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to continue the minting of dollars, half-dollars, and quarter-dollars bearing the current design and coinage date during calendar year 1975, and for other purposes (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to modernize the procedures for licensing and regulating customs brokers, and for other purposes (with accompanying papers). Referred to the Committee on Finance.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Audit of Payments from Special Bank Account to Lockheed Aircraft Corporation for the C-5A Aircraft Program during the Quarter Ended September 30, 1974" (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Concession Contract at the White Sands National Monument

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a copy of a proposed concession contract providing facilities and services at the White Sands National Monument (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Development Plan for Pennsylvania Avenue Between the Capitol and the White House

A letter from the Chairman of the Pennsylvania Avenue Development Corporation transmitting, pursuant to law, a comprehensive development plan for Pennsylvania Avenue between the Capitol and the White House (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation by the Department of the Interior

A letter from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to waive a claim of the United States for erroneous overpayments (with accompanying papers). Referred to the Committee on the Judiciary.

Proposed Legislation by the Secretary of the Treasury

A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to authorize the destruction of explosive materials subject to seizure and forfeiture where it is impractical or unsafe to remove the materials to a place of storage or where such materials cannot be safely stored (with accompanying papers). Referred to the Committee on the Judiciary.

Reports of the Immigration and Naturalization Service

A letter from the Commissioner of Immigration and Naturalization transmitting, pursuant to law, reports concerning visa petitions which the Service has approved (with accompanying papers). Referred to the Committee on the Judiciary.

Orders of the Immigration and Naturalization Service

A letter from the Commissioner of Immigration and Naturalization transmitting, pursuant to law, copies of orders entered in cases where authority of the Service was exercised in behalf of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report of the activities carried out in fiscal year 1974 under the Rehabilitation Act of 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. TUNNEY):

A resolution adopted by the Court of Common Council of the City of Hartford, Connecticut, in support of full funding of the Community Development Block Grants for fiscal year 1975. Referred to the Committee on Appropriations.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports were submitted:

NOMINATIONS

By Mr. CANNON, from the Committee on Rules and Administration:

Nelson A. Rockefeller, of New York, to be Vice President of the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ALLEN (for himself and Mr. ERVIN):

S. 4181. A bill to amend the Voting Rights Act of 1965 to repeal sections 4 and 5 relating to automatic application of that Act and prior approval in changes in voting qualifications, and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLEN (for himself and Mr. ERVIN):

S. 4181. A bill to amend the Voting Rights Act of 1965 to repeal sections 4 and 5 relating to automatic application of that act and prior approval in changes in voting qualifications, and for other purposes. Referred to the Committee on the Judiciary.

(The remarks of Mr. ALLEN on the introduction of the "Voting Rights Amendments of 1974" are printed later in the RECORD.)

AMENDMENTS SUBMITTED FOR PRINTING

YOUTH CAMP SAFETY ACT—S. 3639

AMENDMENT NO. 1993

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (S. 3639) to provide for the development and implementation of programs for youth camp safety.

NOTICE OF HEARING ON NOMINATIONS

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, December 3, 1974, at 9 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

Edward N. Cahn, of Pennsylvania, to be U.S. district judge for the Eastern District of Pennsylvania, vice John Morgan Davis, retired.

Joel M. Flaum, of Illinois, to be U.S. district judge for the Northern District of Illinois, vice Philip W. Tone, elevated.

John F. Gerry, of New Jersey, to be U.S. district judge for the District of New Jersey, vice James A. Coolahan, retired.

Juan R. Torruella Del Valle, of Puerto Rico, to be U.S. district judge for the District of Puerto Rico, vice Hiram R. Cancio, resigned.

Any persons desiring to offer testimony in regard to these nominations, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND), chairman; the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Nebraska (Mr. HRUSKA).

ADDITIONAL STATEMENTS

SENATE RULES COMMITTEE RECOMMENDS NELSON ROCKEFELLER

Mr. JAVITS. Mr. President, Senator CANNON, the chairman, and the members of the Senate Rules Committee are to be highly commended for their prompt action on Nelson Rockefeller's confirmation as Vice President of the United States. In my judgment it is in the national interest that this nomination should be acted on by the Congress before the end of the year.

For too long the Nation has been without a Vice President. For that reason I have urged repeatedly that the duty of both the Senate and the House is to complete its examination of Governor Rockefeller and act at the earliest possible date. Hence, I urge again that Chairman RODINO and the House Judiciary Committee work expeditiously to bring this matter to a conclusion and make its recommendations to the House of Representatives.

I have known Nelson Rockefeller for more than 30 years and based upon that enormous experience with him as a political colleague, as a friend, as a coworker in many civic and social causes, I believe the President made not only the right choice but the only choice of any man who was within reach of the Vice Presidency.

Nelson Rockefeller was No. 1 on my list when the President asked for recommendations, and this is what I said about him:

> Nelson Rockefeller had great experience in government, was skilled in organizing to develop new initiatives on major problems, able to attract excellent personnel to government, acceptable to a broad spectrum of the party, and has real size and highest character.

In introducing Nelson Rockefeller to the Senate Rules Committee, I said:

> It is evident he has held very high office in our Federal Government on three occasions. He has also been elected four times governor of New York and laid down the reins of office only because he felt, in the present circumstances, he could serve more effectively as a private citizen, which is much to his credit.
>
> And in illustrating the character of the man, he came immediately to public service, to wit, the organization of his Committee on Critical Choices and the chairmanship of the Committee on Water Quality.
>
> Whether or not he is in office, Nelson Rockefeller has really always carried on like a public servant.

In the 1930's the darkest days of the depression, Rockefeller Center opened, and among the Rockefeller sons, Nelson was given the job of getting tenants in those very dark days, and he did it. So that he is not just a rich man, devoting himself to public causes with tremendous staffs and preparation, but he knows how to walk sidewalks and ask people to do things that they may not be immediately ready to do.

As a public servant, I believe that he can bring to the Office of Vice President the enthusiasm, vitality, and imagination that are his best strengths.

SUPPLEMENTAL APPROPRIATIONS

Mr. CRANSTON. Mr. President, in the flurry of votes on H.R. 16900, a bill making supplemental appropriations for fiscal year 1975, I inadvertently overlooked mention of two appropriations items of great interest to me.

The first of these is an appropriation that greatly affects the lives of this Nation's approximately seven million handicapped children. I refer to the Mathias amendment in the Education Amendments of 1974—Public Law 93-380. This amendment significantly alters the formula of title VI-B, Education of the Handicapped, Aid to the States, by creating an entitlement based upon the number of all children within a State between the ages of 3 and 21, in the most recent year for which satisfactory data is available, multiplied by approximately $8.75. The Senate and House enacted the provision as an emergency measure to stem the tide of court orders requiring the States to provide educational services to handicapped children until S. 6, "Education for All Handicapped Children" can be fully considered. S. 6, presently pending consideration by the Senate Labor and Public Welfare Committee, is much broader and more comprehensive legislation which provides financial assistance to the States for improved educational services for handicapped children. In the meantime, however, we have the Mathias amendment which will provide for much needed expansion of aid to the States for education of handicapped children for this fiscal year.

The committee recommendation to fund the Mathias amendment at the level of $125 million for fiscal year 1975, while far below the $680 million authorization in the law, would nonetheless provide more assistance to our Nation's handicapped children than has been previously secured for them. I congratulate the committee for recognizing the responsibility we have to these children to provide the same kind of educational opportunities which other children have. Able-bodied youngsters in our country accept school as a matter of course, a part of their daily lives from the ages of 6 to 18; handicapped children have no such guarantee or promise.

I, therefore, urge the members of the committee on conference, when resolving the differences between the House and Senate recommendation on this bill to consider carefully the significance of this appropriations item and to act to protect the full Senate appropriation recommendation.

EDUCATION

Those of us who have worked so hard to achieve new and better directions in federal bilingual education programs owe thanks to the committee—and especially Senator JOSEPH M. MONTOYA, who spearheaded the move—for its addition of $20 million, for a total of $90 million, for fiscal year 1975 efforts under title VII of the Elementary and Secondary Education Act.

Under the bilingual education provisions of the Education Amendments of 1974—Public Law 93-380, authored by myself, Senators KENNEDY, and MONTOYA—these new moneys will mean: $55 million for 330 bilingual projects serving 232,000 children, compared with $46 million in the House bill providing 284 projects serving 201,000 children; it means $24 million to train 8,000 teachers and provides 400 graduate fellowships, where under the House bill and the administration request, just $16 million is available to train just 5,000 teachers. The committee bill also includes $1.5 million each for our new efforts in bilingual vocational education and bilingual vocational education training, measures worked on by myself, Senator KENNEDY, Senator DOMINICK, and Senator TOWER. The administration did not request funding for these programs.

These amounts, if agreed to in conference, mean we can move forward more rapidly in meeting our extensive bilingual needs. And we have a long, long way to go.

A WORLD FOOD SHORTAGE ON THANKSGIVING DAY

Mr. PEARSON. Mr. President, when I returned from the World Food Conference, I found on my desk a timely and thoughtful sermon by Rev. Robert Meneilly of the Village Church, Prairie Village, Kans. Bob Meneilly's sermon concerns the impact of the world food crisis on poor and hungry people throughout the world. But more importantly, this sermon concerns the effects of worldwide food shortages on the soul of the American people.

As we approach Thanksgiving Day and prepare to celebrate the bounty of our land, I want to share Reverend Meneilly's thoughts with my colleagues, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

MAN DOES NOT LIVE BY SOUL FOOD ALONE

Staggering! Unbelievable! While many among us are going to Weight Watchers, at least one billion of our neighbors are suffering malnutrition. We worry about our waistlines from over indulgence of rich foods while our neighbors worry about the distended stomachs signaling "starvation in process." One out of five of our brothers and sisters is starving today. While Kansas City strives to become the world's gourmet center, human hunger is the world's greatest problem. At least 10,000 human beings, mostly children, will die this day of starvation. Global hunger problems of disasterous proportions telescope faster than our imagination can race.

When I read what our Harry Jones writes in The Kansas City Star after his visit in Sahel, I am proud of what my country is doing to feed the hungry. I even salute the military for its service to the starving. But when I recognize the fact that the U.S. gives only a fraction of what we gave 25 years ago under the Marshall Plan, I am less than proud. In 1949 we gave toward world relief and development 2.79% of our Gross National Product (GNP) and this year we give only two/tenths of one percent. Sometimes I get to thinking maybe we are selfish isolationists like the world views us. The U.S. spends 20 billion for alcoholic beverages; 13 billion for cigarettes; 5 billion for cosmetics. Thirty-eight billion dollars for those several incidentals, while we spend only 3½ billion to aid the developing countries. We will spend 50 billion to develop one strategic weapon for what we think is our security. That same amount of money could accomplish one quarter of the land reform needed in all the developing countries of the world and make for much greater security.

Each of us might get into touch with reality if we will use our imagination. Picture yourself as the other half lives.

We begin with our typical Shawnee Mission family. We take away the cars; the 2,300 square feet of house and all our electrical appliances, including our TV's, stereos, washers and dryers, garbage disposals, humidifiers, air conditioners and even refrigerators. No running water . . . neither showers nor toilets.

Picture yourself living in a one room hut constructed of mud or straw or perhaps a more sophisticated one made of scrap materials with a dirt floor. Whatever children you have in your family are sick and hungry. Keep in mind one out of four won't live to see his fifth birthday. On an average day the youngsters will have diarrhea. No schools. Nobody in the family can read.

Take away those Frosted Flakes, eggs and sweet roll for breakfast. Take away that steak sandwich, hamburger, peanut butter sandwich, or tossed salad for lunch. Take away that pot roast, asparagus, au gratin potatoes, olives, cold milk and sherbert for dinner. Instead of those three meals, substitute two bowls of tasteless corn meal, rice, or maybe sweet potatoes. Add a little watery paste made of chick peas or maybe some kind of fish sauce, once a day. Come Sunday, a wrinkled chicken split six ways, if you are lucky.

You and everyone else in the family work out in the sun parched field like oxen from morning to night, hoping the crop makes it before you die. And if your little crop does make it, you split fifty-fifty with the landlord or money lender.

You hear rumors there are neighbors who have lots of food, beautiful clothes, nice houses with wood floors, motor cars and a pride that they are self made achievers that anyone else could be if he applied himself. That neighbor of yours believes he has gotten what he deserves for his industry and ingenuity; and you are getting what you deserve for lack of these attributes. Now . . . how do you feel?

If you can take it, let's keep in touch with reality. Here are just a few facts if you can even imagine them.

Robert McNamara, president of the World Bank, reports that 800 million of our neighbors live on 30 cents a day. The poverty level in India is $30 a year income and 80% of the population lives beneath it. We cry about inflation here, while in many parts of the world where incomes are lowest, food costs have gone up 50% in two years. In many places food costs amount to 75 to 90% of a family budget.

The rich nations' rising appetite for meat is pricing basic food supplies beyond the reach of poor people. Rich nations can buy up more and more of the wheat production to feed pigs and cattle. Surely many of our neighbors must see this as "the poor man's grain siphoned off to feed the rich man's cow." What it takes to feed 210 million Americans would feed 1,500 million Chinese on the average Chinese diet. It is said that the foods we waste in this country in one week would feed all China for three days of the week.

The rising affluence of the rich countries means less food for the poor. The average utilization of grain per person in the developing world is 500 pounds per year, most of it consumed directly. In North America, the average is one ton per person of which only 150 pounds are consumed directly in cereals and bread, while the rest is consumed indirectly in the form of meat and dairy products. We feel we have to have five times more agricultural resources than the African or Indian.

If the Arab League is "the oil well of the world" in the energy crisis, the U.S. is the "bread basket of the world" in the food crisis. We need to remember we trebled the price of wheat before the Arabs doubled the price of oil!

Note the population growth. It took us until 1830 to reach our first billion of world population. It took only another 100 years to reach the second billion. It took only another 30 years to reach a third billion in 1960. It is only taking 15 years now to reach our fourth billion next year. We can't feed the people now living, but we have to face the fact of feeding twice our present population in the next 35 years.

The inability of the Third World (the developing countries) to produce adequate food is very likely to lead to all kinds of political turmoil and breakdown in law and order. The Ethiopian government is toppling today and as many as twelve others may topple in the next several months. Starvation used to be the silent way of death. Now, instead of silence, it is coming in the thundering roar of violence. Civil unrest is an automatic fallout of food shortage.

People everywhere have rising expectations because modern communication has removed the screens between the "haves" and the "have nots." A hungry world is a potentially violent and explosive world. People are no longer going to die of starvation lying down, passively, not bothering those nations more richly blessed.

As Americans dedicated to a free enterprise profit motive way of life, we tend to look at things on the basis of "what is in it for me?" If we were as smart as we think we are in our free enterprise system, we would realize people have to have purchasing power to buy our products. If the poor don't have anything what kind of a profitable market is that for us? It is just good, sound economics to invest in the welfare of peoples to maintain a market. What kind of capitalists and industrialists are we to invest only 0.2% of our Gross National Product into these straving nations letting the potential market go to its grave? Dying people don't buy your products!

What does it benefit us not only to be charitable but just in the world? Our surest defense system is investing our resources in the agricultural, transportational and educational systems of the developing countries. Nations with a decent standard of living don't threaten us. Hurgry people are the greatest threat and we put billions into antiballistic missile systems instead of into hungry peoples' self-development as human beings. Fellow Americans, very often we don't make sense, smart as we are!

Some of us aren't very straight in our thinking. Many blame the food crisis on ignorant, over-sexed people. We say why don't they "make love, not babies?" We conclude if that's the way they will be, they will have to suffer the consequences.

We must try to see life as people in the Third World see it. It is all well and good for some of us to be crusaders in Planned Parenthood, but do we ever stop to consider how it must sound to those neighbors in the developing countries? They see our western-promoted population control program as a form of racism the way we act toward certain of our own people. They must see it as economic imperialism with the industrialized countries seeking to eliminate poverty by eliminating the poor.

People in many countries have more children by necessity. They are trying to solve their poverty by having large families. They put the children to work and many families emigrate their sons to cities supplementing the pitifully low family income. In many parts of the world having children is a woman's only hope of finding identity.

From our perspective we might see the population explosion as the greatest single cause of the food crisis but if we were citizens of Mali or the Sudan or Bolivia, I wonder if we wouldn't ask if the cause is not drought or a lack of land reform or unfair trade policies or cheap prices for our raw materials?

From here we view the poor and their high fertilizer responsible for poverty and the hunger crisis. Do we ever stop to consider a person in Prairie Village puts 50 times more stress on the world's environment and consumes 50 times more of the world's nonrenewable resources than a poor person in Calcutta? A Prairie Village citizen uses 350 times more energy fuels than the citizen in Pokwo, Ethiopia. You and I tend to blame the world's problems on the world's poor and unlettered, assuming no responsibility for our own patterns of wasteful and excessive use of precious resources.

The U.S. has the capacity to increase our aid to developing countries without much sacrifice. Presbyterian layman, Robert McNamara, head of the World Bank, said a few months ago: "The church was guilty for a hundred years of failing to take the lead in securing justice for blacks. Must we wait another hundred years before the church makes the nation aware of the needs of the developing world?" If the church isn't going to speak to it, who is? McNamara concluded his much-quoted Nairobi, Kenya, speech in September of last year: "All of the great religions teach the value of each human life. In a way that was never true in the past, we now have the power to create a decent life for all men and women. Should we not make the moral precept our guide to action? The extremes of privilege and deprivation are simply no longer acceptable."

What can you and I do to love our neighbors as ourselves?

1. We can start changing our life style.

We can abstain from meat three days a week without hurting our nutrition or the industry. Thereby Americans could save enough grain to feed 100 million starving people.

We can cut down on fertilizing our lawns, cemeteries and golf courses. American expertise developed the "green revolution" for Asia. The high yield grains require fertilizer and now we put an embargo on fertilizer. So we can keep our lawns lush green the very countries which we educated to depend upon such fertilizer can't get it.

We can think twice before we hop in the car just to wheel around. We can adjust to smaller, less energy consuming cars. We can use car pools. We can start using what mass transit is available.

We can limit ourselves to a healthy 3500 calories and share the valuable proteins we have in over abundance.

We can reconsider what is a reasonable profit to expect from our own investments instead of being dedicated to shrewdness in making a quick handful! Our common greed is disproving the goodness and justice of our free enterprise system in the eyes of the world.

I confess it is most difficult for me to change. I hate returning those Diet Pepsi bottles. I sure like a nice, green yard. I like my luxury Delta 88. I love cookies by the dozen and candy by the pound. I like my climate-controlled home at 72° the year around. I've always wanted my several stocks of Marley, Mid-American and Marion to double and split so I could make a killing on my $1,600 investments some day

The common things you and I can do will be to no avail unless we get the goods we save and the services we have to the people in need.

Therefore . . .

I am going to influence every person I can in the Congress to forget our age-old American policy of sharing our resources on the basis of national interests but to share on the basis of our neighbor's necessities. I am no longer frowning upon our government giving human aid to countries politically unsympathetic with us because I have become sensitive to our Lord's command: "If your enemy hunger, feed him."

I am going to give myself to speaking up for an "equitable distribution of wealth" even though it hurts me and may cause some of my best friends to frown on me mistakingly as socialistic. There can be no peace on earth good will among peoples until we who have more than we need share with those who have less than they need or can get. After all, "The earth is the Lord's and the fullness thereof." Do I have a right under God for me to possess so much more than I really need when my neighbors are starving for want of daily bread? Our problem is not so much how to produce more as it is how to distribute equitably our limited produce. It's not so much getting the Gross National Product up so that everyone can have enough. It's time all of us see our earth has limited resources and global justice depends upon equitable distribtuion of the world's goods.

I intend to re-examine my own personal stewardship of possessions. I intend to plead with Washington to re-examine our country's faithfulnes of stewardship. Surely we could give at least 1% of our GNP. I intend to keep this priority of world hunger before the religious community and give Church World Service the support it needs to demonstrate to the hungry: "God loves you."

Such a sermon on such a critical issue is pitifully inadequate . . . one puny prophet crying in the wilderness of apathy. I can only hope it will provoke your own Christian thinking. If only it aids in making you and me more conscientious and in turn we "conscienticize" the church and community to the value of every human life, it is worth it.

Will you join me, Christian, and do something?

If only your ears and mine would hear our Lord's voice, "Inasmuch as you do it unto the least of these my little ones, you do it for me," maybe we would care enough!

FLORIDA FINDS ERTS VERY USEFUL

Mr. MOSS. Mr. President, I have a short but very informative letter from

Gov. Reubin Askew of Florida in which he states succinctly:

> We have found the information received from the ERTS program to be very useful.

Governor Askew feels, however, that the value of ERTS imagery would be increased tremendously if the quality and speed of delivery were improved.

Mr. President, I ask unanimous consent that Governor Askew's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF FLORIDA,
August 2, 1974.

Hon. FRANK E. MOSS,
Chairman, Committee on Aeronautical and Space Sciences, Dirksen Building, Washington, D.C.

DEAR SENATOR MOSS: We have found the information received from the ERTS program to be very useful. Our Department of Transportation, which is a depository for the ERTS photography, has used it for a variety of projects. These include the mapping of the April 1972 Suwannee River flood, and identification of geological subsurface lines and general land use.

These are but a few of the applications that we have found for these materials. However, with improved quality of imagery and faster service from the EROS Center, their value would be increased tremendously. Unfortunately, the quality of imagery from EROS has always been fair to poor and delivery of the materials range from three to five months. Nevertheless, we feel the program has excellent potential and with improved techniques, better communication, and proper notice to state agencies, much more can be gained from satellite imagery.

With kind regards,
Sincerely,
REUBIN ASKEW, *Governor.*

SUPPORT FOR SECRETARY EARL BUTZ

Mr. TOWER. Mr. President, I am certain that every member of this body is aware of the problems which today are facing the agricultural sector of our economy. While there are admittedly new difficulties, historically, instability within this industry has not been uncommon. And as we have seen in the past, hard times bring criticism to the Secretary of Agriculture. Certainly, Secretary Earl Butz has been no exception, and lately he has been under an especially heavy attack from his critics.

When the record of agricultural advancements during recent years is reviewed, and understood in the light of Mr. Butz' strong leadership, we should be able to recognize that the Secretary has been a worthy and effective spokesman for the farming and ranching community. Criticism is expected by public officials, and indeed it is welcomed. However, I do not agree with those individuals who are displeased with Secretary Butz, and I wish to express to him my continued support.

I ask unanimous consent to have an editorial from the November 11, 1974, Wall Street Journal printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHEERS FOR SECRETARY BUTZ

Although like all of us Agriculture Secretary Earl Butz sometimes slips on precise facts and figures, we can hardly recollect one of his statements with which we did not agree enthusiastically. Even when it angers his farm constituents, Mr. Butz consistently makes the case for a hands-off-the-free-market policy.

Because he does this with dash, wit and crackling logic, it is not surprising that he makes people mad. In fact, by virtue of being nearly alone in rejecting pragmatic politics, he makes more people mad than anyone else in the Nixon and Ford Cabinet. He has opposed food embargoes, food quotas, government stockpiles, price ceilings, price floors and meatless Tuesdays. And because he is always opposing government attempts to interfere with the law of supply and demand, believing as we do that it only makes matters worse, he's often at odds with his colleagues in government who can resist trying.

His latest forays pitted him against the Interstate Commerce Commission, which complained of Mr. Butz' criticisms as "taking a cheap shot at a sister agency of the government without warrant." And in another instance, Mr. Butz found himself cheerfully defending that ubiquitous scapegoat of inflation, the "middleman," against complaints by Treasury Secretary Simon and Albert Rees, chairman of the Council on Wage and Price Stability. In both episodes, Mr. Butz pretty much struck the same note, that the only greedy middleman that must share the blame for rising food costs is the government.

His complaint against the ICC was that because of its regulations 40% of all trucks must return home empty after they deliver their goods. The number is undoubtedly too high; there's been no reliable count on empty trucks. But it is certainly no more misleading than the figure of 4.4% the ICC threw back at him, which relates only to "regular-route common carriers." And Mr. Butz' central idea is unassailable, that to the degree ICC regulations reduce competition, they increase prices at retail.

Agricultural commodities aren't subject to ICC regulation, but what happens when a trucker hauls produce from California to New York? He can haul non-farm goods back to California only if he makes a deal with an ICC-regulated trucker, who charges ICC freight rates. The Californian may be willing to take $1,000 for the job rather than run an empty truck; if the ICC trucker gets $3,000 from his customer, he pockets the difference. There's no empty truck involved, but prices are obviously distorted in the process.

Mr. Butz' defense of the middleman in the food industry is also on the mark, especially courageous in that both farmers and consumers prefer to be told that somewhere between farm and supermarket there are greedy little devils conspiring to inflate food prices. Mr. Rees, the wage-and-price man, worries about a projected 21% increase this year in the price spread between farm and retail, and complains that butter has gone down at wholesale and up at retail. Mr. Simon broods about profits and prices in the sugar industry and promises an investigation. Mr. Butz, who knows how absolutely impossible it is for a million middlemen to conspire to do anything, flatly rejects the notion that there's "unjust enrichment" out there.

He also knows that it is nonsense to think that retail prices can be jawboned, and that it is unworthy of a politician to try to fool the public by yelling at a gathering of supermarket owners. To the degree any of them heed such complaints and accept lower profit margins than are dictated by the marketplace, new entries to the retail industry are discouraged, lessening competition in the longer run.

Sugar profits are unusually high, but only because we're now paying an additional price for a generation of government-imposed quotas on sugar imports. The quotas kept a floor under sugar prices, which reduced both demand and incentives to domestic sugar refiners to expand. With world sugar demand soaring 10% in a year, the domestic refiners don't have to conspire to widen their spreads; it's happening naturally as a result of 20 years of government regulation.

As long as Earl Butz remains Agriculture Secretary, there will at least be one person in Washington who doesn't believe there can be a free lunch. It's to President Ford's credit that he wants to keep him. Pound for pound, he's the best man in the Cabinet.

RESTRUCTURE OF THE PETROLEUM INDUSTRY

Mr. HART. Mr. President, there has been—and will be—a great deal of Band-Aid applying as the Nation seeks to cope with the energy crisis and the skyrocketing prices that are threatening economies across the world.

There would be no harm in that if in the end we would achieve what we want—a sufficient supply at reasonable prices.

In what I think is a most incisive column for the Los Angeles Times, the junior Senator from Wisconsin (Mr. NELSON) suggests that the only real remedy is to restructure this industry into a competitive one.

As he points out:

> The source of the power of the petrogiants is the structure of the industry itself.

That structure can be attacked under present antitrust laws. And the Federal Trade Commission has filed suit against the eight major oil companies, seeking to restructure them.

But at best, that case will run 8 to 15 years.

The only way to get the job done in a reasonable timeframe, as Senator NELSON points out, is for Congress to act.

He suggests:

> Without assessing fault, blame, or liability, Congress must ask whether the petroleum industry's job can be done as efficiently—or more efficiently—by smaller entities. If so, Congress must seriously consider decentralizing such economic giants.

This strikes me as wise counsel and I commend the Senator's column to my colleagues.

Mr. President, I ask unanimous consent that the full text of the column, "Start Antitrust Drive With Big Oil," from the October 15 issue of the Los Angeles Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Oct. 15, 1974]

START ANTITRUST DRIVE WITH BIG OIL?

(By Senator GAYLORD NELSON)

A week ago, when President Ford delivered his economic message to Congress, he announced that he would give high priority to the resolution of our energy problems and to vigorous enforcement of the antitrust laws.

Taking him at his word, I have this suggestion: Let's start with the major oil companies—they are not only large and powerful, but they set prices and exclude competitors through a unique form of industry cooperation.

The source of the power of the "petrogiants" is the structure of the industry itself. It is vertically integrated, but not like any other integrated industry.

Vertical integration usually means that a single company has control of all the vital functions in its sphere of interest. A vertically integrated oil company, for example, would explore for, drill and pump its own crude oil; transport it in company-owned pipeline systems, ships and trucks, refine it, wholesale some of its output, and retail the rest from company-owned stations and other consumer outlets.

There might be greater competition in the oil industry, despite the few firms involved, if each actually operated like that. But they do not.

In the oil industry, the major firms jointly own the largest oil fields, jointly own the pipeline systems, and jointly distribute their products through complex cooperative arrangements.

This brand of vertical integration has several interesting consequences:

It permits the integrated firms to determine whether prices, and therefore profits, should be greater at the point of production, refining, transporting or in wholesale or retail sale. Where do the oil companies elect to take the greatest profit? At the crude production stage, of course, where they can benefit from one of the most interesting and outrageous tax loopholes on the books—the oil depletion allowance.

The industry's particular verticality rewards subsidized inefficiency at some other stage of production. On the retail level, the majors squander money with gimmick giveaways and multimillion-dollar advertising campaigns that attempt to distinguish between products that look alike, smell alike, act alike and are alike.

The point is this: If there were no vertical integration, and if free market forces were operating, each stage would have to be competitive—that is, be as efficient as possible.

Because of their full control of refinery capacity, the petrogiants also have a stranglehold on competition—such as it is.

For example, in 1972, when the demand for increased refining capacity was obvious, the oil companies chose not to expand capacity, and ultimately caused a reduction in the amount of gasoline available to their only real competitors, the independent retailers. Nor would they release enough crude so that the independent refiners could expand. When sources of supply dried up, thousands of independent service stations went out of business.

Obviously, this critical industry must be restructured to restore true competition. The courts have done it in other industries—rarely, to be sure—but in the oil business it would be difficult, if not impossible. So the best answer is federal legislation that requires different, unrelated entities to perform the separate functions of producing, refining, transporting and marketing. In other words, we need to force a vertical divestiture in the petroleum industry.

The oil companies are simply too large. Fortune magazine's list of the 500 largest industrial corporations shows that, of the top 20, seven are petroleum companies.

The Federal Trade Commission recently filed a persuasive case charging that practices of major oil companies violate the monopoly laws. But our probe of this industry should go deeper than establishing whether or not certain companies have violated certain statutes. Do we really want to have businesses as large and interrelated as this?

Even if economies of scale outweigh inefficiencies—and there is evidence that they do not in the petroleum industry—we must consider whether we want fundamental decisions made for the benefit of people or for abstractions like large corporations. Without assessing fault, blame or liability, Congress must ask whether the petroleum industry's job can be done as efficiently—or more efficiently—by smaller entities. If so, Congress must seriously consider decentralizing such economic giants.

The completion of the FTC case, and the appeals it will almost certainly generate, is undoubtedly a long way off, but this is an urgent matter which cannot wait. Petroleum is too precious an asset to be managed by a handful of corporate executives, and the inflationary effect of unreasonably high oil and gasoline prices is taking a devastating toll on our economy—and our society.

When Mr. Ford spoke to the nation a week ago, he appealed to Congress for its help in the battle against inflation—one of the most important components of which is the spiraling price of energy.

In my view, we should give him that help. The best way to do this is through restoring competition to the oil industry by breaking up its vertical monopolies.

BREAKING THE ENERGY POLICY STALEMATE

Mr. STEVENSON. Mr. President, on Tuesday, David Freeman—former director of the Ford Foundation energy policy project and now a member of the Senate Commerce Committee staff—delivered an address at the National Press Club. He pointed out that the United States is no more prepared for another oil embargo today than it was a year ago.

While the White House is repudiating major recommendations of its only attempt at a national energy policy—the Project Independence blueprint—it becomes increasingly clear that it will be up to Congress to fill the leadership vacuum.

I urge my colleagues to read Mr. Freeman's address "Breaking the Energy Policy Stalemate" and ask unanimous consent that it be printed in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Breaking the Energy Policy Stalemate

(By S. David Freeman)

Our high energy civilization seems on the verge of falling apart. The money managers tell us the world-wide petrodollar drain is like a time-bomb, set to go off by next summer and wreck the world's monetary system, unless defused. United States dependence on Arab oil is a cloud casting a shadow of war that limits our role as a peacemaker in the Middle East. Poor Americans can't afford to buy enough heating oil to keep warm this winter. Air pollution from burning huge quantities of gasoline and boiler fuel continues to endanger the public's health. Even dirty energy is apt to be in short supply this winter due to the coal strike, natural gas shortages and the possibility of cutbacks in oil imports. And if we continue business-as-usual, shortages of clean energy threaten to be a key bottleneck in overcoming the recession that now grips the country.

This parade of horrors—which we call the energy crisis—is no secret. The Administration, the Congress, the press and the public are painfully aware of its existence. In fact President Ford and his top aides have been leaders in escalating the rhetoric to a crisis level. But when it comes to the actions necessary to overcome the crisis, the Ford Administration has thus far put on a pitiful display of inaction and ineptitude while following the wait-and-see attitude of its predecessor.

The basic course of action that is required to overcome the crisis is also no mystery. The Energy Policy Project of the Ford Foundation is not alone in recommending energy conservation as the key ingredient. And we are also not alone in believing that mandatory actions by government are needed to make it happen. The FEA's Project Independence blueprint in general confirms our estimates of the potential savings and the need for mandatory actions. Secretary Kissinger has made drastic conservation measures the keystone of his plan for resolving the foreign policy and monetary aspects of the crisis. And all the others in the administration concerned with energy—Messrs. Simon, Sawhill, Train, Peterson, and even Morton—now seem to agree that tough conservation measures are a must. The only vote that's missing is the one that counts.

Let me pause for a second here and state that my views today are purely personal. I do not speak for the Ford Foundation or any one in the Congress. If you want to blame anyone else for my remarks perhaps it should be the President of the Mobil Oil Company who played such a key role in making this talk possible.

The energy crisis we face is not caused by lack of material resources or technology. It is a political crisis. And since the crisis is political, only the political process can solve it.

If there is a rationale for the Administration's current energy policy, it is that somehow a "free market" will match supply and demand better than any actions by government. The problem with that theory is there is no free market in energy. Everyone knows the price of petroleum is fixed by the OPEC cartel, and unless restrained by controls the price of every form of energy would rise to that level. Everyone also knows that in a truly free market there would be very little development of additional oil in this country. Middle East oil production actually costs less than 50 cents a barrel compared to upwards of $10 a barrel for shale and synthetics in the United States. The vague possibility that the OPEC nations may someday cut prices is already inhibiting domestic projects with large capital investments. A truly free market would bring screams of anguish from domestic producers and officials concerned with foreign policy.

In truth a free market in petroleum is a myth. It didn't exist during the 1960's when quotas and prorationing put a floor under domestic prices and it doesn't exist today when the so-called market price is being fixed by OPEC.

Natural gas regulation is a good example of how blind adherence to a free market that doesn't exist dominates Administration thinking. The highest priority legislative item in the President's energy program is, to quote the President, "the long-sought deregulation of natural gas supplies." The words "long-sought" are quite well chosen. The oil industry has been trying to abolish the consumer's protection on natural gas prices for over 25 years. It has taken vetoes by President Truman and Eisenhower (because of a bribe attempt of a Senator by an oil lobbyist) and constant vigilance by consumer state congressmen to hold the line.

The argument in favor of decontrol is that price controls have caused the natural gas shortage. But price controls are really not the prime cause. In fact natural gas production increased spectacularly for over two decades under FPC price controls. It's worth noting that the natural gas shortage parallels the oil shortages, and this is no accident because most gas is found as part of the search for oil. Oil shortages have cropped up despite large increases in the price. Actually the price of new natural gas has doubled in recent years under the FPC. Genuine environmental concerns, and not price controls, are the primary constraint on offshore drilling; and lax administration of the outstanding leases by the Secretary of Interior is depriving consumers of gas that has been discovered in the Federal domain but is not being sold.

FPC price controls are far from perfect and there is a real need for legislation to remove the uncertainty over natural gas prices and provide prices that reflect inflation, so that incentives are sufficient and stay sufficient. But decontrol would in reality substitute the cartel of OPEC nations for the FPC as the price fixer.

Actually, the prospect of decontrol which the President dangles before the producers could be a major cause of our shortage as supplies are being held back for that glorious day when the price would jump from 43 cents per Mcf to some $2.00 per Mcf, the OPEC fixed price for oil. Yes, the President's gas deregulation legislation has the consumer trapped in a Catch-22 sort of situation. It probably makes today's shortages worse and if passed will make tomorrow's natural gas much more expensive.

Blind faith in the "free market" has also led to callous disregard of the impact of runaway energy prices upon the poor. Low income Americans spend 15 per cent of the family budget on energy, compared with 4 per cent for the well-to-do. If these low income families are to continue to heat and light their homes and get to work, they will need government help.

The first principle of this Administration's energy policy is to leave it to the market; and the second is to concentrate on supply, with nothing but lip service for a genuine conservation program. But in an effort to develop every conceivable source of energy supply, regardless of environmental consequences, it is failing to concentrate on the domestic sources that offer the most promise.

The cornerstone of the Administration's supply-oriented policy is to push hard for rapid development of oil and gas in the previously-undeveloped areas off the Atlantic and Pacific Coasts and in the Gulf of Alaska. Never mind that millions of acres of leases in the Gulf of Mexico, where environmental problems are under control, have not yet been developed. The Administration is in effect saying drill now in these new areas and worry about the beaches and wetlands later. It calls for leasing 10,000,000 acres next year, an area far beyond the industry's ability to explore. This rapid leasing of offshore lands to oil companies could turn out to be the biggest "white sale" in our nation's history. The government cannot prevent a giveaway of the federal domain until it has some idea of how much oil and natural gas is out there. Today it does not. The government cannot minimize the recreational and environmental problems inherent in that development until it has detailed knowledge of its impact. Today it does not.

In the recent election, voters in several key states sent Washington a message about their concern for exploiting energy resources in their area without due consideration of the environmental costs. In California the voters elected a new governor who is publicly committed to a go-very-slow approach on offshore oil and gas. In Colorado they elected a new governor who is an outspoken environmentalist and who is opposed to any coal strip mining or oil shale development where the land cannot be reclaimed. In Wyoming they elected a new governor who opposed an elaborate scheme for moving coal slurry out of the state because of the strain it would put on that state's limited water resources. And on the East coast, voters in several states elected new public officials or returned old ones to office who are on record as demanding assurance of environmental protection before development goes ahead. They want to know that the recreation potential and the ecology of the coastal zone will in fact be protected before they will permit development of offshore oil and gas and the accompanying onshore activities—refineries, terminals and so on.

In my view this slow growth trend is the fastest growing movement in America. If we as a nation are to break the energy stalemate, it would be wise for those in Washington who are working on national energy policy to listen to what the voters from California and Colorado to Connecticut are saying.

Perhaps the most baffling failure of current energy supply policy is the lack of a well-planned program to switch away from scarce oil and gas to abundant domestic coal for boiler fuel. Our Project's calculations reveal that as starters we could replace 600.000 barrels/day of imported fuel oil with 60 million tons per year of coal. But unless present air quality laws are enforced such a switch could add thousands of cases of lung disease and death to susceptible children and adults. As long as the President continues to waffle on the timetable for enforcement, company executives are encouraged to delay the purchase and installation of scrubbers and other technology to burn coal cleanly. Perhaps some subsidies and allocation of scarce materials are required to make the switch to coal a reality and to protect lives and lungs. All that can be said at the moment is that here again the marketplace is not functioning to serve the public interest and a federal program to make it happen is sadly missing.

It is on the international front, however, that the President's failure to take decisive action is hardest to explain. The well-orchestrated speeches by the President and Secretary of State Kissinger about the continuing economic perils of $11 a barrel oil have not been backed up by concrete actions to ease our demand for that oil. Vigorous energy conservation in the United States would encourage other oil-importing nations to follow suit. As the Secretary of State's latest proposal makes clear, such action would come closer to reducing prices than all the huffing and puffing that has been going on.

The President is of course not the only actor on the energy scene. State government has a key role. And at the federal level the Congress in the final analysis makes domestic policy. The Congress, which traditionally waits for the President, has been slow to take initiatives. But the energy stalemate is no longer tolerable. We have run out of time. If the Administration persists in its present course, the new Congress will in my opinion have no choice but to move swiftly to break this nation's energy policy stalemate. In the end of course, Congress and the President will have to work together, to make energy policy work.

The first step in getting off dead center is for the Congress to enact an effective energy conservation program and for the President to sign and implement it. By this I mean enacting concrete measures which will supplement market forces by encouraging and, where necessary, requiring more efficient consumption of energy in the United States.

The final report of the Ford Foundation's Energy Policy Project lays out a program for achieving a cut in the nation's energy growth from the 4.5 per cent of the last eight years to about 2 per cent a year. Congress, and where appropriate state governments, should:

Adopt minimum fuel economy performance standards for new cars, so as to achieve an average fuel economy of at least 20 miles per gallon by 1985.

Enlarge the funding for public transportation, especially buses which can be built quickly.

Encourage more efficient space heating and cooling by making credit easily evaluate for energy-saving investments in existing buildings, by setting higher standards for insulation and heating and cooling systems, by helping to upgrade building codes and providing technical assistance to builders.

Shift federal research and development money toward energy conservation technology, and stress government purchases of energy conserving equipment—thriftier cars, tighter buildings, recycled materials and the like.

Encourage industry to conserve energy through prices that reflect the full costs of producing energy and other appropriate measures. This means Congress should eliminate the special tax privileges of the energy industry—oil depletion allowance, expensing of intangibles and special foreign tax credits—all of which constitute subsidies to an already rich industry. It also means abolishing promotional discounts for big electricity users and facilitating on-site generation of power to make beneficial use of waste heat.

Through these and other measures, the nation could bring its energy growth rate down to a more manageable 2 per cent without in any way limiting economic growth, employment or household comforts. This kind of energy conservation program would pay some very handsome dividends for the nation. There would be less investment in new coal mines and oil refineries and drilling rigs and power plants and more investment in energy-saving technologies. The result would be less inflation since investments to save energy are cheaper than investments in getting more. Slower energy growth means that net savings in capital investments over the next 25 years would amount to some $300 billion.

It would also mean that from the present to 1985 the nation could meet energy demand without resorting to developments that threaten grave environmental damage and that threaten the independence of our foreign policy. It would be possible to keep oil imports below today's level and still stop strip mining for coal in the arid West or on steep slopes in Appalachia. Alternatively, the nation could halt new construction of nuclear plants and also preserve the Atlantic and Pacific Coasts from offshore development. In any event we would buy the time to permit all of these energy sources to be developed at a more cautious rate.

On the supply side, Congress and the Executive can take a number of sensible actions which will also help bring our energy budget into balance. Most urgent is the program to enlarge the market for coal, with due care for the land, miners' lives, and everyone's lungs. There are billions of tons of coal to mine in the Midwest where reclamation is feasible, or in deep mines, with rigid enforcement of safety laws.

Congress and the Executive can encourage more recovery of oil from existing wells through a tax or price incentives. They can require public investments in the strategic oil reserves the government owns in California and Alaska, so as to have a ready stock of oil on hand for emergencies. It is hard to believe that a year has gone by since the embargo and we have yet to build up oil stockpiles. The government reserve in Alaska may well contain more oil than has been discovered in the North Slope. But it's of no use in an emergency unless it's discovered, and the investments are made to deliver it to market. Despite all the talk, we are just one year older and deeper in debt.

Even with the annual growth rate in energy held to 2 per cent, the nation's energy supply will need to be 28 per cent larger in 1985, than in 1975. And if that growth rate continues past 1985 then development of some of the more troublesome domestic energy sources will be necessary. For this reason, the Congress should take action now to study the desirability of moving to zero energy growth after 1985. This would require giant strides toward increased efficiency; but it could be achieved with no loss in jobs or economic output. In addition Congress should provide today adequate funds for research and development of cleaner, renewable energy sources for the future. With a good R&D effort, solar and geothermal energy, solid and organic wastes, and maybe, in time, nuclear fusion can supplement the conventional energy fuels in the period after 1985.

In my view Americans are eager for leadership, real leadership that spells out the bad news that the joyride is over, and sets forth a program of energy thrift to assure that sacrifices will be shared equally by all of us.

Political leaders are underrating the American people when they fail to offer them straight talk and tough action to conserve energy. Blind faith in corporate decisions that favor waste and pollution must give way to bold measures to protect the vital interests all citizens have in equitable prices, independent foreign policy and a healthy environment.

SATURDAY REVIEW DISCUSSES PLURALISM AND ETHNIC STUDIES BILL BENEFITS

Mr. SCHWEIKER. Mr. President, in the current November 16, 1974, edition of the prestigious Saturday Review/World, their education editor discusses the increasing interest around the country in the positive benefits of pluralism and ethnic studies in education.

Reference is made to the Ethnic Heritage Studies Program Act, which has made modest contributions to this educational development by focusing national and congressional attention on the subject of ethnicity and pluralism. Many educators are beginning to understand the positive gains to education, to mutual understanding between individuals of diverse backgrounds, and to greater community cooperation and understanding derived from ethnic studies.

I have been proud to be the sponsor of the Ethnic Studies Act, and I ask unanimous consent that this Saturday Review/World education article be printed in the RECORD, for the review of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EDUCATION: LEARNING TO LIVE IN A PLURALIST SOCIETY

(By James Cass, educator editor)

Americans have always boasted about the diversity of their society and the strength that the nation has drawn from the many racial, religious, and cultural groups it includes. But except for annual ethnic parades in urban centers, the occasional enjoyment of exotic costumes and dances, and political rhetoric on patriotic holidays, the reality has been quite different. The primary thrust of our society has been to assimilate the strangers who came to American shores, to erase differences rather than to honor them. The ideal was the "melting pot," in which cultural differences were lost and the schools were seen as the primary instrument for achieving the goal.

Today much has changed. After the thrust, of the black civil-rights movement began to shift from integration to an emphasis on black identity in the late Sixties, a new ethnic consciousness and pride emerged within many groups—not just among the Spanish-speaking and Asian-Americans but among white ethnic groups as well. Increasingly, individuals are seeking their own ethnic or group identity and, in the process, are demanding that cultural differences be accepted and respected—that the rhetoric of our pluralist society be translated into reality. The evidence of the changes that are taking place comes from many directions.

This fall a bilingual children's television program for four-to-eight-year-olds was launched on Public Broadcasting Service stations across the country. Called Villa Alegre (Happy Village), it is the product of Bilingual Children's Television, Inc., a non-profit company based in Oakland, Calif. Conceived by BC/TV's executive director, Rene Cardenas, former businessman and scholar, and passionate believer in the perfectibility of American society, the program takes a lighthearted approach to cultural pluralism. Its intent, nevertheless, is serious: to give Latin American children a chance to see their language and culture treated with understanding and appreciation and to give other children an introduction to the language, the values, and the ways of their Spanish-speaking neighbors to the south.

The program uses a magazine format consisting of short sketches, songs, dances, stories, and games. Villa Alegre explores five major themes and has devoted to each theme 13 of the 65 shows produced to date. The shows built around the theme "human relations," for instance, are designed to help the child understand himself as a member of his family and community. "Food and nutrition" provides understanding of the way food sustains life and promotes growth. "Natural environment" dramatizes the balance of nature and the need to conserve resources and preserve the environment. "Energy" explores the sources of energy, its varied forms, and its many uses. "Man-made objects" examines the way things are made and the varied activities that are involved.

Slipping easily from English to Spanish and back again, the program offers an attractive blend of entertainment and informal education. The multiracial cast of children and adults as well as the animated sequences give clear evidence of the advantage of speaking more than one language and of being familiar with more than one culture. The program does not, however, attempt formal language teaching—there are no word drills or formal translations. Rather, key words and phrases related to the theme of the show are repeated in both English and Spanish in the course of the various songs and sketches.

Villa Alegre is a bright and colorful experiment in teaching for cultural pluralism—and a welcome addition to television programming for children.

An unusual exhibition of children's artwork focusing on the theme "Who Am I?" was presented during September and October by the Newark (N.J.) Museum, with the cooperation of the Essex County Department of Education. The exhibition was the culmination of a project begun last January to encourage children to express in creative art form their feelings of personal identity and ethnic heritage. Remarkable in variety and quality of expression, the exhibition included the work of some 386 children in the first through sixth grades, from 36 schools in the racially and ethnically mixed area in and around Newark. The project sought not only to evoke through an art form children's feelings about themselves, their homes, school, ethnic background, and life around them but also to sensitize teachers to the significance of ethnic factors in education and the emotional aspects of ethnic identity. Other areas of the country might well replicate the project in connection with the national Bicentennial. One of the four major areas of concern of the Bicentennial Commission is that of ethnic heritage.

The American Jewish Committee (165 East Fifty-sixth Street, New York, New York 10022) last month published a new study, *The Schools and Group Identity: Education for a New Pluralism*, which probes the role of the school in responding to the new thrust for recognition and acceptance by minority groups. The study should prove useful for schoolmen and school boards interested in developing programs in the field—and it appears that there is substantial interest in many parts of the country. Implementation of the Ethnic Heritage Act in 1974 attracted nearly 9,000 preliminary inquiries and 1,500 completed applications within a few weeks.

The study describes the varied approches to curriculum development, cites the many resources already available in the field, and discusses state legislatures "as potential sources of additional leadership and money in this area"—an important consideration in view of the modest initial funding of the federal act.

In an introductory chapter, Judith Herman, of the Institute on Pluralism and Group Identity, provides broad perspective concerning ethnic studies in the schools. "Many of us," she writes, ". . . fear that a focus on differences will backfire, will produce fragmentation rather than better intergroup feeling." But she adds that on the basis of studies in the field, "we see that it is the avoidance of differences, pretending they do not exist, that generates confusion and conflict. If we can help children learn that 'different' does not need to imply 'better' or 'worse'—then the schools will be helping to create a new and vital American pluralism."

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in the last few years the world community has been learning the lesson of global interdependence by shock treatments—the oil embargo, mineral resource cartels, worldwide inflation, and now the prospects of global famine. These shocks have been tough medicine for nations weaned on the narrow doctrine of self-interest.

We are discovering that international cooperation is necessary if we are going to meet these challenges.

No less important is the need for a global dedication to the principles of human rights. The founders of the

United Nations recognized its importance. That is why the General Assembly—under U.S. leadership—adopted the Declaration on Human Rights. To implement the lofty ideals expressed in that document, a number of treaties were drafted dealing with a number of issues including slavery, the political rights of women, and genocide.

The U.S. record in ratifying these important human rights treaties leaves much to be desired. This is particularly true in the case of the Genocide Convention—first submitted to the Senate a quarter century ago by President Truman. Although it has received the endorsement of succeeding administrations and numerous groups across the country, the Senate has yet to act.

Mr. President, in the next few weeks the 93d Congress will draw to a close. In these remaining days as we discuss the crucial issues I sincerely hope that we will not forget that human rights should be near the top of the list. I can think of no better action we could take in this area than ratification of the Genocide Convention. I urge my colleagues to join me in this call.

NURSING HOME CARE IN THE UNITED STATES: FAILURE IN PUBLIC POLICY

Mr. MOSS. Mr. President, earlier this week the Subcommittee on Long-Term Care of the Senate Special Committee on Aging released the first in its 12-volume series on nursing home problems. The report says that Federal support for long-term care has expanded dramatically from $500 million in 1960 to $3.7 billion today. It asks the question: What is the Nation receiving for this money?

The report concludes that public policy has failed with respect to the infirm elderly; that medicare and medicaid are ineffective and inadequate in meeting the long-term care needs of the elderly; and that there has been notable improvement in the quality of nursing home care in the past 10 years but there is still much that needs to be done.

This report is the culmination of years of work for the Subcommittee on Long-Term Care. It is the first congressional report on nursing home problems since 1960. In all it is based on some 35 hearings and some 5,000 pages of testimony. The early hearings in 1963, 1964, and 1965 led to major nursing home reforms termed the "Moss amendments of 1967." In 1969 we began a series of 22 hearings entitled "Trends in Long-Term Care" which form the heart of our current report.

Our report is entitled "Nursing Homes in the United States: Failure in Public Policy." As I noted, only the first volume, what we call our introductory report, was released on November 19. Additional reports, which we call supporting papers, will be released monthly. Supporting paper No. 1, to be released in December, will be called, "Litany of Nursing Home Abuses and an Examination of the Roots of Controversy."

The 11th volume in our series is very important. It will contain whatever official statements are made in response to any of its supporting papers. National organizations in the field of aging, and the Administration, will be invited to comment. The 12th and final report in our series will contain our analysis of the comments we received and final recommendations to the Congress; it will be published about a year from now.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD the major findings of the introductory report and the supporting papers to be printed in the near future.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTORY REPORT

Medicaid now pays about 60 percent of the Nation's more than $3.7 billion nursing home bill, and Medicare pays another 7 percent. Thus, about $2 of every $3 in nursing home revenues is publicly financed.

There are now more nursing home beds (1.2 million) in the United States today than general and surgical hospital beds (1 million).

In 1972, for the first time, Medicaid expenditures for nursing home care exceeded payments for surgical and general hospitals: $1.6 billion (34 percent) as compared to $1.5 billion (31 percent).

Medicaid is essential for growing numbers of elderly, particularly since Medicare nursing home benefits have dropped sharply since 1969. Average Social Security benefits for a retired couple now amount to $310 a month compared to the average nursing home cost of $600. Medicaid (a welfare program) must be called upon to make up the difference.

The growth of the industry has been impressive. Between 1960 and 1970, nursing home facilities increased by 140 percent, beds by 232 percent, patients by 210 percent, employees by 405 percent, and expenditures for care by 465 percent. Measured from 1960 through 1973, expenditures increased almost 640 percent.

Despite the heavy Federal commitment to long-term care, a coherent policy on goals and methods has yet to be shaped. Thousands of seniors go without the care they need. Others are in facilities inappropriate to their needs. Perhaps most unfortunate, institutionalization could have been postponed or prevented for thousands of current nursing home residents if viable home health care and supportive services existed. Although such alternative forms of care may be more desirable from the standpoint of elderly patient—as well as substantially less expensive—the Department of HEW has given only token support for such programs.

Despite the sizable commitment in Federal funds, HEW has been reluctant to issue forthright standards to provide patients with minimum protection. Congress in 1972 mandated the merger of Medicare and Medicaid standards, with the retention of the highest standard in every case. However, HEW then watered down the prior standards. Most leading authorities concluded at subcommittee hearings that the new standards are so vague as to defy enforcement.

There is no direct Federal enforcement of these and previous Federal standards. Enforcement is left almost entirely to the States. A few do a good job, but most do not. In fact, the enforcement system has been characterized as scandalous, ineffective, and, in some cases, almost nonexistent.

The President's program for "nursing home reform" has had only minimal effect since it was first announced in 1971 and actions in 1974 fall far short of a serious effort to regulate the industry.

The victims of Federal policy failures have been Americans who are desperately in need of help. The average age of nursing home patients is 82; 95 percent are over 65 and 70 percent are over 70; only 10 percent are married; almost 50 percent have no direct relationship with a close relative. Most can expect to be in a nursing home over 2 years. And most will die in the nursing home. These patients generally have four or more chronic or crippling disabilities.

Most national health insurance proposals largely ignore the long-term care needs of older Americans. Immediate action is required by the Congress and executive branch to improve past policies and programs which have been piecemeal, inappropriate, illusory, and short-lived.

MAJOR POINTS

SUPPORTING PAPER NO. 1—THE LITANY OF NURSING HOME ABUSES AND AN EXAMINATION OF THE ROOTS OF CONTROVERSY

Abuses of patients in nursing homes have been well publicized and well documented. And yet they persist, perhaps because of the belief that they are exceptions to the rule. However, subcommittee transcripts are replete with examples of cruelty, negligence, danger from fires, food poisoning, virulent infections, lack of human dignity, callousness and unnecessary regimentation, and kickbacks to nursing home operators from suppliers.

Estimates on the number of substandard nursing homes in the United States vary widely, but the overwhelming evidence indicates that a majority of the nursing homes fail to meet standards of acceptability.

Nursing home placement often is a bitter confirmation of the fears of a lifetime. Seniors fear change and uncertainty; they fear poor care and abuse; loss of health and mobility; and loss of liberty and human dignity. They also fear exhausting their savings and "going on welfare." To the average older American, nursing homes have become almost synonymous with death and protracted suffering before death.

SUPPORTING PAPER NO. 2—DRUGS IN NURSING HOMES: MISUSE, HIGH COSTS, AND KICKBACKS

According to most studies, the average nursing home patient takes 4.2 different medications each day. However, more recent studies reveal that the average may be seven medications, or perhaps even higher. Prescriptions for nursing home patients typically total $300 per year, more than three times the cost for the noninstitutionalized elderly. In 1972, drugs accounted for 10 percent of all nursing home expenditures—$300 million in all.

And yet, the flow of drugs through many of America's 23,000 nursing homes is largely without controls. It is haphazard; it is inefficient; and it does not help the patient desperately dependent upon others for protection when put in a state of semisleep or outright unconsciousness.

SUPPORTING PAPER NO. 3—DOCTORS IN NURSING HOMES: THE SHUNNED RESPONSIBILITY

Physicians have, to a large degree, shunned the responsibility for personal attention to nursing home patients. One of the reasons for their lack of concern is inadequate training at schools of medicine. Another is the negative attitude toward care of the chronically ill in this Nation. Medical directors are needed in U.S. nursing homes and will be required in HEW regulations effective January 1976. The subcommittee's May 1974 questionnaire to the 101 U.S. schools of medicine indicates a serious lack of emphasis on geriatrics and long-term care:

Eighty-seven percent of the schools indicated that geriatrics was not now a specialty and that they were not contemplating making it one; 74 percent of the schools had no program by which students, interns, or residents could fulfill requirements by working in nursing homes; and 53 percent stated they had no contact at all with the elderly in nursing homes.

SUPPORTING PAPER NO. 4—NURSES IN NURSING HOMES: THE HEAVY BURDEN (THE RELIANCE ON UNTRAINED AND UNLICENSED PERSONNEL)

Of the 815,000 registered nurses in this Nation, only 56,235 are found in nursing homes, and much of their time is devoted to administrative duties. From 80 to 90 percent of the care is provided by more than 280,000 aides and orderlies, a few of them well trained, but most literally hired off the streets. Most are grossly overworked and paid at, or near, the minimum wage. With such working conditions, it is understandable that their turnover rate is 75 percent a year.

One reason for the small number of registered nurses in nursing homes is that present staffing standards are unrealistic. The present Federal standard calls for one registered nurse coverage only on the day shift, 7 days a week, regardless of the size of the nursing home. By comparison, Connecticut requires one registered nurse for each 30 patients on the day shift, one for every 45 in the afternoon; and one for each 60 in the evening.

A serious national shortage of nurses still persists, despite training programs.

SUPPORTING PAPER NO. 5—THE CONTINUING CHRONICLE OF NURSING HOME FIRES

In 1971, there were 4,800 nursing home fires; 38 persons were killed in multiple death fires and some 500 more in single death fires. An estimated $3.5 million loss was directly attributable to nursing home fires.

Nursing home patients are especially vulnerable to fires. Many are under sedation or bound with restraints. Physical infirmities and confusion often cause resistance to rescue.

There is reason to believe the number of nursing homes failing to meet fire safety standards is actually increasing.

In 1971, the General Accounting Office reported that 50 percent of U.S. nursing homes were deficient in regard to fire safety. A January 1974 study by the U.S. Office on Nursing Home Affairs said that 59 percent of skilled nursing facilities are certified with deficiencies. HEW spokesmen indicated that in excess of 60 percent of intermediate facilities do not comply with existing standards. The requirements are on the books, but they are not heeded. Even more dramatically, the GAO 1974 study indicates 72 percent of U.S. nursing homes have one or more major fire deficiencies.

SUPPORTING PAPER NO. 6—WHAT CAN BE DONE IN NURSING HOMES: POSITIVE ASPECTS IN LONG-TERM CARE

It is unjust to condemn the entire nursing home industry. There are many fine homes in America. A growing number of administrators are insisting upon positive approaches to therapy and rehabilitation, innovations in physical structure of the physical plant; employee sensitivity training and cooperative agreements with local schools of nursing; and even self-government and other activities for the patients.

"Ombudsmen" programs have been established by Presidential direction and are making some headway. In some States, the nursing home industry has launched an effort to upgrade its facilities by establishing directories, rating systems, and a "peer review" mechanism. These efforts offer the prospect of improving nursing home conditions if conducted in a vigorous and effective manner. In Chicago, nursing homes have a "cool line" telephone number for relatives, visitors, or patients who have complaints.

SUPPORTING PAPER NO. 7—THE ROLE OF NURSING HOMES IN CARING FOR DISCHARGED MENTAL PATIENTS

Thousands of elderly patients have been transferred from State mental institutions to nursing homes. The number of aged in State mental hospitals decreased 40 percent between 1969 and 1973, according to subcommittee data, dropping from 133,264 to 81,912. This trend is caused partially by progressive thinking intended to reduce patient populations in large impersonal institutions. Another powerful reason, however, may be cost and desire to substitute Federal for State dollars. It costs the States an average of $800 per patient per month to care for mental patients in State hospitals while these same individuals can be placed in boarding homes at a substantially reduced cost. Charges of "wholesale dumping" of patients have been made in several States. Acute problems have been reported, most notably in California, Illinois, and New York.

SUPPORTING PAPER NO. 8—ACCESS TO NURSING HOMES BY U.S. MINORITIES

Only 4 percent of the 1 million nursing home patients in the United States are members of minority groups, even though their health needs are proportionately greater. Part of the problem is caused by cost obstacles or lack of information about Medicaid. Discrimination is the greatest obstacle to greater utilization by blacks. But discrimination need not be overt; often relatives are made to feel that their parent or grandparent would not be made comfortable. In the case of Asian-Americans and Spanish-speaking Americans, language barriers often cause insurmountable difficulties. Cultural and other problems, including rural isolation, cause problems to American Indians.

Members of minority groups at subcommittee hearings have been sharply critical of the Nixon administration's nursing home "reforms." They protested the "arbitrary and punitive" closing of a few minority owned nursing homes that do exist and the absence of assistance to help upgrade standards.

SUPPORTING PAPER NO. 9—PROFITS AND THE NURSING HOME: INCENTIVES IN FAVOR OF POOR CARE

Profits by nursing homes have occasioned serious and persistent controversy. Nursing home administrators say that Medicaid reimbursement rates are low and that they can hardly become the basis for profiteering. Critics say that the economics of nursing home operation, supported in such large measure by public funds, should be examined more closely and publicly than they now are.

On the basis of available evidence, including a subcommittee survey made in 1973–74, the subcommittee has found that the 106 publicly held corporations controlled 18 percent of the industry's beds and accounted for one-third of the industry's $3.2 billion in revenue (as of 1972). Between 1969 and 1972, these corporations experienced the following growth: 122.6 percent in total assets; 149.5 percent in gross revenues; and 116 percent in average net income.

One recent HEW study, however, shows marginal rates of return in a sample of 228 nursing homes. Thus, the issue is far from settled. But a joint study—conducted by the General Accounting Office and the subcommittee—suggests significant increases in total assets, revenues, and profits for individual operators as well.

Mr. MOSS. Mr. President, the report speaks for itself but there are a few points that I would like to emphasize.

First, the purpose of this report above anything else is to spur consideration of expanding nursing home coverage within the context of national health insurance legislation. In 1965 we made the mistake of bypassing comprehensive nursing home coverage. Our 20–20 hindsight tells us this was a mistake and served to fill hospital beds with people who could be treated more appropriately and at less expense in nursing homes, or through other, less expensive means.

Second, there are many fine long-term care institutions in America. In a way we do them an injustice because so much of our report deals with those who abuse the system or who offer inadequate care. Our sixth supporting paper deals with innovative practices at good homes, with the hope that others will learn from their example. These fine homes, which unfortunately are in the minority, tell us that there is no excuse for poor care.

Third, I hope the nursing home associations will respond positively and constructively to this report. I know that one association recently felt it necessary to change its name from the American Nursing Home Association to the American Health Care Association. It also increased the dues on its members and added a special one-time tax. The association hopes to raise some $350,000 or more which it plans to use on a full-scale public relations campaign in 1975. I will be especially interested in how the association uses these funds, the majority of which are after all derived from the taxpayers.

Fourth, the Department of Health, Education, and Welfare has been singled out in our report for its lack of effective attention to nursing home matters. There have been some ups and downs over the past 7 years. Many of us have had hopes but been disappointed too many times. In particular I am distressed that Under Secretary Carlucci is leaving the Department. His efforts were the one bright light in a Department characterized by neglect, indifference, and ineptitude. I can only hope that the new guard in HEW will give due attention to nursing home problems. I renew my pledge to work together with them.

Fifth, I do not want to leave the impression that no legislation will be introduced before the 12th and final volume is printed next year. We have introduced legislation over the past 3 or 4 years which we will refine and reintroduce in the next Congress. As we find opportunities for pushing this and other legislation, we will do so.

My last point is implied from the discussion of the failures of HEW. Nursing homes are at the cross-roads. Will the negative news stories continue, or will nursing homes take their place as accepted members of the health care continuum? It is my hope that all of us—the Congress, the Executive, and the nursing home associations—can work together to fashion a national policy with respect to the infirm elderly. It should be a policy that is farsighted, that is predictable; one that takes into consideration the diverse needs of infirm older Americans and one which meets these needs.

THE TRADE REFORM BILL

Mr. JAVITS. Mr. President, as we all know, the last obstacles to full Senate consideration of the Trade Reform Act have now been cleared away and the bill can be on the Senate floor in the very near future.

This legislation will give the President carefully circumscribed authority to negotiate trade agreements with our principal trading partners. The President has been without this authority since 1967 and assuming that the Trade Reform Act passes the Senate in December and is signed into law, major international trade negotiations should open in Geneva next year.

In a recent address before the National Foreign Trade Conference, Ambassador Harald Malmgren, who serves as Ambassador William Eberle's Deputy, outlined some of the new issues which will be before our negotiators in Geneva.

I commend this speech to my colleagues in the Senate, and emphasize in particular his warning that—

> During times of world economic sickness, countries including our own tend to look inward. But let the history of the Smoot-Hawley tariff remind us that inward looking trade protectionism can have disastrous consequences, extending beyond the economic realm to our most sensitive political relations. And let us remember the truism that those who do not learn from history are condemned to repeat it.

Mr. President, we face a world economic crisis. Only a coordinated and cooperative approach to our problems can help us to avoid economic isolation and its dire consequences. I ask unanimous consent that Ambassador Malmgren's speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NEW ISSUES FOR TRADE NEGOTIATIONS

(Address by Ambassador Harald B. Malmgren)

Three centuries ago, John Dryden wrote—"War is the trade of kings." Today, in a period of relative peace militarily, we see more and more signs that trade is becoming the war of kings in time of peace.

One of the great virtues of the GATT was the fact that since its beginnings in the late 1940s, it worked in a way which depoliticized trade questions. As often as possible, when disputes arose between governments, an effort was made to move away from high-level political confrontation to discussions among pragmatic technicians meeting in Geneva. There was a common perception among these people that beggar-thy-neighbor policies followed by any nation would induce other nations to follow the same path, leading to nowhere but mutual economic self-destruction.

And so we saw a period of relative tranquility in trade relations, marked by a series of negotiating efforts to dismantle the quotas and high tariffs which existed at the end of World War II, and by the parallel building of a payments system which facilitated the freer flow of commerce. Occasionally, there were sharp divergences of view, and noisy exchanges of accusations between capitals about various national policies and actions. But on the whole, progress towards a more open economic system continued.

After the last elements of the Kennedy Round trade talks were put together in May 1967, trouble began to reappear on the trade front. Great pressure was felt from Congress to change course, and to adopt more protectionist policies. As bilateral trade imbalances swelled, and dollar buildup in foreign markets became increasingly criticized, and exchange rates held steady against a tide of structural adjustments among the major trading nations, this inward-looking orientation of many domestic groups became a more and more serious factor in planning the future of U.S. policies. The rhetoric of the late 1960s concerned the possibility of trade war. The dangers of economic isolationism were not widely understood, and protectionist sentiment mounted.

In response to these various forces, major changes took place in the monetary system, particularly in the management of exchange rates, and in the management procedures among governments in dealing with monetary problems. These changes, it will be recalled, followed a series of monetary crises which shook the very foundations of the international economic system. On the trade side, the pragmatists in the GATT system felt that the best defense was a good offense, and a major "Work Program" got underway in November 1967. This led to studies of what the remaining trade problems were, and to assessments of priorities among nations. In the U.S., this dilemma of choice between moving forward and moving backward was resolved by a decision to seek new trade negotiating authority.

You should recall that the seeking of a new Trade Reform Act and new global trade talks was considered as one essential element of a broader array of actions necessary to modernize the world economic system. It was not an idea conceived in a vacuum. And today, as we approach the end of 1974, it can still not be looked at separately from all the other actions needed domestically and internationally to adapt our economic system to the new realities.

But some people will say that trade relations are no longer critical. They will point instead to rampant inflation, or to signs of global recession, or to governmental balance of payment problems and a high degree of shakiness in private financial institutions. These issues, some will argue, are so pressing that trade problems fade into the background.

But then there are other forces at work too, forces based upon manipulation of trade for political and narrowly nationalistic ends. Oil is not the only example. In Washington, we distinguish "detente economics" from the trade and payments problems of the Western economies, and treat economic relations with Communist nations as political questions to be dealt with separately from the mainstream of economic policy. Certain elements in Congress observed this practice, and carried it further, with the use of legislative provisions in a trade bill to influence social actions in the Communist countries.

In the 1970s, the use of trade as a weapon or a lever to alter policies of other nations is becoming a fashionable idea once again. Even the pricing of goods in international commerce is being looked at in relation to various objectives—including its influence on political alignments and business power arrangements. In the 1970s, protectionism has lost its simplicity.

The consequences of trade disputes are better understood among politicians as well as diplomats, among consumers as well as producers. And looking at the economic and political forces at work, we are becoming a little more sophisticated in our thoughts. It has, for example, become commonplace in the mid 1970s to say that we are now living in an era of increasing global interdependence where each nation's internal circumstances are affected by events in other parts of the world. We are also increasingly paying lip service to a dimly perceived link between economic and political issues in foreign policy. We hear in rhetoric more and more that energy policy, monetary policy, fiscal policy, food and development policy, and investment policy have to be devised in a manner which reflects international realities. And we hear more and more pleas from Congress, businessmen, and academics for more coordination and interweaving of our foreign economic policies in the fields of trade, monetary affairs, food and development policy, transport services, investment policy and the rest.

Yet, frankly, we have done very little about these concerns, either substantively or organizationally. Bureaucratic motives still play a major role in the U.S. government, working within the old compartments of policy. While bureaucratic motives are often a needed part of our democratic system of checks and balances, their continuation in a framework of organization suitable to the 1940s and 1950s is a danger to us all. And Congress will urge quick action, yet move painfully slowly to provide the tools needed for action—as has been the case with the Trade Reform Act.

Bureaucratic friction and slowness to act is true of other governments around the world. We have no monopoly on it. We are, for better or for worse, stuck with inertia in our social systems. No one shove will create momentum in all areas. The issues are numerous and complex. Consensus is difficult to shape. Bold and surprising proposals based upon individualistic initiatives cannot be very effective. A common effort, based on widespread support at home and abroad, is the only way to develop a moving inertial force in our highly decentralized economic and social systems.

Recognition of this need for finding consensus and creating a broad momentum underlies what has happened rather quietly in the trade field in the last few years. Although the meeting of Ministers in Tokyo in 1973, to launch formally a new coordinated trade effort, did not make headlines for more than a couple of days, a great deal of work was set in motion in Geneva.

In the trade field, there is still a strong feeling among high trade officials in the capitals of the major trading nations that trade negotiations have to be gotten underway, in spite of the economic and political turbulence we now face. Indeed, many of these officials will argue today that precisely because of coming trouble, the governments of the big trading nations have to lock themselves together in a negotiating framework, to control the short-term pressures as well as to reshape the trading system to meet and deal with the new forces.

This feeling of urgency is not exclusive to the biggest traders, however, for these countries in turn believe the developing nations, and the non-market nations, and indeed, everyone, need to be drawn into the process of negotiating a better commercial system.

The objectives and the priorities of trade negotiations are likely to differ from those in the past, both because more countries must be involved, and because the problems which need to be dealt with are more complex. The focus on dismantling bilateral quotas and reducing general tariffs in the first 25 years after World War II was appropriate—but now the nontariff actions of governments have moved to center stage. And there are other new roles which have to be worked into the script of the unfolding drama of man's world economic system.

Let me take, as a first example, the question of nontariff barriers. This is not as simple as it is familiar. Most of us want to do something to reduce the burden of nontariff barriers on international commerce. That has become a motherhood objective. But once one gets down to the specifics, the going gets rough. The reason is that there is a large grey area between what governments can agree is right and what is wrong. Many people favor some kind of tight circumscription of national powers to grant export subsidies—but there is little agreement about what internal aids to industry might have the effect of promoting exports. Do local tax assistance measures which encourage investment in export-producing plants violate the rules? Where does the legitimate boundary of national and local sovereignty stop? Most people favor more open procurement policies by governments, to help keep budgets and taxes down and to obtain efficiently produced, high quality goods in competitive circumstances. But a new international set of rules on procurement policy will involve limiting national freedom in regional development policies and industrial and technological policies. If it is to be effective, it will involve jurisdictional disputes between governments and quasi-governmental bodies, and between central and local governments in most countries. In these priority areas for negotiation we are really talking about finding some internationally agreed means of channeling national government decisions so that they do not conflict internationally. We are talking about a degree of concentration of national economic policies, with some ongoing scrutiny of each other's actions in future years. We are talking, in other words, about the legitimate boundaries of national sovereignty.

And in the field of standards—where new standards can easily be used to block imports—we have ambiguities in attitudes about how far our national actions should be influenced by international commitments and by the existing circumstances in other countries. Can we learn to live with international rules which may constrain the freedom of action of our standard-setting bodies?

In the area of food, the issues are becoming even more complex. The world has been jolted by bad agricultural luck coupled with rising populations and general inflation. The lack of world food carryover, or food stocks, now poses a grave near-term threat to some nations.

On the trade side, when a government is asked to liberalize access to its food market, the Minister of such a government frequently says nowadays that it is hard to justify liberalization politically, even to consumers. If there is liberalization, there will be greater dependence on imports. If a nation becomes more import-dependent, how can it know that supplies will be made available in time of need, when supplying nations may be preoccupied with problems of their own? So traditional buyers are, not surprisingly, asking for assurances of supply. And assurances of supply will be linked to access to markets, in terms of quid pro quos.

The world's leaders also talk of building world reserves—and there has been a fair amount of agreement this is necessary. But the really hard questions lie ahead. The relatively easiest question is how to finance reserves. The tough questions include when to build them up and when to draw them down—because either action has a marked effect, an effect on food prices to consumers as well as on earnings of farmers. And then we must ask who shall hold reserves, and where.

But there are even tougher questions than these to be faced. If a number of countries decide to work together, to build reserves and cooperate in assuring stable supplies, they will have to do something about those nations who do not join the scheme. A pooled insurance fund, jointly supported, is meant to benefit those who devised it and paid for it. In time of shortage, the non-participant cannot be given a free ride, because to provide equal treatment for non-participants would eliminate the incentive to join a common reserve management scheme. Moreover, producing and distributing food efficiently around the world requires information exchange and mutual consultation on policy changes—otherwise, a common food effort becomes a free-for-all.

So there must be a club of cooperators, and an outside category of non-cooperators in food management. This poses the stark political fact that traditional non-cooperators, such as the Communist countries, will need to find a way to participate or they will have to be treated as residual elements in the market, to be discriminated against when times are tight.

This political problem of separating cooperators from non-cooperators will come up in other fields—in raw material deals, and in writing new trading codes to cope with nontariff barriers. The forceful logic of the MFN principle simply cannot apply with equal force in the next few years, and this fact will have untold political and economic effects.

A closely connected issue is the relationship of countries outside the multilateral trading system to the multilateral trading system itself. The increased economic strength and increased participation in the international economic system of two groups of countries—the major oil producing countries and the Communist countries—means that we now must cope with economically powerful entities which do not adhere to the international trading rules incorporated in the GATT. This makes it necessary for us, and for them, to review the terms under which these countries participate in international trade. It is easy to forget that the present GATT system works because countries accept a wide range of conventions and informal understandings that are not necessarily spelled out in great detail in formal rules. These conventions are accepted, in part, because they are derived from an economic philosophy that has been shared by the major countries; in part, they are accepted out of a common recognition that the system otherwise wouldn't work. We cannot automatically assume that nonmembers that engage in economic transactions with members will automatically accept these conventions and understandings.

The multilateral trading system is based on the assumption that economic transactions among countries are generally carried out by private enterprises operating within a framework set by the national government. The rules of the trading system are designed not to control the behavior of firms, who act on the basis of their own economic self-interest, but the policy-making behavior of governments. In the case of the Communist countries, and to a large extent also in the case of the oil producing countries, it is the state itself which engages in economic transactions, and it can do so either on the basis of economic motives or political motives. This creates two problems. First, the state acting as a single decision-maker can yield more market power than the individual firms it may confront in the marketplace, and this may give it undesirable advantages in certain situations. Second, when the state engages in economic transactions for political motives, it could from time to time exert a destabilizing effect on markets, and thus threaten the viability of the markets involved.

We need to examine carefully the extent to which the increased participation of nonmembers of GATT threatens the viability of the multilateral trading system, and what safeguards may have to be introduced to minimize the chance of disruptive behavior. This may involve improved monitoring of the activities of such countries in our markets. It may also require the development of new types of arrangements and understandings with these countries which define acceptable ground rules for their participation in a reformed international market system, and mechanisms for the enforcement of these ground rules. While I do not have any detailed proposals for such ground rules, I would expect that any arrangements would have to include agreed ground rules, cooperation in sharing information about future export and import trends, and criteria for establishing economic injury.

We have had some recent examples where non-members of GATT engaged in market transactions that were potentially destabilizing in the context of supply shortages and tight markets. Given the phenomenal increases in the financial resources of the oil producing countries, and the considerable resources and decision-making freedom of the major Communist, non-market countries, we can expect to see similar problems in the future.

I have already noted that questions of food supply will prove particularly difficult. So will the issues involved in managing supplies of other products—especially raw materials. Export restrictions have come upon us for many reasons, with many different objectives. How do we deal with export control and supply access issues? First, we shall have to analyze carefully the motivations which governments have for imposing supply restrictions, so we may be able to identify some alternative ways by which governments can achieve their objectives while minimizing the economic injury to other countries. Secondly, we shall have to analyze the relative interests of different countries to see what kinds of deals can be struck, what kinds of commitments could be exchanged to provide reciprocity of advantages.

Whatever understandings are worked out, they have to deal with the differing motivations which have led governments to impose supply restrictions—alleviating severe domestic supply shortages, preventing erosion of domestic price controls through increased exports, furthering the development of domestic processing industries, conservation of exhaustible resources, improving the terms of trade, stabilizing export earnings, weakening potential enemies, and pressuring other countries into making political concessions.

Not all of these motivations are equally shared by different countries, nor would they apply equally to all internationally traded commodities, and therefore, a variety of approaches may be necessary to meet everyone's needs and interests. For instance, one set of commitments might apply to agricultural products, subject to large fluctuations in supply. Another set of commitments might apply to raw materials which require extensive processing. The countries which adhere to any particular set of commitments may vary. Some commitments could be very general, involving perhaps only acceptance of some very broad principles and an obligation to consult. Other parallel commitments could be very specific, involving perhaps agreements to sell specific amounts of given commodities under specific circumstances.

The use of export controls or the use of any other trade restrictions for foreign policy or national security reasons raises some particularly difficult questions which we will need to address. The existing rules of the GATT provide for rather broadly defined exceptions, permitting the use of trade restrictions for both foreign policy and national security reasons. These exceptions have not been much of a problem until recently, however, since governments used these exceptions sparingly and only under fairly narrowly defined circumstances. This worked because the most important countries which belonged to the multilateral trading system had a relatively homogeneous political outlook and shared many of the same general foreign policy objectives. This has now changed because countries with different ideological perspectives have assumed greater importance in the trading system. They may not have the same incentives to use equal restraint in the use of trade restrictions for foreign policy or national security purposes. We will, therefore, have to review carefully whether the benefits to us of being able to use such measures freely outweighs the advantages we might gain by obtaining international agreement on a narrower definition of legitimate reasons for imposing export restrictions.

Thus, we face new issues, and a wider range of national, political interests than has heretofore been understood, in any new effort to reform or modernize the world trading system. Those who argue that such an effort is not necessary because bigger issues have taken over—the oil price crisis, the food crisis, and so on—do not fully grasp what the trading system is, and how it works.

Because problems in this area are politically changed, they are best dealt with in low key, in the quiet of technical talks in Geneva and around the capitals of the world. That has been our approach in preparing for the future—calm, quiet, persistent effort. But if we do not get going in this way, and if we have to work without a Trade Reform Act, then my own judgment is that there will be trouble in the world trading system, and that this trouble will be far more severe because of the simultaneous pressures of inflation, oil prices, food needs, supply adjustment problems, and domestic unemployment and recessions. In other words, if you choose to say that the time is not right, and that other problems are now more pressing, I will reply that ignoring the need to work on the trading system will make every other problem you see become worse.

In my opinion, the world economy is sick. And during times of world economic sickness, countries including our own tend to look inward. But let the history of the Smoot-Hawley tariff remind us that inward looking trade protectionism can have disastrous consequences, extending beyond the economic realm to our most sensitive political relations. And let us remember the truism that those who do not learn from history are condemned to repeat it.

The sickness of our world economy is the result of many diseases and ailments afflicting us simultaneously. Treating one set of symptoms will not make us much better. We have to work on all fronts at the same time—monetary, trade, oil cooperation, and elsewhere.

And if we accept this, we must also recognize that much politics is involved, as I have tried to show in explaining the new issues for trade negotiations. But the politics will be there anyway, with a vengeance, if we do not set out to improve the trading system—and, if we are not very careful, we will find that trade does become the war of kings in time of peace, but that the kings of tomorrow will not be the kings of yesterday, and the battleground may be our economies.

MARYLAND HAS PROVED ERTS' WORTH

Mr. MOSS. Mr. President, the State of Maryland has been actively involved in the ERTS program and feels that its role in an integrated planning program has been proved.

Gov. Marvin Mandel has given me several specific suggestions about the continuation of the program, but here is what he says about it now:

> We in Maryland are well aware of the benefits and potentials of the Earth Resources Technology Program. As investigators with ERTS–1 data, the Maryland Department of State Planning has proven that there is a substantial role for ERTS and other remotely sensed data in an integrated planning program.

Mr. President, I ask unanimous consent that Governor Mandel's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE DEPARTMENT,
Annapolis, Md., Aug. 12, 1974.

Hon. FRANK E. MOSS,
Chairman, Committee on Aeronautical and Space Sciences, U.S. Senate, Washington, D.C.

DEAR SENATOR MOSS: We in Maryland are well aware of the benefits and potentials of the Earth Resource Technology Program. As investigators with ERTS–1 data, the Maryland Department of State Planning has proven that there is a substantial role for ERTS and other remotely sensed data in an integrated planning program.

I feel that three substantial points must be made in line with the two proposals before your Committee, the intent of which I concur.

First, there should be a continual and undisrupted flow of both ERTS and high altitude imagery to a broad user community. (A backlog of a month at the Sioux Falls facility is a significant disruption for many users of ERTS).

Second, that every effort needs to be made to increase the imagery resolution of an "operational" ERTS from that of the "experimental" ERTS. Resolutions similar to those produced by the Skylab project might significantly reduce our needs for supporting high altitude photography.

Third, I concur with the specifics of S. 3484 which would place within the Department of Interior, the Earth Resources Observation Administration. It has been the experience of the Department of State Planning that the National Aeronautics Space Administration (NASA) system is one pervaded by technology, with little experience and/or responsiveness to problems and techniques that are not or do not reflect "pure" science.

I hope you find these comments of interest. By carbon of this letter, I request that Vladimir Wahbe, Secretary, Department of State Planning, forward a copy of this final report to NASA which is to be completed during the early Fall of this year. If you have any specific questions, you may wish to contact Secretary Wahbe or his staff.

Sincerely,

MARVIN MANDEL,
Governor.

LOTTE JACOBI—"DEAN OF PORTRAIT PHOTOGRAPY"—HER PORTRAITS ARE ON VIEW AT THE WASHINGTON GALLERY OF PHOTOGRAPHY

Mr. McINTYRE. Mr. President, there may be as many photographs taken in Washington as in any city in the world.

One need only step outside this Chamber to see the thousands of cameras in the hands and hanging from the shoulders of the many welcomed visitors to the Capitol.

Added to these thousands of photographers are the scores upon scores of professional photographers from the press, Government agencies, and many other groups and associations.

The vast majority of the millions of photographs taken here each year could hardly be classified as art. They are taken to remember a particular view, or a particular building, or to show the family standing in front of an historic site to show people back home that you really were there.

Other tens of thousands of photographs are taken to record significant events, congressional hearings, executive branch announcements and the thousands of convention meetings which take place here each year.

But, photography is, at the same time, being increasingly accepted as an art form. It is still in swaddling clothes when considered alongside the art in the Mellon Gallery, the Hirshhorn Museum, the Freer Gallery, and the many other citadels of art in Washington. When photography will shed its baby fat and begin to grow to manhood is not for us to say now, only history will answer this.

Of particular interest in this regard is the fact that at the moment the Corcoran Gallery of Art is featuring a display of the magnificent photographs of Ansel Adams which are truly works of art. The Luna Gallery in Georgetown is displaying early photographs of the Western pioneers.

And here on Capitol Hill just a few blocks from this Chamber the Washington Gallery of Photography is displaying portraits of many distinguished Americans taken by Lotte Jacobi of Deering, N.H., who I am proud to claim as a constituent and a friend.

This remarkable lady, who is beginning her eighth decade, is often called the "Dean of Portrait Photographers." The Washington Post said recently:

> Her work is a commentary on our time in that it conveys the essential personality of such leading persons as Albert Einstein, Allen Walsh Dulles and Margaret Mead. The show is a remarkable success.

Lotte's photographs are all artistic delights. They are a great mirror of many of the great leaders of culture.

I urge my colleagues to take the few minutes necessary to drop by the Washington Gallery of Photography to view Lotte Jacobi's "commentary on our time."

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial of November 19, entitled "Photography in Washington."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PHOTOGRAPHY IN WASHINGTON

More pictures are taken in Washington than in any other city in the country. Virtually every visitor over six years old is armed with a camera, and our scenery is, of course, most photogenic. As someone remarked: "Photography is frozen architecture." This city, furthermore, is much preoccupied with recording (or erasing) history and creating (or deflating) images. Most government agencies, union and trade associations in town have platoons of photographers in their employ to record their work and imagery. There is a large and talented corps of press photographers and even an official palace photographer. It was President Lyndon Johnson who created the position of White House photographer in the White House. His successors have kept one there ever since.

What is more, virtually every private Washington art gallery now shows us in special exhibits that there is more to photography than keeping a snapshot record or putting a smile on the image. Photography is ever more firmly established as an art and nowhere is there as much interest in this art as in Washington. Famous photographers, such as Timothy O'Sullivan, Edward Steichen and Robert Capa are becoming as well known hereabouts as famous painters, such as John Singer Sargent, Stuart Davis and Jackson Pollock. Young Washingtonians now collect photographs—and not only because, like graphics, they are a relatively inexpensive way to own an outstanding work of art. The photographic image also holds a special fascination to them.

Two current exhibitions demonstrate the enormous range of that fascination. One is entitled "Western Landscape Photography" which opened Nov. 16 at the Lunn Gallery in Georgetown. It is a historic review of camera pioneering in the land of the pioneers. The show culminates in the lyrical drama of Ansel Adams landscapes. The other exhibit is taking place at the year-old Washington Gallery of Photography on Capitol Hill and shows the work of Lotte Jacobi, the dean of portrait photographers. Her work is a commentary on our time in that it conveys the essential personality of such leading persons as Albert Einstein, Allen Welsh Dulles and Margaret Mead. The show is a remarkable success.

But there is a paradox in Washington's—and the nation's—photographic picture. What with more and more people not only snapping away but also attending the growing number of photography courses everywhere, visiting photographic exhibits and buying worthy prints and books, photography is surely the most popular art in the country. But it is also the most neglected. Photography is rarely discussed, let alone critically reviewed in public print. Only a few museums, notably the Museum of Modern Art in New York and lately also the Corcoran Gallery in Washington, systematically collect and display photographs. Most museums ignore them and the National Gallery has never publicly shown its Stieglitz "key set" collection, which contains one or more prints of the master's 1,450 negatives. The Gallery has no plans for a Stieglitz exhibition before 1978 or 1979.

The National Endowment for the Arts is giving much attention and some money to serious young photographers. But there is a danger that the history of the art, and the unique historic record it provides, are scattered and largely lost. There is only one university chair in the art history aspects of photography, recently established at Princeton. The Library of Congress' Division of Prints and Photographs is doing its best to maintain a national photo album, as it were, but it receives little support and depends entirely on gifts. The National Archives are the depository of all government photographs, but most of them are dumped in poor condition. The enthusiastic Archives staff is too small and lacks the funds for proper cataloging and preservation.

It is strange. The art gallery price of cherished photographic prints has increased as much as tenfold in recent years. The government and museum establishments, however, still do not consider photography valuable.

CARGO PREFERENCE BILL

Mr. CURTIS. Mr. President, as I reported the other day, I have been informed by several of the Nation's leading economists as well as Government departments and people from the private sector that H.R. 8193, the so-called cargo, preference bill, is without question one of the most inflationary pieces of legislation to come before this body. When I made that announcement, I said I would be, from time to time, placing additional information in the Record as I received it.

Yesterday my office received a copy of Secretary of Agriculture Earl L. Butz's letter to my distinguished colleague, the Honorable Norris Cotton, on this very subject. I would like to quote the first paragraph:

> Passage of the petroleum cargo preference legislation (H.R. 8193) now before the Senate would be highly injurious to American agriculture. If passed by the Congress, I will have no alternative but to strongly recommend its veto by the President.

Secretary Butz then goes on to confirm the unquestionable inflationary impact to the agriculture community of this bill.

I recently received a letter from Arthur F. Burns, Chairman of the Board of Governors, Federal Reserve System. In his letter he said:

> From my perspective as an economist and central banker, my impression is that enactment of H.R. 8193 would lead to higher prices for petroleum products in the United States at a time when the high price of oil is already causing serious problems that must be dealt with promptly and firmly. Defeating inflation should be our number one goal, and this legislation seems to run contrary to that goal.

Mr. Carl H. Madden, chief economist of the Chamber of Commerce of the United States, said:

> Without doubt, H.R. 8193 ("Energy Transportation Security Act of 1974") requiring up to 30 percent of all oil imports to be carried in U.S. built registered tankers would add 60 cents to 74 cents for each barrel of imported oil. Over the 1975 to 1985 period, the costs will total from $25 billion to $31 billion.

I ask unanimous consent that these letters be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CURTIS. Mr. President, I would like to also call to the attention of my colleagues, the editorial in today's Wall Street Journal which clearly points out the tremendous opposition around the country for this bill.

I can assure my colleagues that when the conference report on H.R. 8193 comes to this floor for debate, there will be a complete, full and indepth airing of the hideous aspects of this inflationary legislation.

I ask unanimous consent that the editorial which appeared today in the Wall Street Journal, entitled "Advice for Mr. Ford," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Advice for Mr. Ford

The White House reports that President Ford is "having trouble" with a few provisions of the Energy Transportation Security Act of 1974, otherwise known as the Oil Import Cargo Preference Boondoggle. Does this mean he may veto the bill?

We hope so. There are others who are "having trouble" with the bill, an inflationary giveaway to the shipbuilders and maritime unions. The publications that have editorially opposed the act, other than this one, include:

The Chicago Daily News, The Sioux Falls Argus-Leader, The Memphis Press-Scimitar, The Washington Post, The St. Paul Pioneer Press, Time, Fortune, The San Francisco Chronicle, The Detroit Free Press, The St. Louis Globe-Democrat, The Tampa Tribune, The New York Daily News, The Lansing State Journal, The Akron Beacon Journal, The Louisville Courier-Journal, The Beach Haven (N.J.) Times, Newsday, The San Francisco Examiner, The Washington Star-News, The Miami Herald, The Portland Press Herald, The Journal of Commerce, The Bridgeport Post, The Bangor Daily News, The Toledo Blade, The Des Moines Register, The Utica Daily Press, The Milwaukee Journal, The Charleston Gazette, The New York Times, The Cleveland Plain Dealer, The Knoxville News-Sentinel, The Chicago Tribune, The Christian Science Monitor, The Providence Evening Bulletin, The Manchester Union-Leader, The Pawtucket Times, The St. Paul Dispatch, The Cleveland Press, The Oil and Gas Journal, The Boston Globe, The Cedar Rapids Gazette, The Pueblo Chieftain and Star-Journal, The Niagara Gazette, The Wheeling News-Register, The Daily Oklahoman, The Green Bay Press Gazette, The Charleston News and Courier, The Minneapolis Tribune, The Kansas City Star, The Pittsburgh Post-Gazette and The Flint Journal.

A sampling of the editorial headlines: "Another Step Toward Inflation," "A 'Sell Out' by Congress!," "Voting Against the Public Interest," "$20 Billion Piracy," "A Monumental Ripoff," "Extravagant Tanker-Glut Bill," "Maritime Labor Hijacking," "Gas Price Gouge Bill," "Ship Bill's Main Freight Money Gouged From You," "Fleecing Taxpayers On the High Seas."

Exhibit 1

Department of Agriculture,
Office of the Secretary,
Washington, D.C., November 21, 1974.

Hon. Norris Cotton,
U.S. Senate.

Dear Senator Cotton: Passage of the petroleum cargo preference legislation (H.R. 8193) now before the Senate would be highly injurious to American agriculture. If passed by the Congress, I will have no alternative but to strongly recommend its veto by the President.

The legislation would require an increasing percentage of petroleum and petroleum products to be carried aboard U.S.-flag ships. The requirement would inevitably raise the cost of fuel and other petroleum products which the American farmer is one of the largest domestic users. But perhaps a more serious consequence would be the possibility that the legislation might ultimately lead to a loss of export markets for American agriculture.

It could be a short step from cargo preference on petroleum imports to cargo preference on commercial exports of American bulk farm commodities. American agriculture is dependent on export markets for its growth and prosperity. It is important that we continue to be able to hold and expand these export markets. This we could not do if cargo preference were applied to our commercial exports.

The Department of Agriculture supports the goal of expanding the U.S.-flag tanker fleet, but we believe the best way to accomplish this goal is through direct subsidies which would permit U.S.-flag ships to operate on a fully competitive basis on world markets. The legislation now before the Senate goes far beyond this.

Sincerely,

Earl L. Butz,
Secretary.

CHAIRMAN OF THE BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM,
Washington, D.C., Nov. 15, 1974.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: Thank you for your letter of October 29 regarding the conference report on H.R. 8193.

In the short time available, it has not been feasible to solicit the views of the entire Board of Governors on the inflationary potential of this legislation. From my perspective as an economist and central banker, my impression is that enactment of H.R. 8193 would lead to higher prices for petroleum products in the United States at a time when the high price of oil is already causing serious problems that must be dealt with promptly and firmly. Defeating inflation should be our number one goal, and this legislation seems to run contrary to that goal.

For comment on the specific inflationary aspects of the bill, I would defer to the judgment of the Treasury Department, the Commerce Department, and other agencies within the Executive which possess expert knowledge in this area.

With warm personal regards,
Sincerely yours,
ARTHUR F. BURNS.

CHAMBER OF COMMERCE OF THE UNITED STATES,
Washington, D.C., Nov. 18, 1974.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: Without doubt, H.R. 8193 ("Energy Transportation Security Act of 1974") requiring up to 30 percent of all oil imports to be carried in U.S. built registered tankers would add 60 cents to 74 cents for each barrel of imported oil. Over the 1975 to 1985 period, the costs will total from $25 billion to $31 billion.

Sincerely,
CARL H. MADDEN.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. JACKSON. Mr. President, yesterday the Senate passed and sent to the President for his signature H.R. 16757, a House passed bill to extend the authority of the Emergency Petroleum Allocation Act of 1973 until August 31, 1975. Without this extension, the oil price control and allocation authority in the act would expire on February 28, 1975.

The Allocation Act is currently scheduled to expire on February 28, 1975. The purpose of this extension is to permit the new Congress a full opportunity to consider the need for amendments and any further extension. The Senate had previously adopted an amendment to the act on August 12, 1974, which provided for an extension of 4 months, to June 30, 1975. On November 19, the House passed a companion bill which would extend the act's authority for 6 months, to August 30, 1975.

The Emergency Petroleum Allocation Act of 1973, was adopted on November 27, 1973. This Act provides the only authority in existing law for allocating crude oil and refined petroleum products. The act also provides the only authority in existing law for imposing and maintaining price controls on crude oil, gasoline, propane, heating oil and other products during this period of short supply and escalating world oil prices. It is essential that the allocation and price control authority be continued until such time as oil prices stabilize, supply increases, and uncertainty concerning the possibility of another oil embargo is reduced.

Expiration of petroleum price controls would result in the immediate doubling in price of 60 percent of the Nation's domestically produced petroleum. Given the state of the Nation's economy, the inflationary impact of such a price increase is intolerable. Potentially it would result in an added daily cost of energy to the Nation of $30 million, and an annual cost of $11 billion.

Faced as we are with a coal strike of uncertain duration, with the forecast for a severe winter, and without statutory authority for implementing energy emergency plans, the Government must have petroleum allocation authority through the present winter.

There is a question of the need for allocation authority in the long term and the form, if any, that this authority should take. The need for further extension and or amendment to the act should be addressed by the 94th Congress in light of the supply and demand conditions that exist at that time. The purpose of the 6-month extension provided for in H.R. 16757 is to provide adequate time for the new Congress and the executive branch to review the act and make a definitive decision as to the need for extension for a longer period of time, either in its present or in a modified form.

Mr. President, the report on Project Independence published this month by the administration calls for public debate on the real issues and choices we face in the field of energy. Petroleum allocation and pricing are two of those issues and it is appropriate they be considered not by themselves but as elements in the broad energy policy now in formulation.

S. 3717, the extension bill passed by the Senate on August 12, contained language in the Senate report on the need for and the Federal Energy Administration's authority concerning implementation of a cost equalization program. Similar language is contained in the House report.

The problem of inequitable distribution of low-priced—price controlled—domestic oil among refiners and importers is a matter of concern to many Members. The administration has delayed for too long taking action to correct this problem by implementing through regulations an equalization program.

There is a need for early action due to the competitive effect inequitable distribution has had on the independent sector of the petroleum industry and on the competitive position of marketers of certain refined products who are dependent upon imports and lack the financial benefits of access to price-controlled domestic crude oil. In particular, many small and independent refiners, accounting for a significant share of the independent sector, have been forced to cut margins as well as sustain reductions in their market shares due to their disproportionate reliance upon free market price crude oil. In the case of independent marketers, their reliance upon imports of certain refined products and their lack of access to the benefits of low-priced domestic oil has put them at a competitive disadvantage.

Although such inequitable conditions still exist, the committee did not feel it was necessary to amend the act to provide for a cost equalization program inasmuch as the act already provides ample authority for FEA to institute such a program and the committee has been informed that FEA intends to do so.

The FEA proposal, which is intended to equalize crude oil costs through the equitable allocation of the benefits of old oil among all domestic refiners and to extend old oil benefits to marketers to the extent that they are reliant on imports of certain refined products at prices above domestic prices, is authorized by the Allocation Act since such a plan results in an equitable allocation of crude oil and refined products, at equitable prices, among all regions of the United States, among all sectors of the petroleum industry, and among all users. Such a proposal is further authorized by the act in that it is intended to assure the preservation of an economically sound and competitive petroleum industry—in particular, the competitive viability of independent refiners, small refiners, nonbranded independent marketers and branded independent marketers—and to eliminate the economic distortion caused by unequal access to price-controlled oil and thereby to minimize unnecessary interference with market mechanisms.

Mr. President, it is my hope that the administration will act to implement the equalization program as soon as possible. If action is not taken, it will be incumbent upon Congress to legislate such a program.

Mr. LONG. It is the understanding of the Senator from Washington, that the Senate's action yesterday in adopting H.R. 16757, the House-passed extension of the Emergency Petroleum Allocation Act, indicates both concurrence in the provisions of the House bill and general concurrence in the substances of the House committee report.

Mr. JACKSON. That is correct.

Mr. LONG. In this connection, is the Senator also aware that during House committee consideration of this measure a number of States requested that the bill to extend the Petroleum Allocation Act to provide for an exemption for State-owned royalty oil from price controls?

Mr. JACKSON. I am aware that the request was made.

Mr. LONG. While the House committee took no position on this question, the committee report does make it clear that the Federal Energy Office has authority to make a study of the issue on the merits and to take administrative action to adjust or modify the price provisions in the regulations which are applicable to State-owned royalty oil. The fact that the House committee deferred taking a position in no way should be construed as disapproval of the exemption of State-owned oil from price controls.

Mr. JACKSON. The Senator is correct.

Mr. LONG. In my view, the FEA should give careful study to the question of whether in fact an exemption of this nature is warranted, and also to the question of the propriety of imposing controls on State-owned royalty oil.

CONTINUATION OF SATELLITE HEALTH AND EDUCATION PROGRAMS

Mr. MOSS. Mr. President, last May, the National Aeronautics and Space Administration launched applications technology satellite No. 6—ATS-6. Many experiments are being carried out with this satellite, but the focus of attention has been on the health education telecommunications—HET—experiment. People are enthusiastic about the HET experiment because it is demonstrating a new technique for delivering health and education services to many areas of our country, particularly the remote areas. Unfortunately, the HET experiment will cease in June of next year because the satellite will be moved to a position on the other side of the Earth to carry out other experiments to which it has been committed.

A few weeks ago I wrote the President expressing my concern that the HET experiment will not continue after next June and urged his personal review of this problem. Following an earlier acknowledgement of my letter, I now have received a detailed response from the Director of the Office of Management and Budget.

Mr. President, as so many people both in and outside of the Congress have an interest in this matter, I ask unanimous consent that the letter from Director Ash to me, dated November 19, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C. November 19, 1974.

Hon. FRANK E. MOSS,
Chairman, Committee on Aeronautics and Space Sciences, U. S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The President has asked me to respond to your letter of October 11, 1974, regarding the ATS-F prime satellite.

At the outset I wish to assure you that the decision to forego an ATS-F Prime follow-on satellite should not be interpreted as a negative judgment of the desirability of the educational and health care services that the ATS-6 satellite is now providing to remote locations in the Rocky Mountain area, Appalachia and Alaska. Indeed, the ATS-6 experiments have highlighted the worth of these important services. As I will explain later in this letter, there are alternative ways of meeting the near-term experimental requirements for such services without relying on a NASA-funded ATS-F Prime.

You will recall that the Department of Health, Education and Welfare (HEW), in recent testimony before your Committee, expressed reservations regarding the ATS-F Prime as a followon to ATS-6. While recognizing the need for continuing the health and education satellite applications, Mr. William Morrill, Assistant Secretary for Planning and Evaluation, stated that the capacity and geographic coverage of the ATS-F Prime were too limited to permit expansion of the current services, that the ATS-F Prime was an expensive way to maintain satellite capacity for the present users, and that a launch of the ATS-F Prime might discourage the participation of private communications companies in providing the services.

It is important to keep in mind that the ATS-F Prime, which involves the same basic design as the ATS-6, is only one of several possible alternatives for continuing the development of satellite communications for the delivery of educational and health services to remote locations. In NASA's recent testimony before your Committee, Dr. Fletcher made reference to several such alternatives, in addition to the ATS-F Prime, namely: (1) the planned return of ATS-6 in mid-1976 following the experiment in India, (2) the use of Canada's Communications Technology Satellite (CTS) scheduled for launch in December 1975, and (3) the use of commercial satellite services that would be offered by domestic satellite companies.

If satellites and the services they facilitate prove to be viable and beneficial, they should be provided on an operational basis by the private sector rather than by Government-owned satellites which are experimental in design. The Federal Government, with its responsibilities for effecting the improvement of health and education services, could play a stimulative and developmental role. In this regard, I call your attention to H.R. 17406, recently transmitted to the Congress, which would provide authority for HEW to conduct demonstrations, through the use of grants or contracts, in the use of nonbroadcast communications technology (including satellites) for providing health, education and other social service information to remote areas. This authority would enable the Federal Government to assist financially, health and education organizations such as the present users of the ATS-6 services in obtaining similar satellite communications capability from commercial sources.

The objective of such a telecommunications assistance program is two-fold. First, it would provide initial financial incentives, pursuant to the authority created by H.R. 17406, that would encourage commercial domestic satellite systems to provide channel capacity for the delivery of health and education information. These incentives, however, would be designed in such a way that the Government assistance would be phased out as the venture achieves self-supporting status. The second goal is to stimulate the interest of the various health and education organizations that might take advantage of the commercial satellite capability. In this regard, HEW and OTP are coordinating discussions with potential user groups concerning the formation of a consortium of potential users which would coordinate planning and serve as the centralized agent for the purchase of satellite capacity from one or more commercial systems.

In closing, I wish to assure you that the Administration recognizes the unique potential of satellite technology for providing communication links for the delivery of health and education information to people living in sparsely populated areas of the country. We intend to continue on a course which eventually will make this capability available on a self-sustaining, operational basis. In view of your strong interest in the ATS-6 health and education communication project, I am confident that you will lend your support to this effort.

Warm personal regards,
Sincerely,

ROY L. ASH,
Director.

SOLVING OUR ENERGY PROBLEMS BY CURTAILING PERSONAL DRIVING

Mr. BEALL. Mr. President, in an effort to gain as much insight as possible into our country's economic problems and their possible solutions, I recently contacted many Maryland citizens requesting their comments on our economy.

Without exception, the replies I received were of great value. There was obviously a great deal of thought that went into each response, and I can assure my colleagues that these responses were most helpful to me in formulating my thinking on what policies the Congress should follow in dealing with the number one concern of the American people.

One of the most constructive letters I received was from Judge Edward S. Delaplaine, of Frederick, Md., a former member of the Maryland Court of Appeals. Judge Delaplaine ably discusses the urgent need for energy conservation, through voluntary curtailment of personal driving.

I endorse Judge Delaplaine's proposals and ask unanimous consent that the text of his letter, which appeared in the Frederick, Md., Post, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Frederick (Md.) Post, Oct. 5, 1974]

LOCAL RESIDENT PRESENTS IDEAS ON ALLEVIATING ECONOMIC WOES

In accord with the suggestion of President Gerald Ford, United States Senator J. Glenn Beall, Jr., sent out letters from Washington to a number of Maryland citizens asking for suggestions on how to alleviate the nation's serious economic problems.

"Growing demand for goods and services, high interest rates, and soaring food and energy costs have caused may Americans to express grave concern for our Nation's economy," Senator Beall said.

One of the Frederick citizens asked for suggestions, former Judge Edward S. Delaplaine of the Maryland Court of Appeals, responded and one of the suggestions dealt with the gasoline supply.

The text follows:

THE GASOLINE PINCH

(By Judge Edward S. Delaplaine)

It has been the custom of Mayor Joseph L. Alioto of San Francisco since his election in 1967 to ride from his home to the City Hall in his limousine; but one day last week he took the bus. His purpose, he announced, was to dramatize the need for saving gasoline by influencing commuters to use public transportation at least once a week.

Officials of the Federal Energy Administration, after making a study of the fuel outlook for the coming winter, have made the tentative forecast that the fuel supplies will be "fairly adequate." They predict that we will survive the winter without blackouts provided (1) that there is not an oil embargo, (2) that we are not confronted with a strike by the coal miners, and (3) that the winter will not be unusually severe.

Fear has been expressed by oil corporation officials that if there is no settlement of the dissension in the Middle East before December, hostilities between Israel and the Arab countries might erupt again precipitating the threat of a new Arab oil embargo. Within the last few days Secretary of State Kissinger's most recent proposals for peace in the Middle East have been rejected by the Arab leaders.

Of course, if we are faced with another embargo, we will doubtless again encounter serious difficulties. Last winter the Federal Government, as a result of the embargo, ordered reduction of the output of fuel from the refineries so that there would be ample supplies for private homes, hospitals, and manufacturing establishments.

Likewise, it may be necessary for the Government to impose strict measures for allocation of fuel when the winter sets in. Very probably President Ford would make every effort, as did President Nixon a year ago, to handle the situation in such a way as to avoid rationing. However, mandatory orders might be issued to conserve the fuel supplies, and as a consequence motorists might find it necessary to wait in long lines at gasoline filling stations, and even find many of the stations empty.

It has been announced that the demand for gasoline in recent weeks has been running below that of a year ago. It is thought that the speed limit of 55 miles an hour has been helpful. Also it is thought that the popular trend toward smaller cars has been a help.

Then, too, the higher prices of gasoline at filling stations have probably had an appreciable effect in cutting down mileage, as many motorists may give a second thought before starting on an extensive trip when gasoline is selling far above fifty cents per gallon.

The Administrator of the Federal Energy Administration, when interviewed two weeks ago about the price of gasoline in the United States, predicted: "We do not expect prices to return to the levels of a year or two ago. While we may see some softening in gasoline prices, they will remain high in the foreseeable future."

The enormous use—very often waste—of gasoline should be kept in mind. On the highways of the United States there are, it is estimated, approximately 100 million motor vehicles. According to an estimate of the customer services division of the Ford Motor Company, the average motor vehicle owner drives 13,000 miles a year. Recent tests of gasoline mileage of the 1975 models, as made by the Environmental Protection Agency, indicate that the mathematical average a car will run on one gallon is 13.6 miles.

Using these figures as a basis, the estimate is made that in one year the average motorist buys 956 gallons of gasoline. Calculating the price of gasoline at the current approximate price of 60 cents, the average expense for gasoline per motorist would be $574 a year.

Since the demand for gasoline has been slightly less than it was a year ago, officials of the Federal Energy Administration believe the American people have been voluntarily responding to the Government's appeals for conservation to some extent. But, as pointed out by the Journal of Commerce, there could be, and should be, a spectacular saving of gasoline if American motorists would reduce their mileage by slightly more than 20 per cent.

This would mean that the average American motorist would cut back his driving from 13,000 miles to 10,000 miles a year. By so doing, the motorist, instead of buying 956 gallons, would buy 735, thus saving 221 gallons. Figured at the current price, the gasoline would cost the average driver $441, instead of $574.

This may not seem much to the individual motorist. But it is pointed out that a mammoth saving of gasoline would be effected if an average reduction of 20 per cent were made by the drivers of the 100 million motor vehicles on the roads. The estimate has been made that such a reduction would save the nation more than 22 billion gallons of gasoline. This means, too, that it would save the motorists 13.3 billion dollars.

For these reasons, we think Mayor Alioto of San Francisco should be commended for his response to President Ford's appeal to American motorists to try to cut down on the number of miles they drive. The Mayor's departure from his usual trip from his own automobile to the bus may not seem of itself particularly important.

After all, it did not occasion any sacrifice. The Mayor did not lose very much time in reaching the City Hall. He said it usually took him between 12 and 15 minutes to travel from his home to the City Hall in his own automobile, and on the bus last week it took 31 minutes. He lost only about 15 minutes. But he set a good example for others.

Besides, he said, he enjoyed a "delightful trip."

NEBRASKA TAKES FULL ADVANTAGE OF ERTS

Mr. MOSS. Mr. President, the Honorable J. James Exon, Governor of Nebraska, has written me a detailed letter about the two major ERTS projects in his State.

One project provided support for rangeland mapping, while another promoted the utilization of satellite imagery in areas such as land use classification, irrigated land inventory, detection of tectonic lineaments, reservoir water quality and estimating evapotranspiration.

Governor Exon states:

> Our State . . . has taken full advantage of the imagery provided by this satellite system.

Mr. President, I ask unanimous consent that Governor Exon's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEBRASKA,
August 5, 1974.

Hon. FRANK E. MOSS,
U.S. Senate, Committee on Aeronautical and Space Sciences, Washington, D.C.

DEAR SENATOR MOSS: We appreciate the opportunity to provide you with our response to the ERTS program. Our State, through the University of Nebraska, has taken full advantage of the imagery provided by this satellite system.

Two major projects utilizing ERTS imagery have been funded by NASA within Nebraska. A contract (NAS5-21765) provided support for management-oriented mapping or Sandhills rangeland. A University Affairs grant (NGL 28-004-020) promoted the utilization of satellite imagery in areas such as land use classification, irrigated land inventory, detection of tectonic lineaments, reservoir water quality and estimating evapotranspiration. All of these projects were also supported by the University and a broad spectrum of state and local agencies.

A coordinating committee representing all concerned state agencies supported the establishment of a Remote Sensing Center within the Conservation and Survey Division of the University of Nebraska. This placed these remote sensing activities in close coordination with the Division's basic data responsibilities in geology, soils and water. A copy of a recent summary of remote sensing activity is enclosed as well as some of the initial products aimed at serving the citizens of our State.

As you can see, the ERTS system has served as a catalyst to expand the techniques of Remote Sensing in Nebraska. Although initiated by NASA as a research project, ERTS imagery was quickly established as a tool in applications projects. It would be expected that imagery of this type would continue to be utilized in this manner. It is also of interest that in Nebraska, the applications center for remote sensing was established within a natural resource agency. It has proven beneficial to have the tools of remote sensing such as ERTS imagery, closely related to a basic data agency.

We feel that both the projects and the products of remote sensing in Nebraska have made full utilization of the data provided by the ERTS system. Imagery of this type, in conjunction with other remote sensing data, provide us with a valuable tool to better understand our State.

Therefore, we would strongly support the intent of the legislation embodied in both S. 3484 and S. 2350. Based upon the direction we have taken in Nebraska, S. 3484 would probably be preferable since the agencies presently involved are more familiar with the Department of Interior.

Sincerely,

J. JAMES EXON,
Governor.

INDEPENDENT VOTERS OF ILLINOIS

Mr. STEVENSON. Mr. President, I congratulate the Independent Voters of Illinois—IVI—on its 30th anniversary. IVI has been and continues to be a major force in improving Illinois politics. When one thinks of the reform movement in Illinois politics, one thinks of the IVI. It grew out of the defeat in 1942 of Democrat Paul Douglas in his bid for the Senate nomination. IVI affiliated with the Americans for Democratic Action in 1947 and has continued ever since to fight for reform and progressive legislation.

It has organized at the precinct level in many communities, presently has six campaign offices and has been effective at doorbell-ringing and vote-getting. When it lent its enthusiastic support to my father's Presidential campaign in 1952, its membership exceeded 2500. IVI can point with pride to many high Illinois officials whom it helped to elect.

IVI has stood by its name and steadfastly maintained its political independence. It has been an effective pressure group for better housing and education, improved race relations, civil rights, electoral reform and a cleaner environment, and recently, IVI has come to the assistance of Illinois consumers.

I commend IVI for its three decades of devoted citizen participation. Because of its efforts, Illinois has had better representative government.

PROPOSED LEGISLATION ADVANCES TO AID U.S.-FLAG INTERNATIONAL AIR CARRIERS

Mr. FONG. Mr. President, on October 3 I introduced five bills that are designed to help our great overseas air carriers overcome many of the discriminatory and unfair practices to which they are subjected in their competition with foreign airlines.

Briefly, the five bills are designed to do the following:

Give U.S.-flag airlines access to Export-Import Bank financing for the purchase of U.S.-manufactured airplanes used primarily in competition with foreign air carriers which have received the benefits of Eximbank guarantees, insurance, or credit for the purchase of similar aircraft.

Correct the present practice whereby the U.S. Postal Service pays under the Universal Postal Union Convention much higher rates to foreign carriers than to U.S. airlines for the transportation of international air mail.

Correct the gross inequities that exist in the area of landing fees.

Help our Government formulate a comprehensive policy that will assist in eliminating discriminatory and unfair competitive practices against U.S.-flag air carriers in the international air transport business.

Promote the use of U.S.-flag air carriers by Federal Goverment financed passengers and property.

Mr. President, since I introduced the above measures, encouraging legislative action has taken place in the Congress which will go a long way toward achieving the objectives outlined above.

On October 10 the Senate, by an overwhelming vote of 72 to 2, passed S. 3461, a bill designed, according to the Senate Commerce Committee's report, "to legislatively mandate an end to the unfair and discriminatory practices which affict U.S. international air carriers in foreign air transportation."

The bill has provisions that will correct three of the five shortcomings that are the focus of my five measures. However, it fails to deal adequately with the excessively high rates that are being paid by the U.S. Postal Service to foreign air carriers for the transportation of air mail versus the modest and at times inadequate rates being paid to U.S. carriers of international air mail.

The bill also contains no provision dealing with the availability of Eximbank financing for the purchase of U.S.-manufactured aircraft by our international air carriers.

Despite the two shortcomings of S. 3481, I welcome its overwhelming passage by the Senate on October 10.

On November 19, more good news was on its way in the form of the House Interstate and Foreign Commerce Committee favorably reporting out H.R. 14266, a bill designed to accomplish the same purposes as S. 3481. I am advised that H.R. 14266 is currently pending before the House Rules Committee awaiting a rule for its consideration by the House of Representatives.

Mr. President, in view of all the facts that have been brought to the attention of the Members of Congress regarding the unfair and discriminatory practices that currently exist in the field of international air transportation, I strongly and respectfully urge my colleagues in the House to give favorable consideration to H.R. 14266 as soon as possible.

OVERWHELMING PUBLIC RESPONSE

The plight of our international air carriers, especially Pan American World Airways, was very effectively brought to the attention of the American people by the employees of Pan Am who took up a collection among themselves to place newspaper advertisements in many of the leading dailies. In fact, "An Open Letter to the People of Hawaii From the Employees of Pan Am" appeared in the September 23 issue of The Honolulu Star-Bulletin and in the September 24 edition of The Honolulu Advertiser.

The above advertisement was so effective in presenting Pan Am's side of the story that to date I have heard from more than 1,700 people living in Hawaii. I have received letters, telegrams, petitions, resolutions, and notes from concerned citizens expressing their fears for the future of Pan American and requesting my assistance in its behalf. Most of those who wrote said they were not stockholders, employees, or people with any vested interest in Pam Am.

In representing the fine people of Hawaii in the U.S. Senate since we became a State in 1959, I have seldom received such a massive and spontaneous response to an issue as I did after the Pam American ads appeared in the local papers.

In addition to hearing from individuals, families, and various civic groups, I received a resolution supporting Pam American from each and every county council in Hawaii. Needless to say, I am confident that had the Hawaii State Legislature been in session, both the senate and house would have also adopted similar resolutions expressing support for Pan American.

AIR PIONEER OF THE WORLD

Mr. President, the warm and spontaneous response in behalf of Pan American can be appreciated and understood better if we look at the history of Pan American and the immense contributions it has made over the years not only to commercial aviation but to the defense of our country.

Oldtimers are quick to reminisce about the days when Pan American's China Clippers graced the blue skies of Hawaii. No one can forget the excitement and thrill of seeing and hearing those M–130's as they flew in from the west coast and left for the Orient.

Sentimentality, however, is not the only reason why so many people in Hawaii still have a loyal respect for and attachment to the "Air Pioneer of the World." For years Pan American has been the backbone of international air transportation and commerce under the American flag.

It was Pan American that timewise brought Hawaii closer to the continental United States—from 5 days to 21 hours in 1935. There is no doubt in my mind that this aviation breakthrough—by reducing the traveling time between Hawaii and the continent—contributed immensely to Hawaii eventually becoming the 50th State of the United States.

The people in Hawaii consequently are grateful for Pan American's early endeavors which required much courage, daring, and initiative to undertake and they are not about to forget their friend in its hour of need.

CONTRIBUTIONS DURING VIETNAM CONFLICT

Pan American is also highly thought of in the islands because of its contributions during the Vietnam war. Many in Hawaii were directly or indirectly affected by Pan Am's morale-boosting airlift of American servicemen to rest and recreation points outside of Vietnam, from Tokyo to Honolulu. Using some 35 special flight crews, Pan Am's R. & R. airlift built up to flying some 15,000 battle-weary GI's a month to 5-day leaves in Pacific resort areas.

Mr. President, it is significant to note that during the first 4 months of the operation, Pan American flew the airlift at a token fee of $1 a month as its voluntary contribution to the war effort. Later, it operated the lift on a nonprofit basis.

IMPORTANT ROLE DURING WORLD WAR II

Pan American also made vital contributions to the defense of our Nation during World War II. Soon after the attack on Pearl Harbor, more than 20,000 Pan Am employees joined in our Nation's war efforts.

Pan American crews were called in to give to the military their knowledge and experience in oversea flight. The company's maintenance facilities—built up over the years of peacetime flying—were put at the disposal of the armed services, as were the landing fields and ground facilities. In addition, the long lines of radio communication Pan Am established were pressed into critical service.

One crucial task assigned to Pan American during the war was the establishment and operation of the 11,500-mile "Cannonball" run of the Africa-Orient service from Miami to India, via South America and Africa. On this run, war supplies and important personnel flew out while the wounded, returning combat veterans, and prisoners of war were brought back.

Pan Am also ferried more than 1,100 bombers via the South Atlantic to Europe.

When fighting cut the famed Burma Road, Pan Am personnel flew men and supplies "over the hump" of the Himalayas from India to provide a lifeline to China.

The company was also given the tremendous challenge of building more than 50 airports in 15 different countries throughout the world.

The record shows that during the war years the Pan American Clippers provided transportation for approximately 61,000 war passengers on flights of more than 7,400,000 miles, including more than 15,000 oceanic crossings. They carried more than 7,000,000 pounds of mail and nearly 2,000,000 pounds of high priority cargo to Europe and Africa.

The Clippers also flew a total of 99 special missions amounting to more than 2,200,000 miles. One of these special missions was flying President Roosevelt to the Casablanca Conference in January 1943.

Official recognition of Pan American's importance in maintaining a flow of air passengers and supplies between California and Hawaii was indicated in a request from then Acting Secretary of the Navy James Forrestal to Pan Am's President Trippe on December 11, 1941:

> This will confirm the Navy Department's request that you permit the Commandant of the 12th Naval District at San Francisco to control the transportation by priority of personnel and cargo on your aircraft oper-

ating between San Francisco and Honolulu for a period of thirty days from this date.

Similar control over eastbound traffic had been turned over to the Navy at Pearl Harbor, without official authorization. A substantial part of the traffic carried eastbound from Honolulu consisted of the wounded men and women and children being evacuated from Pearl Harbor. The traffic westbound from California included military and technical personnel being transferred to the scene of the catastrophe and the shipment of serums, vaccines, blood plasma, and other vital medical supplies that were sorely needed at Pearl Harbor.

The roster of high officers carried on Pan American's Clipper service between the mainland and Hawaii after Pearl Harbor included Secretaries Knox and Forrestal, Admirals King and Nimitz, Prime Minister Fraser of New Zealand, and the Pearl Harbor Investigation Commission headed by Supreme Court Justice Roberts.

Mr. President, Pan American's outstanding performance during World War II dispelled any doubt about the value of having a viable peacetime air fleet in operation for national defense purposes. At the present time Pan American has the largest commitment of jet aircraft—63—to the Civil Reserve Air Fleet—CRAF. This commitment to CRAF of 33 707's and 30 747's represents a fleet amounting to approximately $439 million in net worth and exceeds all other supplemental carriers combined. Such a fleet would be hard to replace in time of a national emergency.

CONTRIBUTIONS TO U.S. ECONOMY

Mr. President, besides being a great standby asset to the defense posture of our country, Pan American has contributed substantially to our country's balance-of-payment problem. Aside from being the largest international carrier of mail, cargo, and passengers, Pan American generated over $1 billion in revenues during 1973. In that year alone, it contributed over $400 million to the U.S. balance of payments—an amount about equal to that contributed by all other U.S. flag carriers combined.

Should Pan American be allowed to go bankrupt, not only will its 32,500 employees be unemployed, but many others in related-service industries will be directly affected. In view of the adverse consequences that the failure of Pan Am would have on our economy, I hope that the momentum already begun to assist our troubled carriers will continue until all our international airlines can once again become strong, viable, job-creating, and tax-paying businesses.

Mr. President, I have spoken primarily about Pan American, our country's first international airline, simply because it and its employees have taken the lead in publicizing the problems to which I have alluded. However, S. 3481, H.R. 14266, and the bills which I introduced are designed to help Pan Am, TWA, Northwest, Eastern, Braniff, and other U.S.-flag airlines that are engaged in international commerce.

In Hawaii the impact that Pan American has on the local economy can be seen by the following figures:

Number of personnel: ground, 792; flight service, 448 for a total of 1,240.

Salaries and related expenses	$19,500,000
General operating expenses	11,299,000
Aircraft fuel purchased in Honolulu	22,865,000
Food supplies purchased in Honolulu	823,500
Landing fees	1,500,000
Local media advertising	128,500
Hotel	777,791
Per diem	591,826
Crew transpotration	141,383
Total	57,627,000

CONCLUSION

Mr. President, although the hour is late and many Members are anxious to close the book on the 93d Congress, I personally hope that the House will act favorably on H.R. 14266, the International Air Transportation Fair Competitive Practices Act of 1974. Passage of this measure will go a long way toward giving our international air carriers a "fair shake" in their head-to-head competition with the foreign airlines.

In closing, I wish to leave my colleagues with the following thought that was eloquently stated by the dedicated and highly motivated employees of Pan American in Hawaii:

> The men and women of Pan Am are just not the type who enjoy asking for a handout. The only subsidy that we have ever needed was fair treatment from our own government.

Mr. President, I ask unanimous consent that the resolutions adopted by the Councils of the City and County of Honolulu, the County of Hawaii, the County of Maui, and the County of Kauai, and the Honolulu Japanese Chamber of Commerce and the Aloha Visitor Industry Organization of Kauai be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, Pan American World Airways is the pioneer in American and Hawaiian aviation; and

Whereas, Pan Am's more than 1,200 employees in Hawaii are valued members of our community, and have articulately expressed in an open letter to the people of Hawaii the inequities which place Pan Am at a competitive disadvantage; and

Whereas, Pan Am receives from the United States Postal Service far less for carrying international mail than do foreign airlines; and

Whereas, comparative landing fees between American and foreign airports, and between American and foreign planes landing at the same foreign airport, reveal them to be discriminatory against Pan Am; and

Whereas, loans by the United States Export-Import Bank at low interest rates permit foreign airlines to buy American-made planes cheaper than Pan Am; and

Whereas, such discriminations and discrepancies together with soaring fuel costs, a decline in overseas passenger traffic, and overcapacity, are inimical to the health of Pan Am and the United States balance of payments; now, therefore,

Be it resolved by the Council of the City and County of Honolulu that it advocate and support immediate measures by the government of the United States to remedy the inequities herein cited; and

Be it further resolved that this City Council commend the Hawaii employees of Pan American World Airways for aggressively moving to support their distressed employer; and

Be it finally resolved that copies of this Resolution be sent to The Honorable Gerald R. Ford, President of the United States: The Honorable Hiram L. Fong, Senator from Hawaii; The Honorable Daniel K. Inouye, Senator from Hawaii; The Honorable Spark M. Matsunaga, Congressman from Hawaii; The Honorable Patsy T. Mink, Congresswoman from Hawaii; Mr. Robert D. Timm, Chairman of the Civil Aeronautics Board; Mr. Claude S. Brinegar, U.S. Secretary of Transportation; Mr. E. T. Klassen, Postmaster General; Mr. William D. Eberle, Special Representative for Trade Negotiations; Mr. W. J. Casey, President, Export-Import Bank; Mr. William T. Seawell, Chairman of the Board, Pan American World Airways; and Mr. Edward E. Swofford, Regional Vice-President of the Pacific, Pan American World Airways.

COUNTY OF HAWAII—STATE OF HAWAII
RESOLUTION NO. 293

Whereas, Pan American World Airways is the pioneer in American and Hawaiian aviation; and

Whereas, Pan Am's more than 1,200 employees in Hawaii are valued members of our State, and have articulately expressed in an open letter to the people of Hawaii the inequities which place Pan Am at a competitive disadvantage; and

Whereas, Pan Am receives from the United States Postal Service far less for carrying international mail than do foreign airlines; and

Whereas, comparative landing fees between American and foreign airports, and between American and foreign planes landing at the same foreign airport, reveal them to be discriminatory against Pan Am; and

Whereas, loans by the United States Export-Import Bank at low interest rates permit foreign airlines to buy American-made planes cheaper than Pan Am; and

Whereas, such discriminations and discrepancies together with soaring fuel costs, a decline in overseas passenger traffic, and overcapacity, are inimical to the health of Pan Am and the United States' balance of payments; now, therefore,

Be it resolved by the Council of the County of Hawaii that it advocates and supports immediate measures by the government of the United States to remedy the inequities herein cited; and

Be it further resolved that this County Council commends the Hawaii employees of Pan American World Airways for aggressively supporting their distressed employer; and

Be it finally resolved that copies of this Resolution be sent to the Honorable Gerald R. Ford, President of the United States; the Honorable Hiram L. Fong, Senator from Hawaii; the Honorable Daniel K. Inouye, Senator from Hawaii; the Honorable Spark M. Matsunaga, Congressman from Hawaii; the Honorable Patsy T. Mink, Congresswoman from Hawaii; Mr. Robert D. Timm, Chairman of the Civil Aeronautics Board; Mr. Claude S. Brinegar, U.S. Secretary of Transportation; Mr. E. T. Klassen, Postmaster General; Mr. William D. Eberle, Special Representative for Trade Negotiations; Mr. W. J. Casey, President, Export-Import Bank; Mr. William T. Seawell, Chairman of the Board, Pan American World Airways; and Mr. Edward E. Swofford, Regional Vice-President of the Pacific, Pan American World Airways.

Dated at Hilo, Hawaii, this 23rd day of October, 1974.

RESOLUTION REQUESTING HAWAII CONGRESSIONAL DELEGATES TO CONSIDER CERTAIN PROPOSALS IN FAVOR OF PAN AMERICAN WORLD AIRWAYS

Whereas, Pan American World Airways has demonstrated its good faith by its willing-

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ness to service American and world needs for nearly fifty years; and

Whereas, the many routes it now flies covering the global circuit exemplify the millions of miles serviced at lesser revenues allowed by the Civil Aeronautics Board, obviously resulting in a low cost/benefit ratio; and

Whereas, the spirit of its employees along with its investors consistently worked hand in hand to carry on this business venture, thereby securing for the traveling public transportation to all parts of this world despite increased costs which became a monster to private enterprise and particularly Pan American World Airways; now, therefore,

Be it resolved by the Council of the County of Maui that it hereby requests the Hawaii Congressional Delegates to consider the following proposals in favor of Pan American World Airways:

1. Improve cash position of Pan American World Airways by meeting, discussing, and proving to the Civil Aeronautics Board that it is justifiable to assist Pan American World Airways in its request for subsidy;
2. Upon such grant, make routes of internal nature available for Pan American World Airways through competition such as Canadian Hawaii proposed route should Pan American World Airways file;
3. Immediate correction in the financial inequity between foreign carriers and Pan American World Airways could improve cash position of Pan American World Airways;
4. Reduced Pan American routes worldwide to reduce cost;
5. Improve interest charges contingent upon review in order to have greater cash flow;
6. Stipulate interest allowed foreign air competitors to use money only for specific guidelines submitted by the Civil Aeronautics Board;
7. Form Board of Management to include member of the Treasury Department to secure a better financial position of Pan American World Airways and plan reduction of subsidy as a result of better financial outlook; and

Be it further resolved that certified copies of this resolution be transmitted to the Hawaii Congressional Delegates.

RESOLUTION REQUESTING GOVERNMENT AID FOR PAN AMERICAN WORLD AIRWAYS

Whereas, Pan American World Airways called the world its home since the days of the piston-powered, propeller-driven aircraft of the past; and

Whereas, inequities and disparities in postal rates for mail carried, landing fees, financing costs between Pan American and foreign airlines, together with rising fuel costs, have placed Pan American in a competitive straight jacket; and

Whereas, Pan American, over the years, meant more to the United States than the transportation of passengers and freight, as was eloquently explained by the employees of Pan American in their letters to the public; and

Whereas, world trade and security consideration, international prestige and the long standing practice of the United States government to assist struggling airlines during periods of stress indicate that Pan American merits the support of the U.S. government; now, therefore,

Be it resolved by the Council of the County of Kauai, State of Hawaii, that it support the plea of Pan American World Airways, its thousands of employees, and request that the United States government take immediate steps to continue the operation of Pan American World Airways while measures are taken to correct the competitive handicaps faced by it in competition with foreign airlines.

Be it further resolved that copies of this resolution be sent to The Honorable Gerald R. Ford, President of the United States; The Honorable Hiram L. Fong, Daniel K. Inouye, Spark M. Matsunaga, Patsy T. Mink, Members of Congress from Hawaii; Mr. Robert D. Timm, Chairman of the Civil Aeronautics Board; Mr. Claude S. Brinegar, U.S. Secretary of Transportation; Mr. E. T. Klassen, Postmaster General; Mr. William. D. Eberle, Special Representative for Trade Negotiations; Mr. W. J. Casey, President, Export-Import Bank; Mr. William T. Seawell, Chairman of the Board, Pan American World Airways; and Mr. Edward E. Swofford, Regional Vice-President of the Pacific, Pan American World Airways.

RESOLUTION SUPPORTING PAN AMERICAN WORLD AIRWAYS' PETITION FOR GOVERNMENT ASSISTANCE

Whereas, Pan Am pioneered commercial service throughout the Pacific, and indeed the world, and

Whereas, Pan Am for nearly fifty years has carried the U.S. Flag as the symbol of America throughout the Pacific and the world, and

Whereas, Pan Am has been a major contributor to the economies of Hawaii and the major nations in Asia and the South Pacific, as well as much of the rest of the world, and

Whereas, Pan Am has been the acknowledged leader in the development of aircraft and its supporting technology since the initiation of its first international service in 1927, and

Whereas, Pan Am initiated R and R service for U.S. Servicemen in Vietnam, and provided combat leaves for more than a million troops for two years at cost plus one dollar per year, until the American Government took over the program and increased its scope to include many carriers on a charter bid basis, and

Whereas, due to the oil crisis and international government agreement inequities beyond its control Pan Am requires interim financial aid and fairer agreements to survive, now therefore

Be it resolved, that President Gerald Ford, the United States Congress, the President's Cabinet, and especially the U.S. Department of Transportation and Civil Aeronautics Board be officially petitioned to immediately provide the financial assistance and corrective legislation required to permit Pan Am the fighting opportunity for survival its 32-500 employees have been so articulately requesting.

ROBERT M. KAYA,
President, Honolulu Japanese Chamber of Commerce.

RESOLUTION

Whereas, Pan American World Airways contributed substantially more than $400 million in 1973 to the nation's economy and to our State of Hawaii; and

Whereas, Pan American World Airways has played a dominant and pioneering role in every significant overseas air route carrying the spirit of "Aloha" and goodwill throughout the Pacific and the rest of the world, and

Whereas, Pan American World Airways is essential to our Country's national defense for it represents 47 percent of the U.S. Flag System and the Company has committed $1 billion worth of aircraft to the standby fleet for national defense.

Whereas, Pan American World Airways is a vital segment of the economy of our State of Hawaii, having provided jobs and work opportunities for 1,226 Hawaii residents, and

Whereas, due to a crisis forced by the spiraling costs of fuel and downturn in worldwide economic conditions beyond its control, Now, therefore,

Be it resolved by the Aloha Visitor Industry Organization of Kauai, that: "President Gerald Ford, the United States Congress and Civil Aeronautics Board immediately grant emergency temporary financial assistance to Pan American World Airways while government legislation is awaited on pending requests to end the need for future subsidies".

I do hereby certify that the above Resolution was adopted by the Board of Directors of the Aloha Visitor Industry Organization of Kauai on October 18, 1974.

TENNESSEE WANTS OPERATIONAL ERTS

Mr. MOSS. Mr. President, the Governor of Tennessee, the Honorable Winfield Dunn, has told me that there are many institutions and agencies in his State that are utilizing ERTS data.

In his letter to me the Governor has stated clearly:

> I believe that changing the current ERTS system to one of an operational program would be of assistance to the scientists within our state who currently utilize ERTS data.

Mr. President, I ask unanimous consent that the letter of Governor Dunn be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF TENNESSEE,
August 8, 1974.

Hon. FRANK E. MOSS,
U.S. Senator, Committee on Aeronautical and Space Sciences, Washington, D.C.

DEAR SENATOR MOSS: I have your letter of June 24 and believe that changing the current ERTS system to one of an operational program would be of assistance to the scientists within our state who currently utilize ERTS data. This would also hopefully eliminate the time delay in getting data from Sioux Falls which in our experience takes from 60 to 90 days.

There are many programs in Tennessee that utilize ERTS data, including the University of Tennessee, East Tennessee State University, the Tennessee Valley Authority and the U.S. Geological Survey. In addition, several state agencies are using ERTS data to monitor change on the earth's surface.

I believe that passage of a bill similar to S. 2350 or S. 3484 would assist the state in many of our programs.

Sincerely,

WINFIELD DUNN.

THE ROCKEFELLER NOMINATION

Mr. ALLEN. Mr. President, today in the Senate Rules Committee I voted to approve the President's nomination of Hon. Nelson A. Rockefeller to be Vice President of the United States. Reaching a decision as to my vote was not easy.

While I have high regard for Governor Rockefeller's integrity, ability and dedication, I disagree with his "big government" tax and spend philosophy. In sworn testimony at the hearings, however, he stated that he would, basically, seek to conform his positions to those of the President. He further conceded that there are limits on spending and on furnishing services and programs beyond which government cannot go, and that the Federal Government must operate with a balanced budget.

In response to questions from me at the hearing, he indicated that in recent years he had moved philosophically toward the right in his conception of the role of government.

The United States needs a Vice President. Our Government needs the stability that would result from filling the vacancy in the office of Vice President. President Ford has nominated Governor Rockefeller for this position and has urged his early confirmation.

The President feels that he can work with Governor Rockefeller as Vice President. Certainly, Governor Rockefeller shows every indication of having a sincere desire to work with the President and the Congress in promoting and protecting the national interest and the well-being of the people of America.

While I disagree with much of Governor Rockefeller's philosophy, I realize that it would be impractical for me to expect a nominee with whose views I wholly agree. Therefore, acting in what I consider to be the national interest, I have voted for the confirmation of Governor Rockefeller's nomination to be Vice President.

SOLAR-HEATED SCHOOL IN TIMONIUM, MD.

Mr. BEALL. Mr. President, I believe solar energy has great possibilities for our Nation. As we move toward Project Independence, we must explore new sources of energy for our growing demands, and I think preliminary results have indicated that solar energy will play a major role in coming years.

Thus, I am pleased that a school in Maryland was one of the first facilities to heat a portion of its building by solar energy. The school is located in Timonium, Md., a suburb of Baltimore. The October 1974 issue of American Education published by the U.S. Office of Education, contains an interesting article by Mr. Omer Henry on the Timonium project, and I ask unanimous consent that it be printed in the RECORD for the benefit of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIMONIUM'S SOLAR-HEATED SCHOOL

(By Omer Henry)

In the middle of last January the Timonium Elementary school, located in a suburb of Baltimore, undertook to heat one wing of its building with solar energy—something no school in the Nation had ever done. More, the timetable called for designing the equipment, assembling the materials, fabricating the elements, completing the construction, and having the system operating in six weeks.

This pilot project was an experiment and a highly significant one. Back of it stood the National Science Foundation (NSF) which is engaged in a sweeping solar energy program, aimed at exploring the feasibility of heating and cooling various types of buildings with solar energy. Although NSF has conducted extensive solar energy experiments under limited budgets for short periods of time, it felt the need for large-scale demonstrations. "We decided," says Ray Fields, spokesman for NSF, "that schools provided a very good vehicle for carrying out these experiments."

One of four widely scattered schools where NSF is conducting its tests, Maryland's Timonium Elementary was selected for several reasons:

Built in the form of a giant E, architecturally it is typical of thousands of schools throughout the Nation. (However, the system used at Timonium—or a variation of it—can be installed at practically any school, regardless of its architectural style.)

As it is a one-story structure, installation of the solar energy system—most of which would go on top of the building—would be relatively simple.

Since the center wing—the section to be used for the experiment—is oriented in a north-south plane, it would be easy to place the heat panels facing south—the optimum position for such elements.

A contractor, expert in the field of solar heating and air conditioning and willing to undertake the project, is located only a few miles from the school.

Before the middle of January, NSF signed the contract and the work began at once. Principal Vance Crisswell coordinated the work between the school and the contractor. "We had in mind." Mr. Crisswell says, "the safety of the students and a minimum interference with our regular school operation, which continued all through the period of construction."

Teachers acquainted the students—grades one through six—with the fact that they would see large numbers of workmen installing the first solar heating system in any school in the country, a proposition that of course created much interest among the youngsters. So much interest, in fact, that Mr. Crisswell made certain that all overhead materials were hoisted during the evenings and weekends, when no students would be present. "Those large overhanging cranes inevitably present certain dangers no matter what the precautions," he said, "and we didn't want to take any chances."

Plans for the solar heating called for the installation of a completely new system for the center wing without disturbing the existing fuel-oil-steam equipment that was then heating the building. Thus, if the solar unit failed to provide adequate heat, conventional heating would still be available.

The solar heating project further called for five general areas of construction: a framework for the system, heat collectors, heat storage facilities, distribution system, and instrumentation system.

First came the framework. The contract provided that no changes would be made in the existing structure or equipment. This provision was a precaution: In the event the solar unit did not function properly, it could be removed without damaging the building.

To comply with this requirement, the contractor installed spacers—metal supports extending from sidewall columns upward through the roof to I-beams which were to support the entire superstructure. Thus, the weight of the addition would rest directly on the building's foundation and would in no way endanger the building. The two I-beams were placed longitudinally just above the flat roof directly over the walls and bolted to the spacers.

The heart of the solar heating system is the collector panel serving to trap solar energy. In the Timonium system, this would be done by exposing water to solar heated surfaces and to direct sunlight. The water would absorb heat and drain into a well-insulated container for later use.

Timonium uses 180 aluminum thin-walled honeycomb solar collectors, each four feet by eight feet and three or four inches thick with a glass plate on top. At the bottom of each honeycomb cell is a small opening to permit water to drain into a second aluminum honeycomb cell below. This one, also enclosed by a glass plate, is glued to a thin, flat aluminum plate painted with a black epoxy to make it more heat absorbent. And under the aluminum plate a one-and-a-half-inch layer of polyurethane insulation rests on a thin aluminum skin.

Why two rows of honeycomb cells?

One reason is to add strength to the collector which is designed in such a way that it could serve as the roof of a new building and thereby cut construction costs. Still another reason for the double rows of honeycomb is that in combination they act as a heat absorber rather than having the solar energy reflected away from the collector.

There follows the question of how and where the collectors should be placed. In considering the angle at which the heat collectors are to be constructed, latitude of the building is the key. The proper angle is a compromise between the angle to the sun at its highest point in the summer and that angle to the sun when it's at its lowest point in winter. At Timonium, the most effective angle is 45 degrees. In addition, for collectors to function at maximum efficiency, it is necessary to place them far enough apart so that no collector shaded another; at Timonium they are arranged in parallel rows 16 feet apart.

The second basic element in the solar heating system is the hot water tank. Its function is to store the heat that collectors have extracted from the sun. Since there are days when, due to cloudy skies, the system will be unable to collect any heat, it is essential that the storage tank be large enough and sufficiently well insulated to retain the heat needed to warm the building for several days.

Many factors go into determining the size of the tank: the number of exposed sides of the building, the materials used in constructing the building, the type of insulation, room temperature desired, and so forth. When the Timonium contractor's engineers had completed their calculations, they reported that the storage tank must have a capacity of 15,000 gallons.

"Normally," says Mr. Fields, "we bury this sort of thing and then it is out of sight. But this is an experiment. Therefore we felt that we might want to get at the tank for additional instrumentation. Consequently we placed it above ground."

The steps in the water-heating cycle are relatively simple: The water is drawn from near the bottom of the storage tank and pumped to the tops of the collectors, where it drains down the honeycombs absorbing heat from them and from the sun's rays in the process. It drains into a gutter at the base of the collector, from where it flows back into storage, entering the storage tank near the top.

With an ambient temperature of 67 degrees Fahrenheit, water circulating through this system picks up nine degrees Fahrenheit on one cycle. As the circulation continues, the heat builds up. At Timonium, the temperature of the water used in heating is maintained at about 153 degrees. And since hot water is lighter than cold, the hot water remains at the top of the tank.

If, in this process, a lack of sunshine should cause the buildups of heat to cease, the valve admitting water to the collector and the pump forcing it through the pipes will cut off automatically. And should this situation continue for an extended period of time, the instrumentation will vent and drain the collector, and return the water to the bottom of the storage tank. At that point, the conventional heating system will automatically begin to operate.

The room-heating cycle is quite similar. In this instance the water is pumped from the top of the storage tank into the rooms that are to be heated. Thermostats in these rooms open valves to convectors which by means of coils extract the heat from the water and through radiation release it into the room, where it is circulated by blowers.

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After the water has given up its heat, it returns to the bottom of the storage tank only to be pumped back up to the collector panels for reheating and thus the cycle starts all over again. Enough heat is stored in the tank at Timonium to heat the school for four or five days.

As the Timonium Elementary School's use of solar energy is a scientific experiment, one aspect of the operation involves collecting data which may be used in connection with other solar heating projects. To that end, a completely automatic instrumentation console has been set up inside the building to provide a wide range of information.

From it one can determine, for example, the insolation (the rate of delivery of solar radiation per unit area surface) at any given time. Thus, if the insolation dial needle points to 60, this means that the collector is receiving 60 percent of the sun's energy that exists in a like area in outer space. There is a gauge on the console that relates to wind direction, another that measures the ambient temperature, and still others that show the temperature of the storage tank water—one for the top of the tank, another for the bottom.

Three large dials at the bottom of the console are so constructed that individual or groups of panels can be monitored with respect to the heat of the water when it enters and when it leaves the panel or panels.

At Timonium the installation of the solar-heating system provided an unexpected classroom bonus. Even the first-graders were fascinated. "They were concerned and excited." Mr. Crisswell says. "And when you have excitement and firsthand experience, this lends itself beautifully to a language arts experience. The students prepared stories and drew pictures of the installation of the storage tank, for example, and of the trucks transporting the collectors. And of course they became keenly interested in the solar heat concept."

To stimulate interest even more, Mr. Crisswell prepared a brochure outlining some fascinating facts about solar energy:

Use of solar energy is not new. As early as 200 B.C., Archimedes, by concentrating sunlight on raiding Roman ships, set them ablaze.

Probably the most spectacular attempt to date to use the sun's heat is a solar furnace developed by Felix Trombe in the French Pyrenees. A huge parabolic reflector, made from mirrors, concentrates solar heat to produce temperatures as high as 3,500 degrees Farenheit for industrial uses.

The solar energy that falls on Lake Erie each day is equivalent to the amount of energy consumed in the entire United States in a 24-hour period.

Each day the sun beams to the earth enough energy in 15 minutes to supply the world's needs for a year.

"The problem," Mr. Crisswell tells the youngsters, "is how to collect it." Then he goes into the Timonium experiment, explaining how the solar heating system at Timonium will trap and utilize a tiny fraction of this infinite source of energy.

During the time of construction, the fourth, fifth, and sixth grades were in particular briefed on what was taking place. The sixth-grade science class was especially interested and in one project built a very simple model of the Timonium solar heating system. "We took the temperature of the water when we put it into the system," says Carole Keister, their teacher, "and again after it had been warmed by the sun. We found that—depending on the sunlight—the water had collected anywhere from 20 to 40 degrees of heat. This project had special meaning for the students, of course, and it seems to have made them more interested in science in general."

"That kind of reaction," says Mr. Crisswell, "is one of the more exciting aspects of our solar heating project. It's a genuine bonus. Students at the fifth and sixth grades particularly are getting a great deal of firsthand technical information." As for the solar energy experiment itself, while five days of rather rough, blustery winter weather passed before enough heat was stored in the tank to start heating the center wing with solar energy, the equipment worked perfectly. The temperature in the wing stood at a steady 62 degrees during nights and weekends and 68 degrees during the day.

"The thermal drop in the tank," Mr. Fields says, "even on a windy, zero day is something less than a degree. With a bigger tank, the drop would be even less."

In the 33-day period between March 14 and April 17, the system saved an estimated 642 gallons of fuel oil worth $83.36. As the solar heated area in the building is about one-fifth that of the entire building, the saving for the entire building would be approximately $425 a month.

Does this make the system economically feasible? At the $525,000 cost of the project, the answer is negative. However, it must be remembered that Timonium involved an original plan; designing and tooling started from scratch. And because it was a crash program, it involved premium prices for almost everything used, including labor—factors that increased the cost tremendously.

More, the system is planned to last 20 years with very little in the way of replacements. Thus, if the elements were mass-produced and installed in a routine manner, the cost of the system, according to the contractor, would compare favorably with that of heating the building by electricity. Adds Alfred Eggers, Assistant Director for Research Application at NSF: "We believe that these systems will be cost competitive with fossil fuel systems as we move into the latter part of this decade."

Would this system function in an area where there is comparatively little sunshine? It would. However, the ratio of the collector area to the floor space would have to be increased, as has been done in solar heated schols in Boston and in Minneapolis.

As for the future, Dr. Eggers says that assuming solar heating projects prove both workable and economical, similar systems could be put in operation in a variety of commercial and private structures throughout the country by the end of this century. "They would have the potential," he says, "of meeting between one-third and one-half of the energy requirements of heating and cooling virtually all types of buildings. The savings in terms of fuel oil, if solar energy is fully utilized to heat and cool buildings, would be millions of barrels a day."

Timonium Elementary School will continue the solar heat experiment in the center wing during the 1974–75 school year, after having run tests this summer using the same energy source for air conditioning.

"We like the system," Mr. Crisswell says. "We'd like to see the entire building heated and air conditioned by solar energy. This, we feel, would constitute a major breakthrough, and we feel that we are on the brink of that realization."

PUBLIC VISITS TO NURSING HOMES VITAL TO ENFORCING IMPROVEMENTS

Mr. MOSS. Mr. President, the Salt Lake Tribune yesterday morning published a lead editorial entitled "Public Visits to Nursing Homes Vital to Forcing Improvements." The editorial is a thoughtful one and should be read by my colleagues.

As pointed out in the editorial, the Subcommittee on Long-Term Care of the Special Committee on Aging has for a decade been probing into the operation of nursing homes in the United States. The first volume of our report has now been released and calls attention to the critical problem that exists with this important segment of our society. I do hope that we can improve the lot of these older citizens who have given so much to our country.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Public Visits to Nursing Homes Vital To Forcing Improvements

There should be some way to compel every able-bodied adult to visit a nursing home at least once a year.

There is no way, of course, so most people who should be concerned will never—until they, too, are old—know what lies behind the quiet walls of the nation's approximately 22,000 nursing homes where more than a million elderly are spending their last years.

The Senate subcommittee on long-term care, headed by Utah's Sen. Frank E. Moss, is conducting a series of studies of nursing home care. News accounts suggest that the committee reports should be must reading for everyone.

Sen. Moss stresses that "there are many fine long-term care institutions in America" and adds that "in a way we do them an injustice" because the committee report concentrates on substandard facilities.

The senator's observation is well taken but even the finest nursing homes can be emotionally depressing to a casual visitor. Be that as it may, the critical need is to force improvement on the less than adequate operations. And that can best be accomplished by focusing public attention on the shortcomings.

While the "old folks home" has long been a fixture on the American scene, the number of such institutions multiplied rapidly with advent of Medicare and Medicaid programs. The lure of easy profit from government guaranteed payments brought a host of less than dedicated operators into the field.

Federal and state laws attempt to assure proper care for nursing home patients. But the Moss committee found that in many instances official standards are "watered down" and that enforcement was "haphazard." And this is the case even though two-thirds of nursing home revenues come from public funds.

Actually, the tragedy of nursing home care is not so much that minimum needs are not being met but that attempts to provide maximum care and benefits are the exception. While the individual nursing home operator draws most of the heat, the basic fault lies with an unfeeling society which puts a premium on youth and economic conditions which make it difficult for relatives to care for older family members at home.

The potential for greatly improved care is unlikely to be realized as long as so many of the elderly are put "out of sight, out of mind," rarely visited by a public unwilling to face a deeply disturbing challenge.

The Senate committee and other official and private bodies attempting to improve nursing home operations are engaged in humanitarian work of mounting urgency. But until large numbers of ordinary people take the trouble to see for themselves what is needed there will be no popular demand for broad improvement.

CONCLUSION OF MORNING BUSINESS

The **ACTING PRESIDENT** pro tempore. Is there further morning business? If not, morning business is closed.

RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 5463, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings.

The Senate resumed the consideration of the bill.

Mr. **MANSFIELD.** Mr. President, will the Senator from North Carolina yield to me without losing his right to the floor for the purpose of suggesting the absence of a quorum?

Mr. **ERVIN.** I was not figuring on being floor manager of this bill.

Mr. **MANSFIELD.** Well, who is?

Mr. **TOWER.** Mr. HRUSKA and Mr. MCCLELLAN.

Mr. **MANSFIELD.** Will the Senator yield?

Mr. **ERVIN.** Yes, I yield.

Mr. **MANSFIELD.** Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. **ERVIN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **ERVIN.** Mr. President, I ask unanimous consent that Bill Pursley, of my staff, and Doug Marvin of the staff of the Committee on the Judiciary be permitted the privilege of the floor to assist in this bill while it is pending.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **TOWER.** Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **ERVIN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **ERVIN.** Mr. President, I ask unanimous consent that the amendments of the Committee on the Judiciary be agreed to en bloc, and that the bill as thus amended be deemed to be original text for the purpose of further amendment.

The **ACTING PRESIDENT** pro tempore. Is there objection? Without objection, it is so ordered.

Mr. **BURDICK.** Mr. President, I am pleased to support H.R. 5463 which would establish rules of evidence to be applied in the district courts of the United States. This bill is the culmination of many years of effort by a distinguished group of judges, lawyers, and legal scholars who served on the Supreme Court's Advisory Committee. The bill in the form in which it is now before us represents the best thinking not only of that advisory committee but also the best thinking of the House of Representatives and many Members of this body, particularly those who are privileged to serve on the Judiciary Committee which reported the bill to the Senate floor. It can be said of this bill, as in fact it can be said of many items of legislation, that not everyone is 100 percent satisfied with every word, phrase, or sentence, but all of us can be satisfied with the product as a whole. I feel confident in making this statement even though I can recognize the fact that there will probably have to be conference committee action on this bill.

Mr. President, as justification for the statement which I just made and as a matter of information to my colleagues, permit me to call attention to the following facts:

Excluding technical changes, the House of Representatives made approximately 41 amendments to the rules as drafted by the advisory committee and as transmitted by the Supreme Court to the Congress. Some of these 41 amendments were major items and some were minor items. A detailed analysis of the bill discloses that of the 41 changes made by the House of Representatives, the Senate Judiciary Committee concurred in the House changes on 30 occasions. And, on eight occasions, the Senate committee has recommended a return to the language recommended by the Supreme Court's Advisory Committee. If one looks only at the major issues, of which there were 25, the Senate committee concurred with the House bill on 17 occasions and on eight other rules, the recommendation of the committee is to revert to the language of the Supreme Court's recommendations.

Therefore, Mr. President, I would urge my colleagues to support this bill, because it represents a well-considered effort by the Congress to fulfill its ultimate authority and responsibility with reference to prescribing the rules of procedure to be applied in the Federal courts. In so doing, the Congress has received recommendations of the bench, the bar, and the academic community, and has fashioned rules of evidence which will further the governmental goal of providing equal justice under law.

Mr. **HRUSKA.** Mr. President, I call up my amendment, which is at the desk, and ask for its immediate consideration.

The **ACTING PRESIDENT** pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 30, line 20, strike the word "business".

On page 16, line 8, strike the word "there" and insert in lieu thereof the word "thereof".

Mr. HRUSKA. Mr. President, this is a technical amendment of a corrective nature.

On page 30, the word "business" was deleted in every place where it appeared, with one exception. That exception is in line 20. This amendment corrects that oversight by deleting that word where it does appear in line 20 and thereby reflects the judgment of the committee.

On page 16 in line 8, the word "there" should be "thereof."

That is the substance of the amendment.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The **ACTING PRESIDENT** pro tempore. The bill is open to further amendment.

Mr. **HRUSKA.** Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **TUNNEY.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. STEVENSON). Without objection, it is so ordered.

Mr. **TUNNEY.** Mr. President, I ask unanimous consent that Mr. Kenneth Kaufman, who is on the staff of the Subcommittee on Administrative Practices and Procedures, be granted the privilege of the floor during debate on this bill.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **TUNNEY.** I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PROTECTION OF THE RIGHT OF PRIVACY

Mr. **ERVIN.** Mr. President, I move that the Chair lay before the Senate the message from the House of Representatives on H.R. 16373.

The motion was agreed to; and the Presiding Officer (Mr. STEVENSON) laid before the Senate H.R. 16373, an act to amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records and to provide that individuals be granted access to records concerning them which are maintained by Federal agencies, which was read twice by its title.

Mr. **ERVIN.** This is the House-passed bill on privacy. The Senate has passed its own bill. I move to strike out everything in H.R. 16373 after the enacting clause, and to substitute therefor the text of the Senate version of the privacy bill (S. 3418) as passed by the Senate yesterday.

The motion was agreed to.

The **PRESIDING OFFICER.** The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 16373) was read the third time, and passed, as follows:

H.R. 16373

An act to establish a Privacy Protection Commission, to provide management systems in Federal agencies and certain other organizations with respect to the gathering and disclosure of information concerning individuals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembeld.

TITLE I—PRIVACY PROTECTION COMMISSION

ESTABLISHMENT OF COMMISSION

Sec. 101. (a) There is established as an independent agency of the executive branch of the Government the Privacy Protection Commission.

(b) (1) The Commission shall be composed of five members who shall be appointed by the President, by and with the advice and consent of the Senate, from among members of the public at large who, by reason of their knowledge and expertise in any of the following areas: civil rights and liberties, law, social sciences, and computer technology, business, and State and local government, are well qualified for service on the Commission and who are not otherwise officers or employees of the United States. Not more than three of the members of the Commission shall be adherents of the same political party.

(2) One of the Commissioners shall be appointed Chairman by the President:

(3) A Commissioner appointed as Chairman shall serve as Chairman until the expiration of his term as a Commissioner of the Commission (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his succesor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed Chairman.

(c) The Chairman shall preside at all meetings of the Commission and a quorum for the transaction of business shall consist of at least three members present (but the Chairman may designate an Acting Chairman who may preside in the absence of the Chairman). Each member of the Commission including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission, shall have full access to all information relating to the performance of his duties or responsibilities, and shall have one vote. Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or Acting Chairman) shall be the official spokesman of the Commission in its relations with the Congress. Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct.

(d) Each Commissioner shall be compensated at the rate provided for under section 5314 of title 5 of the United States Code, relating to level IV of the Executive Schedule.

(e) Commissioners shall serve for terms of three years. No Commissioner may serve more than two terms. Vacancies in the membership of the Commission shall be filled in the same manner in which the original appointment was made.

(f) Vacancies in the membership of the Commission, as long as there are three Commissioners in office, shall not impair the power of the Commission to execute the functions and powers of the Commission.

(g) The members of the Commission shall not engage in any other employment during their tenure as members of the Commission.

(h) (1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that request to Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review to the submission of such recommendations, testimony, or comments to the Congress.

PERSONNEL OF THE COMMISSION

Sec. 102. (a) (1) The Commission shall appoint an Executive Director who shall perform such duties as the Commission may determine. Such appointment may be made without regard to the provisions of title 5, United States Code.

(2) The Executive Director shall be compensated at a rate not in excess of the maximum rate of GS–18 of the General Schedule under section 5332 of title 5, United States Code.

(b) The Commission is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the provisions of this Act.

(c) The Commission may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

FUNCTIONS OF THE COMMISSION

Sec. 103. (a) The Commission shall—

(1) publish annually a United States Directory of Information Systems containing the information specified to provide notice under section 201(c)(3) of this Act of each information system subject to the provisions of this Act and a listing of all statutes which require the collection of such information by a Federal agency;

(2) investigate, determine, and report any violation of any provision of this Act (or any regulation adopted pursuant thereto) to the President, the Attorney General, the Congress, and the General Services Administration where the duties of that agency are involved, and to the Comptroller General when it deems appropriate; and

(3) develop model guidelines for the implementation of this Act and assist Federal agencies in preparing regulations and meeting technical and administrative requirements of this Act.

(b) Upon receipt of any report required of a Federal agency describing (1) any proposed information system or data bank, or (2) any significant expansion of an existing information system or data bank, integration of files, programs for records linkage within or among agencies, or centralization of resources and facilities for data processing, the Commission shall—

(A) review such report to determine (i) the probable or potential effect of such proposal on the privacy and other personal or property rights of individuals or the confidentiality of information relating to such individuals, and (ii) its effect on the preservation of the constitutional principles of federalism and separation of powers; and

(B) submit findings and make recommendations to the President, Congress, and the General Services Administration concerning the need for legislative authorization and administrative action relative to any such proposed activity in order to meet the purposes and requirements of this Act.

(c) After receipt of any report required under subsection (b), if the Commission determines and reports to the Congress that a proposal to establish or modify a data bank or information system does not comply with the standards established by or pursuant to this Act, the Federal agency submitting such report shall not proceed to establish or modify any such data bank or information system for a period of sixty days from the date of receipt of notice from the Commission that such data bank or system does not comply with such standards.

(d) In addition to its other functions the Commission shall—

(1) to the fullest extent practicable, consult with the heads of appropriate departments, agencies, and instrumentalities of the Federal Government, of State and local governments, and other persons in carrying out the provisions of this Act and in conducting the study required by section 106 of this Act;

(2) perform or cause to be performed such research activities as may be necessary to implement title II of this Act, and to assist Federal agencies in complying with the requirements of such title;

(3) determine what specific categories of information should be prohibited by statute from collection by Federal agencies on the basis that the collection of such information would violate an individual's right of privacy; and

(4) prepare model legislation for use by State and local governments in establishing procedures for handling, maintaining, and disseminating personal information at the State and local level and provide such technical assistance to State and local governments as they may require in the preparation and implementation of such legislation.

CONFIDENTIALITY OF INFORMATION

Sec. 104. (a) Each department, agency, and instrumentality of the executive branch of the Government, including each independent agency, shall furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this Act.

(b) In carrying out its functions and exercising its powers under this Act, the Commission may accept from any Federal agency or other person any identifiable personal data if such data is necessary to carry out such powers and functions. In any case in which the Commission accepts any such information, it shall provide appropriate safeguards to insure that the confidentiality of such information is maintained and that upon completion of the purpose for which such information is required it is destroyed or returned to the agency or person from which it is obtained, as appropriate.

POWERS OF THE COMMISSION

Sec. 105. (a) (1) The Commission may, in carrying out its functions under this Act, conduct such inspections, sit and act at such times and places, hold hearings, take such testimony, require by subpena the attendance of such witnesses and the production of such books, records, papers, correspondence, and documents, administer such oaths, have such printing and binding done, and make such expenditures as the Commission deems advisable. A subpena shall be issued only upon an affirmative vote of a majority of all members of the Commission. Subpenas shall be issued under the signature of the Chairman or any member of the Commission designated by the Chairman and shall be served by any person designated by the Chairman or any such member. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(2) In case of disobedience to a subpena issued under paragraph (1) of this subsection, the Commission may invoke the aid of any district court of the United States in requiring compliance with such subpena. Any district court of the United States within the jurisdiction where such person is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Commission, issue an order requiring such person to appear and testify,

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to produce such books, records, papers, correspondence, and documents, and any failure to obey the order of the court shall be punished by the court as a contempt thereof.

(3) Appearances by the Commission under this Act shall be in its own name. The Commission shall be represented by attorneys designated by it.

(4) Section 6001(1) of title 18, United States Code, is amended by inserting immediately after "Securities and Exchange Commission," the following: "the Privacy Protection Commission,".

(b) The Commission may delegate any of its functions to such officers and employees of the Commission as the Commission may designate and may authorize such successive redelegations of such functions as it may deem desirable.

(c) In order to carry out the provisions of this Act, the Commission is authorized—

(1) to adopt, amend, and repeal rules and regulations governing the manner of its operations, organization, and personnel;

(2) to adopt, amend, and repeal interpretative rules for the implementation of the rights, standards, and safeguards provided under this Act;

(3) to enter into contracts or other arrangements or modifications thereof, with any government, any agency or department of the United States, or with any person, firm, association, or corporation, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(4) to make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(5) receive complaints of violations of this Act and regulations adopted pursuant thereto; and

(6) to take such other action as may be necessary to carry out the provisions of this Act.

COMMISSION STUDY OF OTHER GOVERNMENTAL AND PRIVATE ORGANIZATIONS

SEC. 106. (a)(1) The Commission shall make a study of the data banks, automated data processing programs, and information systems of governmental, regional, and private organizations, in order to determine the standards and procedures in force for the protection of personal information, and to determine the extent to which those standards and procedures achieve the purposes of this Act.

(2) The Commission periodically shall report its findings to the President and the Congress and shall complete the study required by this section not later than three years from the date this Act becomes effective.

(3) The Commission shall recommend to the President and the Congress the extent, if any, to which the requirements and principles of this Act should be applied to the information practices of those organizations by legislation, administrative action, or by voluntary adoption of such requirements and principles. In addition, it shall submit such other legislative recommendations as it may determine to be necessary to protect the privacy of individuals while meeting the legitimate needs of government and society for information.

(b)(1) In the course of such study and in its reports, the Commission shall examine and analyze—

(A) interstate transfer of information about individuals which is being undertaken through manual files or by computer or other electronic or telecommunications means;

(B) data banks and information programs and systems the operation of which significantly or substantially affect the enjoyment of the privacy and other personal and property rights of individuals;

(C) the use of social security numbers, license plate numbers, universal identifiers, and other symbols to identify individuals in data banks and to gain access to, integrate, or centralize information systems and files; and

(D) the matching and analyses of statistical data, such as Federal census data, with other sources of personal data, such as automobile registries and telephone directories, in order to reconstruct individual responses to statistical questionnaires for commercial or other purposes, in a way which results in a violation of the implied or explicitly recognized confidentiality of such information.

(2) The Commission shall include in its examination information activities in the following areas: medical, insurance, education, employment and personnel, credit, banking and financial institutions, credit bureaus, the commercial reporting industry, cable television and other telecommunications media, travel, hotel, and entertainment reservations, and electronic check processing. The Commission may study such other information activities necessary to carry out the congressional policy embodied in this Act, except that the Commission shall not investigate information systems maintained by religious organizations.

(3) In conducting the study, the Commission shall—

(A) determine what laws, Executive orders, regulations, directives, and judicial decisions govern the activities under study and the extent to which they are consistent with the rights of privacy, due process of law, and other guarantees in the Constitution;

(B) determine to what extent governmental and private information systems affect Federal-State relations or the principle of separation of powers;

(C) conduct a thorough examination of standards and criteria governing programs, policies, and practices relating to the collection, soliciting, processing, use, access, integration, dissemination, and transmission of personal information;

(D) to the maximum extent practicable, collect and utilize findings, reports, and recommendations of major governmental, legislative and private bodies, institutions, organizations, and individuals which pertain to the problems under study by the Commission; and

(E) receive and review complaints with respect to any matter under study by the Commission which may be submitted by any person.

REPORTS

SEC. 107. The Commission shall, from time to time, and in an annual report, report to the President and the Congress on its activities in carrying out the provisions of this Act.

TITLE II—STANDARDS AND MANAGEMENT SYSTEMS FOR HANDLING INFORMATION RELATING TO INDIVIDUALS

SAFEGUARD REQUIREMENTS FOR ADMINISTRATIVE, INTELLIGENCE, STATISTICAL-REPORTING, AND RESEARCH PURPOSES

SEC. 201. (a) Each Federal agency shall—

(1) collect, solicit, and maintain only such personal information as is relevant and necessary to accomplish a statutory purpose of the agency;

(2) collect information to the greatest extent practicable directly from the subject individual when the information may result in adverse determinations about an individual's rights, benefits, and privileges under Federal programs; and

(3) inform any individual requested to disclose personal information whether that disclosure is mandatory or voluntary, by what statutory authority it is solicited, what uses the agency will make of it, what penalties and specific consequences for the individual, which are known to the agency, will result from nondisclosure, and what rules of confidentiality will govern the information.

(b) Each Federal agency that maintains an information system or file shall, with respect to each such system or file—

(1) insure that personal information maintained in the system or file is accurate, complete, timely, and relevant to the purpose for which it is collected or maintained by the agency at the time any access is granted to the file, material is added to or taken from the file, or at any time it is used to make a determination affecting the subject of the file;

(2) refrain from disclosing any such personal information within the agency other than to officers or employees who have a need for such personal information in the performance of their duties for the agency;

(3) maintain a list of all categories of persons authorized to have regular access to personal information in the system or file;

(4) maintain an accurate accounting of the date, nature, and purpose of all other access granted to the system of file, and all other disclosures of personal information made to any person outside the agency, or to another agency, including the name and address of the person or other agency to whom disclosure was made or access was granted, except as provided by section 202(b) of this Act;

(5) establish rules of conduct and notify and instruct each person involved in the design, development, operation, or maintenance of the system or file, or the collection, use, maintenance, or dissemination of information about an individual, of the requirements of this Act, including any rules and procedures adopted pursuant to this Act and the penalties for noncompliance;

(6) establish appropriate administrative, technical and physical safeguards to insure the security of the information system and confidentiality of personal information and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom personal information is maintained; and

(7) establish no program for the purpose of collecting or maintaining information describing how individuals exercise rights guaranteed by the first amendment unless the head of the agency specifically determines that such information is relevant and necessary to carry out a statutory purpose of the agency.

(c) Any Federal agency that maintains an information system or file shall—

(1) make available for distribution upon the request of any person a statement of the existence and character of each such system or file;

(2) on the date on which this Act becomes effective and annually thereafter, notify the Commission and give public notice of the existence and character of each existing system or file simultaneously, and cause such notice to be published in the Federal Register; and

(3) include in such notices at least the following information:

(A) name and location of the system or file;

(B) nature and purposes of the system or file;

(C) categories of individuals on whom personal information is maintained and categories of personal information generally maintained in the system or file, including the nature of the information and the approximate number of individuals on whom information is maintained;

(D) the confidentiality requirements and the extent to which access controls apply to such information;

(E) categories of sources of such personal information;

(F) the Federal agency's policies and practices regarding implementation of sections 201 and 202 of this Act, information storage, duration of retention of information, and elimination of such information from the system or file;

(G) uses made by the agency of the personal information contained in the system or file;

(H) identity of other agencies and categories of persons to whom disclosures of personal information are made, or to whom access to the system or file may be granted, together with the purposes therefor and the administrative constraints, if any, on such disclosures and access, including any such constraints on redisclosure;

(I) procedures whereby an individual can (i) be informed if the system or file contains personal information pertaining to himself or herself, (ii) gain access to such information, and (ii) contest the accuracy, completeness, timeliness, relevance, and necessity for retention of the personal information; and

(J) name, title, official address, and telephone number of the officer immediately responsible for the system or file.

(d)(1) Each Federal agency that maintains an information system or file shall assure to an individual upon request the following rights:

(A) to be informed of the existence of any personal information pertaining to that individual;

(B) to have full access to and right to inspect the personal information in a form comprehensible to the individual;

(C) to know the names of all recipients of information about such individual including the recipient organization and its relationship to the system or file, and the purpose and date when distributed, unless such information is not required to be maintained pursuant to this Act;

(D) to know the sources of personal information (i) unless the confidentiality of any such source is required by statute, then the right to know the nature of such source; or (ii) unless investigative material used to determine the suitability, eligibility, or qualifications for Federal civilian employment, military service, Federal contracts, or access to classified information, is compiled by a Federal agency in pursuit of an authorized investigative responsibility, and in the course of compiling such materials, information prejudicial to the subject of the investigation is revealed through a source who furnishes such information to the Government under the express provision that the identity of the source will be held in confidence, and where the disclosure of such information would identify and be prejudicial to the rights of the confidential source, then the right to know the nature of such information and to examine that information if it is found to be material or relevant to an administrative or judicial proceeding by a Federal judge or Federal administrative officer: *Provided*, That investigative material shall not be made available to promotion boards which are empowered to promote or advance individuals in Federal employment, except when the appointment would be from a noncritical to a critical security position;

(E) to be accompanied by a person chosen by the individual inspecting the information, except that an agency or other person may require the individual to furnish a written statement authorizing discussion of that individual's file in the person's presence;

(F) to receive such required disclosures and at reasonable standard charges for document duplication, in person or by mail, if upon written request, with proper identification; and

(G) to be completely informed about the uses and disclosures made of any such information contained in any such system or file except those uses and disclosures made pursuant to law or regulation permitting public inspection or copying.

(2) Upon receiving notice that an individual wishes to challenge, correct, or explain any personal information about him in a system or file, such Federal agency shall comply promptly with the following minimum requirements:

(A) investigate and record the current status of the personal information;

(B) correct or eliminate any information that is found to be incomplete, inaccurate, not relevant to a statutory purpose of the agency, not timely or necessary to be retained, or which can no longer be verified;

(C) accept and include in the record of such information, if the investigation does not resolve the dispute, any statement of reasonable length provided by the individual setting forth his position on the disputed information;

(D) in any subsequent dissemination or use of the disputed information, clearly report the challenge and supply any supplemental statement filed by the individual;

(E) at the request of such individual, following any correction or elimination of challenged information, inform past recipients of its elimination or correction; and

(F) not later than sixty days after receipt of notice from an individual making a request concerning personal information, make a determination with respect to such request and notify the individual of the determination and of the individual's right to a hearing before an official of the agency which shall if requested by the individual, be conducted as follows:

(i) such hearing shall be conducted in an expeditious manner to resolve the dispute promptly and shall be held within thirty days of the request and, unless the individual requests a formal hearing, shall be conducted on an informal basis, except that the individual may appear with counsel, present evidence, and examine and cross-examine witnesses;

(ii) any record found after such a hearing to be incomplete, inaccurate, not relevant, not timely nor necessary to be retained, or which can no longer be verified, shall within thirty days of the date of such findings be appropriately modified or purged; and

(iii) the action or inaction of any agency on a request to review and challenge personal data in its possession as provided by this section shall be reviewable de novo by the appropriate United States district court.

An agency may, for good cause, extend the time for making a determination under this subparagraph. The individual affected by such an extension shall be given notice of the extension and the reason therefor.

(e) When a Federal agency provides by a contract, grant, or agreement for, and the specific creation or substantial alteration, or the operation by or on behalf of the agency of an information system or file and the primary purpose of the grant, contract, or agreement is the creation, substantial alteration, or the operation by or on behalf of the agency of such an information system or file, the agency shall, consistent with its authority, cause the requirements of subsections (a), (b), (c), and (d) to be applied to such system or file. In cases when contractors and grantees or parties to an agreement are public agencies of States or the District of Columbia or public agencies of political subdivisions of States, the requirements of subsections (a), (b), (c), and (d) shall be deemed to have been met if the Federal agency determines that the State or the District of Columbia or public agencies of political subdivisions of the State have adopted legislation or regulations which impose similar requirements.

(f)(1) Any Federal agency maintaining or proposing to establish a personal information system or file shall prepare and submit a report to the Commission, the General Services Administration, and to the Congress on proposed data banks and information systems or files, the proposed significant expansion of existing data banks and information systems or files, integration of files, programs for records linkage within or among agencies, or centralization of resources and facilities for data processing, which report shall include—

(A) the effects of such proposals on the rights, benefits, and privileges of the individuals on whom personal information is maintained;

(B) a statement of the software and hardware features which would be required in protect security of the system or file and confidentality of information;

(C) the steps taken by the agency to acquire such features in their systems, including description of consultations with representatives of the National Bureau of Standards; and

(D) a description of changes in existing interagency or intergovernmental relationships in matters involving the collection, processing, sharing, exchange, and dissemination of personal information.

(2) The Federal agency shall not proceed to implement such proposal for a period of sixty days from date of receipt of notice from the Commission that the proposal does not comply with the standards established under or pursuant to this Act.

(g) Each Federal agency covered by this Act which maintains an information system or file shall make reasonable efforts to serve advance notice on an individual before any personal information on such individual is made available to any person under compulsory legal process.

(h) No person may condition the granting or withholding of any right, privilege, or benefit, or make as a condition of employment the securing by any individual of any information which such individual may obtain through the exercise of any right secured under the provisions of this section.

DISCLOSURE OF INFORMATION

SEC. 202. (a) No Federal agency shall disseminate personal information unless—

(1) it has made written request to the individual who is the subject of the information and obtained his written consent;

(2) the recipient of the personal information has adopted rules in conformity with this Act for maintaining the security of its information system and files and the confidentiality of personal information contained therein; and

(3) the information is to be used only for the purposes set forth by the sender pursuant to the requirements for notice under this Act.

(b) Section 202(a)(1) shall not apply when disclosure would be—

(1) to those officers and employees of that agency who have a need for such information in ordinary course of the performance of their duties;

(2) to the Bureau of the Census for purposes of planning or carrying out a census or survey pursuant to the provisions of title 13, United States Code: *Provided*, That such personal information is transferred or disseminated in a form not individually identifiable.

(3) where the agency determines that the recipient of such information has provided advance adequate written assurance that the information will be used solely as a statistical reporting or research record, and is to be transferred in a form that is not individually identifiable; or

(4) pursuant to a showing of compelling circumstances affecting health or safety of

an individual, if upon such disclosure notification is transmitted to the last known address of such individual.

(c) Section 201(b)(4) and paragraphs (1), (2), and (3) of subsection (a) of this section shall not apply when disclosure would be to the Comptroller General, or any of his authorized representatives in the course of the performance of the duties of the General Accounting Office. Nothing in this Act shall impair access by the Comptroller General, or any of his authorized representatives, to records maintained by an agency, including records of personal information, in the course of performance of such duties.

(d)(1) Nothing in this section shall be construed to limit the efforts of the Government pursuant to the provision of chapter 35, title 44 of the United States Code (commonly known as the Federal Reports Act) or any other statute, to reduce the burden on citizens of collecting information by means of combining or eliminating unnecessary reports, questionnaires, or requests for information.

(2) Nothing in this section shall be construed to affect restrictions on the exchange of information between agencies as required by chapter 35, title 44 of the United States Code (commonly known as the Federal Reports Act).

(e) Subsection (a)(1) of this section shall not apply when disclosures would be to another agency or to an instrumentality of any governmental jurisdiction for a law enforcement activity if such activity is authorized by statute and if the head of such agency or instrumentality has made a written request to or has an agreement with the agency which maintains the system or file specifying the particular portion of the information desired and the law enforcement activity for which the information is sought.

EXEMPTIONS

SEC. 203. (a) The provisions of section 201(c)(3)(E), (d), and section 202, shall not apply to any personal information contained in any information system or file if the head of the Federal agency determines, in accordance with the provisions of this section, that the application of the provisions of any of such sections would seriously damage national defense or foreign policy or where the application of any of such provisions would seriously damage or impede the purpose for which the information is maintained.

(b) The provisions of section 201(d) and section 202 shall not apply to law enforcement intelligence information or investigative information if the head of the Federal agency determines, in accordance with the provisions of any of such sections would seriously damage or impede the purpose for which the information is maintained: *Provided*, That investigatory records shall be exempted only to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) disclose the identity of a confidential source, and in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source, (D) disclose confidential investigative techniques and procedures which are not otherwise generally known outside the agency, or (E) endangers the life or physical safety of law enforcement personnel: *Provided*, That investigative information may not be exempted under this section where such information has been maintained for a period longer than is necessary to commence criminal prosecution. Nothing in this Act shall prohibit the disclosure of such investigative information to a party in litigation where required by statute or court rule.

(c)(1) A determination to exempt any such system, file, or information may be made by the head of any such agency in accordance with the requirements of notice, publication, and hearing contained in sections 553 (b), (c), and (e), 556, and 557 of title 5, United States Code. In giving notice of an intent to exempt any such system, file, or information, the head of such agency shall specify the nature and purpose of the system, file, or information to be exempted.

(2) Whenever any Federal agency undertakes to exempt any information system, file, or information from the provisions of this Act, the head of such Federal agency shall promptly notify the Commission of its intent and afford the Commission opportunity to comment.

(3) The exception contained in section 553 (d) of title 5, United States Code (allowing less than thirty days' notice), shall not apply in any determination made or any proceeding conducted under this section.

ARCHIVAL RECORDS

SEC. 204. (a) Federal agency records which are accepted by the Administrator of General Services for storage, processing, and servicing in accordance with section 3103 of title 44, United States Code, shall, for the purposes of this section, be considered to be maintained by the agency which deposited the records and shall be subject to the provisions of this Act. The Administrator of General Services shall not disclose such records, or any information therein, except to the agency which maintains the records or pursuant to rules established by that agency.

(b) Federal agency records pertaining to identifiable individuals which were transferred to the National Archives of the United States as records which have sufficient historical or other value to warrant their continued preservation by the United States Government shall for the purposes of this Act, be considered to be maintained by the National Archives and shall not be subject to the provisions of this Act except section 201(b) (5) and (6).

(c) The National Archives shall, on the date on which this Act becomes effective and annually thereafter, notify the Commission and give public notice of the existence and character of the information systems and files which it maintains, and cause such notice to be published in the Federal Register. Such notice shall include at least the information specified under sections 201 (c)(3)(A), (B), (D), (E), (F), (G), (I), and (J).

EXCEPTIONS

SEC. 205. (a) No officer or employee of the executive branch of the Government shall rely on any exemption in subchapter II of chapter 5 of title 5 of the United States Code (commonly known as the Freedom of Information Act) to withhold information relating to an individual otherwise accessible to an individual under this Act.

(b) Nothing in this Act shall be construed to permit the withholding of any personal information which is otherwise required to be disclosed by law or any regulation thereunder.

(c) The provisions of section 201(d)(1) of this Act shall not apply to records collected or furnished and used by the Bureau of the Census solely for statistical purposes or as authorized by section 8 of title 13 of the United States Code: *Provided*, That such personal information is transferred or disseminated in a form not individually identifiable.

(d) The provisions of this Act shall not require the disclosure of testing or examination material used solely to determine individual qualifications for appointment or promotion in the Federal service if the disclosure of such material would compromise the objectivity or fairness of the testing or examination process.

(e) The provisions of this Act, with the exception of sections 201(a)(2), 201(b)(2), (3), (4), (5), (6) and (7), 201(c)(2), 201 (c)(3)(A), (B), (D), and (F), and 202(a) (2) and (3) shall not apply to foreign intelligence information systems or to systems of personal information involving intelligence sources and methods designed for protection from unauthorized disclosure pursuant to 50 U.S.C.A. 403.

MAILING LISTS

SEC. 206. (a) An individual's name and address may not be sold or rented by a Federal agency unless such action is specifically authorized by law. This provision shall not be construed to require the confidentiality of names and addresses otherwise permitted to be made public.

(b) Upon written request of any individual, any person engaged in interstate commerce who maintains a mailing list shall remove the individual's name and address from such list.

REGULATIONS

SEC. 207. Each Federal agency subject to the provisions of this Act shall, not later than six months after the date on which this Act becomes effective, promulgate regulations to implement the standards, safeguards, and access requirements of this title and such other regulations as may be necessary to implement the requirements of this Act.

TITLE III—MISCELLANEOUS

DEFINITIONS

SEC. 301. As used in this Act—

(1) the term "Commission" means the Privacy Protection Commission;

(2) the term "personal information" means any information that identifies or describes any characteristic of an individual including, but not limited to, his education, financial transactions, medical history, criminal or empolyment record, or that affords a basis for inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual; and the record of his presence, registration, or membership in an organization or activity, or admission to an institution;

(3) the term "individual" means a citizen of the United States or an alien lawfully admitted through permanent residence;

(4) the term "information system" means the total components and operations, whether automated or manual, by which personal information, including name or identifier, is collected, stored, processed, handled, or disseminated by an agency;

(5) the term "file" means a record or series of records containing personal information about individuals which may be maintained within an information system;

(6) the term "data bank" means a file or series of files pertaining to individuals;

(7) the term "Federal agency" means any department, agency, instrumentality, or establishment in the executive branch of the Government of the United States and includes any officer or employee thereof;

(8) the term "investigative information" means information associated with an identifiable individual compiled by—

(A) an agency in the course of conducting a criminal investigation of a specific criminal act where such investigation is pursuant to a statutory function of the agency. Such information may pertain to that criminal act and be derived from reports of informants and investigators, or from any type of surveillance. The term does not include criminal history information nor does it include initial reports filed by a law enforcement agency describing a specific incident, indexed chronologically and expressly required by State or Federal statute to be made public; or

(B) by an agency with regulatory jurisdiction which is not a law enforcement agency in the course of conducting an investigation of specific activity which falls within the agency's regulatory jurisdiction. For the purposes of this paragraph, an "agency with regulatory jurisdiction" is an agency which is empowered to enforce any Federal statute or regulation, the violation of which subjects the violator to criminal or civil penalties;

(9) the term "law enforcement intelligence information" means information associated with an identifiable individual compiled by a law enforcement agency in the course of conducting an investigation of an individual in anticipation that he may commit a specific criminal act, including information derived from reports of informants, investigators, or from any type of surveillance. The term does not include criminal history information nor does it include initial reports filed by a law enforcement agency describing a specific incident, indexed chronologically by incident and expressly required by State or Federal statute to be made public;

(10) the term "criminal history information" means information on an individual consisting of notations of arrests, detentions, indictments, informations, or other formal criminal charges and any disposition arising from those arrests, detentions, indictments, informations, or charges. The term shall not include an original book of entry or police blotter maintained by a law enforcement agency at the place of an original arrest or place of detention, indexed chronologically and required to be made public, nor shall it include court records of public criminal proceedings indexed chronologically; and

(11) the term "law enforcement agency" means an agency whose employees or agents are empowered by State or Federal law to make arrests for violations of State or Federal law.

CRIMINAL PENALTY

SEC. 302. (a) Any officer or employee of any Federal agency who willfully keeps an information system without meeting the notice requirements of this Act set forth in section 201(c) shall be fined not more than $2,000 in each instance or imprisoned not more than two years, or both.

(b) Whoever, being an officer or employee of the Commission, shall disseminate any personal information about any individual obtained in the course of such officer or employee's duties in any manner or for any purpose not specifically authorized by law shall be fined not more than $10,000, or imprisoned not more than five years, or both.

CIVIL REMEDIES

SEC. 303. (a) Any individual who is denied access to information required to be disclosed under the provisions of this Act may bring a civil action in the appropriate district court of the United States for damages or other appropriate relief against the Federal agency which denied access to such information.

(b) The Attorney General of the United States, or any aggrieved person, may bring an action in the appropriate United States district court against any person who is engaged or is about to engage in any acts or practices in violation of the provisions of this Act, to enjoin such acts or practices.

(c) The United States shall be liable for the actions or omissions of any officer or employee of the Government who violates the provisions of this Act, or any rule, regulation, or order issued thereunder in the same manner and to the same extent as a private individual under like circumstances to any person aggrieved thereby in an amount equal to the sum of—

(1) any actual damages sustained by an individual;

(2) to punitive damages where appropriate; and

(3) in the case of any successful action to enforce any liability under this section, the costs of the action together with reasonable attorney's fees as determined by the court.

(d) The United States consents to be sued under this section without limitation on the amount in controversy. A civil action against the United States under subsection (c) of this section shall be the exclusive remedy for the wrongful action or omission of any officer or employee.

JURISDICTION OF DISTRICT COURTS

SEC. 304. (a) The district courts of the United States have jurisdiction to hear and determine civil actions brought under section 303 of this Act and may examine the information in camera to determine whether such information or any part thereof may be withheld under any of the exemptions in section 203 of this Act. The burden is on the Federal agency to sustain such action.

(b) In any action to obtain judicial review of a decision to exempt any personal information from any provision of this Act, the court may examine such information in camera to determine whether such information or any part thereof is properly classified with respect to national defense, foreign policy or law enforcement intelligence information or investigative information and may be exempted from any provision of this Act. The burden is on the Federal agency to sustain any claim that such information may be so exempted.

EFFECTIVE DATE

SEC. 305. This Act shall become effective one year after the date of enactment except that the provisions of title I of this Act shall become effective on the date of enactment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 306. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

MORATORIUM ON USE OF SOCIAL SECURITY NUMBERS

SEC. 307. (a) It shall be unlawful for—

(1) any Federal, State, or local government agency to deny to any individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his social security account number, or

(2) any person to discriminate against any individual in the course of any business or commercial transaction or activity because of such individual's refusal to disclose his social security account number.

(b) The provisions of subsection (a) shall not apply with respect to—

(1) any disclosure which is required by Federal law, or

(2) any information system in existence and operating before January 1, 1975.

(c) Any Federal, State, or local government agency which requests an individual to disclose his social security account number, and any person who requests, in the course of any business or commercial transaction or activity, an individual to disclose his social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, what uses will be made of it, and what rules of confidentiality will govern it.

The title was amended so as to read: "A bill to establish a Privacy Protection Commission, to provide management systems in Federal agencies and certain other organizations with respect to the gathering and disclosure of information concerning individuals, and for other purposes."

RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

The Senate continued with the consideration of the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings.

Mr. HRUSKA. Mr. President, I gave my opening remarks on this bill yesterday and at this time would only like to reiterate that I believe that H.R. 5463 constitutes milestone legislation. This bill is the culmination of many years of hard and thought-provoking work by many different people. The enactment of this bill will improve the administration of justice by giving us rules of evidence that are uniform, coherent, and readily accessible.

I should also point out that the President in his message to Congress of November 18 indicated his support for the prompt enactment of the subject bill. It is my hope that we can promptly enact H.R. 5463.

Mr. President, I send to the desk a technical amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 16, line 10, delete the word "of" and insert in lieu thereof the word "or".

Mr. HRUSKA. Mr. President, the purpose of this amendment is to correct a typographical error. The word "of" should be the word "or." I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPEAL OF SECTIONS 4 AND 5 OF VOTING RIGHTS LAW

Mr. ALLEN. Mr. President, for reasons briefly summarized below, I offer a bill to repeal sections 4 and 5 of the 1965 Voting Rights Act as amended and extended in 1970.

It will be recalled that section 4 establishes voter registration and participation standards by which States are identified and burdened with a legal presumption of unconstitutional discrimination in the administration of their voting laws.

On the basis of this presumption, section 5 establishes principles which have come to be known as the conquered province theory of the powers of Congress. Under this theory, Congress asserts a power to deprive States of essential elements of their respective sovereignties.

It can be demonstrated that these sections either amend, modify, or circumvent nine separate provisions of the U.S. Constitution.

More specifically, section 5 asserts a power in Congress to categorize State legislation by subject matter for the purpose of requiring prior approval by agencies of Federal Government as a necessary condition of the validity of such State laws. Such a power in Congress is inconsistent with a Republican form of Government guaranteed to the States by article IV, section 4, of the Constitution.

Section 5 asserts a power in Congress to delegate a judicial function and judicial powers to the executive branch of Federal Government to pass on the validity of States statutes and to deny such laws full force and effect of law pending approval or rejection by an agency of the executive branch. Such power in Congress contravenes the doctrine of separation of powers and violates the intention of article III of the Constitution which vests original jurisdiction of cases in which States are parties in the Supreme Court.

The prior approval provision in section 5 deprives States of their unfettered Constitutional prerogative to choose the manner by which they will appoint Presidential electors by subjecting such choice to prior approval of agencies of Federal Government, contrary to the language, purpose, and intent of article III, section I, of the Constitution.

The provisions of sections 4 and 5 clearly constitute a "bill of attainder" and, as such, violate the prohibition on the passage of such bills as set out in article I, section 9, of the Constitution.

Section 4 abrogates the provisions of article I of the U.S. Constitution which adopts and makes a part of the U.S. Constitution the qualifications for voting for Members of Congress as are established by the States.

The liberty of individual citizens to pursue careers in public service without the onus of a prior determination by Congress of the moral unfitness of such citizens to serve is protected by due process limitations on the power of Congress in the fifth amendment. Sections 4 and 5 offend in this regard.

Canons of fairness, decency, reasonableness, and respect for law and traditions of our Nation are grossly violated by the criteria adopted by Congress to isolate and identify certain State legislators as a class and publicly condemn the class as unworthy of the trust to enact valid State legislation.

In other words, the Voting Rights Act, under the formula set in this act, provided for the use of a formula which made seven Southern States in violation of the Voting Rights Act automatically. Way back in 1964, they did not have half of their qualified voters voting in the Presidential election. As to those States tied with the triggering of this formula as provided in section 4, they were automatically held to be guilty of discrimination in the matter of their voting rights laws and the conduct of their election, enabling the Federal Government to send vote registrars, election watchers, poll watchers, into those States, because under this statute these seven Southern States are held to be guilty of discrimination just because back in 1964, 50 percent of the persons of voting age did not vote in that election and in addition, they had literacy tests; that combination.

But it was by using that combination that the seven Southern States were held to be guilty of discrimination.

Section 5 then provides that as to these States they cannot pass a law dealing with any far-fetched phase of voting rights or elections without first getting approval of the Attorney General of the United States to give efficacy to the statute.

So, Mr. President, in the seven Southern States, of which Alabama is one, if a law is passed having to do with elections in any form, having to do with the time of election, the manner of election, whether offices shall be voted on countywide, statewide, or any difference in the manner of choosing a public official, if the city wants to annex territory, if there is a reduction in the board of revenue from five men to three men, any change that conceivably could have any effect on voting rights or that would have effect on elections, it has to be approved by the Attorney General of the United States before our local laws can have any effect.

So we have one rule applicable to seven Southern States and the rest of the country is not automatically held to be guilty of discrimination.

This bill repealing sections 4 and 5 puts all States of the Union on the same basis. If any State, any local government, is found to be guilty of discrimination in the matter of voting rights or elections, then the Federal Government can come in, make out a case of discrimination, and the penalties would be applied.

So if there is discrimination, then the penalty could be applied. But under the present law, the seven Southern States are held to be in discrimination, even though any discrimination which may have existed way back in 1964 has been eliminated, if any discrimination existed back at that time.

All we are asking under this bill is that all States of the Union be put on the same basis.

When this Voting Rights Act came before the Supreme Court in 1965, Mr. Justice Black, in a dissenting opinion, held that that portion of the Voting Rights Act requiring State and local governments to get approval of the Attorney General before those laws could have any effect, was treating the seven Southern States as conquered provinces. He held that that section of the bill was unconstitutional. Of course, I agree with that position.

Even if it were held to be unconstitutional back then under changing circumstances, changing conditions, it could not be held to be constitutional today if the matter should be tested in court.

The denial by Congress of the traditional, reasonable, and necessary presumption of the validity of the acts of State legislatures is an unconstitutional encroachment on powers reserved in the States and in the people by the 10th amendment.

All we are trying to do is apply the same rules in Alabama and the South as are applied in other sections of the country. I do not feel that is too unreasonable a request to make. I do not see why the Federal law should be that seven Southern States are guilty of discrimination in their State legislatures; they are guilty of discrimination in the operation of their board of registrars; they are guilty of discrimination in the operation of their elections. That is what the law says at present. That has been the law for almost 10 years.

The time has come to change that law, because any person 18 years of age who presents himself to a board of registrars anywhere I know of in Alabama and throughout the entire South is able to register on proof of residence.

Alabama has one of the highest percentages of persons of voting age who are registered to vote of any State in the Union. And yet the Federal law says that they are discriminating against would-be voters, and they are discriminating against voters in the conduct of elections in their State legislatures, when they enact statutes regarding elections, registration, or the change in the form of local governments.

In the city of Montgomery, Ala., after a law was passed with respect to the form of government and calling for an election by the people of Montgomery to determine whether they wanted to move from a commission form of government to an aldermanic form of government, the mayor and council, took a year to get the approval of the Attorney General, even though the three commissioners under the commission form of government were all white, and at least two of the aldermen were black, according to the voter registration down there.

Even under that state of affairs it took the Attorney General's office approximately 1 year to approve this law.

Our people should not have to come hat in hand to Washington to get their laws approved. Our voter registrars should not be held under Federal law to automatically be discriminating against the people when there is no discrimination.

If they can prove discrimination, fine, let us be just like any other State in the Union. But do not apply one rule against us and an entirely different rule somewhere else.

I see the distinguished Senator from North Carolina (Mr. ERVIN) in the Chamber. He and I some 5 years ago discussed at length the matter of extending the Voting Rights Act for another 5 years.

We opposed it as not being necessary. We also opposed sections 4 and 5, the triggering device and the provision making our enactments of laws, ordinances, and resolutions subject to approval by the Attorney General of the United States.

There was sufficient outrage to cause Mr. Justice Black, in 1965, to say that the Southern States were being treated like conquered provinces.

We want the same rights of statehood for our people as every other State, but we are being denied that. We are being discriminated against. Our State, county, and city governments are being discriminated against for no reason, because of a situation which was alleged to have existed back in 1964. It does not exist now.

Mr. ERVIN. Will the Senator yield for an observation?

Mr. ALLEN. I am glad to yield.

Mr. ERVIN. I wish to concur in the remarks of the Senator from Alabama about this ridiculous provision of the Voting Rights Act of 1965, which was reincarnated, reperpetrated, and reenacted again when the act was renewed.

I still live in hopes that someday all of the Southern States, counties, and municipalities will be readmitted into the Union on the same basis of equality with the other States, counties, and municipalities in other areas of the country.

We have been behaving pretty well even by ancient Yankee standards for a long, long time. The entire country ought to be willing to grant us forgiveness, especially since we have not done anything except support the Constitution which the South, as much as any other area of the country, created.

I think this provision of the act is the most iniquitous provision ever incorporated into an act of Congress. It gives to an executive officer of the Federal Government, the Attorney General, the right to make a virtually unreviewable decision on the question of whether Southern States shall be allowed to exercise the powers given them by the Constitution.

And another thing: when Congress renewed this act, as the Senator from Alabama knows, it reported the provision in the original Voting Rights Act of 1965, that if less than 50 percent of the people of voting age in a State or a county in the carefully selected South failed to vote in the Presidential election of 1964, such State or county would be presumed on a basis of that mere fact that the State or county election officials had violated the 15th amendment by denying qualified persons the right to vote because of their race. And this was true when absolutely nothing was shown in respect to the races of those who failed to vote.

Yet, before Congress renewed this act, in 1970, the election of 1968 had been held. If the advocates of the renewal of the act had been willing to apply the presumption to the 1968 election, instead of adhering to the 1964 election, virtually all the Southern States covered by the original act would have been exonerated from the provisions of the act. However, the advocates of the renewal of the act refused to do that and voted down an amendment which the Senator from Alabama and I offered which would have done that very thing.

So, in effect, we are still condemned by an ex-post-facto law—that is, on the basis of what happened in the 1964 election rather than what happened in the election of 1968.

Mr. ALLEN. That is correct.

Mr. ERVIN. In holding the Voting Rights Act of 1965 valid, the Supreme Court of the United States had great difficulty getting around two plain propositions. The first was that, under the due process clause, a presumption based upon an established fact which has no rational relation to the fact presumed is unconstitutional. In view of the fact that the Voting Rights Act provides that the presumption arises that Southern State and county election officers violated the 15th amendment and deprived people of the right to vote on account of their race, without any revelation of the race of any voters or nonvoters being taken into consideration. So we had the monstrous assertion made by the Supreme Court, in order to avoid the due process clause, that the due process clause of the 15th amendment does not even protect the States.

What is a State? A State may be considered one of three things: first, a State or one of the States recognized by the Constitution; or the territory which constitutes the territory of the State; or the people who reside in such territory.

Under this decision of the Supreme Court, if it means what it says—and I think it cannot possibly mean what it says—Congress could pass a law to abolish a State; and since it had no protection under the due process clause, the State could not do anything about it. Indeed, Federal courts could enter a judgment adverse to a State without giving the State notice or an opportunity to be heard.

The other thing about this bill was that it was an absolute violation of the provisions of the Constitution, which says that Congress shall not pass a bill of attainder. The act was clearly a bill of attainder, because it convicted the election officials in these carefully selected Southern States and counties to which the act applies of violating the law, the 15th amendment, without a judicial trial, and it denied them powers the Constitution vests in them as State or county election officers.

So the Supreme Court had another provision which intellectually required the Court to adjudge the act to be unconstitutional, and that was the prohibition against bills of attainder.

To circumvent this provision, the Supreme Court did the marvelous thing of saying that that, too, did not apply to a State. So we have a State condemned by legislative enactment. The Court said it did not apply to State officials. But the same Court had held, just a few years before, when Congress passed a bill of attainder applying to the Federal officials involved in the Lovett case, that the prohibition against Congress passing a bill of attainder is valid and fully enforceable as applied to Federal officials. But the same Court solemnly held that it has no application when State officials or county officials are involved. Hence, what is sauce for the Federal goose is not sauce for the State gander.

I hope that some day, when the South is fully forgiven, Supreme Court Justices may be convinced that the due process clause does apply to the States or the people of the States or the government of the States and that the prohibition on bills of attainder does protect States and the people of States, just as it protects the Federal officials.

Mr. ALLEN. The Supreme Court engaged in quite a bit of sophistry on that occasion, did they not?

Mr. ERVIN. They certainly did. In fact, it hardly reached the dignity of sophistry. It absolutely nullified two clear provisions of the Constitution of the United States. In my judgment, it was the sorriest day in the history of the Supreme Court, when the Justices handed down that inexcusable decision.

Mr. ALLEN. I certainly agree.

Mr. ERVIN. I think that the prohibition against bills of attainder protects State officials, just as it protects Federal officials, and protects States and the people of the States. I think that the due process clause, in its procedural provisions, applies to the States just as it applies to every human being living within the farflung borders of a State.

Mr. ALLEN. I agree with the Senator.

Mr. ERVIN. I thank the Senator from Alabama for the great fight he has been making for constitutional government.

Mr. ALLEN. I thank the distinguished Senator. I hope the Senator will join in cosponsoring this bill, which seeks to repeal sections 4 and 5 of the Voting Rights Act.

Mr. ERVIN. The Senator from North Carolina will accede to that suggestion with the greatest of pleasure.

Mr. ALLEN. I thank the distinguished Senator.

Mr. President, I ask unanimous consent that the name of the distinguished senior Senator from North Carolina (Mr. ERVIN) be added as a cosponsor of the bill that I have presented at the desk.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

Mr. ALLEN. To show another phase of this insidious bill, even though every person of voting age in these seven Southern States registers to vote—if every qualified voter in the State goes to the polls and votes—that does not take the State out from under the provisions of the bill.

I favor voting rights. I want every person qualified to vote to come in and register. I want them to go to the polls and vote, and I want the votes to be counted. I think that what we need to be concerned with is that only about 38 percent of the people turned out to vote in the November election.

Mr. ERVIN. I ask the Senator from Alabama this question, if he will yield for a question.

Mr. ALLEN. I yield.

Mr. ERVIN. If the Voting Rights Act of 1965, as renewed several years later, applied to the whole United States in all Federal elections, there would be a presumption under that act, since only 38 percent of the people voted in the last election, that the 15th amendment has been violated in every State of the Union, would there not?

Mr. ALLEN. Yes, it would appear that way. I think this is applicable in the Presidential election.

Mr. ERVIN. Since nobody sought to make that application, it just proves that what is sauce for the Southern goose is not necessarily sauce for the ganders in the rest of the country.

Mr. ALLEN. That is quite right.

I feel that the limitations of time, a matter of days, while the 93d Congress is going to be in session, might hold up the enactment of this bill, inasmuch as it would have to pass in the Senate and then in the House.

I regret very much that the distinguished Senator from North Carolina is not going to be present in the 94th Congress. I firmly believe that if he were a Member of the 94th Congress, with his tremendous ability, with his tremendous dedication, with his tremendous zeal in standing for constitutional government for all our people, the time has come when this bill could be enacted.

Removing sections 4 and 5 from the bill would not destroy the Voting Rights Act. The Voting Rights Act still would be applicable throughout the country; but it would make the same rule applicable throughout the country, and not just have the seven States covered on account of the status of registration and participation in an election in 1964 as the guide.

The Voting Rights Act was for 5 years when enacted in 1965. That was carried to 1970, then renewed, for another 5 years, 5 years ago. So, we are starting into the third 5 years. We have been in subjugation, we have been under a yoke, for 10 years. Starting into the next decade, let us make this law applicable throughout the country and not just applicable automatically in the Southern States.

As the distinguished Senator from North Carolina says, readmit the Southern States to the Union. We pay our taxes. We furnish volunteers for the armed services. There is more patriotism in the Southern States than anywhere else in the Union. Yet we continue to be discriminated against when there is no necessity whatsoever for it, and it is resented throughout the South.

We talk about unity among our people. This would be a step toward promoting unity among Americans. The Congress of the United States, acting at the suggestion of the then-President, President Johnson, passed this law that convicts the people of Alabama and the South of discrimination, regardless of the fact, and continues to convict the people of the South of discrimination, based on a 1964 formula. If we try to remove discrimination, let us remove discrimination which Congress imposes upon the people of the South. That is the discrimination that needs to be removed.

Congressional legislation of this nature is contrary to due process limitations on the powers of Congress as set out in the fifth amendment.

Congress asserts a power to deny to individual citizens, who serve as voter registrars and election officials their constitutionally protected presumption of innocence of wrongdoing in favor of a congressional presumption that such citizens will conspire to or actually commit criminal conduct by denying qualified voters their right to cast their ballots. Such citizens, as individuals and as a class, are thus denied the fifth amendment protection of due process of law.

Sections 4 and 5 have the practical effect of amending the U.S. Constitution in fundamental particulars contrary to the methods of amendment prescribed by article V of the U.S. Constitution.

The rationale employed to justify the exercise of power in Congress to secure protection of the 15th amendment guarantees is applicable to "equal protection" guarantees of the 14th amendment. Thus, all laws in all States which may be subject to judicial review under the equal protection clause of the 14th amendment could be subjected to executive department review and the requirement of prior approval. The U.S. Supreme Court has extended these principles to cover "equal protection" cases involving reapportionment of State legislatures and to limited areas of public school education. What is to prevent application of the principles to the laws of all States relating to public school education, employment, housing, and even taxation?

I endorse all valid legislation designed to protect the right of a citizen to vote and to have his vote faithfully recorded. However, effective legislation is already on the books to accomplish this purpose. It is unnecessary to resort to massive overkill by unconstitutional means employed by Congress in sections 4 and 5 to accomplish this legitimate purpose.

Mr. President, before I touch on the constitutional issues raised by sections 4 and 5, it is necessary to respond to suggestions that the Supreme Court has found Congress did not exceed its powers in passage of the provisions of sections 4 and 5 and that the remedies employed by Congress to achieve its objectives have thus been legitimated by the U.S. Supreme Court. The thrust of these arguments is that there is no point in further contesting the constitutionality of the means set out in sections 4 and 5. I respectfully disagree.

In the first place, in upholding the power in Congress to pass the Voting Rights Act of 1965, the U.S. Supreme Court had before it a statute with a legislative history and a statement of the purpose of the law and conditions sought to be remedied by the legislation. Having determined the objectives and intention of Congress derived from circumstances which existed at the time of passage, the Court upheld the power in Congress to prescribe remedies to be applied within a framework of time set out in the act.

Mr. President, dramatic changes in circumstances have since occurred. For one thing, the time limitation on the use of remedies will soon expire. The States covered by sections 4 and 5 have not administered a literacy test for 10 years. Furthermore, under current rulings of the U.S. Supreme Court, literacy tests may not be used in States where segregated education has been imposed by law, independently of the suspension of such tests by Congress. Furthermore, States covered by sections 4 and 5 have long since met voter registration and participation standards which, not having been met in 1964, and combined with use of a literacy test, was held by Congress to constitute proof of racial discrimination in voting and therefore justification for the exercise of its powers under the 15th amendment to prescribe remedies to eliminate such discrimination.

Mr. President, from the standpoint of remedies, it is frequently overlooked that Congress provided a remedy for States affected by the act. The American people were misled into believing that after 5 years the affected States could go into a U.S. District Court for the District of Columbia and have their disabilities removed upon a showing that it had not used a literacy test or other "device" for 5 years preceding the application for relief. Of course, Congress acted in 1970 to deny this remedy to the States for an additional period of 5 years and efforts are currently afoot to deny such relief for an additional period of time.

Mr. President, the U.S. Supreme Court did not say that a power of Congress to pass legislation in a particular subject area, having been established on the basis of ephemeral circumstances, which existed at a particular point in time, could be exercised indefinitely, or under differing circumstances. Nor did the Court say that Congress has a continuing power to disregard nine specific constitutional inhibitions on the exercise of its powers.

Under the circumstances, I consider it appropriate and in the public interest to debate the constitutional implications raised by the separate provisions of sections 4 and 5.

Mr. President, let me elaborate on some of the constitutional issues raised by provisions of sections 4 and 5. The U.S. Constitution imposes an affirmative duty on Congress to "guarantee to every State in this Union a republican form of government" (art. IV, sec. 4). If this provision means anything it must mean that Congress does not have the power to deny any State of the Union a republican form of government or to deprive any State of power essential to the maintenance of a republican form of government.

By legal definition and common acceptation of the meaning of the term, "republican form of government" means this:

> Strictly speaking in our republican form of Government the absolute sovereignty of the Nation is in the people of the Nation and the residuary sovereignty not granted to any of its public functionaries is in the people of the state (2 Dall 471).

The ninth amendment provides that—

> The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

The amendment has clear reference to residual rights retained by the people.

The purpose of the amendment was made quite clear by Madison who said in presenting the proposed amendment to the House of Representatives:

> It has been objected . . . that by enumerating particular exceptions to the grant of power, it would disparage those rights which were not placed in the enumeration; and it might follow by implication, that those rights which were not singled out, were intended to be assigned into the hands of the General Government . . .

Mr. Madison might very well have illustrated his presentation by adverting to the unalienable rights of the people set out in the Declaration of Independence. The right to institute local governments, to allocate and balance their powers in accordance with certain principles, and to change their forms as they might deem expedient are sovereign rights retained by the people in a republican form of government. While these residual rights are not enumerated in the Constitution they certainly are rights in the people which are essential to a republican form of government and without which there would have been no Declaration of Independence, no Federal

Constitution, no Federal Republic, and no republican form of government in the States for Congress to guarantee.

Mr. President, I will not attempt to inventory every essential element of residual sovereignty which Congress has the duty to guarantee to the States. But certainly the right in people to amend State constitutions without let or hindrances and without prior approval of any agent or agency of Federal Government is among them; the right in the people to determine which of its citizens may exercise the franchise is among them. The right to create State and local offices, establish tenure and qualifications for office, and to prescribe the manner of appointment or election of citizens to office are among the rights reserved to the people. The right in the people to allocate and balance the powers of their States and local governments is also an essential element of residual sovereignty as is the right to prescribe in detail necessary steps in the enactment of valid legislation.

Mr. President, I mention these essential elements of a republican form of government because each of these rights are not only disparaged but abrogated by provisions of sections 4 and 5 of the Voting Rights Act. Thus Congress finds itself in the contradictory position of fulfilling a constitutionally imposed duty to guarantee the States a republican form of government by exercising a power to deny States a republican form of government.

Mr. President, this congressional posture could prove to be extremely embarrassing during the period of national celebration of the Declaration of Independence.

Mr. President, let me turn now to the propriety of Congress delegating a power to the U.S. Attorney General, an agency of the executive branch of Federal Government, to interpose objections to duly enacted State laws and thereby deny such laws the full force and effect of law pending his review and determination of their validity.

Mr. President, there is no principle more firmly rooted in our legal traditions and in the body of our constitutional law than the proposition that all duly enacted statutes carry a legal and logically necessary presumption of validity and that such a presumption can be overcome and their enforcement enjoined only by a court of competent jurisdiction pursuant to judicial processes and procedures.

Yet, Congress has asserted a power under the 14th and 15th amendments to classify State statutes by subject matter and to abolish the legal presumption of validity of duly enacted State laws. Furthermore, Congress has shifted the burden of proof from those who attack the validity of State statutes to the States which must now prove the validity of their laws.

Congress seems to have recognized the judicial nature of the power involved by first providing for a judicial forum in which States could establish the validity of their laws. It is worthy of note that that a similar plan affecting Federal legislation was resoundingly rejected by the Founding Fathers and it was inconceivable to them that in a federal system of dual sovereignties that the legislative will of the States could be conditioned by Congress on prior approval of an agency of Federal Government.

But having recognized the judicial nature of the proceeding involved in validating State laws, Congress went further and eliminated the necessity of a judicial forum. As an alternative it authorized the U.S. Attorney General to review State statutes, pass judgment on their validity, and vested in the office a power to interpose an objection and thus deny full force and effect of such laws. The result is precisely the same as though a temporary injunction had been issued to restrain enforcement of such laws. In further recognition of the judicial nature of the power delegated to the executive branch, the U.S. Supreme Court has held that States have the same burden of proof in submitting its laws for approval by the Attorney General as they would have in a judicial proceeding authorized by Congress for the same purpose.

Mr. President, in practical effect the Congress has constituted the U.S. Attorney General a screening court and assigned to it a strictly judicial function and judicial powers which it may exercise without the necessity of conforming to judicial processes and procedures.

Mr. President, the point is that Congress has delegated a judicial function and power to the Attorney General contrary to the provision of article III of the U.S. Constitution which vests the judicial power of the United States in the Supreme Court and such inferior courts as may be created by Congress.

Mr. President, we all know how desperately the U.S. Supreme Court wants a screening court to help relieve it of a portion of its self-inflicted caseload. I respectfully suggest that the delegation of judicial functions and power to the executive branch of Federal Government is not a constitutionally permissible means of achieving that end.

Mr. President, turning now to another subject—consider for a moment the scope and variety of State laws embraced in the term "qualification—or standard, practice, or procedure with respect to voting different from that in force or effect on November 1, 1964."

For example, the term embraces laws affecting the appointment of Presidential electors. The State of Alabama has exercised the constitutionally assigned power to freely choose the method of appointment of Presidential electors. The State of Alabama vested in the separate political parties of the State a power to prescribe rules governing the choice of delegates to national party conventions held for the purpose of nominating candidates for President and Vice President—with the final choice of electors left to the will of the people expressed by their ballots in a general election.

Yet, not only State statutes but also every party rule which in any way affects the choice of electors is now required to be submitted to the U.S. Attorney General or to the U.S. District Court for the District of Columbia for approval or rejection.

Mr. President, every imaginable safeguard was written into the Constitution to minimize the influence of Federal officeholders on the choice of presidential electors. For example, Members of Congress and other Federal officeholders are made ineligible to serve as electors.

But now Congress asserts a power to deny states the freedom to choose the method of appointing electors. There can be no freedom to choose when the choice is subject to review and approval or rejection by agencies of Federal Government.

Mr. President, it is difficult to imagine a more flagrant violation of the letter and spirit of article III, section 1, of the U.S. Constitution.

Mr. President, my great and good friend, the distinguished Senator from North Carolina (Mr. ERVIN) has condemned sections 4 and 5 as a bill of attainder which, of course, under our Constitution includes bills of pains and penalties and, as such, are prohibited by article II, section 9, of the U.S. Constitution. I concur in that judgment not alone because it represents the opinion of one of our Nation's greatest constitutional lawyers but also because an analysis of the provisions of sections 4 and 5 make the conclusion logically inescapable.

A bill of pains and penalties is in essence a special act of Congress, based on findings that an individual or an identifiable group of individuals is guilty of a serious violation of law and which imposes penalties appropriate to the offense. The fatal flaw in such enactments is that such individuals are convicted by Congress without benefit of judicial proceedings. The specific constitutional prohibition against Congress acting as a judicial tribunal is based on more than the doctrine of separation of powers.

Bills of pains and penalties are prohibited because they violate canons of fairness, decency, reasonableness, and respect for the laws and traditions of our Nation is depriving citizens of constitutionally protected rights.

Thus sections 4 and 5 disregard not only the explicit constitutional prohibition against the passage of bills of attainder but also due process limitations on the powers of Congress.

Mr. President, let me show how sections 4 and 5 identify a specific group of persons who were tried by Congress, found guilty of serious violations of law, and show the nature of the punishment imposed by Congress.

Mr. President, it is an acknowledged fact that target States of the provisions of sections 4 and 5 were first determined by Congress and that the criteria devised to determine applicability of the remedies were tailor made to embrace only targeted States. The use of a literacy test was but one criterion. It was too broad because 20 or more additional States outside of the South also used literacy tests. The second criterion was an irrational standard of voter participation in a general election held in 1964.

Voter turnout in general elections was traditionally low in targeted States because primary elections were tantamount to elections in such States. So, even in targeted States where more than 50 percent of voting age residents were registered to vote, the criteria required that 50 percent of such voters must have actually voted in a general election in which 50 percent of the voters traditionally did not vote. In short, the criteria is a shameless subterfuge for not coming out and naming the States to be deprived of their status of sovereign States.

Thus, legislators of these States were identified by Congress as being unworthy of trust to enact legislation without prior approval of Federal Government. Of course, practically all of the testimony presented at the congressional trial of these officials attempted to show that they were unworthy of trust and for that reason must have Federal supervision and oversight. Congress has found them guilty as charged. Now consider the implications of that verdict.

Congress has identified a group of individual citizens whom it has found will not abide by a solemn oath of office to uphold and defend the U.S. Constitution. It has found that they are guilty of past and future conspiracies to deny citizens a constitutionally protected right to vote and have their votes faithfully recorded.

The honor, integrity, and character of these legislators have been unjustly impugned and have been branded by Congress with a scarlet letter proclaiming a verdict of unfitness for public office and unworthiness of public trust.

Mr. President, are memories so short that we have forgotten the potential for evil which lies in such a power in the legislative branch of Government? Even the courts in Nazi Germany resisted the assertion of such a power in government. The Supreme Court, as previously constituted, with two notable exceptions smiled benignly at the practice and echoed the familiar sentiment that the good end to be achieved justified the means.

Mr. President, I do not doubt that individual legislators could establish in a fair and impartial court of law that their liberty to pursue a career of public service and to enjoy the emoluments of office has been seriously impaired.

But, Mr. President, if the integrity of State legislators has been impugned, consider the plight of public-spirited citizens who perform the thankless and inadequately compensated duty of serving as election officials and on boards of registrars in the identified States. Congress has condemned such persons as a class which Congress has characterized as one with criminal propensities. It has found the class guilty of having engaged in criminally conspiring to deny qualified citizens the right to vote and found as a matter of law that members of the class are likely to commit crimes in the future.

At the congressional trial of these identifiable groups much testimony was elicited of isolated examples of suspicious conduct from which criminal intent was inferred. Oddly enough, no evidence was produced to show a single conviction of members of the class in a court of law for any violation of Federal criminal statutes designed to protect the right to vote. However, this fact was used to argue the ineffectiveness of existing criminal and civil laws to deter unlawful actions by members of the identified group and to urge Congress to authorize the appointment of Federal registrars and Federal poll watchers on grounds no more substantial than mere allegations of a suspicion of an intention on the part of members of the class to engage in a conspiracy to commit the serious crime of denying qualified citizens the right to vote and have their vote counted.

Mr. President, the punishment imposed by Congress is the denial to members of the identifiable groups their constitutionally protected presumption of innocence of wrongdoing. They are isolated, identified, and branded by Congress as potential criminals who cannot be trusted.

If the provisions of sections 4 and 5 do not constitute a bill of attainder, then I can think of nothing other than a congressional trial and public lynching which would. If due process of law does not protect the presumption of innocence of individual citizens from allegations of criminal conduct, then I fear for the fate of liberty in our Nation.

Mr. President, just one more point or two. The qualifications for voting for Members of Congress are prescribed by the Constitution. Such qualifications cannot be changed without a constitutional amendment. The Constitution says that those eligible to vote for Members of Congress shall possess such qualifications as may be prescribed by the separate States for voting for members of its most numerous branch of the legislature.

If Congress has the power to change or suspend one of these qualifications it has the power to change or suspend the Constitution. If it is said that Congress has the power under the 15th amendment to suspend the U.S. Constitution as it relates to voter qualifications, then it has the same power to change or suspend the Constitution in all subject areas which might involve the "equal protection" and "due process" clauses of the 14th amendment. The power is of equal weight under both amendments.

The extremely broad scope of subject areas which can be embraced under the "equal protection" and "due process" clauses is near unlimited. Therefore, we are asked to conclude that the power of Congress to amend or modify the Constitution by statute is unlimited in scope. The argument will not wash.

Mr. President, the methods of amending the U.S. Constitution are prescribed by the Constitution. Amndment by legislation and subsequent legitimation by the U.S. Supreme Court is not a prescribed method. Nor can it be said that powers vested in Congress by the 14th and 15th amendments abrogate specific constitutional prescriptions for amending the U.S. Constitution.

Mr. President, sections 4 and 5 are grievous blemishes on our constitutional system of government. Like the spots on Lady Macbeth's hands, they will not wash away. The surgery of outright repeal is necessary.

We in the South want only to be relieved of the disabilities of "conquered provinces" and have restored to us all of the rights, privileges, and prerogatives enjoyed by our sovereign sister States in the Union.

Mr. President, in the future I trust that no matter how noble a legislative end may be that Congress will not resort to means which literally "jay wreck" the Constitution to achieve such ends—such as the means employed in the enactment of sections 4 and 5 of the Voting Rights Act. If there was ever a case of legislation overkill this is a perfect example.

QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR THE COMMITTEE REPORT ON S. 1988

Mr. ROBERT C. BYRD. Mr. President, on yesterday I asked unanimous consent that the Committee on Commerce have until November 27 to file its report on the fisheries bill, S. 1988. I was mistaken. It is the Committee on Armed Services for which I should have made this request. I, therefore, ask unanimous consent that the Committee on Armed Services have until November 27 to file its report on S. 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair, with the understanding that the recess not extend beyond 30 minutes.

There being no objection, the Senate, at 12:15 p.m., recessed until 12:17 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CLARK).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. This will be a live quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 497 Leg.]

Aiken
Beall
Burdick
Byrd, Robert C.
Clark
Goldwater
Griffin
Hart
Hruska
Inouye
Mansfield
McClellan
Metzenbaum
Ribicoff
Sparkman

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Baker
Bayh
Bible
Biden
Brock
Brooke
Byrd, Harry F., Jr.
Cannon
Case
Church
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Ervin
Fong
Hansen
Hartke
Hathaway
Helms
Huddleston
Hughes
Jackson
Kennedy
Long
Magnuson
McClure
McGee
McIntyre
Metcalf
Moss
Nelson
Nunn
Pearson
Pell
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Louisiana (Mr. Johnston), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Rhode Island (Mr. Pastore), the Senator from Missouri (Mr. Symington), the Senator from Maine (Mr. Muskie), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Minnesota (Mr. Humphrey) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Arizona (Mr. Fannin), the Senator from New York (Mr. Javits), the Senator from Florida (Mr. Gurney), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from New York (Mr. Buckley), the Senator from Maryland (Mr. Mathias), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Oregon (Mr. Hatfield) is absent due to illness in the family.

The PRESIDING OFFICER. A quorum is present.

USE OF LANDS WITHIN THE SEQUOIA NATIONAL PARK FOR AN EXISTING HYDROELECTRIC PROJECT

Mr. MANSFIELD. Mr. President, pending the arrival of the distinguished Senator from Arkansas, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 444 at this time.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 444) to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to strike all after the resolving clause of House Joint Resolution 444 and to insert in lieu thereof the text of the Tunney amendment No. 1959, as modified, in the nature of a substitute for Senate Joint Resolution 237.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the Tunney amendment No. 1959, as modified, in the nature of a substitute is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: That the Secretary of the Interior is hereby authorized to issue a permit to occupy and use lands of the United States within Sequoia National Park necessary for the continued operation, maintenance, and use of the hydroelectric project known as the Kaweah Number 3 project of Southern California Edison Company.

Sec. 2. The term of such permit shall expire not later than the expiration of existing or future licenses granted by the Federal Power Commission to Southern California Edison Company for said Kaweah Number 3 project (Federal Power Commission project numbered 298), but in no event shall the term of such permit extend for any period in excess of ten years following the date of its issuance, unless specifically authorized by law. Such permit shall contain such other terms and conditions as the Secretary of the Interior shall deem necessary for the protection and utilization of Sequoia National Park.

Sec. 3. Such permit shall specifically recite that the privileges granted thereby are to be exercised in accordance with the Federal Power Act (16 U.S.C. 791(a)-825(u)), and the rules and regulations thereunder which the Secretary of the Interior, after consultation with the Federal Power Commission, determines to be applicable.

Sec. 4. The National Park Service shall, not less than one hundred and eighty days prior to the termination date of such permit, report to the Congress, in writing, with respect to the impact of the operations of the hydroelectric project (known as the Kaweah numbered 3 project of Southern California Edison Company) on the Sequoia National Park.

The PRESIDING OFFICER. The question is on agreeing to the Tunney amendment No. 1959, as modified, in the nature of a substitute.

The amendment, as modified, in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senate Joint Resolution 237 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock on Monday morning next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1975, ON MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the conclusion of morning business on Monday next, the Department of Agriculture appropriations bill be laid before the Senate, and that the distinguished Senator from Wyoming (Mr. McGee), the chairman of the Subcommittee on Agriculture, be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SENATE JOINT RESOLUTION 237 TO BE POSTPONED INDEFINITELY

Mr. MANSFIELD. Mr. President, if I may, I ask unanimous consent that Senate Joint Resolution 237 be postponed indefinitely.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

The Senate continued with the consideration of the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. What is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 5463. The bill is open to amendment.

Mr. McCLELLAN. Mr. President, I send to the desk an amendment for myself and on behalf of Senator Hruska, Senator Roth, Senator Talmadge, and Senator Thurmond, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, lines 23, insert the following: after the word "crime" delete the remainder of subsection (a) and insert in lieu thereof the following:

"(1) was punishable by death or imprisonment in excess of one year under the law under which he was convicted or (2) in-

> volved dishonesty or false statement, regardless of the punishment."
>
> On page 19, line 21, delete the words "may be", inserting in lieu thereof "shall be admitted if".

Mr. McCLELLAN. Mr. President, I think this is an important amendment. So that everyone will understand just what it does, I invite the Senators to turn to page 19 of the bill before the Senate and read the provisions in the bill beginning on line 19. That section reads as follows:

> (a) General rule.—For the purpose of attacking the credibility of a witness, evidence that he has been convicted of a crime may be elicited from him or established by public record during cross-examination but only if the crime (1) involved dishonesty or false statement or (2) in the case of witnesses other than the accused, was punishable by death or imprisonment in excess of one year under the law under which he was convicted, but only if the court determines that the probative value of admitting this evidence outweighs its prejudicial effect.

What I have just read changes the rule of law that has been recognized and followed in the Federal courts from almost time immemorial, so far as I know, and certainly the rule that has been applied in the vast majority of the States. I should point out that this rule would not affect the States, but it would set a pattern which I expect some States would be urged to follow.

My amendment would make the following change:

> General rule.—For the purpose of attacking the credibility of a witness, evidence that he has been convicted of a crime shall be admitted if elicited from him or established by public record during cross-examination but only if the crime (1) was punishable by death or imprisonment in excess of 1 year under the law under which he was convicted or (2) involved dishonesty or false statement, regardless of the punishment.

Mr. President, I would first like to point out that the amendment I am now proposing simply applies to all Federal courts the law that exists in the District of Columbia today as a result of an act of Congress. Only 4 years ago, we had the same issue in the Senate and resolved it by adopting the same language that I propose as an amendment today. My amendment is not, therefore, something new and untried.

If the language now proposed in this bill is enacted, it will mean that a defendant being tried, for example, for the crime of armed robbery, cannot be asked about his prior felony convictions in order to help the jury determine whether his testimony is worthy of belief when compared with the testimony of another witness. For that is what this amendment would do. It would take this important evidence away from the jury.

We have gone pretty far already in trying to protect criminals and granting every advantage to them against society. No one can deny that we provide every legal and legitimate right to make certain that a defendant charged with crime has a fair trial. And that aspect of the law should be defended and maintained. But why should one who has already been convicted of rape or murder and is later being tried for armed robbery, not be able to be questioned about his previous crimes, so that a jury might properly evaluate the credibility of the testimony he is giving—properly determine if he should be believed?

The jury must weigh all the testimony it has received and determine: "We believe this witness," or, "we don't believe that witness." If this bill is enacted as here proposed, that jury would be denied the right or the opportunity to weigh the testimony of the defendant in light of the fact that the defendant is a convicted felon.

Can it really be argued that the fact that a person has committed a serious crime—a felony—has no bearing on whether he would be willing to lie to a jury?

Should a jury be denied that right? Should society be denied the opportunity, in trying to protect itself, in its effort to discover the truth, to show that the witness before it is a man who has committed such a crime and, therefore, might be willing to now lie to a jury? I think not.

Some people seem to feel, Mr. President, that the rule I now propose is biased against defendants. But it is not, for it gives the defendant the same right to challenge the witnesses against him.

Those witnesses who testified against him are also subject to the same test of credibility. If they have committed serious crimes and thereby demonstrated characteristics that would tend to lessen their credibility, they can also be so tested, Mr. President. But to give a blanket exclusion to a defendant charged with a heinous crime from being challenged as to his credibility by being required to answer whether he has been convicted of a felony is placing a burden on society that it should not have to bear. It is an unwarranted and unjust shield for the criminal to the disadvantage of society.

If the Senate understands the impact and the import of this, I do not believe that the Senate will vote for the rule being proposed in this bill. I think the Senators will want to let the rule remain as it is today in the vast majority of jurisdictions—to let the rule be the same as it is now in the District of Columbia as a result of a vote in Congress only 4 years ago on this same issue.

Mr. President, there is no justification in my judgment that could possibly warrant our making the precipitous change proposed in this bill—a change that can only weaken our efforts at law enforcement. It cannot result in perfecting society. It cannot result in promoting the general welfare. It will serve only, Mr. President, to give further advantage to and to enhance the opportunity for convicted criminals to escape justice, by not permitting a jury to know of their criminal conduct and convictions in the past. I hope this amendment will be adopted.

Mr. President, my amendment will restore to Rule 609(a) the language originally promulgated by the Supreme Court in 1972 at the recommendation of the Advisory Committee on Rules of Evidence of the Judicial Conference.

As this rule in the bill now stands, it provides that where an accused takes the stand as a witness, the only prior convictions of crimes that may be used to attack his credibility are convictions of crimes that involved dishonesty or false statement. If the witness is someone other than the accused, his credibility may also be attacked by proof of convictions of any felony, but only where the court determines that the probative value of admitting this evidence outweighs its possible prejudicial effect.

My amendment, on the other hand, would continue what is presently the general Federal Rule and the current practice in the overwhelming majority of the States. It would permit the credibility of any witness to be challenged by the proof of convictions of any felony—or any misdemeanor that involved dishonesty or false statement.

Mr. President, the reasoning behind the rule now being proposed in this bill is based upon the erroneous belief that the use of prior convictions to impeach a witness should be restricted in order to avoid alleged unfair prejudice to defendants. It is premised on the fear that the use of these prior convictions to establish lack of credibility of the witness will tempt juries to convict the defendant simply on the basis of his prior criminal record rather than base their verdict on the facts relating to the charges on which the defendant is being tried. The court's instructions, of course, preclude the jury from using prior convictions in this way.

If the jury is to be permitted to correctly determine what the true facts are in a particular case, it must be permitted to have all the evidence before it that will enable it to judge the credibility of the witnesses who have given testimony on the material facts reflecting guilt or innocence. The jury must be able to correctly choose who is to be believed. To make that determination they should have access to all available information that bears on the credibility of witnesses who testify to material facts in the case. Particularly relevant to a witness' credibility and worthiness of belief is the prior criminal record of such a witness.

Those who favor the rule as reported in this bill agree that prior convictions do have a bearing on credibility. But they want to limit that judgment only to crimes involving dishonesty or false statement. They make ineligible crimes of murder, rape, armed robbery and other serious felonies. They do not seem to believe that those who have committed these other serious felonies are just as likely to lie under oath as those who have committed crimes involving "dishonesty."

I cannot accept that conclusion. Surely a person who has committed a serious crime—a felony—will just as readily lie under oath as someone who has committed a misdemeanor involving lying. Would a convicted rapist, cold-blooded murderer or armed robber really hesitate to lie under oath any more than a person who has previously lied? Would a convicted murderer or robber be more truthful than such a person?

Of course not!

The fact that a person has committed such a serious offense in the past clearly bears on whether he would lie under oath where his life or liberty was in jeopardy.

If juries are to be able to carry out their duty, they must be permitted to judge the credibility of witnesses before them. My amendment will enable them to do that.

Mr. President, this very issue was before the Congress only four years ago. After full hearings and debate on the District of Columbia Court Reform and Criminal Procedure Act of 1970, the Congress determined that the general Federal rule then in force—and that my amendment would continue—was the correct rule and should be preserved.

Mr. President, that decision was correct then, and it is correct now. I urge the adoption of this amendment.

The PRESIDING OFFICER (Mr. ABOUREZK). The question is on agreeing to the amendment.

Mr. HRUSKA. Mr. President, I rise in support of the amendment proposed by the Senator from Arkansas. This amendment does embrace a very important serious point which is almost invariably reached in most criminal cases, where it becomes important to attempt to determine the weight which should be given to the testimony of either the witness or the defendant himself.

One way of determining how much weight should be given to the testimony of such a witness, or the accused himself, is to inquire into his credibility. In inquiring into his credibility, a party may elicit from him the fact that he has prior convictions of a crime, or may introduce into evidence a public record of a conviction of crime. Either of those methods could be used to test the witness' credibility.

The crux issue here is what prior convictions should be admissible to impeach the credibility of a witness. The rule, as it is stated at page 19 of the bill before us, rule 609, is much too restrictive and too limited in this regard.

Insofar as the accused himself is concerned, it would be limited to a crime which involved dishonesty or a false statement. This is so limited that it would exclude the type of case to which the Senator from Arkansas has referred.

Let me take an example. Suppose a defendant being tried for loansharking has previously been convicted of several other charges of loansharking. And suppose he gets on the stand and says that he was not loansharking this particular time. Should not the jury know that the defendant has previously been convicted of loansharking several other times? Prior felony convictions can have just as direct a bearing on credibility as prior convictions involving dishonesty or false statement. A person who would commit a felony such as loansharking may have no greater hesitancy about lying under oath than an individual who had previously been convicted of a crime involving dishonesty.

The purpose of the amendment of the distinguished Senator from Arkansas is to allow the use of previous convictions of a crime—as long as it is a conviction for a felony or if a misdemeanor, the misdemeanor involved dishonesty or false statement—to impeach the credibility of the witness. In other words, this evidence can be admitted to enable the jury to weigh and to determine in their own minds what credibility they should give to the accused or to the witness, as the case may be.

I am in full support of the amendment. I might say, as has already been pointed out, that the amendment, as proposed by the Senator from Arkansas, is of the precise form and substance that was in rule 609, adopted by the Supreme Court and proposed to Congress. It was in the other body that this more mild form was adopted which jeopardizes the rights of society as well as the rights of the defendant. It jeopardizes society because it deprives the jury of evidence that it can use to judge the credibility of the defendant. It jeopardizes the right of the defendant because the rule contained in the bill would not allow the defendant in every case to impeach the credibility of thugs with prior criminal records who testify against him.

There may be some prejudice to the defendant, I recognize, in admitting evidence that the defendant has previously been convicted of a felony. But, to a substantial degree, this prejudice can be instigated by an instruction to the jury that the prior convictions are admitted only for the purpose of impeaching the credibility of the witness and not to prove any propensity on the part of the defendant to be a felon.

Mr. President, I am a firm believer in the jury system. I am of the conviction that the triers of fact have a need for all the relevant evidence that will assist them in judging the credibility of a witness. One of these pieces of evidence is the fact that the defendant has been convicted of prior felonies.

For these reasons, I support the amendment of the distinguished Senator from Arkansas.

It is my hope that the amendment will be adopted. It will be a great improvement in the bill which we have before us, which embraces all of the rules of evidence.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HART. Mr. President, I shall be very brief. I ask unanimous consent that a statement in the form of a memorandum that I had prepared be made part of the RECORD at this point, because I shall not read it.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

H.R. 5463, FEDERAL RULES OF EVIDENCE—IMPEACHMENT BY PRIOR CONVICTION

H.R. 5463 will codify evidence law for federal criminal and civil trials. In late 1972, the Supreme Court promulgated proposed rules to take effect on July 1, 1973. But because of many controversial provisions, Congress enacted a law which deferred implementation of the rules until they were expressly approved by Congress.

The House Judiciary Committee held many days of hearings and revised the rules again after extended consideration. They were finally approved by the full House on February 6, 1974. The Senate Judiciary Committee has now reported H.R. 5463 with numerous Committee amendments.

This memorandum explains Rule 609 of H.R. 5463, as reported by the Senate Judiciary Committee, which is the section controlling the use of a defendant's prior criminal convictions to impeach his credibility at trial.

One line of attack upon the credibility of a witness is to show that his character in regard to telling the truth suggests his testimony is unreliable. Particularly in a criminal case, such character-impeachment requires careful balancing: Does the danger of unfair prejudice against the defendant outweigh the possible value of the light shed on the witness' credibility? For that reason, efforts are made to limit the attack to evidence on the actual trait of truthfulness, rather than the general notion of good or bad character.

The most controversial aspect of character-impeachment is the use of a witness' prior criminal record. Traditional analysis divides prior criminal offenses into those directly involving a lie or misstatement, such as perjury or fraud, and those crimes which do not, such as auto theft or burglary.

At common law, any prior felony conviction could be introduced to impeach a witness, regardless of the type of crime. But more enlightened commentary has increasingly suggested limiting the use of prior convictions to those crimes which directly involve lying or dishonesty. Rule 21 of the Uniform Rules of Evidence proposed by the Commissioners on Uniform Laws limits impeachment to conviction of crimes "involving dishonesty or false statements." So does the corresponding provision of the model Code of Evidence adopted by the American Law Institute. Many states have already adopted this reform. The House did, too.

VERSION ADOPTED BY THE HOUSE

Rule 609, as passed by the House, permits impeachment by prior conviction only for crimes of dishonesty or false statement. Other crimes could not be used to impeach. The House concluded that their probative value regarding witness credibility is too slight in comparison to the potential prejudice in the minds of the jury. *The House rule would apply to anyone who takes the stand, defendant or witness alike.*

SENATE JUDICIARY COMMITTEE ACTION

The Judiciary Committee considered the House version, along with two other common alternatives: (1) The Committee considered and rejected the Common Law rule permitting *all felonies* to be used for impeachment by prior conviction *against anyone* who takes the stand; (2) The Committee also considered and rejected the so-called "*Luck* rule" (named after a decision of the United States Court of Appeals for the District of Columbia, using this approach). Under the *Luck* rule, *all offenses of dishonesty or false statement* can be used to impeach; any other felony is admissible in the *judge's discretion*, but only if the judge finds it would be more probative than prejudicial. The "*Luck* rule", too, would apply to anyone who takes the stand, witness or defendant alike. The Judiciary Committee adopted a compromise position, which combines the *Luck* rule and the House position.

The Committee recognized that, in addition to crimes involving misstatement, prior conviction for other kinds of serious crimes are not *totally irrelevant* as to whether the witness is telling the truth, since they do reflect his attitude toward the rules of the game. If someone has committed a burglary, he might also lie under oath? But it is clearly less probative than, say, prior prejury. The significance of such crimes is far more indirect and conjectural.

Moreover, most of us would agree that the potential for prejudice against the *defendant*, himself, if he tries to testify in his own behalf, is overwhelming. Not only may the jury conclude he is lying just because he has a record, but it prejudices the *merits itself* (whether he is innocent or guilty). The mere fact of a prior conviction may prejudice the jury. Instead of weighing the evidence, they just say, "Lock, he's done it before, he's an *ex-con*, he probably did this one too."

Indeed, some jurors may not even worry too much about whether he is proven guilty beyond doubt of the present offense, on some theory that because he has committed past crimes, it would not be so terrible to punish him again, even if he has not in fact committed the present offense.

McCormick, in his leading treatise on evidence law, notes:

". . . If the accused is forced to admit that he has a 'record' of past convictions, particularly if the convictions are for crimes similar to the one on trial, there is an obvious danger that the jury, despite instructions, will give more heed to the past convictions as evidence that the accused is the kind of man who would commit the crime on charge, or even that he ought to be put away without too much concern with present guilt, than they will to the legitimate bearing of the past convictions on credibility. The accused, who has a 'record' but who thinks he has a defense to the present charge, is thus placed in a grievous dilemma. If he stays off the stand, his silence alone will prompt the jury to believe him guilty. If he elects to testify, his 'record' becomes provable to impeach him, and this again is likely to doom his defense . . ."

Both the Common Law rule and the *Luck* rule simply provide inadequate protection against this unfair prejudice to a defendant.

In the case of a witness, not the defendant himself, the prejudice danger is still there, but less devastating. This suggested the compromise of treating witnesses *differently* from the defendant, himself:

For witnesses, the Committee adopted the *Luck* rule, and let other felonies come in at the judge's discretion.

For the defendant, the Committee adopted the House position and only would let in crimes of dishonesty or false statement.

This compromise is a good balance of the devastating prejudice to a defendant who wants to take the stand—recognized by everyone as the most agonizing problem for the defendant in a trial—and the desire to let in evidence relevant to credibility. It is a reasonable compromise between the House bill and the Supreme Court recommendation.

Another positive aspect of the Committee's compromise is that it would encourage more defendants to take the stand and thereby permit the jury to hear as much evidence as possible regarding the charges being tried.

ANSWERS TO QUESTIONS RAISED ABOUT THE COMMITTEE COMPROMISE

Finally, *it is very important to emphasize* that the Committee version of Section 609 *would not permit* a defendant to take the stand and actually deny the commission of past crimes for which he had been convicted. Obviously, we would all be disturbed if someone with several bank robbery convictions could take the stand and in response to defense counsel's question, deny them with impunity. However, even with the Committee version of Section 609, this definitely could not happen. For if the defendant made such a false representation, his prior convictions for bank robbery would be admissible to contradict him. They would not come in to impeach his general credibility under Rule 609. *But they would be admissible* as rebuttal evidence to show the falsity of a factual assertion—his representation that he had never committed such offenses.

Similarly, if a defendant with prior rape convictions testified such crimes were so repugnant he could never do such a thing, a past conviction for sexual offenses would be admissible, notwithstanding the Committee version of Rule 609, to rebut *the factual representation* regarding his attitude toward such offenses.

It has also been suggested that prior convictions for an offense similar to the one for which the defendant stands charged is relevant, even if the crime does not involve dishonesty or false statement, in order to show a defendant's motive, intent, or knowledge of how to commit such an offense.

The Committee agreed that evidence of prior crimes was relevant in such instances and retained, in full force. Rule 404(b), which admits evidence of such crimes against defendants for these and similar purposes. If a prior offense is admissible under Rule 404, *that is in no way affected by the Committee's decision regarding its use to impeach credibility under Rule 609.*

CONCLUSION

The Judiciary Committee provision does not go as far as the House bill. It concentrates on the crucial question of unfair prejudice to the defendant if he takes the stand. It is a reform long overdue in our federal courts. Almost a decade ago, the point was persuasively made by Erwin Griswold, formerly Dean of Harvard Law School.

In "The Long View," 51 ABA Journal 1017, 1021 (1965), Dean Griswold wrote:

"The man with a prior criminal record in this country is far more at the mercy of the authorities—police and judicial—than seems to me to be warranted. He may have learned his lesson and have gone straight as an arrow since his release. But he is an immediate suspect for future arrest. And if he is arrested and put on trial, he has two almost hopeless alternatives in many states. He can take the stand and deny his participation in the crime now charged. If he does this, his prior conviction can often be shown to impeach his testimony, in which case he is very likely to be convicted. Or he can refuse to take the stand, resting on his constitutional privilege, in which case he is also very likely to be convicted. Ought we not, even with persons who have once offended against society, undertake to develop procedures which will seek as far as possible to bring out the truth about the crime now charged, not some prior crime?

"We accept much self-deception on this. We say that the evidence of the prior convictions is admissible only to impeach the defendant's testimony, and not as evidence of the prior crimes themselves. Juries are solemnly instructed to this effect. Is there anyone who doubts what the effects of this evidence in fact is on the jury? If we know so clearly what we are actually doing, why do we pretend that we are not doing what we clearly are doing?" (Emphasis added.)

SUMMARY OF PROPOSALS ON RULE 609—TYPE OF CONVICTION ADMISSIBLE

Proposal	Defendant who testifies	All other witnesses
House bill	Dishonesty and false statement	Dishonesty and false statement.
Common law (Supreme Court Advisory Committee approach)	All felonies	All felonies.
Luck rule	All dishonesty and false statement offenses; other felonies at judge's discretion.	Same as for defendant.
Senate Judiciary Committee report	Dishonesty and false statement	All dishonest and false statement offenses; other felonies at judge's discretion.

Note: The Judiciary Committee version of rule 609 should be retained as reported. All amendments to change it should be rejected on the floor.

Mr. HART. Mr. President, I think the able Senator from Arkansas has, in his introductory remarks, described the difference which divides us. The able Senator from Nebraska further clarifies the division. I wish to acknowledge explicitly that in the committee itself, there were three or four informal votes before we arrived at the position that now is that of the committee, and in defense of which I speak.

I never defended a man under a criminal charge. Briefly, I was a U.S. district attorney. I do not speak from any depth of knowledge as to criminal practice. I think one does not have to have had any experience in court to sense the enormous dilemma which confronts the accused unless the position taken by the committee becomes the law.

We can tell each other that the purpose of the trial is to discover the truth, and the court is an institution intended to require of the State that it establish the guilt of the accused; but if in truth an accused and his counsel, in order to take the stand in an effort to present their defense, to respond to the State, know in advance that upon the accused's taking the stand the jury will be told that he was a bank robber, that is not the charge here, this is another bank, or that he was a rapist, that it was not this one, but it was another, does anyone really seriously think that a careful instruction to that jury will serve to remove from the minds of the jurors the existence of that prior conviction? I do not think one has to have spent a lifetime in criminal litigation to know that we are kidding ourselves if we think that the instruction removes the poison.

I conclude with a brief paragraph from Dean Griswold. This was written a number of years ago, in 1965.

The man with a prior criminal record in this country is far more at the mercy of the authorities—police and judicial—than seems to me to be warranted. He may have learned his lesson and have gone straight as an arrow since his release. But he is an im-

> mediate suspect for future arrest. And if he is arrested and put on trial, he has two almost hopeless alternatives in many states. He can take the stand and deny his participation in the crime now charged. If he does this, his prior conviction can often be shown to impeach his testimony, in which case he is very likely to be convicted. Or he can refuse to take the stand, resting on his constitutional privilege, in which case he is also very likely to be convicted. Ought we not, even with persons who have once offended against society, undertake to develop procedures which will seek as far as possible to bring out the truth about the crime now charged, not some prior crime?
>
> *We accept much self-deception on this. We say that the evidence of the prior convictions is admissible only to impeach the defendant's testimony, and not as evidence of the prior crimes themselves. Juries are solemnly instructed to this effect. Is there anyone who doubts what the effect of this evidence in fact is on the jury? If we know so clearly what we are actually doing, why do we pretend that we are not doing what we clearly are doing?*

Mr. President, our support of the rule as reported by the committee will respond to that kind of plea as voiced so effectively, I believe, By Dean Griswold.

Mr. President, I am prepared to vote.

Mr. BURDICK. Mr. President, I have listened very intently to the remarks of my three colleagues from Arkansas, Nebraska, and Michigan, and I find a great deal of merit in what all three have said.

They referred to the dilemma that the defendant is placed in, and it is quite true that many times the defendant may not even take the stand because he may feel that a prior conviction may injure him, whereas silence would not.

Perhaps there are acts he has committed that go beyond the definition in section (a)(1) of rule 609, which refers only to dishonesty or false statements. The Senator from Nebraska (Mr. HRUSKA) gave the illustration of a man who operated a loan agency in an illegal way. I think that does have a bearing on dishonesty or false statement, whereas, if a young man stole an automobile at an early age, though it was a felony, perhaps it has no bearing upon the evidence by which it is sought to convict the man at trial.

This is not all black and white. We just cannot say that we should use all prior behavior or no prior behavior, as having a bearing on credibility. So it is my thinking that, because of the differences in the nature of the crimes involved, there probably should be a separation of them.

On page 19 of the bill, which we referred to, under rule 609(a)(2), we have the following language, which is commonly known, in the parlance of lawyers, as the "Luck Rule." It reads as follows:

> in the case of witnesses other than the accused, was punishable by death or imprisonment in excess of one year under the law under which he was convicted, but only if the court determines that the probative value of admitting this evidence outweighs its prejudicial effect.

It seems to me that the solution here, on these matters that involve felonies where there is a punishment of at least 1 year, is to leave it to the sound discretion of the trial judge. In that way, we could eliminate such things as the youthful prank of stealing an automobile, and admit such behavior as bilking the public under a loan shark arrangement or something of that kind.

I think we have to use some latitude in this matter. I would support the amendment if we could eliminate the words "in the case of witnesses other than the accused" under rule 609(a)(2). That would mean that a witness or the accused would be subject to the discretion of the trial court who, at that time, could determine whether or not the introduction of this evidence was prejudicial, or whether it had probative value sufficient to outweigh its prejudicial effect.

Mr. McCLELLAN. Mr. President, I would like to briefly point out to the Senate just what the rule now contained in this bill would do. To do that, I shall read the very words of the committee report. I said before that a defendant could be on trial for a serious crime, such as bank robbery, and could not, under this bill, be questioned about whether he had previously been convicted of a crime such as murder, arson, rape, or any similar crime. This is precisely what the committee agreed to. This is what will become the law. And here is the explanation for it. I read from page 14 of the committee report, beginning in the middle of the page:

> Therefore, with respect to defendants the committee agreed with the House limitation that only offenses involving false statement or dishonesty may be used.
>
> That is all they can question him about.

Then they go on to say:

> By that phrase, the committee means crimes such as perjury or subornation of perjury, false statement, criminal fraud, embezzlement or false pretense, or any other offense, in the nature of crimen falsi the commission of which involves some element of untruthfulness, deceit or falsification bearing on the accused's propensity to testify truthfully.

Mr. President, under that definition and under that explanation, you could not ask such a defendant if he had previously been convicted of murder. For there is no deceit in murder. If a fellow goes out and says, "I am going to kill you," or just walks out and kills you, he has not deceived you.

The same thing is true in rape. There will be no deceit in rape. If a man puts a knife to a woman's throat and compels her to submit, where is the deceit in that, where is the misleading statement? He just says, "You submit or you die."

Or take arson, Mr. President. A person could have committed arson and you could not ask him about that. According to the committee interpretation, it would not have anything to do with a man's credibility and therefore would not throw any light on whether he would tell the truth or lie.

The same thing is true about bombing. A man could be convicted of placing a bomb in a wash basin in this building, right here in the Capitol, and that man, if later arrested on some other charge could not be asked about that bombing in an effort to determine if he was trustworthy as a witness.

In short, Mr. President, by this bill's language and by the interpretation written into the report, all of these heinous crimes are exempt from inquiry. The jury will be prevented from knowing about them on the ground that they have no bearing on credibility, as I said before, I simply cannot accept that. I cannot accept the argument that the fact that a person has murdered, raped, or engaged in terror has no bearing on whether he might be willing to lie to a jury.

Mr. President, there may be some slight area where some measure of limited discretion might be provided to courts in determining whether a prior conviction should be admitted or excluded. Perhaps, for example, in some cases involving juveniles. But with regard to adults who are criminals, who may be repeat offenders—to say that a jury has no right to know that fact in weighing the credibility of their testimony against the testimony of other witnesses whose credibility is not challenged is completely different. I simply cannot support this almost blanket immunization of criminals from their past crimes as it may bear on their willingness to disregard accepted patterns, which might also include giving false testimony. Whether a person will break society's standards by armed robbery has a direct bearing on whether he will disregard society's standards in giving sworn testimony.

I do not think we ought to argue it any further. I am through unless someone else wants to speak.

Does anyone else wish to speak?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HART and Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan has asked for recognition first.

Mr. HART. I simply wanted to ask for the yeas and the nays, but there is indication that there is not a sufficient second.

Mr. President, I ask for the yeas and the nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. McCLELLAN. Does the Senator wish to speak for a moment?

The PRESIDING OFFICER. The senator from South Carolina is recognized.

Mr. HART. Mr. President, will the Senator from South Carolina yield to permit us to ask for the yeas and nays? I think we have a sufficient second.

Mr. THURMOND. I would be pleased to.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and the nays were ordered.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I am very pleased to join the able and distinguished Senator from Arkansas, the able and distinguished Senator from

Nebraska, and the able and distinguished Senator from Georgia as a cosponsor of this amendment.

The real crux of this amendment is the provision which provides that the credibility of a witness may be attacked upon cross-examination if it can be shown that the witness had previously been convicted of a crime punishable by death or imprisonment in excess of 1 year, or a crime involving dishonesty or false statements.

Mr. President, under the present bill a defendant's credibility may be attacked only if the defendant were convicted of a crime involving dishonesty or false statements.

The purpose of this amendment, as I construe it, is to provide that the credibility of a witness may be attacked if the witness has been previously convicted of a crime punishable by death or 1 year or more of imprisonment.

Mr. President, I think this is a reasonable amendment. The distinguished Senator from Arkansas pointed out that a defendant could have been convicted of armed robbery, or convicted of rape, or of burglary or some other serious offense, and yet his credibility could not be attacked. However, this amendment would allow his credibility to be attacked, or a previous conviction to be shown by reference to a public record.

Mr. President, a jury has the right to know if a witness has been convicted of a serious crime punishable by death, or involving punishment for more than a year. In my opinion, to limit the scope of inquiry to crimes involving dishonesty or false statements will not suffice. I do not think the best interest of the public is served by that type of restriction.

I am convinced that the amendment is sound and should be adopted by the Senate.

Mr. KENNEDY. Mr. President, I urge the Senate to support rule 609 as reported by the Senate Judiciary Committee.

The committee carefully considered the position taken by the distinguished Senator from Arkansas (Mr. McClellan). It also considered the position of the House and other alternatives. The committee adopted a middle position proposed by the distinguished Senator from Michigan (Mr. Hart), after detailed evaluation of the alternatives.

While I supported the version passed by the House, I believe the position adopted by the committee represents a fair and reasonable balance between the needs of society and the right of the accused to an impartial jury verdict based on the evidence of guilt or innocence of the crime charged and not based on prejudicial events that occurred in the past.

Mr. President, all authorities agree that the greatest source of prejudice to a defendant is a prior felony conviction. Thus, many innocent defendants will not take the stand to testify in their own defense, if a prior felony conviction can be used against them. Jurors may conclude that the defendant is guilty because he has not taken the stand. On the other hand, if the defendant does testify, the jury may base its verdict on his prior conviction, rather than solely on the evidence before it.

Furthermore, Mr. President, a prior conviction for an unrelated crime that does not involve dishonesty or false statement is not likely to be probative of the defendant's guilt and is likely to be highly prejudicial.

The committee rule represents a fair and workable position and, therefore, I would urge my colleagues to support it and to reject the amendment before us.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas. The yeas and the nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Louisiana (Mr. Johnston), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Rhode Island (Mr. Pastore), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Nunn), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Minnesota (Mr. Humphrey) is on official business.

I further announce that, if present and voting, the Senator from Colorado (Mr. Haskell) would vote "nay."

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) and the Senator from Georgia (Mr. Nunn) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Arizona (Mr. Fannin), the Senator from Florida (Mr. Gurney), the Senator from New York (Mr. Javits), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from New York (Mr. Buckley), the Senator from Maryland (Mr. Mathias), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Oregon (Mr. Hatfield) is absent due to illness in the family.

I further announce that, if present and voting the Senator from Oregon (Mr. Hatfield) would vote "nay."

The result was announced—yeas 35, nays 35, as follows:

[No. 498 Leg.]

YEAS—35

Allen
Beall
Bible
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Dominick
Ervin
Goldwater
Griffin
Hansen
Helms
Hruska
Huddleston
Inouye
Jackson
Long
Mansfield
McClellan
McClure
Moss
Randolph
Roth
Scott, William L.
Sparkman
Stafford
Taft
Talmadge
Thurmond
Tower
Young

NAYS—35

Abourezk
Aiken
Baker
Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Domenici
Fong
Hart
Hartke
Hathaway
Hughes
Kennedy
Magnuson
McGee
McIntyre
Metcalf
Metzenbaum
Nelson
Pearson
Pell
Proxmire
Ribicoff
Schweiker
Scott, Hugh
Stevens
Stevenson
Tunney
Weicker
Williams

NOT VOTING—30

Bartlett
Bellmon
Bennett
Bentsen
Buckley
Chiles
Cook
Eagleton
Eastland
Fannin
Fulbright
Gravel
Gurney
Haskell
Hatfield
Hollings
Humphrey
Javits
Johnston
Mathias
McGovern
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Percy
Stennis
Symington

So Mr. McClellan's amendment was rejected.

Mr. McCLELLAN. Mr. President, in view of the closeness of the vote, it will be my intention to move to reconsider.

Before I do so, however, I would like those who were not here earlier to have the opportunity to hear some of the discussion we have had in order to have an understanding of just what is now involved.

Under the proposed rules of evidence recommended by the Supreme Court, and under the rules of the vast majority of jurisdictions, the prosecution has the right to test the credibility of a defendant by asking him if he has previously been convicted of certain crimes. The prosecution also has the right to establish that fact by independent evidence. This right exists because of the belief that such evidence has a direct bearing on credibility.

That same procedure is available to test the credibility of anyone else who may testify in the trail as well.

As now written this bill changes that rule—a rule that applies in the majority of the Federal and State jurisdictions and the rule that was established by Congress just 4 years ago for the District of Columbia, when this issue was under consideration in a bill involving the District of Columbia. In short, the amendment that I now propose is the law in the District of Columbia; it is the rule that has been recommended by the Supreme Court in the rules of evidence submitted to the Congress; and it is the rule that has prevailed for many years.

Under the language of the bill as it now stands—and I read from the report:

> The committee agreed with the House limitation that only offenses involving false statement or dishonesty may be used.

That is, to impeach a witness' credibility.

> By that phrase, the committee means crimes such as perjury or subornation of perjury, false statement, criminal fraud, embezzlement or false pretense, or any other offense, in the nature of crimen falsi the commission of which involves some element of untruthfulness, deceit or falsification bearing on the accused's propensity to testify truthfully.

Under the committee's interpretation of the impeachment rule, then a defendant cannot be asked about a past conviction unless it comes within one of the above categories of false statement, perjury, et cetera. You could not ask him whether he had been previously convicted of murder. You could not ask him if he had been previously convicted of rape. For no deceit is involved in these crimes.

There is no deceit in murder. You take a gun and go out and shoot and kill, or you take a knife and stab, or you give poison. But there is no deceit involved. The same is true of arson. There is no deceit involved in arson. You take a torch and go down in the nighttime and set a building afire.

The same is true with armed robbery.

There is no deceit in armed robbery. You take a gun, walk out, and put it in a man's face and say, "Give me your money," or walk up to the counter of the cashier and say, "This is a holdup; give me your money." There is no deceit in that. They are not lying. They mean business. They will murder you if you do not do it. The same is true of terrorism and bombings.

According to the committee report, since these crimes do not involve deceit, they somehow have no bearing on whether a witness would be willing to lie to a jury—as if a convicted murderer is just as unlikely to lie to a jury as anyone else.

If this bill is passed, a defendant will no longer be able to be asked if he has been convicted of any of these things in order to determine his credibility. I cannot believe that the Senate wants to adopt a rule that would have such an effect.

Let me cite one more instance of how this rule would work. I imagine a defendant charged with a felony, who has an alibi, and denies he was present when the crime was committed. Appearing against him is a witness who claims to have seen him actually commit the crime. That is the testimony presented to the jury. Does not the jury in their effort to find the truth have a right to know something about the credibility of these witnesses? Does not the jury have a right to know that the man who now denies committing the crime has already been convicted of a serious felony and might not be a person who is unwilling to lie to the jury to escape punishment? Should the jury not have that information? Does not society deserve the kind of protection that will allow the jury to have these facts—so that it can properly choose between the man who says, "I saw him there; I saw him commit the crime," and the man who says, "I did not do it"?

Are we going to once again say to society, "You have no protection any more"? Why do we keep going so far? The further we go in loosening up the laws, the more and more crime increases. Will we never learn? Everything today is being done to find some way to protect the criminal, while society is forgotten.

I will not speak much longer. It is up to the Senate. The District of Columbia has the rule I now propose. The Supreme Court recommended the rule that my amendment would preserve as the rule it thought should govern. I do not know any good reason in the world for changing it.

Someone said that he was worried about the 15-year-old boy who once stole a car and some years later wound up on trial for something else, who might then be asked about his former conviction. That situation could arise. But if the boy had been a pretty good citizen for years after that, the attorney for the prosecution would simply do damage to his own case by bringing out that conviction. I know it and Senators know it.

Possibly some refinement could be made to try to take care of juveniles and their first offenses. That may be true. But a blanket, absolute immunization for criminals, so that they will not be exposed to questions about their past crimes when they testify at trial, is going too far. That is stripping justice of its armor. It is leaving justice naked.

I think some Members may have voted without realizing what is involved here. If they did, I hope they will vote to reconsider and help us adopt this amendment, so that the law of the land will be what the Supreme Court has recommended, what it has been for years and years, what it is in most States of the Union, and what it is in the District of Columbia by virtue of our own vote just 4 years ago.

I ask the Senators, do not vote for me or for anybody else; vote for our country. Vote for the good of society. Do no criminal an injustice. If he is guilty, if he has been engaged in those things, we do him no injustice by letting the truth be known when his credibility is at test against that of a citizen whose credibility is not questioned.

I ask the Senators to vote simply for the good of their country.

Mr. President, if anybody wants to be heard, I do not want to shut off any debate. If not, I shall move to reconsider the vote.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). The Senator will state it.

Mr. ABOUREZK. Is it true that one has to be on the prevailing side of the question in order to vote for reconsideration?

Mr. McCLELLAN. And where there is a tie vote——

Mr. ABOUREZK. Mr. President, just to keep the rule straight, I make a point of order against that, but I shall make a move for reconsideration, since I was on the prevailing side.

The PRESIDING OFFICER. Does the Senator make a point of order?

Mr. ABOUREZK. I make a point of order.

I move to reconsider the vote, and ask for the yeas and nays.

The PRESIDING OFFICER. Having voted on the losing side, the point of order is well-taken.

Mr. ABOUREZK. I move to reconsider the vote and ask for the yeas and nays.

The PRESIDING OFFICER. The question is on the motion to reconsider.

There is a sufficient second.

Mr. HART. Mr. President, it had been my intention, but I discussed it with the Senator from South Dakota, to insure that the Senator from Arkansas did have this opportunity. I am completely comfortable and satisfied that we again face this question. Permit me very briefly to summarize it from the committee's point of view.

It is a reform step. It is a reform step that has been supported, I think one fairly can say, over a long period of years by Dean Griswold, Wigmore on Evidence, and some of us may be too old to remember any other of those learned men. They have constantly told us that until we change this, we present to an accused in a criminal trial an impossible dilemma.

What the committee has done in the Senate, however, is not go as far in the direction of reform as the House has already gone. We are trimming back in the proposal presented to us by the committee from the full reform step taken by the House. In the House, not alone the accused on trial, but any other witness, shall not be permitted to have raised, unless there is a conviction that bears on credibility, prior conviction.

We say, with respect to witnesses other than the accused, prior convictions, yes; with respect to the accused, only convictions that, in truth and in fact, go to credibility. But do not poison the well of the jury's mind by establishing the fact, and it may well be the fact, that the man on trial did, in fact, break and enter.

Point No. 2. It is not correct to suggest that under the committee recommendation, an accused can deny a criminal record and the prosecution not be permitted to refute. The prosecution can indeed.

We read from the report:

> Furthermore, the committee intends that notwithstanding this rule, a defendant's misrepresentation regarding the existence or nature of prior convictions may be met by rebuttal evidence, including the record of such prior convictions. Similarly, such records may be offered to rebut representations made by the defendant regarding his attitude toward or willingness to commit a general category of offense, although denials or other representations by the defendant regarding the specific conduct which forms the basis of the charge against him shall not make prior convictions admissible to rebut such statement.

Finally, Mr. President, on page 12, rule 404, we find—this would be operable notwithstanding the position taken by the committee on the rule now in question—

(b) Other crimes, wrongs, or acts.—Evidence of other crimes, wrongs, or acts is not admissible to prove the character of a person to order to show that he acted in conformity therewith. It may, however, be admissible for other purposes, such as proof of motive, opportunity, intent, preparation, plan, knowledge, identity, or absence of mistake or accident.

That would apply to all crimes.

I think the end question is how do we insure that a man gets a fair trial? The only way he can get a fair trial is to limit the judgment available to the jury to the evidence of the action. Whether it is Learned Hand or somebody 10 times smarter, I have never met a judge who can frame an instruction to a jury that you shall listen and understand that this man has a prior conviction, but it does not have anything to do with whether he was guilty or not of the offense charged; hang that aside, think only of it as it relates to credibility.

I am not sure that a jury of saints would be able to make the distinction, and a jury of humans rarely can. I shall not say it never can. That is the reason that we have been told over the years that we are fooling ourselves when we say that a man has a right to his day in court if the dilemma we present him is that, if you want to tell your story but have a record, be prepared to have the jury find out about it.

That does not get to the truth. I hope, on reconsideration, that we shall support the position of the committee and vote against reconsideration.

Mr. HARTKE. Will the Senator yield for one question?

Mr. HART. Yes.

Mr. HARTKE. Is it not true that if the reconsideration were successful, the trial of that individual would not be upon the question of his guilt or innocence, but that we would be trying a man upon his prior conduct?

Mr. HART. I think so.

Mr. HARTKE. That is the whole essence of what the star chamber was all about. That is what the Revolutionary War was all about. We can change the whole country and go back to the dictatorial scheme of things and try people on our moral code and burn them at the stake.

Mr. HART. I do not want to undermine the case I am trying to make, but under the committee action, the rule does trim back what has generally been the rule—not altogether, but I think it moves in the direction of responsibility.

Mr. HARTKE. I think we are going too far in this amendment.

Mr. ABOUREZK. Will the Senator yield for a question?

Mr. HART. Yes.

Mr. ABOUREZK. If this were successful, would the defendant not then be afraid to go on the witness stand in his own defense, for fear that some other crime he had been convicted of would be brought up, and the result, therefore, would be to bring out less truth in the trial because he would not take the stand and testify in his own defense?

Mr. HART. I believe that very deeply. I think the committee did.

Mr. BIDEN. Mr. President, I shall be very brief.

I have had little experience prior to coming into this body. The only experience I have had is as a criminal defense lawyer, and it has been only 2 years since I did that.

I concur in everything that the Senator from Michigan said about any attorney, having a client who has been convicted of any other offense totally unrelated to the trial in which he is now participating, being reluctant to advise his client to take the stand where he may already have the facts going against him, such as an eyewitness. We can recount hundreds of occasions in the law books and from our own experience where eyewitness testimony is extremely unreliable, and any attorney would be quite reluctant to put a man on the stand, because that would be enough to blow him out of the water.

The Senator from Michigan makes the point that he is concerned that the jury would not view the introduction of the evidence of a prior crime as going to credibility, but would view it as to going to the substance of the case in question.

I think that is correct. The second point is, I do not see why it should even be advanced as going to the credibility of the witness, because if we do that, we assume, under our justice system, that if you have once committed a crime, you have lost your virginity forever, you have lost your credibility forever, you have lost the reliance on the ability to go into court and be adjudged to be credible until proved not credible on the basis of the testimony introduced by the witnesses and the argument made by the prosecution.

It seems to me there are a number of instances which the distinguished Senator from Arkansas has mentioned where in fact justice would be thwarted by going along with his amendment. To give the other side for just a moment, I can see a situation where a man or a woman could have committed a crime in the heat of passion, be on parole for that crime, and be accused of another crime which has nothing to do with the heat of passion, but involves pure premeditation, and the presumption would be that because they lost their temper and hit someone with a lead pipe, and then perhaps pled guilty to having committed assault, which in some States or under the Federal law constitutes a felony, having admitted their guilt, which in a way is almost speaking for their credibility, having acknowledged they did it, and then being out on probation or parole for that crime, and now being in a situation of being accused of having committed burglary, would have that brought up.

Another point is that those who have committed a crime once tend to be the first targets of police investigation. The first person likely to be pulled in for a crime in a neighborhood is someone who has already committed a crime in that neighborhood. So the convicted felon always operates under the burden of being that convicted felon, and, being once considered a "bad guy," of being pulled in even when not involved.

Many of the crimes are different crimes, not crimes in the nature of those of our former President and Vice President, but involve everyday assault, burglary, or larceny of a motor vehicle, and involve local neighborhoods in the cities, where the police know where the former criminals are, and the former criminals are the ones who are pulled in to begin with.

Mr. President, they already have enough going against them. I have not been very lucid, but I would plead with my colleagues not to be dissuaded by the argument that if you are on parole, if you are a former convicted felon, you are not capable of coming around and being a credible citizen, and your credibility should always be questioned the rest of your life.

Mr. McCLELLAN. Mr. President, those who oppose this amendment agree that if one commits false pretense, the prosecution ought to be able to show it. But if he commits armed robbery, the prosecution cannot show it. Show me any justification for that kind of a law.

I point out one other thing. The prosecuting witness is subject to the same test of credibility as is the defendant. If it is fair for one, it is fair for all.

But why say that one who is convicted of obtaining goods under false pretense might be asked about it at a trial, but if he had been guilty of armed robbery, "Oh, no, you mustn't ask about that, the jury might convict him of the crime for which he is been tried based on the prior robbery conviction."

I submit that the law ought to be what it is now in most States; what it has been for many years in the Federal courts; what it is in the District of Columbia; and what the Supreme Court has recommended to the Congress. It should not be changed just to accommodate those who seek to evade the law.

Mr. BIDEN. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I yield.

Mr. BIDEN. Is it not true, under this legislation, even if the Senator's amendment is not adopted, that if a man is on trial for arson, and has been convicted of arson twice before, the prosecution can introduce that fact, not as going to credibility, but as going to any of a number of things, such as motive?

Mr. McCLELLAN. I believe all it can go to is credibility.

Mr. BIDEN. I think it can.

Mr. McCLELLAN. I believe it could not be introduced for any other reason. That is all it is for.

Mr. BIDEN. I may be mistaken, but I think they would be able to introduce that if it went to motive, or—I do not have the legislation in front of me, but any sharp prosecutor would be able to bring that in, to show a tendency. I forget the wording of the statute, but I know that is the case in the Delaware law, and I know that is the case in a number of States. I can stand corrected, but I think the law as it stands, under that legislation, would not preclude the possibility of a prosecutor introducing into that trial before that jury and in front of that judge a prior conviction for the same crime, if he can prove any of a number of things that are possible in the legislation, for the same crime. That is the point I am trying to make.

Several Senators. Vote! Vote!

The PRESIDING OFFICER (Mr. William L. Scott). The question is on agreeing to the motion to reconsider the vote by which the amendment of the Senator from Arkansas was rejected. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Louisiana (Mr. Johnston), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), and the Senator from Missouri (Mr. Symington), are necessarily absent.

I also announce that the Senator from Minnesota (Mr. Humphrey) is absent on official business.

I further announce that, if present and voting, the Senator from Colorado (Mr. Haskell) would vote "nay."

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) and the Senator from Georgia (Mr. Nunn), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Arizona (Mr. Fannin), the Senator from New York (Mr. Javits), and the Senator from Oregon (Mr. Packwood), are necessarily absent.

I also announce that the Senator from New York (Mr. Buckley), the Senator from Maryland (Mr. Mathias), and the Senator from Illinois (Mr. Percy), are absent on official business.

I further announce that the Senator from Oregon (Mr. Hatfield) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "nay."

The result was announced—yeas 38, nays 34, as follows:

[No. 499 Leg.]

YEAS—38

Allen
Beall
Bible
Brock
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Dominick
Ervin
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Huddleston
Inouye
Jackson
Long
Mansfield
McClellan
McClure
McIntyre
Randolph
Roth
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NAYS—34

Abourezk
Aiken
Baker
Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Domenici
Fong
Hart
Hartke
Hathaway
Hughes
Kennedy
Magnuson
McGee
Metcalf
Metzenbaum
Moss
Nelson
Pearson
Pell
Proxmire
Ribicoff
Schweiker
Scott, Hugh
Stevenson
Tunney
Weicker
Williams

NOT VOTING—28

Bartlett
Bellmon
Bennett
Bentsen
Buckley
Chiles
Cook
Eagleton
Eastland
Fannin
Fulbright
Gravel
Haskell
Hatfield
Hollings
Humphrey
Javits
Johnston
Mathias
McGovern
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Percy
Symington

So the motion to reconsider the vote by which Mr. McClellan's amendment was rejected was agreed to.

The PRESIDING OFFICER. Under the precedents of the Senate, the original vote having been by the yeas and nays, the yeas and nays will be taken on the second vote.

Mr. STEVENS. Mr. President, may I address a question to the chairman?

The PRESIDING OFFICER. The Senator is recognized.

Mr. STEVENS. If the Senator's amendment is carried, it is my understanding that the matter will still be in conference because there will still be a substantial difference between the House provision and the Senate provision.

Mr. McCLELLAN. The matter would be in conference.

Mr. STEVENS. Thank you very much.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Arkansas. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Louisiana (Mr. Johnston), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I also announce that the Senator from Minnesota (Mr. Humphrey) is absent on official business.

I further announce that, if present and voting, the Senator from Colorado (Mr. Haskell) would vote "nay."

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) and the Senator from Georgia (Mr. Nunn) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from Arizona (Mr. Fannin), the Senator from New York (Mr. Javits), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from New York (Mr. Buckley), the Senator from Maryland (Mr. Mathias), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Oregon (Mr. Hatfield) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "nay."

The result was announced—yeas 38, nays 33, as follows:

[No. 500 Leg.]

YEAS—38

Allen
Beall
Bible
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Dominick
Ervin
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Huddleston
Inouye
Jackson
Long
Magnuson
Mansfield
McClellan
McClure
McIntyre
Randolph
Roth
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NAYS—33

Abourezk
Aiken
Baker
Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Domenici
Fong
Hart
Hartke
Hathaway
Hughes
Kennedy
McGee
Metcalf
Metzenbaum
Moss
Nelson
Pearson
Pell
Proxmire
Ribicoff
Schweiker
Scott, Hugh
Stevenson
Tunney
Weicker
Williams

NOT VOTING—29

Bartlett
Bellmon
Bennett
Bentsen
Brock
Buckley
Chiles
Cook
Eagleton
Eastland
Fannin
Fulbright
Gravel
Haskell
Hatfield
Hollings
Humphrey
Javits
Johnston
Mathias
McGovern
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Percy
Symington

So Mr. McClellan's amendment was agreed to.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLELLAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORT OF NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT

Mr. CANNON. Mr. President, as in executive session, I ask unanimous consent that I be permitted to report a nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, from the Committee on Rules and Administration I report the nomination of Nelson A. Rockefeller, of New York, to be the Vice President of the United States, with the recommendation that the nomination be confirmed.

The rollcall vote on the nomination was unanimous—9 to 0. I should advise the Senate, however, that just prior to that vote the committee unanimously agreed that every member of the committee reserved to himself the right to cast his vote as he sees fit when the nomination is considered in the Senate itself.

Mr. President, I ask unanimous consent: First, that the committee may have until midnight on December 3, 1974, to file its written report; and second, that any Member wishing to file additional or other views may have such views included in the written report.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

The Senate continued with the consideration of the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings.

Mr. McCLELLAN. Mr. President, I ask for third reading.

Mr. MANSFIELD. Mr. President, may we have third reading?

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. Presdent, I intend to support H.R. 5463, a bill to codify evidence law for Federal criminal and civil trials.

The establishment of a uniform code of evidence for the Federal courts has been a matter of great importance to me and others for a long period of time. Initially developed in the judicial branch, the proposed code has been subject to intensive hearings before both the Senate and House Judiciary Committees and has been revised and reworked to a point where it is generally acceptable to all who have considered the matter. I commend the efforts of the distinguished ranking minority member of the Senate Judiciary Committee whose outstanding effort and personal concern in the bill have brought us to this stage today.

There is one area in the bill I believe can be improved—that pertaining to the privilege rules. The rules as approved by the Supreme Court prescribe an exclusive list of carefully defined privileges for all Federal court proceedings, civil and criminal, diversity and Federal question. The bill, however, would eliminate this list of privileges and, dependng on the claim or defense involved, instead would apply either State law or a Federal law of privileges to be developed on a case-by-case basis. Because the Supreme Court provided us with affirmative guidance on admittedly difficult policy questions and unified Federal evidence law, I prefer its approach.

The Senate Judiciary report, which was issued on October 18, supplies considerable support for the Supreme Court's rules proposal. I believe the committee took a pragmatic approach to the problem when it said that, because no agreement was likely to be possible as to the content of specific privilege rules, and since the inability to agree threatened to prevent passage of the entire rules package, the specific privilege rules proposed by the Court should be eliminated.

I am not totally convinced of this conclusion. Although I will not encumber the bill at this point with an amendment to restore some or all of the Court's privilege rules, I intend to study this issue very carefully with a view to possibly introducing legislation next Congress to reinstate the privilege rules.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 14215.

The PRESIDING OFFICER (Mr. William L. Scott) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 14215) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RANDOLPH. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Randolph, Mr. Cranston, Mr. Williams, Mr. Pell, Mr. Kennedy, Mr. Mondale, Mr. Hathaway, Mr. Stafford, Mr. Taft, Mr. Schweiker, Mr. Beall, and Mr. Javits conferees on the part of the Senate.

RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

The Senate continued with the consideration of the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings.

The PRESIDING OFFICER. The bill having been read the third time the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Louisiana (Mr. Johnston), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), the Senator from Missouri (Mr. Symington), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I also announce that the Senator from Minnesota (Mr. Humphrey) is absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from Minnesota (Mr. Humphrey), the Senator from Georgia (Mr. Nunn), and the Senator from Rhode Island (Mr. Pastore) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from Arizona (Mr. Fannin), the Senator from New York (Mr. Javits), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from New York (Mr. Buckley), the Senator from Maryland (Mr. Mathias), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Oregon (Mr. Hatfield) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield), and the Senator from Illinois (Mr. Percy) would each vote "yea."

The result was announced—yeas 69, nays 0, as follows:

[No. 501 Leg.]

YEAS—69

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bible
Biden
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Ervin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Hathaway
Helms
Hruska
Huddleston
Hughes

Inouye
Jackson
Kennedy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McIntyre
Metzenbaum
Moss
Nelson
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—31

Bartlett
Bellmon
Bennett
Bentsen
Brock
Buckley
Chiles
Cook
Eagleton
Eastland
Fannin
Fulbright
Gravel
Haskell
Hatfield
Hollings
Humphrey
Javits
Johnston
Mathias
McGovern
Metcalf
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Percy
Symington
Talmadge

So the bill (H.R. 5463) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE RESOLUTION 436—AUTHORIZING JOYCE P. BAKER TO APPEAR AS A WITNESS

Mr. HUGH SCOTT. Mr. President, I send to the desk a resolution, on behalf of the Senator from Texas (Mr. TOWER), on behalf of the distinguished majority leader, and on my behalf and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 436) to authorize Joyce P. Baker, Professional Staff Member, Senate Republican Policy Committee, an employee of the United States Senate, to appear as a witness in the case of Common Cause, et al. against E. T. Klassen, et al.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. HUGH SCOTT. Mr. President, this is a standard type resolution when, in litigation, there is a demand for papers or persons in aid of that litigation. The resolution is to protect the right of the Senate to make such decisions as the Senate shall deem proper, and to protect the right of the Senate to possession and control of certain papers and documents.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 436

Whereas in the case Common Cause, et al. *v.* E. T. Klassen, et al., Civil action No. 1887-73, United States District Court for the District of Columbia, subpoena duces tecum has been issued upon the application of Kenneth J. Guido, attorney for the plaintiffs, and addressed to Joyce P. Baker, Professional Staff Member, Senate Republican Policy Committee United States Senate, directing her to appear as a witness before the said court and give a deposition on or about December 2, 1974, and to bring with her certain papers in the possession and under the control of the Senate of the United States: Therefore be it

Resolved, That by the privileges of the Senate no evidence of a documentary character under the control and the possession of the Senate can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when said court determines that any of the documents, papers, communications, and memoranda called for in the subpoena duces tecum have become part of the official transcripts of public proceedings of the Senate by virtue of their inclusion in the official minutes and official transcripts of such proceedings for dissemination to the public upon order of the Senate or pursuant to the Rules of the Senate and, further, than such documents, papers, communications and memoranda are material and relevant to the issues pending before said court then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding, and then always at any place under the orders and control of the Senate, and with all proper parties to the proceeding, and then always at and place under the orders and control of the Senate, and take copies of such documents, papers, communications, and memoranda in possession or control of Joyce P. Baker which the court has found to be part of the official transcripts of public proceedings of the Senate by virtue of their inclusion in the official minutes and official transcripts or such proceedings for dissemination to the public upon order of the Senate or pursuant to the Rules of the Senate, and, further, that such documents, papers, communications, and memoranda are material and relevant to the issues pending before said court, excepting any other documents, papers, communications, and memoranda including, but not limited to, minutes and transcripts of executive sessions and any evidence of witnesses in respect thereto which the court or other proper office there shall desire as such matters are within the privileges of the Senate; and be it further

Resolved, That a copy of these resolutions be transmitted to the said court as a respectful answer to the subpoena aforementioned.

ORDER FOR RECOGNITION OF SENATORS GRIFFIN AND MANSFIELD AND DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes, after which the Senator from Montana (Mr. MANSFIELD) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR THE SECRETARY OF THE SENATE TO MAKE CORRECTIONS IN THE ENGROSSMENT OF S. 3418 AND IN THE SENATE AMENDMENT TO H.R. 16373

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized in the engrossment of S. 3418, which was passed yesterday, and in the engrossment of the Senate amendment to H.R. 16373, which was passed today, to insert in each of the bills the following corrections:

On page 53, line 5, strike out "(1)" and all that follows through "(3)" on line 7 and insert in lieu thereof the following:

"(1) any actual and general damages sustained by any person but in no case shall a person entitled to recovery receive less than the sum of $1,000; and

"(2)".

This was submitted during the process of amending S. 3418, but was inadvertently omitted in the copy of both bills when passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT H.R. 14215 BE PRINTED AS PASSED BY THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, on behalf of the Senator from West Virginia (Mr. RANDOLPH), that H.R. 14215, the Developmentally Disabled Assistance and Bill of Rights Act, be printed as passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR BEFORE 3 P.M. ON MONDAY

Mr. ROBERT C. BYRD. I ask unanimous consent that no rollcall votes occur on Monday prior to the hour of 3 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR RANDOLPH ON TUESDAY NEXT

Mr. ROBERT C. BYRD. I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the Senator from West Virginia (Mr.

Randolph) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CANADIAN AUTOMOBILE AGREEMENT

Mr. HARTKE. Mr. President, the situation in the automobile manufacturing business and automobile sales is one which is disturbing, not alone to the Nation, but also to those in the Government.

I point out that several years ago, the United States entered into an agreement with Canada called the Canadian Automobile Agreement. At the time that agreement was entered into, the announced purpose of the agreement was to provide for a rationalized automobile industry. By that I mean simply that they wanted to have a North American automobile industry, which was a combination of the United States and Canada. As far as the number of factories involved were concerned, primarily at that time it was the big three, and also a little bit of the business of American Motors, and their parts manufacturers.

That agreement was hailed at the time as an agreement which would provide for free trade between Canada and the United States in the field of automobiles and automobile parts. The fact of the matter is that that was not exactly what it did. It provided for the elimination of tariffs for automobiles which were manufactured in Canada to come into the United States duty free. The same was true of parts. It provided for the elimination of the tariff on shipment of any parts or automobiles from the United States to a manufacturer in Canada. The net result was that it was a one-sided proposition.

At that time there was a balance of trade in automobiles of roughly one-half billion dollars in favor of the United States. That gradually eroded until it was practically even, and for 3 years there was a negative balance.

To demonstrate the fallacy of that position to which I tried to alert the Senate at that time, and which was entered into by an executive agreement without the consent of Congress, I think now we see, with the announcements from Chrysler, exactly what has happened.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Nov. 20, 1974]

Chrysler To Close Five Plants

Chrysler Corp. yesterday announced it would shut all but one of its six U.S. auto assembly plants from the day before Thanksgiving to Jan. 6, slashing an additional 43,900 workers from its payroll.

The drastic cutback to trim 50,000 cars from its fourth-quarter production schedules will bring the automaker's number of workers idled temporarily or indefinitely to 70,500 hourly workers in December.

The company has 110,000 hourly employees.

The only assembly plant that will operate normally is the St. Louis facility, which builds Fury, Coronet, Valiant and Dart models. However, on Jan. 2, it will switch from a two- to one-shift operation.

The new layoffs, with still more expected from GM and Ford, mean that nearly 150,000 U.S. auto workers—almost one-fourth of the industry's total labor force—will be idle in the month before Christmas because of record inventories of unsold cars.

Chrysler plants that will be closed through Jan. 6 are at Belvidere, Ill., Newark, Del., and the Hamtramck, Jefferson Avenue and Lynch Road plants in the Detroit area.

Detroit Mayor Coleman Young warned Monday that a shutdown in the 67-year-old Jefferson Avenue plant could send inner-city unemployment soaring to more than 28 per cent of the work force.

"What happens to this industry in Detroit is going to happen to the rest of the economy if it is not stopped," Young said.

The Hamtramck and Newark plants already are closed to cut back production of the compact Valiant and Dart models.

With just one plant operating in the United States, Chrysler will build about 15,000 cars during December. The company said the 50,000-car cut was necessary because of a record 120-day supply of unsold cars—enough to last more than four months at current selling rates.

On Monday, Chrysler Chairman Lynn Townsend said the No. 3 automaker was not planning a total shutdown of its facilities despite a drastic sales slump which has also affected General Motors and Ford.

Together, the other two companies now have nearly 68,000 workers idled.

In its statement announcing the massive layoffs, Chrysler said its five truck assembly plants in Warren, Mich., St. Louis and Windsor, Ont., will operate normally through the end of the year.

The Windsor car assembly plant that builds the new personal luxury models—Chrysler Cordoba and Charger Special Edition—also will operate normally.

Chrysler said its 42 general manufacturing and stamping plants in the United States and Canada will operate on reduced schedules to reflect the decrease in auto production. They will continue to manufacture parts and stampings for car and truck assembly, for aftermarket sales, or for outside supplier contracts.

A top United Auto Workers official, citing what he called mistakes in planning by Chrysler managers, called for the resignation of Townsend and President John Ricardo. "When they make mistakes, they don't pay for them, workers pay for them," Vice President Douglas Fraser said.

Most auto workers will not receive holiday pay for the period between Christmas and New Year's day, when the industry normally shuts down.

But those workers with at least one year seniority are eligible for up to 95 per cent of their weekly take-home pay because of Supplemental Unemployment Benefits negotiated in their contract by the United Auto Workers. There have been fears, however, that massive layoffs might deplete the fund.

Meanwhile, American Motors announced that it is shutting down its assembly plants in Kenosha and Milwaukee, Wis., for all of Thanksgiving week, beginning Sunday. The plants employ about 12,000 workers.

Mr. HARTKE. I would like to read just portions of that article to demonstrate exactly why the original Canadian automobile agreement was bad business at the time and bad business for the United States, and especially bad business for the United States in time of severe unemployment and layoffs.

Chrysler Corporation yesterday announced it would shut all but one of its six U.S. auto assembly plants from the day before Thanksgiving to January 6, slashing an additional 43,900 workers from its payroll.

The drastic cutback to trim 50,000 cars from its fourth quarter production schedules will bring the auto maker's number of workers idled temporarily or indefinitely to 70,500 hourly workers in December.

The company has 110,000 hourly employees. In other words, that is roughly 70 percent. That was as of November 20.

On November 27 they are going to reduce a total of 28,700; and as of December 20 they will lay off 63,700.

In addition to that, Chrysler is asking their white-collar and management employees to take their 1974 and 1975 vacations in December.

In its statement of its massive layoffs, Chrysler said its five truck assembly plants would continue to operate normally throughout the end of the year. The article also states that Chrysler's Windsor assembly plant, which builds the new luxury models, Chrysler Cordoba and Charger Specials, will operate normally.

The New York Times article of November 20 goes into the same situation. They said:

> The only assembly plant in the United States that will be kept open is in St. Louis, which produces Furys, Coronets, Darts and Valiants.

However, at the same time, they said they would not close their plants in Canada. Just today this situation has changed. Chrysler has announced the layoff of over 1,000 Canadian workers in an engine plant and a castings plant. However, these layoffs are far smaller proportionately than Chrysler layoffs in this country.

I ask unanimous consent that the New York Times article of November 20 be included in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Nov. 20, 1974]

Chrysler Plans Longer Shutdown—Closings Scheduled for Five Plants in December and First Week in January

(By Agis Salpukas)

Detroit, November 19.—The Chrysler Corporation announced today that it would close or keep closed five of its six assembly plants in the United States through the month of December and into the first week of January to reduce its 125-day backlog of cars.

Chrysler said the closings would mean producing 50,000 fewer cars in the fourth quarter of this year.

Chrysler's stamping and manufacturing plants, which feed the assembly plants, will also be put on reduced schedules, the company said, although they will continue to make parts for the repair market and suppliers.

The closings will mean the temporary layoff of 35,500 workers and the indefinite layoff of 8,400 workers.

Those on temporary layoff will be off for about four weeks, since the auto producers traditionally close down for the week between Christmas and New Year's.

Douglas Fraser, the head of the United Automobile Workers' Chrysler department, said that Chrysler would not pay the workers for the holiday week.

The workers will still get supplementary unemployment benefits, which after a year's seniority can give a worker up to 95 per cent of his pay.

Mr. Fraser said that Chrysler had agreed to take $1 million out of its general fund and make up the difference in the sub pay and the regular pay for the holiday period of the 35,500 workers who are being laid off temporarily.

But no such provision he said would be made for the 8,400 workers laid off indefinitely.

Mr. Fraser estimated that the sub fund would be depleted by $6 million, because of the company's decision not to pay the workers for the holidays.

He also estimated the company was saving $19 million by not paying the workers for the holidays.

He said that the U.A.W. was taking the corporation's decision on the holiday pay under protest and would reserve its right to bring legal suit or bring it to arbitration. He conceded, however, that technically the company was right under the contract.

The only assembly plant in the United States that will be kept open is in St. Louis, which produces Furys, Coronets, Darts, and Valiants.

But starting on Jan. 2, the plant will be put on one-shift and 2,300 workers will go on indefinite layoff.

The following plants will close or remain closed until Jan. 6:

The Newark, Del., plant, which has already been closed since Friday, where 1,500 workers will be laid off indefinitely. It will resume production with only one shift. The plant produces Valiants and Darts.

Mr. HARTKE. Then on November 20, 1974 also in a separate article in the New York Times under the by-line of Robert A. Wright, it points out that foreign car sales continue to have their momentum. In other words, what we have here is a situation which is very dangerous to the United States. With the trade bill coming up before us, I think it is appropriate that I include in the RECORD at this time some charts showing employment in the United States and Canada under the Canadian Automobile Agreement, showing Canadian automobile employment is increasing faster than employment in the United States. That is chart No. 1.

Chart No. 2 demonstrates the negative balance of trade between the two countries, generally speaking, in the years 1965 through 1972.

Chart No. 3 shows that the United States imports exceed exports to Canada in cars, and it shows that the United States exports exceed imports in parts; together with a chart demonstrating the data on the automobile trade balance with Canada.

I will ask unanimous consent that the New York Times article together with the charts be included in the RECORD.

[Charts mentioned in text are not printed in the RECORD.]

There being no objection, the article and the charts were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 20, 1974]

FOREIGN CARS MAINTAIN SALES MOMENTUM

(By Robert A. Wright)

LOS ANGELES, November 17.—With a regained price advantage, imported cars are selling well, in comparison with the sagging fortunes of Detroit's products.

No auto company is having a banner year because of the hesitancy of American consumers faced with continuing inflation and the prospect of a deepening recession. Yet, foreign makes seem to have made market inroads.

Retail sales of imported care in October rose 6.33 per cent above the 1973 level, while American models fell 26.87 per cent below the year-earlier figures.

The bulge in foreign car sales could prove to be temporary, however, since most importers have been selling 1974 models—at 1974 prices—while Detroit manufacturers are well into the 1975 model year. Importers traditionally bring their new lines to market several months later than American producers.

But executives of the import companies generally believe that, if anybody does well in the auto business in the year ahead, they will have the advantage because of both price and the economy of operation of their cars. Talk in Washington of a gasoline tax increase to reduce consumption bodes well for them, these executives say.

Even with a raise in prices for 1975 models, the Japanese-built Toyota will have an advantage, says Norman D. Lean, vice president and general operations manager of Toyota Motor Sales, U.S.A., Inc.

"We'll still definitely be the lowest-price car in the market," Mr. Lean said in an interview. "The 1975 Corolla 1600 will have a sticker price of $2,711. The closest thing to us is $2,799—the (Chevrolet) Vega and the (American Motors) Gremlin."

Mr. Lean said he did not expect anybody in the business to have a particularly good year, but added, "I've never seen such a price-sensitive market.

"We still haven't reached the point where a guy buys on price alone, however. We always say 'price-value.' About half of our 1975 price increase of some $320 in our two door deluxe is in demonstrable product improvement—radial tires, body side molding and 12 per cent bigger interiors."

West Germany's Volkswagen, still the largest foreign importer in the American auto market, is running closer to the Detroit sales pattern than most foreign makes. Its first 1975 models are not due in dealer showrooms until January, but sales were off 5.4 per cent in October from a year earlier. For the first 10 months of the year, sales were off 27.2 per cent from a year earlier.

Still, J. Stuart Perkins, president of Volkswagen of America, Inc., is confident that when the market rebounds, his company will have the kind of economy cars Americans will want to buy.

"Ultimately, we should have a better showing," he says, "with our having six out of the first ten cars in the E.P.A. (Environmental Protection Agency) mileage test."

Mr. Perkins expects Volkswagen sales to "swing about the same as Detroit." But with a general market improvement, he anticipates a slight edge. "These cars have been designed by guys who have long known about $1 a gallon gasoline and about horsepower taxes," he said.

Sales of the Japanese-made Datsun spurted last month to 21,702 units from 16,307 in October, 1973, although sales in the first 10 months of the year fell 33,125 units below the year-earlier level.

Prices may have had something to do with it, concedes Robert O. Link, vice president for sales of Nissan Motor Corporation of America, the United States unit of the Japanese builder of Datsuns. "But I do feel that it's hard to know why," Mr. Link said.

"It's sort of hard to believe, with 1975 domestic sales down as much as they are, that it's strictly price resistance. It may be more of a rebellion against interlocks, catalytic converters, this legislative thing," Mr. Link said.

But Mr. Link added that "If anybody has a good year in 1975, I would have to believe it would be us. This energy thing is not going to go away, and since we won the E.P.A. economy derby—four out of the top 10—I have to think we'll have a pretty good year.'

Sales of the Mazda, which has made substantial inroads with its rotary-engine models, are down both for October and the year to date. But Sidney H. Fogel, sales vice president of Mazda Motors of America, Inc., believes the generally depressed automobile market—rather than Mazda's relatively poor showing in the original E.P.A. economy runs or prices—is largely responsible.

But, he said in an interview, because of price increases by competitors, "we're better off now in price than we've ever been." And he pointed to "a pretty large carryover of unsold 1974 models" as "a blessing in disguise. I think it will help us. We have a supply of 1974 priced models that will last up until May at least."

Sales of the Swedish-made Volvo were down for October and for the year to date, but Bjorn Ahlstrom, president of Volvo of America Corporation, pointed to a supply problem. "We had excellent sales from mid-July through early October," he said, "because it was the first time we had a supply of cars. We were virtually out of cars in the first six months of the year."

The October decline, Mr. Ahlstrom said, amounted to 4 per cent from the 1973 month, but was the second best October for the company since it entered the United States market. "In late October, November and December of last year," he noted, "the energy crisis bolstered our sales. There's no way we can match the sales of November, 1973."

Mr. Ahlstrom said there "is no question in my mind that everybody is going to have a tough time selling cars in the next six to eight months," but added, "there's no question in my mind that we're going to fare better."

James Murray, sales manager of American Honda Motor Company, Inc., said a dip in Honda sales last month was attributable to a shortage of inventory because of the unavailability of vessel space from Japan. For the year to date, Honda sales are almost double last year's, at 6,425 units.

Fiat-Roosevelt Motors, Inc., the United States distributor of nine Italian-built models, reported sales up sharply. For the year through Oct. 31, Fiat—still selling 1974 models—posted an increase of 113.6 per cent. In October, sales were up 13.4 per cent from a year earlier. "November looks like the best month yet," a company spokesman said.

IMPORTED CAR SALES—RETAIL SALES IN UNITED STATES

	January-October 1974	January-October 1973	October 1974	October 1973	Percent change
Volkswagen	295,407	405,786	30,289	32,022	−5.4
Toyota	213,185	245,828	20,190	16,719	+20.8
Datsun	163,484	199,609	21,702	16,303	+33.1
Capri	68,169	97,709	4,275	5,448	−21.5
Fiat	61,180	53,939	7,381	3,392	+117.6
Mazda	59,167	99,409	4,224	9,589	−55.9
Opel	50,252	58,289	5,819	2,147	+171.0
Br. Leyland [1]	46,940	57,648	5,408	4,242	+27.5
Volvo [2]	46,000	49,135	6,000	5,071	+18.3
Audi	44,533	42,110	4,509	5,627	−19.9
Colt	36,387	32,856	3,947	1,803	+118.9
Honda	36,083	32,777	3,771	6,452	−41.6
Mercedes-Benz	29,600	32,122	3,375	2,650	+27.4

[1] Includes Jaguar, MG, Austin, Triumph, Rover.

[2] Estimate.

UNITED STATES-CANADA TRADE AUTOMOTIVE PRODUCTS, 1964, 1967-73—UNITED STATES IMPORTS CANADIAN IMPORTS

[Millions of U.S. dollars]

	1964	1967	1968	1969	1970	1971	1972	1973[1]
U.S. exports:[2]								
Cars	34	544	748	732	631	985	1,075	1,437
Trucks	23	122	175	244	263	334	504	643
Parts	577	1,216	1,684	2,134	2,019	2,448	2,866	3,484
Subtotal	634	1,882	2,607	3,110	2,913	3,767	4,445	5,564
Tires and tubes	6	7	27	34	23	36	51	92
Total exports	640	1,889	2,634	3,144	2,936	3,803	4,496	5,656
U.S. imports:								
Cars	18	692	1,114	1,537	1,474	1,924	2,065	2,272
Trucks	4	228	369	560	564	587	713	789
Parts	49	474	783	959	1,080	1,481	1,795	2,172
Subtotal	71	1,394	2,266	3,056	3,118	3,992	4,573	5,233
Tires and tubes	5	12	8	5	14	8	22	68
Total imports	76	1,406	2,274	3,061	3,132	4,000	4,595	5,301
Net balance	+563	+483	+360	+83	−196	−197	−99	+355
Memo entry:								
Snowmobiles included in truck exports above				6	12	22	33	30
Snowmobiles included in truck imports above		36	61	111	141	124	104	66

[1] Preliminary.

[2] Canadian import data. Parts exports (Canadian imports) adjusted to exclude tooling charges in millions of U.S. dollars as follows: 1966—$29; 1967—$44; 1968—$47; 1969—$75; 1970—$98; 1971—$68;1972—$84.9; 1973—$56.

Note: Data exclude United States-Canadian trade in materials for use in the manufacture of automotive parts. Data are adjusted to reflect transaction values for vehicles. Can$1 = U.S.$0.925, 1964-69; U.S.$0.958, 1970; U.S.$0.990, 1971; U.S.$1.009, 1972; U.S.$0.9997, 1973.

Source: U.S. Department of Commerce.

Mr. HARTKE. What I am trying to point out is the Canadian automobile agreement was a bad agreement when put into effect, and now we are reaping the ill effects of that bad agreement.

I think it would be appropriate for the people of the Chrysler Corp.—and my good friend Lynn Townsend, who is president of that corporation—to give consideration to the fact that primary sales of automobiles are still in the United States, and if he destroys the purchasing power of the United States that ultimately the net effect will be to such an extent that it will destroy the less efficient production of automobiles in Canada.

Mr. President, this is a tragic situation indeed, but it is made even more tragic by the fact that this agreement should never have been put into effect in the first place. Since 1965 there have been no real efforts made by the administration or by Congress to make a modification in this ill-fated venture.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene on Monday next at the hour of 10 a.m.

After the two leaders or their designees have been recognized under the standing order, the Senator from Michigan (Mr. GRIFFIN) will be recognized by not to exceed 15 minutes, and the Senator from Montana (Mr. MANSFIELD) will then be recognized for not to exceed 15 minutes.

There will then occur a brief period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will proceed to the consideration of the Agriculture appropriation bill. Amendments to that bill will be in order. Yea-and-nay votes could occur thereon, and certainly will occur on passage thereof, but no rollcall vote will occur before the hour of 3 p.m.

Also for possible action on Monday, other measures such as the following may be taken up, but not necessarily confined to the following measures, nor necessarily in the order in which I shall state them:

S. 4033, the Atomic Energy Commission authorization;

S. 2938, improved health programs for Indians;

S. 3639, youth camping safety; and

S. 2994, development of a national health policy.

Conference reports are eligible to be brought up at any time. Other measures cleared for action may also be called up at any time.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. May I inquire of the distinguished majority whip if there is any indication when the Ex-Im conference report may be called up?

Mr. ROBERT C. BYRD. It is the present indication that the Ex-Im conference report will be called up on Tuesday.

Mr. GRIFFIN. I thank the majority whip.

Mr. ROBERT C. BYRD. May I say also, in further response to the inquiry of the distinguished Republican whip, that it is anticipated that H.R. 10337, the Navaho and Hopi Indian bill, will be called up on Tuesday.

Unless our business is completed by the close of business on Tuesday, there will be a Wednesday session.

ADJOURNMENT TO 10 A.M. MONDAY, NOVEMBER 25, 1974

Mr. HARTKE. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 10 a.m. on Monday next.

The motion was agreed to; and at 3:35 p.m. the Senate adjourned until Monday, November 25, 1974, at 10 a.m.

EXTENSIONS OF REMARKS

SENATOR JAMES B. ALLEN

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, November 22, 1974

Mr. HARRY F. BYRD, JR. Mr. President, Vic Gold, the able columnist for the Washington Star-News, wrote a column for the Star-News yesterday on the Senator from Alabama (Mr. ALLEN).

Vic Gold's word portrait of Senator ALLEN is so fine and so accurate that I want to insert it in the RECORD.

As the column points out, the Senator from Alabama is, indeed, one of the hardest working Members of the Senate—and, in my judgment, one of the soundest and ablest.

The people of Alabama have a right to be proud of JIM ALLEN—and the Alabama voters showed that pride on November 5 when they reelected him to the U.S. Senate. Amazingly, he polled 95 percent of the vote, an incredible figure.

The senior Senator from Virginia is proud of his close friendship with the Senator from Alabama.

I ask unanimous consent to have printed in the Extensions of Remarks the column by Vic Gold published in the Washington Star-News on November 21.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAMES ALLEN, WATCHDOG

(By Vic Gold)

From the window of Sen. James B. Allen's sixth floor office in the Everett McKinley Dirksen Building, a visitor gets a rare picture postcard view of the Capitol dome and, in the distance, the Washington Monument. What's rare isn't the view so much as the viewpoint.

Freshman U.S. senators, you see, even when they're Democrats, aren't generally assigned offices overlooking the city's scenic sites. Such choice views are the traditional perquisites of seniority among members of the Senate Club.

Still, it doesn't seem unusual that the 59-year-old Allen should occupy these quarters. True he's only been a senator since January 1969, a temporal fingersnap as the Club measures seniority. But Jim Allen, for several reasons, seems senior beyond his relatively brief Capitol hill tenure.

To begin, Allen is a parliamentary tactician par excellence whose skills on the Senate floor remind one of the late Georgia Sen.

Richard B. Russell. To some extent, this is traceable to Allen's twice having been presiding officer of the Alabama State Senate, which, like the U.S. Senate, is governed by the procedures set out in Jefferson's rules manual.

But beyond that, there is Allen's basic approach to his job. In an age in which the Senate is stuffed to the marble with wouldbe presidents and other media-oriented poseurs, he is a legislative workhorse of a different color.

Televiewers who saw the slow-drawling Allen question witnesses last week during the Rules Committee hearings on the Rockefeller nomination were, in fact, watching the man outside his natural work habitat. Televised hearings aren't really his style.

Instead, the Alabama Democrat, reelected to a second term by an overwhelming margin earlier this month, chooses to carry the major part of his job load in, of all places, the Senate chamber itself. He has probably clocked more actual floor time in the hall of winds during the past six years (listening and not reading drivel into the record) than many of his colleagues do in three full terms.

Such work habits are contrary to the wisdom handed out daily by Capitol Hill tour guides. Gallery visitors are routinely informed that the reason the Senate chamber is all but vacant (which is most often the case) is because members are carrying on important public business elsewhere.

Allen, however, has other thoughts on that subject. Thus, his staff members are often asked why their boss stays glued to his Senate chamber desk, even during periods of dull floor business. They reply by recalling that this time a year ago it was only because Allen was present in the chamber that the Kennedy-Mondale effort to tack a campaign public-financing amendment to the debtceiling extension bill was halted.

In time, of course, given the makeup of the modern Senate, Kennedy, Mondale and the majority that supported what Allen termed "the politicians' subsidy bill" worked their will, Not, however, by means of a sleeper amendment slipped—without hearings and full debate—through "the world's greatest deliberative body."

Indeed, Allen is a throwback who, along with a handful of other senators, seeks to maintain the Senate as just that: a deliberative rather than hyperpolitical body.

But rest assured, regardless of what those tour guides say, come dull session or duller, Alabama's not-so-junior senator can be counted on to be in the chamber beginning next January, as he has been during his freshman term—a conservative watchdog looking after the taxpayers' store in a liberal neighborhood. And one ready to brace his colleagues, whenever necessary, with the Jeffersonian injunction "that order, decency and regularity be preserved in a dignified public body."

GORDON GAMMACK

HON. DICK CLARK

OF IOWA

IN THE SENATE OF THE UNITED STATES

Friday, November 22, 1974

Mr. CLARK. Mr. President, this week, a distinguished Iowa journalist, Gordon Gammack, died in Des Moines at the age of 65. His loss will be deeply felt by those of us who knew him personally and by the thousands and thousands of people who read his columns and articles in the Des Moines Register and Tribune.

Gordon's brilliant career in journalism spanned four decades, and his work was honored by many awards and the respect that came from his colleagues and his community. Perhaps his most notable stories were those written from the battlefields of three wars, as the Register and Tribune's foreign correspondent.

I send my deepest sympathies to his wife, Kaye, and to his family. We are saddened by his death, but grateful for the talent and insights he shared with us through the pages of the Register and Tribune. His colleagues have said it best, and I ask unanimous consent that several articles and editorials from the Tribune be printed in the RECORD.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

GORDON GAMMACK DIES AT 65—TRIBUNE WRITER FELLED BY CANCER

Register and Tribune reporter, columnist and war correspondent Gordon Gammack died of lung cancer at Iowa Methodist Hospital about 12:30 p.m. Monday. He was 65.

His death ends a 41-year career marked by prodigious energy, enthusiasm and a journalistic enterprise that scored a number of brilliant news scoops.

Subjects of his columns and stories ranged over the entire field of newspaper coverage, from routine police and sports assignments early in his career to his most distinguished achievement, covering three wars on four continents as The Register and Tribune's foreign correspondent.

The productivity and versatility of his last year—during which, characteristically, he persevered after surgery to remove a malignant stomach ulcer—was typical of his entire career. He wrote of hip surgery being performed in Des Moines, doctors involvement in the sale of drugs, and scores of other subjects, including a major series on downtown Des Moines.

FIRST EFFORT

Gammack was born in Lenox, Mass., May 31, 1909. His father, the Rev. Arthur James Gammack was pastor of the Episcopal Church there and later was assigned to an Episcopal Church in Fitchburg, Mass., where Gordon grew up. He attended Kent (Conn.) School and wrote for the Kent School News.

He often recalled with a laugh his first journalist effort when he was 15. It included the sentence: "Kent School now has six cows, two of which are bulls."

After attending Harvard University ("a dropped freshman") was Gammack's own wry summation of that experience, he worked briefly for the Hartford (Conn.) Courant. He came to Des Moines under less than promising circumstances.

His older brother, Tom, concerned about getting Gammack settled in a job during the depths of the depression, asked a friend of his own Harvard days, John Cowles, then associate publisher of The Register and Tribune, if he would give Gordon "a chance" on the Des Moines papers. Gammack, who had lost the sight of his left eye in an automobile accident during his Harvard days, became a Register reporter and, it soon became clear, a good one.

"DAMN GOOD STORY"

Frank Eyerly, retired managing editor, then telegraph editor, recalled one of Gammack's first feature assignments. Many "knights of the road" were evident in town during the Depression years as they were elsewhere, Gammack let his beard grow, donned threadbare clothes and joined some of these "hoboes" at a "jungle" in the railroad yards. The result, said Eyerly, was "a damn good story."

He covered the House for several legislative sessions for the Register.

WAR YEARS

In 1943, Gammack received his first war assignment: He was not to cover the actual battle news, but to write for Iowans about Iowans, much in the manner that his close friend, the late Ernie Pyle covered "GI Joe" on a national scale.

Gammack was with them "up front" in North Africa, Italy, France and Germany. He was with the forward elements of the American forces that liberated Paris, and during their final victorious sweep across Europe.

At the end of World War II, Gammack became a columnist for The Tribune and the Sunday Register. The column at first was called "Gammack Says," then "See Here!" This was later dropped for the logo bearing his name and familiar bald-pated likeness used during the remainder of his career.

His columns ranged from single "people" paragraphs to one-subject articles of great variety.

He later covered Iowans in the Korean and Vietnam wars, winning national awards for his reports.

Gammack believed in covering the human elements of a war instead of the grand strategy of the generals. He shunned most safe headquarters and preferred to go into the field with the troops.

VIETNAM STINT

In Vietnam, for example, he was constantly on the move. His feeling for the news led him into the major stories. He was one of the first American correspondents to know of and to observe and write about the invasion of Laos by the South Vietnamese.

War was an emotional experience for him, and he kept close track of soldiers he interviewed. Often, he wrote about their problems in adjusting to civilian life after the war.

Survivors include his wife of 34 years, Kaye; two daughters, Katie, now Mrs. John Barrier of Melbourne, Australia, and Julie, at home; a son, Tom, of Boulder, Colo.; a sister, Ellen, of Pacific Grove, Calif., and a brother, Thomas, who lives in Florida.

Services are pending.

TRIBUTE TO A COLLEAGUE

Gordon Gammack was the kind of reporter editors don't often find. He was a reporter whose conduct and achievements earn the admiration of fellow reporters. He was a tireless worker, always quick, accurate and fair—a master craftsman among journalists.

Readers of his articles and columns in The Register and Tribune will remember Gammack for his broad range of interests, from seemingly trivial happenings to highly controversial issues. In four decades he had watched and written about hangings, wars, legislative debates and the changes along the main streets of Iowa towns. He had interviewed statesman and small-town merchants, film actresses and farmers' wives, war prisoners and draft resisters.

If there was a common thread running through Gammack's career, it was surely his abiding concern for what happened to people. He often was their champion in disputes with big government, big business and big institutions of all sorts. His interest in people was not an esoteric exercise that found expression in philosophical essays on mankind's pilgrimage. Nor was he interested in analyzing high-sounding policies and proposals that tried to capture visions of what may be.

Beneath Gammack's prose a reader could find the stuff of life—laughter and tears, innocence and wisdom, success and failure, selfishness and generosity. The fullness of life was Gammack's interest and his possession to the end.

Gammack: Complete Newsman

"Anyone who even intends to put (war) correspondents in the same class as fighting men is treading on dangerous ground. The writers can, of course, make their own decisions. Soldiers can't.

"When it gets too cold or rainy or muddy, they can go elsewhere. Soldiers can't. They like their jobs. Soldiers don't. They are brave occasionally, while thousands of soldiers are brave constantly. . . ."

Gordon Gammack, who died of lung cancer in Iowa Methodist Hospital Monday at the age of 65, wrote these words in 1944 while assigned to the 34th U.S. Division in Italy during World War II.

All through the grim, bloody winter of the Italian campaign, Gammack stuck with the 34th, writing about Iowa's fighting men, sending personal messages home to their kinfolk, and making friends with correspondents like the late Ernie Pyle.

His association with Pyle was one of many lasting friendships Gammack made with war correspondents in World War II, Korea and the Vietnam conflict:

Wes Gallagher, now general manager of the Associated Press; Bob Eunson; the late Pat Morin; Don Whitehead; Jack Foise; Bill Stoneman; Dick Tregaskis; the late Hal Boyle and Peter Arnett, among others.

Whitehead, in a guest column written for Gammack in the Sunday Register, July 1, 1951, told of his and Pyle's first recollection of Gammack:

"A gaunt creature turned up at a Fifth Army press camp near Naples, his face bearded, his uniform unkempt. Pyle said, 'Who's that? Something out of (Bill) Mauldin's cartoon?' Whitehead said, 'It must be Willie (referring to one of Mauldin's bedraggled beloved "dogfaces").' Pyle said 'Anybody that looks like that needs a bath and a drink. Call him over.'

"That was our first look at Gammack, the guy who had come over to report the triumphs, heartbreaks and everyday doings of the 34th Division," Whitehead wrote. "And so we went on to Paris and through Mons and Liege and Spa, through Aachen to the Roer River and the Rhine. Our path crossed and recrossed and wherever things got hot, there was Gammack."

Gallagher, who was with Gammack in Germany, had similar recollections of the easterner (born in Lenox, Mass.) who was forever grateful he came to the middlewest:

"As a correspondent, he left the 'big picture' stories and ponderous think pieces to others while he concentrated on the trials and tribulations of the average man, at considerable risks to himself."

But covering wars was only one side of Gammack.

He loved Iowa, and was always happy to return to write about the unusual, the commonplace, the new, the controversial.

His column appeared daily in The Tribune, usually in the left-hand column of Page 1. Sometimes it consisted of short glimpses into the daily life and problems of Iowans; sometimes he profiled interesting people.

Always he wrote for his readers—not for himself, not his editors, nor his companions in the newsroom.

Gammack welcomed traveling throughout Iowa to gather material for his Tribune column, or for his weekly piece in The Sunday Register. He'd stop along the way to chat with friends—businessmen, newspapermen, housewives. And usually he came back with a bushel of future story ideas.

In later years, he wrote longer "Special Reports" for The Tribune on unusual or controversial subjects. He liked doing these because there was not the usual space restriction—a normal column ran about 750 words.

His syntax was not perfect and he had this thing about semicolons. But seldom was a name misspelled. Seldom was he challenged on the accuracy of a quote. He habitually double-checked his facts.

Gammack could become as enthusiastic about a humorous incident taking up one paragraph in his column as he could about another reporting jaunt overseas or across the country.

His desk in the northwest corner of the newsroom was a port of call to many younger reporters and editors, and he frequently passed on his latest anecdote. And he was quick to praise the work of others.

One could always tell when Gammack was "thinking out" an important story, such as reporting on the Vietnam draft evaders and deserters from Canada, or writing about Iowans in retirement, before he "turned to" on the typewriter to the right of his desk.

He'd sit back in his old swivel chair, his left arm draped over his bald head, his right hand spinning his horned rim glasses and stare at the opposite wall.

One habit put Gammack a rung up on many of his contemporaries: He kept in touch with the Iowans he sweated out three wars with.

If they needed help, he saw to it that they got it.

In a column written 25 years later, Gammack recalled promoting contributions to a fund for Sgt. Ralph Neppel, Carroll County farm youth who lost both legs to an enemy tank blast on a German roadside.

Neppel worked his way back to his machine gun, fought off the German attack and won the Congressional Medal of Honor.

Some of his best writing was in nostalgic columns about his parents, his boyhood, his brother, Tom, who died in the late '30's of an embolism. Tom had become Gordon's legal guardian after the death of their father, who was killed when he was thrown from a horse.

In addition to writing, Gammack also was a news reporter on KRNT Radio and KRNT–TV (now KCCI–TV) and conducted a Sunday night interview program for a time.

Gammack joined the Register as a police reporter and weekend sportswriter in 1933. Although it took him a while to learn the geography of the midwest (once in a story he misplaced St. Paul in Wisconsin), he worked his way up to more imortant assignments.

He covered the House for several legislative sessions.

George (Lefty) Mills, retired Register legislative reporter, at that time covering the House for the Associated Press, recalls that Gammack and Nelson Kraschel, a Democrat from Harlan who was governor of Iowa from 1937 to 1939, were good friends.

"One day Kraschel told Gordon he planned to commute the death sentence of a man convicted of murder. Gordon wrote the story. He had it exclusively."

The prisoner, however, started bragging about his "political pull" and Krashel was forced to change his mind.

"Gammack covered the hanging. I think it was one of seven he covered," Mills said.

In 1937, Gammack was sent to Hollywood to write a series on moviemaking. He wrote about stars and unknowns. For an inside view, he got parts as an extra. In one Harold Lloyd film he played the part of a hobo hopping freight trains.

Thirteen years before his death, Gammack quit drinking and five years later wrote a column on that experience.

"The cockeyed reasoning of many a heavy drinker is that while he realizes he should quit, he thinks that all the fun in life will evaporate if he does. At least as far as I am concerned, the opposite is true." (Gammack, a two-pack-plus cigarette smoker at one time, also quit that habit.)

Shortly after fighting broke out in Korea in 1950, Gammack returned to war reporting, covering Iowans wherever he found them.

He left for Korea Sept. 13, 1950—seven years to the day that he set off for World War II.

"When the editors first talked to me about going," Gammack once recalled, "I replied that 25 per cent of me rebels, but the other 75 per cent hankers to go. It's wanting to get in on the biggest story, and this is it."

Gammack detested what he referred to as the "chicken Army"—the spit and polish, stuffed shirts, the military martinets he encountered in the warmth and safety of rear areas.

Writing from Korea in 1953 during an "up front" stint with the First Marine Division, Gammack said:

"Up along the ridge lines that mark our MLR (main line of resistance), the "chicken" disappears and you find those lovable guys and the Golden Rule atmosphere that marks the American Army in combat. . . ."

Gammack returned to Korea several times, and was on hand for the exchange of the first sick and wounded prisoners of war.

Identities of the prisoners were "top secret," but Gammack's skill at "euchring" led to one of the outstanding journalistic achievements of the war.

Wilfred Burchett, a Communist correspondent Gammack cultivated, told Gammack there would be an Iowan in the first ambulance from the North. The soldier proved to be Cpl. Richard O. Morrison of Burlington.

Gammack's exclusive interview with Morrison at Freedom Village was broadcast and telecast nationally, bringing a waiting nation the first words from a returned prisoner.

During the prisoner release, Gammack again, characteristically, worked out a system of determining names of Iowans to be released.

He would talk to the POWs being returned, find out who was in the next group, then wire these names to The Register and Tribune, scooping other reporters and, incidentally, greatly annoying Army officials.

Gammack's first trip to Vietnam was early in 1970. He was mainly concerned about how young Iowans felt fighting a war that was becoming more unpopular on the homefront. As usual, he spent little time around Army or Air Force headquarters in Saigon or other larger cities.

He packed up his shaving gear and a change of clothes in a shoulder bag and went into the field, visiting line companies and airfields and going into the jungle with the troops.

He described the war in human terms—a teen-aged marine from Fonda calmly reciting the dangers he faced in "search and capture" missions behind enemy lines; an Army medic from Perry who had to evacuate eight buddies, all dead, five "shot to pieces"; flying in a helicopter over the Cambodian border with a pilot from Batavia to spot enemy base camps.

He returned a second time early in 1971. Then he wanted to do in-depth pieces on drug usage, discipline problems, anti-war feelings among the troops, to get a measure of the will to fight such a costly war.

But, as usual, he was in on one of the war's biggest stories—the Vietnamese invasion of Laos. Gammack called it "pure luck." His editors called it "years of experience."

There had been rumbles for days about a possible invasion of Laos and a news embargo was enforced. "Gammack," said the editor, "is somewhere near the Laotian border . . . he can't stay away from a major story." Indeed, he couldn't.

The news embargo was lifted, and in minutes Gammack's story about Iowans supporting the Vietnamese invasion came clacking into the newsroom via special wire. Hours later, photographs he had taken of machine-gun-toting Army scouts from Iowa were being transmitted by special Wirephoto from Saigon to The Register and Tribune newsroom.

It was one of the great local reporting jobs of the war—an instant view of a major war story from Iowans who were there.

Later, it turned out that only five American newsmen were told of the invasion in advance. Gammack was one of them, and he was among the first five reporters to helicopter in to now-famous Khe Sanh, the American base camp that supported the invasion. Later, Gammack allowed that "I think they picked me because they felt sorry for me because of my age (62)." That was a misstatement.

They picked him because of his reputation as an honest war correspondent who, like Ernie Pyle, believed in writing about a war by being with the little guys fighting it.

It was hard work. He told of sleeping on the ground in a tent at Khe Sanh with two U.S. pilots, one of whom remarked: "God, I hope we can get breakfast in the morning. I don't want to die with an empty stomach."

Writing about wars had an emotional impact on Gammack. Visiting the wounded in hospitals, hearing of the death of a boy he had interviewed—it worked on him. He became close to people.

Hundreds of Iowans still remember when Gammack talked to them during the various conflicts he covered. Frequently, he revisited the soldiers he met overseas when they came home. He wrote about their problems of adjustment, their views of war, their wounds and recuperation.

He did not conceal his fear. He never took chances. "You are there to cover the war; not fight it," he said.

He kept running into old friends among the many war correspondents he knew. Once in Saigon, he dined with Keyes Beech of the Chicago Daily News and George McArthur of the Los Angeles Times, both veterans at covering wars. They suddenly realized that they were the three oldest accredited correspondents covering Vietnam—together they had more than 150 years of experience.

Vietnam, they concluded, was a young man's war, but Beech and McArthur and Gammack covered more ground than many of the young tigers assigned there.

In 1973, he covered the return of the American POW's in the Philippines. Again, his ingenuity got the story nobody else could get, and led to an award-winning series on the life of an Iowan as a POW in the jungles of Vietnam for five years.

The POW's were segregated—newsmen were not allowed within 200 yards of them, and no interviews were permitted. The result: A well orchestrated show of the return, but little on what they went through or the state of their health.

Gammack solved that problem neatly: He found physicians in the hospital with Iowa connections and used them as reporters. They would talk with POW's, or listen to them, observe them, examine them, and then report to Gammack.

[His stories from Manila on the POW return were the only ones telling the state of health and personal experiences of the POWs, and were distributed nationally by the Associated Press.]

Gammack met Michael Kjome of Decorah, a civilian teacher in Saigon when he was captured by the Viet Cong, when Kjome was released. This led to a detailed 10-part series on Kjome's life as a POW.

It was written by Gammack after interviewing Kjome for five full days.

The POWs had agreed not to tell their stories publicly until the last POW came home.

But when the final planeload landed, Gammack's series on Kjome was already written, and publication began immediately—the first full story of a POW's life in the nation. It was a vivid, detailed account, and it won Gammack a National Headliner's Club award—an honor voted by his peers.

Of Gammack's "old pro" performance in Vietnam, the AP's Peter Arnett, who won the Pulitzer Prize in 1966 for his coverage of the Vietnam War, remembered: "Before Gordon arrived in Vietnam for his first tour of duty, I got a call from Wes Gallagher that a buddy of his from World War II days was heading our way, and to help him in any way we could. I thought, "My God, what's a man his age doing out here?"

Gammack went at his assignment with the enthusiasm of "a cub reporter," Arnett continued. "He took pleasure in the business of reporting, and he was very skillful at it, a great trooper."

In a letter to Gammack congratulating him on his series on Michael Kjome, Arnett wrote:

"We in the AP are personally grateful for your assistance . . . at Clark Air Base when Kjome and the other American POWs were released. . . .

"It was through your efforts that the country first learned of charges of serious brutality leveled against their Communist captors by American POWs. You also provided us with a steady stream of data on the men's medical condition that military authorities were reluctant to give. You were a thorn in the side of authority in the greatest tradition of the American press. . . ."

This professional drive and excellence were only part of the man, however. His boyishness and enthusiasm were characteristics, too, of a devoted husband and father, a golfer, a bridge player, a backyard barbecue chef and cordial host—and a good citizen.

He never missed voting in an election—by absentee ballot earlier this month after he had returned home, knowing the cancer had returned. He was proud that he never had been ticketed for speeding or overtime parking.

On the wall of one small room at the Gammack home at 2800 Forest Drive his wife, Kathryn, and daughters, Katie and Julie, have proudly hung citations and awards, the most recent the Headliner plaque. Others include Sweepstakes Award certificates won in Iowa Associated Press newswriting contests in 1962 and 1971.

The 1962 award was for his moving account of the last days of Fred Maytag II, chairman of the board of the Maytag Co., whom cancer felled.

Gammack's opening paragraphs in that story apply tellingly today to the reporter who wrote them 12 years ago.

"Fred Maytag II was determined to die with dignity. That's the way he had lived.

"When cancer attacked him, his quest for knowledge centered on the field of medicine—cancer in particular. . . ."

Gordon Gammack died, too, as he had lived, with dignity.

Memorial services for Gammack will be at 11 a.m. Wednesday at St. Paul's Episcopal Church here. The body will be cremated.

While discussing calmly with members of his family the final arrangements, the subject of where he wished memorial contributions to go came up.

The American Cancer Society, he said.

The old fight sparked up:

"Let's lick this cancer thing," he said.

ARVID PAULSON: NOTED ACTOR AND MAN OF LETTERS

HON. GAYLORD NELSON

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, November 22, 1974

Mr. NELSON. Mr. President, Arvid Paulson, distinguished actor, author, and nonpareil translator of the works of August Strindberg as well as scores of other Scandinavian authors, is returning to his native Sweden to live after almost 70 fruitful years in the United States. As a fellow Scandinavian, longtime friend and admirer, I would not want Arvid Paulson to leave without paying public tribute to his accomplishments on the stage and, above all, as the indefatigable translator and tireless promoter of the Swedish genius Strindberg.

It is now becoming recognized that Strindberg was probably the greatest dramatist the world has seen since Shakespeare. His contemporary, Henrik Ibsen, who was much better known, conceded that Strindberg's genius far exceeded his own. And most of the great playwrights of the 20th century stand in the shadow of the Swedish master.

Yet only a limited number of Strindberg's immense output of plays novels, short stories, and other works had been available in English—until Arvid Paulson set out to fill that void. His translations—"The Strindberg Reader," "Strindberg's One-Act Plays," "Natives of Hemso," "Days of Loneliness" and the Strindberg novels "The Scapegoat," "The Great Highway"—came off the presses to find immediate critical acclaim.

Declared Prof. Amandus Johnson, dean of Scandinavian scholars in the United States:

> By far the greatest translator of Scandinavian literature that we have ever had.

Wrote Dr. Henry Goodard Leach, the late president emeritus of the American-Scandinavian Foundation:

> America owes more to Arvid Paulson than to any other man for the interpretation of August Strindberg. His translations are the best in English, for he reads Strindberg's inexplicable mind and makes his translations better literature than the originals.

Such accolades are typical of the editorial and academic comment that followed what one critic called "Paulson's astounding achievement in translating—not to mention producing and acting in—45 Strindberg dramas." Sean O'Casey, the great Irish dramatist, called it "a fine English-speaking memorial to the great Swedish author."

Yes, Mr. President, American drama owes a considerable debt to this still-youthful man of 86 years who is taking his leave of our shores. As part of this tribute to Arvid Paulson I am including an article on him as "The Scandinavian of the Month" from the Scandinavian-American Bulletin and the speech by the Consul General of Sweden in New York on the presentation of the gold medal of the Royal Swedish Academy to Mr. Paulson, the first time this medal had been awarded for translations of Swedish literature. Mr. Paulson sails from New York Tuesday on the *Kungsholm*. Bon voyage. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARVID PAULSON: NOTED ACTOR AND MAN OF LETTERS

It has been said rather frequently, and with a great deal of justification that the Scandinavian countries are fortunate in having so many cultural apostles active around the world. Aside from the more or less official speaders of the gospel of the excellence of Scandinavian arts and letters, we have a large number of individuals who, because of their national background, through study or travel, or just a plain sense of identification, will go out and acquaint that sleeping giant, the Public, with the achievements of which the Northern peoples are rightly proud. And Sweden is indeed fortunate in having such an apostle in the man who has been selected as "The Scandinavian of the Month" for December.

Reading the last line some readers may object and say that it is only August Strindberg who has an apostle in Arvid Paulson. Whether that is presentation of a man whose entire life has been devoted to literature and the theater. In any case, it will be agreed that Arvid Paulson has done yeoman work for his native land; the list of his roles on the stage and/or his translations is as long as a yard-arm, and he has never tired in the effort to make Swedish and other Scandinavian literature and drama better known in ever-widening circles, circles which take in the entire English-speaking world.

Arvid Paulson was born in the historical and progressive city of Helsingborg, and came to the United States at the age of sixteen. In those days teenagers had to toe the line, and the young immigrant began work with the Swedish-American newspaper *Svea* in Worcester, Mass., first as reporter and then as editor for a brief period. There he appeared in amateur theatricals, but as his ambition was for a professional stage career, he realized this could only be attained by going to New York. After appearing there in a number of plays in Swedish, he was during that time seen by the distinguished actress Carlotta Nillson in Charles Rann Kennedy's "The Servant in the House." Through her he obtained a small but important role in "The Beauty Spot", in which he won acclaim from coast to coast.

In 1914 he joined the Washington Square Players, an organization which later grew into the Theatre Guild. He appeared in the first Andreyev play seen in America, "Love of One's Neighbor," in the pantomime "The Shepherd in the Distance," and in two Hauptmann plays: "Elga" and "The Weavers." His complete breakthrough as an actor, however, did not come until the spring of 1917 when he received the plaudits of public and critics alike for his performance in "The Willow Tree." At this time he was also producing and directing a number of Ibsen and Strindberg dramas, among them, "An Enemy of the People", "In the Face of the Simoon" and "The Stronger." When the U.S. declared war on Germany in April 1917, Arvid Paulson was the first actor to volunteer and as a sergeant in the Corps of Intelligence, he performed valuable services in France and Germany. He returned to the stage, and also not long after presented dramas in a new medium: radio. On WGBS, he gave two Scandinavian plays, "Eyes that Cannot See", by the Danish author Albert Gnudtzmann, and Ibsen's "Peer Gynt", the latter in its world radio premiere. Paulson not only wrote the radio version, but acted the role of Peer, and directed the play, which was given again over WEAF, and in 1932, over WOR, when he employed the largest cast ever used on radio, and a complete symphony orchestra. During his career he has appeared in no less than seven Ibsen roles.

In 1933, he appeared in "Pigeons and People," in which George M. Cohan had written the part of Tokem especially for Paulson. Two years before, Cohan had written the role of Saki with Paulson in mind in his play "A Well-Known Woman," and in this performance "The Philadelphia Ledger" gave Paulson unstinted praise. During the next decade or so the theatre going public saw him in such varied plays as "The Bat", "Madame President", "Electra", "Ghosts", "When We Dead Awaken", "Macbeth", "The Ghost Train", "Mother Carey's Chickens", and "Goin' Home". His last New York appearance was in "The Innocent Voyage" in which he acted the role of a Swedish sea captain, a role he spoke entirely in Swedish.

Arvid Paulson has also appeared in a number of motion pictures (during his early years on the stage). During the Second World War he was asked to play one of the leading roles in a classified motion picture for the Army. And it was Paulson who coined that war poster slogan seen everywhere during the war years: "Loose lips might sink ships."

Following a very serious accident, Mr. Paulson has in the postwar period concentrated on the translation of Scandinavian plays into English. And few men have been better endowed nor had a more valuable background for that particular task! Among the Scandinavian authors it is Strindberg who is his first love, and it is perhaps a rare occurrence in literature for a great writer to owe so much to one single translator. For Paulson has not only been productive, but has also turned out translations of the highest quality, in regard to style and the suitability of the translations to be actually performed on the stage. Among his Strindberg translations, most of which have been performed on radio, television or on the stage, are "The Father", "Miss Julie", "The Great Highway", "Lucky Per's Journey", "To Damascus", "The Ghost Sonata", and many others. His translations have been collected in several volumes, many available in paperback. Arvid Paulson has also translated *Letters of Strindberg to Harriet Bosse* as well as Strindberg's famous novel *The Natives of Hemso*.

But Paulson has not confined himself to Strindberg, nor to Sweden. He has translated plays by Bjornson, Ibsen, Alvilde Pryz, Gustaf af G Geijerstam, Hans Alin, Prince Wilhelm, and others. He was also the founder and chairman of the Ibsen Memorial Committee in New York, established at Ibsen's centenary and reorganized later for the purpose of having a bust or statue of Ibsen erected at Lincoln Center. Would that someone would seize this idea and bring it to fruition!

In recognition of his efforts in promoting the cultural relations between the U.S. and his native land, Arvid Paulson has been decorated by the King of Sweden; he was also the first to be awarded a gold medal by the Swedish Academy for translating Swedish literature into a foreign language. Among other honors to come to him are the Merit Award of the Veterans of Foreign Wars and an invitation to appear in readings of his translations at the Library of Congress. During a visit to Sweden last summer he was elected an honory member of Gillet Gamla Helsingborg, a distinguished social and cultural society in his native city.

Still going strong at what others may consider a feverish pace, Arvid Paulson continues to provide translations unrivaled in their excellence and thus helps to bring closer together two worlds of thought and ideas—that of the United States and that of Scandinavia. The fact that they today are very close indeed is due to the work of men like Arvid Paulson!

SPEECH MADE BY THE CONSUL GENERAL OF SWEDEN IN NEW YORK, MR. TORE TALLROTH, ON THE OCCASION OF THE PRESENTATION OF THE GOLD MEDAL OF THE ROYAL SWEDISH ACADEMY TO MR. ARVID PAULSON

I am most grateful for your presence here tonight and happy that you have joined me in paying tribute to our friend Arvid Paulson. I am acting on behalf of the Swedish Academy of Letters which has awarded its very rare gold medal to Arvid Paulson for his outstanding services to the field of Swedish literature.

I know that Arvid Paulson wants this little ceremony more to be a tribute to August Strindberg than to himself, August Strindberg being his master whom he has served and worked for so selflessly and with such devotion, skill and literary mastery for many years.

August Strindberg is not only, by the magnitude of his works the dominating force in Swedish literary life, but his contributions to the fields of drama, the novel, poetry, etc., meant new ways and new heights. He brought new life to every field which he essayed, recreated the Swedish language, and is the portal figure for modern Sweden, saw Sweden transformed from an agrarian society into an industrialized one, was a sharp critic of faults and prejudices, but sought new roads for his ever restless genuis.

Abroad he is better known for his contributions to modern drama and the threatre, and there his literary skill more easily crossed the borders of a small country and the stage and with the cultural milieu of the world population.

To interpret such a rich genius as August Strindberg and render him full justice in another language, requires extraordinary talents on the part of the translator: talents and qualifications far above the usual requirements, a high degree of skill, literary sensitivity and good taste, familiarity with the stage and with the cultural mileu of the two countries. And devotion.

These gifts Arvid Paulson possesses, together with his knowledge and experience of the stage in America. Therefore, he has been able to bring us a new, a more modern, and more faithful Strindberg in translation which we hope will bring the great Swedish dramatist close to new generations.

It is particularly his new and excellent translations of Strindberg's works that the Swedish Academy had in mind when the decision to present Arvid Paulson with its gold medal was made. It is an award very seldom given, and among its recipients you find scholars, poets, and actors who have enriched the Swedish literary heritage during the years. Arvid Paulson can be said to be a combination of all these categories.

August Strindberg had himself very unhappy relations with the Academy. That he was never elected a member was a disgrace; that he was never awarded the Nobel Prize for Literature was a scandal. In a way, it is a belated tribute to August Strindberg as well, when this award is now given to Arvid Paulson.

The Swedish Academy has asked me to present its gold medal to Arvid Paulson and has also asked me to convey to him its deep appreciation of his outstanding work and his efforts to make Strindberg better known in the Anglo-Saxon world—with a hope for new contributions from him in the field of literary interpretations which are works of art in their own right.

SENATE—*Monday, November 25, 1974*

The Senate met at 10 a.m. and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, DD., offered the following prayer:

O Lord God Almighty, guide, we pray Thee, the President and all those to whom has been committed the government of this Nation, and grant them special gifts of wisdom and understanding, of counsel and strength; that upholding what is right and following what is true, they may obey Thy holy will and fulfill Thy divine purpose.

Guide by Thy higher wisdom all who serve in this body that their legislation be such as will promote the common welfare, redress all social wrongs, promote peace among the nations, and advance Thy kingdom on earth.

In the Redeemer's name, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 25, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, November 22, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INDIAN HEALTH CARE IMPROVEMENT ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1218.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (S. 2938) to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Indian Health Care Improvement Act".

TABLE OF CONTENTS

Sec. 1. Short title.
Sec. 2. Findings.
Sec. 3. Declaration of policy.
Sec. 4. Definitions.

TITLE I—INDIAN HEALTH MANPOWER

Sec. 101. Purpose.
Sec. 102. Health professions recruitment program for Indians.
Sec. 103. Health professions preparatory scholarship program for Indians.
Sec. 104. Health professions scholarship program.
Sec. 105. Indian Health Service extern programs.
Sec. 106. Educational and training programs in environmental health, health education, and nutrition.
Sec. 107. Continuing education allowances.

TITLE II—HEALTH SERVICES

Sec. 201. Health services.

TITLE III—HEALTH FACILITIES

Sec. 301. Construction and renovation of Service facilities.
Sec. 302. Construction of safe water and sanitary waste disposal facilities.
Sec. 303. Preference to Indians and Indian firms.

TITLE IV—ACCESS TO HEALTH SERVICES

Sec. 401. Services provided to medicare eligible Indians.
Sec. 402. Services provided to medicaid eligible Indians.
Sec. 403. Report.

TITLE V—HEALTH SERVICES FOR URBAN INDIANS

Sec. 501. Purpose.
Sec. 502. Contracts with urban Indian organizations.
Sec. 503. Provisions concerning contracts.
Sec. 504. Reports and records.
Sec. 505. Authorizations.
Sec. 506. Review of program.

TITLE VI—MISCELLANEOUS

Sec. 601. Reports.
Sec. 602. Regulations.
Sec. 603. Leases with Indian tribes.
Sec. 604. Availability of funds.

FINDINGS

SEC. 2. The Congress finds that—

(a) Federal Indian health services to maintain and improve the health of the Indians are consonant with and required by the Federal Government's historical and unique legal relationship with, and resulting responsibility to, the American Indian people.

(b) A major national goal of the United States is to provide the quantity and quality of health services which will permit the health status of Indians to be raised to the highest possible level and to encourage the maximum participation of Indians in the planning and management of those services.

(c) Federal health services to Indians have resulted in a reduction in the prevalence and incidence of preventable illnesses among, and unnecessary and premature deaths of, Indians.

(d) Despite such services, the unmet health needs of the American Indian people are severe and the health status of Indians is far below that of the general population of the United States. For example, for Indians compared to all Americans in 1971, the tuberculosis death rate was over four and one-half times greater, the influenza and pneumonia death rate over one and one-half times greater, and the infant death rate approximately 20 per centum greater.

(e) All other Federal services and programs in fulfillment of the Federal responsibility to Indians are jeopardized by the low health status of the American Indian people.

(f) Further improvement in Indian health is imperiled by—

(1) inadequate, outdated, inefficient, and undermanned facilities. For example, only twenty-one of fifty-one Indian Health Service hospitals are accredited by the Joint Commission on Accreditation of Hospitals; only twelve meet national fire and safety codes; and fifty-seven areas with Indian populations have been identified as requiring either new or replacement health centers and stations, or clinics remodeled for improved or additional service;

(2) shortage of personnel. For example, about two-thirds of the Service hospitals, four-fifths of the Service hospitals outpatient clinics, and one-half of the Service health clinics meet only 80 per centum of staffing standards for their respective services;

(3) insufficient services in such areas as laboratory, hospital inpatient and outpatient, eye care and mental health services, and services available through contracts with private physicians, clinics, and agencies. For example, about 82 per centum of the surgical operations needed for otitis media have not been performed, over 57 per centum of required dental services remain to be provided, and about 98 per centum of hearing aid requirements are unmet;

(4) related support factors. For example, over seven hundred housing units are needed for staff at remote Service facilities;

(5) lack of access of Indians to health services due to remote residences, undeveloped or underdeveloped communication and transportation systems, and difficult, sometimes severe, climatic conditions; and

(6) lack of safe water and sanitary waste disposal services. For example, over forty thousand existing, and sixty-two thousand planned replacement and renovated, Indian housing units need new or upgraded water and sanitation facilities.

(g) The Indian people's growing confidence in Federal Indian health services is revealed by their increasingly heavy use of such services. Progress toward the goal of better Indian health is dependent on this continued growth of confidence. Both such progress and such confidence are dependent on improved Federal Indian health services.

DECLARATION OF POLICY

SEC. 3. The Congress hereby declares that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligation to the American Indian people, to meet the national goal of providing the highest possible health status to Indians and to provide existing Indian health services with all resources necessary to effect that policy.

DEFINITIONS

SEC. 4. For purposes of this Act—

(a) "Secretary", unless otherwise designated, means the Secretary of Health, Education, and Welfare.

(b) "Service" means the Indian Health Service.

(c) "Indians" or "Indian", unless otherwise designated, means any person who is a member of an Indian tribe, as defined in subsection (d) hereof, except that, for the purpose of sections 102, 103, 104(b)(1)(i), and 201(c)(5), such terms shall mean any individual who (1), irrespective of whether he or she lives on or near a reservation, is a member of a tribe, band, or other organized group of Indians, including those tribes, bands, or groups terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is a descendant, in the first or second degree, of any such member, or (2) is an Eskimo or Aleut or other Alaska Native, or (3) is considered by the Secretary of the Interior to be an Indian for any purpose, or (4) is determined to be an Indian under regulations promulgated by the Secretary.

(d) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village as defined in the Alaska Native Claims Settlement Act (85 Stat. 688), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(e) "Tribal organization" means the elected governing body of any Indian tribe or any legally established organization of Indians which is controlled by one or more such bodies or by a board of directors elected or selected by one or more such bodies (or elected by the Indian population to be served by such organization) and which includes the maximum participation of Indians in all phases of its activities.

(f) "Urban Indian" means any individual who resides in an urban center, as defined in subsection (g) hereof, and who meets one or more of the four criteria in subsection (c) (1) through (4) of this section.

(g) "Urban center" means any community which has a sufficient urban Indian population with unmet health needs to warrant assistance under title V, as determined by the Secretary.

(h) "Urban Indian organization" means a nonprofit corporate body situated in an urban center, composed of urban Indians, and providing the maximum participation of all interested Indian groups and individuals, which body is capable of legally cooperating with other entities, Federal, State, and local, for the purpose of performing the activities described in section 503(b).

TITLE I—INDIAN HEALTH MANPOWER

PURPOSE

SEC. 101. The purpose of this title is to augment the inadequate number of health professionals serving Indians and remove the multiple barriers to the entrance of health professionals into the Service and private practice among Indians.

HEALTH PROFESSIONS RECRUITMENT PROGRAM FOR INDIANS

SEC. 102. (a) The Secretary, acting through the Service, shall make grants to public or nonprofit private health or educational entities or Indian tribes or tribal organizations to assist such entities in meeting the costs of—

(1) identifying Indians with a potential for education or training in the health professions and encouraging and assisting them (A) to enroll in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, nursing, or allied health professions; or (B), if they are not qualified to enroll in any such school, to undertake such post secondary education or training as may be required to qualify them for enrollment;

(2) publicizing existing sources of financial aid available to Indians enrolled in any school referred to in clause (1)(A) of this subsection or who are undertaking training necessary to qualify them to enroll in any such school; or

(3) establishing other programs which the Secretary determines will enhance and facilitate the enrollment of Indians, and the subsequent pursuit and completion by them of courses of study, in any school referred to in clause (1)(A) of this subsection.

(b)(1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

(2) The amount of any grant under this section shall be determined by the Secretary. Payments pursuant to grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

(c) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $5,000,000 for each of the five fiscal years after enactment of this Act.

HEALTH PROFESSIONS PREPARATORY SCHOLARSHIP PROGRAM FOR INDIANS

SEC. 103. (a) The Secretary, acting through the Service, shall make scholarship grants to Indians who—

(1) have successfully completed their high school education or high school equivalency; and

(2) have demonstrated the capability to successfully complete courses of study in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, nursing, or allied health professions.

(b) A scholarship grant made under this section shall be for a period not to exceed two academic years, which years shall be the final two years of the pre-professional education of any grantee.

(c) A scholarship grant made under this section may cover costs of tution, books, transportation, board, and other necessary related expenses.

(d) There are authorized to be appropriated for the purpose of this section: $2,000,000 for the first fiscal year afer enactment of this Act; $4,000,000 for the second fiscal year; and $6,000,000 for each of the three succeeding fiscal years.

HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

SEC. 104. (a) The Secretary, acting through the Service, shall make scholarship grants to individuals (i) who are enrolled in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, nursing, or allied health professions (including schools certified by the Secretary as capable of training individuals in Indian traditional medicine), and (ii) who agree to provide their professional services to Indians after the completion of their professional training.

(b)(1) The Secretary, acting through the Service, (i) shall accord priority for scholarship grants under this section to applicants who are Indians, and (ii) may determine distribution of scholarship grants on the basis of the relative needs of Indians for additional service in specific health professions.

(2) Each scholarship grant under this section shall (i) fully cover the costs of tuition, and (ii), when taken together with the financial resources of the grantee, fully cover the costs of books, transportation, board, and other necessary related expenses: *Provided*, That the amount of grant funds available annually to each grantee under clause (ii) shall not exceed $8,000, except where the scholarship grant is extended to cover the period between academic years pursuant to paragraph (3) of this subsection.

(3) Scholarship grants under this section shall be made with respect to academic years, except that any such grant may be extended and increased for the period between academic years if the grantee is engaged in clinical or other practical experience related to his or her course of study and if further grant assistance during such period is required by the grantee because of his or her financial need.

(c)(1) As a condition for any scholarship grants under this section, each grantee shall be obligated to provide professional service to Indians for a period of years equal to the number of years during which he or she received such grants.

(2) For the purpose of clause (1) of this subsection "professional service to Indians" shall mean employment in the Service or private practice where, in the judgment of the Secretary in accordance with guidelines promulgated by him, such practice is situated in a physician or other health professional shortage area and addresses the health care needs of a substantial number of Indians. Periods of internship or residency, except residency served in a facility of the Service, shall not constitute fulfillment of this service obligation.

(3)(A) A service obligation of any individual pursuant to this section shall be canceled upon the death of such individual.

(B) The Secretary shall by regulation provide for the waiver or suspension of a service obligation of any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

(d) Individuals receiving scholarship grants under this section shall not be counted against any employment ceiling affecting the Service or the Department of Health, Education, and Welfare.

(e) There are authorized to be appropriated for the purpose of this section: $8,000,000 for the first fiscal year after enactment of this Act; $16,000,000 for the second fiscal year; $22,000,000 for the third fiscal year; $30,000,000 for the fourth fiscal year; $34,000,000 for the fifth fiscal year; and, for each succeeding fiscal year, such sums as may be necessary to continue to make scholarship grants under this section to individuals who have received such grants prior to the end of the fifth fiscal year and who are eligible for such grants during each such succeeding fiscal year.

INDIAN HEALTH SERVICE EXTERN PROGRAMS

SEC. 105. (a) Any individual who receives a scholarship grant pursuant to section 104 shall be entitled to employment in the Service during any nonacademic period of the year. Periods of employment pursuant to this subsection shall not be counted in determining the fulfillment of the service obligation incurred as a condition of the scholarship grant.

(b) Any individual enrolled in a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, nursing, or allied health professions (including schools certified by the Secretary as capable of training individuals in Indian traditional medicine) may be employed by the Service during any nonacademic period of the year. Any such employment shall not exceed one hundred and twenty days during any calendar year.

(c) Any employment pursuant to this section shall be made without regard to any competitive personnel system or agency personnel limitation and to a position which will enable the individual so employed to receive practical experience in the health profession in which he or she is engaged in study. Any individual so employed shall receive payment for his or her services comparable to the salary he or she would receive if he or she were employed in the competitive system. Any individual so employed shall not be counted against any employment ceiling affecting the Service or the Department of Health, Education, and Welfare.

(d) There are authorized to be appropriated for the purpose of this section: $3,250,000 for the first fiscal year after enactment of this Act; $3,250,000 for the second fiscal year; $3,250,000 for the third fiscal year; $2,600,000 for the fourth fiscal year; and $3,000,000 for the fifth fiscal year.

EDUCATIONAL AND TRAINING PROGRAMS IN ENVIRONMENTAL HEALTH, HEALTH EDUCATION, AND NUTRITION

SEC. 106. (a) The Secretary, acting through the Service, shall make grants to individuals, nonprofit entities, appropriate public or private agencies, educational institutions, or Indian tribes and tribal organizations to enable the recipients of such grants to establish and carry out programs to train individuals so as to enable them to provide their services to Indians in the following areas:

(1) environmental health, including proper waste disposal, reduced pesticide inhalation, proper sanitation, and vector control;

(2) health education, including the advising and training of Indians with respect to personal hygiene, the essentials of first aid, the care of critically ill in the home, and entitlements of Indians to, and the availability of, health care services and assistance; providing adequate health information to schools; and establishing health courses in high schools encouraging entry by Indians into health-related professions; and

(3) nutrition, including advising and training Indians with respect to child nutrition, availability of nutrition programs (such as hot school lunch programs), nutrition in prenatal care, and nutrition education for the total population, particularly for those found to have, or to be susceptible to, diabetes, hypertension, and heart disease.

(b) Grants pursuant to this section shall be made in such manner and in such amounts and subject to such conditions as the Secretary shall by regulation prescribe.

(c) There are authorized to be appropriated to carry out the provisions of this section $1,000,000 for each of the five fiscal years after enactment of this Act.

CONTINUING EDUCATION ALLOWANCES

SEC. 107. (a) In order to encourage physicians and other health professionals to join the Service and to provide their services in the rural and remote areas where a significant portion of Indians resides, the Secretary, acting through the Service, may provide allowances to health professionals employed in the Service to enable them for a period of time each year prescribed by regulation of the Secretary to take leave of their duty stations for professional consultation and refresher training courses.

(b) There are authorized to be appropriated for the purpose of this section: $350,000 for the first fiscal year after enactment of this Act; $350,000 for the second fiscal year; $375,000 for the third fiscal year; $390,000 for the fourth fiscal year; and $410,000 for the fifth fiscal year.

TITLE II—HEALTH SERVICES

SEC. 201. (a) For the purpose of eliminating backlogs in Indian health care services and to supply known, unmet medical, surgical, dental, and other Indian health needs, the Secretary is authorized to expend funds, through the Service, over a five-fiscal-year period in accordance with the schedule provided in subsection (c). Funds appropriated pursuant to this section each fiscal year shall not be used to offset or limit the appropriations required by the Service to continue to serve the health needs of Indians during and subsequent to such five-fiscal-year period, but shall be in addition to the funds authorized for the previous fiscal year and to the annual appropriations required to continue the programs of the Service.

(b) The Secretary, acting through the Service, is authorized to employ persons to implement the provisions of this section during the five-fiscal-year period in accordance with the schedule provided in subsection (c). Such positions authorized each fiscal year pursuant to this section shall not be considered as offsetting or limiting the personnel required by the Service to serve the health needs of Indians during and subsequent to such five-fiscal-year period but shall be in addition to the positions authorized in the previous fiscal year and to the annual personnel levels required to continue the programs of the Service.

(c) The following amounts and positions are authorized, in accordance with the provisions of subsections (a) and (b), for the specific purposes noted:

(1) Patient care (direct and indirect): for the first fiscal year after enactment of this Act, $11,000,000 and two hundred and forty positions; for the second fiscal year, $17,000,000 and five hundred and forty positions; for the third fiscal year, $14,000,000 and four hundred and ten positions; for the fourth fiscal year, $9,000,000 and five hundred positions; and for the fifth fiscal year, $7,000,000 and four hundred and ninety positions.

(2) Field health, excluding dental care (direct and indirect): for the first fiscal year after enactment of this Act, $10,000,000 and two hundred and fifty positions; for the second fiscal year, $7,500,000 and one hundred and eighty-five positions; for the third fiscal year, $4,000,000 and one hundred and sixty positions; for the fourth fiscal year, $4,000,000 and one hundred and sixty positions; and for the fifth fiscal year, $3,000,000 and one hundred positions.

(3) Dental care (direct and indirect): for the first fiscal year after enactment of this Act, $900,000 and sixty positions; for the second fiscal year, $700,000 and seventy-five positions; for the third fiscal year, $700,000 and seventy-five positions; for the fourth fiscal year, $600,000 and seventy-five positions; and for the fifth fiscal year, $600,000 and sixty positions.

(4) Mental health: (A) Community mental health services: for the first fiscal year after enactment of this Act, $1,100,000 and fifty positions; for the second fiscal year, $750,000 and thirty positions; for the third fiscal year, $750,000 and thirty positions; for the fourth fiscal year, $750,000 and thirty positions; and for the fifth fiscal year, $750,000 and thirty positions;

(B) Inpatient mental health services: for the first fiscal year after enactment of this Act, $400,000 and thirty positions; for the second fiscal year, $300,000 and twenty-two positions; for the third fiscal year, $300.000 and twenty-three positions; for the fourth fiscal year, $300,000 and twenty-three positions; and for the fifth fiscal year, $300,000 and twenty-two positions;

(C) Model dormitory mental health services: for the first fiscal year after enactment of this Act, $625,000 and fifty positions; for the second fiscal year, $625,000 and fifty positions; for the third fiscal year, $625,000 and fifty positions; and for the fourth fiscal year, $625,000 and fifty positions;

(D) Therapeutic and residential treatment centers: for the first fiscal year after enactment of this Act, $200,000 and twelve positions; for the second fiscal year, $150,000 and nine positions; for the third fiscal year, $150,000 and ten positions; for the fourth fiscal year, $150,000 and nine positions; and for the fifth fiscal year, $150,000 and ten positions; and

(E) Training of traditional Indian practitioners in mental health: for the first fiscal year after enactment of this Act, $75,000; for the second fiscal year, $75,000; for the third fiscal year, $50,000; for the fourth fiscal year, $50,000; and for the fifth fiscal year, $50,000.

(5) Treatment and control of alcoholism: for the first fiscal year after enactment of this Act, $8,000,000; for the second fiscal year, $3,000,000; for the third fiscal year, $3,000,000; for the fourth fiscal year, $3,000,000; and for the fifth fiscal year, $3,000,000.

(6) Provision of health care personnel in primary and secondary Bureau of Indian Affairs schools; for the first fiscal year after enactment of this Act, $1,000,000; for the second fiscal year, $1,200,000; for the third fiscal year, $1,200,000; for the fourth fiscal year, $1,200,000; and for the fifth fiscal year, $1,200,000.

(7) Maintenance and repair (direct and indirect): for the first fiscal year after enactment of this Act, $6,000,000 and thirty positions; for the second fiscal year, $4,000,000 and thirty positions; for the third fiscal year, $4,000,000 and thirty positions; for the fourth fiscal year, $4,000,000 and thirty positions: and for the fifth fiscal year, $3,000,000 and thirty positions.

(d) The Secretary, acting through the Service, shall expend directly or by contract not less than 1 per centum of the funds appropriated under the authorizations in each of the clauses (1) through (5) of subsection (c) for research in each of the areas of Indian health care for which such funds are authorized to be appropriated.

TITLE III—HEALTH FACILITIES

CONSTRUCTION AND RENOVATION OF SERVICE FACILITIES

SEC. 301. (a) For the purpose of eliminating inadequate, outdated, and otherwise unsatisfactory Service hospitals, health centers, health stations, and other Service facilities, the Secretary, acting through the Service, is authorized to expend $561,000,000 over a five-fiscal-year period in accordance with the following schedule:

(1) Hospitals: for the first fiscal year after enactment of this Act, $51,000,000; for the second fiscal year, $110,500,000; for the third fiscal year, $86,000,000; for the fourth fiscal year, $81,500,000; and for the fifth fiscal year, $115,000,000.

(2) Health centers and health stations: for the first fiscal year after enactment of this Act, $4,000,000; for the second fiscal year, $6,000,000; for the third fiscal year, $6,000,000; for the fourth fiscal year, $10,000,000; and for the fifth fiscal year, $7,000,000.

(3) Staff housing: for the first fiscal year after enactment of the Act, $14,500,000; for the second fiscal year, $26,000,000; for the third fiscal year, $11,500,000; for the fourth fiscal year, $20,000,000; and for the fifth fiscal year, $4,500,000.

(4) Health facilities for primary and secondary Bureau of Indian Affairs schools: $1,500,000 for each of the five fiscal years after enactment of this Act.

(b) The Secretary, acting through the Service, is authorized to equip and staff such Service facilities at levels commensurate with their operation at optimum levels of effectiveness.

(c) Prior to the expenditure of, or the making of any firm commitment to expend, any funds authorized in subsection (a), the Secretary, acting through the Service, shall—

(1) consult with any Indian tribe to be significantly affected by any such expenditure for the purpose of determining and, wherever practicable, honoring tribal preferences concerning the size, location, type, and other characteristics of any facility on which such expenditure is to be made; and

(2) be assured that, wherever practicable, such facility, no later than five years after its construction or renovation, shall meet the standards of the Joint Commission on Accreditation of Hospitals.

CONSTRUCTION OF SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES

SEC. 302. (a) For the purpose of reducing health hazards, the Secretary is authorized to expend, pursuant to the Act of July 31, 1959 (73 Stat. 267), $378,000,000 within a five-fiscal-year period following the enactment of this Act, in accordance with the schedule provided in subsection (b), to supply unmet needs for safe water and sanitary waste disposal facilities in existing and new Indian homes and communities.

(b) To effect the purpose of subsection (a), there are authorized to be appropriated: $78,000,000 for the first fiscal year after enactment of this Act; $75,000,000 for the second fiscal year; $75,000,000 for the third fiscal year; $75,000,000 for the fourth fiscal year; and $75,000,000 for the fifth fiscal year.

(c) The Secretary is authorized and directed to develop a plan, together with the Secretaries of the Interior and of Housing and Urban Development and upon consultation with Indian tribes, to assure that the schedule provided for in subsection (b) will be met. Such plan shall be submitted to the Congress no later than ninety days from the date of enactment of this Act.

PREFERENCE TO INDIANS AND INDIAN FIRMS

SEC. 303. (a) The Secretary, acting through the Service, may utilize the negotiating authority of the Act of June 25, 1910 (36 Stat. 861), to give preference to any Indian or any enterprise, partnership, corporation, or other type of business organization owned and controlled by an Indian or Indians (hereinafter referred to as an "Indian firm") in the construction and renovation of Service facilities pursuant to section 301 and in the construction of safe water and sanitary waste disposal facilities pursuant to section 302. Such preference may be accorded by the Secretary unless he finds, pursuant to rules and regulations promulgated by him, that the project or function to be contracted for will not be satisfactory or such project or function cannot be properly completed or maintained by the proposed contract. The Secretary, in arriving at his finding, shall consider whether the Indian or Indian firm will be deficient with respect to (1) ownership and control by Indians, (2) equipment, (3) bookkeeping and accounting procedures, (4) substantive knowledge of the project or function to be contracted for, (5) adequately trained personnel, or (6) other necessary components of contract performance.

(b) For the purpose of implementing the provisions of this title, the Secretary shall assure that the rates of pay for personnel engaged in the construction or renovation of facilities constructed or renovated in whole or in part by funds made available pursuant to this title are not less than the prevailing local wage rates for similar work as determined in accordance with the Act of March 3, 1921 (46 Stat. 1491), as amended.

TITLE IV—ACCESS TO HEALTH SERVICES

SERVICES PROVIDED TO MEDICARE ELIGIBLE INDIANS

SEC. 401. (a) Notwithstanding any other provision of law, for the purpose of title XVIII of the Social Security Act, as amended, a Service facility (including a hospital or skilled nursing facility), whether operated by the Service or by any Indian tribe or tribal organization, shall hereby be deemed to be a facility eligible for reimbursement under title XVIII: *Provided*, That the requirements of subsection (b) are met.

(b) Prior to the provision of any care or service for which reimbursement may be made, the Secretary shall certify that the facility meets the standards applicable to other hospitals and skilled nursing facilities eligible for reimbursement under title XVIII, or, in the case of any facility existing at the time of enactment of the Act, that the Service has provided an acceptable written plan for bringing the facility into full compliance with such standards within two years from the date of acceptance of the plan by the Secretary. The Service facilities shall not be required to be licensed by any State or locality in which they are located: *Provided, however*, That the Secretary shall include in his certifications appropriate assurances that such facilities meet standards equivalent to licensure requirements.

(c) Any payments received for services provided to beneficiaries hereunder shall not be considered in determining appropriations for health care and services to Indians.

(d) Nothing herein authorizes the Secretary to provide services to an Indian beneficiary with coverage under title XVIII of the Social Security Act, as amended, in preference to an Indian beneficiary without such coverage.

SERVICES PROVIDED TO MEDICAID ELIGIBLE INDIANS

SEC. 402. (a) Notwithstanding any other provision of law, for the purpose of title XIX of the Social Security Act, as amended, a Service facility (including a hospital, skilled nursing facility, or intermediate care facility), whether operated by the Service or by an Indian tribe or tribal organization, shall hereby be deemed to be a facility eligible for reimbursement under title XIX: *Provided*, That the requirements of subsection (c) are met.

(b) The Secretary is authorized to enter into agreements with the appropriate State agency for the purpose of reimbursing such agency for health care and services provided in Service facilities to Indians who are beneficiaries under title XIX of the Social Security Act, as amended.

(c) Prior to the provision of any care or service for which reimbursement may be made, the Secretary shall certify that the facility meets the standards applicable to other hospitals, skilled nursing facilities, and intermediate care facilities eligible for reimbursement under title XIX, or, in the case of any family existing at the time of enactment of this Act, that the Service has provided an acceptable written plan for bringing the facility into full compliance with such standards within two years from the date of acceptance of the plan by the Secretary. The Service facilities shall not be required to be licensed by any State or locality in which they are located: *Provided, however*, That the Secretary shall include in his certifications appropriate assurances that such facilities meet standards equivalent to licensure requirements.

(d) Any payments received for services provided recipients hereunder shall not be considered in determining appropriations for the provision of health care and services to Indians.

(e) Notwithstanding any other provision of law, with respect to amounts expended during any quarter as medical assistance under title XIX for services which are included in the State plan and are received through a Service facility, whether operated by the Service or by an Indian tribe or tribal organization, to individuals who are (i) eligible under the plan of the State title XIX and (ii) eligible for comprehensive services under the Service program, the Federal medical assistance percentage under XIX shall be increased to 100 per centum.

(f) Nothing in this section shall authorize the Secretary to provide services to an Indian beneficiary with coverage under title XIX of the Social Security Act, as amended, in preference to an Indian beneficiary without such coverage.

REPORT

SEC. 403. The Secretary shall include in his annual report required by subsection (a) of section 601 a report on the amount and use of funds made available to the Service pursuant to this title as a result of reimbursements through titles XVIII and XIX of the Social Security Act, as amended.

TITLE V—HEALTH SERVICES FOR URBAN INDIANS

PURPOSE

SEC. 501. The purpose of this title is to encourage the establishment of programs in urban areas to make health services more accessible to the urban Indian population.

CONTRACTS WITH URBAN INDIAN ORGANIZATIONS

SEC. 502. (a) The Secretary, acting through the Service, shall enter into contracts with urban Indian organizations to provide Federal assistance to such organizations for the purpose of establishing and administering in the urban centers in which such organizations are situated programs which meet the requirements set forth in subsection (b).

(b) The Secretary, acting through the Service, shall place such conditions as he deems necessary in any contract which he makes with any urban Indian organization pursuant to this title. Such conditions shall include, but are not limited to, requirements that the organization successfully undertake the following activities:

(1) determine the population of urban Indians which are or could be recipients of health referral or case services;

(2) identify all public and private health service resources within the urban center in which the organization is situated which are or may be available to urban Indians;

(3) assist such resources in providing service to such urban Indians;

(4) assist such urban Indians in becoming familiar with and utilizing such resources;

(5) provide basic education to such urban Indians;

(6) establish and implement manpower training programs to accomplish the referral and education tasks set forth in clauses (3) through (5) of this subsection;

(7) identify gaps between unmet health needs of urban Indians and the resources available to meet such needs;

(8) make recommendations to the Sec-

retary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of urban Indians; and

(9) where necessary, provide or contract for health care services to urban Indians.

(c) The Secretary, acting through the Service, shall by regulation prescribe the criteria for selecting urban Indian organizations with which to contract pursuant to this title. Such criteria shall, among other factors, take into consideration:

(1) the extent of the unmet health care needs of urban Indians in the urban center in question;

(2) the size of the urban Indian population which is to receive assistance;

(3) the relative accessibility which such population has to health care services in such urban center;

(4) the extent, if any, to which the project would duplicate any previous or current public or private health services project funded by another source in such urban center;

(5) the appropriateness and likely effectiveness of a project assisted pursuant to this title in such urban center;

(6) the existence of an urban Indian organization capable of performing the activities set forth in subsection (b) and of entering into a contract with the Secretary pursuant to this title; and

(7) the extent of existing or likely future participation in such activities by appropriate health and health-related Federal State, local, and other resource agencies.

PROVISIONS CONCERNING CONTRACTS

Sec. 503. (a) Contracts with urban Indian organizations pursuant to this title shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provisions of the Act of August 24, 1935 (48 Stat. 793) as amended.

(b) Payments under any contracts pursuant to this title may be made in advance or by way of reimbursement and in such installments and on such conditions as the Secretary deems necessary to carry out the purposes of this title.

(c) Notwithstanding any provision of law to the contrary, the Secretary may, at the request or consent of an urban Indian organization, revise or amend any contract made by him with such organization pursuant to this title as necessary to carry out the purpose of this title: Provided, however, That, whenever an urban Indian organization requests retrocession of the Secretary for any contract entered into pursuant to this title, such retrocession shall become effective upon a date specified by the Secretary not more than one hundred and twenty days from the date of the request by the organization or at such later date as may be mutually agreed to by the Secretary and the organization.

(d) Contracts with urban Indian organizations and regulations adopted pursuant to this title shall include provisions to assure the fair and uniform provision to urban Indians of services and assistance under such contracts by such organizations.

REPORTS AND RECORDS

Sec. 504. For fiscal year during which an urban Indian organization receives or expends funds pursuant to a contract under this title, the organization which requested such contract or grant shall submit to the Secretary a report including information gathered pursuant to section 502(b) (7) and (8), information on activities conducted by the organization pursuant to the contract, an accounting of the amounts and purposes for which Federal funds were expended, and such other information as the Secretary may request. The reports and records of the urban Indian organization with respect to such contract or grant shall be subject to audit by the Secretary and the Comptroller General of the United States.

AUTHORIZATIONS

Sec. 505. There are authorized to be appropriated for the purpose of this title: $5,000,000 for the first fiscal year after enactment of this Act; $10,000,000 for the second fiscal year; and $15,000,000 for the third fiscal year.

REVIEW OF PROGRAM

Sec. 506. Within six months after the end of the second fiscal year after enactment of this Act the Secretary, acting through the Service and with the assistance of the urban Indian organizations which have entered into contracts pursuant to this title, shall review the program established under this title and submit to the Congress his assessment thereof and recommendations for any further legislative efforts he deems necessary to meet the purpose of this title.

TITLE VI—MISCELLANEOUS

REPORTS

Sec. 601. (a) The Secretary shall report annually to the President and the Congress on progress made in effecting the purposes of this Act. Within three months after the end of the fourth fiscal year after enactment of this Act, the Secretary shall review the programs established or assisted pursuant to this Act and shall submit to the Congress his assessment thereof and recommendations of additional programs or additional assistance necessary to, at a minimum, provide health services to Indians, and insure a health status for Indians, which are at a parity with the health services available to, and the health status of, the general population.

(b) There are hereby authorized to be appropriated to the Secretary $150,000 to support a one-year study by the National Indian Health Board of mental health problems, including alcoholism and related problems, among Indians. The study, together with any recommendations the Board may have for legislative or administrative actions to remedy such problems, shall be submitted to the Congress by the Secretary no later than thirty days after the study's completion.

REGULATIONS

Sec. 602. (a)(1) Within three months from the date of enactment of this Act, the Secretary shall, to the extent practicable, consult with national and regional Indian organizations to consider and formulate appropriate rules and regulations to implement the provisions of this Act.

(2) Within four months from the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

(3) Within six months from the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this Act.

(b) The Secretary is authorized to revise and amend any rules or regulations promulgated pursuant to this Act: Provided, That, prior to any revision or amendment to such rules and regulations, the Secretary shall, to the extent practicable, consult with appropriate national or regional Indian organizations and shall publish any proposed revision or amendment in the Federal Register not less than sixty days prior to the effective date of such revision or amendment in order to provide adequate notice to, and receive comments from other interested parties.

LEASES WITH INDIAN TRIBES

Sec. 603. Nothwithstanding any other provision of law, the Secretary is authorized, in carrying out the purposes of this Act, to enter into leases with Indian tribes for periods not in excess of twenty years.

AVAILABILITY OF FUNDS

Sec. 604. The funds appropriated pursuant to this Act shall remain available until expended.

Mr. JACKSON. Mr. President, Senate approval of S. 2938—the Indian Health Care Improvement Act—will mark the culmination of a 10-month bipartisan effort by the Committee on Interior and Insular Affairs addressed to one of the most critical and deplorable situations in the United States: the health status of, and the provision of basic health services to, the American Indian people.

POOR HEALTH OF AMERICAN INDIANS

To say that Indians are the most deprived group of citizens in our Nation is as repetitive as it is true.

Nowhere is the discrepancy between Indians and other citizens so glaring as the field of health. Diseases that have posed little or no threat to most Americans for several generations remain commonplace for the Indian people.

I do not want to belabor my colleagues with a litany of statistics reflecting the poor health status of Indian people. The printed hearing record and committee report on S. 2938 are replete with charts, graphs, and tables which tell the grim story of the deplorable health conditions of Indians in cold, blunt statistical terms.

These statistics point out that the incidence of tuberculosis, malnutrition, diarrhea, middle ear disease, and pneumonia are far greater among Indians than the population at large. Indian infant mortality is almost 1½ times the national average.

The life expectancy for Indians is 5 years less than for other Americans.

Alcoholism and suicide are epidemic diseases in Indian communities.

INDIAN HEALTH RESOURCES

In response to Indian health needs that had grown to crisis proportions, Congress, in 1955, transferred all authority for Indian health from the Department of the Interior to the Department of Health, Education, and Welfare.

Significant progress has been made by the Indian Health Service since that time but they are outmanned and outgunned relative to the problems they face.

Congress bestowed the Indian Health Service with responsibility, but we did not spell out their authority, nor have we provided them with the resources to do the job.

Their general authorization for appropriations is contained in the Snyder Act of 1921; their actual scope of work is defined from year to year by the Interior appropriations bill.

At this point, I want to commend the senior Senator from Nevada, Alan Bible, for his sensitivity and recognition of Indian health needs during his long tenure of service on the Appropriations Committee. He has consistently supported increased funding to improve the quantity and quality of Federal curative and preventive health services administered for Indian people.

Native Americans suffer from rampant poverty and are both geographically and culturally remote from traditional health facilities. Their tragic health problems call for special resources.

Yet, there is an inordinately low ratio of doctors to patients in Indian communities—1 doctor for every 1,080 Indians compared to 1 physician for every 600 persons on a national scale.

Fewer doctors and related health professionals are entering the Indian health field every year and the end of the doctor draft spells a further depletion of medical manpower.

In 30 of the 51 existing Indian Health Service hospitals, over 60 percent fail to meet standards of accreditation due to insufficient staffing or poor physical plants.

Two-thirds of the hospitals are obsolete and 22 need to be replaced completely.

Roughly half of the 800,000 Indians in the United States live off reservations; yet, the Indian Health Service cannot even begin to cope with their enormous problems.

MAJOR PROVISIONS OF S. 2938

S. 2938 is not proposed as a magical solution to the Indian health problem, but instead represents a long overdue step in the right direction.

The purpose of S. 2938, the Indian Health Care Improvement Act, is to assure the highest possible health status for the American Indian people. To meet this purpose, S. 2938 would provide the direction and financial resources to overcome the inadequacies in the existing Federal Indian health care program. Further, it invites the greatest possible participation of Indians and Alaska Natives in the direction and management of that program.

Through the various titles, the bill proposes to achieve the following objectives:

> To assure an adequate health manpower base to provide proper health services to Indians and a sufficient cadre of trained Indian professionals and other health workers to permit Indian communities to have a maximum voice in shaping those services (title I);
>
> To assure the elimination of the enormous backlog among Indians of unmet health needs and essential patient care (title II);
>
> To construct modern, efficient hospitals and other health care facilities serving Indians where none exist and renovate the existing facilities, most of which are in a state of general deterioration (title III);
>
> To overcome the adverse effects of unsafe water supplies and insanitary waste disposal systems in Indian communities and homes (title III);
>
> To enable Indian people to exercise their citizenship rights to a broader range of national health resources (title IV); and
>
> To assist urban Indians both to gain access to those community health resources available to them as citizens and to provide primary health care services where those resources are inadequate or inaccessible (title V).
>
> To insure that the provisions of S. 2938 will be implemented by the Administration and effectively monitored and evaluated (title VI).

The six interrelated titles of S. 2938, if enacted into law, would authorize a sustained and coordinated Federal health effort addressed to the excessive backlog in the treatment of diseases and illnesses affecting Indian people in both reservation and urban settings; to the physical shortcomings and staffing deficiencies in Indian Health Service facilities; to the inadequate water and waste disposal systems which serve as the source of numerous communicable diseases in Indian communities; and to the several legal constraints which preclude reservation and urban Indians from making use of national health resources on the same basis as all other citizens.

Mr. President, I want to emphasize to the Members of the Senate that any resolution of the deplorable health conditions of American Indians will require a massive program effort and a substantial outlay of Federal appropriations. The program envisioned in S. 2938, if fully funded, would result in a total expenditure of $1.6 billion over a 5 fiscal year period.

It is important to note that this effort would be sustained by incremental increases over a 5 fiscal year period to the current Indian Health Service budget base. The incremental approach is chosen in lieu of mounting a "crash" program, because the latter, with its too sudden infusion of funds, inevitably proves to be uneconomical and unmanageable. It is anticipated that the incremental increases in financial resources would serve to eliminate the documented excessive backlogs in health care requirements and establish a firm foundation upon which a continuous program capable of meeting the total health needs of the Indian and Alaska Native people could be maintained after the end of the 5 fiscal year period.

CONCLUSION

Mr. President, S. 2938 enjoys the support of the Indian community and national professional health organizations, many of whom testified during the hearings on this measure and recommended enactment. Failure to approve this measure today will only prove a total dereliction of duty. This bill represents a chance to partially fulfill our Nation's moral and legal commitments to its first citizens—the American Indians. That challenge and chance must be met if we are to progress toward a unified future where health is a right, not a privilege.

Mr. FANNIN. Mr. President, it is no secret that I have had my differences with the distinguished chairman of the committee and the manager of this bill over a number of important issues during this session of Congress, but on the matter of providing better health care to our Indian citizens there has been complete agreement. In the context of commitment and concern we have worked together to develop legislation which would address in a reasonable and rational way the major health needs of the American Indian. S. 2938, the Indian Health Care Improvement Act, therefore, is a product of cooperation, and represents a full committee effort to eliminate the deficiencies in Indian health care services.

Mr. President, the health of our Indian citizens has long been of concern to me since my own State, with its large Indian population, I have witnessed at first hand the need for better health care. I have traveled through Arizona's reservation lands, I have visited the facilities of the Indian Health Service, talked with IHS personnel and the Indian people affected by the IHS, and I came away convinced that a major effort would have to be made if our Indian citizens were to receive better health care. This legislation is a result of that need. It is both responsive and significant because S. 2938 clearly recognizes that the story of Indian health care is largely the story of the Indian Health Service.

This legislation is significant because its central objective is to redraw the legislative authority of the Indian Health Service, so that it might better meet the contemporary health needs of Indian people. It has become increasingly clear that the existing authority of the Indian Health Service is no longer capable of meeting the ever-pressing health problems of its clients and clearly needs new tools, resources, and innovative programs to meet those needs. That is the basic purpose of this bill.

But more importantly, this legislation was designed to be responsive as well. For far too long the Indian Health Service and the Indian people themselves have experienced Government policies which resulted in inadequate funds, inadequate manpower, and inadequate facilities. In the place of a comprehensive plan to meet the health needs of Indian people, Government policies have had the effect of a bandaid. Budgets for the Indian Health Service were often designed to meet the minimum needs of patient care and field health services. And in particular, construction funds for the Indian Health Service have been totally inadequate to meet the glaring need for better facilities. With only a few construction projects authorized each year, some of which were the result of congressional intervention, the Indian Health Service has had to face continued deterioration in most of its facilities and had to do what it could to keep them going for yet another year, despite the knowledge that most of these facilities were out of date, beyond repair, and unsafe. It is no wonder then that the Indian Health Service has been reduced to running a program which would be best described as a gamble, and at worst, a disaster. S. 2938 is, in essence, a comprehensive plan designed to meet the total health needs of Indian people in a way that is neither haphazard nor uncoordinated. Perhaps, this element of S. 2938 is its most redeeming feature. Only through a long-range plan can we hope to meet the health needs of Indians with assurance of success not only for the Indian Health Service, but to those many Indians who have suffered with the inadequacies of Indian health care programs.

To be more specific, S. 2938 seeks to accomplish the following objectives:

To assure an adequate health manpower base to provide proper health services to Indians and a sufficient cadre of trained Indian professionals and other health workers to permit Indian communities to have a maximum voice in shaping those services;

To assure the elimination of the enormous backlog among Indians of unmet health needs and essential patient care;

To construct modern, efficient hospitals, and other health care facilities serving Indians where none exist and renovate the existing facilities, most of which are in a state of general deterioration;

To overcome the adverse effects of unsafe water supplies and unsanitary waste disposal systems in Indian communities and homes;

To enable Indian people to exercise their citizenship rights to a broader range of national health resources; and

To assist urban Indians both to gain access to those community health resources available to them as citizens and to provide primary health care services where those resources are inadequate or inaccessible.

Mr. President, these objectives represent both the basic outline of S. 2938 and the comprehensive plan that the Indian Health Service needs to meet the total health needs of the Indian people. In the case of each objective, the committee has clearly documented its need, and the provisions in the bill are designed to realize that objective.

Mr. President, it is not my intention to review, in detail, the entire provisions of S. 2938. Rather, it is my objective to highlight three provisions of significant importance to the Indian Health Service and the basis for them.

INDIAN HEALTH MANPOWER

First, the degree of success of any health care delivery system is often measured by the extent to which its manpower—doctors, dentists, nurses, and other health personnel—meets the needs of the population it serves. Effective health personnel is a primary factor in the provision of quality health care; where manpower is in short supply or underutilized, the health care system is placed in serious jeopardy. These statements are particularly applicable to the Indian Health Service. At a time when Indians are expressing increasing confidence in the Indian Health Service by making greater use of its service, its capacity to fully meet this demand is being crippled by a manpower shortage of serious dimensions.

A combination of events has produced a manpower shortage of severe, if not crisis, proportions for the Indian Health Service.

First, the Indian Health Service has experienced a sharp increase in demand for its services. The result has been that the existing manpower is inadequate to effectively serve the increased number of Indian patients.

Second, the end of the military draft has eliminated a stable supply of manpower.

Finally, Federal programs and policies designed to provide medical manpower to rural areas have proved largely ineffective.

These factors have combined to jeopardize the capacity of the Indian Health Service to deliver quality health care to Indians. An analysis of existing programs and policies as to their potential for resolving this problem convinced me and the committee that a new approach was necessary to solve the total manpower needs of the IHS. In this context, title I of S. 2938 contains provisions which would achieve the following objectives:

> First, that an Indian oriented health manpower program be established.
>
> Second, that the health manpower program be designed to support the broad objective of eliminating health manpower shortages in all health care areas affecting the Indian Health Service.
>
> Third, that the various elements of the health manpower program be interrelated and be subject to effective coordination and management.
>
> Fourth, that the administration of an Indian oriented health manpower program be assigned to the Indian Health Service.
>
> Fifth, that a scholarship program be designed to specifically increase the supply of health professionals for the Indian Health Service.
>
> Sixth, that the scholarship program provide sufficient financial support to attract highly qualified participants, especially Indians, and to fully meet their educational needs.

Title I contains six separate but interrelated programs designed specifically to meet the health manpower needs of the Indian Health Service and to produce more Indian health professionals. The committee assigned the administration of this comprehensive package of programs to the Indian Health Service, because it believes that the IHS, as an established agency with the specific mission to provide health care to Indians, possesses the necessary administrative machinery and the relevant expertise to effectively manage those programs. More importantly, however, the committee expects that under this administrative assignment the Indian Health Service will quickly realize that it is in their own self-interest to assure the successful implementation of these programs. Failure to do so will surely plunge the Indian Health Service into a prolonged and likely dangerous manpower shortage.

This linkage of agency self-interest and manpower programs represents a significant change in the present approach to administering Federal health manpower programs. Instead of continuing to follow the pattern of unrelated manpower programs, most of which are administered by colleges and universities on behalf of individual students, title I definitely establishes in the Indian Health Service a manpower program to directly service the interests of that agency. No longer will the Indian Health Service have to wait for assistance, often in vain, from other program sources, but will be able to control events so as to realize its manpower objectives on a rational basis.

Of equal importance, this legislation seeks to meet the objective of Indian self-determination by developing a health manpower program which emphasizes the recruitment and training of Indians so that we can increase the number of Indian health personnel caring for their own people. It is my personal hope that by the end of the decade we will witness a substantial growth in the number of Indian doctors, administrators, nurses, and other allied health personnel serving Indian people.

Mr. President, the health manpower shortage in the Indian Health Service is a critical problem, but current policies are clearly unresponsive and the problem can no longer be ignored for at the heart of the Indian Health Service is its medical personnel. Without adequate personnel, increased support for patient care, and other health care programs of the IHS, services would be irrelevant. Title I represents a major step toward solving the manpower needs of the Indian Health Service, but in a larger sense it represents an effort to establish a permanent source for supplying the necessary health personnel to serve the needs of Indian people. In summary, title I is one of the most important elements of S. 2938.

PATIENT CARE SERVICES

Mr. President, another element of major importance to the Indian Health Service in S. 2938 are the provisions of title II dealing with patient care services. It is the primary mission of the Indian Health Service to deliver quality health care services to Indian people, yet, the Indian Health Service must confront not only the health problems of Indians, but the reality that present resources are inadequate to treat those that are ill and the conditions that produce disease and illness. Since the organization of the Indian Health Service in 1955, a number of serious health problems have been resolved. According to Dr. Emory Johnson, the Director of the Indian Health Service:

> The decline in deaths from tuberculosis, diseases of infancy, influenza, pneumonia, and gastro-intestinal illnesses has been dramatic. Strides also have been made in correcting environmental deficiencies such as inadequate housing and water disposal facilities, that give rise to a high incidence of disease and premature deaths.

But Dr. Johnson also notes that—

> Although the gap has narrowed between the Indian and Alaska Native state of health and that of the rest of the nation it is still far below national standards. Infant death rates are 1.4 times higher than the U.S. all races rate, gastroenteric death rate is 4 times higher, and the incidence of tuberculosis is 8 times as high.

In addition, the rates of certain diseases afflicting Indian people particularly, have risen dramatically over the years. For example, otitis media, a disease of the ear, increased 74 percent between 1965 and 1971, strep throat and scarlet fever, 218 percent, and influenza by 243 percent. In addition, the incidence of veneral disease has increased dramatically from 1962 to 1971, the syphilis incidence rate rose by 117 percent, the gonorrhea rate by 79 percent. Finally, the rate of alcoholism among Indian people has produced a health problem of immense proportions.

Mr. President, these statistics reveal some of the dimensions to the problem. But what is more significant is the poverty and the environment which characterize Indian life on a day-to-day basis. It is these conditions which the Indian Health Service must also confront, in addition to the immediate problems of treating illness. In short, the Indian Health Service has an immense responsibility to not only manage the health needs of Indian people, but to assist in the elimination of some of the conditions that cause illness itself.

Let me assure the Senate that the Indian Health Service has made great progress over the past 20 years, but it is also clear that the Indian Health Service now needs additional resources if it is to be sustained in its effort to meet the ever-increasing demand for comprehensive health care services. Title II of S. 2938 represents a major program to meet the current needs of the Indian Health Service. In brief it is a program designed to expand the treatment of acute as well as chronic diseases, to eliminate the incredible backlog in surgical cases and dental care, to confront the deficiencies in mental health care, to provide funds to maintain and repair IHS facilities, and, of equal importance, to promote community and health field services. Title II anticipates that over a 5-year period the Indian Health Service will be able to realize the objective of a long-range health care strategy designed to strengthen the capacity of the Indian Health Service, and to assure delivery of quality health services for Indian people.

INDIAN HEALTH FACILITIES AND SANITATION

Mr. President, the third element of major importance in S. 2938 to the Indian Health Service is the commitment contained in title III to provide the funds necessary to replace or refurbish deficient IHS facilities. In addition, title III contains funds to expand the work of the Indian Health Service in the field of sanitation. In both instances, the need is clearly evident.

Mr. President, there is an obvious and significant relationship between the standard of care and the quality of the facilities through which health care is provided. Inadequate, outmoded, or unsafe hospitals or other health facilities inhibit the potential for quality health care. Moreover, recruitment and retention of highly competent personnel at all levels is frustrated, if not made impossible where facilities are inadquate to provide even the most basic of health services. In this connection, if we fail to appreciate the relationship between recruitment and quality facilities we will have surely misunderstood the problem. The Indian Health Service provides health services to Indian people through a network of 51 hospitals, 83 health centers, and over 300 health stations and clinics. But by anyone's measure, most of these facilities, especially the hospitals, are either outmoded, unsafe, or inadequate. The Joint Commission on Accreditation of Hospitals for example, reported that of the 51 IHS hospitals, only 22 percent are accredited. Yet, at the present rate of response, the Indian Health Service could not expect to meet most of these deficiencies for many years. What is needed, therefore, is a plan which will rationally allocate scarce Federal resources so that these deficiencies can be met within a reasonable period of time. Title III provides sufficient funds to meet IHS needs over a 5-year period according to a priority plan. In my opinion, this is a significant step to manage Federal funds, while solving an important problem which is fundamental to the capacity of the Indian Health Service to provide quality health care.

In addition, title III provides funds to accelerate the work of the Indian Health Service in the field of sanitation. The need for essential safe water and sanitary waste disposal facilities is clear in the face of the relationship between the incidence of disease caused by the contamination in poor water and unsanitary waste disposal. Public Law 86–121 authorizes the Indian Health Service to construct sanitary waste disposal facilities and develop clear water supply systems. Progress has been significant, but here again the need is greater than the available resources. Title III will provide over a 5-year period substantial assistance to supply unmet needs for safe water and sanitary waste disposal facilities in Indian homes and communities. This one provision will, in my view, promote a lasting preventive health care program which is so essential in relieving Indian people of the very conditions which so affect their daily habits.

CONCLUSION

Mr. President, the Indian Health Service is the chief instrument through which a whole range of health care services are provided to the Indian people. Yet, the evidence clearly demonstrates that the time has come to strengthen that instrument. S. 2938 was designed primarily to service the needs of the Indian Health Service by providing increased manpower, by expanding its capacity to deal with illness and disease, and by committing resources to acquiring better facilities. The provisions of S. 2938 dealing with manpower, services, and facilities are all interrelated, each depending on the other to assure a total response to the health needs of Indian people. Without a total commitment of funds to one or the other of these provisions the capacity of the Indian Health Service to mount a sustained effort would be jeopardized.

Mr. President, the purpose then of S. 2938 is to give the Indian Health Service the financial and human resources to assure the success of a total comprehensive effort to promote better health and better health care among Indian people. In the belief that this effort is a worthy one I commend S. 2938 to the Senate and urge its passage.

Mr. President, I would also like to take this opportunity to express my appreciation to a number of Senators and staff members who, together, made this legislation possible.

The distinguished chairman of the committee, Senator Jackson, is to be commended for his leadership in developing this legislation. His commitment was total and without qualification. In a similar fashion, the distinguished Senator from Oklahoma, Senator Bartlett, as the ranking minority member on the Indian Affairs Subcommittee, contributed his time and energy to assure a bill that was clearly responsive to the health care needs of Indian people.

The work of the staff deserves commendation as well. The outstanding professional work of Forrest Gerard and his assistant, Steve Jennings, produced a bill worthy of support. Steve Quarles, brought together the various pieces of S. 2938 to fashion a report which will stand as the case for increased support for Indian health care programs.

Finally, Mr. President, I would be remiss if I did not point out the significant contributions of the minority staff in developing S. 2938. From the very beginning the minority was committed to passage of this important bill. Legislative assistants from the offices of minority committee members as well as other Senators worked together to realize that commitment. This group was composed of Hazel Elbert of Senator Bartlett's office, Ellen Von Renner of Senator Buckley's office, Sunny Nixon of Senator Hansen's office, Al Timothy and Linda Birkhofer of Senator McClure's office, Caroline Silver of Senator Domenici's office, Twinkle Thomas of Senator Goldwater's office, and Rick Lavis of my office. This group spent considerable time in developing this legislation and contributed immensely to the final product, especially the provisions dealing with health manpower.

Mr. KENNEDY. Mr. President, as a cosponsor of S. 2938, the Indian Health Care Improvement Act, I am pleased to support this significant legislative effort to bring Indian health care out of the dark ages. I want to congratulate the chairman of the Interior Committee, Mr. Jackson, and the ranking minority member, Mr. Fannin, on their success.

During hearings on S. 2938 last spring the committee heard testimony from members of the Indian community and from both Indian and non-Indian health care professionals. In the aftermath of the hearings, the committee members continued to work with experts in the Indian health care field and with other congressional offices to respond to as many as possible of the critical needs discussed by witnesses. The Interior Committee has included in the present bill many valuable provisions. S. 2938 authorizes funding for recruitment of Indian health care professionals, training of Indian health care professionals, updating the services rendered by the Indian Health Service, construction of health care facilities, assisting urban Indians, improving sanitation, and other purposes.

I would like to take a few minutes to discuss briefly my own interest in Indian health care, the proposals I suggested to the Interior Committee regarding this legislation, and the committee's response to my proposals.

Since my work as chairman of the Senate Special Subcommittee on Indian Education, I have been concerned about the detrimental effects of alcoholism and mental health problems on the Indian community, particularly on Indian children. In discussing the reluctance of both Government agencies and Indians to recognize the severity of alcoholism and related problems, the subcommittee stated in its 1969 final report:

> The consequences of our failure to act are many, and include the physical and social impairment of large numbers of Indian adults; the severe disorganization of many Indian families and communities; exceedingly high accident rates; alarming numbers of homicides, suicides, and assaults; the failure of Indian children in public schools; and the placement of large numbers of Indian children in boarding schools. The cost to the taxpayer of providing medical care, welfare, and police services to deal with the excessive drinking problem is obviously high. If alcoholism could even be partially alleviated, a significant amount of scarce public resources could be conserved for other pressing needs.

To combat these serious problems the subcommittee recommended:

> That a comprehensive attack upon alcoholism among Indians be begun at the earliest possible time, and that it include (a) coordinated medical, paramedical, educational, psychiatric, social, and rehabilitation services, both public and private, including non-medical and non-professional personnel as appropriate; (b) strong prevention programs, relying upon concerted public education efforts; and (c) concerted efforts to identify and deal with the causes of Indian alcoholism.

My work with the Indian Education Subcommittee, communications over the years from Indian communities, and firsthand exposures to Indian health, education, and manpower training problems have made me acutely aware of the serious unsatisfied mental health needs of American Indians. I feel that Indian mental health problems are so overwhelming as to severely impede efforts to improve significantly physical health care. Therefore, earlier this spring I made some suggestions regarding S. 2938 to the Interior Committee—CONGRESSIONAL RECORD, page 9737–39. The most important of my proposed additions to that legislation were designed to respond to the chronic lack of adequate mental health and alcoholism programs for Indians.

One of my proposals would provide ongoing alcoholism projects to battle what is probably the worst health problem facing Indians. A solid foundation for these projects has been laid by the successful Indian alcoholism programs sponsored by the National Institute on Alcohol Abuse and Alcoholism. Credit for this achievement goes to the Senator from Iowa (Mr. HUGHES) and his Alcoholism Subcommittee for developing the legislation which created NIAAA and to NIAAA's director, Dr. Morris Chafetz, for the success of NIAAA Indian programs.

I also suggested four more provisions designed to alleviate Indian mental health problems. For example, inpatient mental health service facilities are required to meet the need for Indian-oriented psychiatric treatment of acute and long-term mental illness. Two suggestions related specifically to the needs of Indian children: I proposed the establishment of model dormitories designed to improve the physical, emotional, and intellectual growth of Indian children and a therapeutic residential treatment center for disturbed and delinquent Indian children. A final proposal would provide opportunities for traditional training in mental health careers. There is a shortage of practitioners of traditional Indian medicine, who are considered extremely valuable by Indian Health Service medical personnel and by the Indian community.

I am gratified by the Interior Committee's decision to incorporate all of these proposals in the final version of the Indian Health Care Improvement Act. By including my alcoholism and mental health proposals in S. 2938, the committee has taken one more important step toward implementing the recommendations of the Indian Education Subcommittee, which so clearly linked mental health with major obstacles confronting Indians.

Also incorporated into the Interior Committee legislation are other suggestions of mine which were supported by hearing testimony. Among these are provisions for direct health care for urban Indians, for recruitment of Indians into health care professions, and the long-term leases between Indian tribes and the Secretary of Health, Education, and Welfare.

Many of us have been shocked by the tragic state of Indian health care in this country. For example, in hearings last September, Dr. Emery Johnson, Director of the Indian Health Service testified:

> Despite the significant improvements that have been made in the health status of this population group, they still remain below the general population of the United States.

I hope we can continue to produce significant legislative remedies to these severe health problems and that, in health-related legislation directed toward our total population, we can insure that our first citizens are not neglected. I am optimistic, for example, that national health insurance will have positive results for the Indian community, as well as for all other segments of the population.

Mr. President, I want to take this opportunity to reaffirm my support for S. 2938 and to express my hope that my colleagues in the Senate and the House will act favorably on this vital legislation.

Mr. GRAVEL. Mr. President, as a cosponsor of S. 2938, I support the Indian Health Care Improvement Act. Through its deliberations, the members and staff of the Interior Committee have provided Congress with a precise assessment of the health care system now available to the American Indian and Alaskan Native populations. The committee has focused its attention on past achievements, present problems, and future needs of this system and has formulated a comprehensive proposal that will go a long way toward equating the medical systems available to Native Americans with the services now being used by the majority of the people.

It is my opinion that S. 2938 effectively addresses the fundamental causes of an Indian infant mortality rate one and one-half times the national average; of an Indian life expectancy figure some 6 years less than that of the average American; of an Indian tubercular rate 64 times higher than the rate for all other Americans; of an Alaskan Native suicide rate 35 times the national average.

Mr. President, S. 2938 will expand Indian and Alaskan Native programs; it will eliminate inadequacies in the delivery of essential patient services; it will renovate dilapidated hospitals and reduce the physician to patient ratio which is, at present, one physician to every 1,030 Native Americans.

Equally as important, S. 2938 will enable talented Indian and Alaskan Native students to further their education and return to the villages as physicians in service to their people. At present, there are only 50 known physicians of Indian descent.

I would like to take a few moments to briefly describe the health conditions in the rural areas of Alaska and suggest the extent to which the Indian Health Care Improvement Act will improve these conditions.

It is a well-established medical fact that disease thrives in poor sanitary conditions. While many diseases are directly related to poor sanitation practices, all diseases, particularly infectious diseases, are readily spread throughout a community where adequate sanitation facilities are lacking. A disease or illness which is relatively harmless in a hygenically safe community, may reach epidemic proportions in a poorly-sanitized area. According to the UNICEF–WHO Joint Committee on Health Policy, "no other single measure can make a comparable contribution to the improvement of health and (the) standard of living" as clean water sources and adequate waste disposal processes. For example, in a survey conducted in Japan in 1962, 30 rural areas showed that after water purification systems were installed, the number of cases of communicable intestinal diseases was reduced by 71.5 percent, while the death rate for infants and young children dropped by 51.7 percent.

One of the main sanitation problems in the rural native villages of Alaska stems from the fact that individual homes often have no indoor running water. Consequently, their main source of water for washing dishes, cooking and bathing is by melting blocks of ice into bowls or other containers. As a result, the water is left standing, and washing consists more of rinsing than cleansing. This lack of sanitary water accounts for a number of health problems: impetigo being one of the most common. This skin infection can reach epidemic proportions in the rural villages, and is quickly spread in the schools.

Although the Indian Health Service is reaching some rural villages, many Alaskan villagers must continue to improvise; "honeybuckets" and hand-drilled water holes are the rule rather than the exception. My office continually receives pleas for assistance. The Natives know that they are not maintaining adequate hygenic practices, but they have little choice but to drill holes in the ice or ground and bend down on their hands and knees to drink the water. Mr. President, following the completion of my remarks, I would like to print in the RECORD a few of the letters that I have received detailing the inadequacies of such sanitation facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAVEL. Mr. President, S. 2938 can have a positive effect on the unhealthy conditions that I have just mentioned. Under title III of the Indian Health Care Improvement Act, the Secretary of Health, Education, and Welfare is authorized "to supply unmet needs for safe water and sanitary waste disposal facilities in existing and new Indian homes and communities." This is only one section of S. 2938 and, as such, it is just a sampling of the far-reaching effects the Indian Health Care Improvement Act will have if enacted. By focusing my attention on this most basic of health needs, I do not want to convey the impression that the remainder of the legislation is ancillary to the sanitation provisions. This is most definitely not the case. As I mentioned previously, S. 2938 touches all the bases through a comprehensive plan to upgrade the health care system in American Indian and Alaskan Native communities.

Mr. President, the first Americans are not second-class citizens and they deserve something more than second-class services.

Once again, I want to commend the Interior Committee for this proposal and I urge my colleagues to join with me in support of this desperately needed legislation.

EXHIBIT 1

HOOPER BAY, ALASKA,
June 16, 1974.

DEAR SENATOR M. GRAVEL: I always get letters, and the things you have done for us. I'm very glad you done alot of things to help us. This is my first time write back or answer you. Many times you ask us that you will be able to help us.

Here's my big wish for you to help.

22 new houses were build up across the village. This is in the year of 72 Ever since we've been suffering. That's what all people need. *WATER*. We don't have any body to carry water to house like other cities does.

We don't have well here in our mean city we have, but its too far for us to pack. We all housing members we such from the ground holes and we get from the lakes. Could you help us we need it badly

We need *well* I'm tired of packing water. I have made little holes in the ground thats the only one my family and my neighbor using it.

I'm afraid this might cause sickness Please could you help.

Thank you very much
Sincerely

MRS. NEVA H. RIVERS.

TELLER, ALASKA.

DEAR SENATOR MIKE GRAVEL: Water is our most pressing problem. Only those who have boat can get water in summer time, rain water too only when its raining, some of the families dont have water sometimes, even some of family stole water, gee. If government give us something for the water I should be very grateful other thing the water isn't very good, when I make tea it turn black, maybe from water, also there's something shine on tea inside the cup, but we drink it even though its that way.

In winter time some of us bought ice for water sometimes we get snow, it was dirty mostly in spring time when the ice cannot be get anymore, only those who had snow machine get ice or snow in winter time and have cleaner water, I am not the native here at Teller Im from Diomede, them peoples dont try to do something to water, They have water truck from Nome belong to Castel, that old man died so that water truck was very old now, I believe that Castel got those water truck sometimes when Nome was first settled, those water truck broke down many times, also I believe the wood tank inside might not be good, because they are too old, the last time I see the tank it was leaking, that water truck was broke down again I don't know how long now, well you please try get something to get better cleaner water for us here,

That's all I ask for,
Sincerely,

ALICE KAYOUKTUK.

ST. GEORGE ISLAND,
Sept. 24, 1974.

Senator MIKE GRAVEL,

MY DEAR SENATOR: I am enclosed letters about the contaminated water. While I was gone on my vacation, the distiller at our hospital was out of order. The people were having hard times searching for drinking water, so finely the plumbers worked on it for almost whole day. So, therefore, we need one more distriller just in case. I do not know why they don't start drilling for good drinking water *now*. We have been waiting since 1972.

Sincerely,

REV. ELARY GROMOFF.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I will withhold my time until the distinguished Republican leader speaks.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

ANNOUNCEMENTS OF NON-CANDIDACY

Mr. HUGH SCOTT. Mr. President, the Presidential campaign of 1976, I suppose, will be interlaced with numerous declarations of candidacy, and in that regard I do not want to exclude any of my colleagues in this body. But a new switch appears when there seems to be more publicity about an announcement of noncandidacy than there is about announcements of candidacy.

I suggest that all our colleagues who are not bitten by the Presidential bug can amass for themselves a certain amount of publicity by announcing consecutively that they are not candidates for the Presidency. I suggest that this be done on Friday, in order to get in the weekend papers. It offers an opportunity for a speech, some philosophical reflections on the state of the Union, and then the Senator's own contribution to the improvement of the state of the Union by his decision not to seek to head it. This could well be a salutary proceeding. If necessary, we can set aside the morning hour for successive days for these announcements of noncandidacy.

Certainly, noncandidacy is important. Noncandidacy is news. Noncandidacy implies a certain spirit of sacrifice, a certain willingness to abase oneself below the peak or to situate oneself further down the slopes of Everest.

So I am in favor of noncandidacy. I think the more noncandidates we have, the better for the country. These are all eminent gentlemen and well qualified. Every one of them is admirably qualified to be a noncandidate. [Laughter.]

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. I yield the remainder of the special time allotted to me to the Senator from Arizona, or such part thereof as he may desire to use.

The ACTING PRESIDENT pro tempore. The Senator from Michigan has 11 minutes remaining. The Senator from Arizona is recognized.

IS OUR LEADERSHIP POSITION WEAKENING?

Mr. GOLDWATER. Mr. President, I thank my friend from Michigan. Mr. President, some weeks ago on the floor of the Senate, I raised questions about two of our colleagues visiting Cuba in what could have been an exploratory-type mission leading to our recognition of Communist Cuba. Naturally, I did not think that my two colleagues would do this on their own. I felt that it would have required permission from the Secretary of State and the President of the United States. Even so, I expressed my fears at that time and, since that time, I have received a letter from the Secretary of State and a letter from the President advising me that the Senators' visit should in no sense be viewed as reflecting more than their individual interests. The President went a step farther and pointed out that in a press conference on October 21—in Arizona, by the way—he said, and I quote him:

> Our policy toward Cuba is based in part on the sanctions voted by the Organization of American States.

It was extremely gratifying to me to be assured by the Secretary of State and by the President that no change was anticipated or is being anticipated in our policy toward Communist Cuba.

Mr. President, my colleagues might well wonder why this matter disturbs me, and I am happy to share with them these feelings. It has become more and more obvious to me over the past several years, as I have visited in Europe and in other countries of the world, where I have kept up correspondence and communications with friends, that the United States is in a slowly deteriorating position from the standpoint of how this country is considered by its friends and former friends.

I find these countries taking a disturbing view of our continuing efforts to reach a détente with the Soviets closer and better relations with Red China, and our near abandonment of South Vietnam, and therefore Southeast Asia. They see all of this happening at a time when the United States needs an improved image in the eyes of the world more than at any other time in our recent history. These people, just as our people, are looking for moral leadership and they do not seem to be finding it in a country that is constantly slipping toward agreements, détentes, and understandings with those powers that would change the world from a course dedicated to freedom to a course dedicated to slavery.

I look at our continuing efforts to reach détente with the Soviets, for example, and, having long ago learned that much can be gained by putting one's self in the other fellow's spot, I see myself as a Russian leader looking at the United States, with our endless craving for détente. Then, Mr. President, I would reason if I were in that position, let us encourage them, but let us do nothing about it, because what we are after now are the big things. What are the "big things"? One "big thing" is feeding the Russian people, and we seem only too happy to do that. Another "big thing" is obtaining the technology of the West, and we seem only too happy to supply them with this "know how."

What I am trying to say to my colleagues is that we are living today in a world that is watching the United States with understandable suspicion and with understandable doubt, seeing us as a people willing to give up without a struggle the leadership of the world and allow that leadership to fall into the hands of others would not be in the best interest of the entire world.

That is why I was concerned about the visit to Cuba by two of our colleagues. I felt that it might be just another prelude to another recognition of a Communist government that, frankly, could bring us no advantage at all. This would picture us as a nation whose position was weakening. And, to me, that is what the exercise of foreign policy should be—what is good for the United States of America in its present position as a leader of the free world is good for the free world.

I yield back the remainder of my time.

QUORUM CALL

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the time allocated to the senior Senator from Montana, the majority leader (Mr. MANSFIELD) be vacated. I am advised that he does not wish to use it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK). Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

NEW HAMPSHIRE RESIDENT IN UNIQUE MUSIC PROGRAM IN COSTA RICA

Mr. McINTYRE. Mr. President, along with its more normal and recognized work in the fields of agriculture, education, medicine, engineering, and public health, the Peace Corps has many lesser known and more intimate programs involving young Americans in developing countries. I want to bring to my colleague's attention the Peace Corps assignment of a fellow New Hampshire resident who is involved in one of these programs.

Miss Damarias J. Tyler, of Monroe, N.H., is with the Peace Corps in the Central American Republic of Costa Rica. She is involved in a unique music education program, teaching various aspects of music appreciation to 250 especially gifted young people. The program helps fill a great cultural need in the country by highlighting classes and instruction in orchestra, singing, and choral arrangements. Miss Tyler, as coordinator and teacher at this school, is very enthusiastic about its possibilities.

The parents of the children involved are equally enthusiastic. The 250 children are chosen by a nationwide series of comprehensive tests to determine natural music ability and potential talent. The competitiveness of the admissions screening procedure guarantees the support of the parents and children.

Miss Tyler joined the Peace Corps in 1973. She holds a bachelor's degree and a master's degree from the University of Michigan. While in school she played French horn for the Jackson, Mich., and the Flint, Mich., symphony orchestras. She continues to play the French horn in the National Symphony of Costa Rica.

The Peace Corps is helping to meet the trained manpower needs in many of the world's developing countries. Miss Tyler entered the program with unique skills and experience, and she was directed into this exciting and challenging program in Costa Rica. She and 8,000 other individual Peace Corps volunteers make for the personal relationships on which the Peace Corps is based and thrives.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:35 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 386. An act to amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems;

S. 1064. An act to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification;

S. 2299. An act to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes;

H.R. 16757. An act to extend the Emergency Petroleum Allocation Act of 1973 until August 31, 1975; and

H.R. 17434. An act to amend the National Wildlife Refuge System Administration Act of 1966 to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

At 4:30 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed without amendment the following Senate bill and joint resolution:

S. 3802. An act to provide available nuclear information to committees and Members of Congress; and

S.J. Res. 248. A joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

On November 22, 1974, during the adjournment of the Senate, the following report of a committee was received:

By Mr. McGEE, from the Committee on Appropriations, with amendments:

H.R. 16901. An act making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1296).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 2,713 in the Air Force for promotion to the grade of colonel and below and in the Marine Corps there are 465 for promotion to the grade of captain and below. Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be placed on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to be placed on the Secretary's desk were printed in the Congressional Record of October 2, 3, 7, and 15, 1974, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CANNON:

S. 4182. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

By Mr. SYMINGTON:

S. 4183. A bill to reduce the salaries of the President, Senators, and Members of the House of Representatives. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 4184. A bill to establish an Economic Adjustment Corporation to provide financing to business enterprises, financial institutions, and public agencies which are unable to obtain essential financing on reasonable terms from other sources. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. DOMENICI:

S. 4185. A bill to amend part A of title XVIII of the Social Security Act to cover certain additional inpatient hospital services furnished outside the United States to individuals insured for benefits provided under such part A. Referred to the Committee on Finance.

By Mr. ALLEN (for himself and Mr. Sparkman):

S. 4186. A bill to provide that the reservoir formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Ala. shall hereafter be known as the R. E. "Bob" Woodruff Reservoir. Referred to the Committee on Public Works.

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Cranston, Mr. Humphrey, Mr. Kennedy, Mr. Muskie, Mr. Nelson, Mr. Abourezk, Mr. Biden, Mr. Clark, Mr. Metzenbaum, Mr. Tunney, and Mr. Stevenson):

S. 4187. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to low- and middle-income taxpayers, to increase revenues from other tax sources, and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

By Mr. CURTIS:

S. 4188. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. STEVENS:

S. 4189. A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S.J. Res. 259. A joint resolution relating to the issuance of a special postage stamp commemorating the World Food Conference. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CANNON:

S. 4182. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

Mr. CANNON. Mr. President, I am introducing legislation today to restore certain property in Lee Canyon, Nev., to Mrs. Bernice Clark, whose father purchased it some 30 years ago. At the time of conveyance, Mrs. Clark's family was in the process of moving, and through an understandable inadvertance the deed was not recorded then. Shortly thereafter, the original owner died, and his widow sold the bulk of her property to the U.S. Government which included it in what is now Toiyabe National Forest. The widow did not know of her late husband's conveyance to Mrs. Clark's family, and since the deed had not yet been recorded, she mistakenly reconveyed the 1⅓ acres in question to the Forest Service, which recorded their deed only a few weeks before the original deed was finally recorded.

Bernice Clark and her family have continued to use the land and the cabin they built on it to this day, and it was only recently that the title problem was discovered. The Forest Service advises me that they have no objection to returning this small parcel to Mrs. Clark, but that remedial legislation is required. This bill will do nothing more than return a small tract of land to its equitable owner, whose father gave value years ago and used it in good faith to this day.

Mr. President, I urge prompt and favorable consideration for this legislation to correct a minor mistake which occurred in settling this large estate three decades ago.

By Mr. SYMINGTON:

S. 4183. A bill to reduce the salaries of the President, Senators, and Members of the House of Representatives. Referred to the Committee on Post Office and Civil Service.

Mr. SYMINGTON. Mr. President, at a press conference in Missouri recently I suggested the President as well as Members of Congress take a reduction in salary to set an example as the Nation is forced to focus on the economic problems of inflation and recession.

Unfortunately during the congressional recess, at a time I was serving in New York as a delegate to the United Nations, a press release from my office recommended the President take a salary reduction, but omitted that I believed Members of the Senate and House should do the same.

I am introducing legislation today to provide salary reductions for the Congress, the President, and other top level positions in the legislative and executive departments.

The bill in question provides that, effective January 1, 1975, the salaries of all Government employees of the legislative and executive branches earning $40,000 or more, including the President, Senators, and Representatives, be reduced by 10 percent.

On this floor we have done a lot of talking about reducing Federal expenditures. Here would seem a place we might well begin.

This proposal may result in unreasonable differentials which could be rectified later. The important point would seem to be some action now; some symbol that could point up our recognition of the growing grave economic problems we are facing today.

I ask unanimous consent that this bill be printed in full at this point in the Record and referred to the proper commitee.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4183

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding any other provision of law, effective January 1, 1975, the annual rate of pay or compensation for the President, Senators, Members of the House of Representatives, including the Resident Commissioner from Puerto Rico and the Delegate from the District of Columbia, and all other federal government employees in the executive and legislative branches of government with salaries of $40,000 or more, are reduced by ten percent.

By Mr. INOUYE:

S. 4184. A bill to establish an Economic Adjustment Corporation to provide financing to business enterprises, financial institutions, and public agencies which are unable to obtain essential financing on reasonable terms from other sources.

Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. INOUYE. Mr. President, we have long been aware that this country is facing an unusual and exceedingly problematic combination of economic ailments. On the one hand, we are confronted with persistent and traumatic inflation, evidenced in the sharply rising prices of foodstuffs, raw construction materials, and other products. On the other hand, we receive daily reminders of an increasingly severe recession, as seen in our declining national product, massive layoffs in major industries, and a fall-off in aggregate investment. In short, we are confronted by an anomalous and somewhat contradictory phenomenon. But if this phenomenon is difficult to read, the mandate of the American people is not: They rightly demand that Congress and the Executive take action to meet these problems.

Accordingly, today I wish to introduce legislation which would create a Federal corporation empowered to extend credit to commercial, agricultural, and public enterprises for the purpose of remedying some of our economic troubles. The proposed corporation, which would be known as the Economic Adjustment Corporation, would have the means and flexibility to make fine-tuned credit adjustments on a case-by-case basis, something which Congress cannot and, in my opinion, should not attempt to do on its own.

As enumerated in my bill, loans would be issued where they would help to increase productivity, increase employment levels, reduce energy consumption, create a favorable balance of payments, prevent major dislocations in sectors of our economy, or otherwise help achieve and maintain a stable, productive economy. In short, the EAC would take both a long- and short-term approach to problem areas while remaining sensitive to the particular inflationary or recessionary bases of those problems.

As the Senate will note, the AEC is similar in function to the Reconstruction Finance Corporation which our distinguished majority leader recently proposed to revive. Senator Mansfield has come forward with a timely and promising legislative proposal, and I wish to congratulate him for it. As he has pointed out with particular reference to Pan American Airways, there is a need for an institution which can assist companies in financial distress, and the RFC is well tailored to meet that need.

It is my desire, however, to add to the mandate of such an institution, and I am hopeful that the EAC authorization would do so. Thus, in addition to making loans which would enable businesses to weather these difficult times, the EAC would be enjoined to make loans which would positively contribute to the long-term health of the economy by treating the causes and symptoms of inflation and recession. My bill does not explicitly set up any system of priority loans, such as loans to increase grain production or loans to convert factories to alternate energy sources; it was not my wish to set up any such rigid categories. But it is my wish that the EAC legislation be generally directed toward encouraging just those sorts of loan requests; that is why I have chosen in this bill to emphasize the loan purposes that I enumerated earlier.

Mr. President, I am hopeful that the administration and our colleagues will concur on the need for this legislation. The past months have demonstrated that our economic woes cannot be handled facilely and, if debate on that continues, it does not continue among the public, and it should not continue among us. I ask unanimous consent that the text of my bill—an act to create an Economic Adjustment Corporation—be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Economic Adjustment Corporation Act of 1974."

ESTABLISHMENT

Sec 2. There is established as an independent instrumentality of the United States an Economic Adjustment Corporation (hereinafter referred to as the "Corporation"). The Corporation shall have a principal office in the District of Columbia and may establish such regional and area offices in any other place in the United States as it deems appropriate.

INITIAL CAPITAL

Sec. 3. The Corporation shall have an initial capital stock of $600,000,000, subscribed by the United States of America, payment for which shall be subject to call in whole or in part by the board of directors of the Corporation. There is authorized to be appropriated not to exceed $600,000,000 for the purpose of making payments upon such subscription when called.

MANAGEMENT

Sec. 4. (a) The management of the Corporation shall be vested in a board of directors which shall consist of a chairman, who shall be so designated at the time of his appointment, and 6 additional members. The chairman and the members of the board of directors shall be appointed by the President, by and with the advice and consent of the Senate. Of the 7 individuals so appointed, not more than 4 shall be members of any one political party and not more than one shall be appointed from any one Federal Reserve district.

(b) (1) The chairman of the board of directors shall be compensated at the rate now or hereafter provided for an individual occupying a position under level III of the Executive Schedule under section 5314 of title 5, United States Code.

(2) The other members of the board of directors shall be compensated at the rate now or hereafter provided for individuals occupying a position under level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) The chairman and members of the board of directors shall be entitled to reimbursement for their expenses incurred in carrying out their functions.

POWERS

Sec. 5. The Corporation shall have power to adopt, alter, and use a corporate seal; to make contracts; to lease such real estate as may be necessary for the transaction of its business; to sue and be sued, to complain and defend, in any court of competent jurisdiction, State or Federal; to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the Corporation, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States; to define their authority and duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its Board of Directors, bylaws, rules, and regulations governing the manner in which its general business may be conducted and the powers granted to it by law may be exercised and enjoyed, including provision for such committees and the functions thereof as the Board of Directors may deem necessary for facilitating its business under this Act. The Board of Directors of the Corpartion shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid. The Corporation shall be entitled to the free use of the United States mails in the same manner as the executive departments of the Government. The Corporation, with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this Act.

FUNCTIONS

Sec. 6. (a) It shall be the function of the Corporation to assist in the financing of agriculture, commerce, and industry where needed for the purpose of increasing productivity, increasing employment, decreasing energy consumption, creating a favorable balance of payments, preventing major dislocations in economic sectors, or otherwise helping to restore or maintain a stable economy.

(b) In carrying out its functions, the Corporation is authorized to purchase obligations of or make loans to any business enterprise or financial institution organized and operating under the laws of any State or of the United States or to any public agency, corporation, board, or commission if—

(1) the financial assistance being sought is not otherwise available on reasonable terms;

(2) the obligations purchased or loans made are secured in such manner as reasonably to assure repayment; and

(3) in the case of financial assistance to any public agency, corporation, board, or commission, the assistance will be utilized to finance specific public projects and not for the purpose of securing matching funds from any other agency of the Federal Government.

(c) Financial assistance under this Act may be extended by the Corporation directly or in cooperation with banks and other lending or financial institutions directly or through agreements to participate on a deferred basis.

(d) The aggregate amount of loans and investments outstanding at any one time under this section shall not exceed $8,000,000,000.

PROCEDURES

Sec. 7. (a) No loan shall be made under this Act and no financial assistance shall be furnished under this Act unless an application therefor has been submitted to the Corporation in such manner and containing such information as the Corporation may require.

(b) All loans or other financial assistance made under this Act shall be fully and adequately secured under such terms and conditions as the Corporation shall prescribe. The Corporation may take over or provide for the administration and liquidation of any collateral accepted by it as security for any such loans or assistance. Such loans may be made directly upon promissory notes or by way of discount or rediscount of obligations tendered for the purpose or otherwise in such form and in such amount and at such interest or discount rate as the Corporation may approve, except that interest shall accrue on the Corporation's share of any such loan at a rate equal to the current average yield, as determined by the Secretary of the Treasury, on all outstanding obligations of the United States as of the last day of the month immediately preceding the month in which the loan is made.

ADDITIONAL CAPITAL

SEC. 8. (a) The Corporation is authorized and empowered, with the approval of the Secretary of the Treasury, to issue, and to have outstanding at any one time in an amount aggregating not more than $7,400,000,000, its notes, debentures, bonds, or other such obligations; such obligations to mature not more than 5 years from their respective dates of issue, to be redeemable at the option of the Corporation before maturity in such manner as may be stiplated in such obligation, and to bear such rate or rates of interest as may be determined by the Secretary of the Treasury. The notes, debentures, bonds, and other obligations of the Corporation may be secured by assets of the Corporation in such manner as shall be prescribed by its Board of Directors. Such obligations may be issued in payment of any loan authorized by this Act or may be offered for sale at such price or prices as the Corporation may determine with the approval of the Secretary of the Treasury. The said obligations shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guaranty shall be expressed on the face thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of or interest on notes, debentures, bonds, or other such obligations issued by it, the Secretary of the Treasury shall pay the amount thereof, which is hereby authorized to be appropriated, out of any moneys, in the Treasury not otherwise appropriated, and thereupon to the extent of the amounts so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such notes, debentures, bonds, or other obligations.

(b) The Secretary of the Treasury, in his discretion, is authorized to purchase any obligations of the Corporation to be issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of the Corporation's obligations hereunder. The Secretary of the Treasury may, at any time, sell any of the obligations of the Corporation acquired by him under this section, All redemptions, purchases, and sales by the Secretary of the Treasury of the obligations of the Corporation shall be treated as public-debt transactions of the United States. Such obligations shall not be eligible for discount or purchase by any Federal Reserve bank.

TAX EXEMPTION

SEC. 9. Any and all notes, debentures, bonds, or other such obligations issued by the Corporation shall be exempt both as to principal and interest from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, its capital, reserves, and surplus, and its income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that any real property of the corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

FISCAL AND ADMINISTRATIVE PROVISIONS

SEC. 10. (a) In order that the Corporation may be supplied with such forms of notes, debentures, bonds, or other such obligations as it may need for issuance under this Act, the Secretary of the Treasury is authorized to prepare such forms as shall be suitable and approved by the Corporation, to be held in the Treasury subject to delivery, upon order of the Corporation. The engraved plates, dies, bed pieces, and so forth, executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The Corporation shall reimburse the Secretary of the Treasury for any expenses incurred in the preparation, custody, and delivery of such notes, debentures, bonds, or other obligations.

(b) When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depositary of public money, except receipts from customs, under such regulations as may be prescribed by said Secretary; and it may also be employed as a financial agent of the Government; and it shall perform all such reasonable duties, as depositary of public money and financial agent of the Government, as may be required of it. Obligations of the Corporation shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof.

(c) The Corporation shall make and publish a report quarterly of its operations to the Congress stating the aggregate loans and loan guarantees made to each borrower and the number of borrowers and amount borrowed by States. The statement shall show the assets and liabilities of the Corporation, and the first report shall be made as of the close of December 31, 1974, and quarterly, thereafter.

(d)(1) The accounts of the Corporation shall be audited annually in accordance with generally accepted accounting standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the appropriate quarterly report submitted to Congress under subsection (c). The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities and surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

TERMINATION AND LIQUIDATION

SEC. 11. (a) Upon the expiration of 4 years after the date of enactment of this Act, the authority of the Corporation to enter into any new loan or other comparable transaction under this Act shall terminate except pursuant to a commitment entered into prior to the expiration of such period.

(b) Not later than 3 years after the date of enactment of this Act, the Corporation shall include in a report required under section 10(c) a detailed plan for the liquidation of the Corporation and for the disposition of the assets and liabilities of the Corporation.

By MR. DOMENICI:

S. 4185. A bill to amend part A of title XVIII of the Social Security Act to cover certain additional inpatient hospital services furnished outside the United States to individuals insured for benefits provided under such part A. Referred to the Committee on Finance.

Mr. DOMENICI. Mr. President, I am offering a bill today that will fill a small but important gap in the health insurance protection that is afforded to aged and to disabled social security beneficiaries under the medicare program. The bill I am introducing would amend the medicare program so that a beneficiary who is temporarily visiting another country could receive hospital benefits and payment for related physicians' and ambulance services if a medical emergency makes it necessary for him to be hospitalized before he can return to the United States.

Under the present medicare law, hospital and related services furnished abroad are covered only when provided in Canada or Mexico and even then only where the beneficiary is hospitalized in Mexico or Canada as the result of an emergency that arose in the United States. This coverage applies only where the foreign hospital is either nearer to, or more accessible than, the nearest suitable U.S. hospital.

Social security legislation enacted in 1972 added two more exceptions to the general exclusion of services rendered abroad. One permits payment to be made for a U.S. resident in a border State who lives nearer to a suitable foreign hospital than to the nearest U.S. hospital that is adequately equipped to meet his needs. For these beneficiaries, benefits can be paid without regard to whether an emergency existed or where the illness or injury took place. The 1972 social security legislation also provided benefits for U.S. residents who are forced by a medical emergency to be hospitalized in Canada while traveling from Alaska to another State.

These various provisions for paying medicare benefits for people who are hospitalized in a foreign country meet very real and very serious problems for the individuals involved. However, they do not go far enough. Many American residents, especially people living in the border States, have friends and relatives in the neighboring country whom they visit. Others travel abroad on vacations or in the course of their business. Under present law, these people leave their medicare protection behind them when they leave the United States. If they have a medical emergency during their temporary absence from the country, they run the risk of incurring very substantial expenses that will have to be paid out of pocket.

I can offer an excellent example illustrating the need for this legislation. An elderly couple, residents of New Mexico, were recently visiting their son in Buffalo, N.Y. While in that part of the country, they dediced to extend their visit to see the Shrine of St. Anne de Beaupre in Quebec, Canada. Shortly after arriving in Quebec, the husband began suffering acute adominal pains. Immediately, this couple canceled their original plans and made a "run" for the border. Soon the pains became too severe to ignore, and it was necessary to stop for a physician's assistance. The doctor immediately placed the patient in the hospital for surgery. The operation was a success, but the bills have been mounting ever since. Medicare obviously will not cover these expenses as they were incurred out of the country.

This couple only receives a $360 social security check each month. They saved a long time for this trip, not forseeing the medical emergency. It is likely they will now lose their home and any other assets to pay their medical bills.

Private health insurance plans generally are sensitive to this problem and cover their own policyholders during temporary absences from the country. I am proposing that similar protection be extended to the aged and disabled under social security who are permanent residents of this country and who have been physically present in the United States within the preceding 6-month period. As in the case of the benefits now provided for services furnished outside the United States, this bill would cover the related ambulance and physicians' services as well as the hospital services themselves.

Mr. President, the bill I am introducing today would affect relatively few medicare beneficiaries. But those who would benefit would be relieved of a potentially large financial burden that could, through no fault of their own, spell financial disaster. I urge that the proposed legislation be enacted.

By Mr. ALLEN (for himself and Mr. SPARKMAN):

S. 4186. A bill to provide that the reservoir formed by the lock and dam referred to as the "Jones Bluff Lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Reservoir. Referred to the Committee on Public Works.

Mr. ALLEN. Mr. President, today, along with Senator SPARKMAN, I introduce a bill to provide that the reservoir formed by the lock and dam referred to as the "Jones Bluff Lock and Dam" on the Alabama River, Ala., shall hereafter be known as the R. E. "Bob" Woodruff Reservoir.

Construction began on the Jones Bluff Lock and Dam in 1966 as part of the development plan for the Alabama-Coosa Waterway. Although the lock opened to navigation in January 1972, the final completion date for the dam will not come until next year.

Behind this giant dam will be a reservoir that extends 82 miles up the Alabama and Coosa Rivers, providing a vital link in a waterway that will provide navigation all the way to Montgomery, Ala. More than 3 million tons of commerce are expected to be transported over this waterway and the power installation at the dam will provide electric power for the industrial development for the entire tributary area. In addition, the lake that will finally be created behind the Jones Bluff Dam will provide excellent opportunities for recreational uses.

Mr. President, the late R. E. "Bob" Woodruff, probate judge of Lowndes County, Ala., in which Jones Bluff Lock and Dam is partially located, was, during his lifetime, one of the foremost advocates of this important project, devoting much of his time and energy toward planning and developing the full utilization of the Alabama and Coosa Rivers for the benefit of Alabama and the Nation.

In separate resolutions the County Commissions of Lowndes and Autauga Counties, Ala., have recommended that the reservoir created behind the Jones Bluff Dam be designated the R. E. "Bob" Woodruff Reservoir, in honor of this outstanding citizen and public official who continued to serve his people faithfully and honorably until his death in 1950.

The senior Senator from Alabama (Mr. SPARKMAN) joins me in sponsoring this legislation and in urging the Senate to give this legislation prompt and favorable attention. I ask unanimous consent that the text of the bill be printed in the RECORD along with the resolutions of the governing bodies of Lowndes and Autauga Counties, Ala., and fact sheet material relating to the Jones Bluff Lock and Dam.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 4186

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in honor of late Probate Judge R. E. "Bob" Woodruff of Lowndes County, Alabama, and in recognition of his long and outstanding service to his county, State, and Nation, the reservoir formed by the Jones Bluff lock and dam on the Alabama River, Alabama, shall hereafter be known and designated as the R. E. "Bob" Woodruff Reservoir. Any law, regulation, map, or record of the United States in which such reservoir is referred to shall be held and considered to refer to such reservoir by the name of the R. E. "Bob" Woodruff Reservoir.

RESOLUTION

The following Resolution was offered by Mr. Moody:

Whereas: the Jones Bluff Lock and Dam has created a large reservoir of water extending through several Counties;

Whereas; this body of water has not been named in honor of any person;

Now, Therefore, *be it resolved* that the Autauga County Commission in this regular meeting on 17 October, 1974, respectfully request that this reservoir be named the Woodruff Reservoir in honor of the late Honorable Judge Bob Woodruff of Lowndes County.

RESOLUTION

The following Resolution was offered by Commissioner Davis:

Whereas: the Jones Bluff Lock and Dam has created a large reservoir of water extending through several Counties;

Whereas; this body of water has not been named in honor of any person;

Now, therefore, *be it resolved* that the Lowndes County Commission in this regular meeting on November 11, 1974, respectfully request that this reservoir be named the Woodruff Reservoir in honor of the late Honorable Judge Bob Woodruff of Lowndes County.

JONES BLUFF LOCK AND DAM

The Jones Bluff Lock and Lam is located on the Alabama River in Lowndes and Autagua Counties about 3 miles north of Benton and about 15 miles southeast of Selma. Construction was started in March 1966 and is scheduled for completion in 1975 at a cost of about $74 million. The lock was opened to navigation in January 1972.

The structure, which is more than half finished, consists of an earth dike on the northwest bank; a powerhouse, a gated spillway with 11 tainter gates, and a lock in the river channel; and a long earth dike on the southeast bank. The lock has inside chamber dimensions of 84 by 600 feet and a maximum lift of 45 feet. The powerhouse, which is still under construction, will contain four generating units with a total capacity of 68,000 kilowatts.

The Alabama-Coosa Basin is rich in natural resources. Its economy heretofore has been largely agricultural. Considerable industrial expansion is now taking place. Development of the Basin's water resources is essential to meet the present day requirements. The reservoir formed by Jones Bluff Lock & Dam extends 82 miles up the Alabama and Coosa Rivers to Wetumpka, Alabama. It constitutes a vital link in the canalization of the Alabama River, which provides a 9-foot deep navigation channel to Montgomery, Alabama. The estimated future annual commerce on the Alabama River is over 3 million tons. The proposed power installation at Jones Bluff, 68,000 kw., will provide 328,900,000 kwh of energy annually for which there will be a ready market. Navigation to Montgomery and the additional power to be generated will be very beneficial in the development of the tributary area. The reservoir also will be accessible to a large part of the population of central Alabama for recreational uses.

Breakdown of Benefits—Alabama River to Montgomery:

Navigation	$4, 297, 000
Power	7, 102, 000
Recreation	3, 493, 000
Fish and wildlife	549, 000
Area redevelopment	750, 000
Total	16, 191, 000

Since the Jones Bluff Lake has an area of about 20 square miles and its level will normally fluctuate only about one foot, it will provide excellent opportunities for such recreational uses as fishing, boating, water skiing, picnicking, camping, hiking and swimming.

Through FY 74 the Jones Bluff project has cost approximately $59,025,800 for new work.

By Mr. MONDALE (for himself, Mr. BAYH, Mr. CRANSTON, Mr. HUMPHREY, Mr. KENNEDY, Mr. MUSKIE, Mr. NELSON, Mr. ABOUREZK, Mr. BIDEN, Mr. CLARK, Mr. METZENBAUM, Mr. TUNNEY, and Mr. STEVENSON):

S. 4187. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to low and middle income taxpayers, to increase revenues from other tax sources, and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

TAX REFORM AND RELIEF ACT OF 1974

Mr. MONDALE. Mr. President, I am today introducing, on behalf of myself and Senators BAYH, CRANSTON, HUMPHREY, KENNEDY, MUSKIE, and NELSON, together with Senators ABOUREZK, BIDEN, CLARK, METZENBAUM, TUNNEY, and STE-

VENSON, S. 4187, the Tax Reform and Relief Act of 1974.

We intend to offer this legislation as an amendment to an appropriate bill before the end of the session.

The November election was a clear sign from the American people that they have had enough of excuses and inaction on the economy. We must begin to deal with the simultaneous recession and inflation that has gripped our Nation before this Congress ends. The situation has grown too serious to permit further delay.

The $4 billion tax reform and relief package we propose will enable us to make a start on the kind of action that is needed. It contains the following provisions, which are discussed in more detail in the accompanying fact sheets:

The oil and gas tax sections of the bill approved last week by the House Ways and Means Committee, including a phase-out of the oil depletion allowance by the end of this year, with exceptions for independents until 1979; a tax on windfall profits; and increased taxes on foreign oil operations—$1 billion revenue gain in 1974, $3.3 billion in 1975, and $2.6 billion in 1976.

Repeal of the Domestic International Sales Corporation—DISC—system of tax incentives for exports, effective January 1, 1974—$800 million revenue gain in 1974, $1 billion in 1975.

Strengthening of the minimum tax by reducing the current exclusion from $30,000 to $10,000, and by eliminating the current deduction for regular taxes paid, effective January 1, 1974—$926 million revenue gain in 1974, reduced by $100–200 million as depletion is phased out.

An increase in the investment tax credit from 7 percent to 10 percent for new investment above the average of the 3 preceeding years, effective January 1, 1975—$400 million revenue loss.

Tax relief for low- and middle-income families through an optional $175 tax credit that may be taken instead of the existing $750 personal exemption—$3 billion revenue loss—and a 10 percent "work bonus" for low-income workers with dependent children—$600 million revenue loss.

The revenue gains from the tax reform provisions in the package will fully finance the tax relief for individuals and the increase in the investment tax credit. The package will therefore not be inflationary.

Since the tax reform provisions will raise only $2.6 billion in calendar 1974, tax relief in that year is limited to a $170 optional tax credit —$205 billion revenue loss. When the revenue gain from reform increases in 1975, the tax credit will increase to $175, and the work bonus and the higher investment tax credit will begin.

Mr. President, the House Ways and Means Committee has already reported out legislation very similar to that which we propose, and the full House is expected to act in the first week in December. That will leave 3 to 4 weeks for the Senate to act.

The issues in the House bill and in our own are not so complex and unfamiliar that they cannot be considered in this time.

The principal tax reform provisions in our package—phaseout of the oil depletion allowance, repeal of DISC, and a tighter minimum tax—have been thoroughly debated by both Houses of Congress in recent years. The oil and gas tax provisions in our bill and in the House bill are the product of more than a year of House hearings and careful committee consideration.

The individual tax relief provisions in our bill—the $175 optional tax credit and the work bonus—have been extensively discussed in the Senate. An optional tax credit was part of the tax reform and relief package considered in June of this year as an amendment to the debt ceiling bill, and the work bonus passed the Senate a year ago by an overwhelming margin.

The concept of a higher investment tax credit for investment in excess of that of prior years was part of the original Kennedy administration proposal for an investment tax credit in 1961, and it has been discussed frequently in Congress and elsewhere since then.

ECONOMIC CRISIS

Mr. President, we are facing an economic crisis as serious as any since the 1930's.

We are now in the fourth straight quarter of economic decline.

Inflation continues at its worst rate in more than a quarter of a century.

Unemployment may be headed toward its highest level since the depression.

The average worker's real earnings are lower now than they were in 1965.

Consumer confidence is at its lowest level since World War II.

The housing and auto industries have been severely crippled, and the nationwide coal strike threatens many others.

The quadrupling of world oil prices has put an unprecedented strain on the world economic and monetary systems.

The latest Gallup poll shows that 51 percent of Americans believe we are headed for a depression like that of the 1930's.

In the face of this, we simply cannot continue with business as usual.

The tax reform and relief package we propose will not by itself turn the economy around. But it can help ease some of the most serious problems.

The $3.6 billion in tax relief for low- and middle-income workers will compensate in part for the cruel erosion of their incomes by inflation and higher taxes. It can also give a significant boost to lagging consumer demand, and help curb rising unemployment.

The higher investment tax credit for new investment will encourage industry to expand capital investment, thereby giving some support to an important part of the economy, and helping to reduce inflationary shortages and bottlenecks.

This tax relief will be fully financed by increased revenues from some long-overdue tax reforms, so the package will not add to inflationary pressures.

In addition, the revenue raised from the reforms we propose is less likely to depress our already weak economy than a surtax or other increase in taxes on moderate income individuals.

The $3 billion raised from repealing depletion, and the other tax changes affecting the oil industry, will come from profits which are exorbitant by almost any measure, and from an industry which for years has been taxed far less than others.

The increase in the minimum tax will fall overwhelmingly on those making more than $100,000 a year, 402 of whom paid no taxes at all for 1972, and many others of whom paid a lower percentage in taxes than the average worker.

The $1 billion that would be raised from repeal of DISC now represents almost a pure windfall to the corporations that receive it.

More than 90 percent of DISC receipts go to parent corporations whose asset size places them in the top 1 percent of U.S. corporations, and they receive DISC benefits solely by setting up a paper corporation through which their exports are channeled.

When the DISC provisions were enacted in 1971, U.S. exports had been lagging for a number of years because the U.S. dollar was substantially overvalued, making our exports too costly to compete effectively abroad.

Since then, however, two devaluations and the system of flexible exchange rates have fundamentally changed the United States and world trading system, giving a very substantial stimulus to U.S. exports and removing even the slender original rationale for DISC. There is little evidence that the DISC provisions themselves have provided any extra stimulus to exports.

OIL INDUSTRY PROFITS AND TAXES

Mr. President, the oil industry is the most highly profitable and lightly taxed industry in America.

Oil industry profits in the first 9 months of this year reached $10.8 billion, 66 percent higher than a year ago. For U.S. industry as a whole, profits were up only 21 percent.

Standard of Indiana's profits in the first 9 months were up 104 percent, Texaco's 70 percent, Sun Oil's 109 percent, Phillips' 140 percent, Continental's 115 percent, Atlantic Richfield's 112 percent, and Occidental's 360 percent.

Oil industry profits for the first 9 months of this year exceeded the combined total of the profits in the auto industry, the steel industry, banking, drugs, food, containers, electronics, paper, and railroads.

These oil billions have become so stupendous that they are embarrassing to keep and almost impossible to spend. During this past year, for example, Gulf sought to expand the Nation's energy resources by purchasing Ringling Brothers' Barnum and Bailey Circus and Mobil is demonstrating its commitment to Project Independence by buying up Montgomery Ward. And just last week, it was revealed that Standard of Indiana wants to acquire control of Occidental Petroleum Co. through an exchange of more than $1 billion of stock—one of the largest acquisitions ever attempted.

One reason the profits of these large multinational oil companies are so formidable is that they are only modestly dented by U.S. income taxes. For more than half a century, the oil industry has benefited from tax treatment more favorable than that accorded to any other industry.

The oil depletion allowance, the deduction for intangible drilling expenses, and Treasury rulings allowing foreign oil royalties to be treated as tax credits have worked together to allow the major multinational oil companies to operate virtually free from U.S. income taxes.

In 1973, the 19 largest U.S. oil companies paid only 6.5 percent of their total income in U.S. taxes. That is a smaller percentage than a worker making $8,000 a year pays.

Many of the largest companies paid the smallest percentage. Gulf paid 1.1 percent, Mobil 2.2 percent, Texaco 1.6 percent, and Exxon 5.4 percent.

The changes we propose in oil industry taxation are relatively modest. The depletion allowance would be phased out, but the deduction for intangibles would remain, and the changes in foreign taxation deal only with the most serious abuses.

Mr. President, the oil depletion allowance has for decades been one of the least defensible provisions in the Internal Revenue Code.

Its supporters argue that it is absolutely essential as an incentive for oil exploration and development. Yet in a letter last year to the Senate Interior Committee, Treasury Secretary William Simon said that changes in depletion would have "relatively minor" and "little" effect on development and exploration in the short run, and "no effect" in the long run. In addition, Secretary Simon wrote, depletion costs the Treasury more in lost revenues than it saves consumers in lower prices, with the difference necessarily going to profits, royalties, and dividends.

This letter was written in March of 1973, before the oil price explosion of this past year. With that doubling in prices, whatever slim justification there was for the depletion allowance has been swept away.

When oil was selling for $3.50 a barrel in 1973, depletion was worth about 37 cents a barrel in lower taxes. Now, with oil selling at $7 and $10 a barrel, the incentives from price alone far exceed the incentives depletion has provided in the past. In addition, since the tax benefits from depletion increase with the price, the industry is now getting a double incentive—higher prices and higher depletion allowances.

At some point, we must say that enough is enough. That time has now come.

TAX RELIEF FOR LOW- AND MIDDLE-INCOME WORKERS

While the oil industry has flourished during this past year's inflation and recession, most Americans—and especially those with low and middle incomes—have suffered severe hardship.

The average worker's real earnings—after inflation and taxes are nearly 5 percent below a year ago.

And a Labor Department survey earlier this year showed that low- and middle-income families have been hurt more by inflation and higher taxes than those with higher incomes.

Record interest rates and soaring prices for housing have made it almost impossible for the average family to buy a home.

Unemployment, which hits hardest at the poor and unskilled, has reached 6 percent, and most economists predict it will reach 7 percent or more by the spring of 1975.

Those fortunate enough to receive pay increases that merely kept up with inflation have seen a larger share of their income taken away in taxes as they moved into higher brackets. Not only are their dollars worth less, but they are taxed more.

The social security payroll tax—the most rapidly rising tax of all—has placed a growing burden on those with low and middle incomes, while having little impact on the most affluent.

The tax package we propose would provide $3.6 billion in tax relief to those low- and middle-income families who have suffered the most.

Nearly 95 percent of the $3 billion in relief provided by the $175 optional tax credit would go to families making less than $15,000, and the $600 million in relief from the work bonus would go entirely to those making less than $5,600.

These are the families that have been hurt most by inflation and recession, and they would be helped most by the tax relief in our bill.

In addition, since these families must use all or almost all of their income to meet their everyday needs, this relief will be promptly returned to the economy in the form of increased consumer spending, giving a much-needed boost to lagging consumer demand.

Mr. President, it will not be easy to combat effectively the unprecedented combination of recession and inflation which now afflicts our Nation. The American people know this, and I am convinced they are prepared to make whatever sacrifices are necessary.

But there must be equality of sacrifice, and some compassion for those who have already suffered much. The legislation we propose seeks to meet those goals.

Those like the oil industry, who have profited greatly and sacrificed not at all during this past year, are asked to share some of their gains with those who have already borne a heavy burden of sacrifice and deserve some relief. It is little enough to ask in these difficult times.

I ask unanimous consent that a series of fact sheets describing this legislation, and the text of the legislation, be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 4187

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

Section 1. This Act may be cited as the "Tax Reform and Relief Act of 1974."

TITLE I—TAX RELIEF FOR LOW AND MIDDLE INCOME TAXPAYERS

OPTIONAL CREDIT AGAINST TAX FOR PERSONAL EXEMPTIONS; TAX CREDIT FOR LOW-INCOME WORKERS WITH FAMILIES

Sec. 101. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as section 44 and by inserting after section 41 the following new sections:

"Sec. 42. Personal exemptions.

"(a) (1) General Rule.—At the election of the taxpayer, for taxable years beginning after December 31, 1974, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to $175 multiplied by the number of exemptions to which the taxpayer is entitled under section 151. Such credit shall not exceed the tax imposed by this chapter for the taxable year.

"(2) Special rule for 1974.—At the election of the taxpayer, for taxable years beginning before January 1, 1975, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to $170 multiplied by the number of exemptions to which the taxpayer is entitled under section 151. Such credit shall not exceed the tax imposed by this chapter for the taxable year.

"(b) Election.—An election under subsection (a) for a taxable year may be made at any time before the expiration of the period for filing a claim for a refund or credit of an overpayment of tax for such taxable year and shall be made in such form and manner as the Secretary or his delegate prescribes by regulations.

"(c) Denial of Deduction.—If a taxpayer elects the credit provided by subsection (a) for a taxable year, no deduction shall be allowed under section 151 for any exemption to which he is entitled under such section.

"Sec. 43. Tax credit for low-income workers with families

"(a) In General.—

"(1) Allowance of credit.—There shall be allowed to a taxpayer who is an eligible individual as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable percentage (as determined under paragraph (2)) of the social security taxes imposed on him and his employer with respect to wages received by the taxpayer during that year. In the case of a taxpayer who is married (as determined under section 143) and who files a joint return of tax with his spouse under section 6013 for the taxable year, the amount of the credit allowable by this subsection shall be an amount equal to the applicable percentage (as determined under paragraph (2)) of the social security taxes imposed on him and his spouse, and their employers, with respect to wages received by the taxpayer and his spouse during that year.

"(2) Applicable percentage.—The percentage under paragraph (1) applicable to the social security taxes is—

"(A) 86 percent for calendar years 1975 through 1977,

"(B) 83 percent for calendar years 1978 through 1980,

"(C) 80 percent for calendar years 1981 through 1985,

"(D) 78 percent for calendar years 1986 through 2010, and

"(E) 68 percent for calendar years beginning after December 31, 2010.

"(b) Limitations.—

"(1) Maximum credit.—The amount of the credit allowable to a taxpayer (or to a taxpayer and his spouse in the case of a joint return of tax under section 6013) for any taxable year under subsection (a) shall not exceed an amount equal to 10 percent of so much of the wages (as defined in section 3121(a)) as does not exceed $4,000 received by that individual (or by that individual and his spouse in the case of a joint return of tax) during that year with respect to employment (as defined in section 3121(b) without regard to the exclusion set forth in paragraph (9) of that section.

"(2) Reduction for additional income.—The amount of the credit allowable under subsection (a) for any taxable year (after the application of paragraph (1)) shall be reduced by one-fourth of the amount by which a taxpayer's income, or, if he is married (as determined under section 143), the total of his income and his spouse's income, for the taxable year exceeds $4,000. For purposes of this paragraph, the term 'income' means adjusted gross income (as defined in section 62 but without regard to paragraph (3) (relating to long-term capital gains)) plus—

"(A) any amount described in section 71 (b) (relating to payments to support minor children), 71(c) (relating to alimony and separate maintenance payments paid as a principal sum paid in installments), or 74(b) (relating to certain prizes and awards),

"(B) any amount excluded from income under section 101 (relating to certain death benefits), 102 (relating to gifts and inheritances), 103 (relating to interest on certain governmental obligations), 105(d) (relating to amounts received under wage continuation accident and health plans), 107 (relating to rental value of parsonages), 112 (relating to certain combat pay of members of the Armed Forces), 113 (relating to mustering-out payments for members of the Armed Forces), 116 (relating to partial exclusion of dividends received by individuals), 117 (relating to scholarships and fellowship grants), 119 (relating to meals or lodging furnished for the convenience of the employer), 121 (relating to gain from sale or exchange of residence by individual who has attained age 65), 911 (relating to earned income from sources without the United States), or 931 (relating to income from sources within possession of the United States),

"(C) any amount received as a payment from a public agency based upon need, age, blindness, or disability, or as a payment from a public agency for the general support of the taxpayer and his family (as determined by the Secretary or his delegate), other than any payment for the purchase of prosthetic devices or medical services, and

"(D) any amount received as an annuity, pension, retirement, or disability benefit (including veterans' compensation and pensions, workmen's compensation payments, monthly insurance payments under title II of the Social Security Act, railroad retirement annuities and pensions, and benefits under any Federal or State unemployment compensation law).

"(3) Application with section 6428.—The amount allowable to a taxpayer, or to a taxpayer and his spouse, as a credit under subsection (a) for any taxable year (after the application of paragraphs (1) and (2)) shall be reduced by the sum of any amounts received under section 6428 during that year.

"(c) Definitions.—For purposes of this section—

"(1) Eligible individual.—The term 'eligible individual' means an individual who maintains a household (within the meaning of section 214(b)(3)) in the United States which is the principal place of abode of the individual and a child of that individual with respect to whom he is entitled to a deduction under section 151(e)(1)(B) (relating to additional exemption for dependents).

"(2) Social security taxes.—The term 'social security taxes' means the aggregate amount of taxes imposed by sections 3101 (relating to rate of tax on employees under the Federal Insurance Contributions Act) and 3111 (relating to rate of tax on employers under such Act) with respect to the wages (as defined in section 3121(a)) received by an individual and his spouse with respect to employment (as defined in section 3121(b)), or which would be imposed with respect to such wages by such sections if the definition of the term 'employment' (as defined in section 3121(b)) did not contain the exclusion set forth in paragraph (9) of such section."

(b) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Personal exemptions.

"Sec. 43. Tax credit for low-income workers with families.

"Sec. 44. Overpayments of tax.".

(c) Section 41(b)(2) of such Code (relating to contributions to candidates for public office) is amended by striking out "and" before "section 38" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(d) Section 46(a)(3) of such Code (relating to the investment credit) is amended—

(1) by striking out "and" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) section 42 (relating to personal exemptions)."

(e) Section 50A(a)(3) of such Code (relating to credit for expenses of work incentive programs) is amended—

(1) by striking out "and" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) section 42 (relating to personal exemptions).".

(f) Section 6401(b) of such Code (relating to excessive credits) is amended by—

(1) inserting after "lubricating oil)" the following: ", 43 (relating to tax credit for low-income workers with families),"; and

(2) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 43".

(g) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(1) inserting "OR 43" *after* "SECTION 39" in the caption of such section; and

(2) striking out "oil)," and inserting in lieu thereof "oil) or section 43 (relating to tax credit for low-income workers with families),".

(h)(1) Subchapter B of chapter 65 of such Code (relating to rules of special application) is amended by adding at the end thereof the following new section:

"SEC 6428. ADVANCE REFUND OF SECTION 43 CREDIT

"(a) In General.—A taxpayer may receive an advance refund of the credit allowable to him under section 43 (relating to tax credit for low-income workers with families) not more frequently than quarterly by filing an election for such refund with the Secretary or his delegate at such time and in such form as the Secretary or his delegate may prescribe. If the taxpayer elects to base his claim for refund on social security taxes imposed on him, his spouse, and their employers, the election shall be a joint election signed by the taxpayer and his spouse. An election may not be made under this subsection with respect to the last quarter of the calendar year, and any other election shall specify the quarter or quarters to which it relates and shall be made not later than the fifteenth day of the eleventh month of the taxable year to which it relates. The Secretary or his delegate shall pay any advance refund for which a proper election is made without regard to any liability, or potential liability, for tax under chapter 1 which has accrued, or may be expected to accrue, to the taxpayer for the taxable year to which the election relates.

"(b) Limitations.—

"(1) Amount of refund.—The amount of any refund for which a taxpayer files an election under subsection (a) shall be an amount equal to the amount of the credit allowable under section 43 with respect to social security taxes payable with respect to that taxpayer (or, in the case of a joint election, social security taxes payable with respect to that taxpayer and his spouse) for the quarter or quarters to which the election relates.

"(2) Ineligible for credit.—No advance refund may be made under this section for any quarter to a taxpayer who, on the basis of the income the taxpayer and his spouse reasonably may expect to receive during the taxable year, will not be entitled to claim any amount as a credit under section 43 for that year.

"(3) Minimum payment.—No payment may be made under this section in an amount less than $30.

"(c) Collection of Excess Payments.—In addition to any other method of collection available to him, if the Secretary or his delegate determines that any part of any amount paid to a taxpayer for any quarter under this section was in excess of the amount to which that taxpayer was entitled for that quarter, the Secretary or his delegate shall notify that taxpayer of the excess payment and may withhold from any amounts which that taxpayer elects to receive under this section in any subsequent quarter, amounts totaling not more than the amount of that excess.".

(2) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"Sec. 6428. Advance refund of section 43 credit.".

(i) Section 6011(d) of such Code (relating to interest equalization returns, etc.) is amended by adding at the end thereof the following new paragraph:

"(4) Returns of taxpayers receiving advance refund of section 43 credit.—Every taxpayer who elects to receive an advance refund of the credit allowed by section 43 (relating to tax credit for low-income workers with families) during the taxable year shall file a return for that year, together with such additional information as the Secretary or his delegate may require.".

(j)(1) The Secretary of the Treasury shall develop simple and expedient application forms and procedures for use by taxpayers who wish to receive an advance refund under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 43 credit), arrange for distributing such forms and making them easily available to taxpayers, and prescribe such regulations as may be necessary to carry out the provisions of sections 43 and 6428 of such Code. Each such application form shall contain a warning that the making of a false or fraudulent statement thereon is a Federal crime.

(2) The Secretary of the Treasury is authorized to obtain from any agency or department of the United States Government or of any State or political subdivision thereof such information with respect to any taxpayer applying for or receiving benefits under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 43 credit), or his spouse, as may be necessary for the proper administration of section 43 of the Internal Revenue Code of 1954 (relating to tax credit for low-income workers with families) and of section 6428 of such Code (relating to advance refund of section 43 credit). Notwithstanding any other provision of law, each agency and department of the United States Government is authorized and directed to furnish to the Secretary such information upon request.

(k) Section 402(a)(7) of the Social Security Act is amended by inserting after "other income" the following: "(including any amounts derived from application of the tax credit established by section 43 of the Internal Revenue Code of 1954)".

(l) The amendments made by this section (other than the amendments made under subsection (a) with respect to new section 42 (relating to personal exemptions) and under subsection (f)) shall apply to taxable

years beginning after December 31, 1974. The amendments made under subsection (a) with respect to new section 42 shall apply with respect to taxable years beginning after December 31, 1973. The amendment made under subsection (f) shall apply with respect to wages paid after the thirtieth day after the date of enactment of this Act. No advance refund payment under section 6428 of the Internal Revenue Code of 1954 shall be made before April 1, 1975.

TITLE II—AMENDMENTS TO INCREASE REVENUES

Chapter 1—Minimum Tax and Domestic International Sales Corporations

STRENGTHENING THE MINIMUM TAX

SEC. 201. (a) Section 56 of the Internal Revenue Code of 1954 (relating to imposition of minimum tax for tax preferences) is amended:

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) In General.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person, a tax equal to 10 percent of the amount (if any) by which the sum of the items of tax preference exceeds $10,000.";

(2) by striking out "$30,000" in subsection (b)(1)(B) and inserting in lieu thereof "$10,000"; and

(3) by striking out subsection (c).

(b) The amendments made by this section apply to taxable years beginning after December 31, 1973.

TERMINATION OF SPECIAL TAX TREATMENT FOR DOMESTIC INTERNATIONAL SALES CORPORATIONS

SEC. 202. (a) TERMINATION OF EXEMPTION PROVISIONS.—Section 991 of the Internal Revenue Code of 1954 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1973.".

(b) TERMINATION OF DISCs.—Section 992 (a) of the Internal Revenue Code of 1954 (relating to definition of a DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—Notwithstanding any other provision of this part, no corporation shall be treated as a DISC or former DISC for any taxable year beginning after December 31, 1973.".

(c) DISTRIBUTIONS BY DISCs TERMINATED.—Section 995(b) of the Internal Revenue Code of 1954 (relating to deemed distributions of DISC income) is amended by adding at the end thereof the following new paragraph:

"(3) DISTRIBUTIONS UPON TERMINATION.—

"(A) In the case of a corporation which was a DISC, or former DISC, for a taxable year ending after December 31, 1972, and before January 1, 1974, and to which the provisions of paragraph (2) do not apply for the succeeding taxable year, a shareholder of the corporation shall be deemed to have received (at the time specified in subparagraph (B)) a distribution taxable as a dividend equal to his pro rata share of the DISC income of such corporation accumulated during the immediately preceding consecutive taxable years for which the corporation was a DISC.

"(B) Distributions described in subparagraph (A) shall be deemed to be received in equal installments on the last day of each of the 10 taxable years of the corporation following the taxable year ending before January 1, 1974.".

CHAPTER 2—TAX TREATMENT OF DOMESTIC OIL AND GAS PRODUCTION AMENDMENT OF 1954 CODE

SEC. 301. Except as otherwise expressly provided, whenever in this chapter an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

WINDFALL PROFITS TAX; PLOWBACK CREDIT

SEC. 302. (a) In General.—

(1) Amendment of subtitle D.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 44—WINDFALL PROFITS TAX ON DOMESTIC CRUDE OIL

"Sec. 4981. Imposition of tax.
"Sec. 4982. Amount of tax.
"Sec. 4983. Plowback credit against tax.
"Sec. 4984. Definitions and special rules.
"Sec. 4985. Records and information; regulations.

"SEC. 4981. IMPOSITION OF TAX.

"(a) IMPOSITION OF TAX.—There is hereby imposed on the windfall profits from domestic crude oil removed from the premises during each taxable period an excise tax as provided in this chapter.

"(b) BY WHOM PAID.—The tax imposed by this section shall be paid by the person entitled to the deduction under section 611 for depletion with respect to the crude oil.

"SEC. 4982. AMOUNT OF TAX.

"(a) IN GENERAL.—The amount of the tax imposed by section 4981 shall be determined by applying the following table separately to each barrel of crude oil removed from the premises:

"If the windfall profit is:

Over	But not over	The tax is:
$0	$0.25	10 percent.
0.25	0.60	2.5. cents plus 20 percent of excess over $0.25
0.60	1.20	9.5. cents plus 30 percent of excess over $0.60.
1.20	2.00	27.5 cents plus 50 percent of excess over $1.20.
	Over 2.00	67.5 cents plus 85 percent of excess over $2.00.

"(b) FRACTIONAL PART OF BARREL.—In the case of a fraction of a barrel, the tax imposed by section 4981 shall be the like fraction of the amount of such tax imposed on a whole barrel.

"SEC. 4983. PLOWBACK CREDIT AGAINST TAX.

"(a) GENERAL RULE.—There shall be allowed to each person liable for the tax imposed by section 4981 for any taxable period, as a credit against such tax, an amount equal to such person's plowback investment for such taxable period.

"(b) LIMITATION.—

"(1) TAXABLE PERIOD 1975.—For the taxable period which is the calendar year 1975, the amount allowed as a credit under subsection (a) shall not exceed the sum of—

"(A) 50 percent of the tax imposed by section 4981, plus

"(B) the same proportion (not greater than 1) of 50 percent of the tax imposed by section 4981 as 3,000 barrels bears to the taxpayer's average daily production of domestic crude oil.

"(2) Adjustment of 3,000 figure in certain cases.—For purposes of paargraph (1), if—

"(A) the taxable period constituted a taxable year,

"(B) the taxpayer had made the election provided in section 613A(b) for such period, and

"(C) the application of section 613A(b) (4) would result in a lower figure for the taxpayer than 3,000 barrels,

then such lower figure shall be substituted for '3,000'.

"(3) AVERAGE DAILY PRODUCTION.—For purposes of this subsection, the taxpayer's average daily production of domestic crude oil shall be determined by dividing his aggregate production (in barrels) of domestic crude oil during the taxable period by the number of days in such taxable period.

"(c) PLOWBACK INVESTMENT.—For purposes of this chapter, a person's plowback investment for any taxable period is the excess of—

"(1) his qualified investment for such taxable period, over

"(2) his plowback threshold for such taxable period.

"(d) RECOMPUTATION OF TAX AND CREDIT ON CUMULATIVE BASIS.—

"(1) IN GENERAL.—In the case of each taxable period (hereinafter in this subsection referred to as 'current period') ending after December 31, 1974, the taxpayer's liability for the tax imposed by section 4981 and his credit under this section shall be recomputed by treating the current period and all prior taxable periods as one taxable period (hereinafter in this subsection referred to as 'recomputation period').

"(2) EFFECT OF RECOMPUTATION.—If the sum of the taxpayer's net tax liability for the current period and for each prior taxable period exceeds his net tax liability for the recomputation period—

"(A) a portion of such excess (not greater than the amount by which the tax imposed by section 4981 for the current period is greater than the credit allowable by this section for the current period) shall be applied to, and shall reduce, the amount of the tax imposed by section 4981 for the current period, and

"(B) the remainder of such excess shall be treated as an overpayment of the tax imposed by section 4981 for the current period.

"(3) NET TAX LIABILITY DEFINED.—For purposes of this subsection, the term 'net tax liability' means, with respect to any taxable period, the excess (if any) of the amount of the tax imposed by section 4981 for such period (or, in the case of the recomputation period, would be imposed for such period) over the credit allowable by this section for such period.

"(4) AMOUNT OF CREDIT DEEMED ALLOWABLE FOR RECOMPUTATION PERIOD.—For purposes of this subsection, the credit deemed allowable by this section for the recomputation period shall not exceed the amount equal to—

"(A) the amount of the tax which would be imposed by section 4981 for the recomputation period, reduced by

"(B) the excess of the amount of tax imposed by section 4981 for the taxable year ending December 31, 1975, over the maximum credit against such tax allowable under subsection (b)(2).

In determining the plowback threshold for purposes of the recomputation period, the amount referred to in subparagraph (A) of the preceding sentence shall be treated as the amount of the liability for tax under section 4981; and the plowback threshold so determined shall be increased by an amount equal to the amount which was not allowable as a credit for the taxable period ending December 31, 1975, solely by reasons of subsection (b).

"(5) ADJUSTMENT OF NET TAX LIABILITY FOR PRIOR ADJUSTMENTS UNDER THIS SUBSECTION.—For purposes of this subsection, if for any taxable period before the current period the application of this subsection resulted in a reduction in tax liability or an overpayment of tax (or both) under paragraph (2), the excess referred to in paragraph (2) for the current period shall be reduced by an amount equal to the sum of all such reductions and overpayments.

"SEC. 4984. DEFINITIONS AND SPECIAL RULES.

"(a) WINDFALL PROFIT.—For purposes of this chapter, the term 'windfall profit' means the excess of the removal price over the adjusted base price.

"(b) Removal Price.—For purposes of this chapter—

"(1) In general.—Except as otherwise provided in this chapter, the term 'removal price' means the amount for which the barrel of oil is sold.

"(2) Sales between related persons.—In the case of a sale between related persons (within the meaning of section 103(c)(6)(C)), the removal price shall be not less than the constructive sales price for purposes of determining gross income from the property under section 613.

"(3) Oil removed from premises before sale.—If crude oil is removed from the premises before it is sold, the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

"(4) Refining begun on premises.—If the manufacture or conversion of crude oil into refined products begins before such oil is removed from the premises—

"(A) such oil shall be treated as removed on the day such manufacture or conversion begins, and

"(B) the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

"(5) Meaning of terms.—As used in this subsection, the terms 'premises' and 'refined product' have the same meaning as when used for purposes of determining gross income from the property under section 613.

"(c) Base Price.—For purposes of this chapter, the term 'base price' means the ceiling price determined in the manner provided in regulations section 150.353 prescribed by the Cost of Living Council, as such regulations were in effect on December 1, 1973, for domestic crude oil of the same grade and location.

"(d) Adjusted Base Price.—For purposes of this chapter, the term 'adjusted base price' means the base price plus the monthly base price adjustment for the calendar month in which the crude oil is removed (or deemed removed) from the premises, determined in accordance with the following table:

"If the month of application of the tax imposed by section 4981 is:	*The monthly base price adjustment is:*
1	$0.500
2	.526
3	.552
4	.581
5	.610
6	.641
7	.674
8	.708
9	.745
10	.783
11	.822
12	.864
13	.909
14	.955
15	1.004
16	1.055
17	1.109
18	1.165
19	1.225
20	1.287
21	1.353
22	1.422
23	1.495
24	1.571
25	1.651
26	1.735
27	1.824
28	1.917
29	2.015
30	2.117
31	2.226
32	2.339
33	2.458
34	2.584
35	2.716
36	2.854
37	$3.000
38	3.153
39	3.314
40	3.483
41	3.661
42	3.848
43	3.931
44	4.015
45	4.098
46	4.181
47	4.265
48	4.348
49	4.431
50	4.515
51	4.598
52	4.681
53	4.765
54	4.848
55	4.931
56	5.015
57	5.098
58	5.181
59	5.265
60	5.348

"(e) Qualified Investment.—For purposes of this chapter, any person's qualified investment for any taxable period is the amount paid or incurred by such person during such taxable period (with respect to areas within the United States or a possession of the United States) for—

"(1) intangible drilling and development costs, or geological and geophysical costs, described in section 263(c),

"(2) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

"(A) depreciable assets used for—

"(i) the exploration for or the development or production of oil or gas (including development or production from oil shale),

"(ii) converting oil shale, coal, or liquid hydrocarbons into oil or gas, or

"(iii) refining oil or gas (but not beyond the primary product stage),

"(B) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines,

"(3) secondary or tertiary recovery of oil or gas, or

"(4) the acquisition of oil and gas leases (other than offshore oil and gas leases).

The aggregate amount which may be taken into account by any person under paragraph (4) of the preceding sentence for any taxable period shall not exceed one-third of the aggregate amount which may be taken into account by such person under paragraphs (1), (2), and (3) of the preceding sentence for such period.

"(f) Plowback Threshold.—For purposes of this chapter, any person's plowback threshold for any taxable period is the aggregate of the removal prices of barrels removed from the premises during the taxable period for which he is liable for tax under section 4981, minus the sum of—

"(1) the aggregate of the base prices for all such barrels, and

"(2) the amount of such person's liability for tax under section 4981.

"(g) Other Definitions.—For purposes of this chapter—

"(1) Crude oil.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) Domestic crude oil.—The term 'domestic crude oil' means crude oil produced from an oil or gas well located in the United States or in a possession of the United States.

"(3) Barrel.—The term 'barrel' means 42 United States gallons.

"(4) United states.—The term 'United States' has the meaning given to such term by paragraph (1) of section 638 (relating to Continental Shelf areas).

"(5) Possession of the united states.—The term 'possession of the United States' has the meaning given to such term by paragraph (2) of section 638.

"(6) Offshore.—The term 'offshore' means the area of the United States, or a possession of the United States, which extends seaward (or into the Gulf of Mexico) from—

"(A) the line of ordinary low water along that portion of the coast which is in direct contact with the open sea (or the Gulf of Mexico) or,

"(B) the line marking the seaward limit of inland waters (or such waters' boundary with the Gulf of Mexico).

For purposes of the preceding sentence, the line of ordinary low water shall be such line as heretofore or hereafter modified by accretion, erosion, or reliction.

"(7) Taxable period.—The term 'taxable period' means—

"(A) the calendar years 1975, 1976, 1977, and 1978, and

"(B) the period beginning on January 1, 1979, and ending at the close of the 60th calendar month beginning after the date of the enactment of this chapter.

"(h) Members of Affiliated Group Treated as One Person.—If 2 or more corporations are members of an affiliated group making a consolidated return with respect to the tax imposed by chapter 1 for a taxable year or years which include any entire taxable period, such corporations shall be treated as one person for purposes of the tax imposed by section 4981 for such taxable period and for purposes of the credit against such tax allowable under section 4983 for such period.

"(i) Exemption From Tax Where Tax-Exempt Organization Is Prohibited From Plowing Back.—The tax imposed by section 4981 shall not apply to any organization described in section 501(c)(3) which is exempt from tax under subtitle A, to any political subdivision of a State, or to any agency or instrumentality of a State or political subdivision thereof, if under the applicable State or local law such organization, subdivision, agency, or instrumentality is not permitted (and was not on April 1, 1974 permitted) to pay or incur amounts for any of the purposes specified in subsection (e).

"Sec. 4985: Records and Information; Regulations

"(a) Records and Information.—Each person liable for tax under section 4981, each partnership, trust, or estate producing domestic crude oil, each purchaser of domestic crude oil, and each operator of a well from which domestic crude was produced, shall keep such records, make such returns, and furnish such information with respect to such oil as the Secretary or his delegate may by regulations prescribe.

"(b) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this chapter."

(2) Clerical amendment.—The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"Chapter 44. Windfall profits tax on domestic crude oil."

(b) Technical Amendments.—

(1) The first sentence of section 164(a) (relating to deduction for taxes) is amended by inserting after paragraph (5) the following new paragraph:

"(6) The net windfall profits tax imposed by section 4981."

(2) The first sentence of section 613(a) (relating to percentage depletion) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and (in the case of oil and gas wells) reducing such gross income by the amount of the tax imposed by section 4981 (relating to windfall profits tax)."

(3)(A) Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

"Sec. 84. Overpayments of Windfall Profits Taxes

"Gross income includes any amount treated as an overpayment of tax under section 4983(d)(2)(B) (relating to recomputation of windfall profits tax and credit on cumulative basis)."

(B) The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 84. Overpayment of windfall profits taxes."

(c) Time for Filing Return of Windfall Profits Tax.—

(1) Part V of subchapter A of chapter 61 (relating to time for filing returns and other documents) is amended by adding at the end thereof the following new section:

"Sec. 6077. Time for Filing Return of Windfall Profits Tax

"Each return of the tax imposed by section 4981 (relating to windfall profits tax) for any taxable period (within the meaning of section 4984(g)(7)) shall be filed not later than the 15th day of the third month (15th day of the fourth month in the case of an individual) following the close of the taxable period."

(2) The table of sections for such part V is amended by adding at the end thereof the following new item:

"Sec. 6077. Time for filing return of windfall profits tax."

(4) Certain Information Required To Be Furnished.—

(1) General rule.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by adding at the end thereof the following new section:

"S53. 36050A. Information Furnished by Purchaser and Operator Regarding Windfall Profits Tax on Domestic Crude Oil

"(a) Certain Information Furnished by Purchaser.—Under regulations prescribed by the Secretary or his delegate, the purchaser of domestic crude oil (as defined in section 4984(g)(2)) shall furnish to the person liable for tax under section 4981 with respect to such oil a monthly statement showing the following:

"(1) the amount of domestic crude oil purchased from such person during such month,

"(2) the removal price of such oil,

"(3) the base price and the adjusted base price with respect to such oil,

"(4) the amount of such person's liability for tax under section 4981 with respect to such oil, and

"(5) such other information as may be required by regulations prescribed by the Secretary or his delegate.

"(b) Information Furnished by Operator.—Under regulations prescribed by the Secretary or his delegate, if the purchaser of domestic crude oil and the operator of the well from which such crude oil was produced make a joint election under this subsection, the monthly statement required to be furnished by the purchaser under subsection (a) shall be furnished by such operator.

"(c) Time for Filing Monthly Statement.—Each monthly statement required to be furnished under subsection (a) or (b) for any month shall be furnished before the first day of the second month which begins after the close of such month.

"(d) Certification Furnished by Operator.—Under regulations prescribed by the Secretary or his delegate, the operator of the well from which crude oil subject to the tax imposed under section 4981 was produced shall certify (at such time and in such manner as the Secretary or his delegate shall by regulations prescribe) to the purchaser the base price (within the meaning of section 4984(c)) with respect to such crude oil. For purposes of section 6652(b) (relating to additions to tax for failure to file other returns) such certification shall be treated as a statement of a payment to another person.

"(e) Cross References.—

"(1) For additions to tax for failure to furnish information required under this section, see section 6652(b).

"(2) For penalty for willful failure to supply information required under this section, see section 7242."

(2) Technical and conforming amendments.—

(A) Section 6652(b) is amended by striking out "or section 6051(d)" and inserting in lieu thereof the following: "section 6050A (relating to information regarding windfall profits tax on domestic crude oil), or section 6051(d)".

(B) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new item:

"Sec. 6050A. Information furnished by purchaser and operator regarding windfall profits tax on domestic crude oil."

(e) Criminal Penalty for Failure To Furnish Certain Information.—

(1) In general.—Part II of subchapter A of chapter 75 of subtitle F (relating to penalties applicable to certain taxes) is amended by adding at the end thereof the following new section:

"Sec. 7242. Willful Failure To Furnish Certain Information Regarding Windfall Profits on Domestic Crude Oil.

"Any person who is required under section 6050A (or regulations thereunder) to furnish any statement, information, or certification to any other person and who willfully fails to furnish such statement, information, or certification at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than 1 year, or both, together with the costs of prosecution."

(2) Clerical amendment.—The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 7242. Willful failure to furnish certain information regarding windfall profits tax on domestic crude oil."

(f) Information Furnished by Partnerships, Trusts, and Estates.—

(1) Information to be furnished to partners and to beneficiaries of estates and trusts.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"Sec. 6050B. Information to be Furnished to Partners and to Beneficiaries of Estates and Trusts

"(a) Requirement.—Under regulations prescribed by the Secretary or his delegate, each partnership, estate, and trust required to file a return pursuant to section 4985 for any taxable period shall furnish to each partner or beneficiary, as the case may be, a written statement showing the following:

"(1) the name of such partner or beneficiary,

"(2) information received by the partnership, trust, or estate pursuant to section 6050A,

"(3) the total amount of qualified investment made by such partnership, trust, or estate during such taxable period,

"(4) such partner's or beneficiary's distributive share of the items referred to in paragraphs (2) and (3), and

"(5) such other information as may be required by regulations prescribed by the Secretary or his delegate.

"(b) Time for Furnishing Written Statement.—Each written statement required to be furnished under this section with respect to any taxable period shall be furnished before the first day of the third month following the close of such period."

(2) Clerical amendment.—The table of sections for such subpart A is amended by adding at the end thereof the following new item:

"Sec. 6050B. Information to be furnished to partners and to beneficiaries of estates and trusts."

(g) Effective Date.—The amendments made by this section apply to taxable years beginning after December 31, 1975.

PHASEOUT OF PERCENTAGE DEPLETION FOR DOMESTIC OIL AND GAS PRODUCTION

Sec. 303. (a) Adjustment of Rates.—

(1) Amendment of subchapter I.—Part I of subchapter I of chapter 1 (relating to natural resources) is amended by inserting after section 613 the following new section:

"Sec. 613A. Phaseout of Percentage Depletion for Domestic Oil and Gas Production.

"(a) Reduction in 22 Percent Rate.—Except as otherwise provided in this section, in the case of domestic oil and gas wells the percentage referred to in section 613(a) shall be (in lieu of the 22 percent specified in section 613(b)(1)) the percentage determined in accordance with the following table:

"In the case of gross income from the property for the following calendar years:	*The percentage shall be:*
1974	15
1975 and thereafter	0

"(b) 3,000 Barrel-a-Day Exemption.—

"(1) In General.—If the taxpayer elects the application of this subsection for the taxable year, then with respect to so much of his average daily production of domestic crude oil as does not exceed 3,000 barrels, the percentage referred to in section 613(a) shall be 15 percent in the case of gross income from the property before January 1, 1979.

"(2) Average Daily Production.—For purposes of paragraph (1), the taxpayer's average daily production of domestic crude oil shall be determined by dividing his aggregate production of domestic crude oil during the taxable year by the number of days in such taxable year.

"(3) Barrels within exemption to be determined on a proportionate basis.—If the taxpayer's average daily production of domestic crude oil exceeds 3,000 barrels, the barrels to which paragraph (1) applies shall be determined by taking from the production of each property a number of barrels which bears the same proportion to the total production of the taxpayer for such year from such property as 3,000 barrels bears to the aggregate number of barrels representing the average daily production of domestic crude oil of the taxpayer for such year.

"(4) Businesses under common control; members of the same family.—

"(A) Component members of controlled group treated as one taxpayer.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer.

"(B) Aggregation of business entities under common control.—If 50 percent or more of the beneficial interest in two or more corporations, partnerships, trusts, estates, or other entities is owned by the same or related persons (taking into account only persons who own at least 5 percent of such beneficial interest), the 3,000 barrel per day exemption provided by this subsection shall be allocated among all such entities in proportion to the respective production of domestic crude oil during the period in question by such entities.

"(C) Allocation among members of the same family.—In the case of individuals who are members of the same family, the 3,000 barrel per day exemption provided by this subsection shall be allocated among such individuals in proportion to the respective production of domestic crude oil during the period in question by such individuals.

"(D) Definition and special rules.—For purposes of this paragraph—

"(i) the term 'controlled group of corporations' has the meaning given to such term by section 1563(a), except that section 1563(b)(2) shall not apply and except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a),

"(ii) a person is a related person to another person if such persons are members of the same controlled group of corporations or if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), except that for this purpose the family of an individual includes only his spouse and minor children, and

"(iii) the family of an individual includes only his spouse and minor children.

"(c) Stripper Well Exemption.—In the case of any well located in the United States or in a possession of the United States which is a stripper well (as defined in subsection (h)(4)) for any calendar month ending before January 1, 1979, if the taxpaper elects the application of this subsection for the taxable year, then with respect to the gross income for such month from crude oil produced from such well the percentage referred to in section 613(a) shall be 15 percent.

"(d) Arctic Circle Exemption.—In the case of any well located north of the Arctic Circle, if the taxpayer elects the application of this subsection for the taxable year, then with respect to gross income from crude oil from such well before January 1, 1979, the percentage referred to in section 613(a) shall be 15 percent.

"(e) Election.—The taxpaper may elect for any taxable year to have subsection (b), subsection (c), or subsection (d) (but not more than one such subsection) apply. Any such election may be made on the taxpayer's return for the taxable year. Any such election may be made or changed at any time thereafter before the expiration of the time for filing a claim for credit or refund of an overpayment of the tax imposed by this chapter for such taxable year.

"(f) Exemption for Regulated Natural Gas and Natural Gas Sold Under Fixed Contract.—

"(1) In General.—

"(A) Regulated natural gas.—Except as provided in paragraph (2), in the case of regulated natural gas, the percentage referred to in section 613(a) shall be 22 percent and the provisions of this section (other than this subsection) shall not apply.

"(B) Natural gas sold under fixed contract.—In the case of natural gas sold under a fixed contract, the percentage referred to in section 613(a) shall be 22 percent and the provisions of this section (other than this subsection) shall not apply.

"(2) Termination of regulated natural gas exemption.—In the case of regulated natural gas, if the summary of prices published pursuant to paragraph (3) for any calendar year shows—

"(A) an average price per 1,000 cubic feet of regulated natural gas which equals or exceeds

"(B) one-sixth of the average price per barrel of domestic crude oil not subject to Federal price control,

then the allowance for depletion shall be computed for all periods after December 31 of such calendar year without reference to paragraph (1)(A).

"(3) Compilation of data with respect to prices of regulated natural gas and domestic crude oil.—For each calendar year beginning after December 31, 1974, the Secretary or his delegate shall compile data establishing—

"(A) the average sales price per 1,000 cubic feet of regulated natural gas sold during such year, and

"(B) the average sales price per barrel of domestic crude oil not subject to Federal price control which is sold during such year.

Within 90 days after the close of any such calendar year, the Secretary or his delegate shall publish a summary of such data in the Federal Register. Any such summary so published shall be final and conclusive.

"(4) Authorization to compile data.—

"(A) Data from executive agencies.—In compiling the data required under paragraph (3), the Secretary or his delegate is authorized to receive directly from any other executive department or agency of the United States information and statistics necessary for the compilation of such data. Such other executive department or agency shall furnish any such requested information and statistics directly to the Secretary or his delegate.

"(B) Purchasers and sellers to furnish information.—If no other executive department or agency of the United States is able to furnish the Secretary or his delegate the information and statistics from which the data required under paragraph (3) can be compiled, the Secretary or his delegate may by regulation require purchasers and sellers of domestic crude oil and regulated natural gas to make such reports of sales, volumes, prices, and related information as may be necessary to compile the data required under paragraph (3).

"(g) Geothermal Energy.—In the case of any geothermal deposit which is determined to be referred to in section 613(b)(1)(A), the percentage referred to in section 613(a) shall be 22 percent and the provisions of this section (other than this subsection) shall not apply.

"(h) Definitions.—For purposes of this section—

"(1) Crude oil.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) Natural gas.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(3) Domestic.—The term 'domestic' refers to production from an oil or gas well located in the United States or in a possession of the United States.

"(4) Stripper well.—A well shall be treated as a stripper well for any calendar month for which its production of crude oil averaged 10 barrels or less per day.

"(5) Barrel.—The term 'barrel' means 42 United States gallons.

"(6) Regulated natural gas.—The term 'regulated natural gas' means natural gas subject to the jurisdiction of the Federal Power Commission with respect to the sale or transportation of which an order or certificate of the Federal Power Commission is in effect (or a proceeding for the issuance of such an order or certificate has been instituted), if price is taken into account directly or indirectly in the issuance of such order or certificate.

"(7) Natural gas sold under a fixed contract.—The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on April 10, 1974, and all times thereafter before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liability of the seller for tax under this chapter by reason of the phaseout of percentage depletion under this section."

(2) The table of sections for Part I of subchapter I of chapter 1 is amended by inserting after the item relating to section 613 the following new item:

"Sec. 613A. Phaseout of percentage depletion for domestic oil and gas production."

(b) Removal of 50 Percent Limitation in Computing Taxable Income From Oil and Gas Well.—The second sentence of section 613(a) (relating to percentage depletion) is amended by striking out "50 percent" and inserting in lieu thereof "50 percent (100 percent in the case of oil and gas wells)".

(c) Option to Expense Geological and Geophysical Expenditures in Case of Oil and Gas Well.—Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells) is amended to read as follows:

"(c) Intangible Drilling and Development Costs, and Geological and Geophysical Costs, in Case of Oil and Gas Wells.—

"(1) Intangible drilling and development costs.—Notwithstanding subsection (a), regulations shall be prescribed by the Secretary or his delegate under this subtitle corresponding to the regulations which granted the option to deduct as expenses intangible drilling and development costs in the case of oil and gas wells and which were recognized and approved by the Congress in H. Con. Res. 50, Seventy-ninth Congress.

"(2) Geological and geophysical costs.—

"(A) In general.—In the case of oil and gas wells, the tax treatment which applies to the taxpayer's intangible drilling and development costs shall also apply to his domestic geological and geophysical costs.

"(B) Geological and geophysical costs defined.—For purposes of this paragraph, the term 'domestic geological and geophysical costs' means any expenditure for—

"(i) aerial photography,

"(ii) geological mapping,

"(iii) airborne magnetometer surveys,

"(iv) gravity meter surveys,

"(v) seismograph surveys, or

"(vi) similar geological and geophysical methods,

for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States."

(d) Effective Dates.—

(1) The amendments made by subsection (a) and (b) apply to taxable years beginning after December 31, 1973.

(2)(A) The amendment made by subsection (c) shall apply to any taxable year beginning after December 31, 1976, for which an election under subsection (b), (c), or (d) of section 613A of the Internal Revenue Code of 1954 is not in effect.

(B) The taxpayer may elect to capitalize or to deduct all costs to which 263(c) of the Internal Revenue Code of 1954 (as amended by subsection (c) of this section) applies. Any such election shall be made before the expiration of the time for filing claim for credit or refund of any overpayment of tax imposed by chapter 1 of the Internal Revenue Code of 1954 with respect to the taxpayer's first taxable year beginning after December 31, 1976, to which the amendment made by subsection (c) applies and for which he pays or incurs costs referred to in such section 263(c). Any election made under this subparagraph may be changed or revoked at any time before the expiration of the time referred to in the preceding sentence, but after the expiration of such time may not be changed or revoked.

TREATMENT FOR PURPOSES OF THE INVESTMENT CREDIT OF CERTAIN PROPERTY USED IN INTERNATIONAL OR TERRITORIAL WATERS

Sec. 304. (a) Amendment to 1954 Code.—

(1) In general.—Clause (x) of section 48(a)(2)(E) (relating to property used outside the United States) is amended by striking out "territorial waters" and inserting in lieu thereof "territorial waters within the

northern portion of the Western Hemisphere."

(2) Definition.—Subparagraph (B) of section 48(a)(2) is amended by adding at the end thereof the following new sentence:

"For purposes of clause (x), the term "northern portion of the Western Hemisphere' means the area lying west of the 30th meridian west of Greenwich, east of the international dateline, and north of the Equator, but not including any foreign country which is a country of South America."

(b) Effective Date.—

(1) In general.—The amendments made by subsection (a) shall apply to property, the construction, reconstruction, or erection of which was completed after March 31, 1974, or the acquisition of which by the taxpayer occurred after such date.

(2) Binding contract.—The amendments made by subsection (a) shall not apply to property constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 1, 1974, and at all times thereafter, binding on the taxpayer.

(3) Certain lease-back transactions, etc.—Where a person who is a party to a binding contract described in paragraph (2) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (2), succeed to the position of the transferor with respect to such binding contract and such property. The preceding sentence shall apply, in any case in which the lessor does not make an election under section 48(d) of the Internal Revenue Code of 1954, only if a party to such contract retains a right to use the property under a long-term lease.

CHAPTER 3—TAX TREATMENT OF FOREIGN OIL AND GAS PRODUCTION AMENDMENT OF 1954 CODE

Sec. 401. Except as otherwise expressly provided, whenever in this chapter an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

REPEAL OF PERCENTAGE DEPLETION IN CASE OF FOREIGN OIL AND GAS WELLS

Sec. 402. (a) Amendment to Section 613.—Section 613(d) (relating to percentage depletion) is amended to read as follows:

"(d) Denial of Percentage Depletion in Case of Foreign Oil or Gas Well.—

"(1) In general.—In the case of any foreign oil or gas well, the allowance for depletion under section 611 shall be computed without reference to this section.

"(2) Foreign oil or gas well.—For purposes of this subsection, the term 'foreign oil or gas well' means any oil or gas well which is not located in the United States or in a possession of the United States."

(b) Treatment of Intangible Drilling and Development Expenses in the Case of Foreign Oil and Gas Wells.—Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells), as amended by section 102(c) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(3) Foreign oil and gas wells.—

"(A) In general.—The regulations prescribed under this subsection shall be applied separately—

"(i) with respect to domestic oil and gas wells, and

"(ii) with respect to foreign oil and gas wells.

"(B) Revocation, with respect to foreign oil and gas wells, of election to expense.—In the case of any taxpayer with respect to whom there is in effect for his last taxable year ending before January 1, 1974, an option to deduct as expenses intangible drilling and development costs in the case of oil and gas wells—

"(i) such option shall continue to apply to domestic oil and gas wells, but

"(ii) the taxpayer may revoke such option with respect to foreign oil and gas wells, effective for his first or second taxable year ending after December 31, 1973, and for all taxable years thereafter.

Any revocation referred to in clause (ii) of the preceding sentence shall be made before the expiration of the time for filing claim for credit or refund of any overpayment of tax imposed by this chapter with respect to such first taxable year or such second taxable year, as the case may be. Any such revocation may be revoked at any time before the expiration of the time referred to in the preceding sentence, but after the expiration of such time may not be revoked.

"(C) Definitions.—For purposes of this paragraph—

"(i) The term 'domestic oil and gas wells' means oil and gas wells located in the United States or a possession of the United States.

"(ii) The term 'foreign oil and gas wells' means oil and gas wells other than domestic oil and gas wells."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

LIMITATION ON FOREIGN TAXES ATTRIBUTABLE TO FOREIGN OIL AND GAS EXTRACTION INCOME; SEPARATE COMPUTATION OF FOREIGN TAX CREDIT FOR OIL AND GAS RELATED INCOME

Sec. 403. (a) In General.—Subpart A of part III of subchapter N of chapter 1 (relating to foreign tax credit) is amended by adding at the end thereof the following new section:

Sec. 907. Special Rules in Case of Foreign Oil and Gas Income

"(a) Reduction in Amount Allowed as Foreign Tax Under Section 901.—In applying section 901, the amount of any income, war profits, and excess profits taxes paid or accrued (or deemed to have been paid) during the taxable year with respect to foreign oil and gas extraction income which would (but for this subsection) be taken into account for purposes of section 901 shall be reduced by the amount (if any) by which the amount of such taxes exceeds the product of—

"(1) the amount of the foreign oil and gas extraction income for the taxable year, multiplied by

"(2) the percentage which is 110 percent of the sum of the normal tax rate and the surtax rate for the taxable year specified in section 11.

"(b) Application of Section 904 Limitation.—The provisions of section 904 shall be applied separately with respect to—

"(1) foreign oil related income, and

"(2) other taxable income.

With respect to foreign oil related income, the overall limitation provided by section 904(a)(2) shall apply and the per-country limitation provided by section 904(a)(1) shall not apply.

"(c) Foreign Income Definitions and Special Rules.—For purposes of this section—

"(1) Foreign oil and gas extraction income.—The term 'foreign oil and gas extraction income' means the taxable income derived from sources without the United States and its possessions from—

"(A) the extraction (by the taxpayer or any other person) of minerals from oil or gas wells, or

"(B) the sale or exchange of assets used in the trade or business described in subparagraph (A).

"(2) Foreign oil related income.—The term 'foreign oil related income' means the taxable income derived from sources outside the United States and its possessions from—

"(A) the extraction (by the taxpayer or any other person) of minerals from oil or gas wells,

"(B) the processing of such minerals into their primary products,

"(C) the transportation of such minerals or primary products,

"(D) the distribution or sale of such minerals or primary products, or

"(E) the sale or exchange of assets used in the trade or business described in subparagraph (A), (B), (C), or (D).

"(3) Dividends, partnership distributions, etc.—The term 'foreign oil and gas extraction income' and the term 'foreign oil related income' include—

"(A) dividends from a foreign corporation in respect of which taxes are deemed paid by the taxpayer under section 902,

"(B) amounts with respect to which taxes are deemed paid under section 960(a), and

"(C) the taxpayer's distributive share of the income of partnerships,

to the extent such dividends, amounts, or distributive share is attributable to foreign oil and gas extraction income, or to foreign oil related income, as the case may be.

"(4) Certain losses.—If for any foreign country for any taxable year the taxpayer would have a net operating loss if only items from sources within such country (including deductions properly apportioned or allocated thereto) which relate to the extraction of minerals from oil or gas wells were taken into account, such items—

"(A) shall not be taken into account in computing foreign oil and gas extraction income for such year, but

"(B) shall be taken into account in computing foreign oil related income for such year.

"(d) Disregard of Certain Posted Prices, Etc.—For purposes of this chapter, in determining the amount of taxable income in the case of foreign oil and gas extraction income, if the oil or gas is disposed of, or is acquired other than from the government of a foreign country, at a posted price (or other pricing arrangement) which differs from the fair market value for such oil or gas, such fair market value shall be used in lieu of such posted price (or other pricing arrangement).

"(e) Transitional Rules.—

"(1) Taxable years ending after December 31, 1973.—In applying subsections (d) and (e) of section 904 for purposes of determining the amount which may be carried over from a taxable year ending before January 1, 1974, to any taxable year ending after December 31, 1973—

"(A) subsection (a) of this section shall be deemed to have been in effect for such prior taxable year and for all taxable years thereafter, and

"(B) the carryover from such prior year shall be divided (effective as of the first day of the first taxable year ending after December 31, 1973) into—

"(i) a foreign oil related carryover, and

"(ii) an other carryover,

on the basis of the proportionate share of the foreign oil related income, or the other taxable income, as the case may be, of the total taxable income taken into account in computing the amount of such carryover.

"(2) Taxable years ending after December 31, 1974.—In applying subsections (d) and (e) of section 904 for purposes of determining the amount which may be carried over from a taxable year ending before January 1, 1975, to any taxable year ending after December 31, 1974, if the per-country limitation provided by section 904(a)(1) applied to such prior taxable year and to the taxpayer's last taxable year ending before January 1, 1975, then in the case of any foreign oil related carryover—

"(A) the first sentence of section 904(e)(2) shall not apply, but

"(B) such amount may not exceed the amount which could have been used in such succeeding taxable year if the per-country limitation continued to apply.

"(f) Recapture of Foreign Oil Related Loss.—

'(1) General rule.—For purposes of this subpart, in the case of any taxpayer who sustains a foreign oil related loss for any taxable year—

"(A) that portion of the foreign oil related income for each succeeding taxable year which is equal to the lesser of—

"(i) the amount of such loss (to the extent not used under this paragraph in prior years), or

"(ii) 50 percent of the foreign oil related income for such succeeding taxable year, shall be treated as income from sources within the United States (and not as income from sources without the United States), and

"(B) the amount of the income, war profits, and excess profits paid or accrued (or deemed to have been paid) to a foreign country for such succeeding taxable year with respect to foreign oil related income shall be reduced by an amount which bears the same proportion to the total amount of such foreign taxes as the amount treated as income from sources within the United States under subparagraph (A) bears to the total foreign oil related income for such succeeding taxable year.

For purposes of this chapter, the amount of any foreign taxes for which credit is denied under subparagraph (B) of the preceding sentence shall not be allowed as a deduction for any taxable year. For purposes of this subsection, foreign oil related income shall be determined without regard to this subsection.

"(2) Foreign oil related loss defined.—For purposes of this subsection, the term 'foreign oil related loss' means the amount by which the gross income for the taxable year from sources without the United States and its possessions (whether or not the taxpayer chooses the benefits of this subpart for such taxable year) taken into account in determining the foreign oil related income for such year is exceeded by the sum of the deductions properly apportioned or allocated thereto, except that there shall not be taken into account—

"(A) any net operating loss deduction allowable for such year under section 172(a) or any capital loss carrybacks and carryovers to such year under section 1212, and

"(B) any—

"(i) foreign expropriation loss for such year, as defined in section 172(k)(1), or

"(ii) loss for such year which arises from fire, storm, shipwreck, or other casualty, or from theft,

to the extent such loss is not compensated for by insurance or otherwise.

"(3) Dispositions.—

"(A) In general.—For purposes of this chapter, if property used in a trade or business described in subparagraph (A), (B), (C), or (D) of subsection (c)(2) is disposed of during any taxable year—

"(i) the taxpayer notwithstanding any other provision of this chapter (other than paragraph (1)) shall be deemed to have received and recognized foreign oil related income in the taxable year of the disposition, by reason of such disposition, in an amount equal to the lesser of the excess of the fair market value of such property over the taxpayer's adjusted basis in such property or the remaining amount of the foreign oil related losses which were not used under paragraph (1) for such taxable year or any prior taxable year, and

"(ii) paragraph (1) shall be applied with respect to such income by substituting '100 percent' for '50 percent'.

"(B) Disposition defined.—For purposes of this subsection, the term 'disposition' includes a sale, exchange, distribution, or gift of property, whether or not gain or loss is recognized on the transfer.

"(C) Exceptions.—Notwithstanding subparagraph (B), the term 'disposition' does not include—

"(i) a disposition of property which is not a material factor in the realization of income by the taxpayer, or

"(ii) a disposition of property to a domestic corporation in a distribution or transfer described in section 381(a).

"(g) Western Hemisphere Trade Corporations Which Are Members of an Affiliated Group.—If a Western Hemisphere trade corporation is a member of an affiliated group for the taxable year, then in applying section 901, the amount of any income, war profits, and excess profits taxes paid or accrued (or deemed to have been paid) during the taxable year with respect to foreign oil and gas extraction income which would (but for this section and section 1503(b)) be taken into account for purposes of section 901 shall be reduced by the greater of—

"(i) the reduction with respect to such taxes provided by subsection (a) of this section, or

"(2) the reduction determined under section 1503(b) by applying section 1503(b) separately with respect to such taxes,

but not by both such reductions."

(b) Carrybacks From 1977, 1978, or 1979 of Foreign Taxes Attributable to Foreign Oil Related Income.—If the taxpayer has a carryback of foreign taxes attributable to foreign oil related income (within the meaning of section 907(c)(2) of the Internal Revenue Code of 1954) paid or accrued for a taxable year ending in 1977, 1978, or 1979, then in applying section 904(d) of the Internal Revenue Code of 1954 such carryback (in lieu of being a 2-year carryback) shall be—

(1) if the carryback arises in a taxable year ending in 1977, a 3-year carryback, or

(2) if the carryback arises in a taxable year ending in 1978 or 1979, a 4-year carryback.

(c) Technical Amendments.—

(1) Section 901(e)(2) (relating to foreign taxes on mineral income) is amended by striking out "extraction of minerals" and inserting in lieu thereof "extraction of minerals (other than minerals extracted from oil or gas wells)".

(2) Section 963(d) (relating to effective foreign tax rate for purposes of subpart F) is amended by adding at the end thereof the following new sentence:

"For purposes of this subsection, the income, war profits, or excess profits taxes paid or accrued to any foreign country by any controlled foreign corporation or corporations shall be reduced as provided in subsections (a) and (f) of section 907."

(3) The table of sections for subpart A of part III of subchapter N of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 907. Special rules in case of foreign oil and gas income."

(d) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1973; except that—

(1) the second sentence of section 907(b) shall apply to taxable years ending after December 31, 1974, and

(2) the provisions of section 907(f) shall apply to losses sustained in taxable years ending after December 31, 1974.

TITLE III—INCREASE INCENTIVE FOR EXPANDED INVESTMENT

INCREASED INVESTMENT CREDIT FOR EXPANDED INVESTMENT

Sec. 501. (a) Section 46 of the Internal Revenue Code of 1954 (relating to amount of investment credit) is amended—

(1) by striking out subsection (a)(1) and inserting in lieu thereof the following:

"(1) General rule.—The amount of the credit allowed by section 38 for the taxable year shall be equal to—

"(A) 7 percent of the qualified investment (as defined in subsection (c)), plus

"(B) 10 percent of the expanded investment (as defined in subsection (f)).",

(2) by inserting immediately after "qualified investment" in subsection (a)(4) the following: "or expanded investment",

(3) by adding at the end thereof the following new subsection:

"(f) Expanded Investment.—

"(1) In General.—For purposes of this section, the term 'expanded investment' means, with respect to any taxable year, the amount by which the qualified investment of the taxpayer for such year exceeds the average amount of qualified investment of the taxpayer per taxable year, as determined on the basis of the 3 most recent previous taxable years, determined without regard to investment credit carryovers and carrybacks.

"(2) Public utility property.—In the case of section 38 property which is public utility property, as defined in subsection (c)(3), the amount of expanded investment shall be 7/10 of the amount determined under paragraph (1).".

(b) The amendments made by this section apply with respect to section 38 property which is constructed, reconstructed, erected, or purchased after December 31, 1974.

Fact Sheet on Proposed Oil and Gas Tax Provisions

PURPOSE

The tax provisions in this bill with respect to oil and gas are those contained in the House Ways and Means Committee bill ordered reported on November 21, 1974. The House Ways and Means Committee made a careful investigation of these matters, held extensive hearings, and developed a balanced package of tax reform and incentive measures. The purpose of the Ways and Means Bill, and our bill, is to—

Tax windfall profits on oil production beginning in 1975,

Encourage development of additional domestic sources of oil by allowing the "plowback" into oil and gas investments of most tax liability under the windfall profits tax,

Phase-out both foreign and domestic percentage depletion for oil generally by 1975, and completely by 1979, on the ground that recent price increases eliminate the need for this tax incentive, and

Further encourage the domestic production of oil and gas relatively by reducing the tax advantages of overseas development.

CURRENT TAX LAW

The oil and gas industry presently benefits from numerous tax preferences. The percentage depletion option now permits 22 percent of the gross revenues from oil and gas extraction to go entirely free of Federal income taxes, up to half of the producer before-tax profits. For a successful well, percentage depletion can provide a total tax deduction much larger than the alternative of depreciating the investment in the oil, as would be done by investors in other businesses. There are also tax preferences that encourage U.S. petroleum firms to operate abroad, including converting royalty payments into taxes creditable against U.S. taxes, and the offsetting of losses but not profits abroad against U.S. domestic income abroad (per country limit rule).

As a result of these and other tax preferences, major oil companies paid only about 6 percent of their income in U.S. income taxes in 1973: Gulf paid 1.1 percent; Mobil, 2.2 percent; Texaco, 1.6 percent; Stnd. of Cal., 4.1 percent, Arco, 8.1 percent; Exxon, 5.4 percent; and Standard of Indiana, 21.6 percent.

PROPOSED TAX MEASURE

The specifics of the provisions in our bill are as follows:

Windfall Profits Tax. A graduated profits tax—ranging from 10–85 percent—is imposed on all crude oil selling at more than 50 cents above the December 1, 1973 price (averaging $4 per barrel) established by the Cost of Living Council, effective 1 January, 1975. The tax is gradually phased-out over 5 years with gross revenue gains of $5.0 billion in 1975 and $6.5 billion in 1976.

Plowback Credit. A tax credit for certain types of oil and gas production investment is provided, with the credit paid for through reduction of the windfall profits tax otherwise payable. In 1975 the credit may not exceed 50 percent of the tax plus the proportion of the remaining 50 percent represented by the production of 3,000 barrels a day or less, with a 100 percent offset possible in subsequent years. The net revenue gain of the windfall profits tax after plowback is $1.1 billion in 1975 and $.1 billion in 1976.

Phase-out of Domestic Percentage Depletion. The current 22 percent depletion allowance for most domestic oil and gas production is reduced to 15 percent in 1974, and eliminated in 1975. The depletion rate is frozen at 15 percent from 1975 to 1979 for production up to 3,000 barrels a day, "stripper" wells, and Alaska north slope oil. The estimated revenue gain from the phase-out of percentage depletion on domestic oil and gas production is approximately $600 million in 1974, $1.7 billion in 1975, and $2.0 billion in 1976.

Foreign Oil and Gas Production. The bill has several provisions to remove special benefits to U.S. firms producing oil abroad. Percentage depletion on income from oil and gas production is repealed for 1974 and subsequent years, the foreign tax credit is limited to 10 percent above the U.S. tax rate, and the taking of foreign losses against domestic income is disallowed. These and other reforms, gain revenue of $340 million in 1974 and $460 million in 1975.

REASONS FOR REFORMS

The oil and gas provisions of this bill will serve to prevent producers of oil and gas from reaping excessive profits because of ineffective and expensive tax preferences, and distortion of oil prices caused by the international oil cartel.

The tax provisions this bill would reform have in the past been defended primarily as incentives for encouraging oil and gas exploration and development. The available evidence indicates they have in fact been ineffective and costly, as well as having the perverse effect of encouraging production abroad. The high prices of oil today render these tax subsidies even more expensive and, at the same time, remove any justification for them because today's oil prices provide ample incentive for oil development without subsidies.

The high profits that major oil companies have earned because of the overgenerous tax benefits has been reinforced by the tripling of international crude oil profits since the fall of 1973. Crude oil from new domestic wells which could profitably be extracted at $3.50/bbl in 1973 can now be sold for $11.00/bbl because foreign producers are colusively regulating output and price. There is no economic rationale for permitting domestic oil and gas companies to reap windfall profits due to the uncompetitive pricing practices of foreign producers.

The net effect of overgenerous tax subsidies and the international oil cartel has been ballooning profits for U.S. oil firms. For all U.S. companies, oil profits are up 66 percent in the first nine months of 1974, to a total of $10.8 billion. After their accounts had done everything to minimize below-the-line profits, *Business Week* reported that: Exxon had after tax profits up 38 percent, Mobil up 58 percent, Texaco up 70 percent, Shell oil up 83 percent, Standard of Indiana up 104 percent, Atlantic Richfield up 112 percent, and Phillips Petroleum up 140 percent.

TOTAL REVENUE EFFECTS

The total revenue effects will be $1.0 billion in 1974, $3.3 billion for 1975, $2.6 billion a year for 1976 through 1978, and $3.7 billion in 1979, for a cumulative revenue increase of $16 billion over 6 years.

FACT SHEET ON REPEAL OF DISC

The DISC provisions of the Tax Code allow specially organized export corporations to defer indefinitely the tax on one-half of their income. The DISC provisions were enacted in 1971 in order to stimulate exports. Since then, however, two devaluations and the system of flexible exchange rates have fundamentally changed the U.S. and world trading system, giving a very substantial stimulus to U.S. exports. There is no evidence that the DISC provisions themselves have provided any extra stimulus to exports. Yet DISC will cost the Treasury $740 million in lost revenue in 1974, primarily in the form of subsidies to large, highly profitable corporations. Preliminary reports indicate that DISC is costing the Treasury $1.46 in lost revenue for each $1.00 worth of DISC exports.

How DISC Provisions Work. Under existing law, a corporation may elect to be a DISC (a Domestic International Sales Corporation) if at least 95% of its gross receipts, and at least 95% of its assets, are export-related. DISC's are completely free from normal income taxes. Shareholders, however, are taxable on one-half of the DISC's income each year, or the amount distributed as dividends, whichever is greater. Thus, DISC's in effect allow indefinite tax deferral on one-half of export income.

In practice, DISCs are most often paper corporations established by other large corporations merely for the purpose of receiving tax benefits for exports. A DISC need not satisfy normal requirements of corporate capitalization, but need have only $2500 in assets. In 1972, 22% of the income received by all DISCs was earned by eight DISCs with gross receipts over $100 million, and over 80% of the 2,249 DISCs were owned by corporations with assets over $100 million. These large corporations can channel their exports, on either a sale or commission basis, through DISCs they have created, and thus receive substantial tax benefits.

Revenue Gain From Termination of DISC Benefits. The estimated revenue loss from DISC was $250 million in 1972, $500 million in 1973, and will reach $740 million in 1974 and $920 million in 1975. The revenue loss has been much higher than Congress expected when it enacted DISC in 1971—at that time, DISC was predicted to cost only $100 million in 1972 and $170 million in 1973.

Terminating DISC benefits under our amendment would gain an estimated $815 million in 1974—$740 from revenue which would otherwise be lost in 1972, and $75 million from the estimated tax revenue which would be payable in 1974 on DISC income deferred in prior years.

DISC Provisions Have Had No Demonstrable Effect on Increasing Our Export Trade. The U.S. in 1973 enjoyed a $700 million trade surplus, with an unprecedented $70 billion in exports. If the impact of quadrupled oil prices is excluded, the trade surplus has continued to grow in 1974. But when the DISC provisions were originally enacted in 1971, the nation was facing a serious balance of payments deficit, including for the first time in recent years a deficit in trade of goods and services. According to the International Economic Report of the President, the turn-around in the U.S. trade balance was caused primarily by increased world-wide demand for our agricultural and manufactured exports, and the 15% devaluation of the dollar since 1971.

During 1971 and the first half of 1972 our demand for foreign products was strong, and economic slowdowns abroad reduced demand for our exports, producing a negative trade balance. Since then, however, export demand has increased, the prices of our exports have become more competitive, and higher relative prices abroad have reduced our demand for imports.

There is no evidence that any part of this trade turn-around is due to the tax benefits provided under DISC. In fact, the GAO has reported that DISC "is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition." And a recent Treasury Department report gives no solid evidence that the tax subsidy under DISC is having an effect on our exports or balance of trade. Although the Treasury analysis, which covers data from 1972, shows that selected firms utilizing DISCs increased their exports 14.1%, slightly more than the total U.S. export growth by 12.4% in that year, the Treasury makes no claim that these figures are statistically significant and admits that their conclusion is "highly tentative." The Treasury Report did show, however, that exporters using DISCs have about twice the normal industry profit rate: 15% compared with the normal 8% rate of return for those industries in which DISCs predominate.

Effective Date. Our amendment would make DISC benefits unavailable for any taxable year beginning after December 31, 1973. Since DISCs are largely an accounting device, utilized by corporations at the end of their taxable years when export receipts, assets and income are accounted for, terminating the DISC provisions as of this tax year would work no unfairness. Taxes on income previously deferred would be payable in equal assessments over ten years.

PURPOSE

1. Repeal the step in the calculation of the minimum tax which currently allows a deduction for other taxes paid.

2. Reduce the current $30,000 exclusion from the minimum tax to $10,000.

The proposed amendment makes no change in the list of tax preferences subject to the minimum tax, and no change in the current 10% rate of the minimum tax. It affects only the deduction for taxes paid and the $30,000 exclusion, the most obvious loopholes in the current minimum tax. The combined revenue gain from both changes would be $926 million.

CURRENT LAW

The minimum tax was enacted by Congress as part of the Tax Reform Act of 1969, in an effort to insure that persons with substantial amounts of untaxed income would pay at least a modest tax on such income. Under the present minimum tax, a person is taxed at the flat rate of 10% on the sum of his income from certain tax preferences, which include most, but not all, of the major preferences in the tax code: accelerated depreciation on real property, accelerated depreciation on personal property subject to a net lease, amortization of certified pollution control facilities, amortization of railroad rolling stock, stock options, reserves for losses on bad debts of financial institutions, depletion, capital gains, and amortization of on-the-job training and child care facilities.

Before the minimum tax is applied, however, a taxpayer gets two important deductions from his preference income: First, an automatic $30,000 exclusion; Second, a deduction for the regular income tax paid. These two deductions are largely responsible for the failure of the minimum tax to fulfill its promise.

DEDUCTION FOR TAXES PAID

This deduction, originally proposed as a floor amendment in 1969 by Senator Miller of Iowa, allows substantial numbers of taxpayers to avoid the minimum tax completely, even though they have large amounts of income from tax preferences. In 1970, as a separate floor amendment by Senator Miller, the deduction was broadened to allow a 7-year carry-forward of the deduction. In practice, the deduction is an "Executive Suite" loophole, since one of its principal effects is to allow highly paid executives to use the large amount of regular taxes they pay on their salaries as an offset against income they receive from tax preferences. The following example illustrates the point:

	A	B
Preference income	$100,000	$100,000
Regular tax on salary	100,000	0
Base for minimum tax	0	100,000
Minimum tax	0	10,000

Individual A, who has $100,000 in income from tax preferences but pays $100,000 in regular taxes on his salary, owes no minimum tax. Individual B, who has $100,000 in income from the same tax preferences, but who pays no regular taxes, owes a minimum tax of $10,000. The minimum tax should operate equally on individuals A and B, yet the deduction for taxes paid lets A escape the minimum tax altogether.

Contrary to arguments often raised against repeal of the deduction for taxes paid, this reform would have only a marginal impact on capital gains. For individuals, the effect of the change would be to increase the effective tax rate on capital gains in the highest bracket from its present level of 36.5% to 40%. But the top 40% rate would apply only to that portion of capital gains over $460,000. Even at that level, it is still a bargain, compared to the top 70% tax rate on ordinary income. In the Tax Reform Act of 1969, the maximum effective tax rate on capital gains was increased from 25% to 36.5%, with no measurable effect on the investment community or the flow of capital to business. For corporations, the change would increase the effective tax rate on capital gains from 30.75% to 33.75%. The Tax Reform Act of 1969 increased the rate from 25% to 30%. For all but the smallest corporations, the tax rate on ordinary income is 48%.

THE $30,000 EXCLUSION

The second part of the amendment would reduce the existing $30,000 exclusion to $10,000. The present level was set too high by the 1969 Act. It enables wealthy taxpayers to enjoy their first $30,000 in tax loophole income, completely free of the minimum tax. This was the provision used by President Nixon to reduce his minimum tax to zero in 1971 and 1972, and to near-zero in 1970.

By reducing the exemption to $10,000, substantial amounts of preference income that are currently tax-free will become subject to the minimum tax. At the same time, the $10,000 level will be high enough to prevent any deleterious impact on low and middle-income taxpayers with modest tax preference income such as a capital gain on the sale of a home. In addition, the $10,000 level will avoid any unnecessary inconvenience in the administration of the minimum tax, since it will not require the forms to be filed or the tax to be paid on modest amounts of tax preference income.

EFFECT OF CURRENT LOOPHOLES

Individuals.—In 1971, 100,000 individuals with tax preferences totaling $6.3 billion paid $169 million in minimum tax, for an effective tax rate of only 2.7%, compared to the statutory rate of 10%. Of this group, 75,000 individuals reporting preference income of $2.3 billion paid no minimum tax at all.

Corporations.—In 1970, 81,000 corporations paid $280 million in minimum tax on loophole income of $5.7 billion, for an effective rate of 4.8%. Of this group, 75,000 corporations, reporting preference income of $1.6 billion, paid no minimum tax at all.

REVENUE GAIN FROM PROPOSED AMENDMENT (1974 INCOME LEVELS)

[Individuals: $526,000,000; corporations: $400,000,000; total: $926,000,000]

ANALYSIS OF REVENUE GAIN FROM INDIVIDUALS

Adjusted gross income class thousands)	Increase in tax liability: Number of returns (thousands)	Increase in tax liability: Amount (millions)
0 to $3	20	$10
$3 to $5	(1)	(1)
$5 to $7	2	1
$7 to $10	2	2
$10 to $15	28	5
$15 to $20	26	8
$20 to $50	88	75
$50 to $100	55	86
$100 and over	43	338
Total	265	526

[1] Less than 500 returns or $500,000.

Note: Details do not add to totals because of rounding.

INCREASED INVESTMENT TAX CREDIT

$175 Optional Tax Credit. The provision would reduce taxes on the average family by about $100 a year by allowing taxpayers to take a $175 credit for themselves and each of their dependents instead of the existing $750 exemption.

The new $175 credit would be optional. Anyone who wished to continue using the $750 exemption could do so. However, because the $175 credit would be subtracted directly from the final tax due—rather than from the income on which the tax is calculated—it would be worth more in tax savings than the $750 exemption to most families earning $16,000 or less.

The existing $750 personal exemption provides much larger tax savings to the very wealthy than it does to the average American. For those in the highest 70 percent tax bracket—making $200,000 a year and more—each $750 exemption is worth $525. But for someone in the lowest 14 percent bracket making around $5,000 a year, each $750 exemption is worth only $105 in reduced taxes. It provides the most help to those who need it least, and the least help to those who need it most.

The new $175 optional credit would assure that each exemption is worth at least $175 in reduced taxes to everyone who uses it.

The tax savings for families of different sizes are set out in the attached tables.

Over 75 percent of the $3.0 billion in tax relief from the $175 optional tax credit would go to those making between $5,000 and $15,000 a year. The distribution table on the back gives more details on this.

Work Bonus. This provision would extend relief to those with incomes so low they pay no income taxes, but who nonetheless pay substantial Social Security taxes. It would give low income workers with dependent children a refundable tax credit equal to 10 percent of their income up to $4,000, and a gradually smaller percentage of their income up to $5,600. Those whose income tax liability is less than their Work Bonus would receive a direct payment from the Treasury for the difference.

The following table shows the size of the Work Bonus at different income levels:

Annual income of husband and wife subject to social security taxes

	Work bonus
$2,000	$200
$3,000	300
$4,000	400
$5,000	150
$5,600	0

The Work Bonus was first proposed by Senator Russell Long, and it passed the Senate in November of 1973 by a vote of 57–21.

10 Percent Credit for Expanded Investment. Present law allows an investment tax credit of 7 percent of the cost of qualifying property (generally, tangible personal property used in a trade or business). In effect, 7 percent of the cost of each year's investment in equipment may be subtracted from that year's Federal income tax bill. For utilities, the investment tax credit is 4 percent.

The proposal would allow an investment tax credit of 10 percent (7 percent for utilities) for "expanded investment." This is defined as investment which exceeds the average of qualifying investment in the three preceding years.

Business capital investment and productivity are beginning to lag, and some additional tax stimulus for investment could have a favorable economic impact. At the same time, the continuing pressures of inflation indicate that Federal revenue losses from additional tax incentives should be kept to a minimum. The new 10 percent investment credit is therefore limited to investment in excess of the average of prior years. Investment that does not exceed that average will continue to receive a 7 percent investment tax credit. The stimulative effect of the new 10 percent investment tax credit will therefore not be dissipated on investment which would have taken place in any event, but rather will be concentrated on new investment which probably would not otherwise have been made.

This concept of a higher investment credit for investment in excess of that of prior years was part of the original Kennedy Administration proposal for an investment tax credit in 1961.

DISTRIBUTION OF TOTAL TAX RELIEF FROM $175 OPTIONAL CREDIT

Adjusted gross income class (in thousands)	Percent of taxable returns	Number of returns with tax decrease (in thousands)	Amount of tax relief (in millions)	Percent of total relief
0 to $3	5.3	4,057	$176	5.8
$3 to $5	12.7	7,579	415	13.7
$5 to $7	14.3	8,273	548	18.1
$7 to $10	20.1	8,950	834	27.6
$10 to $15	25.6	12,698	905	29.9
$15 to $20	12.4	3,351	136	4.5
$20 to $50	8.7	162	7	.2
$50 to $100	.7	2	(1)	0
$100 and over	.2	(1)	(1)	0
Total	100.0	45,072	3,022	100.0

[1] Less than 500 returns or $500,000.

"Breakeven" points (income levels at which tax savings from present $750 exemption begin to exceed savings from $175 credit):

Single person	$7,883.33
Married couple with no dependents	14,901.96
Married couple with 1 dependent	15,294.12
Married couple with 2 dependents	15,686.27
Married couple with 3 dependents	16,078.44
Married couple with 4 dependents	16,470.59

$175 OPTIONAL TAX CREDIT—TAX SAVINGS

[Assumes personal deductions of 15 percent of income]

Adjusted gross income	Present tax	Tax with $175 credit	Tax saving
Married couple with 4 dependents:			
$3,000			
$5,000			
$6,000	$28	$0	$28
$8,000	322	83	239
$10,000	620	440	180
$12,500	1,024	908	116
$15,000	1,435	1,398	37
$17,500	1,903	1,903	0
$20,000	2,385	2,385	0
Married couple with 2 dependents:			
$3,000			
$5,000	98	0	98
$6,000	245	53	192
$8,000	569	433	136
$10,000	905	790	115
$12,500	1,309	1,258	51
$15,000	1,765	1,748	17
$17,500	2,233	2,233	0
$20,000	2,760	2,760	0
Married couple with 1 dependent:			
$3,000			
$5,000	208	44	164
$6,000	362	228	134
$8,000	706	608	98
$10,000	1,048	965	83
$12,500	1,463	1,433	30
$15,000	1,930	1,923	7
$17,000	2,416	2,416	0
$20,000	2,948	2,948	0
Married couple with no dependents:			
$3,000	28		28
$5,000	322	219	103
$6,000	484	403	81
$8,000	848	783	65
$10,000	1,190	1,140	50
$12,500	1,628	1,608	20
$15,000	2,095	2,095	0
$17,500	2,604	2,604	0
$20,000	3,135	3,135	0
Single person:			
$3,000	138	84	54
$5,000	491	458	33
$6,000	681	662	19
$8,000	1,100	1,100	0
$10,000	1,530	1,530	0
$12,500	2,059	2,059	0
$15,000	2,630	2,630	0
$17,500	3,249	3,249	0
$20,000	3,915	3,915	0

By Mr. CURTIS:

S. 4188. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. CURTIS. Mr. President, it has been brought to my attention that there is a restriction in section 502 of the Small Business Investment Act of 1958 which I believe is a needless restriction.

Small business loans are intended to encourage community development which in turn stimulates economic development, a vital commodity in this period of economic recession.

Therefore, I propose an amendment to the Small Business Investment Act of 1958 to expand the loan authority to include plant acquisition.

According to the present language of section 502 of the act, the Small Business Administration "may make loans for plant construction, conversion, or expansion including the acquisition of land to local development companies."

In May 1974, the Small Business Administration General Counsel issued an opinion that prohibited use of the SBA 502 program for acquisition of existing facilities. The opinion was based on an interpretation of the phrase "conversion or expansion" to mean acquisition of an existing facility if such acquisition is incidental to the construction.

The SBA office in Omaha, Nebr., indicates how this interpretation creates problems. That office runs into many situations where an existing facility is available and appropriate for its intended use without any "conversion or expansion."

But, due to the current language of section 502, the Omaha office is not taking any applications for existing facilities.

I am sure this situation exists in SBA offices across the country.

My amendment would enable the Small Business Administration to make loans for existing plant facilities, in addition to facilities included in the bill's present language.

The need is acute. At a recent meeting in Nebraska, Leo R. Navin, Chief of the Community Economic Development Division of SBA, said he found that—

> Both the Nebraska Public Power and the Department of Economic Development people emphasized that the industrial prospects they are receiving inquiries from are looking for existing buildings. The uncertainties of construction costs and material shortages were apparently the reasons for this.

Mr. Navin believes the 502 program should be available for financing where needed.

I believe we have a legislative responsibility to insure this availability by expanding the flexibility of the Small Business Investment Act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502 of the Small Business Investment Act of 1958 is amended by inserting "acquisition," after "plant".

By Mr. STEVENS:

S. 4189. A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects. Referred to the Committee on Public Works.

Mr. STEVENS. Mr. President, Public Law 92–500 authorized the construction of three projects in Alaska which would demonstrate methods to provide central community facilities for safe water and elimination or control of pollution in those native villages of Alaska without such facilities.

Through its research and demonstration program, the Environmental Protection Agency constructed two central facilities in rural Alaska—one in Emmonak and the other in Wainwright. These projects provided the residents with a safe water supply, toilets, bathing, and laundry facilities, and sewage and solid waste disposal. The attitude of the villagers toward these projects has been highly positive. The Environmental Protection Agency was to build one more central facility in a village in the interior of Alaska. However, last November the experimental waste treatment and sanitary facility at Wainwright was destroyed by fire. For the past year, EPA has been working out a joint program with the Department of Housing and Urban Development to build a replacement for the Wainwright facility. Additionally, EPA reviewed the project in Emmonak after the Wainwright fire. There are several modifications needed in Emmonak to prevent a second tragedy by fire.

Mr. President, the authorization for the Alaskan projects contained in Public Law 92–500 was $2 million. EPA estimates that an additional authorization of $1.5 million will be needed to rebuild the Wainright facility and make the needed modifications at Emmonak. The bill I am introducing would provide this needed increase in the authorization ceiling. In view of the nature of this program I would request the committee to take immediate action on this bill so that we may obtain the funds through the Appropriation Committee in order to begin phase I of the rebuilding program this year.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD at the end of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 113 (d) of the Federal Water Pollution Control Act is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3524

At the request of Mr. HUGH SCOTT, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 3524, the lottery bill.

S. 3911

At the request of Mr. BENTSEN, the Senator from Ohio (Mr. TAFT) and the Senator from Iowa (Mr. CLARK) were added as cosponsors of S. 3911, a bill to establish a Commission on Federal Paperwork.

S. 3941

At the request of Mr. DOMENICI, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 3941, a bill to provide one free physical examination for the elderly under medicare.

S. 4019

At the request of Mr. WEICKER, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 4019, a bill to establish a Joint Committee on Intelligence Oversight.

S. 4137

At the request of Mr. HANSEN, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 4137, a bill to amend the Social Security Act, Professional Standards Review, to provide for the review of dental services by dentists.

SENATE CONCURRENT RESOLUTION 122—SUBMISSION OF A CONCURRENT RESOLUTION DESIGNATING NATIONAL BIBLE WEEK

(Referred to the Committee on the Judiciary.)

Mr. MONDALE. Mr. President, this year, I am honored to be serving with Representative Sam Steiger of Arizona, as cochairman of the 34th annual interfaith National Bible Week, November 24 to December 1.

The past year has been a particularly trying one for Americans. The revelations of Watergate, the resignation of the President, and the burdens of inflation and recession have all contributed to a general feeling of disillusionment and discouragement among our people.

Americans are looking for a source of inspiration. The Bible—both as a fine piece of literature and as a vehicle of spiritual enhancement—conveys themes and teaches lessons which may serve to renew the Nation's moral and spiritual vitality.

Mr. President, I hope that we in the Senate will do our part during this week to pay tribute to a piece of literature which has played such an important role in our Nation's spiritual and ethical life. Representative Steiger and I are introducing today a concurrent resolution directing the President to declare the week of November 24 to December 1 as National Bible Week. Senator Hruska, chairman of the Subcommittee on Federal Charters, Holidays, and Celebrations, Senator McClellan, ranking member of the subcommittee, and Senator Mansfield have agreed to the introduction of this resolution at this time.

Mr. President, I ask unanimous consent that the resolution be printed in the Record at the conclusion of my remarks, and I urge immediate consideration and unanimous approval.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

S. Con. Res. 122

Whereas American secular and religious leaders are for the 34th consecutive year sponsoring an intensive campaign to motivate Bible reading and study; and

Whereas the Bible in all its many versions, new and old, continues to be a cornerstone of our literary and religious heritage; and

Whereas there is a great need to renew America's attention to the literary and spiritual messages in the Bible; and

Whereas an understanding of the Bible and its teachings has played an important role in our nation's ethical and spiritual values: Now, therefore be it RESOLVED

By the Senate and the House of Representatives of the United States of America in Congress assembled, that the President is authorized and directed to publish and proclaim that the week of November 24-December 1, 1974, be designated "National Bible Week."

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 392

At the request of Mr. Taft, the Senator from Maryland (Mr. Beall) was added as a cosponsor of Senate Resolution 392, concerning the safety and freedom of Valentyn Moroz, Ukrainian historian.

AMENDMENTS SUBMITTED FOR PRINTING

LOCAL HIRE PREFERENCE ACT—S. 4069

AMENDMENT NO. 1994

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. GRAVEL. Mr. President, on October 1, I introduced S. 4069, the Local Hire Preference Act. This legislation would grant local job preference to residents in areas with heavy unemployment, and would include all projects that are sponsored, financed, or regulated by the Federal Government.

A number of areas across the country are faced with unemployment levels above the national average, and yet Federal agencies and firms doing federally funded work continue to employ residents of other parts of the country, even though qualified local residents are in need of jobs. My own State of Alaska has felt the impact of this practice particularly severely as work has begun on construction of the trans-Alaska pipeline. With unemployment levels ranging upward to as high as 14.5 percent in Alaska, federally regulated contractors have nonetheless imported large numbers of workers who have no intention of residing in the State on a permanent basis. S. 4069 would restore some balance to the economic burdens Americans everywhere are being called upon to bear.

The inequities of engaging outsiders to do work that local residents are perfectly capable of performing do not fall on the individual wage earner alone, however. Local small businesses also suffer. Therefore, I am today introducing an amendment to S. 4069 which would assure that small business concerns in areas of substantial unemployment would also be given a preference when Federal agencies award contracts. This provision will have the added effect of providing greater opportunities to minority business enterprises to secure contracts. Minority enterprises are in almost every case small, local firms which cannot hope to compete with the organizational and promotional capabilities of large national corporations. But this does not mean their on-the-job performance is any less professional.

To assure local small business firms the best possible opportunity to participate in contract work in their area, my amendment authorizes the Small Business Administration to provide financial assistance to encourage the placement of subcontracts with small business concerns. Such assistance could be made available to State or local governments or private groups for informational, training, or other programs. Funds could also be provided directly to major contractors so that they would aid in the training and upgrading of potential subcontractors.

Mr. President, in the weeks ahead the Senate will be considering employment security programs to meet pressing nationwide unemployment needs. As part of these deliberations, I urge my colleagues to give careful consideration to S. 4069 and the amendment I am offering today. We must not only shorten unemployment rolls; we must also give individuals in all regions of the country an equal chance to find employment.

I ask unanimous consent at this point that my amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1994

At the appropriate place in the bill, insert the following:

Sec. —. Section 8 of the Small Business Act is amended by adding at the end thereof a new subsection as follows:

"(f)(1) In awarding contracts for property to be delivered or services to be performed in any area of substantial unemployment, the head of each Federal department, agency, and establishment shall give a preference to small business concerns having their principal places of business in such area.

"(2) In carrying out the provisions of this subsection, the Administration is authorized to provide financial assistance to public or private organizations to encourage the placement of subcontracts with small business concerns located in areas of substantial unemployment, including the provision of incentives and assistance to contractors so that they will aid in the training and upgrading of potential subcontractors which are small business concerns in such area.

"(3) As used in this subsection, the term 'area of substantial unemployment' has the same meaning as in section 2 of the Local Hire Preference Act."

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENT NO. 1995

(Ordered to be printed and referred to the Committee on Foreign Relations).

Mr. CASE. Mr. President, I submit an amendment to S. 3394 and I ask unanimous consent that the text of the amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1995

At the end of the bill add the following new section:

EXPENSES OF UNITED STATES MEMBERSHIP IN UNESCO

Sec. 33. No funds authorized to be appropriated under this or any other law may be made available to the United Nations Educational, Scientific, and Cultural Organization until the Secretary of State certifies that each resolution passed by such Organization not of an educational, scientific, or cultural character has been repealed.

Mr. CASE. Mr. President, in 1967, when the old city of Jerusalem came into Israeli hands for the first time since the struggle of 1948 and 1949, authorities were appalled at the damages wrought to that ancient city. Of the 35 synagogues that populated the old city, 34 of the synagogues were totally destroyed, including the ancient Hurva Synagogue, a landmark in the old city that stood there since the year 1267. The old Jewish cemeteries, including those that held the remains of ancient scholars and sages, were desecrated and, in one case, a roadway was constructed across the cemetery grounds. Headstones and markers of the past were crushed and used for paving roads and other purposes. Christians who wished to come to the old city were turned away except on Christmas. Moslems living in Israel were not permitted to come to the old Sacred City at all.

Since that time the situation has changed dramatically. Access to the city for Christians, Moslems, and Jews is not blocked. The holy places of all faiths are maintained by separate administrations of each religious group. Laws protect all holy places and guarantee the right of celebrants of all faiths to worship as they will.

Moreover, reconstruction and restoration of old buildings and landmark structures have swiftly taken place, renewing the charm, grace, and significance of old Jerusalem for all peoples. Additionally, archeological studies undertaken with utmost scientific care have begun to piece together the historical and cultural life of the Hebrews, Christians, and Moslems that made the city the holy place it is.

The National Coalition of American Nuns summarized well the meaning of the changes since 1967. They said:

> Israel has rebuilt Jerusalem, pouring into it millions of dollars and more especially untold human resources. Jerusalem is now available to all faiths and never before have the holy places been so protected and maintained.

It is hard to believe in view of the progress made in old Jerusalem that it is possible for a world organization like the United Nations Educational Scientific and Cultural Organization to act to condemn the State of Israel for "persistently altering the historical features of the city of Jerusalem," and inviting the Director General of UNESCO to "withhold assistance from Israel in the fields of education and culture" because of its alleged actions. Yet that is precisely what UNESCO has done. The political and humanitarian arm of the United Nations has been used to carry on a blatantly political attack on the status of the city of Jerusalem, even after consistent reports by UNESCO's own investigators affirmed the care given the historical antiquities of the city by Israel.

Further, at its recent general conference meeting in Paris UNESCO voted further political sanctions on Israel. It has excluded Israel from the European group of UNESCO, thus leaving Israel a member of no regional group of the organization and effectively eliminating it from meaningful participation in the organization. And, UNESCO now has decided to send scientific cultural and educational aid to the Palestine Liberation Organization—for the first time using member-nation funds to finance a terrorist organization.

Certainly these are unhappy times for an organization with a distinguished tradition of humanitarian aid.

Under that tradition, for example, UNESCO has carried on an educational program in Gaza and in the West Bank areas in Israel which both Israel and the Arab members have found to be highly successful.

UNESCO is an organization that serves the cause of economic, educational, and scientific development in the third world nations primarily. To function it needs the expertise and skills made available by the developed states—including Israel which has contributed far more to UNESCO than it has received.

The United States has more to give as a nation to UNESCO than perhaps any other country. It must be made clear, however, that U.S. participation is contingent on the continuation of UNESCO as a humanitarian organization. The offensive resolutions recently adopted by UNESCO must be repealed.

My amendment to the foreign aid bill, if adopted, would cut off all U.S. funds to UNESCO until the Secretary of State certifies to the Congress that each resolution passed by UNESCO not of an educational, scientific, or cultural character has been repealed. This applies to the reprehensive resolutions concerning Israel and to any similar resolutions aimed at a particular country.

The U.S. Government has made its financial contribution to UNESCO this year. Whether the U.S. Government should make further contributions in the coming years should depend on whether the organization can operate in the future under its true mandate. The member states have ample time to decide the future of the organization. I think they will see the need to repeal the Arab resolutions adopted over the past few weeks.

This is severe action, but an action I hope the Congress will endorse. We want to preserve, not destroy, the fabric of our system of international organizations. None of us can stand by and watch American money and talent being funneled through UNESCO to the PLO. This is an affront to the American taxpayer and to the world community of nations.

EARTH RESOURCES SATELLITE PROGRAM—S. 2350

AMENDMENT NO. 1996

(Ordered to be printed and referred to the Committee on Aeronautical and Space Sciences.)

Mr. MOSS. Mr. President, two important bills, S. 2350, introduced by me and cosponsored by Senator GOLDWATER and Senator HATFIELD, and S. 3484, cosponsored by Senators ABOUREZK, YOUNG, and MCGOVERN, are pending before the Committee on Aeronautical and Space Sciences. Companion bills, H.R. 14978 and H.R. 15781, are pending before the House Committee on Science and Astronautics.

These bills have the common goal of continuing and accelerating research and development on Earth resources satellite systems—through experimentation, quasi-operational application and, where appropriate, full operational application in resources use and conservation.

Since these bills were introduced, many significant events have occurred. I have frequently called the attention of the Senate to progress being made in the executive branch, by State and local governments and in the private sector and universities. I will not detail these events again today, but will simply remind you that ERTS–1, the first Earth Resources Technology Satellite, is nearing the end of its extraordinary successful life. ERTS–B is scheduled for launch in January, with an expected life in orbit of 1 to 2 years.

The fate of ERTS–C is, to put it mildly, uncertain. An immediate start on ERTS–C is authorized by Public Law 93–316, and the Appropriations Committees have urged that work begin. The executive branch decision on ERTS–C will be made during the fiscal year 1976 budget formulation process, and I have every hope that the clearly expressed will of Congress will be observed.

Hearings on the bills I mentioned are now completed. The Committee on Aeronautical and Space Sciences held 4 days of hearings in August and September. House hearings were conducted in early October.

One clear conclusion arises from the testimony of the score or more of witnesses at these hearings, from the letters I have received from Governors and other senior officials of 32 States, and from the numerous public and private systems and cost-benefit studies. Meaningful experimentation with, and beneficial use of, this valuable new tool should continue—and meaningful experimentation requires assured continuing availability of satellite data for a reasonable period of time.

With this conclusion in mind, I am today introducing an amendment to S. 2350. This amendment departs significantly from the four bills I have discussed, and focuses on the important needs before us right now.

The major provisions of this amendment are as follows:

1. The policy of the United States would be to continue the experimental program until 1980, or until the earlier establishment of a permanent earth resources satellite system.
2. The President would be directed, acting through NASA, the Department of Interior and other agencies, to assure continuity of satellite data during the experimental period.
3. The President would be required to furnish the Congress with any necessary FY 1976 budget amendments by next April 15.
4. The President's annual Aeronautics and Space Report, already required by law, would include for each of the next five years a progress report and a statement of his views on the need for a permanent operational satellite system.

Mr. President, the time remaining to us in this Congress may not permit final enactment of this bill. In any event, I hope that this amendment will receive the careful attention of my colleagues and the responsible executive branch officials. I have been in frequent contact with the distinguished chairmen of the House Science and Astronautics Committee, Mr. TEAGUE, and its Subcommittee on Space Sciences and Applications, Mr. SYMINGTON. I understand that an identical bill will be introduced in the House today or tomorrow.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1966

Strike out everything after the enacting clause and insert in lieu thereof the following:

STATEMENT OF FINDINGS

Sec. 2. The Congress finds that—

(1) conditions in the United States and throughout the world mandate a more prudent use of the natural wealth of the earth and a more effective protection of the environment;

(2) remote sensing systems have shown great promise as a tool for significantly improving the management of the natural wealth of the earth and the protection of the environment;

(3) the first Earth Resources Technology Satellite has been most successful in demonstrating the experimental application of space technology to the objectives set forth in this section;

(4) both in the United States and throughout the world governmental agencies and private organizations are making and have under consideration substantial financial, organizational, and procedural commitments to continued experimentation and use of data from earth resource satellites; and

(5) realistic world-wide experimental use of this new technology is greatly hindered by the lack of assurance of continued availability of satellite data for a reasonable period of time.

POLICY

Sec. 3. It is the policy of the United States to continue experimentation with earth resources remote sensing satellite systems through January 1, 1980, unless prior to that date a permanent operational system is established.

PROGRAM AUTHORIZED

Sec. 4. (a) In order to carry out the policy set forth in section 3 of this Act, the President is authorized and directed—

(1) to take all practical steps to assure the continuing availability to public and private users and experimenters of earth resources satellite data during the experimental period prescribed in this Act;

(2) to foster continued improvement of both space and related ground systems for earth resources satellite systems as well as the improvement of user techniques and comprehension of potential benefits from the use of such systems; and

(3) promote the widest practicable international understanding and beneficial use of data and information from the program authorized by this Act.

(b) The program authorized by subsection (a) of this section shall be carried out through the National Aeronautics and Space Administration and the Department of the Interior, in conjunction with the Department of State, the Department of Agriculture, the Department of Commerce, the Environmental Protection Agency, the Corps of Engineers of the Department of Defense, and such other appropriate agencies as the President may designate.

REPORTS

Sec. 5. (a) Not later than April 15, 1975, the President shall transmit to the Congress a report containing recommendations for proposed actions to be taken to accomplish the policy set forth in section 3 and to carry out the requirements of section 4(a), together with such revisions in the budget estimate for fiscal year 1976 as the President deems necessary to carry out such recommendations.

(b) The President shall submit in each year prior to 1980 as part of the Aeronautics and Space Report of the President required by section 206(b) of the National Aeronautics and Space Act of 1958 a description of the activities carried out under this Act, an evaluation of the progress made in the preceding fiscal year under the program authorized by this Act and an evaluation of the desirability of establishing a permanent operational earth resources satellite system, including an assessment of the desirable timing of the establishment of such a system, together with any other recommendations which the President determines will contribute to carrying out the policy set forth in section 3 of this Act.

Sec. 6. Nothing in this Act shall be construed to apply to any satellite system established primarily for national defense purposes.

SURFACE RIGHTS IN JOINT USE OF CERTAIN INDIAN LANDS—H.R. 10337

AMENDMENTS NOS. 1997 AND 1998

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK. Mr. President, on behalf of Senators Montoya, Domenici, McGovern, and myself, I am submitting two amendments to H.R. 10337, an act to authorize the partition of the surface rights in the joint-use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes.

Mr. President, H.R. 10337 deals with two distinct tracts, the so-called joint-use area in the 1882 Executive Order Reservation and the Moencopi tract. The former encompasses 1,822,000 acres, the latter 243,000 acres.

An important legal difference between the two tracts is that as to the joint-use area a court has decided that both the Navajo and Hopi Tribes have undivided equal interests in them. The issue before the Congress which is the subject of this legislation is how these legally defined interests are to be apportioned between the tribes.

In the case of Moencopi, there has been no legal decision dividing the respective interests of the tribes. Instead, different claims are being made by the two tribes as to the legal status of the land and the relative interests of the two tribes.

The manner in which the Senate Interior Committee has dealt with the issues posed by the joint-use area has been to set up a procedure for negotiation between the tribes on the allocation of the interests, with the service of a mediator made available to them. If the negotiations break down, the matter is to be referred to the courts for a final decision as to how the interests are to be allocated.

But with regard to Moencopi, where the interests have not been judicially defined, the committee bill provides neither for negotiations nor for a judicial decision. Instead, the bill would simply allocate the entire tract, which is now part of the Navajo Reservation, to the Hopis with the result that anywhere from 1,200 to 2,000 Navajos would be forced to move from the area.

What the Moencopi amendments would accomplish would be to apply to Moencopi the procedure adopted by the committee for the joint-use area. They would make Moencopi the subject of face-to-face negotiations between the two tribes at the same time that the tribes also negotiate on the joint-use area. If they fail, the matter would be referred to the courts for final disposition, just as would be the case with regard to the joint-use area.

In its report, the committee has emphasized the importance and advisability of having the two parties try to reach an amicable settlement and, if they fail, having the matter resolved speedily. The amendments would accomplish both results, by giving the parties an opportunity for resolving the matter amicably and, if they fail, providing for a speedy judicial remedy which would not require any further considerations of this matter by the Congress.

In its essence, the controversy over Moencopi is a dispute over the owneship of Indian land. Each tribe offers a different legal theory to justify its claim. The Navajos say that the act of June 14, 1934, 48 Stat. 960, vested legal rights to the entire Navajo Reservation in the Navajo Tribe except for the land occupied by other Indians at the time the act went into effect. The Hopis, by contrast, claim that the 1934 act gives both the Navajos and Hopis an indeterminate right in the Navajo Reservation.

Whatever the merits and demerits of these conflicting legal claims might be, one thing is clear: this is the very kind of issue which under our form of government is referred to the courts for a decision. No land dispute involving the conflicting claims of non-Indian citizens would ever be taken to the Congress for a legislative solution. The fact that this controversy involves two Indian tribes should not make any difference. It is the kind of dispute which would be referred to the courts if the parties were non-Indians. It should be referred to the courts where the parties are Indians.

If the bill remains in its present form and the Navajo legal theory is subsequently held invalid, there will, of course, be no further repercussion. If, on the other hand, the Navajos turn out to have advanced the correct theory, the possibilities are that the United States will be held liable for having effected an unconstitutional taking and might have to pay in excess of $10,000,000; or that section 8 would be stricken down as invalid, thus returning the entire controversy to the Congress for further resolution.

By contrast, if the proposed Moencopi amendments are adopted, the United States takes no risks at all as to financial liability. Furthermore, the court would be able to make a final disposition of the matter irrespective of whether the Navajo or the Hopi theory of law applies. If the Navajos are right, the interests will be divided on the basis of existing vested legal rights. If the Hopis are right, it will be divided on the basis of fairness and equity.

That there is, indeed, serious doubt as to the constitutionality of the present Moencopi section of H.R. 10337 is borne out by the fact that on three occasions, on January 25, 1974, on July 23, 1974, and again on July 29, 1974, the administration has formally warned Congress that the present version of the bill may be in violation of the fifth amendment and has, therefore, recommended the approach embodied in the proposed amendments.

In the case of *Healing* v. *Jones*, 210 F. Supp. 125 (D. Ariz. 1962), aff'd 363 U.S. 758 (1963), the courts decided that the Navajo and Hopi Tribes have undivided joint and equal interests in the so-called joint-use area of the 1882 Executive Order Reservation. What the committee bill does, as indicated above, is to authorize the tribes to negotiate an agreement as to the division of the joint-use area between the two tribes. If they fail to reach agreement, a court is to make the decision for them.

What the Constitution of the United States requires, in the light of the decision in Healing against Jones, is that the two tribes receive equal value for their interests in the joint-use area. Neither the Healing case nor the Constitution specifies in what manner the equal share is to be delivered to either party.

The Hopis have asked that the Congress issue a mandate to the court to require that the mineral interests in the land continue to be held in common, with each tribe holding a 50-percent interest, but that the surface area be divided equally between the two tribes, each receiving approximately 911,000 acres of land.

The Navajos have pointed out that the entire area of 1,822,000 acres has for generations been occupied by Navajos, who now have residences there and who use the land. It has also been pointed out by the Navajos that they did not oust the Hopis from that area, as it was largely vacant at the time of Navajo entry. They have asked that the Congress devise a solution to the problem which would avoid the threat of expulsion of approximately 6,500 Navajos from their homes in the joint-use area.

The committee bill leaves the final decision as to how the interests are to be divided between the two tribes to the courts. It does provide, however, certain guidelines for the courts, including, on one hand, the requirement that the surface area be divided equally between the two tribes "insofar as is practicable," and, on the other, that there be due regard for humanitarian considerations; namely, the hardship that would be caused if a great many people are to be expelled from their homes. What the amendment would do would be to make clear that within the parameters allowed by law, special consideration be given by the courts to the problems of human hardship. This would be accomplished by subordinating the requirement that the land be divided equally "insofar as is practicable," to the requirement that any partitioning "minimize and avoid undue social, economic and cultural disruption insofar as practicable."

To compensate for the resulting imbalance, the bill would amend the section dealing with the mineral rights, so as to give the court discretion to allocate unequal mineral interests to the tribes. Under the amendment, the mineral interests would still be held in common, but it would be possible for the court, if it granted the Navajos more surface land, to compensate for such action by granting the Hopis a greater mineral interest. Estimates of the value of the surface and subsurface interests reveal that the subsurface interests are by far more valuable than the surface interests. However, it is the former that is in contention here.

Many charges and countercharges have been heard during the course of congressional consideration of this legislation. In particular, it has been alleged that the Navajos have usurped Hopi land and have compressed the Hopis into a very small area. The fact of the matter is that the Hopis now hold all the land, and more, of which they have made residential and agricultural use over the last 250 years—631,000 acres. The additional acres which they are claiming are areas in which they have occasionally hunted, gathered wood, herbs, and coal, and visited ceremonial sites. These uses have continued, as they have not been in conflict with Navajo residential and agricultural uses. Now, however, the Hopis are asking that these additional lands be turned over to them so that they can expand their livestock herds by using land now occupied by Navajos. The Navajo response is that if the Hopis need additional grazing land they should acquire such land elsewhere, where it would not be necessary to expel resident Navajos.

In support of their demands, the Hopis assert certain legal rights. It is the purpose of these amendments to make sure that the Hopis have the opportunity to prove these legal rights, but under guidelines which consider all the equities.

NOTICE OF HEARING

Mr. HASKELL. Mr. President, the Special Subcommittee on Integrated Oil Operations will convene a hearing Tuesday, December 3, 1974, to discuss the impact of a contemplated acquisition of a controlling interest in Occidental Petroleum Corp. by Standard Oil Co. of Indiana.

The hearing will commence at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

THE CAPITOL TELEPHONE SYSTEM

Mr. HUGH SCOTT. Mr. President, Mike Causey, writing in the Washington Post's "Federal Diary" suggests that the new Capitol Hill telephone system is biased against constituents who happen to live outside of the Metropolitan Washington, D.C., area.

For example, Pennsylvanians who are calling the main Capitol switchboard will no longer be able to get me directly. They will have to hang up the phone and dial again, thus ringing up two consecutive long distance calls.

I think that this new procedure, while intending to save some money, will actually cost constituents more money—and they will get less service in return. This is unfortunate, and I hope that something can be done on behalf of callers to the main Capitol switchboard.

TAX DOLLAR GIVEAWAY TO BANKS

Mr. HUMPHREY. Mr. President, we hear more and more these days about special interests which are able to gain special tax benefits for themselves at the taxpayers' expense. For example, everyone is familiar with the foreign oil tax loopholes which enable large international oil corporations to receive benefits from taxpayers for the exploration of oil in foreign countries—oil which they then turn around and sell for $12 per barrel here. Well, since the summer, Mr. Ronald Kessler and other equally competent reporters for the Washington Post have been publicizing what may well be the most unjustifiable tax dollar giveaway yet. It seems that through a combination of official indifference and an unwillingness by the administration to affect the income of banks, the Federal Reserve System and the Treasury are keeping Federal taxes over $400 million higher than necessary.

The tax giveaway has worked like this. Each day, corporations deposit hundreds of millions of Federal withholding tax dollars for their employees in a friendly bank—the bank giving the corporation favorable treatment on loan applications and interest rates in return. These withholding taxes on deposit are then loaned out by the banks—earning them an average of 12 percent or approximately $428 million in 1973 alone.

Do the banks share the earnings with the Federal Government which, let us remember, owns the money? After all, if they did, taxpayers would get a break through a corresponding reduction in taxes. But, of course, the banks do not share the earnings. And the Government does not make them share it. The Treasury and the Federal Reserve Board of Governors allow the banks to keep these gigantic deposits interest free. As a result, the banks earn interest by investing these Federal tax deposits, and the Federal Government, and taxpayers, get none of the interest earned.

There are a lot of people I know who would like to be given $3.5 billion each year to invest—and then be allowed to keep every penny of interest the money earned. But only bankers are able to do it. And they are able to do it only with Federal tax deposits. Our corporations and State and local governments do not hand out free money to the banks; they learned long ago that they and not the banks should receive any interest that money earns. Only the Federal Government lets them have the deposits free of charge.

As a result of these interest-free deposits the Federal Government gives to banks, taxpayers lose two ways. First, if the Government received interest on those deposits, taxes could be cut by a corresponding amount. Second, because the Government does not get the interest income to use itself, it must borrow money to spend in its place. Of course, the borrowed money carries an interest charge of its own which the Federal Government must pay, and which comes out of taxpayers' pockets as higher taxes. So, giving these deposits interest free to banks not only prevents a tax cut, it even causes taxes to go up. It sounds pretty strange, and it is, except to the big banks who receive over $400 million each year which should be going to taxpayers.

The Federal Reserve System's Board of Governors is apparently not willing to cooperate with the Treasury to eliminate this tax dollar giveaway. And the administration is apparently not willing to come forward with the promised legislation to enable the Treasury, by itself, to eliminate the tax dollar giveaway. That leaves it up to the Congress. That is pretty much the usual story these days, anyway.

I have written to Senator Proxmire, who, as a member of the Senate Banking, Housing and Urban Affairs Committee, can effectively deal with elimination of this tax dollar giveaway. In asking Senator Proxmire to get to the bottom of this mess, I enclosed two articles by Mr. Kessler of the Washington Post, outlining the impact of these interest-free deposits at banks across the country. One of these articles, "Federal Banking Pattern Benefits Firm," is of particular interest and reveals how both corporations and banks benefit from the current Treasury practice of only infrequently collecting tax deposits from banks. It is my hope that, among other things, the Senate Banking, Housing and Urban Affairs Committee will consider the idea of requiring a daily collection of these tax deposits. I see no virtue in allowing the taxes paid by our working men and women to be utilized by banks and corporations to increase their profits—when taxes could be cut instead.

Mr. President, I ask unanimous consent that the articles, "U.S. Banks $3.9 Billion, Gets No Interest," and "Federal Banking Pattern Benefits Firms," written by Ronald Kessler, which appeared in the November 17, 1974, Washington Post, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Nov. 17, 1974]

U.S. Banks $3.9 Billion, Gets No Interest

(By Ronald Kessler)

The federal government keeps an average of $3.9 billion of taxpayer money in non-interest-paying accounts at commercial banks here and throughout the country, losing $428 million in potential interest income each year or more than $1 million a day.

The interest lost in one year on the accounts, which are maintained in 95 per cent of the nation's banks for the collection of U.S. taxes from corporations, could pay for a year's operation of the Federal Trade Commission, Federal Communications Commission, Securities and Exchange Commission, Maritime Commission, Smithsonian Institution, Secret Service, the Senate, and the Supreme Court.

To the banking industry, the accounts represent what Rep. Wright Patman (D-Tex.), chairman of the House Banking and Currency Committee, calls a "bonanza." While the government forfeits interest on the money that is put into the accounts, the banks invest it, adding directly to their profits, which averaged 12 per cent of revenue after taxes last year.

The Treasury Department acknowledged last summer that the interest-free accounts, known as tax and loan accounts, lose money for the government. Treasury said it needed special legislation to permit it to invest the money to earn income for taxpayers.

Although the department promised to prepare such a bill, no legislation has yet been introduced by the Ford administration. In the meantime, the government's loss of interest since the announcement was made has exceeded $150 million—enough to pay for about a year's operation of the House of Representatives.

In a recent interview, Sidney Cox, the Treasury's assistant fiscal secretary, acknowledge that bank account balances could be invested immediately without the need for legislation if the Treasury had the "cooperation" of the Federal Reserve Board, which operates Federal Reserve banks that supply money to commercial banks.

"It could be done; it's a matter of the Fed doing it," said Cox, who conducted a two-year Treasury study of the interest-free accounts.

A Federal Reserve spokesman, asked for comments, said the technique proposed by Treasury for investing the money was not intended for that purpose.

Interest-free accounts for government and other funds have been a continuing source of controversy in recent years. The Washington Post has disclosed that balances ranging from $1 million to $30 million were kept at various times in noninterest-bearing checking accounts by the Maryland and Virginia state governments, Washington's Sibley Hospital, and Washington Hospital Center. Often, ties were found between the institutions and the banks where the money was placed.

Following the newspaper stories in each case, the balances were reduced, often to a point close to zero, a practice recommended by financial experts and followed by many corporations. Typically, these companies arrange to have their banks transfer into their checking accounts only enough money to cover the checks presented for payment during the day. Any excess cash is invested, often overnight, in a variety of government or private securities or loan arrangements.

Despite the size of non-interest-paying accounts disclosed to date, they are dwarfed by the federal government's accounts in the nation's banks, which receive about 80 per cent of the government's total annual revenues.

The biggest source of deposits to the accounts is individual income tax payments withheld from employee paychecks. These funds must be deposited by private companies in the government's bank accounts each week. A company presents a check for the amount of the taxes to the bank teller, who deposits the check in the government's tax and loan account at the bank.

How much money a particular bank holds depends on how many companies in its area choose to market their tax deposits at that particular bank. To attract such customers, banks generally offer various inducements, such as guaranteed loan arrangements known as lines of credit.

Because New York City has the largest concentration of companies with huge payrolls, New York banks hold the largest interest-free government accounts.

To the government, these accounts represent a speedy and efficient way of collecting tax money without disrupting the money flow. If companies mailed their checks to the U.S. Treasury, the payment of billions of dollars to the government would be delayed while the checks were in the mail and being processed.

Banks do not charge for maintaining these accounts or accepting deposits to them. Instead, they are able to invest all but 8 per cent to 18 per cent of the money held in them. Under Federal Reserve Requirements, the remaining balances must be kept in currency.

In the past, Treasury has insisted that banks' expenses for maintaining the accounts exceed the income they derive from them.

This assertion repeatedly was questioned by Rep. Patman and by the General Accounting Office, the audit branch of government. Last summer, the Treasury concluded that using the banks' own estimates of their costs, the total expense of maintaining the accounts represented about 5 per cent of the potential interest income the government loses on the accounts. The standard used to measure the lost interest was a relatively low 5.5 per cent.

Treasury noted that some additional expense could be charged to the accounts if the government felt they should be reimbursed for issuing and redeeming savings bonds.

The banks' estimates of their expenses for handling the interest-free accounts ranged from 1½ cents to $3.10 for each deposit accepted. The Treasury used 52 cents per deposit, an average figure, for computing total expenses incurred by the banks.

However, Washington banks charge the Chesapeake & Potomac Telephone Co. 5 cents per transaction for performing what the city's two largest banks, Riggs National Bank and American Security & Trust Co., acknowledge is essentially the same service—accepting customers' monthly telephone bill payments.

The Treasury announced when it reported its conclusions last summer that it would immediately reduce the balances in the non-interest-paying accounts while it worked on legislation to permit investment of the money.

Despite some reduction this year, the balances averaged $3.9 billion in the first nine months of this year. Based on the yardstick used by the GAO, the rate paid for loans by banks from other banks (the federal funds rate), the loss of interest amounts to $428 million a year.

The latest balances, down from more than $5 billion in previous years, would be enough to pay off the entire federal deficit incurred in the last fiscal year. To close that gap between tax revenue and federal expenditures, the government instead had to borrow more than $8 billion from the public, paying interest of about 8 per cent to obtain the money.

Those reductions that have been made thus far have drawn complaints from bankers, according to one Treasury official who asked not to be named. "They think it's their money," he said. "They come on very hard and say it's terrible."

A spokesman for the American Bankers Association, the chief banking industry lobby, said banks have no objections to investment of the government's money, instead of leaving it in the non-interest-paying accounts, but they expect to be paid a "going commercial rate" for maintaining the accounts.

According to Cox, Treasury is barred by Federal Reserve regulations or lack of statutory authority from investing the funds in savings accounts or securities.

Cox said the same end could be achieved without new legislation or changing regulations by telling the banks that the government funds would be withdrawn each day unless they return them each night to the local Federal Reserve bank and obtain from the Federal Reserve Bank a loan to cover the same amount. The Reserve banks currently make such loans, called discount window loans, but for different purposes.

In this way, Cox said, banks would pay interest to the government on the funds in the accounts. In addition, Cox said, the monetary system would not be disrupted because the money would be retained by the commercial banks. What would be involved, Cox said, would be a bookkeeping transaction that would, in effect, convert the accounts to interest-bearing investments.

Cox said the proposal was rejected by the Federal Reserve Board on grounds the accounts are "Treasury operations."

Where cash is

Following is a listing of federal interest-free acounts at Washington banks as compiled by the Federal Reserve Board as of last March:

Riggs National Bank	$4, 586, 951
America Security & Trust Co	4, 201, 899
National Capital Bank of Washington	1, 553, 073
National Bank of Washington	958, 578
Union Trust Co. of D.C	813, 122
Industrial Bank of Washington	806, 220
McLachlen National Bank	796, 145
First National Bank of Wash	685, 255
National Savings & Trust Co	636, 925
District of Columbia National Bank	466, 688
Security National Bank	433, 255
Madison National Bank	409, 756
Public National Bank	327, 809
United National Bank of Wash	86, 053
Bank of Virginia—Loudon	30, 937
American Indian National Bank	652

Following is a nationwide listing of the 10 largest government interest-free accounts held by banks as of February 1972, in millions of dollars:

Chase Manhattan Bank	$177. 3
Bank of America	149. 7
First National City Bank	139. 5
Security Pacific National Bank	109. 9
Chemical Bank, N.Y	102. 5
Manufacturers Hanover Trust Co	87. 2
Morgan Guaranty Trust Co	75. 2
Bankers Trust Co., N.Y	71. 6
First National Bank of Chicago	68. 7
Mellon National Bank & Trust Co	66. 7

Federal Banking Pattern Benefits Firms

(By Ronald Kessler)

"The way I look at it is, a tax payment has to be made on a certain date. The government doesn't draw the money out for so many days. So why shouldn't the funds be placed where they can benefit the company? You're able to generate big dollars on a little check you're sending to Uncle Sam."

A financial expert familiar with the inner workings of one of the Washington area's major corporations was explaining how his firm gains financial benefits by placing its federal tax payments in the government's interest-free accounts at particular banks.

The name of the game is knowing how long the government will take to withdraw its money. Here's how it works:

Let's say you put a $2.5 million tax payment in a bank's government account," the expert said. "Let's say it stays in the account four days before the government draws it out. That means that on an annual basis, you're adding to the bank's balances by $28,000, and most of the money can be invested by the bank until it is withdrawn. The banks want that money, so what do they do to get it.

"A corporation can't operate today without a line of credit. That means the bank agrees to loan up to, say, $1 million whenever the corporation asks for it. In return for that service, the bank wants the company to leave, say, $100,000 in compensating balances at that bank. If a loan is actually taken for $1 million, they want another $100,000 in balances, plus interest on the loan.

"That's where the tax accounts come in. The $28,000 average annual balance from your tax payment is considered part of the compensating balance you're keeping at the bank in return for the line of credit. If the company doesn't get the credit for the $28,000, it may have to borrow that much at the prime rate to keep its balances at the specified level.

"In our case, we'll send the tax balances wherever you can get the best benefits for them. We'll wire them up to Boston or New York (banks that also have accounts from the same company), depending on how often the Treasury withdraws money from that particular bank in that area. It depends on whatever the government is doing.

"Every six months or so, the bank will tally up your average balances. If you have a shortfall—meaning your balances were too low—you'd better buy an interest-free certificate of deposit with that bank. If you're over the amount required, they don't say anything and maybe you're a nice guy and will get favors later.

"Banks can do you a lot of favors. 'Can you call up so-and-so and set up an appointment.' 'Can you put in the good word for us' If you keep being nice to your bankers over the years, it's an insurance policy. Banks are extremely powerful."

To make sure the banks don't get more than their fair share of balances, companies call the bank each day to find out how much money is needed to cover the checks presented for payment during the day, the expert said.

If the company during the year has kept balances larger than required, it will transfer into the checking account only enough money to cover the checks presented, leaving the day's balance at close to zero, the expert said. Otherwise, it will transfer into the account only enough funds to keep the balances at the agreed-upon level after the checks have been covered.

"It's an art," the expert said. "It's the type of highly sophisticated money management that is being used by most large companies today. It's done by negotiation with the bank, and of course they don't advertise it.

"The real question is, 'Why the hell should corporations get additional benefits from those tax funds' The government and the taxpayer should. But it's the Treasury's fault, and if the Treasury is going to allow it, you can't blame the companies for taking advantage of it."

UNITED STATES STILL PAYING BILLS, BUT LOSING INFLUENCE AT THE UNITED NATIONS

Mr. SYMINGTON. Mr. President, without comment, but with special interest because, with Senator Percy, I am a congressional delegate this year to the United Nations, I ask unanimous consent that an article published in the St. Louis Post Dispatch of Sunday, November 24, entitled "United States Still Paying Bills, But Losing Influence at the United Nations," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

United States Still Paying Bills, But Losing Influence at the United Nations

United Nations, N.Y., November 23.—For the United States, the shine is off the United Nations, where an often anti-American majority has come in with the tide of a new order in world affairs.

Although still paying one-fourth of the bills to keep the lights burning in the house of peace on the East River, the United States has become increasingly isolated there in a club where the price of membership is nationhood alone. Wealth, power and size merely make one a bigger target.

The United States once commanded what Soviet Ambassador Yakov A. Malik denounced as a "mechanical majority" of the 51 nations that founded the world organization 29 years ago on ashes of World War II and the ruins of the League of Nations.

Malik is still around and he has watched the wheel turn as the postwar years saw a rapid rise in the organization's membership to 138.

Their confidence fueled by a wave of petrodollars, the Arab states have taken the lead among the Third World countries and, with wholehearted support from the Communist bloc, have forged a mechanical majority of their own.

No year has been like 1974 for the Americans in the world body which some diplomats have come to regard as a colosseum instead of a forum.

The little-publicized but significant special General Assembly session after last winter's energy crisis overwhelmingly adopted a set of economic principles to establish a new world economic order.

The essence of it was to recognize member nations' rights over their own natural resources as sovereign rights. Diplomats called it a "terrible beating" for the United States and its global business methods.

Then there were the much ballyhooed world conferences on population and food, where American pleas for an end to uncontrolled birth rates, particularly in the poorer countries, were denounced as imperialist plots to commit genocide.

But the bigger shocks were to come in the full glare of publicity in the current twenty-ninth General Assembly.

In an unprecedented move, the Assembly voted to invite Yassir Arafat, the Palestine Liberation Organization chief, despite the objections of the United States and Israel.

Before Arafat arrived at the 40-story UN headquarters on New York's East River, the Third World flexed its muscles again and suspended South Africa from further participation in this year's proceedings.

Some Western diplomats, stunned by the first such rule-bending action of its kind, began asking more openly than ever before: "Who's next?"

Arafat's appearance turned the UN into a virtual armed camp, cost New York City taxpayers $750,000 for police protection and was hailed by his supporters as a triumph.

A few countries wondered why he was accorded privileges usually reserved only for heads of state. The fact that he carried a pistol on arrival and may have worn it into the Assembly hall was seen by some as an affront.

And under the presidency of Algeria's Abdelaziz Bouteflika, the Assembly decided to restrict each nation in the debate on Palestine to one major speech, the first time such a gag has been applied in the UN's history.

John A. Scali, the United States Ambassador, called it a "deeply disturbing trend." Israel's Yosef Takoah said it was aimed at muzzling Israel's freedom to speak and was another display of Bouteflika's "bias."

Even while the Palestine debate was going on, three Palestinian guerrillas attacked the Israeli town of Beit Shean. Tekoah said the act fulfilled his country's fears that international recognition of the Palestine Liberation Organization would lead to more terror by the Palestinians.

The combination of reversals for the United States and its friends and allies prompted editorials and commentaries in dozens of American newspapers questioning the future of the world body. A common theme was that the United Nations was set on a course of self-destruction.

The Arab backers of the PLO suggested methods of giving permanent observer status to the guerrilla group, a move that could open the world body to liberation movements everywhere. A Third World delegate remarked, "Its passage would raise a serious question whether the United Nations would last through the 1970s."

Questioning of U.S. role in the United Nations has come not only from diplomats but also from Congress.

Sen. Frank E. Moss (Dem.), Utah, who recently visited the organization with Representative Clarence B. Long (Dem.), Maryland, said: "Of course, I am concerned about the shifting of allegiances."

Long said he was increasingly concerned that the United Nations was being used as a forum for groups of nations increasingly opposed to the U.S. interests.

If the United States quit and cut off its cash donations, "It would really mean the collapse of the UN," Long said. "I am not ready yet to turn the United Nations in. I think we have to hang on and work with it. If you're going to build a world structure safe to live in, you need understanding with the nations of low assets."

But all is not bleak.

It is the "town meeting of the world" concept, as Moss described the United Nations, that many Americans apparently support.

A Louis Harris survey in July found that 76 per cent of Americans regard the world body as "worthwhile" and that a vast majority felt it provided "a forum for open, honest discussion between nations."

And the organization was given credit by 64 per cent of those interviewed for taking "positive steps to keep the peace in the Middle East and elsewhere."

Few dispute that UN peace-keeping forces in the Middle East helped keep the Arabs and Israelis apart while a longer-term solution to the problem is sought, or that the UN force in Cyprus averted a complete breakdown in Cyprus and the danger of a bitter, protracted civil war between the Turkish and Greek Cypriots.

Secretary General Kurt Waldheim admits that many of the changes in the UN "are unpleasant and even frightening.

"But it would be when the United Nations did not reflect these realities that we should become alarmed," he said recently.

"For we see in it—or should see in it—the real world we inhabit, the world we would wish it to inhabit, the world we would wish it to be."

WHAT HAPPENS NEXT IN THE MIDEAST?

Mr. McGEE. Mr. President, recent developments in the Middle East have moved in a very rapid and almost incomprehensible fashion. Emotionalism has replaced reason in the international community, jeopardizing not only peace efforts in the Middle East, but global stability as well.

Last Thursday, there appeared an editorial in the Washington Post taking stock of this situation. As pointed out by the editorial writer:

> At the United Nations, a PLO spokesman said that Israel had insisted it would meet the PLO only on the battlefield and that was it; to the PLO the "battlefield" is the homes of unarmed civilians.

After PLO leader Yasser Arafat held out his so-called olive branch at the United Nations, four Israeli citizens were murdered in their apartments in Beit Shean by Palestinian guerrillas. This was followed by the hijacking of a British commercial airliner and the subsequent murder of a West German businessman by Palestinian terrorists.

Thus, it has become increasingly clear that the PLO and its leadership is comprised of self-appointed terrorists who have not been elected by anyone to represent Palestinian interests. From Munich to Sudan to Tunis and from Maalot to Beit Shean, the PLO has demonstrated that no nation or no citizen of any country of the world is exempt from its destructive force.

This calls to mind a similar course of events some 40 years ago when the world believed that by appeasing another man of violence, Adolph Hitler, and another movement of violence, Nazism, both would shut up and go away. It was not to be the case. The Sudetenland, Austria, and Hungary were given to this man in the hopes that would satisfy an insatiable appetite. This was not to be. The world was embroiled in a holocaust. While the price on the battlefield was a heavy one for the global community, the camps of Belsen, Buchenwald, and so many others horrified the world. It was not until the war was over that we were to discover the magnitude and brutality of another war waged by Hitler. This one was waged in the concentration camps of Europe and its aim was the eradication of the Jewish race.

Thus, it was through the joint efforts of the United States and Russia that Israel was established as an independent state in the Middle East. This was an effort to correct one of the worst mistakes of history. However, the world does not turn around to correct one wrong—that of preventing establishment of an independent Palestinian state—by perpetrating another wrong—the annihilation of Israel. Should we allow the PLO to realize its goal of the destruction of Israel, it will be only a matter of time before King Hussein of Jordan falls to terrorism and then Lebanon. If we believe we can appease the PLO at the expense of Israel, we are sadly mistaken. The lessons of history should remain vivid in our minds.

The issue is not whether an independent Palestinian state should be established. We all recognize that such a state should be established. However, this state should not be established on the ruins of Israel.

I ask unanimous consent that the Washington Post editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT HAPPENS NEXT IN THE MIDEAST?

The Palestinian raid on Beit Shean, where guerrillas murdered four Israeli civilians in their apartments, came as no surprise. Yasser Arafat of the Palestine Liberation Organization had promised terror; by its embrace of him, a General Assembly majority had sanctioned terror, and it remained only for the terrorists to pick the time and place. At the United Nations, a PLO spokesman said that Israel had insisted it would meet the PLO only on the battlefield and that this was it; the PLO, the "battlefield" is the homes of unarmed civilians. Egypt's U.N. delegate followed by asserting that such acts of terror were fully justified by the United Nations Charter. The General Assembly is now expected to pass a resolution justifying "all means" of Palestinian struggle, including terror and war, to achieve the PLO's goal of ending the existence of Israel. The only interesting thing about the vote will be how many Europeans have been rendered so craven by their dependence on Arab oil that they will support the PLO.

Of the General Assembly, little more need be said. In this debate, it has shown itself to be a political and moral slag heap. One has to be grateful in retrospect to the Russians for having emasculated the Assembly long ago, so that it now has the power only to incite to murder, not actually to conduct the crime itself.

As in all discussions of the Palestinians, however, when the debate ends the problem remains. The PLO, heady with its achievements at the United Nations and Beit Shean, plainly is not now in a mind to contemplate the only kind of compromise—a West Bank-Gaza state—that makes any ultimate sense. It wants the whole thing: all of the pre-1967 Israel, too. This leaves Israel nothing to negotiate except the timing and manner of national suicide. And it leaves an obvious question: what will produce a Palestinian leadership ready to make, and live with, a compromise, and an Israeli government ready to elicit and respond to signs of Palestinian moderation?

At the moment this question has to be labeled "too hard." The United States, recognizing the reality of the PLO's current stature among Palestinians, still hopes to induce the PLO to offer Israel negotiations aimed at coexistence. But this will not happen soon, if at all. Meanwhile, the terror will go on and the Israeli reprisals as well.

So what next? The Mideast is too dangerous and volatile a place to stand still, or to be left to stand still, simply because an approach to the Palestinian question must be deferred. The most immediate other issue is extension of the United Nations observer force on the Israeli-Syrain disengagement line; its six-month mandate expires on Nov. 30. The Syrian government evidently wishes to sell its consent to a further extension for an American assurance of further one-sided Israeli withdrawal on the Golan Heights. In return, Syria would offer nothing. There may be further war scares in the coming weeks, like the one over the last weekend. The Syrians will be weighing whether Egypt would help them if they provoked a war. The Israelis will be considering what the American reaction would be to their own preemptive attack. The Ford-Brezhnev talks at Vladivostok will probably determine what happens over the short run on the Golan Heights. The Soviet Union is shipping guns to Damascus; the United States is shipping the Syrians wheat.

The main chance for constructive movement still lies between Israel and Egypt. The end of the U.N.'s Palestine debate should liberate Cairo to consider its own political needs and its obligations to its own people. On its part, Israel has a large and continuing interest in continuing its withdrawal from Sinai in a way that will strengthen its ties with its principal patron, the United States. Certainly the Israelis should want to demonstate—to everyone—that there are *some* Arabs they can negotiate with. Their rage at the United Nations is entirely understandable. But cursing the U.N. is not nearly so important as continuing the quest for accommodation outside it.

SENATOR FONG'S CHINA VIEWS

Mr. FONG. Mr. President, in September this year it was my privilege to visit the People's Republic of China as a member of an official delegation from the U.S. Congress at the invitation of the Chinese People's Institute of Foreign Affairs.

In the following month, October, I journeyed to Japan as a member of the official U.S. degelation to the Interparliamentary Union meetings in Tokyo. From there, as a member of the Senate Appropriations Subcommittee on Defense, I traveled to several other areas of the Western Pacific to look into America's defense posture in that part of the world.

Specifically, it was my privilege to visit South Korea, Okinawa—which of course is now part of Japan—the Republic of China on Taiwan, Guam, and the Trust Territory of the Pacific. From there I returned to my home State, Hawaii, as Congress was by then in preelection recess.

Soon after I returned to Hawaii, the editor of one of my State's two major English-language daily newspapers interviewed me on my two Far East journeys.

Because there is so much widespread interest in China and because my journeys to both areas of China were concluded so recently and were undertaken within about 1 month of each other, I am going to make the text of the interview available to my colleagues in the Senate and to readers of the CONGRESSIONAL RECORD.

While this interview by no means constitutes a complete report on my journeys, it does give insight into some of my observations and conclusions, particularly on China and South Korea.

I ask unanimous consent that the transcript of the interview, which appeared in the Honolulu Star-Bulletin of November 11, be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows.

HIRAM FONG'S VISITS TO THE TWO CHINAS

(NOTE.—The only U.S. Senator of Chinese ancestry is Hiram L. Fong of Oahu, Hawaii, a Republican member of the Senate since Hawaii became a State in 1959.

This year, Sen. Fong visited both the People's Republic of China and Taiwan, the home of the Nationalist Chinese government which was driven off the China mainland by the Communists in 1949.

The Star-Bulletin asked him to compare the two Chinas and he did so in the interview presented here.

Mr. Fong, 67, was born in Honolulu, the seventh of 11 children. Though his education was interrupted for several years by his need to work to raise funds, he graduated from McKinley High School, the University of Hawaii where he won Phi Beta Kappa honors and Harvard Law School, class of 1935.

He was a Honolulu City-County deputy attorney, and a Territorial legislator for 14 years including six as House speaker.

A practicing attorney, he went into a series of highly successful real estate, insurance and finance ventures during the past 20 years since he founded Finance Factors.)

You're the only American Senator of Chinese ancestry and one of the relatively few people, government officials or otherwise, to visit both Chinas. Will you tell us your observations, including the comparisons and contrasts?

Yes. As a Senator from Hawaii my primary concern, of course, is the well being of the people of the United States and of Hawaii. That is tied up to the question of peace or war. Whether we have peace or war has tremendous effect on the economy and well being of our people.

When I was invited to visit the People's Republic of China, I went there asking myself what could I do to contribute to peace in the Pacific. Here in the Pacific-Asian area, we have more than one-half of the people of the world. Here there have been three wars in the last 30 years. Here in the Pacific is where things are going to happen.

Sadly, however, too many of my colleagues in Washington do not understand Asia and the Pacific and tend to be Europe-centered. When it comes to cutting of defense expenditures, where would they cut? The Pacific area. Yet more and more the Pacific-Asian areas are going to play a tremendous role in the peace of the world. As a Senator from the Pacific, I have a special duty to interpret Pacific and Asian problems to the people of the United States.

So I went there as an American U.S. Senator knowing few details of what had gone on inside the People's Republic, but with a free and open mind, not biased at all, although I have many friends in Taiwan, the Republic of China.

In the People's Republic of China we find a nation pretty well united with one thought—that henceforth they will be self-reliant and will never be humiliated again. For 130–140 years, they had suffered humiliation in the Opium War with Great Britain; then were beaten in war with Russia and then with Japan, entailing great loss of territories; imposition by Japan of puppet rule in Manchuria creating the State of Manchukuo, and, following the Boxer Rebellion, cession of extraterritorial rights to other nations.

They have united the people so that they are all of one common purpose, to be self-reliant following in the spirit of Chairman Mao Tse-tung.

From what I could see of the People's Republic of China, they have kept the five guarantees made to the people—shelter, food, clothing, medical care and burial. Compared to the United States it's a very bare minimum. But compared to their plight prior to the revolution of 1949, they have made tremendous advances.

There is no starvation and there is no begging. People seem to be employed. There are a lot of bicycles. There are many cars, buses and trucks but all are owned by the government. Almost everything is owned by the government except a very few things like clothes, furniture, bicycles, radios and some savings.

One brigade leader said about half the families in her brigade had savings of about 700 yuan, or about $350 in our money. When they bank that money, 2.7 per cent interest is paid.

Stores seemed to be pretty well stocked with food and other things for sale, though we didn't have too much time to go places because our schedule was tight.

Everywhere we went we traveled very comfortably. We had our own very new comfortable compartment on the train.

In automobiles we traveled one couple to each car, with interpreter and chauffeur. Most of our longer trips were by plane, a British Tristar, a fine, comfortable plane.

Some of my friends told me that they had gone to the People's Republic of China and had not seen one single fly. So the first thing I was looking for was whether there were any flies in China. When we flew in from Guam to Shanghai, at the airport we were given towels, tea and refreshments. There I saw one fly flying around, just one. I visited China for 12 days and went where they kept the pigs and chickens in large numbers and didn't see a single fly there. In all my wanderings through China, I saw approximately four or five flies. Anytime you can see only four or five flies in 12 days, you know that sanitaary conditions have been improved tremendously. So they have made tremendous strides in public health.

Were you able to speak to the people in Chinese?

No, it was difficult for me because they spoke in Mandarin and I speak Cantonese. I made one speech in Cantonese which was translated from Cantonese to Shanghai-ese to Mandarin. So I was not able to speak to the people except to those who spoke English, and except through interpreters. . .

What are some of the highlights of your visit?

Most noticeable are the green fields of rice, corn, sorghum, millet, and vegetables. These fields are well tended, worked by teams of men and women. I asked at one time how much can one man work in rice producing. I was told about two mous of land—about one-third of an acre.

You don't find any lawn at all. In between buildings you see vegetable gardens, rice fields. It is a tremendous intensive agricultural economy there. Eighty per cent of the people are engaged in agriculture. Agricultural production, they tell me, in Shanghai probably will be sufficient to care for the city in time of siege.

I saw only two lawns in China, one in the American mission, another at the former house of a wealthy man, now used as Children's Palace for activities like ballet, choral singing, embroidery, orchestra and just playing games. They don't waste their time on lawns. Planting and cutting grass is an American luxury. But along the streets are great numbers of rows of trees, sometimes three deep, sometimes four.

Nationwide they have a great reforestation program and also a land reclamation program.

One of the outstanding agricultural brigades in China is Lai Ja, about eight hours from Peking by train.

Here we saw teams working on ravines in countryside eroded for centuries, building stonewalls and nourishing the land so that the slopes could be step-farmed. They would use hand picks to level the land, then bring in goats for a few days to fertilize it, then add compost made from straw and corn stalks, animal droppings, and human waste, and let all of this decompose for 45 days.

Where the erosion was greatest and the land poorest, I was told that it might take 500 man days of work to reclaim just one-sixth of an acre. It demonstrated to me how precious land is to people who have so very little land to cultivate . . . almost like many of the South Sea atolls. China and the United States are about the same size, but China has only about half as much arable land, that is, land that can be cultivated, and 800 million people to feed. You can see why the concentration on agriculture is so intense.

At Dai Ja, we were met by a young lady who was the chairwoman of the revolutionary committee, who said she was welcoming us on behalf of the lower middle income peasants and the poor peasants. Later we learned that people are divided as follows: landlords, although there actually are no landlords; then the rich peasants, then the upper-middle income peasants; the lower-middle income peasants; and the poor peasants.

In behalf of the two lower categories, she greeted us and took us by automobile to see the model agricultural brigades.

In the People's Republic of China, the government is the owner of all the property, which the government has put in the hands of the commune. The organization starts from work team to a brigade of 400 or 500 to a thousand people. Usually, 13 to 20 brigades make a commune.

In a commune you may have 13,000 to 20,000 people. Political authority goes from a commune up to a regional section, then to a county, from county to a municipality, and then to the province. This is how the organization is. Everywhere it is run by people who call themselves the revolutionary committee.

The brigade or the commune is taxed with an agriculture tax, one to 6 or 7 per cent depending on the fertility of the land. Dai Ja was taxed only 1 per cent. The commune that we went to in Shanghai was 6 per cent taxed because that land was quite fertile, level and did not require much work to make it productive.

In the People's Republic of China, when you work, you work for the government—or you work for the commune, which is equivalent to working for the government. Whatever is left over after the sale of the output, some of the money is put into welfare for some of the people who cannot work, or into seed and fertilizer for future planting, and the rest is divided.

I saw some jobs that I consider as underemployment in the Shanghai commune, but everybody is taken care of—21,000 people. They had a foundry shop, a machine shop, a blacksmith shop, a furniture shop. They had bamboo-making shops and people employed with a knife to cut the bamboo into very thin slits. Others take these thin slits of bamboo and weave them into baskets.

We bought two baskets and I was very curious as to how much labor was spent in these two baskets. They were beautifully done. The man who was teaching a younger woman how to make these baskets—told me it took him five days—40 hours in all. A smaller one took three days—24 hours. The two baskets were sold for $8. I believe that this was underemployment, but he was kept busy. The communes are clean, the streets are clean, you don't see litter around.

The young people are getting an education. They are dressed well except that it's all uniform throughout the nation. White shirts, dark trousers. Very few women wear skirts. They wear trousers, just like the men. People are clean and looked healthy.

On that foundation, would you contrast or compare the two Chinas?

Yes, but first I should mention I also went to South Korea. When I was there 15 years ago. Seoul was spartan and really run down recovering from the war. There were men everywhere with A-frames on their back, carrying loads. This time I was amazed at the tremendous progress. Taxis, autos, and trucks just filled the streets. There were traffic jams and the city had just risen like a phoenix with tall buildings everywhere.

There was a feeling of prosperity. People were well dressed and in different styles. Stores were well stocked. People were optimistic, but with one fear that the United States would pull out troops and give to the North Koreans the impression that the United States was abandoning South Korea and this might induce North Korea to attack.

And Taiwan?

There was even greater progress than in Korea. We saw people who were quite free to do as they pleased, although they are still under a wartime footing. Soldiers were not conspicuous. We saw a free economy in action. In Taiwan there are tremendous buildings. Industries have just sprouted up. Taiwan is manufacturing helicopters and fighter planes.

Kaoshung was like Pittsburgh. One thing that they should clear up is the smog and smoke there because of so many factories.

Everywhere traffic was tight. The people there look very happy, and we were able to talk to them because many of them spoke English. And then I met with my country cousins who came from the same county as my father came from, the Chung-shan district where Sun Yatsen was born. They gave me a party and I was able to talk to them in Cantonese and to tell them of my journeys.

I had an 80-minute meeting with Mme. Chiang Kai-shek. The vice-president and the minister of foreign affairs each gave me a dinner. I met the premier twice.

The chief of staff was with me on many occasions and I visited the armed services. At an air base I pushed a "scramble" button and their fighter planes were in the air in a few minutes.

I had a review of the naval academy and spoke to the cadets. We saw the marines in action.

Each military man they tell me is trained to be able to break bricks and boards with their fists and feet. They would break two or three boards at a time, a type of the kung fu that we see.

It used to be said that the Kuomintang army was getting old.

They told us that the average age is about 24. What they do is put the older men to work in the fields, in construction, in factories, and other pursuits and bring in younger men.

Before going to Taiwan, I had heard charges that the local Taiwanese are resentful of the people who came from the Mainland and that there is incipient trouble there but we didn't find it so. The governor of Taiwan is of Taiwanese stock and many, many of the people in government are of Taiwanese stock. Chiang Ching-kuo, the president's son, since he assumed the premiereship has brought in a lot of people of local origin, who were living there prior to 1949. He has done a marvelous job in that direction.

The people of Taiwan had gone through 51 years of foreign rule by Japan from 1894 until 1945 when Taiwan was given back to China. They tell me that they understand what it was like to be under foreign rule during that period. The population was five per cent Japanese and 95 per cent Taiwanese. That was the proportion in the elementary schools, too. But by university level it was 95 per cent Japanese, 5 per cent Taiwanese. They felt that they were discriminated against very, very much under Japanese rule and so they are not looking forward to any foreign rule over them.

From what I could gather, they seemed to be of the same heart and mind that they would vigorously defend Taiwan should attack come.

We found a very vibrant nation there, everyone determined that they're not going to give in to the People's Republic of China.

Going back to the People's Republic, what did you learn about what the attitude of the People's Republic will be after Mao is gone?

Both Chairman Mao and Premier Chou have been ill and we did not get to see them. I don't think they were slighting us; I think they were ill.

But Chiao Kuan-hua, the vice minister of foreign affairs, said Mao's policy will be followed after he is gone. He said younger leaders support the policy of normalized relationships with the United States and it was not expediency, adding that normalization will be the policy for the foreseeable future.

We had two interesting meetings with him. Sen. Humphrey asked him whether he thought our troops in Japan and NATO represented imperialism or a stabilizing force. And his answer was that they believe all foreign troops should be withdrawn, but he understands our problem in NATO. He left it at that. Then Sen. Humphrey asked if we should withdraw our troops from Japan. And he said, "You should be friendly with Japan." Now these were the answers that we got from him. Obviously the question of Soviet relationship with the People's Republic of China is hanging heavy in their minds.

So although they are outspoken that foreign troops should be withdrawn from all countries, still there are exceptions.

To my questioning on Vietnam, he said China's contribution to the North was like a hill compared to the mountain of U.S. aid to South Vietnam. He added that North Korea and North Vietnam are sovereign states and they do things as they desire. Sometimes you overestimate the influence China has on these nations, he said.

The principal point of our congressional mission, by the way, was to reassure the People's Republic that President Ford would follow in President Nixon's footsteps in normalizing relationships. Our discussions were very frank, open, candid and very friendly.

What do you see for the future of the two Chinas?

When I was talking with Vice Foreign Minister Chiao Kuan-hua, I stated that "the People's Republic of China says there is one China, the Republic of China says there is one China, and the U.S. recognizes there is one China. Why can't you both negotiate your differences?"

His answer was it is "impossible."

I was a little confused as to why. After all, here are two peoples with the same cultural and ethnic background and technically the same language, both speaking Mandarin. Why can't they get together?

It was only after my subsequent visit in South Korea and Taiwan that I fully understood why it is impossible.

It is impossible for the same reason that it is impossible for North Korea and South Korea to negotiate at this time. Here again we have people with the same cultural and ethnic background and the same language.

Instead of negotiating, the two Koreas are operating on a wartime footing. In South Korea, for example, as you approach the demilitarized zone, you find long embankments 7 to 10 feet high with tank traps of concrete near the roadways. Above the roadways there are concrete structures ready to be exploded to block an enemy advance.

You see soldiers along the roadways and you begin to realize this country is still on a wartime footing.

So, in South Korea and in Taiwan you hear it is impossible for the two sides to get together. From my experience of going to the People's Republic of China and from what I saw in Taiwan and South Korea, I also came to conclude that it is indeed impossible.

We Americans talk about totalitarianism, we talk about dictatorship, we talk about socialism, we talk about the people being a cog in the machine, and about people having no freedom, but we don't really understand. It's just rhetoric to us. In my own speeches, I said those things but I don't think that I fully understood what it really meant.

Here you have two diametrically opposite systems of government, fundamentally different, politically different, economically different, socially different. On one side, the state owns practically everything. On the other side, there is private ownership of property. On one side, the state takes care of everything. On the other side, there is free enterprise.

On one side, individual freedom is severely curtailed. On the other side, there is individual freedom although it may be limited at times as in South Korea and in Taiwan where they are still facing a hostile force on the other side. Seoul is within artillery range of North Korea's side of the demilitarized zone. Taiwan is only 8 minutes away by airplane from mainland China. At any time there could be an attack and they are ready for it, waiting. If they are going to be attacked, they are going to fight.

So, with such disparity in the ownership of property, in the economic, social, and political systems, and in individual liberties, I can see the impossibility of the two sides agreeing on a compromise acceptable to both. Either one side would dominate the other or they would co-exist separately. Query, "Will one side let the other co-exist?" If not, there will be war.

What should America's policy be?

After all that I have seen and learned, I have concluded that, to insure peace in the

Pacific, America should not move at this time. America must not pull out of Korea at this time. We must not recognize the People's Republic diplomatically at this time.

If we pull our troops out of Korea, we could invite war there. A slackening of our support might encourage the North Koreans to attack South Korea. If there is a war, it will be a long war, and we will be drawn into it.

But I think there is a greater danger of bringing us into a world war by recognizing the People's Republic of China.

If we recognize the People's Republic of China, this could place the People's Republic of China in an untenable position. The world will look at her and say "What's the matter with her, can't she even subjugate a recalcitrant province like Taiwan?"

This could force the People's Republic to try to subjugate or "liberate" Taiwan to save face. And Taiwan will fight? They have a strong, efficient military force there and they are determined never to give up. If there is a war, it will be long and eventually we will be drawn in. I don't care what anybody says, we will be drawn in.

So I say, to keep peace in the Pacific, let's not move. Let's keep the status quo. Keep our commitment with Taiwan and continue to normalize our relations with the People's Republic of China.

Let's wait. If we wait, the People's Republic of China will wait. Taiwan will wait. Meantime, we can hope that some day something will eventually happen. Ten years. No. I don't think in ten years. Vice Foreign Minister Chiao Kuan-hua was more realistic when he said maybe a hundred years.

Do you think there's a solution in Taiwan declaring itself an independent country?

If Taiwan should say it was independent of the People's Republic of China, it may force the People's Republic of China to move. I would prefer that everything be left in status quo. By having things in status quo, we will also be doing a service for the People's Republic of China because in the north they've got a big enemy there, even though they may call it an ally. It is not an ally.

We would be doing a service to both sides, the Republic of China and the People's Republic of China, by not moving because if we move, who knows what the Soviets will do? The People's Republic of China may have to face two adversaries, one in the north and one in the south.

Peace would allow both the People's Republic and the Republic of China to develop their resources, to build up their industries, to raise their educational level, and elevate their standard of living for their people. So I say, sit tight, Uncle Sam, sit tight.

"In which of the three countries that you visited—South Korea, People's Republic and Nationalist China—do you think the mass of the people are happiest? In which of the countries do they have the richest and fullest life?

From what I have observed, the Republic of China has the highest standard of living with the highest per capita income, only second to Japan in Asia. Everyone I met said that the government is a clean government. I would say that in Taiwan you have the greatest amount of happiness amongst the people.

One non-China question, Senator. It has been generally conceived by most, maybe improperly, that you're not going to stand for reelection when your term is up in two years. Do you have any comment on what your plans are?

At the end of my term two years from now, I will have had 32 years of elective office and over 40 years of public life. Until my Far East trips, I was pretty sure I was not going to seek re-election because 18 years in Congress is a long time to be away from Hawaii, and Hawaii is such a beautiful place to live.

But I have come back from these trips feeling a great responsibility—as a Senator from a Pacific state and as a member of the Appropriations Subcommittee on Defense—to really interpret the problems of the Pacific-Asian area to the people of the United States. So many of our people in Congress are too Europe-centered. All Americans need to understand the Pacific-Asian area so that we can formulate policies that will lead to peace there.

When I first ran, I called myself a "Man of the Pacific," but I have been primarily concerned with Hawaii and with our neighbors down south like Guam, Samoa and Micronesia. And I never realized just how important it is for a Hawaii Senator with background and knowledge on the Asia-Pacific area to speak up more on matters and policies affecting that area. I am reappraising my situation on re-election.

You came home through Micronesia and Guam?

Yes, and it was a tremendous experience. I plan to speak more about it later, but I don't think those islands are ready for independence. I think it would be a tremendous mistake for them. I think the people of the Marianas are smart to opt for a commonwealth arrangement that will keep them permanently with the United States. The greatest thing in the world is American citizenship.

Many people feel we are pushing Micronesia to independence because we are afraid of criticism in the Trusteeship Council of the United Nations. In this unstable world it would be better for Micronesia to tie itself to a strong country like the United States. It is many islands on a combined land area of 700 square miles with only about 100,000 people. I think some of their people are being misled, that independence would be good for them.

As an independent nation, any appropriation sought from the United States would come under the foreign aid bill, which always runs into great difficulties in Congress.

NEW MEXICO HAS REALIZED THE VALUE OF ERTS

Mr. MOSS. Mr. President, the letter that I received from Gov. Bruce King, of New Mexico, outlines how that State is using ERTS data to gain a greater knowledge of mineral resources. He states:

> . . . [A] thorough knowledge of the geology is necessary to fully utilize these resources. The value of ERTS in the early investigation has been realized, and a further investigation has been funded.

The Governor goes on to say that the availability of ERTS data has caused—

> . . . an increased interest by the public and private sector to use this for mineral exploration, forest disease detection, land use inventorying, updating of drainage maps, detection of increased erosion, phreatophyte invasion, and reservoir changes to mention a few. The interest in this information and in remote sensing continues to increase.

Mr. President, I ask unanimous consent that Governor King's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

STATE OF NEW MEXICO,
Santa Fe, N. Mex., August 1, 1974.

Hon. FRANK E. MOSS,
U.S. Senator, U.S. Senate, Washington, D.C.

DEAR SENATOR MOSS: The State Planning Office under the direction of David W. King, the Technology Application Center (TAC) of the University of New Mexico and the New Mexico State Bureau of Mines and Mineral Resources are jointly involved in studying how the Earth Resources Technology Satellite (ERTS) data may be best used on an operational level.

ERTS data for the State of New Mexico is made available through the TAC at the University of New Mexico. The data is a result of a geological investigation (Geologic Analysis and Evaluation of ERTS–A Imagery for the State of New Mexico) performed by the New Mexico Bureau of Mines and Mineral Resources and the TAC. The emphasis of study has therefore been within a geological vein leading to a greater knowledge of the mineral resources of the State. New Mexico possesses a large mineral wealth as well as excellent geothermal prospects, and a thorough knowledge of the geology is necessary to fully utilize these resources. The value of ERTS in the early investigation has been realized, and a further investigation has been funded.

The ERTS imagery has been increased by the availability of Skylab data and high-altitude aerial photography flown by the National Aeronautics and Space Administration (NASA). All of the information is now being housed in one location (TAC) as an effort to localize the data for the region and, in particular, the State of New Mexico.

Through the availability of this data center there has been an increased interest by the public and private sector to use this for mineral exploration, forest disease detection, land use inventorying, updating of drainage maps, detection of increased erosion, phreatophyte invasion, and reservoir changes to mention a few. The interest in this information and in remote sensing continues to increase. To make better use of this there should be more assistance made to increase the data quality and its effective use. In order to make a transfer of the technology to an operational activity there must be further personalized attention paid to the user and his requirements and limitations. The TAC has performed in this capacity for a large number of people in New Mexico and the Southwest and feels that this is the area of greatest concern at the present—to update the user in the potential and follow through with training, consultation, and service to him.

An operational ERTS system should provide direct applications and realistic expectations to the user in a more usable form than purely experimental and research data. An operational program of multistage remote sensing could assist this Center in its position of research towards application and transfer of experimental results to related user needs.

In view of the urgent need to provide our views to you, I am sending this letter without the rather bulky study of national needs for ERTS data which the TAC prepared for NASA. This study is being transmitted under separate cover.

I hope this information will assist you in your attempts to move the ERTS system into an "operational" status.

Sincerely,

BRUCE KING,
Governor

SEEKING WISDOM IN A HUMANISTIC SETTING

Mr. ERVIN. Mr. President, amid the turbulence of the 1970 decade, with unprecedented complexities and problems that threaten the fabric of democracy, there must be certain stable elements which underpin this Nation. Among these is the effort now underway to sustain the vigor and excellence of private colleges and universities. These institutions are assailed by many of the pressures affecting government, industry, and commerce, and the quality of leadership requisite to their survival must be of the highest order.

Quite recently, the trustees of Windham College, a respected 4-year liberal arts institution in Putney, Vt., undertook a carefully focused effort to rededicate all components—administration, faculty, alumni, parents, and the trustees themselves—to strengthening its goals, organization, and curriculum. Chosen to lead Windham as its third president was Harrison M. Symmes, a native of Wilmington, N.C., who comes to the school from a distinguished career with the Department of State.

Perhaps the most significant quality about Mr. Symmes is his reputation as one who combines diplomacy with an analytical appreciation of the world as it really is. His assignments within the Foreign Service over a 27-year period reflect one who understands the value of contemplation and the critical importance of devising ways to communicate with people. Most recently the Deputy Inspector General of the Foreign Service, he also served as Ambassador to Jordan, Deputy Assistant Secretary of State for Congressional Relations—with responsibility for foreign policy liaison with the United States Senate, and Director of Near Eastern Affairs. Academic achievements include graduating Phi Beta Kappa in philosophy from the University of North Carolina, and earning a master's degree in history at the George Washington University.

Throughout his installation address, President Symmes asks his listeners and readers to recall the educational purpose of the college, underscoring the importance of being concerned with and relating to man's sense of his human condition. I believe that his comments will be of interest and value to many of my colleagues, and am pleased to share them at this time.

I ask unanimous consent that the address made by Harrison M. Symmes at the time of his installation as president of Windham College be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

WINDHAM COLLEGE: SEEKING WISDOM IN A HUMANISTIC SETTING

(Installation Address of Harrison M. Symmes)

On occasions such as this convocation it is expected that for a few moments at least we should together reconsider the educational purpose of the college. Why have we associated as a college, and what do we aim to accomplish? Those questions inevitably lead us to reflect upon the universality of educational purposes and values. Thus, if for a few moments we consider the purpose of Windham College, under the aspect of eternity as it were, we are not being immodest; we are not losing perspective. We may in fact be gaining perspective and thereby better fulfilling our collegial responsibilities.

As many of you know I have come to the college from a career of diplomacy and politics. Before beginning that career I had a liberal education, a humanistic education. And if I bring no other conviction from my previous career, I bring a profound conviction that the best preparation for diplomacy and politics—or any career involving the stretching of perspective and the development of intellectual resiliency—is a liberal education. My standing here today is an act of faith, faith in the value of a liberal education, faith in the importance of insuring that the liberal education option will be preserved and nurtured in our society.

For me the purpose of Windham College is to provide its students the opportunity to continue or to begin a liberal education. Perhaps we say too much when we describe Windham's educational purpose as liberal, for if we define our purpose at all, we have in some way limited it. And who is to say where education starts or where it ends but the individual human? Our learning at a college is higher in relation to what? In the same manner, education is elementary or secondary or continuing in relation to what? Or, it is career-oriented by what definition and to what end? How can we tell the individual human being what part of any subject matter should be compartmentalized in the various contemporary educational divisions and sub-divisions? If the mind of an individual stretches beyond such artificial categorization, how can we restrain it and why should we try? These and similar questions require that we review critically the contemporary educational process and its relevance to human needs and desires.

The educational purpose of a liberal arts college must be ultimately concerned with and relevant to man's sense of his human condition. The liberal education curriculum must be responsive to those abiding human questions of why? whither? how? Modern man has abbreviated the Biblical question: "What is man that thou art mindful of him?" to ask merely: "What is man?" The overriding concern is for man, but I submit to you that that human concern must extend beyond the merely instrumental and the simply pragmatic.

Because our educational purpose is human-centered, it is of necessity occupied with mystery. For the human condition and human destiny remain a mystery to us. Dealing with this mystery in any of its aspects requires wisdom, and gaining wisdom requires the exercise of intellectual courage. Mankind's history shows that man has not always faced the mystery of his condition with courage. Through long stretches of our history wisdom has been wanting, and at no time in history has mankind in general sought wisdom mainly for its own sake. Yet we know that the replacement of fear by curiosity antedated the pre-Socratic philosophers; we must also remind ourselves that the substitution of intellectual inquiry for various brands of fatalism is not unique to modern science.

With the courage of intellectual inquiry, mankind may gain wisdom and with wisdom may achieve a degree of mastery. The mystery nevertheless remains because the mastery is finite and incomplete—if you will, it is human. Therefore, our educational purpose must constantly guard against propagating the errors inherent in being human-centered. Preoccupation with humanist concepts, values, and purposes may so intoxicate us as to blunt our awareness of the cosmos in which the human mystery takes place. It is not enough to say that nothing human is alien to our educational purpose. We must be careful not to allow "cosmic impiety" to compound the desecration of the world in which man lives, undermining ultimately both the arts and the sciences and deepening further the mystery of the human condition.

The human is a social and therefore a political animal. A college with humanistic values must be fully aware of and sensitive to the society of which it is a part, and in a free society, certain responsibilities are thereby entailed. Freedom requires that to realize its educational purpose the college must exercise leadership. Freedom requires that the college not be merely reactive or acquiescent, nor simply critical without proposing constructive alternatives. Freedom requires that the standards of both the academic program and college life command respect both inside and outside the college.

In coming to the college from the world of politics, I of course have not left politics behind; for we are all in politics, whether we like it or not. Collectively we are responsible for Watergate, whether we like to admit it or not. Collectively we are responsible for the lack of standards to which the wise and honest can repair.

The quality of our politics is a function of the quality of our education—education in the home as well as in the schools and colleges. Our educational system has somehow failed when the Agnews, Magruders, Colsons—not to mention other more prominent but not yet fully judged—not only confuse the universal interest with their personal ambitions and waywardness but are able to persuade so many of their fellow-citizens it was not reprehensible to have perpetrated such confusion.

But let me be clear about this: it is not the purpose of this college to make or to advocate political judgments for students but rather to enable them to gain the wisdom and perspective to make the right judgments for themselves. Whether wise men shall begin to rule, or rulers shall begin to be wise, depends upon the quality of education, which does not begin nor necessarily end at college. But we as a college determine the quality of education at Windham.

If the quality of education at this college is to grow, then our educational purpose must comprehend changing human needs. To accomplish that growth in quality, there would be little purpose to be served in making Windham College a mere imitation of other more prestigious contemporary colleges. Windham has its own identity and its own ideals of educational purpose. In realizing those ideals and its potential, Windham will place no premium on difference for the sake of difference; nor will Windham advocate novelty for the sake of novelty. We may even question whether we need new names for old ways of thinking, if those old ways remain of value. This means that we conceive of ourselves as a changing college, changing by reason of our collegial effort to realize our basic purpose.

So far as teaching and learning are concerned, Windham will question if there is anything new under the sun and will seek renovation. Windham will also argue there is nothing old under the sun and that its educational purpose may require innovation. Whether involved in renovation or innovation, our minds will be open, critically open, to new ideas of how best to fulfill Windham's purpose.

In the contemporary world much is made of the need to view academic enterprises as business operations. We should have no particular problem with that view. College officials in the Middle Ages and in post-medieval times must have spent much of their time seeking endowments from royalty, clergy, merchants, and guilds. How they did it then might provide interesting insights for the modern administrator. In any case, I doubt that medieval or renaissance academic budgets were relatively easier to balance than modern budgets. What I am saying is that the contemporary academic enterprise, whether large or small, public or private, has economic and financial realities that cannot be disregarded or neglected if the institution is to survive and improve in quality. Colleges as large groups of persons involved in a common endeavor require enlightened leadership, prudent management, and efficient administration. The economics of the contemporary educational system in this country have received much attention. The statistical facts—a diminishing enrollment population and facilities surplus to the requirements of that diminished potential enrollment—show dramatically why some educational institutions have become marginal and still others have become defunct. Conditions today are especially difficult for private, independent educational institutions, and the current inflation and the recessionary threat accentuate these difficulties.

We cannot alter the objective facts of supply and demand in the education market or the evolving educational needs and desires of our society, but we can certainly try to improve the way we meet human desires and needs in our educational program. I believe that whether a given college endures and prevails depends primarily upon the quality of its academic purposes and how well those purposes are carried out. Academic quality and the inspiring of students to associate themselves with the college purpose will determine the success or failure of individual colleges in the months and years ahead. And I must stress that however clear and correct our academic purpose, it cannot be achieved without collegial effort based upon a collegial sense of responsibility to that purpose.

Today Windham College has the purpose and the will required, not just to endure but to prevail. Our purpose is to provide liberal education sensitive to the needs and hopes of mankind in contemporary society and relevant to the future of mankind so far as we can discern it. Windham will offer both to those who study and to those who teach the opportunity to gain wisdom. In summing up how I understand Windham's purpose I leave with you two lines from a poem of Wilfred Owen:

> "Courage was mine, and I had mystery,
> Wisdom was mine, and I had mastery."

GRADE CREEP, RISING CIVIL SERVICE PAY AND INFLATION

Mr. PROXMIRE. Mr. President, I have long been interested in the subjects of grade creep and rising pay both in the military and civil service. A study done by my staff revealed that since 1959 the number of top-level bureaucrats in the Federal Government has tripled. Today there are over 11,000 "supergrade" bureaucrats earning over $34,500 per year each.

The General Schedule of Civil Service has become top-heavy at an unbelievable rate. In 1946 only 4.4 percent of all Government workers were in the professional grades of GS–12 and above. By 1963, the percentage had risen to 16.7 percent and today it is a whopping 23.6 percent.

From 1962 to 1972, the average salary of white-collar Government workers increased more than twice as fast as the salaries of white-collar workers in the private economy. In the last 3 years the salary increases have been about the same in both sectors of the economy. The starting salary of a GS–12 position is presently $18,463 per year.

There are a number of departments and agencies of the Federal Government in which about half of the white-collar workers hold GS–12 or higher positions. In the Labor Department more than 47 percent of the workers are GS–12 or above, in the Department of Transportation the figure is over 52 percent.

In the past I have criticized the ridiculous increase in admirals and generals in the military that is proceeding at a pace that will make every man in the military an admiral or general within 30 years. Now we find the civil service will have every Government employee paid like a bank president within a generation. Is it any wonder why the taxpayer is becoming so overwhelmed?

In the November 21, 1974, edition of the Wall Street Journal, Mr. Arch Patton, Chairman of the Presidential Commission on Executive, Legislative, and Judicial Salaries, has written an excellent review of the effect of wage and grade creep in the Federal civil service on inflation. While Mr. Patton may have overstated the case somewhat, I believe his basic argument that wage gains by Government employees have had a powerful effect on the Nation's inflationary surge is correct. I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The New Look in Civil Service Pay

(By Arch Patton)

"Rising pay levels in the Federal Civil Service are the leading edge of the inflation wave sweeping our country."

This comment by a keen student of government affairs sounds extravagant. But in the course of an extensive exploration of civil service compensation practices, I have become convinced the official's almost offhand observation was right on target.

This does not imply, of course, that salary increases granted federal employes have *caused* the inflation. However, the 2.7 million nonmilitary employes of the government received $33 billion in salaries last year—averaging $12,200 each—and represent the largest single employe group in the economy. Moreover, these highly paid federal employes are to be found in every nook and cranny of these United States.

There can be little question, also, that government action is the primary source behind the persistent institutionalizing of our inflation. The pensions of retired civil servants, for example, are increased each time the inflation percentage exceeds a specific figure. Indeed, a 3% cost-of-living rise is offset by a 4% boost in federal pensions, which means government pensioners actually make a profit on inflation! And the Senate Majority Leader recently advocated having the salaries of federal employes directly tied to the inflation rate.

Few employers in the private sector automatically increase pensions to reflect inflation; and none of them adds a profit on top of the inflation rate.

The danger in institutionalizing inflation is that the basis for any action may be inequitable to a large number of our citizens. If the cost-of-living index overstates the true inflation rate, for instance, the payoff to the favored group is made at the expense of the disadvantaged group.

Interestingly enough, two Stanford University professors recently reported that the federal wholesale price index—which is a major element in the cost-of-living index—"grossly overstates" the extent of our inflation. They point out that about half of the increase in wholesale prices during the year ended August 1973 was the result of dollar devaluation and a disastrous year for farm products.

CONSTANT PRESSURES

An even more important element in the institutionalizing of inflation, I suspect, is the fact that salary actions by the federal government immediately become public knowledge and through annual surveys and constant union pressure are the bellwether of future compensation action by states and other governmental bodies. What is done in Washington becomes the goal of Albany, Sacramento and Springfield, which, in turn, sets these Washington-based standards for New York, San Francisco and Chicago.

In addition, Congress decided a few years ago that civil service pay should be "comparable" to industry pay. Rather than have a disinterested outside group decide what work was in fact "comparable," Congress asked federal employes—who benefit directly from such a decision—to set these standards. Further, Congress empowered these self-interested employes to conduct surveys of industry pay levels that would be used to increase federal salaries.

Needless to say, the government is a huge employer of many of the same talents needed in industry: engineers, chemists, accountants, lawyers, personnel people and the like. So as the surveys ratchet up the salaries of the civil servants, there is a natural tendency in the private sector to protect its employes, so up go their salaries.

It is this seemingly endless ratcheting of pay levels between the public and private sectors that is fueling our inflation.

It was not too long ago that civil service salaries were far below any reasonable standards found in industry. Not so today; the "catch-up" pay increases authorized by Congress in the Johnson era boosted federal pay levels by nearly 20%, with the salaries of some jobs advancing about 50% to attain "comparability." In addition, sizable annual civil service salary increases have also resulted from Bureau of Labor Statistics salary surveys. These surveys, incidentally, exclude many lower paying employers, such as state and local governments, hospitals and the service trades; and completely ignore the substantial regional pay differentials known to exist.

How do federal salaries compare with industry today? Comprehensive, objective data are hard to come by. However, it is generally agreed by those concerned that clerical-secretarial federal jobs are reasonably close to "the market" in high-cost centers like New York and are paid well above local levels in most of the country. At the very top of the civil service structure—among the so-called supergrades—there is also considerable agreement that some jobs are still substantially underpaid.

However, when the executive ranks of the government are compared with their counterparts in industry in terms of experience—by years of age—the average civil servant is paid more than the industrial executive until he reaches his middle 40s. This conclusion results from a survey of actual salary scales of 40,000 of the highest-paid executives drawn from 80 representative large companies and the 19,000 highest paid federal employes (from the President down). Each sample constitutes the top 1% of their respective employment group.

The "average" federal executive in the 30 to 40 age bracket was paid approximately $32,000, with the "average" industrial executive receiving between $28,000 and $32,000. Starting at age 45, the industry executive's pay moves above the federal executive's, averaging about $38,000 at age 55 versus the civil servant's $34,000.

But there is another way of viewing the evidence offered by this industry-government compensation survey: What types of jobs does each group have at the bottom of the 1% executive job pyramid? Since Grade 15 represents the bottom of the federal pyramid, how do representative jobs in GS15 compare in responsibility with those at the same level in industry?

A sampling of the industry group shows such jobs as treasurers, divisional controllers, production managers, plant managers, corporate engineering managers, district sales managers, divisional industrial relations managers and the like—all highly responsible jobs.

In federal GS15, the largest single employe group is labeled "administration," and the biggest subgroup of administrators under this heading are "computer program managers." The second largest GS15 employe group includes engineers, more than half being either "general engineers" or "aerospace engineers." The third largest employe group covers the various medical jobs; the most numerous being "medical officers" i.e., doctors. Other big groups of GS15 employes include the physical scientists, lawyers, accountants, personnel managers and so on.

Comparing these industrial and governmental jobs at the bottom of the executive pyramid, I suspect most knowledgeable personnel men would consider the industry job sample would involve considerably greater individual responsibility than the government sample. However, this would be a judgment subject to interpretation reflecting the individual's background and viewpoint.

What is not debatable is the fact that the industry job sample had an average salary and bonus of $26,800 while the federal government sample averaged $30,800 at the bottom of its executive pyramid—some 15% higher than the sample of the industrial jobs.

I found the relatively high pay of these federal employes surprising in view of the substantially greater job security they have than is typically found in industry. The Civil Service Commission, which was established to protect civil servants from the indignities of the political spoils system of an earlier day, has developed over the years a quasi-legal approach to employe dismissal that discourages such firings. Indeed, it is widely conceded that the pendulum has swung too far and that something should be done to put penalties for inadequate performance back into the system.

It can be argued that the government is "different" and its pay levels cannot be measured by the same yardsticks that are valid in industry. For example, is the 1% principle for measuring the executive population in an organization valid in the government? I believe it is, for the highest paid 1% of the federal payroll carries well down into GS15, which is generally considered to be the lowest truly executive grade in the GS schedule. It also must be taken into account that the government consists of more than 70 large departments, commissions and branches; hence it differs only in size and organization from the 80 big industrial companies used for the above comparison.

AN EXPENSIVE ABERRATION

One very expensive aberration in federal pay administration is the way the Civil Service jobs are valued for salary purposes. If an industrial company were attempting to set the value of an accounting or engineering position in its salary structure, it would find out what the big employers of this particular job "family" paid for accountants or engineers with like skills. Not so in the Civil Service. The staff of the Civil Service Commission prepares lengthy "job descriptions" and then "evaluates" the job into the salary structure, with position in the managerial hierarchy being more important in this evaluation than job contribution (industry's norm).

The reason seems to be that federal law says "pay distinctions must be in keeping with work distinctions." The easiest "work distinction" to document, of course, is the number of employees whose work is administered, and the level of the particular job in the organization structure. The relative "contribution" of the job to the total work effort calls for judgment and is hard to document, hence it is less attractive to a bureaucratic society.

The fact that the marketplace—representing what big users pay for talent—is ignored in the Civil Service job valuing process has resulted in what the technicians call "grade creep." In simplest terms, since the system is outside the control of the job market, position salaries creep upward from one level of value to a higher level; and, of course, are paid more.

When you compare the number of employes from one level of value to the next higher level in the top five grades of the Civil Service structure, evidence of "creep" is clearly visible:

There are three GS17s for each GS18.

There are three GS16s for each GS17.

But there are seven GS15s for each GS16.

And there are two GS14s for each GS15.

And there are only one and a half GS13s for each GS14.

A quick look clearly indicates that there are (1) substantially more GS15s than would be found in a normal organization structure and (2) far fewer GS14s and 13s than might be expected.

When you consider that the average salary in GS15 ($30,800) compares with $26,100 in GS14, this is an expensive variance. But, the fact that job values involve this much "float" in the evaluation process also raises serious questions about the soundness of the job-ranking approach at this level in the GS structure.

Furthermore, there is no monitoring group inside the government with any real interest in restraining salary increases. Every civil servant naturally favors higher pay for himself and so do his unions. The rallying cry is that higher salaries are needed to "offset inflation."

CONGRESSIONAL CONTROL

Congress, which presumably is responsible for federal expenditures, has delegated Civil Service salary matters to the OMB, the Civil Service Commission and the President. However, Congress still controls the salary levels of political appointees, which, in turn, imposes a "ceiling" on top level civil servants.

Up to now, the only voices Congress hears where salaries are concerned are those of the Civil Service unions. And these are vote-potent voices to the Congressman up for election every two years. The business community is rarely heard from on such matters.

But the time has come, if my exposure to Civil Service salary trends is any criterion, when the businessman had better let Congress know he is interested in federal salary levels. The average top industry executive is certainly aware of the inflationary trends in his own employe costs during the past decade. He does not yet seem fully aware of the powerful "push" Civil Service salaries are exerting on this inflation in his cost of doing business.

MIA PROVISIONS IN THE TRADE BILL

Mr. CURTIS. Mr. President, as we approach Thanksgiving Day, a day when millions of families are reunited to express gratitude for the bounty that is America, let us not forget the families whose holidays are marred by the agony of question marks.

I speak of the families of our men still missing in action in Southeast Asia.

We cannot truly enjoy a just and lasting peace until we have the peace of mind that can only come from a full accounting of all our missing men.

As soon as Secretary of State Henry Kissinger returns to this country and appears before the Senate Finance Committee to answer questions regarding the trade bill, that bill can be brought to the Senate floor.

I am pleased that title IV of the trade bill as reported by the Finance Committee last week retains amendments introduced by Senators GURNEY and CHILES which would condition the extension of most-favored nation treatment and government credits to nonmarket economies upon a Presidential determination that such countries had undertaken to obtain the cooperation of the pertinent governments in Southeast Asia in locating U.S. personnel missing in action, in repatriating those who are alive, and in recovering the remains of those who are dead.

I believe we in the Congress must exhaust every effort to obtain a full accounting of our MIA's. I encourage my colleagues in the Senate to insure that these MIA provisions in title IV of the trade bill are retained.

Let us not settle for less than full justice from the North Vietnamese.

My prayers this Thanksgiving are with the families of our men missing in action. They deserve more of a reason to be thankful.

SELECT COMMITTEE NEEDED TO SPEARHEAD REGULATORY REFORM

Mr. HUMPHREY. Mr. President, more than a year ago, on August 3, 1973, I introduced Senate Resolution 160. Thirteen Senators joined in sponsoring this measure. The intent of that resolution was to establish a temporary select committee of the Senate to study and investigate the operations of our Federal regulatory agencies and their impact on our citizens.

Under the terms of my proposal, the select committee was charged with conducting a comprehensive and detailed inquiry along the following three lines:

First, it was to investigate the influence and impact of regulatory agency activities, regulations, rules, orders, and the like, on the economy of the United States.

Second, it was to analyze the accountability of the regulatory agencies to the Congress, their relationships to other agencies, to the executive branch, to the private sector, and to the American consumer.

Third, it was to study the appropriateness of regulation for given sectors of the economy and to analyze the economic consequences of regulatory activities for the American public.

Given the pervasive nature of regulatory activity in our economy, I proposed that the select committee be composed of 13 Senators representing a broad spectrum of Senate standing committees.

Regrettably, we have not moved to establish the Select Committee on Regulatory Agencies and to begin the critical review and reform of the operation of these important agencies.

Several months later, the Senate Interior and Insular Affairs Committee, prior to reporting legislation to launch energy conservation measures (S. 3267), incorporated an amendment I had proposed. The amended provision expanded requirements for recommendations by regulatory commissions on energy-saving legislative or administrative actions. The intent, in part, was to achieve corrections in regulatory agency rules which have resulted in inefficiencies that waste energy resources. Unfortunately, action on the bill itself has been deferred.

However, Mr. President, I am heartened by a sudden burst of interest throughout the Government and among the public in regulatory reform during recent weeks. Certainly, the extraordinary inflation we have suffered in the past year and the search for solutions to the problem of ever-rising prices are major factors in this dramatic increase in interest in this important subject.

Several important recommendations have been made since September.

First, on September 21 we on the Joint Economic Committee recommended to President Ford in our interim report on inflation that a commission be established to study, among other things, the barriers to efficiency resulting from Government regulation, and to propose measures to reduce or eliminate them.

Second, on October 8, in his economic address to the Nation, President Ford called for the creation of a National Commission on Regulatory Reform. Recognizing the serious distortions that certain regulatory activities have introduced into the marketplace, the President proposed that a major effort be made to eliminate those measures which "increase costs to the consumers."

Third, on October 11, Senator Hart on behalf of Senator Magnuson, introduced Senate Joint Resolution 253 to respond to the President's request by creating a National Commission on Regulatory Reform. Senator Magnuson's proposal specifically recognizes the compelling need to fully involve Congress in the activities of the Commission.

The following week, Senator Metcalf, on behalf of Senator Ervin, submitted further legislation, S. 4145, in response to the President's proposal. This bill includes provisions for a study of State and local governmental regulatory activities which interact with the Federal independent regulatory system.

Finally, in mid-November it was reported that the Federal Trade Commission planned to intervene actively in regulatory proceedings, and that the Justice Department had assigned a special task force to study laws governing regulatory agencies and to recommend revisions of current statutes which have had an anticompetitive effect in various industries.

Mr. President, the need for regulatory reform becomes more obvious with each passing day. Every Member of this body can recite from memory a litany of regulatory actions which have had various adverse impacts upon his constituents.

A recent series of five articles in the Wall Street Journal, entitled "The Regulators," provide an indepth view of a number of the problems that have brought our entire system of economic regulation under sharp criticism from virtually every quarter.

Today there is much broader support for significant reform of our regulatory system, among leaders in government, business, labor, agriculture, and consumer groups, than at any time since I came to the Senate in 1949. We must capitalize on this momentum to bring about meaningful change in all aspects of our regulatory system that, upon careful scrutiny, need it.

However, I want to make very clear my position that this process of analysis and reform should be entirely constructive and supportive of improved regulatory activities in the public interest. I find no merit in any proposal that the answer to alleged abuses or failures in regulation is to immediately dismantle the respective regulatory agency.

Our regulatory system was consciously created to protect the public interest. Certainly, as market power has become increasingly concentrated in a handful of supersized corporations in many of our most important sectors, the need for effective regulation in the public interest has not diminished. In fact, it is perhaps more necessary today than at any time in our history. But, it must be effective and in the public interest. Today, it is not, and that is why we need reform.

Mr. President, Mr. Lewis Engman, the Chairman of the Federal Trade Commission, succinctly stated the case for reform in a recent speech. He said:

> Most regulated industries have become federal protectorates, living in a cozy world of cost-plus, safely protected from the ugly specters of competition, efficiency and innovation.

In all too many cases the intended champions of the public interest have become the captured apologists of the special interest. There is no question but that the regulators must be liberated through reform to once again pursue the public interest.

Mr. President, as we in Congress consider legislation to mount our regulatory reform effort, let me urge that we all give careful consideration to the vital role of Congress in this process.

The urgent need for regulatory reform is of critical importance to the economic welfare, personal convenience, and physical safety of our citizens. Therefore the representatives of the people must play a key role in the reform process. However, responsibility for the knowledge of the operations of Federal regulatory agencies are spread across a large number of standing committees of the Senate.

For these reasons, I am convinced that the creation of a temporary Senate Select Committee on Regulatory Reform is the best way to proceed. I urge my colleagues to give this approach their careful consideration.

Mr. President, I ask unanimous consent that the five-part series of articles on "The Regulators," from the Wall Street Journal, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[Five part series from Wall Street Journal]

The Regulators: Federal Commissions Draw Increasing Fire, Called Inept and Costly

(By Kenneth Bacon and Albert Karr)

Washington.—While James H. Quello was lobbying for his seat on the Federal Communications Commission, a Congressman asked him: "Why do you want that damned job? Congress will beat you up, and the courts will overrule you."

Mr. Quello's friend might have added that the regulatory commissions as a breed rank among the least glamorous agencies of government. They are nearly invisible to the public, and the men inside them struggle, sometimes for years, to resolve questions that often seem arcane, complicated and dull.

Now, after several months on the job, Mr. Quello has concluded that FCC stands for "from crisis to crisis." The phrase aptly describes the way all the regulatory agencies operate, jumping from one issue to another, reacting to pressure from citizens, courts, Congress and industry.

A growing number of analysts, both in and out of government, think regulators manage their crises badly, if at all, frequently harming rather than helping the economy. And now the regulatory agencies are being blamed increasingly for much of the current inflation.

Yesterday, in his economic message to Congress, President Ford himself seized on this theme. He proposed creating a National Commission on Regulatory Reform to undertake what he called "a long overdue total reexamination" of independent regulatory agencies in order "to identify and eliminate existing federal rules and regulations that increase costs to the consumer, without good reason, in today's economic climate."

Other officials echo the chief executive. "In a time of spiraling costs we can ill afford the costs of excessive or antiquated regulation," says Donald T. Baker, deputy assistant attorney general. The regulatory process, he adds, "has tended to discourage innovation, while perpetuating inefficiency."

UNKIND WORDS

On Capitol Hill, the Joint Economic Committee says a new commission should take a close look at "excessive or inept regulations." And consumer advocate Ralph Nader says of the agencies: "Never has so little government had so much bad effect."

Even some regulators have unkind words for their agencies. In a speech Monday, Federal Trade Commission Chairman Lewis A. Engman said that federal regulation often does little more than shelter companies from competition. He declared that "most regulated industries have become federal protectorates, living in a cozy world of cost-plus, protected from the ugly specters of competition, efficiency and innovation." And he added: "Our system of hidden regulatory subsidiaries makes welfare fraud look like petty larceny."

In the fiscal year ended June 30, the eight agencies that oversee transportation, communication, public-utility and financial enterprises spent about $270 million on regulatory activities, less than 1-10 of 1% of the federal budget.

But the costs they impose on the public go well beyond this relatively modest amount. Transportation economists, for example, estimate that price-fixing and waste allowed under Civil Aeronautics Board, Federal Maritime Commission and Interstate Commerce Commission regulations cost consumers between $8 billion and $16 billion a year. Consider the effect of some of those regulations.

RUNNING EMPTY

The national commission on productivity estimates that at any given time 40% of the trucks on the road are running empty because of government regulations that prevent them from carrying cargo on return trips after making deliveries. This costs food retailers alone $250 million a year.

An economist specializing in airline matters estimates that many air fares are 35% to 50% higher than they should be, partly because the CAB approves fares which protect the least efficient carriers.

This leads to some costly quirks in the nation's air fare structure. Pacific Southwest Airlines, which isn't regulated by the CAB because it flies solely within California, charges only $20 to fly the 350 miles from San Francisco to Los Angeles. But United Air Lines charges $41 for a flight of the same distance between Minneapolis and Chicago—an interstate trip subject to CAB rules.

Because of CAB rules a traveler may even pay different prices for the identical trip, depending on when and where he buys his ticket. Take someone flying United or Western Air Lines from Seattle to Los Angeles with a one-day stopover in San Francisco.

THE CHEAPER LEG

If he buys a one-way coach ticket for both legs of the trip in Seattle, he pays the CAB-approved interstate fare of $105. But if he buys only the Seattle-to-San Francisco ticket in Seattle, and then buys the San Francisco-to-Los Angeles ticket in San Francisco, he pays only $86.39. The reason is that he gets the second leg at the unregulated, and cheaper, intrastate rate.

Aside from higher prices, regulation may distort normal supply-and-demand forces for a product. White House and oil-industry economists claim this has happened as a result of Federal Power Commission regulation of natural-gas prices. Throughout the 1960s the agency kept interstate gas rates too low, they say, discouraging exploration for new reserves and inducing many producers to sell their gas in the unregulated intrastate markets, where they could get higher prices.

Thus, supplies of natural gas available for interstate use fell below demand, they believe. Over the objections of consumer groups, who dispute the theory that gas prices are too low, the FPC recently tried to change its ways by granting gas producers a sharp increase in the price of newly discovered gas. This will cost 130 million natural-gas users up to $3.3 billion over the next decade, consumer groups complain.

For reasons such as these "any economist venturing to support regulation today is apt to find himself in a very lonely position," says George C. Eads, an economics professor at George Washington University.

It seems ironic now, but two agencies, the Federal Trade Commission and the Securities and Exchange Commission, grew out of "reform" movements. Both act primarily as policemen. The FTC was established in 1914, a child of the trust-busting era, and it has broad powers to halt anticompetitive practices as well as to stop deceptive advertising. The SEC was born in 1934, following rampant stock-market abuses preceding the 1929 crash. It is charged with protecting investors by requiring corporate financial disclosure and regulating the securities industry.

The six other agencies play a different role, one that often puts them more squarely in the middle of business decisions. The Atomic Energy Commission both promotes and regulates the growth of nuclear power, goals that some critics charge are incompatible. The FCC, the Federal Power Commission and the transportation agencies—CAB, ICC and FMC—all approve rates and control entrance into industries they regulate by granting licenses, establishing financial standards or clearing construction permits.

Four of the agencies were established in the 1930s to regulate natural monopolies such as airlines, electric and gas companies and communications services. But over the last 40 years the dynamics of the industries have changed, and in some cases the old rationales hardly apply.

The worst failing of regulation is that it doesn't "let the market adjust to day-to-day forces," argues Bernard Nash, a regulatory expert on the staff of the Senate antitrust and monopoly subcommittee. In many cases, he believes, the market can allocate resources more efficiently.

Mr. Nash isn't alone. Recent reports by the President's Council of Economic Advisers also have criticized federal regulation, particularly in the fields of transportation and energy, as costly and inefficient. "Increasingly, policymakers and judges have seen that competition can do better than government fiat in achieving efficiency among regulated firms," argues Thomas E. Kauper, who heads the Justice Department's antitrust division.

And Clay T. Whitehead, who recently resigned as director of the White House Office of Telecommunications Policy, argues that the FCC has actually become "a major impediment to the natural growth of new communications services." The FCC must clear new services for public use, yet the 1934 act that set the agency's legal framework is built around the assumption that telephones and telegraphs "were the only feasible communications services."

The result is that FCC winds up protecting the turf of established carriers like American Telephone & Telegraph Company. Mr. Whitehead says, "The major expense of developing a new communications service for the public is often the legal expense of fighting established carriers in the regulatory process for permission to offer the service to would-be consumers, rather than the development of the service and equipment itself."

For example, the first international communications satellite was launched in 1964. But, although high-capacity satellites promise to cut costs for the transmission of data and to reduce long distance telephone bills, the first domestic communications satellite wasn't launched until this year, after a long FCC proceeding.

Congress didn't charge the economic regulators with keeping rates as low as possible, and; indeed, they often have the opposite effect. In general, the rate-clearing agencies were established not to protect the consumer, but to "rationalize" the industries it regulates by keeping rates high enough to prevent even the least efficient firms from folding.

The varying rates charged for trucking of foodstuffs illustrate one practical effect of government regulation. While truckers that carry raw agricultural products are by law exempt from ICC rules, many carriers that haul nonagricultural commodities (and are thus subject to ICC regulation) also haul unregulated farm goods—on which they're free to charge any rates they wish. But these partially regulated carriers, accustomed to rigid rate structures, don't drop their farm-product rates to match the lower charges of the totally unregulated truckers.

As a result, there are big gaps between the rates charged by these two sets of truckers. Gold Kist Inc., a large Atlanta-based farm cooperative, pays $170,000 a week to unregulated truckers to ship poultry and peanuts, $55,000 less than it would cost to use regulated truckers, according to Thomas L. Melton, general traffic manager. The current rate for poultry trucked from North Georgia to Milwaukee in unregulated trucks is $1.65 per hundred pounds, compared to the $2.07 charged by regulated truckers. Peanuts move from South Georgia to New York for $1.20 a hundredweight, against a listed fee of $2.48 for regulated carriers.

One reason for the differential is that regulated carriers are subject to a complete set of ICC policies and rulings designed to give certain truckers selective monopolies that prevent head-to-head competition.

For instance, to get from Pittsburgh to Jacksonville, Fla., a trucking firm called Gateway Transportation has to detour 225 miles out of its way, through Cincinnati, and Atlanta, to avoid competing effectively with other truckers with direct-service authority. Such detours are common.

Many carriers aren't allowed to make stops along their routes, and truckers often are limited to carrying a specific commodity or forbidden from carrying a particular item. For example, Tiona Truck Line may haul fertilizer from Joplin, Mo., to northern Illinois; powdered milk and soybean meal from Minneapolis to Missouri, and feed from Pryor, Okla., to Memphis. It must travel empty after leaving those destination points until it returns to one of its authorized departure cities.

Shippers complain that a motor carrier with established authority is protected by the ICC from new competition, regardless of such consideration as lower rates offered by prospective competitors. But without such restrictions, new competitors "would take the cream of the crop from carriers who have been giving service for years," one ICC commissioner explains.

Regulators also block competition by shielding companies from antitrust laws. Indeed, Robert Hope, special assistant to FMC Chairwoman Helen Delich Bentley, says that agency's primary purpose is to exempt shipping lines from antitrust laws. Ocean shippers, rail, truck and barge companies, and airlines with international routes are all members of various rate-setting conferences that allow them to agree on fares, which are then submitted to regulators for approval.

Similarly, Mr. Whitehead charges, the FCC acts as "a cartel manager, apportioning markets" among AT&T and its aspiring competitors. In the telecommunications field, "we are even seeing the perverse phenomenon of many entrants seeking regulated status in order to secure the protections and benefits that such status accords," he says.

To be sure, the Justice Department's antitrust division is intervening in a number of regulatory proceedings in an effort "to get commissions to adopt more and more competitive policies," according to Keith Clearwaters, deputy assistant attorney general for antitrust. The department's constant pressure for competitive commission rates on securities transactions played a part in the SEC's decision to force stock exchanges to end fixed rates by next May 1. Now the antitrust division is pressing the FCC to block the common ownership of newspapers and broadcast stations in the same town and is urging the AEC to consider competitive factors in its atomic-plant licensing procedures.

To an extent, this stance reflects the conclusions of the President's Council on Economic Advisers that "when regulation has stifled competition, performance has deteriorated" and "that regulation should be narrowed or halted when it has outlived its original purpose."

But regulation is hard to end. Transportation companies have opposed legislative proposals to trim the ICC's powers because they're familiar with the current, protective regulations, Mr. Clearwaters says. And the agencies themselves are always on the lookout for new areas to regulate. Right now, for example, the SEC is considering proposals that would extend its authority in areas of the life insurance and banking industries.

THE REGULATORS: FEDERAL COMMISSIONS ARE MASTERS OF DELAY ON CASES BEFORE THEM

(By Kenneth H. Bacon)

WASHINGTON.—The Federal Communications Commission, which is 40 years old, has been trying for 33 of those years to resolve a dispute between radio stations KOB in Albuquerque and WABC in New York.

A stack of all the legal briefs that make up the official record of the proceeding would be "tall enough so that a couple of giraffes couldn't kiss over it," says Frank Fletcher, a Washington lawyer for KOB. Each time the FCC assigns a new man to the case, Mr. Fletcher says, "it takes him two years to get familiar with it, and then he changes jobs."

The dispute began in 1941, when a treaty to prevent international radio interference forced KOB to switch frequencies, whereupon the FCC placed the station on the same frequency as WABC. That caused the signals of the two stations to cross in some parts of the country, producing interference at night when radio waves travel farther.

Over the years, the FCC has been trying to figure out how to restrict the broadcast authority of one of the stations in order to clear up the interference. Several times the agency has decided the case, only to have the courts overrule it.

So the dispute drags on at the FCC, where it represents a classic example of delay—the disease that afflicts every federal regulatory agency, burdening regulated companies with millions of dollars in legal fees and often costing customers of those companies higher rates or prices as a result.

Regulatory delay already has caught the Ford administration's attention. A White House statement the other day declared that "new approaches are required to eliminate the interminable delays often created before regulatory matters are resolved." And in his recent economic address President Ford proposed the creation of a national commission on regulatory reform to help streamline the work of federal agencies and thus reduce the cost of regulation. But it won't be easy to speed up regulatory proceedings.

HARD TO PIN BLAME

"Many people have died before they got what they sought from us," jokes FCC member Robert E. Lee. More seriously, he adds: "The incredible delay is terrible. It's something you can't defend, but you can't pinpoint the blame, either."

Regulatory proceedings are complex, often involving complicated questions of cost accounting, industry structure and competition. Often the stakes are high. A decision can mean fat rate increases, a lucrative television license, a new transportation route or a black eye from the Securities and Exchange Commission or the Federal Trade Commission on whatever agency is involved.

And for every winner, there's often a loser. Many agency proceedings are adversary in nature, pitting one company against another or a corporation against consumers. Thus, if a company thinks it's about to lose some advantage as a result of an agency decision, delay suddenly becomes an asset rather than a liability. "It's almost always in somebody's interest to string it out because somebody's going to be hurt," one regulator explains.

For all these reasons, it has become axiomatic that the longer a regulatory case drags on, the more difficult it is to resolve. Washington is filled with "lawyers who are making a great living prolonging things. They're masters at it," complains a Federal Maritime Commission official. One result, consumer advocate Ralph Nader complains, is that public-interest groups often can't afford to participate in long, costly proceedings.

WARS OF ATTRITION

Regulatory agencies provide fine battlefields for administrative wars of attrition. Most complex proceedings involving merger approvals, rate increases or operating permits are handled by administrative law judges. These independent officials are charged with gathering evidence, conducting hearings and reaching a recommended decision that can be appealed to the full commission for a final decision. The agency's ruling then can be challenged in court.

Participants in the proceedings have extensive rights to present witnesses, cross-examine opponents' witnesses and present masses of complex data on as many issues as they can convince the judge to consider.

Thus, like the KOB case, some proceedings can become nightmares of paperwork. In 1963, for example, the Chicago & North Western Railway applied to acquire portions of the Chicago, Rock Island & Pacific Railroad, the nation's 10th largest. A number of other roads also applied for parts of the Rock Island, and the case was assigned to a law judge. Testimony during 275 days of hearings between 1966 and 1969 filled 50,000 pages of transcript. On top of that, the roads submitted 100,000 pages of exhibits.

So much paper was filed, in fact, that the ICC actually lost some of the documents, forcing the roads to submit new copies.

The first law judge on the case quit after he broke his leg. The second judge suffered a heart attack in January 1971. This delayed work on the case for seven months, and his decision wasn't issued until February 1973.

But that didn't come close to ending the matter. None of the parties liked the judge's decision, which called for a sweeping reorganization of Western railroads into four new lines. So, for more than 18 months, the full commission has been considering the dispute. Not surprisingly, the commissioners reportedly are having trouble coping with the massive record in the case.

Meanwhile, the delay has "set back rationalizing of the railroads for several years," one transportation lawyer claims. The Rock Island has lost money for the last nine years and is close to bankruptcy; track and equipment are in shabby shape, and service has deteriorated. This presumably could have been avoided if the agency had allowed one of the Rock Island's profitable suitors to take it over.

"If I were a member of Congress, I would be thinking seriously of impeachment," one outraged lawyer fumes. "The commissioners should be stripped of their salaries and thrown out of their jobs" for letting the case run so long.

One commissioner replies that the dispute involves "some very major issues that require a hell of a lot of time." But he concedes that agency decisions often "go into minutiae. The more you put in, the more defensible the decision will be in court, which is what everybody has in mind."

Of course, the ICC handles some cases quickly. It is particularly fast at granting railroad requests for higher freight rates. The ICC has cleared 15 nationwide increases in the last seven years, allowing rates to rise 33%, while shippers still complain of poor rail service and substandard equipment.

INERTIA AGAINST ROLLBACKS

Delay frequently doesn't slow rate increases, which prompts Mr. Nader to complain that delay is "one-sided," favoring companies over consumers. A company seeking a rate boost may put it into effect automatically, a few months after making application, if the regulatory agency hasn't ruled by then and if the firm agrees to pay refunds should the agency ultimately find the "interim rate" too high.

Kelley Griffith, deputy chief of the FCC's common carrier bureau, calls it a "fantasy" to think that the FCC, with its small staff, can rule on a complicated American Telephone & Telegraph phone-rate request in the allotted three months. Even special, "expedited" rate proceedings take at least a year; and the longer a case lasts, the greater becomes the inertia against rolling back new rates and ordering refunds. In fact, the FCC has only ordered refunds once in its history. At the FCC and other agencies, "interim" rate increases usually become permanent, often after years of study.

John F. Cushman, executive director of the Administrative Conference of the U.S., a governmental body charged with promoting efficiency and fairness in regulatory proceedings, blames Congress for contributing to delay. "The history of these agencies," he says, "has been to create experts to take on a lot of work that Congress didn't want to do on a day-to-day basis," yet Congress doesn't give the regulators enough people to handle their increasingly complex cases quickly.

Mr. Cushman believes that Congress will ultimately have to streamline regulatory agency proceedings to keep them from bogging down in paperwork. "You're eventually going to have to come down to a system to balance efficiency with common fairness," he says.

LANGUISHING PROJECTS

Some regulators are trying to do this on their own. FCC Chairman Richard E. Wiley has established a special task force to study ways to speed up cases, and he has begun demanding that the FCC's divisions meet tight schedules for completing work on cases.

SEC Chairman Ray Garrett Jr. has begun to drop certain projects that have languished on that agency's books for years, and he's trying to push the agency ahead in its efforts to restructure the stock markets and stiffen financial standards for brokerage firms. "These are matters on which we're slower than we should be," Mr. Garrett concedes, adding that "we really do our homework very thoroughly and very professionally. It's fine work, but it does take time."

FTC Chairman Lewis A. Engman is trying to appoint better qualified administrative law judges who will be able to keep complicated antitrust proceedings moving quickly. And CAB Chairman Robert D. Timm is urging staff people to move faster, noting that a domestic passenger fare investigation still is unfinished after three and one-half years. "It had good early speed but faded in the stretch," he says. Still, it's likely to be faster than the last one, which took 10 years.

Many analysts think the only way to speed decisions is to force agencies to meet rigid time schedules. "Nobody wants to decide the tough problems, so those get pushed lower and lower in the pile until a crisis brings them to the top," says Frank Lloyd, head of Citizens Communications Center, a public-interest law firm.

THE REGULATORS: MRS. REID WANTED ONLY TO SING, BUT SHE ENDED UP ON THE FCC

(By Karen J. Elliott)

WASHINGTON.—Her hazel eyes brightened, her pink-tipped fingers snapped in a rhythmic jive, and Federal Communications Commissioner Charlotte Reid began to sing:

"Ladies and gentlemen, you stated that I Sang for my breakfast in years gone by. Well, it's true that I sang many years ago,

But the tune is so different in the Washington show. . . ."

In a singsong contralto, Commissioner Reid was performing for a reporter the little ditty she wrote and sang as a new Congresswoman in 1963 at the Women's National Press Club's annual dinner for members of Congress. Eleven years later, plenty of people here are wondering whether she ever is going to learn that new tune.

Mrs. Reid, who sang on a morning radio show from 1936 to 1939, spent nearly 10 years in Congress (She is probably best remembered as the first woman to wear a pantsuit on the House floor). Then, in 1971, President Nixon picked her—mainly because she was a friend, a Republican and a woman—to be one of the FCC's commissioners.

"Have you ever considered the FCC?" she recalls Mr. Nixon asking. "A woman with your congressional background and singing experience could make a fine contribution."

So now at the FCC she sits (except when she is off on one of her frequent speaking trips), collecting her $38,000 annual pay and relying on her legal assistant to guide her through much of her FCC work.

Not many of those appointed to federal regulatory agencies are women or former singers. But in more important ways, Mrs. Reid typifies many of her regulatory colleagues: She lacks apparent qualifications for the job, and she doesn't display much interest in the work.

SLIDING BY

Indeed, the Washington regulatory landscape is strewn with old friends of Presidents, unprepared for their assignments and largely uninterested in the industries they regulate. While some take the work seriously, many others simply slide by, attending hearings, flying around the country speaking to industry groups, and doing little to resolve the complex issues their agencies face.

Willard Deason, for instance, was named to the Interstate Commerce Commission by his old college roommate, Lyndon Johnson. Mr. Deason wasn't a transportation expert. But he had been best man at Mr. Johnson's wedding, he had managed LBJ's Texas radio station, and he had given President Johnson a famous pair of beagles, named Him and Her. "If he'd given LBJ a pair of horses," a Washington lawyer remarks, "maybe he would have got a seat on the Supreme Court." Mr. Deason is regarded by some ICC officials and lawyers who practice before the commission as one of the FCC's least competent members.

Sometimes, a President will nominate a political friend to a regulatory agency so the man will have a job after losing an election. Right now, in fact, an Executive Branch official who opposes this practice says he is worried that the Nov. 5 election will produce a huge number of unemployed GOP politicians, some of whom President Ford will be tempted to help out with regulatory jobs.

Probably the most notable thing Mrs. Reid has done so far in her seven-year FCC term is to spend $4,600 of government money installing in her office a private bathroom with a large gold-framed mirror. She also has distinguished herself by her absence; she's gone from the FCC more than any other commissioner.

SHOULD INDUSTRIES HELP?

A lover of travel, Mrs. Reid began complaining soon after joining the commission that the FCC's $3,500 annual travel allowance was too skimpy; this year it was raised to $4,500. She still thinks that industry groups should be allowed to pay commissioners' expenses for speaking engagements. The 60-year-old grandmother makes lots of speeches, usually entitled "Congresswoman Turned Regulator."

In a way, the real highlight of Mrs. Reid's career occurred nearly 40 years ago, when she performed on radio as singer "Annette King" on Don McNeill's "Breakfast Club." Though her singing career lasted only three years, she has parlayed it into positions of prominence few women ever achieve. "Singing is the only ambition I ever had," the FCC commissioner says.

In Congress she sang along with her male colleagues in the Illinois delegation, even cutting a record with the late Illinois Sen. Everett Dirksen. And at the FCC, former Commissioner Nicholas Johnson recalls, she whiled away long commission meetings by sketching treble clefs on a yellow note pad.

Even during the Senate hearing to confirm her nomination to the FCC, that brief and distant singing career emerged repeatedly as a key qualification. Illinois Republican Sen. Charles Percy told his colleagues, "Having had a career as a radio vocalist, she is familiar with many of the operations of the broadcast industry from her own unique experience."

Senators at the hearing enthusiastically praised her charm and femininity. But none asked her views on issues like women in broadcasting, the fairness doctrine or pay television versus so-called "free" TV. In fact, she was asked nothing. Sen. Marlow Cook, a Kentucky Republican, summed up the hearings by telling Mrs. Reid: "It must be kind of a relief to receive a seven-year term instead of a two-year term."

Actually, her confirmation hearing was typical of the vapid sessions the Senate usually holds, ostensibly to grill a nominee on his qualifications and regulatory philosophy. More often than not, it all resembles a sort of civilized shotgun wedding.

Like the unfortunate bride, the nominee is rarely the Senators' first choice. But at least he or she usually holds sufficiently bland views to arouse no strong opposition. And the White House usually helps arrange a tranquil ceremony by checking with former commissioners, important industry heads and key Senators (especially those from a nominee's home state) before announcing the appointment. "The process is designed to produce gray men and women," a regulatory expert says.

At the FCC, Mrs. Reid can best be described as uninterested. Although she says children's television is a favorite issue, she admits she hasn't given any speeches on the topic or pressed for any new commission action in that area. Although she is the first woman on the commission in 25 years, she says, "I'm not a women's advocate. I came here to represent everyone."

Instead of zeroing in on complex issues, Mrs. Reid has turned more and more to travel and speeches. In fact, commission insiders say, she appears to have given up on really grasping the narrow, legal and technical issues before the FCC, relying instead on her legal assistant or on Commission Chairman Richard Wiley to cue her votes.

Mrs. Reid acknowledges her lack of expertise. "I came on with the idea of not getting too involved with any one issue," she says.

Industry representatives and some citizens' groups complain that her lack of expertise is matched by her inaccessibility. Her office usually reports that she is too busy to meet spokesmen for either industry or citizens' groups. On rare occasions when she consents to an appointment, they say, she often shunts the visitors at the last minute to her legal assistant, Roscoe Long. One recent visitor, supposedly "squeezed" into her busy day, arrived for a late-afternoon appointment and found only one other name on the day's calendar. "She's simply not interested enough to go into any issue deeply," one industry representative concludes.

"Her inaccessibility concerns me," an industry lawyer says. "I know she doesn't read the long, turgid briefs I file. And if she won't personally discuss the issues either, then she has to go get her information from Roscoe, and he isn't confirmed by the Senate to make these decisions."

A SHADOW COMMISSIONER

Mr. Long, 39, is almost a shadow commissioner. He writes Mrs. Reid's speeches and her rare written opinions. In commission meetings he frequently jumps up to explain her views on complicated issues or walks up to the commission bar to advise her on a vote. Other legal assistants call him the FCC's "eighth commissioner."

Mrs. Reid does have defenders. A CBS network executive, for example, calls her a "don't-shake-up-the-animals-too-much" influence and says her conservatism should be prized on "a commission regulating the press." An ABC network official says, "She's not spectacular, and she's not influential—other than that she has one vote. But I think there is a place on the commission for simple, sound, commonsense judgment."

Because she isn't publicly aligned with any issue and is largely inaccessible, Mrs. Reid's regulatory philosophy is pretty much a mystery. She says government regulation should be used sparingly and only as a last resort. But questions about the application of that philosophy are deflected with a few polite words and a smile.

Speeches and written opinions, usually a guide to a commissioner's thoughts, disclose little about her. Copies of Mrs. Reid's speeches aren't distributed, and her written dissents from hundreds of commission decisions are so few (10) and so brief as to offer no real clues. "You rarely get a glimpse of her understanding or lack thereof because she usually just sits there," says a lawyer who has attended the closed commission meetings.

THE EXCEPTIONS

Although Mrs. Reid's performance at the FCC is typical of the way many regulatory-agency members approach their jobs, there are some bright and hard-working officials who are exceptions. Federal Trade Commission Chairman Lewis Engman and FCC Chairman Wiley, for example, are trying hard to clear the logjam of cases before their agencies.

And the three newest members of the Securities and Exchange Commission appear to have been appointed for ability rather than political or industry ties. SEC chairman Ray Garrett, Jr., a scholarly Chicago corporate lawyer, first rejected President Nixon's offer to head the commission. But then-White House Chief of Staff Alexander Haig prevailed upon Mr. Garrett, convincing him he could help restore the agency's reputation after a scandal there.

With that leverage, Mr. Garrett insisted on qualified appointees: A. A. Sommer, Jr., a Harvard Law School contemporary of Mr. Garrett's and a Cleveland securities and business lawyer, joined the SEC last August, and Irving M. Pollack, a member of the SEC staff since 1946 and its chief enforcement officer since 1965, joined in February.

Even so, good men and women are hard to find on the regulatory commissions. The tradition of lackadaisical service and presidential indifference has largely robbed the agencies of the challenge that attracts creative people. Those who do agree to serve often find it a thankless job. "Eight of 10 people on the street don't know what the agencies are, let alone who the commissioners are," says Robert E. Lee, a 20-year veteran of the FCC.

THE REGULATORS: AGENCIES AND INDUSTRIES SHOW PERSISTENT SIGNS OF COZY RELATIONSHIPS

(By Les Gapay)

WASHINGTON.—Early this summer, Helen Delich Bentley, chairman of the Federal Maritime Commission, thought seriously about running for the U.S. Senate in Maryland. For political help, her campaign aides freely turned to what seemed like a natural source: the shipping industry that her commission regulates.

Mrs. Bentley's campaign staff dispatched letters seeking support and campaign assistance from industry lawyers who practice before her agency. Although she didn't ask directly for money, that aim was implicit—and criticism arose. In the end, Mrs. Bentley decided against running.

It's scarcely surprising that the commission chairman sought help from the industry, because of her long and close contacts with shipping. For years she covered the maritime scene as a reporter for the Baltimore Sun. Nowadays she's often the woman who breaks the champagne bottle across the bow of a new merchant ship; for that feat, she sometimes accepts small gifts like a bracelet or a silver-plated tray—and, in one instance, a jewel-studded American flag pin valued at $1,150. (She plans to return it when she leaves office.)

This rather cozy government-industry relationship in shipping underscores a pervasive and persistent Washington phenomenon: Most of Washington's independent regulatory agencies, far from staying at arm's length as their creators intended, are locked in close embrace with the industries they oversee.

INCREDIBLE LOVE AFFAIRS

In general, there are "incredible love affairs going on between the regulators and the regulated," says Keith Clearwaters, the Justice Department's deputy assistant attorney general for antitrust.

As a result, critics say, the agencies often condone or even champion monopolistic practices and rubber-stamp higher prices for everything from airline tickets to natural gas to telephone calls. Regulators report that they aren't unduly influenced by industries and can't be insulated from them if they are to do their jobs right.

The agencies with the worst reputations as captives of industry are two transportation regulators: the Civil Aeronautics Board and the Interstate Commerce Commission. "If there were no CAB, the airlines would invent one," says Secor D. Browne, a former chairman of that board.

So close are the ties between the present CAB chairman, Robert D. Timm, and the aircraft and airline concerns that a conflict of interest recently was charged. Mr. Timm took a golfing trip to Bermuda with expenses paid by United Aircraft Corp., which is being scrutinized in a CAB investigation of financial control of airlines. (Chief executives of four airlines joined the chairman in Bermuda.) After criticism from House Commerce Committee Chairman Harley Staggers and others, Mr. Timm disqualified himself from the case and repaid the travel, hotel and other expenses.

At the ICC, the chummy relationship between officials and the railroads and truck lines they oversee is hardly a secret. An ICC examiner was fired in 1972 after accepting food, liquor and entertainment from a trucker who was the subject of a hearing before him. A few years ago, three ICC commissioners were chided for riding free and high-on-the-hog in a private executive car of Southern Pacific Co. while that railroad was involved in two big cases before the agency.

ROUTINE RATE CLEARANCES

But critics find industry influence continues to run strong in almost all agencies charged with granting licenses and clearing rate increases. Last year, in rejecting a nominee for the Federal Power Commission, many Senators protested that the agency didn't have one commissioner representing the consumer.

More recently, a report by Congress' General Accounting Office charges that the commission has rushed to approve rate boosts for natural gas without following proper procedures. Consumer groups complain that the FPC routinely approves natural gas rate increases sought by industry. But commissioners answer that high rates are needed to spur production.

An obvious reason for friendly relationships is that some regulators come right from the industries they regulate. The GAO report noted that three of the four FPC commissioners (there is one vacancy) had past associations of varying closeness with the oil and gas industry. One member, Rush Moody, came from a Texas law firm that represented 26 oil and gas companies; he is so eager to raise gas rates that other commissioners, who are usually pro-industry, are sometimes at odds with him.

ISSUE OF STOCKHOLDERS

One member of the Federal Communications Commission, James Quello, is a former broadcaster from Detroit; his Senate confirmation last year was hotly opposed by consumer and public-interest groups, and Sen. John Pastore of Rhode Island, chairman of the Senate subcommittee on communications, raised the basic question of whether a regulator should be recruited from the industry he is to oversee.

Another kind of link between regulator and regulated was disclosed in the GAO report. It found that a number of top FPC officials improperly held securities in companies overseen by their agency. Besides, Chairman John Nassikas' wife owned 50 shares of U.S. Steel Corp., whose Carnegie Natural Gas Co. comes within FPC jurisdiction. As a result of the report, 19 officials were directed to get rid of holdings raising conflict-of-interest possibilities.

Moreover, commissioners often need industry support to get and keep their appointments. Clearance from regulated industries and from certain friends of business in Congress helps get a nomination out of the White House. One former SEC commissioner says he had to be interviewed by securities-industry leaders before being offered his presidential appointment.

Once in office, a regulator sometimes feels it necessary to curry favor with industry to help to win renomination. When his term was expiring last year, G. Joseph Minetti, the CAB member who had been hardest on the airline industry, softened his opposition to air-fare increases and flight cutbacks until he was renamed.

And many commissioners and staff members use their jobs as stepping-stones to higher-paying posts in industries they oversee. From the Securities and Exchange Commission, for example, officials often go to the securities industry; the prime example is James Needham, who left the SEC to become chairman of the New York Stock Exchange and probably has been lobbying at the SEC on the industry's behalf.

The regulators argue that close relations with industry are necessary to help them understand the problems they face. In fact, the FCC is sometimes criticized because nonindustry commissioners are ignorant of such technical subjects as cable TV and satellite communications. To meet the need, many key staff members are recruited from industry. But regulators complain that even these choices can raise a furor. "If I need an engineer, the best will come from Bell or RCA, and if I appoint him, all hell breaks loose," says FCC member Robert Lee.

Beyond any storms over staff appointments, there now are attempts to break up traditional alliances and loosen industry's hold on certain agencies. Last year, the Senate decided the FPC was so stacked with pro-industry commissioners that it took the rare step of voting down a prsidential nominee to a regulatory post: Robert Morris, a lawyer with big oil company clients. It was the first such rejection since 1950.

Under prodding from both Congress and the Justice Department, the SEC is moving toward a competitive system of flexible rates for brokerage transactions—despite industry opposition. For years, the commission protected the securities industry by preserving fixed rates.

And the SEC, along with the Federal Trade Commission, is regarded even by critics as having improved recently. After controversies involving its past two chairmen, the securities commission has acquired new, independent-minded members.

Says Irving Pollack, a longtime staff man recently appointed to the commission: "If somebody tried to massage me, it would have the reverse effect. I'd say, 'what do you think I am, a schnook?' "

Many critics say Mr. Pollack isn't a typical regulator, though. "Big business desperately needs big government," philosophizes Ralph Nader; the public is left out of the equation, he says. Others add that it's hard for anyone but industry executives to get chummy with regulators. "Our consumer group doesn't have the wherewithal to pay for a Timm weekend in Bermuda," says Reuben Robertson, a Nader aide.

Recalling the ride taken by ICC commissioners in a private Southern Pacific Railroad car—which they claimed was needed to learn about the industry—a Washington attorney who deals with that agency muses: "I've always thought it strange that they ride private railroad cars, but they don't ride buses or sit in a small-town corner drugstore and talk to the proprietor about how good or bad his small-shipment truck service is."

Relations between regulator and regulated have been questioned, among other places, in federal court. In a 1970 decision, Appeals Court Judge J. Skelly Wright wrote that a CAB case involved "the recurring question which has plagued public regulation of industry: whether the regulatory agency is unduly oriented toward the interests of the industry it is designed to regulate, rather than the public interest it is designed to protect."

That case grew out of a series of meetings in 1969 between the CAB, under then-chairman John Crooker, and airline executives. The chairman of one meeting was the president of United Airlines. In that session, closed to the public, the board laid out the type and size of a big fare boost it was ready to approve. The carriers sought and won just such an increase. A group of Congressmen went to court and got the decision overturned as having been improperly reached.

Mr. Crooker's successor at the CAB, Secor Browne, didn't escape criticism. He once vacationed at the Caribbean beach house of a Pan American World Airways vice president, although he said he paid rental for the lodging. At about that time, Mr. Browne was voting to give Pan Am certain South Pacific routes. The current CAB chairman, Mr. Timm, appears even bolder in his associations with industry.

Airline executives often wine and dine with Chairman Timm, and they golf with him much more often in Washington than in Bermuda. For example, Thomas K. Taylor, an $80,000-a-year lobbyist for Trans World Airlines, reports he has played golf with Mr. Timm three times this year, lunches with all five board members once every two or three months and with CAB staffers about every two weeks.

Mr. Taylor and his wife even accompanied Mr. Timm and his wife on a trip to Europe last April; the CAB chairman was going on business to visit foreign airlines and take part in official meetings, and the Taylors were vacationing. They flew together on TWA to Lisbon, Madrid and Rome and spent some of the time in Europe together, sightseeing, playing golf and staying at the same hotels. Mr. Timm was the guest of several other airlines for dinners and sightseeing during his European trip.

Lobbyist Taylor insists that cases before the board are never discussed in his informal contacts with CAB officials; specifically, he says, he has never mentioned a current CAB study on how to restructure transatlantic air routes.

But that disclaimer still leaves open possible discussion of broad regulatory philosophy and plenty of issues that may get to the commission some day. The general subject of whether there is too much transatlantic airline capacity "sure as hell" is discussed, Mr. Taylor concedes.

Mr. Taylor's counterpart in Washington for American Airlines, Charles Strickler, says he also golfs and socializes with CAB members because "I think it's in the interest of my company."

But some who deal with regulators don't defend the idea of hobnobbing with them. "I play the game (but) I don't think it's in the public interest," concedes one Washington lawyer who practices before regulatory agencies. "Our whole regulatory system isn't set up in a judicial way."

Others now are remembering the fears of coziness between regulators and industry that were long ago expressed by Supreme Court Justice William O. Douglas, who was once chairman of the SEC. He advised President Franklin D. Roosevelt to abolish each regulatory agency 10 years after its creation. Mr. Douglas reasoned that the agencies "become so closely identified with the interests they are supposed to regulate that eventually they are transformed into spokesmen for the interest groups."

The Regulators: Proposals To Reform Federal Commissions Are Heard More Often

(By Albert R. Karr)

WASHINGTON.—Following a particularly unpleasant air-fare dispute, P. J. Nicholas of Collingswood, N.J., sought satisfaction from the Civil Aeronautics Board and got what he felt was a runaround. He finally fired off a letter to the CAB, declaring:

"After a series of discussions with friends and associates, I now share the opinion that the CAB needs to be changed substantially or eliminated."

Few ordinary Americans carry their complaints against government regulators to such lengths, but plenty of close onlookers, equally disillusioned, are raising their voices in the same general cause: Economists, consumer groups and government policymakers are urging that "something be done" about the failings of the independent federal regulatory agencies.

President Ford himself has severely criticized the agencies in recent weeks, both publicly and privately, as helping spur inflation by buoying transportation and other costs. He has proposed that a reform commission study the regulators and come up with ideas for change. Deregulation advocates within the administration say the plan is a serious effort to enlist the help of Congress, which must authorize the commission; they insist the commission proposal isn't a stalling tactic.

Even while the commission does its studying, officials add, piece-meal deregulation steps will be taken. The President's economic policy board plans a tough move on regulation, says Treasury Secretary William Simon, one of the group's members. The new Council on Wage and Price Stability will seek to "raise the consciousness" of regulalators about the role of high rates in inflation, pledges George C. Eads, assistant director of the council.

More and more, the critics are calling for substantial deregulation, if not outright abolition of the agencies. The naysayers argue that regulation, if it ever made sense, doesn't work any longer and instead serves mainly to stifle competition. Donald I. Baker, deputy assistant attorney general for antitrust, says that regulation results in "anticompetitve judgment for consumer choice" and abets inflation.

REMOVING TEMPTATION

The would-be abolitionists include such leading politicians as Sen. William Proxmire, the Wisconsin Democrat, and Republican Gov. Ronald Reagan of California, a presidential aspirant. Consumer advocate Ralph Nader, who until recently pushed for stricter regulation, now thinks that some agencies, including the CAB, should be scrapped as subservient to industry. "After a few years of challenging them, you realize the system is hopelessly rigged," he contends.

Others call for paring down the agencies' functions, reorganizing them or trying to insulate them from industry's influence. To help keep Federal Communications Commissioners from getting too close to the industry they regulate, they should be named for 15-year terms, guaranteed generous pensions and be barred from employment in the communications industry for 15 years, says Henry Geller, former FCC general counsel. These safeguards would remove temptations of FCC members to favor potential employers, Mr. Geller says, and would lead to appointment of better people.

Within the Ford administration, consideration is being given to drafting of ethical-conduct guidelines for regulators, to discourage them from too-close contact with regulated industries. CAB chairman Robert D. Timm has been criticized particularly for coziness with the airlines.

At the same time, there's a movement toward a more traditional goal: increased regulation. Daniel O'Neal, a member of the Interstate Commerce Commission who is often critical of his colleagues, calls for "improved regulation" to prevent such ills as freight-rate discrimination and poor freight service. Democratic Rep. Brock Adams of Washington favors giving the ICC broader powers—over trucking of now-exempt items such as farm goods, for instance.

REMODELING THE REGULATORS

Recent history has shown that any attempt to remodel government regulation is fraught with frustration. Broad regulatory changes of one kind or another have been recommended by study groups as far back as Franklin D. Roosevelt's day, and little has resulted. But from the present welter of proposals for change, some action is beginning to emerge in the direction of deregulation.

Just now the Ford administration, picking up a Nixon project and cheered on by various economists and consumer groups, is trying to push a railroad-deregulation measure through Congress. The President, in a recent message to Congress, said it "would contribute substantially to the efficiency and vitality of the nation's private-sector transportation system."

This plan would reduce ICC power to reject rail-rate changes, weaken the authority of regional railroad rate-setting bureaus and require fast ICC action on proposals for new rail service. And the pending bill, whittled down from a more radical proposal in order to win congressional backing, seems on its way toward acceptance in the House. Chances are rated good that an eventual House-Senate conference will keep the deregulation provisions, which are generally considered modest.

Also awaiting congressional action is a White House proposal to end the Federal Power Commission's regulation of prices of newly discovered natural gas, with the avowed aim of stimulating production. But different approaches are being suggested. An alternative offered in the Senate would divide regulation of gas producers between the FPC and the Federal Energy Administration. With time running short, prospects for passage of any gas-deregulation bill this year aren't considered good.

A major revamping of nuclear-power regulation is an accomplished fact, however. The President recently signed a measure to split the Atomic Energy Commission into two agencies, to end the commission's built-in conflict of interest in both promoting and regulating nuclear energy. One new agency will research in nuclear and other energy; the other will take over licensing of atomic plants.

Our regulatory changes may be coming. President Ford's Office of Management and Budget is overseeing the start of an analysis of the value and cost of government activity that impinges on industry, and regulatory agencies are "of major concern" in that effort, says Walter Scott, associate OMB administrator.

The administration already has some specific plans for the future. They call for relaxed regulation of truckers, airlines and shipping concerns. Early next year, Transportation Department planners will bring forth legislation proposals to trim the ICC's power over truck rates and routes. Later they'll try to reduce the CAB's authority to approve air fares and service cutbacks—and trim the Maritime Commission's right to endorse rates that are set by joint conferences of shipping lines.

Short of basic structural change, meantime, the administration, Congress and private groups have been prodding various agencies to do a better job of representing the public interest. The Justice Department's antitrust staff is intervening more often at the AEC and the ICC to demand consideration of the anticompetitive effects of their decisions. Congress' General Accounting Office recently lambasted the Federal Power Commission with charges that it acted improperly in granting gas-price rises. Senators are grilling nominees for regulatory posts harder and are delving more deeply into agencies' activities. A Senate subcommittee headed by Edward Kennedy has just begun an examination of regulatory operations to determine whether the consumer can give his views and if regulatory action protects him.

Under such pressure, some regulatory agencies have moved toward self-improvement, even if not toward basic change. During the past five years, the Federal Trade Commission has grown tougher and more efficient in attacking unfair business practices; this move started under the leadership of two Nixon-appointed chairmen, Miles Kirkpatrick and Caspar Weinberger. Now, under a third, Lewis Engman, it is extending that effort modestly—pushing for the wherewithal to pursue bigger antitrust cases and using a new "cost-benefit" analysis system aimed at helping it do the most effective job for its money. The agency plainly has been responding to pressure, including complaints from Nader forces and sharp American Bar Association criticism for poor consumer protection and "serious" staff problems.

UNCHARACTERISTIC MOTIONS

Regulatory analysts say the FTC is particularly susceptible to improvement. Unlike the CAB, which deals solely with aviation, or the Maritime Commission, which regulates shipping alone, the FTC has the broad assignment of keeping competition free and fair in all industries; thus, it is much less vulnerable to pressure from any one industry. It's a lot harder for an agency regulating a single industry to change its ways, the analysts reason.

But some regulators beside the FTC have been making uncharacteristic motions, though acting under pressure. Mr. Nader's Aviation Consumer Action Project claims credit for forcing the CAB recently to begin a major investigation of financial control of airlines and influence on their management decisions.

The ICC, for another, seems to be trying to change. In the last few years, it has moved to force better household-goods moving service, to keep the railroads from lopping off many marginal Northeast railroad branch lines, and to rule that proceeds of a 10% rail freight-rate increase be invested in track and equipment to improve service to shippers.

But critics say this flurry of activity is largely eyewash, designed to soothe complainers and to head off drastic change in ICC powers. (Chairman George Stafford says he objects to the pending deregulation legislation because the ICC itself can adopt most of the changes it proposes and has made or planned revisions that would make most of the legislation unnecessary.)

One skeptic sitting on the commission is Mr. O'Neal; he said in a recent dissent that he doubts the ICC will enforce its conditions for the 10% rate increase. Other critics insist that a current ICC investigation of price-setting by regional rail and truck rate bureaus began strictly in response to administration and congressional pressure and that it won't produce much.

They also are critical of the ICC's response to outside pressure for more consideration of environmental aspects of its decisions; among other things, environmentalists want lower freight rates for steel scrap to get more junked cars off the landscape. Despite court orders, they say, the ICC is moving grudgingly and inadequately to give ecology more attention.

THE MAVERICKS

The occasional maverick on a regulatory commission may rock the boat, but to little effect. Nicholas Johnson, a frequent FCC dissenter, was regarded by consumer advocates as having struck many a blow for their cause and kept the agency "honest." But when he left the commission last year, a top staffer said that Mr. Johnson had been a lot more effective at "grabbing headlines" than influencing policy.

Incumbent ICC member O'Neal, a former Senate staff member, was named to his post with strong backing from Sen. Warren Magnuson (D., Wash.), chairman of the Senate Commerce Committee and a strong consumer advocate. And Mr. O'Neal has been a thorn in the side of the more conservative commissioners. But his nettlesome dissents and public comments are serving far more to anger them than to sway their decisions.

Indeed, revamping the regulatory agencies may be impossible in the view of many agency watchers. A big obstacle is resistance from regulated industries, most of which don't want to be out from under the sheltering wing of the agency that oversees them. Thus, railroads, truckers and barge lines all tend to oppose deregulation of transportation.

Even many shippers feel more comfortable with the status quo. Steel companies testified at recent House hearings that railroad rate-bureau deliberations provide a setting for the mills to maintain delivered steel prices at a common level by keeping their transportation costs from diverging.

Nader operatives, thinking that their goals of deregulation might coincide with a business interest in getting regulators off company backs, recently asked the U.S. Chamber of Commerce whether it would join in a concerted deregulation effort. But a Nader man reports that the chamber officials, though apparently personally sympathetic to the idea, replied that powerful industry members subject to regulation would never stand for losing it. The chamber endorsed the President's reform-commission idea, but its officials say privately that prospects of chamber backing for specific deregulation moves are slim.

RESISTANCE AND INERTIA

To industry's opposition to change is added stiff resistance by the regulatory agencies themselves and considerable inertia on Capitol Hill. Though federal economic regulation can have great impact on Americans' pocketbooks, most of the public is unaware of its obscure workings, and it lacks political appeal for Congress.

Thus, the lawmakers often let the agencies go their own way. Congressional overview of the agencies is sporadic because there is "little or no payoff from oversight activity," says Alton B. Harris, a staff member of the Senate Securities Subcommittee.

Moreover, Congress fails to provide enough money and manpower to do the regulatory job right, some critics complain. "Congress tends to underbudget most of the regulatory agencies so they really don't have anybody to do long-range policy thinking," says John F. Cushman, executive director of the Administrative Conference of the U.S., which seeks to improve agencies' procedures.

At bottom, the critics add, the regulatory task the agencies are called upon to perform is too demanding, no matter how qualified the regulators. For one thing, it's impossible for them to serve as both judges and administrators, as they're frequently asked to do. And, often by congressional mandate, the commissions become immersed in minutiae that prevent them from tackling big issues with speed and wisdom, analysts say.

So the ICC spends 80% of its time fussing with cases involving truck operating rights. And the FTC last month held several days of hearings "to reconsider the limitations set by Rule 19(H)(2) under the Fur Products Labeling Act for iron and copper found in dressed ranch mink skins."

PALESTINE REFUGEES

Mr. KENNEDY. Mr. President, this week, the United Nations General Assembly is expected to begin its debate on renewing the mandate of the United Nations Relief and Works Agency for Palestine Refugees in the Near East—UNRWA. UNRWA, with headquarters in Beirut, operates in Lebanon, Syria, Jordan, and the Israeli-administered territories of Gaza and the West Bank. Nearly 1,600,000 refugees are currently registered for UNRWA's educational, medical, and other humanitarian services.

Over the years, the Subcommittee on Refugees, which I serve as chairman, has closely followed the UNRWA program, and this international humanitarian agency deserves high tribute for its efforts in behalf of the refugees. The financial situation of UNRWA, however, continues to deteriorate. In fact, in his current annual report, Sir John Rennie, the Commissioner-General of UNRWA, calls the financial situation "precarious." Official estimates now put the agency's deficit at some $44 million. And unless governments increase their contributions to UNRWA, the agency's services, including the distribution of food rations to the needy and the education of young refugees, will be sharply curtailed. And this could seriously injure the persistent efforts for a negotiated settlement in the Middle East.

Mr. President, earlier this year, I recommended a Presidential determination for an emergency U.S. contribution to UNRWA. As a result, in July the U.S. committed $4,200,000 toward a special UNRWA account to support the education of young refugees. About the same time, the European Economic Community made a special contribution of some $8,500,000—and smaller amounts came from other sources.

The administration has requested some $23,500,000 for the regular American contribution in fiscal year 1975. In the context of the foreign aid debate a few weeks ago, the Senate adopted an amendment I cosponsored with Senator McGee, which would increase this amount by at least $10 million. Similar legislation, I understand, is pending in the House. Hopefully, the U.S. contribution to UNRWA in 1975 will exceed the administration's request. And hopefully, as well, the President will actively encourage other governments, including those in the Arab world, to also increase their support of UNRWA.

Mr. President, I recently exchanged correspondence with the Department of State regarding America policy toward UNRWA and the Palestinian issue. I ask unanimous consent to have printed in the Record a press release which includes the text of this correspondence.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Senator Kennedy Releases Correspondence on Palestinians and Urges Increased Humanitarian Support for Arab Refugees in the Middle East

Senator Edward M. Kennedy, Chairman of the Subcommittee on Refugees, today urged "increased American and international contributions" to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

UNRWA, with headquarters in Beirut, operates in Lebanon, Syria, Jordan and the Israeli Administered Territories of Gaza and the West Bank. Some 1,600,000 refugees are currently registered for UNRWA's educational, medical and other humanitarian services. Debate on the renewal of UNRWA's mandate is scheduled to open next week in the U.N. General Assembly.

Senator Kennedy said: "The financial situation of UNRWA continues to deteriorate. Official estimates put the agency's deficit at more than $40,000,000. According to UNRWA officials—and this view is shared by officials in the Department of State—unless governments increase their contributions to UNRWA, the agency's services, including the distribution of food rations and the education of young refugees, will be sharply curtailed. And this could seriously injure persistant hopes for a negotiated settlement in the Middle East.

"I am extremely hopeful that our Government will increase its anticipated UNRWA contribution of some $23,500,000 in the current fiscal year—and that we will actively encourage other governments, including those in the Arab world, to increase their support of UNRWA as well. Despite sporadic conflict in the Middle East, and very difficult problems in negotiations, I share the view of many Americans that the international community should not lose sight of legitimate humanitarian needs among the refugees and UNRWA's important responsibilities in helping to meet these needs."

Senator Kennedy, who recently returned from the Middle East, made his comment in releasing the full text of correspondence with the Department of State on American policy and views toward UNRWA and the Palestinian issue. On May 29, Senator Kennedy wrote a letter of inquiry on these issues to Secretary of State Henry A. Kissinger. On September 7, Under Secretary of State Joseph J. Sisco replied to the Senator's letter.

Among other things, the Sisco letter makes these points:

(1) Contrary to "a common misconception" that UNRWA has helped to perpetuate the Arab refugee problem, "we believe that UNRWA's assistance has not been among the major reasons for the persistence of refugee status for so many Palestinians."

(2) There are some 11 "Fedayeen Organizations" among the Palestinians.

(3) The influence of some of these organizations in some refugee areas "makes it unavoidable as a practical matter for UNRWA officials in those areas to discuss local problems with representatives of those groups. However, we are satisfied that UNRWA has no formal, permanent or continuing relations with any fedayeen organization."

(4) "We are very likely to need a strong and effective UNRWA to help the refugees through the transition to whatever their permanent status eventually becomes."

(5) "There are several possible approaches to meeting Palestinian demands for 'self-determination' . . . . A large number of Palestinians, of course, favor the establishment of a Palestinian state."

(6) "Our position with respect to the Palestine issue is that a just and lasting peace in the Middle East cannot be achieved without taking into account the legitimate interests of the Palestinian people . . . . The precise form and substance of how to meet Palestinian interests must, we believe, be worked out among the parties to the dispute through negotiations . . . . The process could, of course, begin through a Jordanian-Israeli negotiation . . . . We would welcome the beginning of such a negotiation."

Attached is Senator Kennedy's exchange of correspondence with the Department of State.

SENATOR EDWARD M. KENNEDY'S LETTER TO SECRETARY OF STATE HENRY A. KISSINGER

MAY 29, 1974.

Hon. HENRY A. KISSINGER,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: I am writing to express my personal concern over the financial situation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and to urge your recommending an immediate Presidential determination for a special emergency contribution to this international humanitarian agency.

As you probably know, the financial situation of UNRWA continues to deteriorate. Official estimates indicate that some $20,000,000 are needed to give the agency minimum financial solvency, and that the deficit for 1974 alone is approximately $10,000,000. According to officials in UNRWA—and I believe this view is shared by officials in the Department of State—unless additional contributions from the international community are forthcoming within the very near future, UNRWA services, including the distribution of food rations and the education of young refugees, will be sharply curtailed.

I fully recognize that the question of UNRWA's mandate and future is a matter of growing discussion in many quarters, especially in light of the significant progress being made in the resolution of outstanding issues in the Middle East. But given these hopeful changes towards a lasting peace in the area, our own country and the international community should not lose sight of the continuing humanitarian needs among the refugees and the immediately important responsibilities of UNRWA in helping to meet these needs.

Over the years the United States has generously supported humanitarian programs among the refugees, and our government's contribution to UNRWA for the current fiscal year totals some $25,000,000 in cash and kind—or approximately forty percent of the agency's 1974 budget. I feel, however, that an additional modest contribution at this time would serve a useful purpose in our foreign policy, and that additional funds should be made available to UNRWA in the coming fiscal year.

In urging an immediate Presidential determination for a special emergency contribution to UNRWA, I understand from the Department's Office of Refugee and Migration Affairs that some $5,200,000 remains available for Fiscal Year 1974 in the contingency fund for humanitarian purposes authorized in Public Law 87–510, the Migration and Refugee Assistance Act of 1962. Hopefully, the bulk of these remaining funds can be designated for a special emergency contribution to UNRWA.

In addition to urging a modest emergency contribution to UNRWA, I would also like to inquire about the Department's policy and views in the following areas:

(1) an assessment of the current mandate and work of UNRWA, the status of refugees in each country where UNRWA operates, and the agency's relations with the host governments;

(2) the future of UNRWA in the context of negotiations to bring about a lasting peace in the Middle East, including contingency planning by our government, the United Nations, or others for the potential resettlement and/or rehabilitation of the refugees;

(3) a listing and characterization of Palestinian organizations;

(4) UNRWA's relations with the Palestine Liberation Organization (PLO) and similar organized groups among the refugees;

(5) approaches toward the issues of Palestinian "self-determination", including the concept of a Palestinian state; and

(6) Palestinian representation at the Geneva Conference and the role of the PLO as recognized by the Arab League.

I appreciate the sensitivity of some of the information requested in the areas listed above, but I would hope that as much as possible could be made available for the public record. I would also hope that officials from the Department could be made available for possible consultations or hearings before the Subcommittee.

Finally, Mr. Secretary, I would like to express my personal admiration and support for your extraordinary efforts in behalf of a peaceful resolution of outstanding issues in the Middle East, and I wish you success in your continuing diplomatic efforts to secure this end.

Many thanks for your consideration and I look forward to hearing from you soon. Best wishes.

Sincerely,

EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees.

LETTER TO SENATOR KENNEDY FROM UNDER SECRETARY OF STATE SISCO

SEPTEMBER 7, 1974.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees, U.S. Senate.

DEAR MR. CHAIRMAN: This is in further reply to your letter to the Secretary of May 29 concerning UNRWA and the status and future of the Palestinians in the Middle East. In this connection, we want to thank you on his behalf for your helpful suggestion that funds under the Migration and Refugee Assistance Act of 1962 be used for an emergency US contribution to UNRWA. As you know, on June 29, the President signed a determination under that act which will provide a special contribution to UNRWA in 1974 of $4.2 million. This money will go to a special fund which will support a program of elementary education which UNRWA would otherwise have had to terminate. UNRWA will transfer some of its own money to the fund and we have good reason to hope that other contributors will donate to it also.

Turning to the first of the inquiries in your letter, UNRWA's mandate remains as it has been for the last 25 years: to provide, as far as its budget allows, health services, education, shelter, and supplementary food rations sufficient to permit the Palestinian refugees at least a minimally acceptable standard of living. The long continuance of a large number of the Palestinians as refugees, which in turn has required UNRWA to continue its services which were initially thought of as "temporary," have led to a common misconception that UNRWA has caused or contributed to the failure of the Palestinians to be assimilated into their host countries. We believe that UNRWA's assistance has not been among the major reasons for the persistence of refugee status for so many Palestinians.

UNRWA operates in Lebanon, Syria, Jordan and in the Israeli occupied areas around the city of Gaza and on the West bank of the Jordan River. In Jordan, Palestinians have been offered, and many have accepted, Jordanian nationality. Nationality has not been offered to the Palestinians as a group by their other host governments, although individual Palestinians have been able to obtain it in various ways.

UNRWA's relations with all the host governments have been generally excellent, particularly considering the political stresses concerning the Palestinians which these governments have experienced. These relations have been achieved through the good will and understanding of UNRWA's role by these governments, and through the skill and ability of the UNRWA field representatives, one of whom is assigned to each country where UNRWA operates (except for Lebanon, where UNRWA has its headquarters). In addition, UNRWA Commissioner-General Sir John Rennie not only travels through the host countries, but meets regularly with their representatives, and those of major donors to UNRWA, including the United States, in meetings of the UNRWA Advisory Committee in Beirut.

The actual areas in which the Palestinians live in the countries where UNRWA works are often referred to as "camps," which may convey the impression of places of detention or confinement, or of tent cities. In fact these areas, except for those improvised for refugees redisplaced by the conflicts in 1967 and 1973, are more like rural villages, or in urban areas, districts which house the city's poor. In these areas civil administration, law and order, and the provision of utilities and municipal services, with the exception of education and medical assistance, are the sole responsibility of the host government. (Israel also has this responsibility for refugee areas where it is in occupation.) Thus, UNRWA has particularly strong reasons for maintaining close relations with the host governments, based on confidence and trust. As noted above, it has worked hard and successfully to that end.

The nature of the areas where refugees live is also relevant to your question concerning relations between UNRWA and the PLO and similar groups among the Palestinians. (A list of these groups with descriptions is enclosed.) Since UNRWA is not responsible for administering the areas where it works, and because there is normally no limitation on the freedom to come and go in these areas, UNRWA often finds itself operating near fedayeen-controlled buildings and activities. The influence of some of these groups in some refugee areas also makes it unavoidable as a practical matter for UNRWA officials in those areas to discuss local problems with representatives of those groups. However, we are satisfied that UNRWA has no formal, permanent or continuing relations with any fedayeen organization. UNRWA's services and assistance are such that they are used or consumed on the spot by individual recipients. UNRWA maintains effective control of its funds, and of the transport and storage of its supplies and equipment, which prevents their use in any significant ways not intended by their donors or UNRWA.

UNRWA's possible role in implementing permanent arrangements for the refugees will be determined by those arrangements themselves as they are agreed upon in negotiations among the parties to a peace settlement. We are not yet close enough to a settlement in the Middle East, of which those arrangements must be a part, to determine what they may be. However, it is obvious that we are very likely to need a strong and effective UNRWA to help the refugees through the transition to whatever their permanent status eventually becomes. It is our expectation that we will be needing funds in FY 1975, in addition to our regular contribution. These funds would enable UNRWA to maintain its services at their present, and, we hope, even slightly increased, levels during the interim until a settlement is reached, and to maintain a sound basis for the responsibilities it may be asked to undertake under that settlement.

There are several possible approaches to meeting Palestinian demands for "self determination." Among the Palestinians themselves there seems to be a broad consensus on the principle that Palestinians themselves should determine the form of their political expression, and a conviction that Israeli occupation of at least those lands occupied in 1967 and presently inhabited by about one million Palestinians should cease. Beyond that, opinions among Palestinians vary.

One possibility has been posed by King Hussein in his March 1972 proposal for a United Arab Kingdom comprising a Jordanian East Bank and a Palestinian West Bank, both locally autonomous, both under the Hashemite Sovereign. This proposal encountered vocal objections in Israel and in some Arab countries as well as from some Palestinian organizations when King Hussein first put it forward, but in principle it is not without supporters among Palestinians.

A large number of Palestinians, of course, favor the establishment of a Palestinian state. The more radical elements insist that its territorial limits should encompass Israel proper, as well as the West Bank or Gaza or both. Some of these say that this Palestine state would have a bi-national, Arab-Jewish character. Other, more moderate, elements would agree to the continued existence of a Jewish state of Israel. These are the principal concepts advanced by these parties to meet the problem of how Palestinian political aspirations should be expressed, though there are many variants on these ideas.

The co-sponsors of the Geneva Conference, and the parties, realized that the issue of Palestinian representation must be approached at some point. The letters of invitation to the Conference provided that the matter of additional participants should be decided by the Conference itself. This position was reiterated in the communique at the end of the latest U.S.-Soviet summit conference.

Our position with respect to the Palestine issue is that a just and lasting peace in the Middle East cannot be achieved without taking into account the legitimate interests of the Palestinian people. We have not endorsed any of the possibilities cited in their letter nor any other specific substantive solutions. The latest expression of this policy is, again, in the joint communique issued at the conclusion of President Nixon's visit to the Soviet Union. The precise form and substance of how to meet Palestinian interests must, we believe, be worked out among the parties to the dispute through negotiations. The general question of how the Palestinians can be brought into these negotiations is currently a subject for discussion both in the Arab world and in Israel, and it remains to be seen whether a consensus will be achieved. The process could, of course, begin through a Jordanian-Israeli negotation in which there is the historical background and for which Israel has always declared its readiness in principle. We would welcome the beginning of such a negotiation.

Thank you for writing to the Secretary on this important issue. We welcome your interest, your understanding and your support of our efforts to achieve a Middle East settlement which will do justice to all the parties involved.

Sincerely,

Joseph J. Sisco.

Fedayeen Organizations

Fatah, the biggest commando group, led by Yasser *Arafat*, who is also Chairman of the Palestine Liberation Organization. He is currently leading a guerrilla delegation to Moscow. Fatah has no political affiliations, but is largely financed by rightwing Arab states.

Saiqa (*Thunderbolt*), which is trained, armed, and directed by *Syria's Baathist* government. Many of its men are Syrians led by ex-Army officers. Other commando groups complain that it acts more as a Baathist party militia in Syria than as a Palestine commando organization.

Popular Democratic front for the Liberation of Palestine (P.D.F.L.P.) A small Marxist group split off from the P.F.L.P. Its arms and funds are channeled through *Syria*. Most leftwing of the fedayeen groups, it opposes what it calls reactionary Arab governments.

Palestine Liberation Organization (*P.L.O.*). This formally groups Fatah, Saiqa, and the P.D.F.L.P. even though the three remain largely autonomous. It also includes the P.L.O.'s own commandos, known as the *Popular Liberation Forces*, who are irregular troops.

The P.L.O. also has the only Palestinian standing Army, the *Palestine Liberation Army* (*PLA*), which does not take part in guerrilla operations and is mainly centered in Syria. The P.L.O. is the main voice of the commando movement.

Popular front for the Liberation of Palestine (*General Command*). A splinter group of the parent group of the same name, it is led by one of the ablest Palestinian soldiers, *Ahmed Jabril*, and broke away from the parent P.F.L.P. because it considered priority should be given to military rather than political objectives.

Palestine Popular Struggle Front, one of the smallest groups, was responsible for an attack recently on an El Al office in Athens. It has no special political affiliations.

Arab Liberation Front, a newly formed group backed by the Baathist government in Iraq to form a counterbalance to the Syrian Baathist Saiqa.

Palestine Arab Organization, a third splinter group from the P.F.L.P.

(All of these eight groups belong to the Palestine Armed Struggle Command, although the membership of the Popular Democratic Front for the Liberation of Palestine is currently suspended.

Outside the P.A.S.C. are:

Popular Front for the Liberation of Palestine, a large leftwing group led by George Habbash which gives political revolution the same priority as the struggle against Israel. An outgrowth of the Arab Nationalist Movement, it has carried out a series of attacks on Israeli airlines and property abroad.

Action Organization for the Liberation of Palestine, a small group which claimed responsibility for a bomb attack at Munich Airport February 10, 1970.

Movement for the Liberation of the Land, operates only inside Israel.

(Note:—These are believed to be the major Palestinian guerrilla groups. However, because of constant factionalism and the clandestine manner in which these groups operate, names and alignments change rapidly.)

NUCLEAR POWER PLANTS VULNERABLE TO TAKEOVER BY ARMED INDIVIDUALS, WARNS GAO

Mr. GRAVEL. Mr. President, the AEC used to scoff at all warnings about the vulnerability of nuclear power plants to terrorism and blackmail. The AEC's standard response to all criticisms of its civilian nuclear power program is:

> We've taken a hard look at the problem, and we are confident that it is manageable.

Last month, the U.S. General Accounting Office wrote a five-page letter to the AEC Chairman, Dixy Lee Ray, urging her to take immediate measures to increase security at all nuclear power plants. The letter speaks for itself. A response from the AEC is required by mid-December 1974.

Mr. President, I ask unanimous consent that the GAO letter dated October 16, 1974, to Dixy Lee Ray be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. General Accounting Office,
Resources and Economic Development Division, B-164105,
Washington, D.C. October 16, 1974.

Hon. Dixy Lee Ray,
Chairman, Atomic Energy Commission.

Dear Dr. Ray: We have surveyed the security systems at commercial nuclear powerplants, and have noted issues which warrant your attention.

As you know, security in the nuclear industry has been a matter of considerable public and congressional concern mostly related to safeguards for preventing the theft of special nuclear materials. Some concern has been expresed about security systems at nuclear powerplants. The consensus of opinion is that security throughout the industry needs to be improved.

We made this survey as a follow-on to our recent work on in-plant and transportation protection of special nuclear material. During the survey, we visited nine nuclear powerplants at five sites. We identified those sites for AEC officials. We also visited local law enforcement agencies. We saw the existing security systems and discussed them with licensee and AEC officials. We also discussed with these officials any planned changes in these areas.

AEC's guidance to licensees to security systems at nuclear powerplants does not specificially define the level of sabotage threats that licensees' security systems must be abe to handle, and AEC has not clarified the Government's responsibility for protecting nuclear powerplants against sabotage threats beyond the capabilities of licensees' security systems. Studies AEC is funding should provide a basis for determining credible sabotage threats and for developing performance criteria. However, it will be some time before these studies are completed, performance criteria are developed, and revised security requirements are adopted. The actual or prospective increase in the amounts of highly radioactive used fuel stored at nuclear powerplants would seem to warrant establishing interim additional security requirements as soon as posible.

SECURITY SYSTEMS AT COMMERCIAL NUCLEAR POWERPLANTS

AEC regulations effective November 6, 1973, require licensees to prepare physical security plans for their nuclear powerplants and to submit them to AEC for its approval. To help licensees develop their plans, AEC issued Regulatory Guide 1.17, "Protection of Nuclear Power Plants Against Industrial Sabotage." The guide endorses the American National Standards Institute Nuclear Power Plants." As of September 1, Standard N18.17, "Industrial Security for 1974, AEC had reviewed and approved the physical security plans for all nuclear powerplants licensed to operate.

Under the AEC guide and the standard, licensees, to detect, deter, and protect against intrusions, are expected to maintain an armed-guard force, install protective barriers, and provide intrusion detection devices. Licensees are also expected to establish liaison and communications with law enforcement agencies to help the licensees protect their plants against acts of industrial sabotage.

At several plants we visited, we noted unlighted protected-area perimeters, unlocked outside doors, lack of intrusion alarms, and unarmed watchmen. Licensees were planning to correct such weaknesses in their security systems to comply with the AEC guidelines for security at nuclear powerplants.

ARE COMMERCIAL NUCLEAR POWER REACTORS VULNERABLE TO SABOTAGE?

Licensee and AEC officials agreed that a security system at a licensed nuclear powerplant could not prevent a takeover for sabotage by a small number—as few, perhaps, as two or three—of armed individuals. Such a takeover, particularly of a nuclear powerplant near a large metropolitan area, could threaten public health and safety, if radioactive materials were released to the environment as a result of successful sabotage.

Various experts disagree on the vulnerability of nuclear powerplants to sabotage. In an attempt to better define this vulnerability, AEC is funding studies, scheduled for completion by June 1975, to determine the—

Potential sources of sabotage threats,

Vulnerability of nuclear power reactors to sabotage,

Resources necessary to carry out successful sabotage, and

Potential consequences of sabotage.

According to AEC and licensee officials, the used-fuel storage facility at a nuclear powerplant is more accessible and vulnerable to sabotage than is the reactor core. Such a storage facility generally is an uncovered pool of water near the reactor. The highly radioactive used fuel does not have the same degree of physical protection as that provided to the reactor core by the reactor containment vessel.

The used fuel is stored on site for cooling. After cooling it is packaged and shipped to a commercial fuel-reprocessing plant. Fuel-reprocessing plants have large storage capacities and have been storing used fuel. However, these plants are not expected to be in operation until 1976 or later and their storage areas are rapidly being filled. AEC has recognized this problem and is considering allowing AEC facilities to store used fuel from commercial nuclear powerplants.

The dwindling commercial storage capacity has already resulted in some nuclear powerplants' keeping more used fuel on hand than they normally would. This situation increases the potential consequences of successful sabotage of the used-fuel storage facilities at such plants.

NEED FOR IMPROVED SECURITY REQUIREMENTS

Standard N18.17 states that the security system it outlines is designed to protect against a wide variety of potential threats, including a "small group of discordant individuals." The standard specifically excludes protection against "deliberate assaults by trained para-military groups," stating that such protection is the Government's responsibility.

Licensees have not been given specific guidance on the difference between threats posed by small groups of discordant individuals and those posed by trained paramilitary groups. Therefore the level of threats that licensees' security systems must be able to protect against is unclear.

AEC's review and approval of licensees' proposed security systems are not based on specific performance criteria. Without such criteria there is no way to measure the effectiveness of licensees' total security systems—their onsite security system and assist agencies' response capabilities.

AEC officials told us that there had been no specific coordination with other Federal agencies, such as the Department of Defense and the Federal Bureau of Investigation, to protect against or respond to attacks by paramilitary groups. These officials said that local law enforcement assist agencies would be expected to respond to such attacks. However, AEC guidance to licensees does not provide for making such assist agencies aware that they would be expected to carry out the Government's responsibility to counter attacks by paramilitary groups against commercial nuclear power reactors.

The need to give licensees specific guidance on the level of threats their security systems must be prepared to handle and on the Government agencies which must be contacted for assistance and to provide for evaluating the response capabilities of assist agencies, has been recognized within AEC. During a recent review of an applicant's security system, AEC's Atomic Safety and Licensing Board said that, since the applicant depends on the assist agencies to handle situations beyond the onsite capabilities, their abilities to respond should be tested.

In a later comment on that same security system, AEC's Atomic Safety and Licensing Appeal Board recommended that the AEC Regulatory staff make sure that requirements for security plans "prescribe precisely the 'design basis threat' that the applicant itself must be prepared to meet." The Appeal Board further said that the AEC Regulatory staff should make sure that those requirements specify "the governmental authorities which an applicant must contact for assistance" to counter threats beyond its own capabilities. AEC Regulatory officials told us that these recommendations were advisory and they did not plan to take any specific action on them.

In addition, the need for increased security is being advocated from within AEC. AEC's Advisory Committee on Reactor Safeguards, which independently reviews all applications for construction permits and operating licenses for nuclear power reactors, recently recommended to AEC, as a result of its analysis of a construction permit application, that more attention be given to reactor design features which "prevent or mitigate the consequences of acts of sabotage." Furthermore, an AEC Commissioner recently noted that the use of built-in protective devices, such as incapacitating gas in critical areas of reactors, would help provide greater insurance against sabotage.

CONCLUSIONS

AEC needs to (1) give licensees more specific guidance on the level of threats their security systems must be prepared to handle by clarifying the differences between assaults by small groups of discordant individuals and by paramilitary groups, (2) clarify the Government's responsibility for protecting nuclear powerplants against sabotage by paramilitary groups, and (3) establish performance criteria for licensees' total security systems.

After AEC gives licensees better guidance on what their security systems are expected to protect against and clarifies the Government's responsibility for protecting nuclear powerplants against sabotage by paramilitary groups, licensees will know more precisely what their security systems must be designed to do and AEC will be better able to judge this capability.

The studies AEC is funding should provide a basis for determining credible sabotage threats and for developing performance criteria. However, it will be some time before these studies are completed, performance criteria are developed, and revised security requirements are adopted. Meanwhile, there is one vital area at nuclear powerplants—the used-fuel storage facility—which seems to warrant establishing additional security requirements as soon as possible, particularly in view of the actual or prospective increase in the amounts of used fuel stored at nuclear powerplants.

When the vulnerability of nuclear powerplants to sabotage is better known as a result of the current studies, AEC should be able to establish performance criteria; evaluate security systems against such criteria; and adjust security system requirements, as necessary.

RECOMMENDATIONS TO THE CHAIRMAN, AEC

We recommend that AEC clarify the differences between assaults by small groups of discordant individuals and by paramilitary groups and clarify the Government's responsibility for protecting nuclear powerplants against sabotage by paramilitary groups. We recommend also that, in view of the actual or prospective increase in the amount of used fuel stored at nuclear powerplants, AEC determine what additional interim security requirements can be established to strengthen licensees' security systems.

We appreciate the courtesy and cooperation extended to our representatives during the survey. We shall appreciate being informed of the action you take on our recommendations.

We are sending copies of this report to the Director, Office of Management and Budget; the Chairman, Joint Committee on Atomic Energy; and the Chairmen of the House and Senate Appropriations and Government Operations Committees.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

Sincerely yours,

HENRY ESCHWEGE,
Director.

RED CHINA—PROVIDING A MINIMAL FOOD LEVEL AND SHELTER FOR ITS PEOPLE

Mr. McCLURE. Mr. President, I am constantly surprised at the euphoric state in which U.S. citizens visiting Red China return home. We hear a great deal from them about the glories of the Communist world and the strides Red China has made toward providing a minimal food level and shelter for many of its people, and what an improvement this is over the bad old days of freedom.

It is strange that Taiwan—free China—is so seldom submitted to the same comparative scrutiny. Those dedicated to comparison should enjoy the following facts. The gross national product of free China rose to $9.390 billion, up 12.3 percent from 1972. Its per capita income is $467, up 8.1 percent over 1972. Over on the mainland, it is $150. Taiwan is one of the world's 20 leading trade nations, the seventh largest supplier of goods and products to the United States and the 14th largest purchaser of American merchandise. It has 32 daily newspapers, and 1,605 regular publications. Its farmers produce 2,740 pounds of rice per acre, 50 percent higher yield than that of the mainland. In 1949, 80 percent of the population farmed to feed the other 20 percent. Today the economy is booming with only 40 percent on the farms.

It is, of course, possible that those residing on the mainland are happy with their stable unproductivity. But, if this is the case, it is hard to account for the 55,000—mostly elderly—who were allowed to leave their homeland by the Communists last year. The elderly do not usually wish to be totally uprooted. It is even harder to explain the 6,100 who last year survived a 6-mile swim to the safety of Hong Kong, and impossible to count those who never made it. The Hong Kong police say they find only a quarter of the illegal entrants. I hope they are not trying too hard. It was a Communist, Lenin, who said, "people vote with their feet." If these facts perplex advocates of the world's various "peoples paradises," I suggest they read some remarks by Mr. Robert F. Hurleigh of the Mutual Broadcasting System. Mr. President, I ask unanimous consent that the commentary be printed in the Record.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

Commentary by Robert F. Hurleigh

There's an old saying that you cannot compare an apple to an orange, and yet there are those in public life who do this every day when the compare the American system of government to that of another country—particularly when they suggest that we should look at the stability of another form of government. Where there is stability—as there is reputed to be in Russia, or Cuba or any of the Socialist communist countries—it is a false stability; the stability of a totalitarian government. To make such comparisons is to ignore the constitution and to suggest that one man or a few men should be given absolute control of the destinies of millions—that the very freedom of speech, of religion and the press should end because dissent cannot be tolerated; that the right to be secure in our homes without unreasonable search and seizure works against the state and that due process of law should be forgotten because the state is the law.

Even so, there is a serious threat to the American system today by those who would impose an economic philosophy which is based on the premise that the government can regulate and run the businesses of this nation better than private management. There is not a scintilla of evidence to support this theory, and—in truth—to prove otherwise one need only to look at the Postal System and the bloated bureaucracy of most government agencies. Anyone trying to sell such a system to the American people a few years back would have been dismissed as a fool or a tool, but the world is faced with unprecedented economic problems and these are the times when the voice of the hypercritical is heard throughout the land. We are being told that we cannot trust ourselves or the economic system and that has made us the envy of the world. The Soviet Union, with two generations under communism needs detente to acquire our technology and our trade while continuing its harsh police state and the regulation of the lives of its people. And Fidel Castro, with an airy wave of his ever-present Havana, tells an American television audience that there is no dissent of any consequence in Cuba and swallows a smoke-disguised laugh as he tells reporters there are no means of public dissent since the communications facilities are controlled by the government for the benefit of the people. Are we to believe there are not even murmurs of dissent in Cuba, in Russia or in China? Can we not live as a nation with the other nations while understanding the differences? And the answer is that we are—and will continue, with the knowledge that our own personal and economic freedom allows us a true sense of confidence in facing the future.

So goes the world tomorrow.

GEORGIA RECOGNIZES NEED FOR ERTS

Mr. MOSS. Mr. President, I have received a letter from the Honorable Jimmy Carter, Governor of Georgia, in which he tells how satellite data from ERTS has been or will be used in the preparation of statewide water resource, geologic, landform, land cover, and vegetation maps, as well as investigating regional mineral resources, charting sediment transport, and monitoring strip mine development. An interpretative atlas has been prepared from ERTS imagery which presents geologic, landform, and land use information for the entire State.

The Governor states:

> Georgia has long recognized the need for more and better information concerning the nature and distribution of our natural resources, as well as the extent of man's activities on the land and water . . . Over the past two years, ERTS has played an increasingly valuable role in this process.

Mr. President, I ask unanimous consent that Governor Carter's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

State of Georgia,
Executive Department,
Atlanta, Ga., September 11, 1974.

Hon. Frank E. Moss,
Chairman, Commitee On Acronautical and Space Sciences, U.S. Senate, Washington, D.C.

Dear Senator Moss: Georgia has long recognized the need for more and better information concerning the nature and distribution of our natural resources, as well as the extent of man's activities on the land and water. This need has resulted in a system of programs whose common objective is the collection, storage, and distribution of land use and resource information for use by planners, educators, and the general public in addressing the critical problems which now face us.

Our the past two years, ERTS has played an increasingly valuable role in this process. In Georgia, satellite data has been used in the preparation of statewide water resource, geologic, landform, and vegetation maps as well as in the investigation of regional mineral resources and in the charting of sediment transport on the Georgia coast. Land cover maps have been prepared utilizing ERTS imagery for the southwestern portion of the State and for the Atlanta area, using computer techniques developed at the Georgia Institute of Technology. Future applications will include the development of programs for monitoring short term land use and resource changes with a particular emphasis on the Coastal Region, and for monitoring strip mine development all over the State. An interpretative atlas has been prepared from ERTS imagery which presents geologic, landform, and land use information for the entire State.

The great interest which has developed in Georgia, and in a great many other States as well, concerning the application of satellite-obtained remote sensing is a clear indication of the need for the type of agency envisioned in S. 2350 and S. 3484. However, I feel that it is extremely important that this organization has a basic responsibility for *all* types of non-military remote sensing operations which are currently conducted by the Federal Government. The difficulties, as well as the opportunities, which are inherent in the ERTS program equally apply to the high-altitude photographic programs conducted by NASA. ERTS must be seen as only one of a series of remote sensing platforms, all of which have varying degrees of applicability in our inventory effort and many of which are available only through Federal programs. If remote sensing is to continue to be a primary ingredient in land use planning, then increased coordination and cooperation will be essential.

Sincerely,

Jimmy Carter.

CAMPAIGN FINANCE REFORM LEGISLATION

Mr. SYMINGTON. Mr. President, a recent editorial in the Kansas City Times provided a comment on the recent campaign finance reform legislation which is worthy of note.

I ask unanimous consent that this editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Congress Has Produced Real Campaign Reform

The electoral reform measure sent this week to the President will transform political campaigns in America. It is not a perfect bill, but it is far better than anything that might have seemed possible only a few short months ago.

Of course, Watergate and related scandals concerning the 1972 campaign were what made it happen. Nevertheless. Congress can be proud of itself on this one. Changing electoral procedures—the pathway over which each and every member arrived in the House or Senate—is a fearful thing for Congress to even contemplate, let alone act upon. But this 93rd Congress did it; furthermore, Congress produced a bill which even Common Cause, the citizen lobby group, called "historic reform legislation."

Public financing of presidential campaigns—including primary elections—will go far to remove candidates from the mercies of contributors with the big money. The same arrangement for congressional candidates will come eventually. There are reasonable contribution limits and reasonable spending limits. Candidates will be required to set up central campaign committees. Disclosure of contributions must be filed 10 days before an election (with the information postmarked no later than 12 days before the election); 30 days after the election and quarterly. Thus a week and one-half before the voting, the people will know who is supporting whom.

Underpinning the whole structure will be an 8-member, bipartisan board controlled by six voting public members. Two will be appointed by the House leadership; two by the Senate leadership, and two by the President. The secretary of the Senate and the clerk of the House will be ex-officio members. The board will have powers of civil enforcement and can go after court injunctions. Thus there will be a group actively looking for campaign violations, a body receptive to complaints and able to investigate them.

This is a fine first step toward restoring public confidence in representative government. There can be no question that the trust has been shaken by the events of the past two years—the parade of great corporations returning illegal contributions and the evidence that the arms of contributors were twisted frequently.

There is nothing wrong with contributing to a candidate. But the voters ought to know where the money is coming from and who is getting it. There ought to be reasonable restrictions on both giving and spending. And so far as possible, the high cost of campaigns that has made many candidates hopeless political debtors long before election day needs to be controlled.

Congress has done a good job. It has done itself and representative government a very important service. This is a fundamental reform.

AARON HENRY APPRECIATION DAY

Mr. MONDALE. Mr. President, on Saturday, October 19, 1974, hundreds of Mississippi citizens gathered to celebrate "Aaron Henry Appreciation Day." Aaron Henry's friends and admirers met to honor this remarkable Mississippian and remarkable American. Although I was unable to be there in person, I wish to take this opportunity, Mr. President, to join in paying tribute to this man of leadership, intelligence, integrity,—and foresight—Aaron Henry.

Mr. Henry is a native Mississippian. His numerous accomplishments would fill many pages of the RECORD. Since 1958, Aaron Henry has been president of the Mississippi NAACP. He is also a member of the national board of directors of the NAACP, as well as the board of directors of the Southern Christian Leadership Conference, the Southern Regional Council, and the Mississippi Council of Human Relations. He has given his time, his energy, and his abilities to the struggle for equality and dignity for all Americans.

He is a leader in the Democratic Party, both at the national and the State level. The many important positions which he has occupied within the party has enabled him to bring his considerable talents to attempts to open the party to full and equal participation and to reform both the structure of the party and the national government.

Mr. Henry has also been helpful to many of us in Congress as we seek to develop, refine, and consider important social legislation. Aaron Henry's contribution is always welcome, because it is always helpful.

Many wonderful things could be said about this man. Perhaps the national president of the NAACP, Kivie Kaplan, put it best. Aaron Henry is a "symbol of dedication in the fight for freedom, an inspiration to all who believe in human dignity and justice for all."

So that my colleagues may share in the celebration of "Aaron Henry Appreciation Day," I ask unanimous consent that various articles describing the activities of the day be printed in the RECORD following my remarks.

Mr. President, I am proud to join with those honoring Aaron Henry. Most of all, I am proud to call Aaron Henry my friend. For, Aaron Henry is all that is best in America.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AARON HENRY—"THIS IS YOUR LIFE"

[October 19, 1974, City Auditorium, Jackson, Miss.]

PROGRAM

Invocation, Rev. Albert Price.

Solo, Summertime.

AARON E. HENRY, THIS IS YOUR LIFE

Whitman Mayo, Narrator.

PARTICIPANTS

Dr. E. J. Stringer, Honorable Charles Evers, Mrs. Aaron Henry, Miss Rebecca Henry, Mrs. Henry Pettis, Mrs. Thelma Johnson, Mrs. Eddie Jackson, Mr. John W. Dixon, and Attorney R. Jess Brown.

Mrs. A. J. Noel, Mr. S. T. Nero, Mrs Genera Reeves, Dr. and Mrs. W. E. Miller, Honorable Robert L. Clark, Mr. Charles Young, Dr. George W. Owens, and Attorney Cleve McDowell.

Miss Essie Randle, Mr. Kivie Kaplan, Mrs. Winson Hudson, Mr. and Mrs. George Collins, Dr. Arenia C. Mallory, Mr. Horace Sheffield, Attorney Carsie A. Hall, Attorney Jack H. Young, Sr., Mrs. Patricia Derian, and Mr. Samuel Bailey.

Mr. Andrew Carr, Dr. Gilbert R. Mason, Dr. Douglas L. Conner, Mr. George Metcalfe, Mr. Richard Polk, Dr. Matthew Paige, Mr. Alex Waites, Mrs. Shirley Watson, Mrs. Jeanette Smith, and Reverend R. L. T. Smith.

Mr. Bruce Payne, Mr. H. Y. Hackett, Mr. J. M. Houston, Mr. J. M. Houston, Mrs. Edna N. Luckette, Mrs. Fannie Lou Hamer, Mr. C. C. Bryant, Mr. Wes Watkins, Mr. E. T. Hawkins, Mr. Willie Lee Watkins, and Mrs. Nannie Evers.

Reception and presentation of awards will be held at the Masonic Temple, 1072 West Lynch Street.

AARON E. HENRY DAY COMMITTEE

Mrs. Nannie Evers, Mrs. Delores Orey, Mr. Robert Woodson, Mr. E. T. Hawkins, Mr. Wydette Hawkins, Dr. Aaron Shirley, Dr. James Anderson, Mr. Percy Chapman, Dr. Amos Issac, and Mrs. Robbye Griffin.

Mr. Robert Thomas, Mrs. Mary Osborne, Mr. Alex Waites, Mr. William Dilway, Mrs. Rosa King, Attorney Fred L. Banks, Jr., Mrs. Emma Sanders, Rev. Dr. Emmett C. Burns, Mr. Morris K. Lewis, Mrs. Jeanette Smith, and Miss Lillian Louie.

[From the Clarksdale (Miss.) Press Register, Oct. 21, 1974]

HENRY HONORED

JACKSON.—The President of the National Association for the Advancement of Colored People (NAACP) Saturday praised Mississippi Civil Rights Leader Aaron Henry for his dedication in the "fight for freedom."

Kivie Kaplan, here to participate in an "Aaron Henry Appreciation Day" ceremony, said the 52-year-old Clarksdale druggist has been a "symbol of dedication in the fight for freedom, an inspiration to all who believe in human dignity and justice for all."

Henry has served since 1958 as President of the Mississippi Chapter of the NAACP. He is also Chairman of Mississippi's predominantly-black Loyalist Democratic Party.

[From the Memphis, Tenn., Commercial Appeal, Oct. 20, 1974]

FESTIVITIES ENLIVEN "AARON HENRY DAY"

JACKSON, MISS., Oct. 19.—Veteran civil rights leader Aaron Henry was hailed Saturday as a "symbol of dedication in the fight for freedom" during a day-long program in his honor.

The 52-year-old Clarksdale pharmacist was honored by hundreds of friends and fellow civil rights workers in an "Aaron Henry Appreciation Day."

Henry has served since 1958 as president of the Mississippi chapter of the NAACP. "He has been the kingpin of the civil rights movement in Mississippi," said state NAACP field secretary Emmett Burns.

Kivie Kaplan, national NAACP president, said Henry has been a "symbol of dedication in the fight for freedom, an inspiration to all who believe in human dignity and justice for all."

The day's observance included a parade through downtown Jackson and an old-fashioned picnic lunch at nearby Tougaloo College. The activities were to wind up with a "this is your life" program at the city auditorium.

Henry, smiling and waving to spectators, rode in a motorcade in the parade down Capital Street. The parade also featured marching bands from Alcorn State University and Jackson's Lanier High School along with several riders on horseback.

There have been numerous civil rights marches in the downtown area during past years. But Burns said this was the first full-scale parade in Jackson in honor of a black man.

"It is an historic occasion," he said, "and it would not have been possible without the efforts of Aaron Henry."

He said it was "symbolic" of the changes which have occurred in this Deep South state during recent years.

"This was not a protest march," he said, "it was a parade of honor, or admiration—without tension."

[From the Delta Democrat-Times, Oct. 20, 1974]

AARON HENRY HONORED

JACKSON.—Veteran civil rights leader Aaron Henry was hailed Saturday as a "symbol of dedication in the fight for freedom" during a daylong program in his honor.

The 52-year-old Clarksdale pharmacist was honored by hundreds of friends and fellow civil rights workers in an "Aaron Henry Appreciation Day."

Henry has served since 1958 as president of the Mississippi chapter of the National Association for the Advancement of Colored People (NAACP). "He has been the kingpin of the civil rights movement in Mississippi," said state NAACP field secretary Emmett Burns.

Kivie Kaplan, national president of the NAACP, said Henry has been a symbol of dedication in the fight for freedom, an inspiration to all who believe in human dignity and justice for all."

Highlights of the daylong observance included a parade through downtown Jackson and an old-fashioned picnic lunch at nearby Tougaloo College. The activities were to wind up with a "This is Your Life" program at the City Auditorium.

Henry, smiling and waving to spectators, rode in a motorcade in the parade down Capital Street. The parade also featured marching bands from Alcorn State University and Jackson's Lanier High School along with several riders on horseback.

There have been numerous civil rights marches in the downtown area over past years, but Burns said this was the first full-scale parade in Jackson in honor of a black man.

"It is an historic occasion," he said, "and it would not have been possible without the efforts of Aaron Henry."

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"This was not a protest march," he said, "it was a parade of honor, or admiration without tension."

"LISTENERSHIP" AND THE WHITE HOUSE CONFERENCE ON DOMESTIC AND ECONOMIC AFFAIRS IN PORTLAND, OREG.

Mr. PACKWOOD. Mr. President, if one central requirement could be named which this Nation must meet in order to solve our economic problems, then surely it is that we must all work together. We must all cooperate in advancing against the two-front battle of inflation and recession.

If we do not cooperate and learn to listen to one another, Mr. President, then we shall become the modern fulfillment of Dr. Franklin's prophecy of nearly 200 years ago, when that grand sire of the emerging American Republic proclaimed:

> We must all hang together, or assuredly we shall all hang separately.

At that time, we were fighting for our political lives and civil liberties; today, we fight for our economic existence and through that quest, some would observe, we seek to maintain our very civilization and civility.

While the shadow of America's rumored gallows has yet to make its appearance—and I trust it shall always remain but a phantom—still we seem to be subjected to a din of would-be carpenters, each pointing to what will be the last step to take us to the hanging platform, the last nail to seal the coffin of our coffers and our fate.

This country needs a different kind of uproar. We must abandon the doomsayers' din, and instead trumpet the cause of comprehensive discourse between all levels of government and the people, private industry and consumer groups, between business and labor. We must talk together first, if we are to understand the work which must be accomplished together. This dialog, while constant in its perpetual advocacy, must indeed be actualized; it must be intensified.

I believe we have begun. The Ford administration has embraced a renewal of radiating lines of communication both to and from important segments of our country, public and private. Nowhere has this committal been more evident to me than at the second in a nationwide series of White House Conferences on Domestic and Economic Affairs held in Portland, Oreg., on November 1. Sponsored by White House Office of Public Liaison, the real clue as to the purpose of the conference is revealed by the list of cosponsoring organizations for the meeting. They included: The Associated Oregon Industries, the Joint Council of Teamsters, the Marine Engineers Beneficial Association, the Multnomah County Labor Council, the Oregon Consumer League, the Oregon Environmental Council, the Oregon Newspaper Publishers Association, the Oregon State AFL–CIO, and the Portland Chamber of Commerce.

One could not ask for a better representation of the private sector, of consumer and environmental interests, for the conference. This foundation for success was enhanced by the administration's participants, seemingly tailor-made for Oregon's concerns. Included were Secretary of the Treasury, Bill Simon, Secretary of Housing and Urban Development, Jim Lynn, and Administrator of the Environmental Protection Agency, Russell Train. Thus, Oregon, a State whose economy is heavily reliant on the housing market and whose citizens are perhaps the keenest in the Nation in insisting on protection of the environment, hosted the very men at the center of the consideration of these issues and who are at the apex of those Federal offices which must help with needed solutions.

At this time I ask unanimous consent that the conference introductory remarks by both Dean Killion, president of the Oregon State AFL–CIO, and William J. Baroody, Jr., Assistant to the President, be printed in the Record. Mr. Baroody also acted as program moderator during the day's sessions.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Proceedings

Mr. Killion. Mr. Baroody, Secretary Lynn, members of the White House Staff, conference participants, welcome.

I'm Dean Killion, President of the Oregon State AFL–CIO, and it is my privilege to open this Conference on Domestic and Economic Affairs. This is a historical event. Not only because it is the first such conference to be held in Portland in the state of Oregon, but because The President of the United States, President Ford himself, will be with us at one point during our session. The intent of The President and his Cabinet Members and Staff is to communicate with the various elements of the American economic society who are in this conference represented by management, labor, consumers, environmentalists, and newspaper publishers.

Your program identifies these participant groups.

These White House Conferences are being held in various areas of the nation. The purpose of all of these conferences is to focus on the major issues of the day as they affect the country at large and the citizens within each of the conference locations. The President and the White House, by establishing these conferences, wants to communicate with you and in turn hope that you will communicate with them to enable our government to become more responsive to our country's needs.

We all know that the present state of the economy is not satisfactory. All of us have given thought to what we think should be done, or at least we have tried. After these various officials have reported to us concerning their activities and endeavors to overcome our difficulties, you, the audience, will have the opportunity to offer your constructive input.

It is also my privilege to present to you, The Honorable William J. Baroody, Jr., Special Assistant to The President and head of the Office of Public Liaison. He was appointed September 12th of this year and is responsible for providing liaison with major nongovernmental organizations. Mr. Baroody previously served in the Department of Defense where he was responsible for long-range planning and net assessment functions for the Secretary of Defense. He holds the Defense's Distinguished Civilian Public Service Award. He also served as Elective Assistant and Press Secretary to the former Congressman Melvin R. Laird.

Ladies and gentlemen, it is indeed a pleasure to introduce to you Special Assistant to The President of the United States, our program moderator, The Honorable William J. Baroody, Jr.

(Applause.)

Mr. Baroody. Thank you very, very much, Dean Killion.

I do want to welcome all of you on behalf of The President and the White House and Government participants to this White House Conference on Domestic and Economic Affairs.

This conference is, as Dean Killion indicates, one of the many ways that we are seeking to achieve President Ford's goal of communication, conciliation, cooperation and compromise. The President is determined not only to open up and to bring people to the White House but also to bring the White House and the Federal Government to the people.

For the first time in any Administration, this President has created a White House office to deal with the private sector on a co-equal basis to the other White House offices that have traditionally dealt with the constituency groups. Those other two co-equal White House offices are the Press Office and Office of Congressional Liaison.

I would like to say this President likes to give the public equal status. One of the purposes is, he wants to establish close two-way communication between the White House and all non-governmental organizations of the private sector.

The President is very serious about establishing good two-way communications. He wants a dialogue that will show him what representatives of the private sector are thinking and what their problems are.

More important, The President wants dialogue structured to produce new solutions and approaches to public problems.

Another major purpose of the Office of Public Liaison is to encourage cross-fertilization of ideas between and among private sector groups, for all too often many of us, both in government and in individual groups, end up merely talking to ourselves. Coming here, I was struck by the fact that the United States is probably the most meeting-oriented society on the face of the earth, but usually each meeting, or many of the meetings, are business talking to business, labor talking to labor, consumer to consumer, publisher to publisher.

The President wants to encourage communication, as I said, not only between government and the private sector, but among the private sector groups themselves, and that's exactly what we are doing here today in Portland. And that is why we have such a diverse and interesting group of host organiaztions.

Think about it. We have here today business, labor, consumers, and environmentalists, newspaper publishers, all together in Portland as co-sponsors of a major White House Conference on Domestic and Economic Affairs, and I think by the end of today we will find that not only do people in these various organizations have different ideas about solutions to our problems, we are also going to find out sometimes that we have different perceptions about what these problems actually are.

This office, and I just want to take another minute on the office itself, is designed to further this additional dialogue, and we are using three tools to do that. One is this kind of meeting, and we will have twenty-four in the next twelve months, an average of two a month in twenty-four cities around the country.

Another is much smaller meetings we are holding in the White House with top government officials. And here we bring fifteen to twenty-five top leaders in for half a day for very intimate discussion and dialogue.

And the third is specialized types of meetings, the kind the President had just two days ago with the leaders of agriculture, and the cattle industry, the poultry, and dairy associations, with the specific problems they have.

This particular White House conference which we begin this morning is unique in several ways. As Dean Killion indicated, No. 1, it is the first White House field conference in this Administration in which President Ford will be participating.

Second, the conference is unique because of the way it was organized. It was almost a month ago that representatives from the White House sat down with representatives of the nine co-sponsoring organizations in order to design a program which would be of particular interest to the people of Portland, the people of Oregon, and the people of this part of the country. From these discussions we reached a consensus that the primary issues on the minds of Oregonians and Washingtonians were inflation, public enemy number one, the state of the economy, and the housing situation, which closely is related, of course, to the timberlands of the Northwest. And, of course, the environment. The environmental problems we face rank very high in this area of the country, and certainly around the United States. And Oregon is perhaps the most environmentally conscious state in the country.

Additionally, during the course of the day we hope to briefly treat a panoply of other domestic issues, such as transportation, energy, and national health insurance—all issues of vital concen to all of you.

So what we have tried to do is structure this conference in such a way as to adequately address those issues of particular interest to you and to the people of Oregon.

We have not come here to preach, we have come here to learn. As he has previously demonstrated, President Ford is most anxious to receive advice and recommendations from people across the country to develop policies and programs which will serve the people's interests. It is in keeping with his style that we come here today.

Each speaker will outline the major issues that his agency or department faces, the problems they are considering, the issues they must deal with. The majority of the time, however, will be spent answering your questions and hearing your comments. As a matter of fact, over two-thirds of today's program will be devoted to you. You will notice that microphones have been placed in various locations throughout the hall and we would ask that you use them to ask your questions and make your recommendations. In the event that we are unable to answer all of your questions today we invite you to write your specific question down, along with your name and address, before the conference concludes today. Those questions we do not get to during the course of the convention we will take back to Washington and give you an answer as soon as possible.

Let me again finally return to the subject of the unique nature of the conference. The problems that our country has, the issues that we must address, are everyone's problem and everyone's issue. In a democracy we seek to find the answers in the interests of all the people. Because of the diverse nature of the delegates to this White House conference I hope that this will be a learning experience for all of us. Understanding the other person's point of view is crucial to the solution of the public policy problems we face today.

Let me just say one word to the members of the press that will be covering the conference today. While the forum was established for a dialogue between citizen-delegates to this conference and the officials from the Federal Government, the conference is, of course, open to the press. As you know, a special press room has been set up and announcements of various news conferences and press conferences will be posted in that room and the press will have ample opportunity to question the White House and Government representatives at various times during the day.

Now, the time has come to get right into the conference. The first hour of the conference is devoted to the subject of the environment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that articles reporting the day's proceedings at the White House Conference on Domestic and Economic Affairs, and including accounts of sessions with Secretaries Simon and Lynn, EPA Administrator Russell Train, and the afternoon's Domestic Affairs Panel, which included Kenneth Cole, Director of the Domestic Council, Paul H. O'Neill, Deputy Director-designate of the Office of Management and Budget, and Michael Raoul-Duval, Associate Director of the Domestic Council, be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PACKWOOD. Mr. President, I can report that the sessions throughout the day offered an outstanding opportunity not only to relay information to the public but also, and this is just as important if not more so, the public was able to ask questions and offer suggestions directly to administration officials. With this valuable exchange as preparation, President Ford addressed the conference, the first convocation of this nature which he has attended. Because of the excellence of the President's remarks, and the perceptive introduction of the President by Oregon's Gov. Tom McCall. I ask unanimous consent that both the Governor's and the President's address be printed in the Record.

There being no objection, the addresses were ordered to be printed in the Record, as follows:

Governor McCall. Mr. President, Secretary Simon, Secretary Russell E. Train, Mr. Baroody, ladies and gentlemen:

I'm not fracturing protocol while the President gets settled. If I recall for just a few seconds, my comments earlier today, I noted that Americans are looking to the Federal Government, Mr. President, for your leadership, and it's on the way because the President also has committed his Administration to listenership.

This is the second in a national series of White House Conferences on Domestic and Economic Affairs. There will be at least a dozen, Mr. Baroody tells me, and perhaps even more. And the President has pledged to attend as many of these conferences as the harsh demands on his time will permit.

This is the first White House Conference that this President, himself, has attended. We trust that by our participation and his presence, we can set the pattern for achievement of the President's objective: to make Government more accessible and place it in a listening stance.

We have had a few speeches today and a minimum of preachments. We have had primarily a free-flowing discussion of ideas among businessmen, labor representatives, consumers, environmentalists, and Government officials, and I want to say to the people of Oregon, we are deeply in debt to you, Mr. President, for making this all possible. We are grateful, too, to the Chief of White House Public Liaison Officer, Mr. William J. Baroody, Jr., a co-sponsor of this Conference.

This office serves as the President's liaison with non-government organizations. It is not pro forma. The President has declared it a permanent White House institution to state even more firmly his intention to keep in touch with America.

And this is a wholly non-partisan affair. While some of us here are in politics, we are all, within the context of this Conference, just people talking with other people about some of the heftiest problems ever to be dumped on our shoulders. We are here with questions. We are here with advice and viewpoints that often run contrary to each other, but there's nothing new about that. It's a time-tested method closely akin to collective bargaining.

By coming to speak to us today, Mr. President, you emphasize the collective approach to solving our problems. The President seeks our support, certainly, but he also seeks to hear from us.

Recently there was a splendid article written by the brilliant AP feature writer Saul Pett—it was in our papers here—about one paragraph which is especially descriptive. Saul Pett wrote: The President "quickly addresses his visitors by their first names and, unlike the way it is with most politicians, you don't resent it. You quickly feel like an old friend without knowing why. The only problem in talking to him is to resist the temptation to call him Jerry."

(Laughter.)

However, ladies and gentlemen, the President of the United States.

(Applause.)

President Ford. Thank you very, very much, Governor McCall.

Mr. Johnson, Mr. Killion, Secretary of the Treasury Simon, Secretary of HUD, Jim Lynn, distinguished guests, ladies and gentlemen, let me express my deepest gratitude to the very warm welcome that Tom McCall has extended on this occasion.

If my memory is correct, Governor, you were the first Governor that I saw and the first state that I visited back about a year ago when I was nominated Vice-President of the United States, and the warmth of the reception then is only duplicated by the guidance that you have shown me on this occasion. I'm deeply grateful.

I am especially pleased to be here to participate in one of Bill Baroody's programs, the White House Conference on Domestic and Economic Affairs, where business, labor, consumers, environmental organizations, have joined in sponsoring this meeting to improve the lines of communications between non-governmental organizations and the White House, itself.

You can generate a new climate of confidence and understanding on national issues of greatest concern to us individually as well as collectively. This is my first participation in this nationwide series of meetings that can have, as I see it, a very vital impact on America's response to the state of our economy, housing, environment, and general domestic affairs. And the fact that the Secretary of the Treasury and Secretary of HUD are here I think portrays vividly the importance that we consider meetings of this sort.

In this context I would like to discuss the question of confidence in our political system and in our ability as a nation to cope with this very serious issue.

The question of credibility is often raised. A mood of cynicism exists in some quarters. There are even those who say that my Administration's openness is just another cover up. The question is asked, "Is everything phony? Is everything cynical in government today?" I categorically reject any such conclusion. But I would like to offer some thoughts on why there is doubt and perhaps some division.

Confidence in America's institutions has been deteriorating since the early 1960s. There were assassinations, upheavals in great cities and school systems in our country, riots, terrorism, crime, drug abuse, pollution, the Vietnam war, the Watergate affair with the first Presidential resignation in America's history, the energy shortage, rising inflation, and other blows to America's self-image.

This chain of events affected our institutions and actually our way of life. It did not start with the present inflationary problem, nor with Watergate, nor even the tragic murder of President Kennedy. America and the world are going through a hurricane of very rapid change—technological, economic, social, and political. Americans put men on the moon but have yet to cope with the rapidly changing life on this globe. Other industrial nations are also in varying degrees of crises, often without resilience and our resources, going through precisely the same experience.

That explains my participation in this meeting today. I came to talk with you about how Americans can mobilize to regenerate our institutions, beginning with the economy.

I am speaking to Republicans, Democrats, and Independents, to labor, to management, and to every segment of our great society. We are all in this problem together. And that is why I consider it so very vital, so very important to be in Portland on this occasion.

I offered approximately a month ago a comprehensive program to mobilize Americans against inflation. I conceded and admitted that we are not in what one would call a traditional problem of inflation with an accelerating rate of cost of living problems. We are faced with inflation on the one hand and some softness on our economy on the other. And this rather finely-tuned program that I submitted was aimed at meeting this problem, the actual difficulties, one of a softening of the economy, the devastation of inflation, itself.

This conference, however, as I understand it, was generated to take an honest look at the problems of inflation. A thirty-one-point program that I submitted to the Congress and to the American people, as I indicated a moment ago, was finely tuned, a comprehensive program aimed at the dual difficulties we face. I'm pleased to report to you that a massive voluntary citizens mobilization is gearing up. We in the White House have received roughly 150,000 requests for these WIN buttons and any other information and helpful hints that we can give to people throughout the United States.

New steps, I think you recognize, have been taken to cope with the energy situation. And all of our actions seek to avoid an unfair burden on those who can least afford the tragedy of inflation, or the tragedy of a softening economy.

It's my judgment that Americans are rallying to whip inflation. They can help and have been helping by demanding action on legislative proposals pending before the Congress. They can press for state and local initiatives. They can innovate voluntary programs at the local level.

America, if we look back over the history, does not require dogmatic laws to control every action that we take, whether it's action at home, in our schools, in our businesses, in our labor organizations, in our churches. My policies, as I have presented them, I think are firm and good and sound, but any President has to be cognizant of the need if circumstances change to take a new look. I'm committed to no rigid economic formula, but the basic American philosophies that made our economy great I'm totally committed to.

As I look back over the history during my lifetime, America is built primarily on mutual trust. It is governed by popular consent and consensus. Federal, state, and local units of government responding to the will of the people will whip inflation. I'm perfectly confident that industries, businesses, and great trade unions, will whip inflation. I also have an abiding faith that consumer and environmental groups will whip inflation.

Let's begin the dialogue that was referred by Governor McCall. Let's build that dialogue that can establish this confidence between environmentalists and industry, between consumer and business, between labor and management, and between 213 million Americans and their Government at the federal, state, and local levels. Let's give dialogue a chance for a change. Let's continue to challenge, but also continue in this sincere good will on both sides of every issue. Institutions, as I've looked at it, are nothing more than people. Let's never lose faith in humanity, the individuals that we meet, regardless of the circumstances. Let's never lose faith in that one-to-one confrontation. And, of course, let's not lose faith in ourselves.

Meetings of this sort are excellent forums to generate confidence. Yet the time has come for action as well as talk. Accordingly, the function of leadership belongs to those placed in responsibility. As President, I accept my obligation. And I call upon every member of Congress, governors, mayors, and all others concerned with government, and the leaders of every private sector in America, including all of you represented here, we individually and collectively must provide that leadership.

A free government, if we look over history, cannot cope with inflation, or energy shortages, or any other problem, without the consent and the total cooperation of those governed. Too many people have been saying what the other guy should do to whip inflation. We hear that all the time. We hear business. We hear about other segments complaining about their adversaries. We hear about other segments compaining about their adversaries, never reflecting as to what their own responsibility might be. Some tell us what the oil companies should do. Others would instruct labor on its responsibilities. Yet others have all kinds of sacrifices to suggest; almost inevitably it's not how they can sacrifice.

Our great Northwest—and I'm pleased to be here again—is aware that inflation has dried up the supply of mortgage credit and sent housing into a tailspin. Now, Jim Lynn over here is going to solve all of those problems for you.

[Laughter.]

Along with the money provided by Bill Simon.

[Laughter.]

But it is a lot broader and a lot deeper subject than what those two fine Secretaries in the Cabinet can do. And it has been inflation that hit consumer confidence and put the brakes on consumer spending harder than at any time since World War II.

I assure the people of that great Northwest that I do not accept the dismal proposition that pollution is the inevitable price of prosperity, nor that we must compromise the environment to gain economic growth in the future.

[Applause.]

We cannot enrich our lives by impoverishing our land. We can raise both the standard of living on the one hand and the quality of life on the other.

The worst inflation toll of all is the most subtle—the erosion of confidence in the future, the loss of faith in the American society and Government. Indeed, this disenchantment seems to grow at the same pace that prices increase. That is why fighting inflation is my first priority as President of this great country.

Americans do have the will to preserve our economy and our institutions. The central, absolutely crucial need my program underscores is to control government spending on the one hand and to finance any new outlays with new taxes. Government simply can no longer go on spending beyond its means. Inflation, as I have said so many times—and the more I say it the more I believe it—is public enemy number one. And all the people seem to conclude that. The latest poll I saw indicated on a nationwide basis that among all of the problems, all of the issues, regardless of your position in life, eighty-three per cent of the Americans select inflation as that which was of most concern to them. Obviously, under those circumstances, the fight against inflation is a nonpartisan challenge. It's everyone's fight.

If I were to take the easy route of additional pump-priming and deficit spending, as the economy cools off this winter, it would really cause trouble. We could see the current inflation rate—and I speak very categorically—the current inflation rate, if we don't do a little sacrificing and belt-tightening, that rate could double by 1976. That is not a very happy prospect. So, it ought to encourage us to make the big battle now in order not to have that problem then.

America, as I have seen it, remains a model for the rest of the world. Later this month I'm visiting the Far East, going first to Japan, and then to South Korea, and then finally to Vladivostok in the USSR; the latter, of course, to move forward, laying additional stepping stones for the culmination of what I hope and I believe is an agreement in strategic arms limitations beyond the present. But as I visit these three vital areas of the world I will seek to cement relationships essential for world economic stability as well as SALT II. It's obvious as we read—and both Secretary Simon and Secretary Lynn have been abroad—we know that inflation crosses borders and somehow leapfrogs oceans. And if I can be helpful by going to the other side of the world on this mission—and I think I can be helpful—that's part of my obligation.

As President I'm convinced that this nation, yours and mine, can show the world that Americans do retain confidence in our system. We can conserve. We can stop wasting. We can expand our production base while preserving our natural heritage. We can become more efficient, more productive, and pay for what we spend in our Government as we go.

Now, some cynics and skeptics predict the end of America, that great country that we know and we love. I feel just the opposite. I think they are very wrong. I intend to prove they are wrong because I'm totally confident in the dedication of this group, and so many others throughout America.

As Abraham Lincoln once put it, this nation is still "the last, best hope on earth." And a new and stronger United States will grow from the disillusion of the recent past.

Indeed, the ordeal we have gone through since the early '60s may serve, as I see it, like a national purge, clearing our system, renewing our energies, and creating a new and more realistic American ethic and perhaps an American life style.

The bountiful resources of this blessed land are available. And you in Oregon are about as blessed as any of the fifty States. And you should be happy and proud that you are so blessed. Let's, on the overall, however, devise a future based on conservation as well as consumption. The truth is, if you look at the statistics—and I get them weekly—I used to from Bill Simon, now from Roger Morton—we have run short of energy. But we are going to do something about it as we conserve on the one hand and build a productive base on the other. We have run short of mortgage credit. And don't blame Jim Lynn altogether. We have run short of a lot of other things, but we have not, as I see it, run short of American know-how, or the American spirit of fair play, or of American forgiveness, or American self-respect, or American pride. Nor will we ever.

A great national test will be imposed in the days and the months ahead, but that ought to be a challenge; that ought to appeal to us. We ought to respond to it. If we do, we will meet the test. And I pledge all of my energies to a free society with a strong economy, a sound environment, sufficient energy, and a secure and inspiring future. And I ask each and every one of you here, and those that follow in other meetings, to join me in that wonderful quest.

Thank you very much.

[Applause.]

Secretary SIMON. Ladies and gentlemen, this brings to an end the White House Conference on Domestic and Economic Affairs. I would like to thank the nine co-sponsoring organizations for making this program possible. I would also like to thank each and every one of you who came here today and participated in such a spirited and dedicated way in getting together and helping solve all of the problems that we face in this country today. I look forward to visiting with you all later.

Thank you very much.

Mr. PACKWOOD. Mr. President, Governor McCall's noted ability to communicate a special meaning has as usual, in a word, characterized a chief quality of the Ford administration. As the Governor so aptly phrased, "listenership" is what this Nation needs in the hard months of decisions we shall face ahead.

We are getting it from President Ford. His listenership was abundant during the White House Conference on Domestic and Economic Affairs in Portland. And I am certain this essential ingredient will remain a theme during the next conference to be held in Minneapolis tomorrow and throughout the approximately 20 future conferences to be held across the Nation in the coming months.

Portland and Oregon were indeed fortunate to host this second conference. I wish the same success for future convocations.

EXHIBIT 1

[From the Oregon Journal, Nov. 2]

INFLATION TO REMAIN FORD'S NO. 1 TARGET

(By Bill Robertson and Dean Smith)

Inflation will remain the No. 1 target of administration economic policies, despite mounting unemployment and signs of deepening recession, President Ford said here Friday.

At the same time, however, the President assured business, labor, consumer and environmental leaders attending his White House conference on domestic and economic affairs that he is flexible and willing to reassess priorities if circumstances change.

He also said he does not accept the "dismal projection that pollution is the inevitable price of prosperity or that America must compromise the environment to gain economic growth in the future.

"We cannot enrich our lives by impoverishing our land," he told an applauding audience of 600. "We can raise both standard of living and quality of life."

Like several administration officials who spoke before him during the day, the President emphasized that too many people are pointing the finger of blame for inflation at someone else.

"A free government cannot cope with inflation or energy shortages or any other problem without the consent and total cooperation of those governed," he said.

He expressed confidence that the public will be willing to do its part in the anti-inflationary drive provided it can regain confidence in the nation's institutions and leaders.

Unfortunately, he added, "the worst inflationary toll of all is the most subtle—the erosion of confidence in the future, the loss of faith in the American society and government.

"Meetings like this," he told conferees, "are excellent forums to generate confidence.

"Yet the time has come for action as well as talk. Accordingly, the function of leadership belongs to those placed in responsibility. As President, I accept my obligation.

"And I call upon every member of the Congress, governors, mayors, and all others concerned, including those represented here today, to provide the necessary leadership."

Ford said the inflation rate could double by 1976 "if we don't do a little sacrificing and belt-tightening."

For that reason, he added, the administration will not "take the easy route of additional pump-priming and deficit spending as the economy cools off this winter."

Both Ford and Treasury Secretary William Simon, who spoke three hours before Ford arrived, cited inflation as the cause of the tailspin into which housing and other sectors of the economy have fallen.

Simon said the President and other administration officials remain serious about the need for a 5 per cent tax surcharge regardless of whether it is popular.

The sacrifice by families earning $15,000 a year and up—those on whom the surcharge would be levied—would be small, he said. An average family of four earning $20,000 annually, for example, would be required to pay about $42 in additional tax.

Simon insisted the Ford economic program is tougher than some analysts seem to believe, pointing to the opposition it is arousing in some quarters.

"Everyone in Washington, and indeed everyone out here in Oregon, knows that this is the toughest program that we will be able to get through Congress," he said.

Simon also said the government will attempt to help those hit hard by the anti-inflation medicine. They are the same people, he indicated, who suffer most when the "most insidious tax of all, inflation," extracts its due.

He said the Ford economic policy will be "humane."

Simon warned, however, that new programs designed to help those hurt by inflation and the efforts to fight it will be expensive.

We must be certain the (federal) budget is balanced with increases in tax revenue," he added.

Assistant Treasury Secretary Fred Weber said the administration's short-term goal is to bring inflation down to an annual rate of 6 to 7 per cent.

Both Simon and Weber emphasized, however, that such a rate is not acceptable in the longer term. Weber said a rate nearer 4 per cent is sought.

To attain it, Simon said, Congress and the administration must abandon their traditional "fly now, pay later" philosophy.

"It has been apparent for many years that the best way to curb inflation is to apply policies of fiscal and monetary restraint.

"But we've only been willing to do it in fits and starts," he explained. "Whenever it starts hurting a little bit, we cave in to political pressures and begin overheating the economy, only making inflation worse."

Earlier in the conference, James T. Lynn, secretary of housing and urban development, offered lumbermen and woodworkers scant hope that the housing slump will begin to subside soon.

It is possible, he warned, that the rate of annual starts may drop even lower than the current 1.1 million level.

At best, he said, the administration can help cushion the fall. Adding massive new programs to those already in effect, he said, undoubtedly would feed inflationary fires.

"I just can't come up with a 50-yard, razzle-dazzle play that will bring housing back tomorrow," he said.

The conference also featured U.S. Environmental Protection Agency Administrator Russell E. Train, who attempted to debunk the notion that pollution control requirements are a primary force driving inflation.

Expenses of controls, he said, are "no more inherently inflationary or nonproductive than expenditures for national defense, or law enforcement, or health, or education."

In the next decade, he explained, pollution-related investment by industry will be about 6 per cent in new plants and control equipment.

Matthew Gould, Georgia-Pacific Corp. vice president, took issue with Train's "minor impact" synopsis, noting that pulp and paper mills in the Northwest have been required to invest $7 billion in control technology.

"To make the most economical use of our resources is an environment as well as an economic goal," Train responded. "It is the profligate waste of these resources that lies at the root of our energy, our economic and our environmental problems."

[From the Oregonian, Nov. 2, 1974]

HUD CHIEF SEES TURNAROUND IN HOUSING BY NEXT NOVEMBER

(By Web Ruble)

"The one thing I can't come up with is a 50-yard, razzle-dazzle play that will turn around the housing industry today," James T. Lynn, Secretary of Housing and Urban Development, said in Portland Friday.

Secretary Lynn spoke during a question-and-answer session following his formal comments before the White House Conference on Domestic and Economic Affairs in Memorial Coliseum.

He responded to Leonard (Blackie) Palmer, Portland, second vice president of the International Woodworkers of America (AFL–CIO), who said new programs by HUD may be experimental "and all right for the long haul, but we need something now."

Palmer said 25,000 wood products workers are out of work in the Northwest, "and it is hard to tell these unemployed men that good things are going to happen."

Lynn countered by saying billions of dollars in programs "is no experiment, and is a lot of bucks." He added that the housing industry and mortgage money situation should be "strongly back on the track by this time next year."

The secretary said he is confident that President Ford's economic program will allow Americans to get a handle on inflation. "The biggest problem with the housing industry now is lack of money for home loans," he said.

Federal agencies have pumped $30 billion into mortgage money programs in the last six months, he said, but added that it alone will not restore housing starts to the 1971–73 levels.

"What has to happen," he said, "is sizable amounts of money coming back into the savings and loan association."

Lynn said he and Treasury Secretary William E. Simon are refining a mortgage tax credit proposal. Under it, Lynn told reporters at a press conference, a tax credit would be available to a thrift institution for its whole lending portfolio based on a percentage of increase in home loans.

LEGISLATION PLANNED

"We hope to have it before Congress soon after it takes up in January," Lynn said, "and we should have legislation in June."

He said a dramatic consumption of federal money in the last week may mean good things for the housing industry. HUD turned loose $1.5 billion in federal money to be used in purchasing mortgages, and $340 million or 23 percent of it has been committed already "in just six days," he said. This money is available for home loans at 8½ per cent interest, plus some fees.

"Oregon's performance in taking the money hasn't been so good," Lynn said. "Of the $24 million set aside for Oregon, only $2 million of it has been used so far." However the secretary said the true significance for Oregon and other lumber-based states is the performance nationwide."

[From the Oregonian, Nov. 2, 1974]

Simon Calls for Patience, Self-Sacrifice

(By D. J. Sorensen)

The familiar call for self-sacrifice and patience in the fight against inflation was issued in Portland Friday by Treasury Secretary William E. Simon.

Speaking to about 550 persons attending the White House Conference on Domestic and Economic Affairs in Memorial Coliseum, Simon also reasserted the need to support President Ford's economic program and reiterated his position that federal government has become too big.

"Today," he stated, "we have more government than we need, more government than most people want, and certainly more government than most people are willing to pay for."

Noting that such special factors as oil prices and crop failures have affected the economy, he pointed out that other basic causes such as the federal budget "have been building up over a decade of irresponsible governmental policies, so that it will take time to get rid of them."

In discussing Ford's economic program, he said one of the points is designed "to curb the incredible growth in federal spending by cutting $5 to $6 billion from our current budget, and it would give us a much better chance of balancing the budget in future years."

At a news conference preceding his talk, he insisted it was "absolutely critical" that we have a balanced budget by 1976.

The secretary also spoke out strongly for the President's plan of a 5 per cent surtax on individual and corporate taxpayers. He told newsmen it was recommended as the most progressive tax, starting $15,000 and working upward.

Pointing out that a family with two children, earning $20,000 per year, would only pay $42 more, he said, "I never felt it was a real sacrifice. It's a bit of a sacrifice, but we're all going to have to sacrifice.

PROFITS PROBE VOWED

Simon also renewed his determination to investigate huge profits in the food industry. Reminded that some sugar companies are making large percentage profits, he said, "It isn't the cost of raw sugar that is the problem. It is the middlemen who are making the big profits, and we intend to look into it."

Simon told his audience that "in coming weeks we will also be taking a hard look at the sacred cows in government, such as the ICC (Interstate Commerce Commission) and I can guarantee that our actions will lead to a hard fight."

The Cabinet member said he believes that interest rates have peaked, but he issued a warning against the "seemingly attractive alternative of overheating the economy. If we stimulate the economy by federal spending again, we will bring inflation down on us more than we ever have."

In a meeting Friday afternoon with editors of The Oregonian, Simon said he expected unemployment to reach 6.5 or possibly even 7 per cent as short-term consequences of the Administration's anti-inflation program, but he also sees some relief.

"I would expect, for example, that there will be a surplus of oil in this world by the end of the decade," Simon said.

[From the Oregonian, Nov. 2, 1974]

Faith in Business—Cut Sought in Big Government

"The country has grown so big and so diverse that it should no longer look to Washington for decisions."

This comment by Kenneth R. Cole Jr. pointed up one of President Ford's objectives to get the federal government out of some of the decision-making business.

It was the thread that wound through a domestic affairs panel Friday afternoon at the White House Conference on Domestic and Economic Affairs.

This panel concentrated on problems that had not been discussed in earlier sessions that touched on the environment, housing, and inflation. These included transportation, the budget, natural resources, regulatory agencies, consumer protection and others.

The panel consisted of Cole, director of the domestic council and assistant to the President; Paul H. O'Neill, deputy director-designate of the Office of Management and Budget, and Michael Raoul-Duval, associate director of the domestic council.

After opening remarks, there was a steady stream of questions, many from consumer and environmental representatives, and they brought candid, responses from the panel.

O'Neill, for instance, had stressed the need to cut the federal budget, "to look at every wrinkle in the budget."

This led to a question about how the Forest Service would obtain adequate funding if the budget was to be cut. "We will take a very close look at it," O'Neill replied, "but for every place we add to the budget, we have to take something out."

AGENCIES EXAMINED

A similar answer was given a lawyer who asked about funds that had been appropriated for the National Legal Services Corp., a governmental device to provide legal services.

The determination of the administration to examine the need for so many regulatory agencies brought questions from consumer champions.

One asked, "Why do away with regulatory agencies so business will go right back to doing what they did to create the need in the first place?"

Cole frankly admitted that was a very real problem, but said "it is the responsibility of business to demonstrate that they don't need regulation. If they can do it the program will be a success, if not, it won't."

Raoul-Duval pointed out that efforts are being made to deregulate railroads "and it will be followed by others." He admitted it would be a "tough fight" because "special interests make it very difficult to get anything like this through Congress."

Questioners also wondered why a Consumer Protection Agency couldn't be set up. O'Neill said the President favors such an agency but he was considering the "form of mechanism that is best for consumer protection."

Referring to the growth of federal agencies, O'Neill added, "We don't want to create something that will get out of hand."

The panel was receptive to suggestions. Cole invited one questioner to send in his proposal that making energy scarcer and more costly would increase jobs. "I promise you we'll look it over," he said.

An environmentalist expressed concern about whether the latest techniques were being used to deal with permafrost in construction of the Alaska pipeline. Raoul-Duval assured the audience that such techniques were being used.

The give-and-take atmosphere received approval from the panel and also brought some humorous moments. One man said he had been impressed by the talk but added, "I thought rhetoric was a weapon of the government."

This brought a laugh from the panel and a rejoinder from Cole that "that was a paid commercial."

MINNESOTA'S PHARMACISTS INITIATE COMMUNITY EDUCATION

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues the recent actions of the Minnesota State Pharmaceutical Association in the important field of drug education. This organization has begun to distribute brochures to customers which illustrate the effects of certain drugs on the human system, as well as provide instructions on their proper use.

I applaud such actions because it is essential that consumers be constantly aware of both the benefits and harms of prescription and over-the-counter drugs. This is an example of another valuable service the pharamacist can and will provide for better health care.

Mr. President, I ask unanimous consent that several samples of the association's brochures be printed in the Record.

There being no objection, the brochures were ordered to be printed in the Record, as follows:

Drug Names

ANTICOAGULANTS

Anticoagulants decrease the ability of the blood to clot and help to prevent harmful clots from forming in your blood vessels.

A blood test, often called a Pro-Time, will be needed periodically to determine how fast your blood is clotting and help your physician determine how many tablets you should take each day.

After each blood test, you should check to see if there is to be any change in the dosage of your anticoagulant. Carefully follow your physician's directions on how many tablets you should take. Write this information down on a calendar and record the date for your next blood test. (Your pharmacist may have a small anticoagulant dosage calender for this purpose.)

Take your anticoagulant at the same time each day and do not stop taking this medication without telling your physician.

If you take too much anticoagulant, you may develop bleeding. Contact your physician if you notice any of the following signs of bleeding.

Prolonged nosebleeds or excessive bleeding from the gums. (Use a soft toothbrush.)

Prolonged oozing from cuts, more than 5 to 10 minutes. (Use an electric razor to prevent nicks.)

Black colored stools or bright red blood in your bowel movements.

Dark brown urine or red blood in your urine.

Bruising easily or suddenly appearing black and blue spots.

Unusually large amounts of menstrual bleeding.

Unusually prolonged headaches or abdominal pain.

Vomiting blood or coughing up blood.

Many drugs can increase or decrease the action of your anticoagulant. To prevent bleeding and keep your blood "thin" enough to prevent clots, follow these precautions:

Do not take any new medication, even drugs you can buy without a prescription, without consulting your physician or pharmacist.

Do not take aspirin except on your physician's instructions. Many drugs for pain relief or colds contain aspirin (e.g. Anacin, APC's, Bufferin, Excedrin) and must be avoided. Your pharmacist can suggest a non-aspirin drug which you can use for mild pain.

Do not drink excessive amounts of alcohol. More than one or two drinks or drinking regularly can alter the effect of your anticoagulant.

If you are being treated by several physicians, make sure they all know you are taking an anticoagulant.

Before having any dental work or any other surgery, inform the doctor that you are taking an anticoagulant.

Ask your pharmacist how you can obtain an anticoagulant identification wallet card.

Food fads or major changes in your eating habits, such as eating unusually large amounts of fish or leafy green vegetables (spinach), can alter your response to the anticoagulant. You should eat a normal, balanced diet unless a special diet is prescribed for you.

Call your physician if you are unable to eat for several days, or have prolonged diarrhea.

If you have any questions, ask the pharmacist. The pharmacy name and number are on the prescription label for your easy reference.

ANTIHISTAMINES

Antihistamines should be taken immediately after meals or with food or milk to prevent stomach upset.

This drug will increase and prolong the effects of depressant drugs. Alcohol, barbiturates and tranquilizers should be avoided or used with caution.

As this drug may cause drowsiness or dizziness or impair your coordination and judgment, use caution when operating an automobile or other dangerous machinery. Do not perform any hazardous task until you have seen what response you have to the medication.

Antihistamines may initially cause dryness of the mouth, throat and nose. Smoking will cause further irritation and should be avoided. Sugarless candy or sugarless gum can give temporary relief.

Antihistamines may interact with other drugs. Consult your pharmacist or physician before taking any other medication.

If you have any questions, ask the pharmacist. The pharmacy name and telephone number are on the prescription label for your easy reference.

DECONGESTANTS

Decongestants are often combined with antihistamines to help relieve nasal congestion or stuffiness and to help counteract any drowsiness.

Avoid taking decongestants late at night as they may cause difficulty in getting to sleep.

DIGITALIS

Digitalis is primarily used to treat congestive heart failure, a condition where the heart has difficulty pumping enough blood to the body tissues.

Digitalis helps correct shortness of breath and tiredness by increasing the ability of the heart to pump blood.

Carefully follow your physician's directions on the dosage of this medication. Your dose may vary during the first few weeks while your physician determines what dose is best for you.

Try to take this medication at the same time every day. Should you miss a dose, take a tablet as soon as you remember it but do not take two doses at once. Do not take extra digitalis tablets unless told to do so by your physician.

Contact your physician if you develop any of the following problems:

An unexplained loss of appetite.

Prolonged nausea, vomiting, abdominal pain, or diarrhea.

Unexplained weakness, fatigue, drowsiness or increased shortness of breath.

A large loss or gain of weight or swollen ankles.

Blurred of flickering vision, yellow or green vision, or seeing spots or halos around objects.

A change from previously regular heartbeats to irregular heartbeats.

A sudden unexplained decrease or increase in your pulse rate. (It is normal for exercise, work or excitement to increase the pulse rate.)

If you have any questions, ask the pharmacist. The pharmacy name and number are on the prescribtion label for your easy reference.

PENICILLIN (ANTIBIOTIC)

Antibiotics are prescribed as a course of treatment for a bacterial infection. Follow the directions on the label until all of the medication has been taken unless advised otherwise by your physician. Do not stop taking your penicillin even if you begin to feel better.

To obtain the full benefits from your penicillin, you must take the drug at the correct times each day. Ask the pharmacist to help you schedule the exact times for taking your penicillin.

Penicillin is most effective if it is taken on an empty stomach and should be taken one hour before meals or two or three hours after meals.

You should take this drug with a full glass of water to increase the absorption. Wait at least one hour before drinking fruit juices.

Be sure you are not allergic to penicillin before taking this drug.

Call your physician if you suddenly develop a skin rash, itching, hives or difficulty in breathing.

If you have any questions, ask the pharmacist. The pharmacy name and telephone number are on the prescription label for easy reference.

TETRACYCLINE (ANTIBIOTIC)

Antibiotics are prescribed as a course of treatment for a bacterial infection. Follow the directions on the label until all of the medication has been taken unless advised otherwise by your physician.

To obtain the full benefits from your tetracycline, you must take the drug at the correct times each day. Ask the pharmacist to help you schedule the exact times for taking your tetracycline.

Take your tetracycline with a full glass of water to increase the absorption.

Tetracycline is most effective when it is taken on an empty stomach and should be taken one hour before meals or 2 to 3 hours after meals. It may be taken with small portions of food if it produces stomach upset.

If diarrhea occurs, don't treat yourself with other medication. Contact your pharmacist or physician for advice.

Do not take antacids, iron tablets, milk or dairy products within two hours of the tetracycline dose as these products decrease the absorption of the drug.

You should avoid unnecessary prolonged exposure to sunlight or sunlamps as some tetracyclines may produce a photosensitivity reaction resulting in severe sunburn.

Repeated administration of tetracycline to young children or pregnant women may lead to a permanent yellow-brown discoloration to the child's teeth.

If you have any questions, ask the pharmacist. The pharmacy name and telephone number are on the prescription label for your easy reference.

NARCOTIC ANALGESICS

Do not exceed the dosage specified on the label as narcotics may be habit forming if used in *excessive* amounts for *prolonged* periods. Use the smallest amount of the drug which satisfactorily controls the pain.

When you first take this drug it may cause nausea or vomiting. If you feel dizzy or nauseous, you should lie down.

Take this drug with a full glass of water. It may also be taken with small amounts of food to prevent stomach upset.

Avoid alcohol and use other depressant drugs only as directed by your physician while taking this drug.

As this drug may cause drowsiness and impair your coordination and judgment, use caution when operating an automobile or other dangerous machinery. Do not perform any hazardous task until you have seen what response you have to the medication.

Do not rise quickly from a lying position as this may produce dizziness and fainting.

This drug may be constipating, but this effect will disappear when the drug is discontinued.

If you have any questions, ask the pharmacist. The pharmacy name and telephone number are on the prescription label for your easy reference.

SEDATIVE-HYPONOTICS

Do not increase the dosage or take this drug more frequently than directed. This drug may be habit forming if used in *excessive* amounts for *prolonged* periods.

As this drug may cause drowsiness and impair your coordination and judgment, use caution when operating an automobile or other dangerous machinery. Do not perform any hazardous task until you have seen what response you have to the medication.

Avoid alcohol and use other depressant drugs only as directed by your physician while taking this drug.

Take this drug with a full glass of water. It may be taken with small amounts of food if it produces stomach upset.

When taking this drug to help you sleep, you can expect a wait of 15 to 30 minutes after you take the drug until you begin to feel drowsy. Keep no more than a one night's supply of medication on the bedside table.

Use caution in getting up from bed during the night as the drowsiness may make walking difficult.

Contact your physician if you develop a skin rash, frequent nightmares or a change in moods.

Sedative-hypnotic drugs may interact with other drugs. Consult your pharmacist or physician before taking any other medication.

If you have any questions, ask the pharmacist. The pharmacy name and number are on the prescription label for easy reference.

REPORT ON PRIVACY CASE STUDY PUBLISHED

Mr. **ERVIN**. Mr. President, I wish to announce today the publication of a staff report by the Judiciary Subcommittee on Constitutional Rights. The report is entitled, "Drug Abuse Data Banks: Case Studies in the Protection of Privacy."

The report is a summary of the staff's recent investigation into data banks being maintained on drug abuse patients by both the Special Action Office for Drug Prevention and the Drug Enforcement Administration.

I commented on the SAODAP data bank in a speech I made to the Senate on August 1, 1973. In that speech, I worried that data being required under the program could be used to identify the drug abuse patient who was the subject of the survey. If such identification were possible, it appeared likely that drug abuse patients could be subjected to endless and severe repercussions, not only at the hands of Federal agencies, but in the private sector as well.

The data-collection program operated by DEA presented similar problems.

The subcommittee staff then undertook to determine whether the information required under the two programs constituted an invasion of the privacy of participating patients.

I am pleased to report that the Federal agencies involved here, the Special Action Office for Drug Abuse Prevention and the Drug Enforcement Administration, responded commendably to the subcommittee's inquiry. Both agencies ultimately decided to drop most of the data requirements from the survey which could theoretically have been used to identify drug abuse patients.

I would point out as well that the subcommittee did not discover any evidence that information collected in the course of the surveys was ever misused. But that possibility at least existed prior to the recent shifts in policy.

I think this particular inquiry of the subcommittee indicates how Congress could and should perform its oversight function. Here, the subcommittee identified certain features of Federal programs which appeared to infringe upon the privacy of those citizens who were uninformed participants. Once the agencies reconsidered, they decided that they could get along without the objectionable information after all. Their data-gathering continues, but a small blow had been struck for better, less obtrusive Government.

Former Justice Louis D. Brandeis wrote in 1928:

> Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

If there is one thing we have learned over the last several years, it is that there are many well-meaning men in government who lack understanding. We in the Congress cannot always accept their actions and their assurances at face value. We must keep open minds and we must not fear to challenge what we perceive as dangerous to our rights and liberties.

This small subcommittee report was one such challenge. The investigation did not uncover anything particularly shocking, nor did it result in very substantial change. But it did preserve just a bit more of the privacy of drug abuse patients than they might otherwise have had. Freedom is lost by inches, not miles, and I think we have gained back some ground here.

The report is available from the subcommittee office or can be purchased at the Government Printing Office at a cost of $0.65.

NATIONAL HEALTH INSURANCE: THE RIGHT OF EVERY AMERICAN

Mr. HARTKE. Mr. President, for the past several years, I have urged Congress to adopt a national health insurance program because I believe that every American has the right to quality health care. It now appears that the 94th Congress may be willing to adopt such a program. In order that my views on the substance of national health insurance be known, I ask unanimous consent that the text of an address I delivered before the annual meeting of the American Academy of Podiatry Associations be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MR. HARTKE

I am pleased to be back again among many old friends, and my visit is made even more pleasurable because we share a common commitment to provide every American man, woman and child with full access to the complete spectrum of health care services which our country has to offer.

As Congress moves through its final days of the current session, there are still some rumblings that national health insurance will come before us. At the beginning of the ninety-third Congress in 1973, nothing would have made me happier, but as we near the end of this Congress, it would be a tragedy to adopt any national health insurance effort—a tragedy for the American people, and a tragedy for each of the health care professions who would be responsible for providing increased health care services.

During the past two years—in fact, for the past several years—we have seen an on-going debate between the proponents of various health insurance programs. There is not a major, organized health care interest in the United States which does not have a proposal of its own, and the debate in Congress has often involved less of merit and more of political power and influence.

If Congress acts on national health insurance this late in the session, the American people will have a patchwork program written not in committee, not on the floor of either the House or the Senate, but written in a joint House-Senate conference committee. As politics goes, that might work out well for many of us who have sponsored various national health insurance proposals. We each would be able to claim that we had some important part to play in the final product. But as a device to improve the standard of health care in our nation, I can think of no possibility which could do more harm to the American people.

THE NEED FOR NATIONAL HEALTH INSURANCE

Let me assure you that I stand completely committed to the need for national health insurance. The plain fact is that many Americans cannot see a doctor when they need one. People have died this very day who might otherwise be alive if they had the money to pay for quality health care. We can argue all we want about whether there is a health care crisis in this country, but there are tens of thousands of people suffering needlessly in our country because they cannot get a foot into the doctor's door or the hospital's operating rooms.

The Federal Government has a vital role to play in assuring quality health care. That fact was clear to the American medical association when, at the time of World War One, they proposed a national health insurance plan. It was clear to those of us in Congress when we wrote the Medicare and Medicaid programs and when we adopted a series of health manpower bills. Now, in 1974, the need for national health insurance is even greater.

I start with the principle that quality health care is a right possessed by every American. There may be no statement confirming that right in the words of our Founding Fathers, but good health is the foundation of every human being's life. There is not a person living on the face of this earth who does not want good health. We know what the tragedy of ill health can mean. From the simplest cold to the most dreaded cancer, illness can strike anyone, at any time, at any age. At its very best, illness can leave us uncomfortable; at its very worst, it can kill.

Cold statistics tell us that the higher a person's income, the better chance he has for good health. And cold statistics tell us how much is lost in terms of our ailing gross national product when workers are sick. But I prefer to discuss this problem in terms of human life and human happiness.

I long for the day when complicated medical machines, difficult surgical procedures, and expensive medicines will be within the reach of any American in need. Why should some kidney disease patients be dying simply because they cannot afford a dialysis machine? Or why should a hemophiliac bleed to death because he cannot afford blood-clotting medicine? We can talk all we want to about the realities of health care, but there is only one reality that counts; the only way to assure each person's right to the care provided by doctors and hospitals is to establish a national health insurance program.

It is now time that we recognized that the spectre of illness knows neither age nor income barriers. We can no longer say that only the aged and the poor need national health insurance assistance. Only the very wealthiest of Americans can rest assured that they will be able to bear the cost of any illness or any accident. The rest of us must live with the burden of worrying what will happen to ourselves and our loved ones if we become sick.

In a country which has recognized the need to guarantee that every person is well-fed and properly housed, and that no person need live in poverty because of old-age or lack of available jobs, it is ironic that it has taken so long to guarantee that every American will have access to one of the finest health care systems in the world.

The illness of any one American affects us all in very real terms. The wonders of modern medicine are for the use and benefit of us all. In that sense, you as health care practitioners perform one of the most vital social functions in our society. You play an important role in assuring and enhancing the quality of life which is so essential to the human race. It is not enough that any of us is allowed to exist on this Earth. We must have our opportunity to enjoy life and to fulfill our dreams and our ambitions. Good health is crucial to that fulfillment.

It is essential that each of the health care professions realizes its importance to the functioning of our society, and its responsibility to that society. I do not suggest for one moment that government become the sole or even the primary employer of physicians. What I do suggest is that we have a community of interest, and that we work to achieve our common objective of providing quality health care for all Americans. Whatever national health insurance plan Congress adopts, it must recognize both the need for our health care system to be fully accountable to the public and the need for health care practitioners to practice free of unnecessary governmental constraints.

Health care expenditures are on the rise. Their increase has come about from such factors as increasing utilization of services and inflation. I have seen figures which showed that middle-income workers belonging to group health insurance plans are presently paying the equivalent of one month's wages to purchase health insurance coverage.

But I have also seen figures that, by 1980, that same worker will be paying the equivalent of two months' wages for the same coverage. We must act before more millions of Americans are priced out of the health care system.

In these times of rising prices, we can afford to buy less sugar and to buy less gasoline. We can afford to hold onto the old family car a few years longer, but we cannot afford to do without quality health care. Good health is no luxury.

INADEQUACY OF PRESENT INSURANCE COVERAGE

While most Americans have private health insurance coverage, it is often inadequate. Half of all Americans have no coverage whatsoever for home and office visits. Even less have coverage for out-of-hospital prescription drugs, nursing home care and dental care. Nearly thirty-eight million Americans have no health insurance coverage at all, and all too many of these are the poor and the children of poor families.

All of these statistics may have a hollow ring, but they can be translated into more concrete terms. The higher a person's income, the more likely he is to have hospital and surgical coverage. The higher a person's income, the most likely he is to be healthy.

Let me emphasize, however, that the need for national health insurance cuts across income lines. We need national health insurance for both the poor and the non-poor. Both groups are suffering under the strain of the high costs of hospital and doctor care. Both groups have a right to quality health care; and both will benefit from national health insurance.

BASIC PRINCIPLES FOR NATIONAL HEALTH INSURANCE

Let me suggest what I believe to be the basic elements which must be a part of national health insurance.

First, access to quality health care is the right of every American. National health insurance must guarantee that right.

Second, there are Americans, who—because of income, employment status, or geographic location—do not have sufficient access to quality health care. National health insurance must overcome those barriers.

Third, national health insurance must cover the costs of preventive as well as remedial care.

Fourth, it must cover the cost of hospitals and a full spectrum of health care practitioners.

Fifth, it must cover the costs of both short-term illnesses and long-term sickness and debilitation.

Sixth, national health insurance must cover the costs of home health care and mental health care.

Seventh, it must allow patients to choose their own doctors and to choose freely among the various alternatives among qualified health care practitioners.

Eighth, it must provide equal coverage for the poor and the non-poor alike.

Ninth, it must not provide for any unnecessary governmental intervention in the health care delivery of insurance systems.

Tenth, it must seek to avoid unnecessary paperwork, regulations, or other complications which only serve to inhibit the provisions of quality health care and heighten suspicion and frustration among the people.

Eleventh, national health insurance must provide expanded benefits for medicare beneficiaries which are similar, if not identical, to those provided for people under age sixty-five.

Twelfth, it must include reasonable provisions for cost control and utilization review.

These are the basic principles which must be a part of any effective national health insurance program. To them, let me add a word of caution: national health insurance is more than a matter of political importance. Millions of Americans will benefit from it, but they will not get that benefit if Congress enacts a program which promises far more than it can deliver. Our health care delivery system may be in need of improvement, but national health insurance will not accomplish that reform overnight. It is for that reason that I believe that comprehensive national health insurance must be phased in over a period of years to allow patients, health care professionals and providers, and government to adjust to unforeseen problems.

THE KIDNEY DISEASE PROGRAM AS AN EXAMPLE OF NATIONAL HEALTH INSURANCE

Nowhere is the need for this cautious approach to national health insurance made more clear than under the kidney disease program.

In the fall of 1972, Senator Russell Long and I sponsored an amendment to the Social Security Amendments of 1972 to assure that no one with chronic kidney disease need die because he or she lacked the money to pay for the necessary treatment. That legislation was the culmination of years of study on the part of many dedicated individuals and organizations.

When it was signed into law by the President, many in the Congress and in the administration touted it as a forerunner of national health insurance. If that was an accurate description—and I believe it was—then we must look at the experience under that program so that we can learn from its mistakes.

There were eight months from the time that the kidney program became law until the time it went into effect, yet the implementing regulations were not issued until the very last moment, and did not reach most hospitals and doctors until after the program had begun. The program began under interim guidelines which were not circulated for public comment. Only within the past few months have interim regulations been published in the Federal Register. Final regulations have yet to be developed. What is even more disturbing, the initial guidelines and their interpretation were confusing and often arbitrary.

For six months, Federal reimbursement was almost non-existent for virtually all kidney centers. During that period, the lack of reimbursement coupled with a heavy and often unnecessary burden of paperwork, caused some hospitals to cut back their services to kidney patients. Nine months after the kidney program took effect, I surveyed doctors and hospitals throughout the United States. Their response was almost uniform. Patients were better off without the Federal program than with it.

Many of the problems in this initial phase of the kidney program have been resolved, but their place has been taken by others which are often more subtle but equally severe. My office is about to begin another nationwide survey which will be completed by January, 1975. Congress must look at the performance of this program. It is the first national health program which recognizes health care as a matter of right—not a matter of income or a matter of age.

Let me share with you some of my own observations about the kidney disease program, because I believe they raise serious questions about the operation of any national health insurance program in which Government is involved.

First, there were those within the Department of Health, Education and Welfare who had no commitment to the kidney program. They did everything they could to throw barriers into the path of its implementation,

Second, there was intense bureaucratic infighting between different divisions within H.E.W. and between the Health Division of HEW and the Social Security Administration. That in-fighting persists to this day, and has caused much of the delay and chaos within the program.

I question just how prepared our existing bureaucracy is to administer any national health insurance program. When we look at the fact that the kidney program is presently covering less than twenty thousand Americans and will never provide assistance to more than fifty or sixty thousand people, I question whether the existing bureaucratic arrangement is capable of administering a program which affects more than two-hundred-million Americans.

I have no philosophical objections to the involvement of Government in national health insurance. Clearly, Government has no business telling health care professionals how to practice, but Government must set down those basic regulations which are necessary to assure that the objectives of a national health insurance program are met. I have expressed dissatisfaction with using either the payroll tax system or mandated employer-employee taxes as the primary means to finance national health insurance, not because they involve Government but because they place an excessive financial burden on working Americans. There will be no panacea to the problem of financing, but I believe that we must examine the possibility of a combination of tax credits and payroll taxes, with tax credits being used to finance basic health care coverage and payroll taxes used to finance catastrophic coverage.

The bureaucratic problem will remain unless Congress establishes a separate and independent agency to administer national health insurance. Neither the Department of Health, Education, and Welfare, nor the Social Security Administration was established to accomplish that purpose, and neither is suited to do the job effectively.

I also believe that we in Congress have to approach national health insurance from a far broader perspective than the current lines of committee jurisdiction allow. The primary responsibility for proposing a national health insurance program under our current system lies with the Finance Committee in the Senate and the Ways and Means Committee in the House. I do not suggest that this primary responsibility be changed; but I do suggest that there are other committees in Congress which have an interest in any national health insurance program, and there are other committees which have had involvement in either the issues of health manpower or health care delivery.

For these reasons, I propose that Congress establish an ad hoc committee on national health insurance to consist of members of the Senate Finance and House Ways and Means Committees, the Labor and Public Welfare Committee in the Senate and the new House Commerce and Health Committee; the two Appropriations Committees, the two Budget Committees and the two Veterans' Affairs Committees. The ad hoc committee would make it possible for the various committees with an interest in national health insurance to share information and evaluations of proposed legislation, and to make recommendations which would then become part of the formal deliberations of the Finance and Ways and Means Committees.

The establishment of such an ad hoc congressional committee is the only way we in Congress can take a coherent approach to one of the most important subjects to come before Congress in the second half of the twentieth century.

PODIATRY

I would not let this opportunity pass without stating once again my commitment to full inclusion of podiatry in national health insurance. When I testified before the Senate Finance Committee earlier this year, I noted that Congress has recognized the value of podiatry when it included podiatrists within the definition of physicians' services under Medicare. We must continue that recognition under national health insurance.

As chairman of the Senate Committee on Veterans' Affairs, I also have the responsibility for the health care of America's twenty-nine million veterans. As you know, the V.A. health care system with one-hundred-seventy hospitals and over one-hundred-sixty-thousand employees, is the largest health care system in the free world today. As such, plans for programs and other V.A. health care systems have an important bearing on the delivery of health care services today and will continue to have an important function.

The Veterans Health Care Expansion Act of 1973, vetoed once by President Nixon but later enacted into law, is an important step forward in modernizing and expanding the authority of the Veterans Administration to deliver first rate care. In this connection, I am concerned that regulations issued pursuant to the Veterans Health Care Expansion Act give due recognition to the importance of podiatry services. At my urging, regulations issued under that act included podiatry services within the definition of medical services to be rendered by the Veterans Administration. While I think significant progress has been made in upgrading podiatry services in the past year, I still believe there is a much greater need for the use of podiatrists within the Veterans Administration, including an upgrade in status and the level of pay.

There still need to be more podiatrists operating within the V.A. system. Unfortunately, existing pay levels within the Veterans Administration make it difficult to recruit the very finest podiatrists in the country. The recent special survey report on the level of the quality of patient care of Veterans Administration hospitals and clinics submitted to the president and my committee, also indicates a need for increasing pay levels to attract the finest health care personnel in the country.

I want to report to you today, that early next January I will be sponsoring health care legislation which will increase pay levels to aid in recruitment. In addition, in order to further increase the status of podiatry, I will also be sponsoring legislation which will define podiatry as a medical service within the statute itself.

I remain firmly convinced that the level and quality of podiatry care within the V.A. can serve as a model for the level and quality of podiatry care throughout the country.

CONCLUSION

I know the commitment which your profession has to quality health care and I know of your dedicated efforts to advance legislative recognition of podiatry as a health care profession. Within the past year, you have succeeded in achieving passage of legislation which permits podiatrists to qualify, alongside doctors of medicine, for Federal mortgage insurance to build and equip group practice facilities and you have succeeded in getting legislation passed which qualifies podiatrists, alongside doctors of medicine, as physicians eligible for participation under the Federal Employee's Compensation Act. The very fact that each of the major national health insurance proposals gives full recognition to podiatry is a credit to the work which your profession has done to carry its message to Washington and it gives a good indication of the treatment which you can expect under any national health insurance plan which Congress adopts.

I share your concerns and your commitment, and I hope that we can continue to work together to achieve a workable and effective national health insurance program.

HORTICULTURE AND THE HANDICAPPED

Mr. HUMPHREY. Mr. President, I am delighted to report that the second annual conference of the National Council for Therapy and Rehabilitation Through Horticulture in Arlington, Va., in early October was a splendid success.

One hundred and sixty-eight delegates from 25 States, the District of Columbia, Canada, and England attended the sessions of the Council, set up a year ago to learn how horticulture can be used most effectively to aid the physically and mentally handicapped.

Among the programs discussed at the meeting are those benefiting the mentally retarded, the mentally ill, the imprisoned, the physically handicapped, the poor, and the aged.

The current concerns of the National Council for Therapy and Rehabilitation Through Horticulture include developing professional standards and accreditation for horticultural therapists and for therapy programs, setting up State affiliates of the Council to develop new programs, and locating funding sources, public and private, to finance new programs and to continue present activities.

Mr. President, I ask unanimous consent that three articles—from the Washing Post, the Washington Star-News, and the Alexandria Gazette—regarding the Conference—be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star News, Oct. 9, 1974]

Flowers, Plants Help Ill Find Road to Recovery

(By Susan Axelrod)

Stroke patients have made tremendous progress in regaining the use of paralyzed limbs through a relatively new method of rehabilitation known as horticultural therapy.

Women prison inmates have acquired feelings of self-worth from growing plants in institutions' back yards.

And a juvenile delinquent who hadn't smiled in years beamed when he was presented a trophy for his prize-winning flowers.

Both physically handicapped and emotionally disturbed patients are now growing flowers and vegetables in an attempt to make use of lives that formerly might have been spent weaving baskets.

As the National Council for Therapy and Rehabilitation through Horticulture concluded a two-day meeting today in Crystal City, more ideas were disseminated about flora therapy.

Such rehabilitation is used on amputees, stroke patients and arthritis victims in Canada. At Hamilton Hospital in Ontario, patients in the carpentry department make wooden tools for other patients to use in gardens.

In Cincinnati, the know-how of elderly patients and the wide-eyed enthusiasm of young children are combined in growing table-top tray gardens.

And in England, long-stretch hospital patients reap encouraging benefits from rehabilitative gardens. "They've been inside for such a long time, they just enjoy getting their hands dirty," said A. S. White, a therapeutic gardening specialist and the convention's keynote speaker.

White said some hospitals in England make raised gardens from concrete sewer pipe connectors. The gardens do not take up much room and, for patients confined to wheelchairs, are easy to tend.

One stroke patient "never had the impulse to use his paralyzed hand until he came to the garden center" White showed the audience a picture of the man potting seedlings.

Another patient suffered excruciating pain in her feet. Wheelchair-bound, this patient worked with small potted plants. "It kept the top half of her body busy enough to forget about the pain of the bottom," White said.

[From the Washington Post, Oct. 10, 1974]

Plant Therapy: Taking Root, Digging In

(By Henry Mitchell)

In a nutshell, gardening helps people get well or (in cases where physical improvement is not possible) gardening can make life worth living.

One of England's leading authorities on therapy through plants, A. S. Smith has been in town the past two days as keynoter of the second annual meeting of the National Council for Therapy and Rehabilitation Through Horticulture.

Smith says people are forever coming to to him and saying, "Well, look here I've suffered a stroke. Can you recommend tools that could help me keep on gardening?"

That's what the gardeners say to him, at least when they have strokes and start worrying for the first time about how to get the roses pruned, the irises sprayed, and the seedbed for onions prepared.

But others, equally in need of help, say nothing when they are brought to him at Nuffield Orthopaedic Hospital near London.

"There was one fellow, just a little boy, from Sudan. He had to learn to use one hand. He couldn't speak English, and I only know two words in Arabic, 'stop' and 'go.' Goodness, he might as well have been a camel, as far as my being able to talk with him.

"Well, I got him going watering some plants with a hose that had a fine rose (sprinkler) at the end of it. When the pressure hits a certain point, the head falls off. When he got going, we turned the pressure to that point, the head shot off, and he grabbed it. He didn't know he could do that, and it was critically important for him to work that hand before returning home.

Gardening as therapy, for the ills of body and mind, is nothing particularly new, the authorities point out. Physicians have been prescribing garden work for its fresh air, regular moderate exercise, for centuries. Voltaire knew, and said, there is nothing like growing cabbages to straighten you out, and as immemorial wisdom has it, gardening was Adam's therapy long after it was first his joy.

Various educational centers—Michigan State University and Clemson College among them—have long been working in the field. The august Royal Horticultural Society ran an article about such therapy more than 20 years ago. After World War II anything that would help the paraplegics or severely war-wounded, was seized upon, and sometimes gardening helped.

The national council is simply a pulling together of the isolated individuals and institutions who have been working in the field.

"You never remind patients what they can't do," Smith said. "They know that. For instance, an old gentleman with recovery problems after hip surgery where, let us say, he must stand for a time and then sit for a time.

"I don't take him out and say, 'Now let's see, you can't stand up very long, what in the world shall we find for you to do.'

"No, I say 'Here are all these herbs that need harvesting, could you get that job done for us. Just cut them all down, then tie them in bundles like this.' "

The man starts, and the task naturally requires him to stand and then sit, stand then sit. In this way he helps his body recover, without feeling demeaned or bored either, and he is still his own man. Therapy through horticulture works something like that, though clearly different approaches are needed with paraplegics (they can learn to use ingenious trowls for digging with their artificial arms) or retarded children—as one of the latter once observed, after he became a sort of gardener, "I used to be retarded, myself."

Smith rared back yesterday, between committee meetings and tours, in a hallway bay labeled Bonsai Society of America, in Arlington's Stouffer Inn where the conference has been held.

"Yes, of course I do like to be with people and they do respond.

"My boss said—and I guess I am the first horticultural researcher in the British Health Department, all the rest are involved in medicine—my boss now said back then: 'If a man is going to try to treat my patients with this horticulture therapy, by God I want to see some sunshine coming out his eyes'."

Qualifying admirably in that respect, Smith went from challenge to challenge, but first he spent several years examining the problems of using plants to help the sick.

He himself is a Scotsman. Never could abide England, as you might say, but he was in the Army eight years and got married and his wife lived at Kew, the great public and research garden of London.

"The service in Asia thinned my blood," he said, and Scotland has a climate even worse than England's, so he wound up getting himself trained at such great teaching gardens as those at Kew and Wisley. Then he began a small nursery and wound up growing just one clone of geraniums, a nonfading sport of the salmon-colored 'Denmark.'

He wearied of that; 15 years of geraniums seems ample reason for throwing in the towel, perhaps, and behold he read an ad asking for a gardener to work on problems of the sick. The rest sort of fell into place naturally, through study and experience.

The combination of garden expertness, shrewd observation of patients, and great experience in seeing how they react to different forms of therapy, has caused some of his patients to regard Smith as "some kind of faith healer."

As many of the 200 who attended the conference could testify, you can hardly over estimate the importance of a new interest to a sick person who may, after all, be giving up tennis forever.

According to Marcia Headrick and Patsy Pierce, who teach greenhouse operation and floral arrangements to 600 women prisoners (nothing for men) in the Texas prison system, it is a great thing for them to learn a new skill. Unfortunately when they get out of prison they cannot find jobs in the work they have learned, because usually they don't have the money to wait while working themselves into such a job. They have to eat, so they get what they can, perhaps a job as a waitress, and then things pile up and they never get started. But Miss Headrick hopes a way will be found—a sort of halfway house—to ease them into gardening work.

Once a doctor told Smith, "Here, take this woman out and work her in the garden. Hard. So when she comes back to me she can tell me where she really hurts."

This was by no means a heartless thing, Smith said. Often a patient becomes engrossed with his gardening, and all the cobwebs of the too-active brain, too-active pitying emotions, are for a time cleared away, and the person is for a time a lively simple animal. He then knows where the bodily pain is, and this account is free of at least some of its former neurotic overlay.

Oh, plainer, there is nothing like digging to clear up the brain. Gardeners, it is often observed, always think straight.

Lynn Dennis of Hamilton, Ont., discussed how botanical gardens can be used to help old people and others who have no gardens of their own.

Early Copus Jr., director of Melwood Horticultural Training Center at Upper Marlboro is president fo the national council. He was nervous having Smith as guest.

"I thought after the fine gardens of England, what's he going to think of my own back yard. (Smith was pleased with it, as it happened.) But I comfort myself, we're not so good with gardening as we are with people."

His center takes certain handicapped children and teaches them self-reliance through gardening skills. Many learn the independence of walking to a bus which collects them for the training center, many learn to tell time, and are naturally proud when they find they can grow plants as well as anybody.

Smith said he had learned it helped to have one area reserved for nothing but digging in the earth with a spade. He also learned that many patients, given a hoe for a row of beans, derive more benefit than the beans.

"Like our boxwood," said Copus. "Our boxwood doesn't look so great, but our kids do."

[From the Alexandria Gazette, Oct. 10, 1974]

Horticulture Aid for Handicapped

Many enthusiastic people went away from a two-day conference at Stouffer's Central City Inn in Arlington yesterday.

They were members and supporters of the National Council for Therapy and Rehabilitation Through Horticulture.

They work with the mentally ill and retarded, the physically handicapped, the elderly, hospitalized veterans, prison inmates and urban and inner city youths.

They work with these people, and for them, by providing space, tools, and seeds and introducing them to the beauties of nature some of them have realized.

Symposium speakers Tuesday represented a diversity of facilities whose personnel work with a wide range of handicapping conditions.

Horticulture is an integral part of their programs, speaker after speaker told the more than 200 NCTRTH members and their guests. Many of the speakers illustrated their remarks with color slides of children working small patches of ground, gathering its yield and women inmates of the Texas Department of Corrections in the prison greenhouse, where more than 120 women have been trained for post-release positions.

One of the speakers, Mrs. Dorothy Whittier, author of a weekly column in a Boston newspaper called "The Wheelchair Gardener," said she has developed a number of "tools" by which handicapped persons may work their own plots of ground.

But, she said, her innovatons are insignificant when compared to some of the methods and tools developed by A. S. White, author of "The Easy Path to Gardening," and a noted horticulturist who came to the United States from England for the conference.

A leading specialist on the subject of therapeutic gardening, White has planned and developed research gardens at an orthopedic center and a hospital in England and has cooperated with development of gardens at other locations as part of a gardening project for the disabled, sponsored by the Living Disabled Foundation.

He operates on the theory that gardening provides an interesting and realistic activity which many patients can understand and accept. As such, he said, it has been used in a number of different ways including rehabilitation of patients after illness or injury, training of disabled patients, assessment of disability and capability and social activities for the physically disabled.

An important part of his work has been the selection and development of specific tools and materials that lend themselves to use by individuals with various disabilities.

Working closely with doctors, patients and occupational therapists, it has been possible for him to evaluate many different types of equipment as well as garden related materials such as paths, raised flower beds and greenhouses.

The crux of Dr. T. S. Seen's brief message to the group at the luncheon break was geared to education, which he called "a critical factor in professional organizations."

"It is important," he said, "that horticultural therapists become better educated and that we also educate professionals in other fields, as well as the general public, to the value of horticultural therapy."

Head of the Department of Horticulture at Clemson University at Clemson, S.C., Seen is particularly enthusiastic about a program the state started for the blind.

Still in the process of evaluating itself and learning to know itself, the NCTRTH is reaching out to the handicapped, the elderly, the prison inmate and the inner city child. Its membership is responding to a need for local involvement.

Through its office at 5606 Dower House Road in Upper Marlboro, Md., the council provides placement service and a manpower exchange bank, resource and information pool, holds regional workshops on relevant topics and supplies professional consultation and individual benefits for developing facilities.

Information about the organization may be obtained by writing to the headquarters office or calling (301) 599–6268.

EVENTS IN GREECE

Mr. PELL. Mr. President, with the elections in Greece on November 17, representative government returns again to the birthplace of democracy. Liberty loving people, the world over, are rejoicing in this event and welcoming the Greek nation back to the fold of free peoples.

For all of its glorious history and record of creativity, modern Greece has not been the most stable nation politically. Since the end of World War II, there have been some 24 major changes of government. In part, this instability can be traced to the traumatic and disruptive events to which Greece was subjected in the postwar conflict there between Communist and democratic forces. And, since 1967, Greece was subjected to the cruel and divisive tyranny of the military junta.

Under these circumstances, I believe that the monarchy as an institution can serve a very valid purpose in Greece as a symbol of national unity and a stabilizing factor in the preservation of Greek democracy. In voting for a retention of the monarchy in the forthcoming referendum, the Greek people would be making a wise choice.

They are particularly fortunate, too, in that King Constantine is a very able and intelligent Greek patriot, matured by the events and tragedies over the past 7 years. From the time he attempted to oust the oppressive military junta in

December 1967, he has steadfastly stood on the side of Greek democracy in the struggle to restore constitutional government and the rule of law in his unhappy country.

In an historic statement in Rome 3 years ago, he reiterated his belief in constitutional monarchy and made it plain that if he returned to Greece as King, he would only do so to reign and not to intervene or to rule.

In a world where democracy today is beleaguered in so many places, it is interesting to note that where it is the strongest is not necessarily in republics, but in the constitutional monarchies in the Benelux countries, Scandinavia, and the British Commonwealth. There, too, democracy and stability go hand in hand. I believe the Greek people will want to bear these encouraging examples in mind in their search for stability based on national unity and freedom.

S. 3202, THE FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1974

Mr. WILLIAMS. Mr. President, on Friday, November 22, the Senate adopted S. 3202, the Farm Labor Contractor Registration Act Amendments of 1974. The vital importance of this legislation for the Nation's agricultural employees and employers had already been forcefully recognized by both Houses of Congress earlier this session when similar legislation was adopted by this body and by the House of Representatives. Unfortunately, that action was vetoed by the President. I am very much heartened by the Senate's action on Friday in again reasserting the importance of this legislation.

The bill adopted on Friday is identical in most respects to H.R. 13342, which was passed unanimously by the Senate on October 3, with strengthening amendments. The House subsequently adopted the stronger version of that bill with one modification and unanimously passed it on October 11. The amended version was adopted by this body on October 16 and the proposed law was sent to the President. Unfortunately, despite the strong legislative intent manifested by the decisive adoption by both Houses of Congress, the President vetoed the bill on October 29, 1974, objecting to one section of the legislation.

Notwithstanding the President's action, which I believe was occasioned by incorrect information provided him by officials of the U.S. Civil Service Commission, the need for this legislation was in no way lessened. I have had occasion to address the Senate twice during the last month on the importance of this legislation. Although my statements at that time were made with respect to H.R. 13342, they are equally and fully applicable to S. 3202 today.

The main purpose of S. 3202 is to remedy the deficiencies of the Farm Labor Contractor Registration Act of 1963. In sum, S. 3202 extends that act's coverage and strengthens its enforcement mechanisms. The adoption of this legislation will, therefore, by strengthening the Government's ability to enforce violations of the Farm Labor Contractor Registration Act, improve the terms and conditions for this Nation's migrant and seasonal farmworkers. It will also aid toward the elimination of abuses against farmers who are dependent upon the contractors for providing them with the labor needed to harvest the Nation's food crops.

It is well recognized that migrant and seasonal farm labor has long been among the most exploited groups in the Nation's labor force. Despite the vital role performed by this segment of the workforce toward providing every American with the agricultural products that we have come to take for granted, and the vital contribution that these workers have made to our economy, migrant laborers have generally suffered from inordinately low wages, long and hard hours, inadequate housing, and working conditions so bad that they frequently defy description. Similarly, the effect that these working conditions have had on that segment of the labor force is to establish a vicious circle of poverty, illiteracy, and deteriorating health among both adults and children is an unfortunate reflection of the injustices and inequities which still exist in this Nation.

Basically, there are two types of seasonal farm laborers: the migrant workers who travel from State to State performing work in fairly established seasonal patterns; and those who live permanently in the areas where they work. In both cases, employers have frequently experienced difficulty in obtaining a sufficient supply of labor for their needs.

The result has been the emergence of the farm labor contractor whose specific functions vary from job to job, but who primarily undertakes the role of providing and managing the seasonal workforce needed to perform the various agricultural jobs in a given area. The role of the contractor has grown considerably during recent years, to the point where frequently these persons now control almost all of the terms and conditions of the migrant or seasonal workforce. Due to this acquisition of control, the contractors have frequently been able to exercise an inordinate, and frequently uncontrolled, amount of influence over the workplace situation.

This has led to frequent abuses by contractors, both in their treatment of the workers and of the farmers to whom the contractor has agreed to provide the needed laborers.

In 1963, Congress sought to remedy some of these abuses by enactment of the Farm Labor Contractor Registration Act. That act requires that all contractors must be registered with the Secretary of Labor. The registration is subject to denial where there is a showing that the contractor has been convicted of certain crimes, fails to perform contracts with farm operators, or gives false or misleading information to the laborers regarding the terms or conditions of their employment.

Recent testimony before the Congress has shown that the original act has failed to achieve some of its objectives. The evidence from these hearings indicates that there is massive noncompliance with the provisions of the law. One of the major reasons for this result is that the act fails to provide any real deterrent for violations of the law.

Since the act's inception, only four persons have been referred to the Department of Justice for criminal prosecution; only one person has ever been convicted and sentenced. This factor is even more significant when read in conjunction with information from the Departmet of Labor which shows that of an estimated 6,000 contractors covered by the act, only about 2,000 are registered as required by the law. Additionally, Department of Labor investigation has shown that more than 70 percent of all contractors are probably in violation of the law.

H.R. 13342, whose provisions were identical to S. 3202 as adopted on Friday, would have remedied these failings in the original act. It provided for additional enforcement authority to the Labor Department, as well as additional resources to that agency, to effectively enforce the provisions of the act. The provisions of that bill, and the similar provisions in S. 3202, will allow the Department to enforce the act through the imposition of civil penalties for designated violations of the act, subject to judical and administrative review, and creates a Federal civil remedy for persons aggrieved by violations of the act. The bill also provided for various other remedial and strengthening provisions to increase effective enforcement of the act.

Nevertheless, despite the proven need for this legislation, the President saw fit to veto the legislation embodied in H.R. 13342. The President's reasons for the veto, as expressed in his message to the House on this matter, were his opposition to section 17 of the bill which concerned administrative hearings and proceedings. It is my belief that the President's veto was founded on incorrect information provided him by officials of the U.S. Civil Service Commission. This information and advice was provided to the President without any consultation with the sponsors of the bill or the committee, consultation which might have provided a clearer understanding of the congressional intent in section 17 and possibly avoided the need to take this matter up again.

The reasons given by the President in his veto message make it clear that his veto is not grounded upon a proper reading of section 17. The thrust of the President's message states that his opposition to the bill is based upon section 17's alleged provisions which would, in his interpretation, arbitrarily reclassify certain hearing officer positions in the Department of Labor to administrative law judges and would change the pay grade and classification of such persons by fiat. The message also states that such an action would constitute an unwarranted incursion by the legislative branch into the Federal personnel system; it also notes that the resulting effects of section 17 would arbitrarily establish pay scale differentiations without regard to the nature of the work performed.

Nothing could be further from the facts. The provisions of section 17 of H.R. 13342 neither created specific new administrative law judges nor in any way interfered with the authority of the U.S. Civil Service Commission to qualify and certify such personnel within the Federal personnel system. Section 17 was merely a proper, and I believe necessary, clarification of certain positions within the Federal Government that have already been established by prior Federal law. I have written the Chairman of the Civil Service Commission expressing my displeasure with their failure to work with the Senate Labor and Public Welfare Committee in developing an understanding of the effect of section 17. It is my sincere hope that the Commission will not, in the future, unilaterally interpret and advise the President on legislation without at least discussing their conclusions with the authors of the subject provisions. I ask unanimous consent that my letter to the Chairman of the Civil Service Commission be printed in the RECORD at this point so that the full picture of this issue will be evident.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 11, 1974.

Hon. ROBERT E. HAMPTON,
Chairman, Civil Service Commission,
Washington, D.C.

DEAR CHAIRMAN HAMPTON: We were most distressed to learn that the action taken by the President regarding, H.R. 13342, the Farm Labor Contractor Registration Act Amendments of 1974, may have been based in part on erroneous information from within the Civil Service Commission.

While we appreciate your intertest in the bill, and particularly with section 17 concerning administrative hearings and proceedings, we regret very much that you apparently failed to contact either the Department of Labor or the Committee prior to making your recommendation. We believe that if you had taken such action a clearer understanding of the provision in question would have been made known to you. Unfortunately, this was not the case, and the President has received a faulty and distorted impression of the purposes and intentions of section 17.

First of all the Presidential message to the Congress states that: "Section 17 of the bill would arbitrarily reclassify hearing officer positions in the Department of Labor, and make existing hearing officers Administrative Law Judges regardless of their qualifications. These employees would by fiat be declared to be Administrative Law Judges without regard to their capacity to fill such positions." However, the Act neither creates Administrative Law Judges nor does it in any way interfere with the authority of the Civil Service Commission to qualify and certify Administrative Law Judges. What the Act does attempt to do is clarify the Congressional intent expressed in the Longshoremen and Harbor Workers Compensation Act (33 U.S.C. 901) as amended, and to rectify the Commission's contrary interpretation that the adjudiciatory processes of the Longshoremen and Harbor Workers' Compensation Act do not apply to the Black Lung Benefits Act of 1972 (Public Law 92-303).

We might point out the Commission's prior ruling has been shared by neither the Department of Labor nor the Attorney General. It is likewise not shared by this Committee, (S. Rpt. 93-1206, Pg. 10-11)., as it was pointed out during the Senate's deliberation of H.R. 13342:

"This amendment will bring proceedings of the Black Lung Benefits Act of 1972—Public Law 92-303—into conformance with the Longshoremen and Harbor Workers' Compensation Act, which was clearly our original intention."

We would also take issue with the belief expressed by the President that, because of the "savings clause" in section 17, presently employed Hearing Officers would be made Administrative Law Judges regardless of a demonstration of their capacity to fill such a position. This is certainly not the case. Section 17 will merely have the effect of preserving the jobs of these five individuals for the limited purpose of hearing Black Lung cases until such time as they can qualify, under Civil Service Commission requirements, to be certified as Administrative Law Judges. It is our understanding that there exists ample precedent within the Civil Service Commission that such positions can be created on a temporary basis.

A concern has also been raised regarding the requirement that qualified Administrative Law Judges be classified at the GS-16 level. It has been alleged that the provision would create inequities within the Labor Department, and between positions of that agency and those in a number of other agencies, including approximately 400 GS-15 Administrative Law Judges in the Social Security Administration.

However, it is one of these very features which the amendment has sought to rectify, as noted during the Senate debate:

"It is intended by this amendment that the anomaly of the Department's hearings being conducted by personnel who occupy positions which vary in both classification and grade be eliminated."

This is not to say that it was the intention of Congress to encroach on the prerogatives of the Civil Service Commission in qualifying Administrative Law Judge candidates to the GS-16 level. The bill, will not, we repeat, will not automatically qualify GS-15 Administrative Law Judges to GS-16, unless the incumbent qualifies independently.

Nevertheless, it is well settled that the Congress can specifically require that certain hearings must be conducted by GS-16 Administrative Law Judges. Precedent has been clearly set in the legislation establishing the Occupational Safety and Health Review Commission, as well as the Black Lung Act itself; the latter requiring fiat that hearings involving questions of discrimination by operators against coal miners for filing Black Lung claims or testifying in Black Lung proceedings must be heard by GS-16 Administrative Law Judges.

With respect to the concern expressed that H.R. 13342 would create an inequity or disparity with the 400 GS-15 Administrative Law Judges in the Social Security Administration, it would appear that one rather salient fact is being overlooked—the proceedings within the Department of Labor and those within the Social Security Administration are of an entirely different nature. The hearings within the Social Security Administration are non-adversary in nature, while those under the Black Lung Act and under the Longshoremen and Harbor Workers' Compensation Act are (1) completely adversary, (2) often involve a multiplicity of parties; and (3) are eventually reviewable by a Federal Circuit Court of Appeals. A comparison between these proceedings and those conducted by the Social Security Administration is not warranted and making the level of Administrative Law Judges in the Department of Labor dependent on an entirely different kind of proceeding creates the very inequity sought to be avoided.

A more realistic comparison of the Departmental hearings under these and other Act within the Department's jurisdiction would be the proceedings of the National Labor Relations Board, the Occupational Safety and Health Review Commission, and other agencies dealing with adversary proceedings, all of which have been classified as requiring the services of GS-16 Administrative Law Judges.

The Congress has now twice expressed its desire that the procedures of the Longshoremen's Act shall be applicable to Black Lung hearings. This is consistent with other statutes including the District of Columbia Workmen's Compensation Act and the Defense Base Act, which administrative procedures have been tied to that of the Longshoremen's Act. It is our feeling that a contrary intepretation will do grievous harm to the legislative framework of the effected statutes. It could, among other things, throw into serious disarray the appellate procedures under the Black Lung Act. If the requirements of hearings under the Administrative Procedure Act as expressed in the Longshoremen Act do not apply to the Black Lung Act, then neither do the appellate procedures of the former apply to the latter. This would cause serious doubt whether the statutory Benefit Review Board or the Federal Circuit Courts of Appeals, the jurisdiction of which is based on the statutory language in the Longshoremen Act, have jurisdiction to review Black Lung cases. It could create an intolerable situation not only regarding the validity of all appellate procedures under the Black Lung Act but might conceivably place a cloud over the validity of all original hearings conducted by non-administrative law judges.

Moreover, if the appellate procedures of the Longshoremen Act do not apply to the Black Lung Act, as one would have to conclude on the basis of the Civil Service Commission's interpretation of that Act, the effect could well be a totally unexpected influx of a major caseload into the Federal District Courts. It certainly was not the Congressional intent to channel literally several thousand cases into the already overburdened Court system.

In closing, we would hope that the Commission will re-evaluate its position on this matter in light of the above. We believe that such re-thinking will be in the best interest of both the Commission and the Committee, as well as for the administrative process itself.

Sincerely,

HARRISON A. WILLIAMS, Jr.,
Chairman.
JENNINGS RANDOLPH,
U.S. Senator.

Mr. WILLIAMS. Mr. President, while I still feel that the provisions of section 17 are vitally needed, because of the lateness of the current session and the very high importance that I attach to the matters covered in S. 3202, I felt that the Senate could not afford to hold up passage of the legislation merely to assert the provisions of section 17. The President, in his veto message, indicated that he would sign the provisions of the Farm Labor Contractor Registration Act Amendments of 1974 if section 17 were deleted. Accordingly, in order to give the House the opportunity to act quickly on this legislation, and to stimulate its acceptance by the President, I agreed to delete the provisions of section 17.

Nevertheless, I hope that the Civil Service Commission will carefully reexamine the provisions contained in section 17, and in light of the specific explanations contained in my November 11, 1974, letter will reevaluate its previous position on this matter.

THE RIDICULOUS PRICE OF SUGAR

Mr. BROOKE. Mr. President, as anyone who is a regular food shopper can attest, sugar prices are soaring beyond all reason. In October of 1973, a 5-pound bag of sugar sold for 80 cents at one national chain—about 16 cents per pound. Last month, the same brand was selling for $2.33 in a 5-pound sack, or about 47 cents per pound. Since then, Northeastern sugar refiners have raised their prices three times in the last 3 weeks. As a result, sugar is now selling between 75 cents and $1 per pound. Incredibly, we are being told to expect even further increases. People are wondering why a commodity that everyone once took for granted as plentiful and cheap is now so costly—and whether it will ever be less expensive again.

For many consumers, the solution so far has been to stretch out their use of sugar by cutting out many sweets. However, for the baker, soft drink bottler, or candy maker, such a solution to high sugar prices is like telling the automotive industry to cut down on its use of steel. Virtually every bakery product depends to a large extent on sugar.

Bakers buy sugar in large lots of 100-pound sacks. Even so, in the present sugar price spiral, these bulk purchasers afford little protection against large price increases. For example, one baker has reported that 50 sacks that cost him $500 a year ago are now $2,500 and still going up.

Demand for bakery products is quite inelastic; a large increase in price brings sharp reductions in sales. Many members of the Massachusetts Association of Retail Bakers have reported to me that, even though they have had to increase their prices nearly 25 percent to compensate for increased sugar prices, their sales volume has falen as much as 50 percent. The bakery industry is now facing a persistent decline in business in its most profitable season—the Thanksgiving, Christmas, and New Year holidays.

It is important to note that such a decline in bakery sales is not without other ominous economic implications. Many bakers have already layed off essential personnel, and if prices continue to rise further layoffs will soon follow. While unemployment in this industry will not have the same effect upon our national average as those in some other industries, they are no less felt by the individuals affected and the communities in which they live.

Why have sugar prices been rising so rapidly?

There seems to be more than one answer, but they all revolve around one single fact: increased world demand.

The United States presently consumes about 11.5 million tons of sugar a year, and one-half of this total is imported. Rising affluence and rising population around the world over the past several years have increased sugar consumption worldwide at a rate outpacing the increase in production. Prices are up all over the world as more and more buyers in the international markets bid against each other for sugar at the same time that it is in its shortest supply in years. Oil-rich Arab countries have been bidding aggressively for larger amounts than they have ever purchased before. The Soviet Union, formerly an exporter, reportedly bought 500,000 tons from the Philippines this month, and the latter have suspended further export sales because of typhoon damage to crops. Poland has canceled its exports of 100 to 150,000 tons. Bad weather conditions and delayed harvests of sugar beets in Europe mean that the European Economic Community, normally a sugar exporter, will be buying large quantities.

Increased world demand has been accompanied by declining U.S. production. Here, sugar beets account for more than half the domestic production of sugar. Over the past few years, domestic sugar beet production has been declining as farmers planted more profitable wheat and cotton crops.

Beet sugar production has declined from 3.65 million tons in 1972 to an expected 3 million tons this year. Domestic cane sugar crops are also far below last year's level. Although higher prices are expected to stimulate both domestic cane and beet production, hopefully narrowing the gap between supply and demand and lowering prices to the consumer, that process will take at least a year for sugar beets and anywhere from 2 to 3 years for sugarcane. Mr. President, the American consumer simply cannot wait that long.

We are reaping the unexpected and bitter rewards of past policies designed to protect our domestic sugar producers in times of world surplus. These surpluses no longer exist. Such international agreements as those taken under the U.S. Sugar Act which allocated quotas to U.S. sugar importers on a nation-by-nation basis now are working against the American consumer. They must not be renewed when they expire at the end of next month. We must be able to purchase all the sugar that foreign nations want to sell us. Moreover, present tariff schedules that are levied on imported sugar must be eliminated. Such tariff fees are eventually passed along to consumers in the form of higher prices.

World shortage and its effect on price is understandable. However, the accompanying huge profit being announced by this Nation's sugar producers make the consumer justifiably skeptical. Profits of major sugar companies have increased by as much as 1,500 percent, and yet, they continue to raise prices. I think that the consumer has a right to ask how much more than the increase in world prices he is being asked to pay.

For this reason, I have asked the Federal Trade Commission and the Justice Department to undertake an investigation of the processing, refining, and marketing activities of the major sugar companies of this country to determine if their continuing high profits are justified or should be considered windfall. I would hope that such an investigation could begin forthwith so that we in the Congress can determine the need to proceed legislatively at the earliest possible date.

The Council on Wage and Price Stability begins hearings today on the reasons for this increase in sugar prices. However, these hearings, coming so close to Thanksgiving, make it difficult for both bakers and other consumers to participate. Nevertheless, I hope the Council will be aggressive and resourceful in its investigation, and I look forward to seeing its findings by year end.

Sugar is basic to many of the foods we eat. With the present levels of food prices already placing an intolerable burden on the budgets of low- and middle-income families, it is imperative that sugar be available to industries and consumers at fair and reasonable prices. It is little comfort to the consumer to say that in a year or two the price of sugar may return to the 20 to 30 cents-per-pound range. Many bakers are being driven out of business by the present cost of sugar. For them, these prices are not simply an inconvenience. They mean a desperate fight for survival. Whether it be baker or homemaker, all possible price relief must be sought now.

ENERGY TRANSPORTATION SECURITY ACT

Mr. LONG. Mr. President, in the several days since the Senate returned from the election recess, a number of statements regarding the Energy Transportation Security Act of 1974 have been inserted in the Record.

On November 19, 1974, a letter signed by the Director of the Office of Management and Budget was inserted in the Record. The copy of this OMB letter which was sent to my office indicates that it was prepared by Ron Chiodo, who is a well-known antagonist of the U.S.-flag merchant marine.

This morning I received a letter from Edwin M. Hood, president of the Shipbuilders Council of America, responding to the Ash/Chiodo letter. I ask unanimous consent that this letter from Mr. Hood be printed in the Record and commend it to the attention of my colleagues

There being no objection, the letter was ordered to be printed in the Record, as follows:

Shipbuilders Council of America,
Washington, D.C., November 22, 1974.

Hon. Russell B. Long,
Chairman, Subcommittee on Merchant Marine, Committee on Commerce, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: On pages 36582 and 36583 of the Congressional Record for November 19, 1974, Senator Carl T. Curtis has included what is described as "an excellent analysis of the highly inflationary impact of HR-8193."

This "analysis" is contained in a letter from OMB which, by all standards, has to be a masterpiece of officialese to support a preconceived position and to confuse an imminent legislative situation. Statements therein pertaining to shipbuilding are incompatible with the real facts of today.

So that you will be fully apprised at the time of Senate debate on the Conference Report applicable to HR-8193, we respectfully submit the following comparison of statements from the OMB letter with the real facts:

Erroneous statement: "Most major U.S. yards are now operating at or near their current capacity."

Real fact: At least seven American shipyards, at this moment, have inadequate orderbooks and are actively seeking contracts for tanker construction. Only two major tanker building yards have enough tanker tonnage on order at present to enable a continuous efficient building schedule. Additional contracts are needed now to forestall prospect of considerable early idle capacity.

Misleading statement: "The demand for labor at shipyards is now increasing at a rate of 8 to 12 percent per year, resulting in severe skilled labor shortages."

Real fact: On the contrary, there has been little net increase in shipyard employment engaged on government-sponsored merchant ship construction, since enactment of the Merchant Marine Act of 1970. The 1975 U.S. Industrial Outlook published by the Department of Commerce in recent weeks says "an average 3 percent increase in the employment level" has taken place since 1970. In certain geographical areas, there have been instances of manpower shortages in certain skills, but this condition does not support the above misleading statement.

Distorted statement: "The added demand for ships created by this will aggravate (material) shortages and add to the difficulty faced by the Navy in contracting for ships to meet its force requirements."

Real fact: Material shortages affect all of American industry, but steel for naval shipbuilding is assured, properly so, under a defense priority allocation. For the most part, shipyards which today seek tanker contracts are not engaged in naval work, and are not located in communities where naval shipbuilding is in process. The Navy's problems in contracting for ships are unrelated to the provisions of this bill and, as revealed in extensive testimony before the Seapower Subcommittee of the House Committee on Armed Services, involve procurement procedures, practices, policies and attitudes which needlessly increase costs and needlessly impede shipbuilder's performance.

Wild statement: ". . . yard capacity may have to be expanded by as much as 50 percent, according to industry sources."

Real fact: This industry source was not consulted in the preparation of the OMB letter. Our projections, under the most optimistic of assumptions for increase in orderbook commitments, support no such conclusion. Existing capacity and new capacity now being added throughout the industry, will, in our judgment, suffice for the purposes of this bill.

Illogical statement: ". . . the bill provides no incentive to the yards to hold down construction costs."

Real fact: Through series construction of tankers of identical or near identical design—an intended by-product of this bill—unit shipbuilding costs will be lowered. Conceivably, as a result of this technique and the effects of market competition. U.S. tanker prices will be more competitive with those of foreign shipbuilding countries where inflation is increasing more rapidly than here.

Unfair statement: "The material index for ships has gone up 22.6 percent in the six-month period ending July 1974, while the increase for all of FY 1973 was only 6.2 percent. Average hourly earnings have increased nine percent during the last year."

Real fact: To isolate shipbuilding in this sense is ludicrous on the part of a political regime which (1) has eschewed wage and price controls, and (2) has been unable to otherwise arrest the spiral of inflation. For most American industry, material and labor costs have increased substantially over the last twelve months, and this economic manifestation could be applied to the impact of a host of other legislation passed by, or pending before, the present Congress.

The OMB letter also makes certain statements in regard to other aspects of HR-8193, and it seems to us that Paul Hall, President, Seafarers International Union, in his statement released to the press earlier this week, competently and effectively refutes these assertions in substantial detail.

With deep appreciation of your endeavors on behalf of HR-8193 and all best personal regards, I am

Cordially,

EDWIN M. HOOD,
President.

NEED TO REVISE PRICE-ANDERSON ACT

Mr. PROXMIRE. Mr. President, much of the national debate on nuclear power development has focused on the question of insurance against nuclear disasters.

Nuclear fisssion has great potential for supplying large amounts of energy while at the same time avoiding serious environmental problems associated with burning fossil fuels. As a result, the expansion of nuclear generating facilities is high on the list of solutions offered to deal with domestic energy shortages.

Yet, despite the optimism voiced by proponents of nuclear energy, many problems remain unsolved in this area. Serious questions have been raised about nuclear theft, reactor safety, and nuclear waste disposal.

The potential benefits of nuclear power should provide a strong incentive for resolving these problems to the public's satisfaction. That the problems have not been fully resolved indicates a need for greater incentives and a workable program to meet the challenges head-on.

Noting that the public must ultimately decide if the risks of nuclear power are acceptable in view of the benefits and costs of alternative energy sources, the Ford Foundation's energy policy project has proposed a four-part program to help inform the public and lay the basis for these decisions:

First. Public assessment of the entire nuclear power program—benefits and risks—as a basis for public hearings on the program's future.

Second. Formulation of an independent regulatory program to deal with the critical nuclear power social and environmental issues, coupled with a restructuring of the nuclear R. & D. effort to emphasize effective evironmental controls on new supply technologies before—not after—they become commercial.

Third. Putting in effect an aggressive energy conservation program that will permit a more orderly, cautious development of nuclear power.

Fourth. Revision of the Price Anderson Act, which gives the nuclear industry financial protection in the event of catastrophic accidents, so that the industry has more incentive to achieve quality control in implementing environmental safeguards.

Mr. President, Herbert Denenberg, former insurance commissioner of Pennsylvania, has written an article for this month's issue of the Progressive magazine which elaborates on the last point, the need to revise the Price Anderson Act. By requiring the nuclear industry to bear the burden of proof for the reliability of its own technology, there would be strong economic incentives for insuring nuclear power safety. If, indeed, as some critics have charged, nuclear power is unduly hazardous, normal market forces would delay any dangerous nuclear operations until solutions are found.

Mr. President, I ask unanimous consent that the article by Dr. Denenberg be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR POWER: UNINSURABLE

(By Herbert S. Denenberg)

Is the present state of nuclear power technology safe? One way to answer this basic question is to analyze the scientific dispute about possible nuclear accidents and their consequences. But there is an easier way, and that is to examine the willingness of the nuclear establishment itself to assume financial responsibility for accidents and their consequences. This is a good measure of the safety and reliability of the technology. If there is inadequate evidence and experience on which to base a firm judgment on the insurance and economic risk of nuclear accidents, is there enough evidence and experience to justify putting human life at risk?

The Price-Anderson Act, enacted by Congress in 1957, limits liability for any one nuclear accident to 560 million dollars regardless of the number of victims of the dollar value of the loss. This liability is paid by private insurance to the extent of its availability, and the balance is the responsibility of the Federal Government. The Act promises to make payment of its liability in an indemnity agreement with each nuclear power plant owner, for a premium much lower than that which would be charged by a commercial insurance company. In 1957 the private insurance industry made $60 million in liability insurance available for each incident, thus leaving $500 million in liability for the Federal Government. The amount of insurance has been gradually increased to $110 million, leaving $450 million in Federal liability at the present time.

Thus, since 1957 the nuclear establishment has been protected from any liability to the public in accordance with the Price-Anderson Act. It buys whatever insurance is available, pays another premium for the indemnity agreement, and then has no further financial responsibility for losses suffered by the public. If a nuclear catastrophe were to cause damage beyond this limit, there would be no legal responsibility on the part of anyone for payment to those who suffered death, injury, or property loss.

The Price-Anderson Act, according to its proponents, is designed to protect the public as well as the nuclear industry. This claim is based more on public relations rhetoric than on actual financial analysis. It would have been possible to protect the public without limiting the responsibility for nuclear losses inflicted on the public. In fact, this must be considered a strange method of protecting the public, since its main thrust is to limit the amount of money available to the public and to shield the nuclear industry from legal responsibility.

The Price-Anderson Act is continuous proof that our present nuclear technology is not safe enough to permit those who control it to be financially responsible for its consequences. This was dramatically illustrated at hearings of the Pennsylvania Insurance Department in August 1973. The engineer of one nuclear manufacturer claimed that the technology was perfectly safe. The lawyer of the same firm insisted on a limitation of liability as contained in the Price-Anderson Act. Thus, the nuclear establishment seems to be talking out of both sides of its mouth at the same time: The public relations side said nuclear power is safe, while the economic side said that nuclear power is unsafe.

The 560 million dollar limit of Price-Anderson protection may seem like a lot of money, but in the face of a nuclear accident it could be peanuts. Several studies conducted by the Atomic Energy Commission (AEC) and by other experts have indicated that the damage from one nuclear accident could run to $17 billion or more.

The people who build and run nuclear reactors are telling the American people that they do not trust their own creation. There is no reason why the American people should have more confidence in nuclear reactors than the experts who build and own and run them.

The insurance industry shares the fear of the nuclear establishment. It limits its writings to $110 million for each incident in liability coverage, even though it will go on the line for far greater amounts for other risks. In fact, the insurance industry grows more fearful of nuclear power as the technology "matures." During the Pennsylvania hearings in 1973 on nuclear safety, it was pointed out that the commitment of the insurance industry to cover nuclear reactors had decreased since 1957 as a percentage of industry-wide surplus and assets. And the real value of the 560 million dollar limit had been dramatically reduced by inflation.

Even the Federal Government, with its immense financial resources, is unwilling to assume full responsibility for nuclear accidents. It limits its liability under the Price-Anderson Act as surely as the nuclear industry itself. Since the passage of the legislation, the Government has been lessening its liability rather than assuming more.

Under the 1974 amendments to the Act, the Government's responsibility will be further decreased, and will eventually be phased out altogether. If the chances of major nuclear catastrophes are small, why is Congress so slow to assume full responsibility and so quick to get out of even limited liability?

The answer seems to be that even the Government does not have the financial capacity and willingness to compensate for the bililon-dollar catastrophes that might be generated by our nuclear technology. This is why we must conclude that nobody could write the insurance policy we need on nuclear power plants.

Even if the Government were to remove the present limit on liability, it would still not be assuming full responsibility for nuclear accidents. There are potential losses due to nuclear radiation that cannot be properly or adequately compensated because of the difficulty of proving a causal link between a nuclear incident and delayed radiation injury. There is also the unsolved legal problem of compensating for genetic injury and life shortening caused by radiation from nuclear power plants. In addition, claims for delayed radiation injuries may be precluded because of the statute of limitations. Only in the case of an "extraordinary nuclear occurrence," as restrictively defined by law, does no-fault responsibility exist for nuclear damages. And the AEC's determination of whether or not an "extraordinary" occurrence existed is *not* subject to judicial review.

Finally, even if there were no limits of responsibility for all kinds of nuclear related accidents and damages, there could not and would not be full protection to the public because no one knows what damage has already been wrought by the operation of nuclear power plants.

The nuclear industry has not adequately monitored low-level radiation releases, and neither the industry nor scientists have adequate information about the harmful effects of such radiation. This was recently affirmed by a blue-ribbon committee's report to the governor of Pennsylvania on the Shippingport Nuclear Power Station. The committee concluded: "During the course of the investigation it became apparent that current, as well as past, environmental radiation monitoring programs are inadequately designed and carried out for determining the impact of radioactive releases on the environment. Environmental monitoring programs conducted in the vicinity of the reactor have not been properly reviewed by a qualified health physicist on a timely basis. Apparently, no qualified health physicist was in the employ of the Duquesne Light Company."

Despite claims, therefore, that no member of the public has been injured by a nuclear incident, the fact is that the nuclear industry does not even know what it is doing to the public. It has had about twenty years to work on this problem, and it has not even begun to handle it properly. This outrageous failure to protect the public was not uncovered by Congress or by the AEC, but was left to be documented by an ad hoc committee at the state level. At this late date, there has been no full-scale public health review of the impact of various kinds of nuclear facilities.

This kind of failure is all too typical of the performance of the nuclear establishment. On August 15, 1974, *The Wall Street Journal* reported that Consumers Power Co. of Michigan had been fined $19,000 for violations that included failure to control radioactive releases and to perform required safety review functions. A front page story in *The New York Times* on August 25, 1974, reported that AEC inspections of nuclear facilities uncovered deficiencies in more than one of three cases. During the year ending on June 30, 1974, the AEC inspected 3,047 facilities and found 3,333 violations in 1,288 of them. Ninety-eight of these were in the most serious of three categories of violations. The AEC imposed punishment on only eight occasions.

A 1957 AEC study known as WASH–70 estimated the consequences of a major nuclear disaster to be 3,400 deaths, 43,000 injuries, and billions in property damage. In 1965, an updating of that study raised the estimate to 45,000 deaths, 100,000 injuries, long-term contamination of an area the size of Pennsylvania and property damage of 17 to 280 billion dollars.

The AEC attempted to discredit its 1957 study by claiming it was unduly pessimistic, reflecting only the "worst possible" combination of events. In analyzing the dangers of a technology, that is precisely what should be assumed, but it was not. It is clear that the WASH–740 document made no such assumption. The document itself stated that the results reflect ". . . the philosophy of the study, in that there were no deliberate attempts to maximize the hazard. . . . This study . . . is considered neither unduly pessimistic nor optimistic."

The AEC kept the 1965 update secret for eight years until it was forced to make it public as a result of a lawsuit filed under the Federal Freedom of Information Act. Then the AEC tried to defuse both earlier studies by a third publication released in preliminary form on August 20, 1974. Instead of looking at damage potential, the AEC focused on probability of damage. This third study, referred to as WASH–1400, reports that the chances of the sequence that might trigger a serious accident are one in 17,000 during any one year for one reactor. According to the report, if 100 reactors are considered collectively, "the chances of an accident causing 10 or more fatalities is 1 in 2,500 per year or, on the average, one such accident every 25 centuries." For accidents involving 1,000 or more fatalities, the chances are one such accident in a million years.

The study tries to predict the chances of future accident by a probability analysis of accident-causing events. But as the Commission's own Dr. Clifford Beck pointed out in the 1965 study: "There is no objective, quantitative means of assuring that all possible paths leading to catastrophe have been recognized and safeguarded or that the safeguards will in every case function as intended when needed."

The AEC claims that advances in space technology have produced new techniques that can produce realistic probabilities of accidents. This conclusion was challenged in testimony before the Subcommittee on State Energy Policy of the California state assembly by William Bryan, now with the National Institute for Applied Research, who spent eleven years in the aerospace industry and was involved with reliability and safety analysis for the Apollo and Nerva programs. Bryan testified that the Commission is "pushing phony reliability and safety numbers" to demonstrate the safety of nuclear power plants. He testified further that by calculating probabilities on various failures of components that may lead to accidents, results could be useful in comparing alternative approaches to design. But he concluded that results to date are not "meaningful in any absolute sense" and are subject to manipulation.

The AEC's probability analysis may be an interesting mathematical exercise, but it is little more than that. It is not a substitute for reliable actuarial data based on experience. And however elaborate and extensive the study, it will not be relied on by the insurance industry, by the nuclear establishment, or by anyone else to set insurance rates. It is merely public relations material, not the basis of any hard decisions involving the willingness of the insurance industry or the nuclear establishment to pay for losses inflicted on the public.

The Commission's probability analysis can be viewed as a form of science fiction. It does not present the real probability of loss to the public, but a highly subjective, judgmental, and unreliable estimate of some of the possibilities of accidents. We can take the latest AEC study seriously when the insurance industry starts using it to set insurance rates. If the AEC's Rasmussen Report, which estimates the probability of a nuclear accident, is correct, then liability insurance premiums on reactors should be slashed by about 90 per cent.

Had there been real consideration of the issues of nuclear power by the public and by government agencies, we would not be where we are today. But the decisions have been relegated to a small circle of experts in the AEC and the Joint Committee on Atomic Energy, two agencies so close to the nuclear establishment as to be virtual adjuncts of it.

The Federal Government has largely preempted the field, leaving little to the states. Many state agencies do not even seem curious about nuclear power. State public utility commissions have almost completely ignored the question of nuclear safety or insurability. So have state insurance departments. Thus the decision-making process on an issue affecting us all has been left to a small group of experts and policymakers who have, in turn, been unduly influenced by the nuclear establishment. All the decisions have been pushed to the top; there the buck stopped, and the AEC as well as the Joint Committee copped out.

The experts seem to think they can repeal Murphy's Law—that "if anything can go wrong, it will." They envision a perfect technology with a thousand reactors by the year 2000, and an ongoing process of manufacturing, transporting, and storing tons of nuclear material and tons of nuclear waste. But in every nuclear industry, serious mishaps and serious accidents have occurred. As reactors multiply and deadly nuclear waste piles up, it is only a question of time until a nuclear mishap ripens into an unthinkable nuclear catastrophe. Ralph Nader has pointed out that there have been "800 serious accidents" since nuclear power plants began operating in this country. The difference between an accident and a catastrophe is pure chance, and only luck has kept one or more of these 800 accidents from ripening into a disaster.

Nuclear power safety is too important to be left to the experts. It is an issue that should be resolved from the point of view of the public interest, which requires a broader perspective than that of tunnel-visioned technicians. In the final analysis, nuclear safety is not a scientific question. It is a humanitarian, moral, and philosophical decision, one uniquely susceptible to resolution by the public.

A NATIONWIDE ATTACK ON DIABETES

Mr. McGEE. Mr. President, last week, we commemorated National Diabetes Week. The event is particularly noteworthy in light of congressional enactment earlier this year of legislation introduced by my distinguished colleague from Pennsylvania (Mr. Schweiker) launching a nationwide attack on diabetes.

In noting the observance of National Diabetes Week, I would like not only to capsulize the thrust of this legislation, but also to discuss the disease itself.

The National Diabetes Mellitus Research and Education Act required the Director of the National Institutes of Health to establish a 17-member commission on diabetes to formulate a long-range plan to combat diabetes. The commission was given 9 months in which to make its report on the long-range plan with specific recommendations for the utilization and organization of national resources for that purpose. A coordinated national research program could thus be established. The act authorized $1 million to provide continuing education of physicians, allied health personnel, and the general public.

A prevention and control program in cooperation with Federal, State, and local agencies under the Public Health Service Act was authorized to assist all communities to establish such things as detection programs.

Diabetes research and training centers are to be developed and expanded. The centers would be directed on three fronts: First, to conduct research in the diagnosis and treatment of diabetes and related disorders; second, to provide training programs for physicians and allied health personnel on current methods of diagnosis and treatment of the disease; and third, to provide information programs for physicians and allied health personnel who provide primary care for patients. Insofar as is practical, these centers are to be developed geographically on the basis of population.

The reasons for drafting this legislation were many. Studies estimate that as many as 12 million Americans could be the victims of diabetes. Its prevalence has at least doubled in the past decade.

Diabetes is the fifth leading cause of death from disease. This does not include deaths which are recorded as being caused by heart attacks, kidney failures, and other diseases of which diabetes is a contributing factor.

Diabetes is the second most common cause of new cases of blindness and, within the next 10 years, it is expected to become the leading cause of blindness. In addition, complications of diabetes frequently lead to other serious health problems including heart attacks, strokes, kidney failure, and impaired nerve function.

It has been estimated that diabetes-related sickness costs the Nation $2 billion a year due to absenteeism, disability, and productivity losses.

Just from the data we have available to us, it becomes very apparent that efforts at bringing this disease under control are essential to the national health. In this connection, I want to take this opportunity to praise both the American Diabetes Association and the Juvenile Diabetes Association for their efforts in seeking this end. Both organizations have made significant and important contributions not only to controlling diabetes, but to finding a cure for the disease as well.

HIRING QUOTAS ON CAMPUSES—REVERSE DISCRIMINATION

Mr. HATFIELD. Mr. President, I would like to call attention to a problem being experienced by some institutions of higher education related to Federal efforts to end hiring discrimination. The Office of Civil Rights of the Department of Health, Education and Welfare has been endeavoring to implement Executive Order 11246 and title VI of the Civil Rights Act of 1964. No one would challenge the goal of title VI, that recipients of Federal financial assistance offer their benefits, services and employment without regard to race, color or national origin.

The problem has arisen in applying the "affirmative action" concept as a means of ending discrimination in college and university employment practices. Some informed observers have contended that contrary to rulings of the Supreme Court, the Office of Civil Rights has been practicing "reverse discrimination" by establishing goals and timetables to make up for deficient proportions of minorities and women employees.

Small colleges have had particular difficulty complying with such requirements as showing that each unit of their institution was hiring minorities and women in proportion to those available to be hired. Also they have been excessively burdened by administrative requirements and paperwork in complying with affirmative action regulations. Many small colleges are struggling for their very existence in a period of rising costs and declining enrollments. If burdens such as this contribute to the demise of such institutions, there will be no jobs at all for women and minorities in colleges.

The House Education and Labor Committee has held hearings on this matter and will continue to investigate it. Mr. President, to shed further light on the matter I ask unanimous consent to have printed in the Record an article by Irving Kristol in Fortune magazine entitled "How Hiring Quotas Came to the Campuses."

I also ask unanimous consent further to have printed in the Record an editorial from the Wall Street Journal, of October 22, entitled, "Dellenback's Question." Some important points are raised in it originating from the hearings in which my colleague from Oregon, Mr. Dellenback, participated.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Fortune magazine, September 1974]

How Hiring Quotas Came to the Campuses

(By Irving Kristol)

Who would ever have thought, twenty or even ten years ago, that we in the United States would live to see the day when a government agency would ask institutions of higher learning to take a racial census of their faculties, specifying the proportion of "Indo-Europeans" (traditionally, just another term for "Aryans")? And who could have anticipated that this would happen with little public controversy, and with considerable support from the liberal community? How on earth did this fantastic situation come about?

Well, it all began innocently enough with Executive Order 11246, which Lyndon Johnson issued in September, 1965. This order provided that, as a condition of obtaining federal contracts, all contractors had to sign an agreement not to "discriminate against any employee or applicant for employment because of race, color, religion, or national origin." Sex was added in 1968. The order then went on to say: "The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color," etc.

IN WAYS NO ONE HAD FORESEEN

The intent of Executive Order 11246 was clear: what was envisaged was "affirmative action" ***against discrimination***. As originally interpreted by the Department of Labor (designated as the responsible executive agency), this meant that all employers with federal contracts had to post statements of nondiscrimination in prominent places, include them in all "help wanted" advertisements, inform the appropriate union of this policy, etc. In other words, the existence of nondiscrimination had to be broadcast as widely as possible, to encourage members of minority groups to apply for jobs they had previously thought to be closed to them.

So far, so good—but not for long. Over the next several years, HEW's Office of Civil Rights—to which the Department of Labor had delegated responsibility for enforcement with regard to educational institutions—began to expand the scope of "affirmative action" in ways that no one had foreseen. Gradually, the "good faith" of a university's nondiscriminatory posture began to be measured by whether or not it did, in fact, employ members of minority groups; the absence of a particular minority was taken to be conclusive proof of a discriminatory employment policy. And, inexorably, bureaucratic enthusiasm began to calibrate the measurements ever more finely. Affirmative action came to mean that the percentages of minority employees had to be representative of their proportion of the population in the area, or of the college graduates in the area, or of whatever base the local HEW officials decided was appropriate. This assigned percentage became the "goal" of nondiscriminatory employment; and to this goal there was soon appended, by bureaucratic decree, a "timetable" for the attainment of that goal. To put it shortly but accurately, a discriminatory quota system—based upon race, color, religion, six, and national origin—has been imposed upon college faculties.

All this has happened without explicit congressional or judicial sanction. The Civil Rights Act of 1964, indeed, explicitly prohibits preferential hiring on the basis of race, color, national origin, or whatever. The Supreme Court, moreover, as recently as 1971 (Griggs *v.* Duke Power), affirmed that Congress had forbidden such discrimination in favor of any minority group. But the bureaucrats retort, with a show of indignation, that affirmative action is really something very different from preferential hiring—that a "goal" plus a "timetable" does not add up to a "quota." Of all the lies to emanate from Washington in recent years, this is in some ways the most dispiriting—it is such a blatant lie, perceived by everyone involved to be a lie, in elementary logic a lie, on the record a lie.

At the beleaguered institutions, there has been much covert resentment against affirmative action, but little open opposition to it. A number of influences work to inhibit open opposition. To begin with, no university wants to face—and few can afford to face—the suspension of all government contracts and government aid for the length of time, possibly several years, that it would take to pursue the issue up to the Supreme Court. Moreover, it is very difficult to argue the case against affirmative action before the court of public opinion without looking like a racist or a sexist or some other nasty ist.

And, finally, there has always been the hope that the whole business would reduce itself to an ineffectual absurdity by its own inherent logic. After all, as one "minority" group after another begins to insist upon being included in this quota system—white ethnics, women, old people, young people, homosexuals, etc.—you end up, because of the overlapping of categories, with considerably more than 100 percent of the working population claiming some kind of minority status.

Nevertheless, college professors and administrators are beginning to get restive and to speak out, as they feel ever more directly the pressure to hire unqualified or less qualified applicants with minority status. One of the most outspoken campus voices is that of George Roche, president of Hillsdale College in Michigan. Hillsdale, a small, traditional, and generally excellent liberal-arts college, refuses on principle to accept any government funds. Roche is therefore free to speak up, as most other college presidents are not—and he does.

TWO WITH ONE STONE

His case against affirmative action as it has operated in higher education will soon be published in an unusual format—as half of a book entitled *The Balancing Act* (Open Court, $8.95). The other half will be an examination of Black Studies programs by a psychoanalyst and an economist.

With vigor, indignation, and a firm regard for the merit system, Roche documents the ways in which affirmative action is demeaning the academic community. He holds up to view the two-birds-with-one-stone letters from heads of departments to their counterparts elsewhere. ("We desire to appoint a Black or Chicano, preferably female . . ."), the fudging of racial and ethnic identities for purposes of the affirmative-action census, the arrogance and contemptuousness of fledgling bureaucrats toward distinguished scholars and traditions of academic excellence.

A useful complement to Roche's pungent account is a scholarly analysis by the Princeton economist Richard A. Lester. Written as a report to the Carnegie Commission on Higher Education, it was recently published under the homely title *Antibias Regulation of Universities: Faculty Problems and Their Solutions* (McGraw-Hill, $4.95). It is an immensely valuable study, examining the subject in patient detail. As Professor Lester describes the workings of affirmative action, many of its key assumptions are erroneous, many of its crucial concepts are ambiguous, and its imposed "solutions" are arbitrary.

The section on the position of women in academic life is especially revealing. No one doubts that individual women have been discriminated against by the "clubbiness" of a predominantly male academy. But Lester demonstrates that the "underrepresentation" of women on college faculties is largely the result, not of massive discrimination, but of cultural factors that have shaped women's attitudes, tastes, and ambitions.

A FROZEN MOSAIC

Professor Lester closes with some moderate proposals as to how the original idea of "affirmative action" can be salvaged from the bureaucratic entanglements that threaten to pervert it. One need not agree with all his suggestions to appreciate their thrust, which is to emphasize the importance of programs designed to increase the supply of qualified minority candidates (however one defines "minority") and to ensure that the demand is not distorted by bias.

No one can object to reasonable legislation that outlaws job discrimination. In a heterogeneous society such as ours, discrimination is incompatible with such fundamental ideals as equality of opportunity or even just plain fair treatment for all. Very few Americans, moreover, would object to special efforts (and the expenditures such efforts require) to assist those who, as a result of past discrimination, need a helping hand to attain true "equality of opportunity."

But to substitute a frozen mosaic of racial and ethnic groups for the kaleidoscopic pluralism that emerges naturally from a liberal society is both self-defeating and unwise. Self-defeating, because those whom affirmative action pushes into jobs for which they are not qualified know themselves to be (and are known by others to be) second-class citizens with first-class passports—and this, in the end, deprives them of the self-respect that is the true basis of equality in a democracy. Unwise, because we depend upon our institutions of higher education to sustain our standards and visions of excellence. In attempting to achieve equality, at the cost of excellence, affirmative action subverts the American democratic ideal, which aims to reconcile equality and excellence.

[From the Wall Street Journal, Oct. 22, 1974]

DELLENBACK'S QUESTION

Congress is finally waking up to the fact that something has gone haywire in federal efforts to end hiring discrimination. As our Mr. James C. Hyatt recounts in an article elsewhere in this page, one House committee has turned up an amazing, but not surprising story of disarray in the Equal Employment Opportunity Commission. In separate hearings, the House Education subcommittee has provided some insight into the way the Health, Education and Welfare Department's "affirmative action" program for college faculties has been perverted into a racial and sex-based quota system.

The trouble, it seems, begins with HEW's method of proving discrimination, something it calls measuring "parities." Instead of producing charges from some aggrieved party, all you have to do is show that the faculty has a lower proportion of women or minorities than you think it would have with no barriers. Then you give the school a timetable to meet your "goals" for the right proportions. HEW has been claiming it can do this without requiring quota hiring, which Congress has declared illegal.

This claim didn't hold up too well, though, when Congressman John Dellenback of Oregon gave the HEW bureaucrats some unaccustomed exercises in logic. During the hearings, he posed to each witness the following question:

Say you have a faculty of 1,000 white males, the result of past discrimination. You want to correct this, but there's a 20-year turnover, so you only hire 50 new people a year. If you judge these on the merits, maybe 10 would be "minority" and 20 would be women. But by the end of five years, your faculty proportions are still way below "parity." Is this good enough, since there's been no discrimination in each year's hiring? Or does the college have to go out, year after year, taking in women and minorities regardless of their merits until it meets the required proportions?

The difference here, of course, is the difference between no discrimination and "reverse discrimination." And Peter Holmes, director of HEW's Office of Civil Rights, admitted under Rep. Dellenback's questioning that, yes, reverse discrimination was what his people required. Mr. Holmes steadfastly maintained that he was talking about "goals" with timetables, not quotas, but under these conditions, it's hard to tell the two apart.

As both these hearings suggest, the bureaucracy has gone astray on "affirmative action" because it has followed the path of least resistance and tried to enforce across-the-board regulations instead of judging individual complaints. So the people who feel they really deserve redress go ignored, as with EEOC's backlog of up to 100,000 unresolved charges, while institutions across the country are sacrificing their quality as a punishment for the sins of society.

The Congressmen at these hearings were obviously surprised to see what the bureaucracy had done with their antidiscrimination laws. But Rep. Dellenback will have to ask his question repeatedly before the people at HEW realize where they are going wrong.

MINNEAPOLIS LEGAL AID SOCIETY HELPS THE POOR

Mr. HUMPHREY. Mr. President, I take this opportunity to commend the Legal Aid Society of Minneapolis for the success they have had in providing legal services to the poor. I felt that two cases illustrate both the importance and the quality of the service rendered by an agency funded in large part through OEO.

The first case, Bennett against Butz, arose because the U.S. Department of Agriculture allowed approximately $278 million of the funds appropriated for the food stamp program for fiscal year 1973 to go unspent, despite the fact that millions of persons potentially eligible for the program were not receiving assistance. Judge Miles Lord found that the Department's efforts in implementing the outreach provisions of the Food Stamp Act were a total failure. He ordered that this "surplus" be made available for present expenditure and required Secretary Butz to review all state outreach plans.

The second case, Welsch against Likins, established the right of mentally retarded residents of State hospitals to a program of habilitation. In an opinion issued last February, Judge Earl Larson ruled that such a right exists. Recently, he ordered that substantial changes be made at Cambridge State Hospital and recommended that further action be taken by the Governor and the legislature at the coming session.

Mr. President, I ask unanimous consent that excerpts from these respective decisions by Judge Miles Lord and Judge Earl Larson, Federal District Court of the District of Minnesota, be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpts From Opinion of Judge Miles W. Lord in Bennett Against Butz, District of Minnesota, No. 4-73 Civ. 284

The plaintiffs claim that the Secretary failed to implement the outreach requirements of the Food Stamp Act set forth in 7 U.S.C. § 2019(e)(5). This section mandates the Secretary to require, of each state participating in the Food Stamp Program, a plan for effective action to inform low-income persons of the benefits available under the program and "to insure the participation of eligible households." The plaintiffs claim that the Secretary failed to do this and refused to take remedial action after the states failed to formulate and implement appropriate outreach plans. (Page 3)

The Secretary's response to the Congressional directive, when viewed in its totality, is fairly described as a total failure on his part to do what the Congress clearly intended him to do. (Page 7)

Through all of these impoundment cases, which deal with a diverse number of federal statutes and programs, there is one common thread. These cases make it clear that administrators of Congressionally established programs have the authority to do what the Congress directs or permits, and that administrators lack the authority, for whatever reason, to thwart the will of Congress by failing or refusing to follow Congressional directives. In those cases in which the Court found that administrative action inconsistent with Congressionally established purposes and standards resulted in the non-expenditure of funds, a course of action has been required which was consistent with implementation of the Congressional purpose. *See e.g., Highway Commission of Missouri v. Volpe, supra.*

In the present case, the Court has found that the Secretary failed to act in accordance with the outreach provisions of the statute. His actions frustrated and thwarted the will of Congress. As a result, effective action to insure the participation of the many persons eligible for the food stamp program did not take place during fiscal 1973 and $280 million appropriated by the Congress to meet the nutritional needs of poor people went unspent. By his inaction in outreach, the Secretary impounded that money as effectively as he would have done had he proclaimed publicly that he would not implement the program to the extent authorized by the Congress.

The Court is compelled in such circumstances to order the Secretary to use these funds already appropriated by the Congress for the purpose intended—to provide for expansion through effective outreach efforts of a program designed to alleviate hunger and malnutrition by increasing the food purchasing power of low-income households. To do less would be to allow the Secretary to disregard the rule of law. The elected representatives of the people have established the law. It is the Secretary's responsibility and duty to implement that law. When it is demonstrated that he has failed to do so, it is the responsibility of the Court to require compliance with the standards set by Congress. (Pages 18–19)

Excerpts From the Decision Dated February 15, 1974, of Judge Earl Larson in Welsch Against Likins, District of Minnesota, No. 4-72 Civ. 451

The evidence in the instant case is overwhelming and convincing that a program of "habilitation" can work to improve the lives of Cambridge's residents. Testimony of experts and documentary evidence indicate that everyone, no matter the degree or severity of retardation, is capable of growth and development if given adequate and suitable treatment. (Page 8)

It does not suffice, therefore, to show that conditions have been upgraded at Cambridge, that the situation will continue to improve in the future, and that even more achievements would be forthcoming were it not for the restrictions imposed by the legislature. It is the Court's duty, under the Constitution, to assure that every resident of Cambridge receives at least minimally adequate care and treatment consonant with the full and true meaning of the due process clause. (Page 11)

Excerpts From the Decision Dated October 1, 1974 of Judge Larson in Welsch Against Likins

With the exception of the Dellwoods, the design and construction of most of the residential buildings at Cambridge are inappropriate for long-term housing of retarded persons. They are overly large and provide minimal opportunities for privacy, comfort, or other elements of a normal living environment. These facilities are particularly unsuitable for housing children. (Page 7)

Many of the living conditions at Cambridge are not consonant with what one would expect to find at large facilities for the housing of normal, non-retarded persons and thus do not conform to the normalization principle. Living quarters, bathrooms, and sleeping areas are often lacking in adequate privacy. Most residents do not have individual chests, closets, or desks to maintain personal possessions. Equipment is in short supply. Some residential areas are devoid of furnishings, and others are inadequately furnished. (Page 8)

These deficiencies in the living conditions at Cambridge are attributable primarily to a persistent shortage of funds for equipment. For the 1969–1971 biennium Cambridge requested $273,524 for special equipment, and it received only slightly more than $52,000 from the State Legislature. For the following biennium Cambridge sought $159,799 for equipment, and it received about $46,000 from the Legislature. For the current 1973–1975 biennium it requested $106,297 for special equipment, and it received $42,000 from the Legislature. (Page 8)

The evidence presented at trial and during the post-trial proceedings leads to the inescapable conclusion that, with scattered exceptions, Cambridge lacks sufficient direct care staffing for purposes of basic custodial care or for effective habilitation of its residents. (Page 14)

Because of these vagaries, particularly the uncertainty of availability, the Court will not now require the Commissioner to hire the additional personnel plaintiffs seek. As with direct care staff to meet the ACFMR standards, however, the Court will order her to recommend that the Governor request the hiring of many of the professionals sought by the plaintiffs, and it again urges that the executive and legislative branches heed this recommendation in order that plaintiffs are provided with more than merely minimally adequate care and treatment. (Page 26)

Although many of the developments that underlie the current conditions at Cambridge antedate the defendants' assuming their present positions, certain of the problems, particularly those pertaining to staffing, could have been alleviated had more forceful action been taken by the DPW within the last few years. (Page 31)

While Cambridge has progressed in recent years, the journey towards humane and adequate care and treatment of these persons still has a long way to go.

The measures prescribed herein are means of reaching those goals. In so doing, the Court continues to reflect its concern for "the practical limits of its abilities to resolve what is essentially a question of conflicting legislative priorities." *Id.* There is little to be gained by ordering relief that cannot realistically be effectuated, yet for which the defendants would be accountable for noncompliance. Thus, to mandate that the Commissioner add several hundred direct care employees at Cambridge would unfairly subject her to potential judicial sanctions for circumstances that are beyond her immediate control and ultimately dependent upon approval by the Governor and Legislature. But neither the Governor nor the Legislature are parties to this action, and the Court has no direct control over them. (Page 33)

On the other hand, compelling the defendants to undertake certain significant measures and to further require the Commissioner to recommend authorization of other large scale improvements at Cambridge would be practical and, buttressed by the authority of this Court, likely to result in substantial compliance by those with ultimate authority in the matter. (Pages 33–34)

On the basis of the evidence in this case the Court believes that the provisions to be ordered herein are feasible and practicable means of achieving minimally adequate conditions and practices at Cambridge and will bring about a new and substantially better day for the mentally retarded.

It will then take the resolve and cooperation of the executive and legislative branches of State government, in conjunction with other instrumentalities, to remedy the years of neglect and inadequate care and treatment that the plaintiffs have suffered. They should be mindful that "[h]umane considerations and constitutional requirements are not, in this day, to be measured or limited by dollar considerations. . . ." (Page 34)

CHARTERS FOR AFFINITY GROUPS

Mr. HATHAWAY. Mr. President, on October 30, 1974, the Civil Aeronautics Board proposed to terminate the authority of air carriers to operate charters for affinity groups. For more than 25 years affinity groups, such as Shriners, B'nai Brith, Knights of Columbus, medical and bar associations, ethnic organizations, and fraternal organizations, such as Elks, Rotarians, and Kiwanians, et cetera have been using affinity charters for conventions, meetings, or vacations. Students, schoolteachers, and labor groups are also dependent on affinity charters for low cost, mass air transportation.

Charters more than any other form of air transportation conserve fuel in these trying times and are anti-inflationary since the cost per passenger on a full planeload is much less than that of a plane one-half to two-thirds full. Accordingly, I am concerned that the public may be deprived of the basic type of charter flight without any substitute having been proven in the marketplace. If the termination of affinity charters were deferred while substitute authority meeting the needs of the public to a greater extent than affinity charters is made available, the public might voluntarily move away from the use of affinity charters. On the other hand, the termination of affinity charters without a tested substitute would deprive the public of low cost, mass air transportation and wreak havoc with those air carriers dependent on charters.

On November 7, Senator KENNEDY, the distinguished Senator from Massachusetts, held hearings on the general subject of charter rates and the actions of the CAB concerning compliance with the Administrative Procedures Act. I attended a portion of these hearings and I have acquainted myself with the record and am concerned that actions are being taken by regulatory agencies which are not consistent with the needs of the public and which may very well be in violation of Federal statutes.

I hope my colleagues will join me in questioning this decision by the CAB—both as to its substance and the procedures by which it was reached. It is time to take a long look at actions of our Government which have the effect of perpetuating monopolistic practices to the detriment of the consumer and this charter flight question seems to me to be a good place to start.

THE DEATH OF PUBLISHER DAVID G. RICHARDSON

Mr. McGEE. Mr. President, Wyoming recently lost one of her most outstanding citizens with the death of David G. Richardson, publisher of the Rock Springs Rocket-Miner for 37 years.

A man dedicated to the betterment of his community and State, David Richardson has left many memorials to his exceptional capabilities and outstanding qualities. Among these are Western Wyoming Community College, the Sweetwater County Girl Scout Camp, and the newspaper he headed for so many years.

An active Democrat, I can personally attest to the many contributions David Richardson made to our party at the State and national levels. Through our political association, I gained much from his advice and counsel.

Wyoming has lost a friend and benefactor. Those of us who knew David Richardson and worked with him will always cherish his friendship and abilities.

I ask unanimous consent that recent articles appearing in the Rock Springs Rocket-Miner reflecting on David Richardson's life be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DAVID G. RICHARDSON DIES; PUBLISHER HERE 37 YEARS

David G. Richardson, 72, prominent veteran Wyoming publisher, died Sunday, Nov. 10 in Phoenix, Ariz. following a short illness and major surgery.

Considered by many to be the dean of Wyoming's active publishers, Richardson's newspaper career spanned more than a half century. He was a member of the Wyoming Press Association for 40 years and served as the association's president during the early '40s.

He was editor and publisher of the Rock Springs Daily Rocket-Miner at the time of his death, a post he had held the past 37 years.

He began his Wyoming newspaper career in Newcastle in 1934 when he purchased the Newcastle Newsletter-Journal in partnership with the late Tracy S. McCraken. Prior to that time he had worked for the Omaha, Neb. Daily News and the Lincoln, Neb. Star.

In 1937 he and McCraken purchased the Rock Springs Rocket and converted it to a daily publication. Shortly thereafter they acquired the Rock Springs Miner and combined the two publications.

In the early '50s, they purchased radio station KVRS, which the company operated until Sept. 1 of this year.

Born in Firth, Neb. on Feb. 11, 1902, he was the son of Eugene E. and Anna Hoffsteadt Richardson, who preceded him in death.

He attended schools in Omaha and was graduated from the University of Nebraska at Lincoln in 1925 with a major in journalism and law.

While at the university, he was a member of Kappa Sigma fraternity; Scabbard and Blade military honorary; the Innocents Society, a men's scholastic honorary, and was editor of the "Cornhusker," the university yearbook.

It was during the time he attended the university that he began his newspaper career with the Lincoln Star.

He was married to the former Margaret Edwards in North Platte, Neb. on Aug. 14, 1929.

Active in Democratic political circles, he was a precinct committeeman for many years and a delegate to four consecutive national Democratic conventions between 1952 and 1964. In the 1960 convention, Richardson tallied and cast the votes which nominated John F. Kennedy to be the Democratic candidate for president.

He served on the powerful Credentials Committee of the National Democratic Committee.

He was president and a director of Rock Springs Newspapers, Inc.; president and director of Wyoming Broadcasting Co., and a director of Laramie Newspapers, Inc. He had also been a director of the First Security Bank of Rock Springs.

Active in community affairs, he was a member of B.P.O. Elks Lodge No. 624; the Rock Springs Lions Club, of which he was a past president; the Rotary Club; the Masonic Lodge and the Korein Temple of the Shrine.

He is credited with providing the original impetus toward establishment of Western Wyoming College in Rock Springs with an editorial depicting the needs for a community college in this area.

He organized and sponsored the first Rock Springs Football Special train from Rock Springs to Laramie for a University of Wyoming football game. This annual train later became known as the Rock Springs Quarterback Train.

He served on the advisory board of the University of Wyoming College of Commerce and Industry.

He spearheaded a drive in 1949 to raise funds to build a Girl Scout Camp on Fremont Lake by sponsoring Horace Heidt talent shows and appearances of the U.S. Marine Band in Rock Springs. The camp became known throughout the state as Sweetwater County Camp For Girls, Inc.

One of the top trapshooters in the Rocky Mountain area, he garnered top honors in several state and national shoots. He was named to the Wyoming All-State Trapshooting Team in 1969 and 1973. He held membership in the American Trapshooting Assn.; Wyoming Trapshooting Assn., of which he served as president and member of the board of directors, and the Rocky Mountain Oysters, of which he also served as president and a member of the governing board.

He was the Wyoming State Seniors golf champion in 1966. His other hobbies included fishing and hunting.

In addition to his wife, Margaret, he is survived by a daughter, Mrs. J. A. (Patricia) Guthrie Jr. of Laramie; a son, Charles E. Richardson of Rock Springs; two sisters, Mrs. B. A. Mathews, and Miss Mabel Richardson, both of Omaha, Neb.; five grandchildren, John A. Guthrie III and Ellen Guthrie, both of Laramie, and Charles Alan Richardson, Eliaine Richardson and Carla Richardson, all of Cheyenne; one niece and two nephews.

Funeral services will be conducted Thursday at 10 a.m. at the Episcopal Church of the Holy Communion with the Rev. George Mackey officiating. Graveside services will be at 11 a.m. Friday with burial in the Green Hill Cemetery in Laramie. Friends may call at the funeral chapel, 154 Elk Street Wednesday evening and Thursday until time of services.

The active pallbearers will be Dr. G. Myron Harrison, Paul J. Watacha, Eiden Johnson, Elmer Likes, Don Anselmi, Lewis Zaversnik, Arthur Rosatti and Forrest Kessner, all of Rock Springs.

Honorary pallbearers are R. R. Allbaugh of Laramie; O. B. Koerfer of Phoenix; Robert S. McCraken and Walter D. McCraken, both of Cheyenne; Hugh Knoefel of Worland; Ted O'Melia of Rawlins; Edward A. Fulcomer of Fort Collins, Colo.; William C. Grove of Cheyenne, Leno Ceretto and Helen Pulos of Rock Springs.

FRIENDS, ASSOCIATES LAUD PUBLISHER RICHARDSON

Friends and associates of David G. Richardson, who died Sunday after serving as publisher of the Daily Rocket-Miner for 37 years, paid tribute to him Tuesday.

Congressman Teno Roncalio of Cheyenne said that Mr. Richardson had a profound effect on his young life. "He always had time to be helpful," Roncalio said, "He was a good mentor. And he was a dedicated Democrat. He gave the Democratic party a strong and sustained strength. His guidance was always welcomed." Roncalio said he deeply regretted that he would not be able to attend funeral services Thursday in Rock Springs.

Mayor Paul Watasha of Rock Springs said, "I've known Dave for a long time. We went to three national conventions together. He was a very loyal friend and decent man. I enjoyed knowing him. I picked his brain a lot, too."

Ted O'Melia, president and publisher of the Rawlins Daily Times, said, "He was a real fine, dedicated newspaperman. I knew him for forty years. We practically grew up in the newspaper business together. He was a fine citizen."

Robert Johnson, Rock Springs attorney, said, "I was associated with Dave in the newspaper business many years. I first met him in the late '30s. He was an extremely capable man, an excellent newspaper publisher. I think the things he accomplished for the community during his lifetime are a great testimonial to his ability."

Robert S. McCraken, president and publisher of the Wyoming Eagle and Tribune in Cheyenne, said, "Dave Richardson was simply a remarkable newspaper publisher, a dear family friend and always a source of strength and counsel. He will long be missed by many."

Don Anselmi, Rock Springs businessman and chairman of the Democratic Party in Wyoming, said, "I'm deeply saddened at the loss of a very dear friend and loyal Democratic supporter. It was through Dave's intercession that Wyoming was able to deliver all of its votes in the national convention of 1960 and nominate John F. Kennedy. We all benefited from his counsel and extend our heartfelt sympathy to his family."

R. R. Allbaugh, president and publisher of The Laramie Boomerang, said, "I've known him for over 25 years. He's been a close personal and business friend, and his loss will be keenly felt through the state."

TRIBUTE TO DAVID G. RICHARDSON

(By Elmer Halseth)

Rock Springs, Sweetwater County and all Wyoming has lost an outstanding citizen, editor and builder in the passing of my friend, Editor David G. Richardson.

It is my wish to acknowledge the splendid efforts he made in the creation of Western Wyoming Junior College.

Having been a teacher my big interest has centered on education and back in the 1950s the thought came that Western Wyoming should not only keep pace with other areas of our state but that Rock Springs was the ideal location for a Junior College.

With the idea in mind it became my pleasure to talk with Mr. Richardson about such an educational venture and ask for his advice. He suggested that I go home and write an editorial proposing that a junior college be established in Rock Springs. He offered to publish the editorial.

In rather haste the editorial was composed and editor Richardson gave a prominent space for the article in the Rocket-Miner.

The junior college idea caught fire and a vote was held. This time the endeavor failed since one voting district rejected the venture.

Several months passed when again Mr. Richardson gave me an audience dealing with the erection of a two-year college. The second election passed with a large plurality and the WWC began its infancy and has continued growing until today the school is one of the finest in the Rockies.

David G. Richardson, to my knowledge, never expected nor did he seek recognition for his tremendous help in making Rock Springs noted far and wide for its educational facilities.

It is with great respect and humility that I attest to the effectiveness that David G. Richardson offered and so bounteously continued to give to make higher education available to hundreds of our youths to this time, and to the youths in the years ahead.

DETROIT'S WARNING TO THE NATION

Mr. GRIFFIN. Mr. President, in a Senate speech last week I sought to focus attention on the critical plight of Michigan auto workers and others whose jobs depend on the automobile industry.

I urged Congress to "get off the back" of the auto industry—and to recognize that Michigan's problems today can become the country's problems tomorrow.

This morning the Washington Post carried a perceptive article by Austin Scott entitled, "Detroit on the Brink of Depression."

As reporter Scott observes—

> For decades, the "Motor City" has prided itself on being an advance indicator of the state of the national economy. Now it's a city in deep trouble.

Mr. President, as Detroit goes today, so goes the Nation tomorrow—unless action is taken to change the course of events.

Detroit's problems are a forewarning of what can be expected to happen in cities around our country—unless Congress acts now to improve the state of our Nation's economy.

I ask unanimous consent that the Post article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 25, 1974]

DETROIT ON THE BRINK OF DEPRESSION

(By Austin Scott)

DETROIT.—The frail old man made a pathetic picture as he clutched his coat tightly and stepped out into a 28-degree wind, complaining loudly to no one in particular that the unemployment office he had just come from would not give him the bus fare to get the two miles to the Social Security office where they had sent him.

He would have risked pneumonia trying to walk it, had not someone overheard him and offered a ride.

Later that evening, a shivering couple in their 30s, paused before the seductive glitter of a crowded, high-fashion shoe store, went in on impulse, and came out with matching pairs of his-and-hers knee length red leather boots. The bill was more than $80.

"They say there's a depression coming," the man commented. "These'll make it easier to take." They laughed, hugged each other, and walked off arm in arm into the night.

"While the stylish well-to-do and the battle weary poor have always lived close to each other in American cities, there are elements to the recession now tightening its grip on Detroit that make these sharp contrasts even zanier than usual.

Retail sales are up 7 per cent over last year, and Hudson's, the major department store, said it does not anticipate a sales problem. Food stamp lines here, however, have grown so long that some are closed off at 8:30 or 9 a.m. so that those already waiting will have a chance to be processed by closing time in the late afternoon.

Massive layoffs, principally in the dominant auto industry, have sent unemployment soaring toward 14 per cent in the city. However, the number of employed is also rising, particularly in the service industries and in government, with agencies adding clerical workers to process the mounting claims.

Chrysler Corp. President Lynn Townsend says the depressed auto industry desperately needs a buy-a-car-now campaign, while some private charities say they can no longer meet steadily increasing requests for food and clothes.

"I have trouble explaining those extremes myself," said David Littman, an economic analyst who compiles the Detroit Area Business Activity Index.

For decades the "Motor City" has prided itself on being an advance indicator of the state of the national economy. Now it's a city in deep trouble.

Depending on whether you listen to the Chamber of Commerce or the Census Bureau, between 13 and 18 per cent of Detroit's jobs come from the auto industry, either one making it the largest city tied so closely to the fate of a single industry.

Auto industry layoffs are expected to total 200,000 soon, half of them indefinite layoffs.

The big signs along the city's freeways that blink out a steady, electric count of the number of cars built in 1974 have climbed past 6.8 million. Leonard Woodcock, president of the United Auto Workers, said the trouble is that cars are selling at an annual rate of 5.4 million, just 300,000 units above the levels recorded during the 1958 recession.

Coleman Young, elected Detroit's first black mayor a year ago, says his city is teetering on the brink of a depression.

Some parts of it have already slipped over the brink, the mayor said, citing 25 per cent unemployment for the mostly white building trade, and 40 per cent unemployment among inner-city black males under 35.

According to mid-October figures, compiled before the biggest wave of auto layoffs was announced last week, Detroit unemployment is 11.5 per cent, compared to 8.1 per cent for the county metropolitan area, 7.3 per cent for all of Michigan, and just over 6 per cent for the nation.

Businessmen, city and state officials all agree that a major factor in keeping such things as retail sales up is the auto industry's Supplemental Employment Benefits program. SUB guarantees workers with two years' seniority almost 95 per cent of their straight time take-home pay for a full year after being laid off.

The result has been a decided lack of panic among the 43,900 Chrysler workers, 30,000 General Motors workers and 3,000 Ford workers scheduled for layoffs around the country in the coming weeks. Most of the GM layoffs are scheduled to last only a week or two.

Oliver Ford, an inspector with two years seniority, said he is "not hurting," and does not expect to be hurt "if they get my SUB check out to me quickly." He plans to devote more time to social work courses he's taking at Wayne Community College.

Charles Goulah, a production office clerk with 20 years seniority, said he is not worried either, and is planning a "normal Christmas" for his wife and three children.

The situation is markedly different among the jobless who have no SUB benefits.

Robert Giecewscz, 26, quit his local truck driving job last fall to be trained as a long-haul truck driver, and now he cannot find work in the Detroit area. He is two months behind in his $175 house rent, cannot pay his utility and telephone bills. this month, and is not sure where the gas is going to come from to keep looking for a job.

"I applied for welfare," he said. "I figured I was too much of a man to do it, 'cause everybody said you gotta do it. Sometimes some things happen that you gotta do."

Richard Woods, also 26, was laid off last week. He had been a spray painter at a Chrysler plant, and because he had been the victim of a steady series of layoffs over the past three years he never accumulated the seniority necessary for SUB benefits. Woods, who has no family, said he is looking for work again, but is pessimistic about finding any.

The economic forecast for Detroit is not encouraging, although Chamber of Commerce spokesman Jack Steiner remains determinedly optimistic.

"The current prognosis is for retail sales to be up 8 per cent for the year," Steiner said. "The layoffs are bad, of course," he said, but "they're not that much of the buying public," and SUB keeps their income up.

Total employment is up, September was the highest September on record. There is no question that Detroit is a healthy city. It's the fifth wealthiest city in the country. I think he (the mayor) is overly pessimistic."

Littman's business index fell off substantially in October, down 7 points to 115 on a scale where 100 equals 1967.

"My assessment is we're in . . . the slide into a recession," Littman said. "The index will continue to fall, probably down to the area of 104 or less by January or February. That's a very sharp decline."

Although Littman predicts a recovery starting around next May, he admits that this is a fragile prediction. The economy is "just terribly susceptible" to a long coal strike, another Mideast war, another bad harvest, "any one of those things could put us into a sharp, sharp decline," he said.

By all accounts, those who have fared the worst in Detroit's economic decline are the poor who could not easily lower their standards of living because they had so little left.

Focus Hope, which runs a supplemental feeding program for children up to six and their pregnant or nursing mothers, has stretched its budget to cover 20,000 people each month, instead of the 15,000 to 18,000 authorized.

Many of the women who line up for Focus Hope food say they would not be able to feed their families without the donated government commodities.

TREAT RECESSION, NOT JUST INFLATION

Mr. MUSKIE. Mr. President, nearly a month ago I spoke over nationwide television on the economy.

I was frankly critical of the Ford preelection economic program because it was designed solely to curb inflation and did not deal with the reality of recession.

I have been in Maine with my constituents most of the time since that speech.

And I can tell you what they think is wrong with the economy: Rising unemployment—shrinking sales—recession. They are simply not prepared to accept the idea that this Nation must "go through the wringer," as the economists put it, in order to beat inflation.

That was my view when I spoke on October 22, and it is my view today.

And I regret to say that the White House, while it now says the economy may be a little soft, has not changed course one bit. They have only suggested that people in Kennebankport and Augusta—who are already on very tight budgets—spend a little more to keep the economy going. That would not work.

I believe the proposals outlined in my speech will work. They will enable us to deal successfully with both recession and inflation. I ask unanimous consent that my text be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

THE STATE OF THE ECONOMY—A DEMOCRATIC VIEW

(By Senator EDMUND S. MUSKIE)

A week ago President Ford addressed you from Kansas City on the problems of our economy.

He gave us a list of ways we can help cut waste and keep prices down. Many of those suggestions came from you in the first place.

They show—if anybody ever doubted it—that there are plenty of Americans willing to do their part to straighten out the economy.

But to a great many of us in Congress—and to many, many Americans around the country—the President's economic policy and his Kansas City speech raise serious questions:

Are the sacrifices he called for to be equally shared?

How much of a drop in the rate of inflation can we expect, and when—for these sacrifies? . . . and at what cost in jobs lost?

Admonitions to "balance your family budget" when the family paycheck will not cover bare necessities begs the question of what we must do. And to families which are really squeezed, it is cruel advice.

Advice to "save as much as you can and watch your dollar grow" in the face of an obviously shrinking dollar is more of the same.

What I am going to say comes not from partisanship. . . not from any illusion that our economic problems are simple . . . and not from any desire to complicate the President's task.

Moreover, I think Congress has demonstrated its willingness to cooperate with the President in cutting low priority Federal spending. We have shown that we are prepared to set an example for the country. . . that we are anxious to reduce the taxpayers' burden. . . that we want to have some funds left in the Treasury for this Nation's high priority agenda.

Finally, the Administration's program has some sound elements which all of us recognize and support.

But in all frankness, the President's speech does not reflect the seriousness of our economic situation. My concern is that it aims entirely at slowing inflation, which is part of the problem but denies the threat of a deep recession, which is more and more real to millions of American families. . . that it will put this country through the wringer unnecessarily. . . and that the final result will be a weaker Nation and not much progress on inflation.

Let us try to put the problem in down-to-earth terms:

Most families in America belong to what we could call the "struggling class."

Through hard work, they hope to achieve some basic goals: to buy a home and pay off the mortgage, to educate their children, and put some money away for retirement.

These are modest aspirations. All we really want is the freedom to make a go of life in our own small way.

Those in the struggling class know who they are.

You don't benefit from tax shelters, or investment tax credits, or depletion allow- In the last year, all this has been turned ances.

You're not rich. Some of you are poor according to the figures.

When you were younger, the salary many of you now earn looked good. And you expected each year to increase your pay.

In the last year, all this has been turned around . . . and that is the real measure of America's economic crisis. Your purchasing power and your real income have declined. More declines are on the way, and these declines are going to affect you and your family.

So we have a real and urgent interest in what kind of economic medicine we are asked to take . . . and who takes it.

To understand today's crisis, we have to look back to the chaos of startstop, short-sighted economic policy-making over the last six years.

When the Nixon Administration took office, prices were increasing, but at about *four* percent a year. Last year it was 13 percent. This morning the Consumer Price Index for September showed a 15 percent annual rate of increase . . . and 25 percent for food. A loaf of bread that cost 22 cents in 1968, costs 43 cents now.

Unemployment then was three-and-a-half percent. Today it is approaching six.

The prime interest rate then was seven percent. Today, it is just beginning to edge down from twelve.

The dollar that you earned in '68 is now worth 75 cents, and falling fast.

We have had two freezes and four phases, two recessions and two dollar devaluations. We've had tight money, runaway prices and unemployment.

Whatever else you may say about the whole Watergate affair, it meant tragic, costly neglect of the public business of America.

So it is asking a lot, I think, to go to the American people now with buttons and slogans, and assure them that everything will come out okay in the end.

Five-and-a-half million people are out of work—today.

Half a million of them lost their jobs last month.

More will lose their jobs in coming months.

All of this has happened against the backdrop of some very powerful economic forces which have upset America's traditional sense that there is plenty of everything we need.

The cost of imported oil has quadrupled in the last year, and our dependence on imports continues to grow.

Some countries that supply other raw materials have decided the world will pay dearly for their products.

Crop failures here and abroad have caused shortages which have driven up food prices.

The Vietnam war strained our economic system greatly as we tried to provide guns and butter without regard to paying the bills.

And finally, the conventional method of curbing inflation with tight money only heightened inflation and produced unemployment.

These forces—some from abroad—have run too long for simple solutions. As H. L. Mencken once said, "There is a solution to every human problem that is simple, neat, and wrong."

Not that any of these underlying problems is insurmountable. We can lick them. We can win, as the President says.

But we will do it better, and faster, with greater resilience, if the full resources of a strong American economy can be brought to bear. And an economy flat on its back in recession cannot cope.

So the cost of a deep recession will be high, not only for struggling families, but for America.

All Americans wish President Ford well. We look to him for leadership. But does his program measure up?

We must be disappointed that President Nixon's men of narrow vision are still in the White House—the ones who engineered the policies of high interest, high prices, and high unemployment . . . who continue to make the economic policy President Ford pursues.

And we are dismayed that at a time of economic hardship for most Americans—particularly in the middle and lower income brackets—the most the President has to offer is more taxes for many Americans.

I believe it is offensive to most of us that the Chairman of the President's Council of Economic Advisors puts stockbrokers at the top of the list of Americans who are hurt by inflation.

His endorsement of the law Congress had already shaped to aid the housing industry was welcome but overdue.

His desire to reduce federal spending is one most of us share. We are troubled that the President has not specified where he would cut the budget. He has given us no assurance that it would not be in the areas of greatest domestic need.

He proposed a massive increase in tax benefits to business. No doubt this will mean some jobs in the long run. But he has proposed that individual middle-income American families should pay for these business tax benefits.

Removing limitations on the production of rice, peanuts and cotton offers no real hope of a better life to most farmers . . . or lower prices at the supermarket.

These are the depressing realities about the President's economic message. It strikes hardest against the average American family. It exempts those who already have most. It does little for those who have least.

And it fails to acknowledge the cost, or the threat, of a serious and prolonged recession.

The Nation needs decisive action in four areas:

First, we have to deal with the reality of recession. The technical standard has been met—shrinking output for the last three quarters. The human standard has certainly been met—payless paydays, empty cupboards and the discouraging search for work in more and more American families.

Any belt-tightening at the Federal level must take full account of whose middle gets squeezed . . . whose job is lost . . . whose income in cut. Let us never forget that inflation and unemployment hit first and hurt most at the grassroots. They are human problems, not statistics. And government has a responsibility to deal with that impact.

The President should tell us the cuts he proposes to make before the election next month, so that we can debate what he has in mind.

The Federal Reserve should further ease its high interest rate policy. The President referred in his speech to the needs of the housing industry, which is in a depression, and not just a recession. The Federal Reserve should supply credit at reasonable rates, especially to housing and small business.

Rather than the five percent inflation surtax the President has proposed for middle Americans, he should increase the minimum income tax on the wealthy and make estate taxes more equitable. This would raise about the same amount of revenue from those who can truly afford it without cutting back on consumer demand which is already slack. There is no economic justification for taxing the buying power of middle Amerians at a time when we are in a serious national recession.

Next, we need direct, aggressive action to slow down the wage-price spiral. And we must use methods which won't deepen the recession.

A deep and prolonged recession probably would bring prices down. If enough people are out of work and can't afford to buy, businessmen are less likely to raise prices.

If enough workers are laid off, others are less likely to push for higher wages, no matter how much they are hurting.

If we are willing to accept unemployment at seven or eight percent for a couple of years, we might see inflation drop to seven or eight percent, too. And that's not good enough.

The responsible alternative is a national policy of wage-price restraint based on assurances rather than fear—

. . . assurances to businessmen that their costs for materials and labor will moderate;

. . . assurances to workers that their cost of living will become manageable;

. . . and a commitment from both to help break the futile, self-defeating game of catch-up that all are now forced to play.

The President should do some hard bargaining—to dampen price and wage increases that are about to occur. The roll-back on automobile price increases was a small but worthy start.

I would like to see the President meet regularly with business and labor leaders in all major sectors of the economy to work out guidelines for action and agreements for restraint.

A temporary cut in payroll taxes to help fatten pay envelopes could be a central part of a trade-off to help moderate wage demands.

But let us be clear that if vigorous, voluntary wage and price controls fail, mandatory action must be taken. If the President wants Americans to eat less, drive less and demand less, he should be prepared to ask some of them to charge less.

It should be made clear beyond doubt that achievement of price and wage restraint is national policy.

Third, Congress and the President must now make a fresh commitment to tax *equity for all Americans*. In these hard times, the inequities of our tax structure are all the more glaring . . . and our commitment to greater equity should be all the stronger.

The President has suggested some changes in taxes, but the mixture is wrong.

As I said before, we can raise as much by increasing minimum taxes on the very rich and increasing inheritance taxes on great estates, as the President can hope to raise with his tax on middle-income families. The five percent surtax on corporations designed to pay for the first year of the increased business tax credit should be extended as long as the credit lasts, so that ordinary working Americans do not have to foot the bill for business investment in the future.

Finally, America must address itself to one of the chief engines of inflation . . . and one where we are now most at the mercy of forces beyond our borders—*the energy shortage*.

This year, two-and-a-half percentage points worth of inflation came from higher oil prices alone.

Despite the gas lines of last winter, we are no longer driving 55 miles an hour.

Despite the higher prices of petroleum, we are importing more now than a year ago.

We have seen our stockmarket rise and fall on the basis of rumors as to what the Arab oil sheiks are going to do with all the dollars we send them.

If there is one way American families can tighten their belts, if we are going to win the war on inflation, it is in cutting energy use. If our efforts to reduce oil consumption do not show success, some form of rationing must be established.

If prompt agreement is not reached with the auto industry to increase gas mileage in new cars within the next two years, mandatory legislation to impose fuel economy requirements will be required.

Fuel efficiency must join environmental concerns as a standard for federal transportation programs.

And while we conserve, we must commit ourselves to a crash effort to develop alternate energy sources.

You know, there was an oil scare in the middle of the 19th century. Whales were getting harder and harder to find.

Then some prospectors in Pennsylvania drilled the nation's first oil well. And pretty soon whale oil was hard to find.

I would be very surprised if America's technology does not produce some practical alternatives to petroleum—solar heating . . . truly safe atomic generators. It will come . . . and the stranglehold of the oil sheiks will go.

But that is going to require a major commitment by the Congress and the Administration to the development of alternative energy sources.

The President has read you some of his mail about the economy. I have gotten some, too.

Mrs. Penny Meader of Cape Elizabeth, Maine, reports that the company she works for has increased prices on its product four times this year because of increased steel prices—but wages have stayed the same. She asks, "How far are we to tighten our belts? . . . I want to see something done about the exorbitant prices we are now being forced to pay . . . I don't want to hear any more words."

Mrs. Betty Loriz of Highland Mills, New York, writes that she has begun to cut her husband's and her children's hair and has installed a wood-burning stove to conserve energy. She reminds me that she has already economized, and wants to know why her family's income tax will increase.

Marilyn Stinchfield Lease of Bangor, Maine, advises that we close tax loopholes on corporations and the wealthy. She writes, "it is time all Americans truly worked together to fight inflation and get the economy back on its feet, but with each one pulling his share of the load."

Kirby Pierce of South Windham, Maine, writes that he is a Vietnam veteran now working for a homebuilder who faces a layoff. He asks that mortgage money be made available now to keep thousands like him on the job.

David Allen Zalenski, a carpenter in the same town, writes, "I don't want to lose my job and draw unemployment, but there won't be much choice unless something is done very soon."

I have hundreds of other letters like these . . . from people who want to fight inflation, but not without the assurance that others will share the sacrifices and burdens.

The President speaks of the need for sacrifice. But where is the sacrifice in his tax proposals for the Americans who pay no taxes at all? Where is the sacrifice for the businesses that will have the advantage of the investment tax credit without having to pay for it in future years?

Many American working people sincerely believe that they have been sacrificed to these Republican economic policies of inflation control by recession: that their jobs, their standard of living, their hopes, and their dreams are being sacrificed by this Administration.

And sacrificed for what? What is in store for us in America? What is the President's vision of the America of the future?

We listened to his two speeches on the economy for a commitment of the vast resources of the Federal Government and the energies of our people to technological breakthroughs in the fields of food production, energy, and housing—a commitment which might bring us the supplies of these precious commodities we need at prices we can afford.

I do not believe that the country which rebuilt the post-war world, which harnessed nuclear power, and which flew to the moon is incapable of a comparable national effort to meet its own citizens' basic needs.

Much has happened during the past several years to destroy the confidence of our citizens in their government. We have seen too many promises made and too many broken.

We have had too many surprises, most of them unpleasant.

We have had too many predictions that prosperity is just around the corner—a corner we never seem to turn.

Last week the Secretary of Commerce said that this deepest recession since World War II is just an "economic waffling." Maybe it's just waffling to him, but it's dog food on the dinner table to some Americans.

I believe all Americans are prepared to sacrifice if that sacrifice is toward some clear and worthy goal. I think Americans will sacrifice if they are convinced that all Americans are being called upon to sacrifice, not just those who are least able to protect their own economic interest.

The President has yet to show us such a vision for America, or to convince us of the fairness of his plan. Americans will work and sacrifice together to fight inflation, but the call to action must be clear and convincing; for, as the scripture warns, "If the trumpet sounds an uncertain sound, who will prepare for the battle?"

HEW'S POSITION ON THE YOUTH CAMP SAFETY ACT AND THE HEALTH RESOURCE PLANNING BILL

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that two letters stating HEW's position on legislation currently before us be printed in the Record. One letter pertains to the Youth Camp Safety Act—S. 3639—the other to the health resource planning bill—S. 2994.

There being no objection, the letters were ordered to be printed in the Record, as follows:

THE SECRETARY OF
HEALTH, EDUCATION, AND WELFARE,
Washington, D.C.

Hon. HUGH SCOTT,
Minority Leader, U.S. Senate,
Washington, D.C.

DEAR HUGH: This letter sets forth the views of the Department of Health, Education, and Welfare on S. 3639, the Children and Youth

Camp Safety Act, as it was reported by the Committee on Labor and Public Welfare on November 12, 1974.

The bill directs the Secretary of Health, Education, and Welfare to develop and promulgate children and youth camp safety standards. This would be done after studying existing State and local regulations and standards, as well as standards developed by private and public organizations concerned with youth camp safety. The Secretary would be required to submit proposed standards to the Senate Committee on Labor and Public Welfare and the House Committee in Education and Labor which would take effect unless a resolution of either House was passed disapproving such standards. The bill would also require Departmental review of State plans which provide for State safety standards at least equal to Federal standards and which provide for the enforcement of such standards. Grants, up to 80 percent of eligible costs, would be authorized to be made to States with approved plans.

The Secretary would be responsible for enforcement of children and youth camp safety standards in States without approved plans, and in all Federal recreation areas. Camp operators would be required to report annually to the Secretary all accidents resulting in death and serious injury and illness. U.S. District Courts would have jurisdiction to restrain dangerous practices in children and youth camps, and fines would be levied by the courts for violations of standards. Finally, S. 3639 would provide for the establishment of an Advisory Council on Children and Youth Camp Safety to be chaired by the Secretary, and would authorize "such sums as may be necessary" for fiscal year 1975 and each of the five succeeding fiscal years.

The Administration strongly opposes enactment of this bill for the following reasons:

Youth camp safety has been and should remain a *State responsibility*. The two areas in which the Federal Government could assume some responsibility are the development of model safety standards and the provision of technical assistance to States requesting such assistance. HEW is already taking action in both of these areas. We are developing model legislation and regulations for States based on existing knowledge with the assistance of camping organizations and other appropriate experts. We are also providing expanded consultative services to Federal and State agencies administering programs concerned with camping and to camping organizations.

Youth camp safety *standards* should be based on the specific circumstances of camping in the various geographic areas of the country; since characteristics of camps vary considerably from one area of the country to another. The only realistic focus for programs to make camping safer is one in which State governments work closely with county governments, camping organizations, and parent and youth groups at the community level.

Only *State enforcement* is feasible to deal with the diversity of youth camps that are transitory in both time and geographic location. No centralized program can ever develop or maintain reasonably accurate information on matters as basic as the existence and location of camps.

The magnitude of the problem has been greatly overstated. An HEW study concluded that severe injuries, illnesses and deaths occurred with lower frequency among youngsters while attending the camps studied than occurs among this age group in the national population.

The bill would authorize new unnecessary and inappropriate Federal expenditures at a time when budgetary restraint is urgently needed.

The establishment in law of yet another Advisory Council, the requirement for HEW to regulate recreation areas of other Federal agencies, and the authority for one House of the Congress to disapprove standards are also objectionable.

In summary, the reported bill calls for inappropriate Federal controls in an area which has traditionally been and should remain a State and local responsibility. As noted above, the Department is developing model safety standards and providing technical assistance under existing statutory authority.

For all these reasons, the Department urges that S. 3639 not be enacted.

We are advised by the Office of Management and Budget that enactment of S. 3639 would not be consistent with the Administration's objectives.

Sincerely,

CASPAR WEINBERGER,
Secretary.

THE SECRETARY OF
HEALTH, EDUCATION, AND WELFARE,
Washington, D.C.

Hon. HUGH SCOTT,
Minority Leader, U.S. Senate, Washington, D.C.

DEAR HUGH: This letter sets forth the Department's views on health resource planning legislation (S. 2994) presently pending Floor action in the Senate.

The bill as reported contains several features which are highly desirable and which parallel the Administration's recommendations. The basic features of this bill which would consolidate planning for resource development efforts will substantially improve the current fragmented health planning process and should have a significant constructive impact on our health system for many years to come. While we have some objections to provisions in S. 2994 which are noted below, we are committed to the enactment of acceptable health resources planning legislation in the 93rd Congress.

The U.S. health care system is overwhelmingly a private system. Eighty-five percent of the health services provided in this country are privately generated. Our own proposal, as well as the bill recently ordered reported by the House Commerce Committee, recognized this by making local planning bodies private, non-profit entities, with broad representation of consumer, provider and governmental interests, and by giving these bodies a majority voice in the State Health Coordinating Council. We remain strongly committed to this approach and, therefore, are opposed to the provision in S. 2994 which would provide for the establishment of publicly-sponsored planning agencies. Moreover, we believe the provision which permits existing 314(b) planning areas to be exempt from the new criteria for designation as a "health area" to be undesirable. Further, we are seriously concerned that the lack of population minimums may lead to planning areas which are too meager for sound planning. The effect of such provisions would result in establishing areas for health planning with such wide-ranging characteristics that effective planning would be jeopardized. We also oppose the provision that would allow the Governor to appoint all members of the State Health Coordinating Council since we believe the health planning agencies should be entitled to appoint their own representatives to the Council.

The hospital construction and modernization program in S. 2994 corresponds in some respects to the project grant proposal made by the Administration. We object, however, to the 50% earmark for formula grants which will continue the existing inequitable distribution of money to areas of lesser need. Further, we object to the guaranteed loan and interest subsidy features of this program because of their high expense and their limited usefulness to those entities which most need financial assistance. In addition, we believe that the bill is deficient in not containing the matching provisions and provisions with respect to responsible fiscal management that were contained in the Administration's proposal.

There are three additional features of the bill which we strongly oppose: First, although the Committee has reduced the authorizations, the total authorizations still are in excess of the President's Budget request. Second, we oppose the formula grant mechanisms built into the bill. Third, we oppose the nature and size of the development fund program placed at the disposal of the local planning bodies.

The total amount which would be authorized by this three-year bill is $990 million for both planning and facilities. The authorization for FY 75 is $245 million ($120 million for planning; $125 million for facilities). This compares to the Administration's proposal of $75 million for planning and $100 million for facilities which we believe are the authorization levels that should be included in the legislation. The bill's authorizations are much higher for FY 76 and FY 77. High authorizations would put strong upward pressure on the Federal budget, and conflict with the effort to combat inflation to which both the Congress and the President are committed. Such authorizations are particularly undesirable at a time when we must exert every effort to hold down spending.

The bill would authorize funds to be provided to local planning agencies (the successors to the existing "314(b) agencies") on the basis of 50 cents per capita, with an additional 25 cents per capita if other sources of revenue (governmental and nongovernmental) are secured. In addition, the local planning bodies would be able to make grants with no upper limit per recipient for three years for assistance in developing their plans. Although the grants could not be used for construction, they could be used to support service delivery. We believe this open-ended, unfocused program to have many of the worst features of the regional medical program, which the bill proposed not to extend. Moreover, the additional categorical funding of health services conflicts with the Administration's proposals to finance health services for all Americans on an equitable basis through comprehensive health insurance legislation. The bill provides that the total amount to be used for this purpose by each planning agency shall be limited to $1 per capita. Our proposal limited these grants to $25,000 per recipient and allowed discretion in the total amounts to be made available for this purpose. We recommend that the Senate incorporate these elements in the bill.

I am particularly concerned that the per capita language of the funding provisions could be misconstrued by potential grant recipients as entitlements which will lead to excessive appropriations or unwarranted expectations. We strongly urge the Senate to eliminate the per capita authorizations and to authorize appropriations of $75 million each year for planning activities.

There are other features of the bill which we oppose as well. For example, the bill would write into law, at some length, provisions governing how State governments must organize their own planning efforts. We continue to believe that States should be given flexibility to manage their own affairs, and that the organization and functions of State government should not be spelled out in Federal legislation. We are pleased that the bill would provide the authority for us to support rate-setting activities which States choose to pursue.

Another objectionable feature is the provision for a National Advisory Council on Health Policy. In view of the large number of advisory councils already provided to the

Department, we believe that an additional committee will be duplicative and confusing. We have already taken the necessary steps to coordinate and strengthen the formulation and implementation of health policy; this is why the role of the Assistant Secretary for Health has been enhanced. We believe that it will be more fruitful for the Congress and the public to hold him and other Department officials responsible for national health policy than to create another advisory body.

Finally, we are opposed to the addition of Title IV, the Radiation Health and Safety provisions, to S. 2994. The Department has testified that the proposed Federal role is inappropriate. Moreover, we oppose singling out radiologic technologists for special Federal manpower training programs. Licensure and accreditation—which the bill would make a Federal responsibility—is properly a State function. In addition, under the Administration's proposed Comprehensive Health Insurance Plan, the State role in certifying providers would be enhanced and under the Professional Standards Review Organizations quality would be ensured. We strongly recommend that Title IV of the bill be deleted.

With the average cost of constructing a hospital bed exceeding $100,000, it is critically important that this country expand and improve its capacity to plan for the provisions of health services. Therefore, we strongly urge that the Senate act immediately to pass acceptable health planning legislation. We are hopeful that you include in this legislation the changes we have recommended to S. 2994.

Sincerely,

FRANK CARLUCCI,
Acting Secretary.

WORLD HUNGER AND FASTING

Mr. HATFIELD. Mr. President, recently I received a can of cat food from a hungry person in my home State of Oregon, challenging me to try it as a regular diet, as this person was doing. Just as this tragic example of hunger exists here in the United States, so do millions of worse examples of hunger, starvation, and malnutrition exist in so many areas of the world.

Last year I came face to face with starving people as I visited a saintly woman known as Mother Theresa, whose ministry is among the poor and undernourished of Calcutta. It is an experience I will never forget. Among other things, It has changed my own eating habits and focused my attention on problems of hunger and malnutrition around the world.

In light of the world food situation, I would like to introduce a resolution into the Senate calling on all Americans, beginning with the leadership of our Nation, to voluntarily fast, expressing concern for the poor, undernourished, and starving here and abroad.

During and after World War I the United States was able to relieve suffering and fed the hungry in Europe, because of the grassroots food conservation of the American people.

Under the leadership of President Wilson and the director of his food relief program, Herbert Hoover, Americans responded voluntarily by cutting their food consumption. The effort began after the crops were planted in 1917, so production could not be stepped up to meet the needs of our allies in Europe. Hoover appealed for all citizens to eat less, and they did. That year, Mr. President, this voluntary cutback resulted in freeing 5.4 million tons of food to send overseas.

I would note as a footnote that this 5.4 million tons of aid in 1917–18 is more by a substantial degree than we are planning to provide this next year. The important thing here is that the people of this country altered their eating habits and consumed less, so that food would be available to send to those in need.

To fight the famine that ravages so many millions of minds and bodies throughout this globe, the U.S. Government should do everything it can to alleviate this problem. As a delegate to the U.N. World Food Conference, I will continue to fight for such efforts.

At the foundation of this country, however, it is the individual and his or her response that count. Our country's real strength is in the hands of the individual.

I have received many letters from people, both in Oregon and from around the country, asking how they can help fight world hunger. It will take a multifaceted effort. At the individual level, however, the practice of fasting is a meaningful step by an individual. It represents a personal commitment, and is a sacrifice. As a person fasts, he or she can think how wasteful food consumption patterns can be changed.

I am not calling for any revolutionary step. I am calling for every American to examine his eating habits to see how wasteful habits of overconsumption can be changed to those of food conservation. Certainly, there are Americans who are starving today, in this country of plenty. As a part of the program of personal awareness that people should be encouraged to undertake, efforts should be made to find hungry people in the local area, and undertake steps to provide some nourishing relief.

The resolution I am introducing today ties in with a program organized to increase public awareness of world hunger and to try and help the suffering from global hunger. This program, known as Project FAST—Fight Against Starvation Today—is directed by World Vision, International. The driving force in this organization is its president, Dr. Stanley Mooneyham. He spearheads their efforts to fight hunger and other human problems in many areas of the world. I will describe World Vision in greater detail later in these remarks.

This resolution calls for special attention to be given to assisting the world's hungry people during the year from Thanksgiving Day this year—this next Thursday—to Thanksgiving Day 1975. In this year, I believe people should take every effort possible to help alleviate hunger throughout the world. One way this can be done is through changes in our consumption habits.

The second part of the resolution calls for a national day of fasting to be held 1 year from today—on the Monday of Thanksgiving Week 1975—to culminate this year of public awareness and concern. In addition, World Vision is developing plans for statewide fasts in various States on the first Monday of various months to generate support for the national recognition of November 24, 1975. They also are planning telethons, a film documentary, and other steps to involve people individually in this endeavor.

Mr. President, I ask unanimous consent that the text of this proposed Senate joint resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. —

Joint resolution relating to world hunger and fasting

Whereas the United Nations World Food Conference has focused the attention of the world on the plight of those people throughout the world suffering from starvation and malnutrition; and

Whereas efforts to alleviate world hunger require not only increased food production and better distribution throughout the world, but also changes in food consumption patterns among developed nations; and

Whereas the people of the United States historically have demonstrated a generous humanitarian response to those in need: Now, therefore we be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That

(1) beginning with Thanksgiving Day, 1974, and concluding with Thanksgiving Day, 1975, this nation embark upon a spirit of identification with the hungry people of the world, with self sacrifice, and with sharing through the practice of fasting;

(2) the Monday of Thanksgiving Week, November 24, 1975, be and is hereby designated as a National Day of Fasting;

(3) the practice of fasting be encouraged in connection with holiday and religious periods when the temptation is greatest to spend in excess on foods, gifts, and many non-essential items;

(4) the people of the United States individually and as a nation reevaluate their own life styles and during this year seek to change their habits from those of overconsumption to those of conservation; and

(5) individuals are encouraged to share such saved monies sacrificially with the starving millions of the world and not to spend such monies on more articles which increase the gap between the have and have-not peoples of the world.

Mr. HATFIELD. Mr. President, as we enter a holiday season, I urge all Americans to refrain from the self-indulgence of overeating and food wasting. Instead, we should utilize this holiday season to really express "thankful giving" and to help the voluntary organizations throughout this country that are dedicated to fighting hunger around the world. I know one family that plans to observe a holiday meal with a fast, and instead, members of the family will come to the table and put moneys in a bowl, and donate the funds to fight world hunger. Numerous other ways exist to make a personal commitment.

By observing a fast on the Monday of Thanksgiving week in 1975, perhaps it will help focus each person's attention on what that person really should be thankful for, and the need to bring hope to those less fortunate than ourselves.

Mr. President, I want to call particular attention to the organization that is organizing Project FAST. World Vision International is a group I am proud to have become acquainted with as a member of its board of director. World Vision is spearheaded by Dr. Stanley Mooneyham, and the adjective "dynamic" does not even do justice to his abilities and many talents.

World Vision International is a nonprofit Christian humanitarian organization providing worldwide emergency relief, child-care services, and economic development aid. It will celebrate its 25th anniversary during 1975.

Based in Monrovia, Calif., the voluntary agency initially began helping children in response to the Korean war. Since then, it has expanded its work to include a wide range of projects in 30 countries, primarily in Asia and Africa. In its 25 years, World Vision has contributed millions of dollars in direct international aid.

Included in its activities is the case of more than 66,000 children in 30 countries: building and supporting medical facilities such as a new hospital in Phnom Penh, Cambodia, said to be the most modern and well-equipped medical facility in the Khmer Republic; and initiating medium-range agricultural, educational and economic self-help development projects which have provided millions of dollars in relief assistance to victims of war, earthquakes and other disasters.

This year, the organization has dedicated its anniversary as a "year for a hungry world" and the awakening of the American public to the needs of starving people in the Sahel Region of Africa, Ethiopia, Bangladesh, India, and launching project: FAST (Fight Against Starvation Today), a public awareness campaign I mentioned earlier.

Mr. President, approximately 80 percent of World Vision's annual budget is spent in direct aid, while only 20 percent is absorbed in fund raising and administration. This gratifying ratio is the result of field operations based on avoiding a duplication of efforts.

Working closely with other voluntary organizations as well as with indigenous churches, World Vision directly funds existing or proposed programs which it feels are well-run and meaningful. The agency sets up its own programs only in those areas where no similar ones exist. As much as possible, World Vision works through nationals in each country. Its overseas staff includes fewer than 20 Americans, but some 2,000 nationals. At present, there are World Vision field offices in Vietnam, Bangladesh, Korea, Cambodia, Hong Kong, Kenya, the Philippines, India, Indonesia, Thailand, Brazil and Laos.

The success of World Vision's efforts is very evident in its birthplace. Korean programs once devoted to saving children from death and disease now operate to train healthy, educated children for college and jobs. The World Vision Korean Children's Choir is an example of the agency's vocational training programs in Korea today. There are also embroidery, dressmaking and other vocational training courses for girls; scholarships for gifted students; community development projects; leprosy treatment and research and other programs.

Other World Vision "success" stories involve long-range development projects which are self-supporting. Fishing cooperatives have been developed in Vietnam and the Philippines; Moslem refugees on Mindanao—the Philippines—have been relocated and rehabilitated; people in India have been provided with food-for-work and materials to dig needed deep wells; and Africans have been helped to improve their health, education and economic standards.

Mr. President, World Vision is funded by voluntary contributions from individuals and groups in the United States, Canada, Australia, South Africa, and New Zealand. Sponsors of children contribute $12 monthly and funds for relief and other projects are raised by special appeal mailings. Donations of foodstuffs and medicines are received from various industries throughout the country. As a validated voluntary agency, World Vision relief also works closely with the U.S. Agency for International Development—USAID—and other international and governmental agencies.

World vision is headed by Dr. W. Stanley Mooneyham, formerly vice president of international relations for the Billy Graham Evangelistic Association. He is a persistent and effective advocate of humanitarian action as a cornerstone of Christian convictions. Members of the board include Dr. Richard Halverson, chairman, Washington, D.C.; Claude Edwards, vice chairman, Whittier, Calif.; Dr. F. Carlton Booth, secretary-treasurer, Pasadena, Calif.; Dr. Stanley Mooneyham, president, Arcadia, Calif.; Dr. Ted W. Engstrom, executive vice president, Arcadia, Calif.; Dr. Paul S. Rees, vice president at large, Minneapolis, Minn.; Herbert Hawkins, Arcadia, Calif.; Coleman Perry, Fresno, Calif.; William Newell, Willowdale, Ontario, Canada; Winston Weaver, Harrisonburg, Va.; Bruce Ogden, Warwick Farm, Australia. As I mentioned, I am also a member of the board of directors.

Mr. President, I call attention to world vision because it is the spirit of volunteerism that pervades this organization that allows it to touch the spirit of all people with whom the organization comes in contact.

Other fine voluntary organizations also provide support for hungry people throughout the world. The important aspect is not whether it is world vision that is meeting this need, but that these needs are being met by voluntary means.

In closing, Mr. President, I urge the Congress to approve this resolution as an indication of support for this personal and voluntary effort of self commitment by all Americans.

I ask unanimous consent that a partial list of world vision hunger-related projects appear at this point in the RECORD, followed by a statement issued today describing a famine-ration luncheon I hosted at which Dr. Mooneyham and I launched Project FAST.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A PARTIAL LIST OF WORLD VISION INTERNATIONAL HUNGER-RELATED PROJECTS

BANGLADESH

Community Development: An extensive program of community development including construction of 100 tubewells, home construction, provision of cattle, plows and seeds, primarily in Bangladesh (northern area) in cooperation with Garo Baptist Union. Over $125,000 spent in 1974.

BURMA

Family Care Center: Pilot family care project in Rangoon's slum area. A center will be constructed to provide comprehensive family-to-family programs, including a medical clinic, feeding program, recreational facility, worship center and library in cooperation with the Burma Christian Council. Estimated cost: $37,750.

Food Supplements: A project to provide supplementary vitamins and other nutrients to children suffering from malnutrition. Estimated cost: $23,400.

CAMBODIA

Medical/Nutritional Care: Providing medical care and food supplements via 4 nutrition centers and 10 clinics reaching 11,000 to 13,000 patients monthly.

Food Program: Providing food in form of disaster packages containing rice, salt, sweet potato/cassava cuttings, clothing, cooking bowls and other supplies to aid refugees throughout the Khmer Republic. Present commitment $80,000 per month.

Agricultural Assistance: Administration/management of agricultural-economic development providing relocation/rehabilitation assistance in 1974 to thousands of refugees. Present commitment over $40,000 per month.

Nutrition Education: In light of serious malnutrition in Cambodia, especially among children, two Cambodian doctors from the World Vision medical team were sent to a three-month intensive course in child nutrition given in Hyderabad, India, and recommended by the World Health Organization. Over half the medical workload is in nutrition and such formal training is not available in Cambodia. Few, if any, other doctors in Cambodia will have this kind of training. Cost: $1,800.

ETHIOPIA

Agricultural Assistance: Severe famine has affected major areas of northern and southern Ethiopia, with over 100,000 starvation deaths reported and numerous refugees created. Project is in north-central Ethiopia, centered around Dessie, and will provide oxen and plows for refugees who are returning to their farms from resettlement camps, and four heavy-duty trucks for hauling grain supplies. Project is in cooperation with Society of International Missionaries (SIM). Estimated cost $131,950. Similar project in Gouffre region has an estimated cost of $36,400.

Food for Work: Provide funds through SIM for purchase of grain for local labor employed to help lengthen air strip at Dimaka in southern Ethiopia. Enlarged air strip will facilitate distribution of supplies throughout the area. Estimated cost: $6,500.

Village Improvement Program: A five-year program to improve health, education and agricultural production in 30 to 40 villages of southwestern Ethiopia populated by Nuer tribespeople. Estimated first year of project cost: $21,900.

INDIA

Community Wells: Provide materials and food-for-work for deep community-sized wells (50 finished/nearing completion; 50 waiting start) in Madras. Project is in cooperation with Andhra Christian Council. Cost: $150,000.

NIGER

Water Development: Provide for digging of 25 cement wells in Maradi as a first step in creation of a dry-season farming capability. Wells will permit creation of 100 gardens and orchards and directly and immediately benefit to a minimum of four families per well. Indirect benefit to a larger number through availability of fruits and vegetables, plus good water supply. Project is in cooperation with local communities. Estimated cost: $97,500.

Agricultural Development: Tara Valley Project sponsored by World Vision and the Lilly Foundation. The recently begun program involves construction of gravity-fed canals from the Niger River to irrigate 10,000 acres of land in Niger. Estimated cost: Over $250,000.

LAOS

Rice Mill and Cooperative: Expansion of an existing project in the area south of Ban Xon which is providing jobs and food for local people as well as food for a planned orphanage. Survey of pig raising and nutritional requirements in area has indicated need to expand capability to raise pigs and chickens to increase protein intake for cooperative participants. Estimated cost: $19,500.

PHILIPPINES

Resettlement Care & Nutritional Center: Some 18,000 squatters have been displayed from Manila to outlying areas and are living in very poor conditions. Project will provide a center which will support a medical clinic, feeding program, relief supplies distribution, and training in health, sanitation and handicrafts. Project is in cooperation with local churches, Far East Broadcasting Company and government agencies. Estimated cost: $6,500.

Emergency Relief Supplies: Provided wells, fishing nets, vegetable seeds and food for refugees in Mindanao. Cost: Over $300,000 in 1973–1974.

THAILAND

Village Agricultural Development: Three-year program to provide for establishment and upgrading of agricultural production to provide food and income for tribal villages in Northeast Thailand. Estimated cost: $9,570.

Agricultural Cooperatives: Provide irrigation and plowing equipment and operating budget for village water development program in northeast in cooperation with farmers cooperatives. Estimated cost: $15,600.

VIETNAM

Agricultural Training: Provide for two farm programs for orphaned or abandoned boys which creates employment and produces food for five orphanages in Saigon and Nha Trang. Estimated cost: $142,470.

Childcare Feeding: Providing project administration/supervision of daily feeding program for 32,000 children. Cost annually: $250,000.

Improving Nutrition Standards: Establishing 4 nutrition centers in each region of Vietnam, mobilizing force to combat malnutrition in infants, and establishing 265 home nurseries for preschoolers throughout the country with $350,000 in 1975. Program will benefit an estimated 20,000 children. Continuing operation of existing nutrition center in Saigon at a cost of $100,000 per year.

PROJECT: FAST (FIGHT AGAINST STARVATION TODAY)

WASHINGTON, D.C.—Senator Mark O. Hatfield and World Vision International today called on all Americans to willingly experience hunger as an effective way of responding to the increasingly tragic world hunger crisis.

To announce a public awareness and action campaign on behalf of World Vision, a non-profit, Christian humanitarian organization, Hatfield introduced a Senate resolution today calling for a National Day of Fasting, Monday, November 24, 1975. November 24 is the Monday of Thanksgiving week 1975, one year from today.

"Until Americans willingly experience hunger, even on a limited basis, they cannot begin to comprehend the condition of bitterness and pain that is responsible for the death of more than 10,000 of their fellow men every day," Hatfield said. He spoke to an audience of Washington leaders, international representatives and journalists at a unique "non-luncheon" hunger event. Each guest was served 2 ounces of millet—the approximate daily ration of 500 million people around the world who are starving.

"Failure by our government to increase U.S. food aid following the Rome Food Conference puts a greater responsibility on individuals to act to demonstrate their concern," said Hatfield, a Senate delegate to the UN Food Conference in Rome. "It is my hope the government will respond when it sees that Americans do feel compassion for the millions now starving throughout the world."

Church leaders, political representatives and journalists were urged by Hatfield and Dr. Stanley Mooneyham of World Vision to support Project: FAST (Fight Against Starvation Today) in 1975, which calls for a build-up throughout the coming year of national interest and participation in the 1975 November 24 National Day of Fasting.

States will have the opportunity to declare a statewide fast on the first Monday of a selected month during the period from January to November 1975. Such statewide fasts would help generate support for the nationwide fast on the Monday of Thanksgiving week 1975.

Members of Congress will be asked by Hatfield to request that their governors declare a statewide Fast Day on the first Monday of a specific month during the period.

"We see Project: FAST as a means of direct, constructive, action which all Americans can take in the face of this overwhelming human disaster," said Dr. Mooneyham. "Fasting is a personal act of commitment which will provide a way for people to grasp the dimensions of this problem facing our fellow men. Those who can contribute financially to specific emergency aid and development projects abroad undertaken by voluntary agencies should give to those agencies that are fighting hunger around the world."

"It is not enough to deluge the American public with information about the magnitude and seemingly hopeless proportions of this crisis," said Mooneyham, who spends most of his time in the hungry nations. "Those of us who are actively involved in dealing with the problems in the field have a responsibility to point a direction and provide direct and meaningful ways for Americans to respond."

World Vision will help mobilize support for the state fasts and the National Day of Fasting among religious groups, labor organizations, and civic groups as part of Project: FAST. The organization has planned a series of city-wide telethons next spring. A television documentary "The Search for Survival" already is being shown across the country. Also, a committee of leaders in the food industry, labor, and consumer groups will be formed to develop ways in which American businesses and customers can cooperate with and contribute to Project: FAST.

"What we are launching today is a program we hope will result in permanent changes in our food consumption patterns throughout the coming year," Hatfield explained.

Senator Hatfield and Dr. Mooneyham asked that all voluntary agencies and Christian organizations join with World Vision in the program to encourage Americans to experience hunger as an effective means of developing compassionate understanding and meaningful response.

World Vision International, headquartered in Monrovia, California, will celebrate in 1975 its 25th anniversary as a voluntary, Christian humanitarian organization engaged in childcare services, social welfare programs and medium range development projects overseas.

More than 80% of the 1975 budget will be spent in direct aid, with only 20% earmarked for administrative expenses. Hunger projects for the year have already begun in the drought stricken countries of the Sahel in Africa, in addition to the countries in Bangladesh, India, Cambodia, Indonesia, Laos and the Philippines.

Dr. Mooneyham is president of World Vision International. Other officers are: Dr. Ted W. Engstrom, Executive Vice President; Dr. Paul S. Rees, Vice President-at-Large; and Dr. P. Carlton Booth, Secretary-Treasurer.

Members of the Board of Directors are: Senator Mark O. Hatfield, Washington, D.C.; Dr. Richard C. Halverson, Chairman, Bethesda, Maryland; Dr. P. Carlton Booth, Pasadena, California; Mr. Claude Edwards, Whittier, California; Dr. Ted W. Engstrom, Arcadia, California; Mr. Herbert Hawkins, Arcadia, California; Dr. Stanley Mooneyham, Arcadia, California; Mr. Bruce R. Ogden, Warwick Farm, Australia; Mr. Coleman Perry, Fresno, California; Dr. Paul S. Rees, Minneapolis, Minnesota; Mr. William Newell, Ontario, Canada; Mr. Winston Weaver, Harrisonburg, Virginia.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AGRICULTURE - ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS, 1975

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now proceed to the consideration of H.R. 16901, which the clerk will state by title.

The second assistant legislative clerk read as follows:

> A bill (H.R. 16901) making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes.

The Senate proceeded to consider the bill.

Mr. McGEE. Mr. President, I would like to make a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. McGEE. Does the record show any time limitations on the consideration of this bill or its amendments?

The ACTING PRESIDENT pro tempore. There is no time limitation on this bill.

Mr. McGEE. Then I would like to serve notice that we will attempt to work out some kind of an agreement on time limitation subsequently here.

Meanwhile, I would suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

Mr. McGEE. Mr. President, I should like to reach an agreement. Have the two leaders expressed an agreement on time limitations on the bill?

The **PRESIDING OFFICER.** There has been no time limitation agreement.

Mr. McGEE. Mr. President, I withhold the request for a time limit and will proceed with material on the bill, until we can get one or two other Members in the Chamber who may be concerned, along with the Senator from South Dakota, about the limits on debate on the bill.

The measure that the Agriculture Appropriations Subcommittee has brought before this body today is a measure that has already been through the process. In fact, we made the mistake of being the first appropriating group to finish its responsibilities last summer. That being the case, the outgoing President of the United States, apparently looking for a symbol, struck it down with a veto because the committee's recommendation was one-fourth of 1 percent over the budget request of the President. That was out of a budget of $13.5 billion.

We recognize the name of the game in this business—namely, that they were looking for some kind of symbol to suggest austerity in government. But, in light of the fact that events have languished since then, we have restudied the bill, reassessed its contents, and tried to make an equitable adjustment. In the course of that consideration, we have made a number of committee amendments and other modifications in the original measure.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded, for the purpose of amendment, as original text, provided that no point of order shall be waived by reason of agreement to this request.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 7, in line 10, strike out "$399,598,000" and insert "$415,269,000".

On page 20, to the end of line 16, insert:

Provided further, That, notwithstanding any other provisions of law, employees of the Agricultural Stabilization and Conservation County Committees may be utilized for part-time and intermittent assistance to the Farmers Home Administration in carrying out its programs and this appropriation shall be available to finance such intermittent and part-time services.

On page 47, in line 14, after the period, insert:

Such information for carrying out specific law enforcement responsibilities of the Federal Trade Commission shall be obtained under existing practices and procedures or as changed by law; or

On page 50, in line 4, after "household", insert a colon and the following:

Provided further, That funds provided herein shall be expended in accordance with section 15(b) of the Food Stamp Act of 1964, as amended: *Provided further,* That payments made to States pursuant to section 15(b) of the Food Stamp Act of 1964, as amended, shall be made retroactive to July 12, 1974.

On page 52, beginning with line 9, strike out:

SEC. 510. No part of any funds appropriated under this Act may be used by the Environmental Protection Agency to administer any program to tax, limit, or otherwise regulate parking facilities.

And insert:

SEC. 510. Effective on the date of enactment of this Act section 601 of the Treasury, Postal Service, and General Government Appropriation Act of 1975 is amended to read as follows:

"SEC. 601. Unless otherwise specifically provided the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicles (exclusive of buses and ambulances), is hereby fixed at $2,700 except station wagons for which the maximum shall be $3,100."

Mr. McGEE. Mr. President, as has been indicated earlier, the appropriations held now under consideration provide a total of $13,394,854,000 of new obligational authority for fiscal year 1975. This represents a decrease from the budget estimates of $53,680,100 and a decrease of $176,541,000 from the earlier appropriation bill that was approved by both Houses of Congress but which was vetoed by then, President Nixon as one of his last official acts before leaving office early in August of this year. This total is $2,806,753,000 more than was appropriated in the bill for fiscal 1974 and is $15,671,000 more than provided by the House in H.R. 16901.

As Senators will recall, the appropriations bill for the Department of Agriculture, the environmental consumer agencies and others in the bill was considered and approved by Congress earlier this year. At that time the bill contained new obligational authority slightly above the budget estimate and also provided some transfer funds to which then President Nixon objected. The bill was vetoed, and rather than attempting to override the veto the appropriation committees of both Houses of Congress have attempted to come up with a new bill which will be agreeable to the administration. We think we have done so in the bill now before the Senate.

In considering this new bill, of course, it was necessary that some reductions be made in the new obligational authority and this has been done. While it is perhaps never an easy task to reduce budgets and cut programs it was obviously necessary to do so in this case and I feel that the committee has done so in a prudent and responsible manner. Most of the departments and agencies contained in the bill were subjected to some reduction from the earlier bill but I feel that these reductions have been spread throughout the entire bill so that no particular department or agency will be unduly hampered or restricted throughout the balance of this fiscal year.

We also had some nonmoney matters to be considered in this bill; and to the extent possible, the Senate committee made a decision to return to the provisions which were contained in the earlier bill as approved by the committee upon the conference and subsequently by the respective Houses.

The first of these matters concerns language pertaining to the so-called line-of-business reporting of the Federal Trade Commission. In the earlier bill, the House and the Senate were in disagreement on this item, and the matter was resolved only after several hours of deliberation by the conference committee. When the House committee considered the present bill, it recommended that the language finally adopted by the conference committee be included in the current bill. This, however, was amended on the House floor and one sentence of the language which was approved by the conference committee was stricken on the floor of the House. The Senate committee has recommended that this language be reinserted in the bill. As I indicated, this will result in exactly the same provisions which were adopted by the conference committee and both Houses of Congress this summer.

The second item which proved to be of some controversy is a restriction inserted in the new House bill which would prohibit the Environmental Protection Agency from using appropriated funds to implement its parking regulation programs. Here again, in keeping with our basic decision to restore the earlier bill to every extent possible, the committee has recommended that this restriction in the House bill be stricken since this restriction was not contained in the bill which was vetoed earlier this year. This decision, of course, will also put this issue in conference and undoubtedly it will receive considerable attention during the course of our conference proceedings.

The committee has also recommended a couple of matters which arose since the earlier bill was considered and while I do not feel that they are of any great controversy, I would mention them briefly here today.

We have inserted a provision in the bill which will allow employees of the Agriculture Stabilization and Conservation Service to be utilized on a temporary and intermittent basis by the Farmers Home Administration in implementing its various programs. Within the last few days it was brought to the attention of the committee that several ASCS employees are facing dismissal due to the reduction in workload, particularly in the various commodity programs. At the same time the Farmers Home Administration is facing an ever-increasing workload. The committee was of the opinion that we could assist the Farmers Home Administration and the ASCS employees by providing this amendment to the bill. This, of course, is not intended to be a permanent solution to any of these problems but it should be most helpful to all concerned over the period of the next few months. As I indicated, this is a new provision in the bill included by the Senate committee and, of course, will be in conference with the House.

The committee has inserted an amendment as section 510 of the bill that would provide increased price limitations for the purchase of Government passenger motor vehicles. This amendment would change the present provisions of section 601 of the Treasury, Postal Service, and General Government Appropriations Act of 1975 by increasing the maximum purchase price for a sedan from $2,100 to $2,700 and raise the limitation on the purchase of station wagons from $2,400 to $3,100.

The committee was informed that the General Services Administration has attempted five procurements of motor vehicles in fiscal 1975. All of these procurements were unsuccessful as the automobile manufacturers would not sell their cars at prices within the present limitation. The current limitations have been in effect since July of 1971, and the committee notes that the Wholesale Price Index for passenger cars increased by 10.9 percent between July 1971 and July 1974. This increase, coupled with the price increases announced by the automobile manufacturers for 1975 model vehicles, has resulted in an increase of 25 percent on compact cars, the type of vehicle now required to be purchased by the executive departments and establishments.

This increase in the price limitation will in no way increase the number of motor vehicles to be purchased by the Government in fiscal 1975 since the number of motor vehicles to be purchased is established in each agency's appropriation act. On the contrary, without this increase in the limitation, there will likely be no motor vehicles purchased during this fiscal year.

We have also recommended an amendment which would authorize the Department of Agriculture to use available funds to make payments to the States for administration of food stamp programs under the terms of section 15(b) of the Food Stamp Act of 1964, as amended. As you recall, the amendment in question was enacted with an effective date of July 13, 1974, and the language proposed would provide that the Department make funds retroactive to that date.

As I indicated earlier, the bill is $15,671,000 more than was appropriated in the bill passed by the House of Representatives. This addition is due to an official estimate and budget amendment which was provided by the Department just a few days ago. This amendment would provide money for continuation of the screwworm control program in the Southwestern part of the United States, continuation of the brucellosis eradication program and additional funds for the mandatory meat and poultry inspections by the Department. The committee recommended that the full amount of this budget amendment be allowed and while it is an official budget estimate it will be subject to a conference with the House, also.

With that one exception, the Senate committee has recommended the same money provisions in the bill as were provided by the House. These were very carefully considered and while we have several requests for increased funding on various programs, we feel the amounts recommended herein are both sufficient and realistic in consideration of all factors involved.

The table at the back of the report which is available to all Senators gives a detailed breakdown, summary, and comparison of the pertinent figures and data involved. By way of quick summary, however, I would like to list the major differences between the bill now under consideration and that which was approved by the Senate earlier this year. In round numbers we have the following principle items which were reduced from the vetoed bill:

ASCS programs	$21,000,000
Rural development grants	3,750,000
Mutual and self help housing	1,000,000
Rural community fire protection	3,500,000
Energy R. & D.—EPA	28,000,000
ACP	35,000,000
Food and nutrition (elimination of Senate floor increase of $100 million)	$105,000,000
Soil Conservation Service	2,000,000
Total	199,250,000

The remaining decreases—approximately $27 million—result in reductions applied throughout the agencies. These result in a gross reduction of $226,212,000 from the vetoed bill. Offsetting this gross decrease are increases for:

FHA water and sewer grants	$30,000,000
Clean lakes program	4,000,000
Animal and plant health service	15,671,000

In addition to this reduction in new budget authority—direct appropriation—the new bill provides a total reduction of $150 million in loan programs:

[In millions]

REA electric	$50
Farm ownership	50
Home ownership	50
Total	150

This will result in the REA loan program being $82 million over budget, $618 to $700 million; Home ownership loans, $110 million over, $2,122,000,000 to $2,232,000,000; and the farm ownership back to the budget estimate, $350 million.

The proposed new bill also eliminated the transfer of prior year appropriation HUD funds which remain unobligated. The vetoed bill provided transfers as follows:

[In millions]

Clean lakes	$75
FHA water-sewer	225
Great Lakes	100
Total	400

Mr. President, when this bill was on the floor earlier this year several questions were raised, and very properly so, in reference to the rather significant amount the proposed appropriation for the current year exceeds those for fiscal year 1974. As I indicated earlier, while we are more than $53 million below the budget estimate and more than $176 million below the vetoed bill, we are still approximately $2.8 billion over the corresponding appropriation for the past fiscal year. I would like to briefly touch upon this issue and set forth six or eight items which are responsible for the overwhelming majority of this increase.

For the Animal and Plant Health Inspection Service, we exceed the 1974 appropriation by slightly more than $100 million. Of this amount, however, $63 million is an item representing repayment to the Commodity Credit Corporation to repay funds borrowed from the Corporation by the agency on an emergency basis in fiscal years 1972 and 1973 to combat sudden outbreaks of the exotic Newcastle disease and the hog cholera diseases. Second, we have an increase of approximately $225 million in the appropriated fund account under Public Law 480. As the committee report explains, the appropriated funds for Public Law 480 do not constitute any limitation on the program since the President and the Secretary of Agriculture are given broad discretionary authority to administer this program at whatever level they deem necessary and appropriate. It is my understanding that in view of the world food situation, the administration will greatly exceed the appropriated figure even with the $225 million increase over the 1974.

Next, we have an increase of almost $770 million to repay the Commodity Credit Corporation for borrowings made primarily to cover the expenses of the various commodity programs in the past. And members of this body know this is an item over which we have very little control. These payments have been made to farmers who have earned them under the appropriate legislative authority with funds borrowed from the Commodity Credit Corporation as provided by law. This amount will drop sharply in the budget figures for fiscal 1976 but we do have this rather sizable item to contend with this year. The appropriation contained in this bill would substantially reimburse the Corporation for losses through June 30, 1973.

For the Agricultural Credit Insurance Fund, we have an increase in 1975 over 1974 or more than $400 million. This results primarily from the rather substantial losses and expenses incurred in the administration of some emergency or disaster loan programs.

The Environmental Protection Agency, as well as other agencies of the Federal Government, is embarking upon some new energy development programs and the bill contains $80 million for this new program. That, of course, is all reflected as an increase over the 1974 appropriation.

The Food and Drug Administration reflects an increase of $30 million, and finally, Mr. President I come to the largest single increase in the bill over 1974, and that is one of approximately $1 billion for the operation of the food stamp program. In round numbers, this program was operated at $3 billion for fiscal 1974 and $4 billion has been estimated for fiscal 1975. The basic authorizing legislation for this program now provides for semi-annual review and adjustment of the food stamp allotments based on cost of living increases and it is quite possible that even this amount will be increased based on the review and possible adjustments which might be forthcoming as of January 1, 1975.

Mr. President, these six or seven items which I have mentioned reflect an addition of approximately $2.6 billion increase over fiscal 1974, and I hope that this will explain to my colleagues the reason why the bill is over the fiscal 1974 level.

With those comments, Mr. President, I submit this new and rather substantially reduced appropriations request for agricultural, environmental, and consumer protection funds for the coming fiscal year, which has now nearly halfway expired.

In this new approach to a measure on which we anticipate no veto, the ranking minority member of the subcommittee, Mr. FONG, has been most instrumental. The Senator from Nebraska (Mr. HRUSKA) has been extremely helpful in working out the kinds of equities that the Congress must insist upon as its basic input, yet the kinds of adjustments that will accommodate the disposition of this body in trying to cut corners, budgetwise, where it is possible and still meet the responsibilities that the committee feels in attacking the problems that confront the environmental, the consumer, and the agricultural communities of the land at this time.

I yield the floor to the distinguished ranking minority member of the committee.

Mr. FONG. I thank the distinguished Senator from Wyoming, the chairman of the subcommittee, for yielding to me.

Mr. President, I commend the distinguished Senator from Wyoming for the outstanding and forthright manner in which he has served as chairman of the Subcommittee on Agriculture, Environmental, and Consumer Protection of the Committee on Appropriations.

As Senators know, this is the second time we have considered this appropriations bill this year. The first bill, H.R. 15472, the Agriculture, Environmental, and Consumer Protection Appropriations Act, fiscal year 1975, was vetoed on August 8 by former President Nixon. While many of us had serious reservations over the reasons for the veto, we, in recognition of the severity of our Nation's economic plight, reevaluated our previous actions on the bill. The measure we have before us today—H.R. 16901—reflects the thoroughness and depth of that reevaluation.

Mr. President, this bill has been cut by $176.5 million net from the total in the vetoed measure. It is $53.7 million net under the total budget estimate. Except in a very few particular instances, all funds previously added by Congress in H.R. 15472 which exceeded the President's budget have been adjusted downward.

Administration funding requests to increase the scope of program operations have been pared down by 25 percent, inasmuch as almost one half of the 1975 fiscal year will have elapsed by the time this bill becomes law.

Only one increase was made over the vetoed bill and the bill passed by the House. That was in response to an amendment submitted by the President to appropriate an additional $15.6 million for the Animal and Plant Health Inspection Service to meet pressing needs faced by that agency.

The total new obligational authority for programs funded in this bill is $13.4 billion.

Mr. President, H.R. 16901, the Agriculture, Environmental and Consumer Protection appropriation bill for fiscal year 1975, is a responsible measure. It balances our restrictive fiscal situation with the basic demands for greater agriculture productivity, a cleaner environment, and increased consumer protection. As the chairman has already given a detailed explanation of this measure, I shall only comment on a few areas of particular concern.

The first area of particular concern is the world food situation. The pending bill addresses this grave international problem in two ways. One is through the appropriation for Public Law 480, the food for peace program. This year the committee has recommended $778 million, up from last year's appropriation by more than $244 million. In addition to appropriated amounts, Commodity Credit Corporation borrowing authority is available to meet emergency world food needs.

But this is only one side to our country's efforts to lessen worldwide hunger. We would be shortsighted indeed if we only attempted to export food. Less developed countries must also be aided in their efforts to increase their own capacities for food production.

Through the Agricultural Research Service and the Cooperative States Research Service, new technologies are being developed to increase agricultural productivity, both at home and abroad. Appropriations for these agencies have been increased over the fiscal 1974 levels by $13 million and $12 million respectively.

Another area of concern, Mr. President, is the rural development programs where the committee recommends increases over the budget request in the loan programs for rural housing, farm operating expenses, and water and sewer facilities. For direct loans for rural housing, the committee provided the entire budget request of $20 million, double the 1974 amount.

Although no funds were requested in the budget for the special grant programs for farm labor housing, mutual and self-help housing, and rural water and waste disposal, the committee has provided funding to continue these three programs in fiscal year 1975.

Even with the committee increases over the budget estimates for these rural development programs, it is clear the needs of rural America far exceed what we can provide for. The funds recommended can only attempt to address this area's most critical problems and needs.

With respect to environmental and conservation programs, your committee has increased the appropriation for the Environmental Protection Agency by $92 million over the level of the past fiscal year.

The rural environmental conservation program has been provided $190 million in contract authority. This figure is $35 million under the vetoed bill but will still allow substantial assistance to farmers for conservation measures.

Mr. President, your committee has also recommended reductions for the Federal Trade Commission, the Food and Drug Administration, and the Consumer Product Safety Commission from levels provided in the vetoed bill and from the budget requests. The amounts recommended, however, are still significantly above past years' levels and will allow them to adequately discharge their growing responsibilities.

Your committee also recommends that language added by the House to prohibit the Environmental Protection Agency from regulating parking facilities be deleted because such a restriction would seriously jeopardize our Nation's program to achieve and maintain legally mandated air quality standards.

In closing, Mr. President, I wish to emphasize the difficulties faced by your committee in balancing fiscal constraints with ever growing needs.

This bill has been scrutinized, reevaluated, and carefully considered. I firmly believe it is both responsible and responsive to the economic, social, and environmental needs of our Nation and I urge my colleagues to join me in supporting it.

Mr. AIKEN. Mr. President, I notice on page 48 of the committee report that an amendment was considered to eliminate the language in the bill that prohibits the use of appropriated funds to implement the grant portion of section 504 of the 1949 Housing Act.

The report notes that the restriction has been included in this annual appropriations bill for several years.

With this language, the Agriculture Department cannot process any grant for any individual for the purpose of repairing or modernizing his home.

The Farmers Home Administration has done good work in providing its low-interest loans to individuals in our rural areas for home improvements, but even under this program there are some who cannot qualify for one reason or another.

The grant program is one more way by which the low-income of our rural areas have a way of improving their living conditions.

The prohibition contained in the appropriations bill came to my attention when I was looking into various programs for a constituent who wished to continue a home-winterizing program for the low-income in his area.

His project has merit for two reasons. It helps the homeowner conserve the use of energy, a top priority given our country's energy shortage situation, and it helps the homeowner save additional money.

The Department tells me it has not pushed for the program because it would cost a great deal of money. Yet, there are no figures to support this.

While I would prefer to see the language removed from the fiscal 1975 appropriations bill, that prohibits the implementation of the grant program I am glad to see the committee ask the Department for specific information on the status of the program. With this material, the committee will be able to act later to implement this program.

Mr. HRUSKA. Mr. President, the 1975 agriculture-environmental and consumer protection appropriation bill is once again before the Senate. This body had approved a previous measure on July 22 and the conference report on that bill was agreed to on July 30. But the President vetoed that bill.

We now have a new bill before us. It

is a bill which I believe reflects an effort to respond to the spirit of the President's veto message, which pointed out that the original bill exceeded the President's budget recommendation by $540 million. This instant bill goes a long way to meet the President's objections. This measure has been treated with evenhandedness and with tempered judgment and deliberation.

In that regard, I would like to extend my deep appreciation to both the chairman of the Subcommittee on Agriculture Appropriations, and to the ranking minority member, the Senator from Hawaii, who have labored with diligence and ardor on the bill. Through their efforts, the reductions have been distributed evenly and fairly with a minimum of danger to the various programs.

It should be noted that although it is popularly known as the agricultural appropriations bill, there are many other programs included. Therefore, agriculture alone has not borne the brunt of the reductions made in this legislation.

A careful and thoughtful attempt was made to achieve an overall reduction, without disrupting the congressional authorizing mandate to provide effective programs in the areas of agriculture, environmental control, and consumer protection. This is a difficult task in any appropriations bill and I am confident that an equitable and balanced result has been reached in the bill we are now considering.

The Senate bill recommends a $53.6 million decrease from the budget estimates. It is a reduction of more than $176 million from the level of the vetoed bill.

AGRICULTURAL PROGRAMS

Mr. President, for the Agricultural Research Service the committee recommended an appropriation of $201 million, which is the same amount provided for in the House bill. This is an increase of $12.9 million over last year and a reduction of $3.7 million from the budget request. The House reduced the levels for a number of priority research activities, but both the House and Senate committees expect the department to carry them out to the extent possible with available funds.

The committee also recommended over $400 million for the programs of the Animal and Plant Health Inspection Service—APHIS. These funds will be used to conduct regulatory and control programs to protect the wholesomeness of meat and poultry products for human consumption and to generally improve animal and plant health. The treatment of animals, their inspection, as well as the control and eradication of pests and diseases, are all activities which will be supported by these funding levels.

The sum of $6.7 million has been recommended for construction of the Fleming Key quarantine facility, which will allow APHIS to engage in much-needed research on the extent and existence of communicable diseases and pests affecting livestock and poultry. This is a vital program to our livestock industry, and I am pleased to see its continued support by the committee.

For reimbursement to the Commodity Credit Corporation for net realized losses, the committee has recommended an appropriation of $4 billion, which is the same amount as provided by the House. These funds will be utilized by the Commodity Credit Corporation for programs to stabilize and protect farm income and prices, to help maintain balanced and adequate supplies of agricultural commodities, and to insure the proper distribution of commodities.

RURAL DEVELOPMENT PROGRAMS

The electric loan level for the Rural Electrification Administration as provided in the vetoed bill has been reduced by $50 million to $700 million for fiscal 1975. This level is still $82 million over fiscal 1974 and the budget estimate. The committee has recommended that not less than $80 million of the total amount authorized be made available for 2-percent loans. The committee has also urged the Administrator of the Rural Electrification Administration to return to a 2-year construction program loan formula. Testimony before the committee indicated that this change would result in administrative cost savings and also assist the borrower in planning and carrying out construction programs.

The House eliminated from the vetoed ownership loans, $50 million for insured housing loans, and $3.5 million of the $7 million for rural committee fire protection grants. The $6 million in the vetoed bill for mutual and self-help housing was reduced by $1 million. These cuts which were approved by the Senate committee were made in an effort to reduce the overall total of the bill, but at the same time, retain sufficient funds to keep the programs operating at an effective level.

The vetoed bill had provided for a total of $345 million for rural water and waste disposal grants. The President's veto message directed particular concern to this item. In response to the President's veto, the House and Senate committees agreed to reduce the total level to $150 million, $30 million through a direct appropriation and $120 million which was carried over from prior years. The $150 million funding level is most generous indeed, considering that in previous years the highest amount allowed for this program was $40 million. The $150 million will permit the Department of Agriculture to fund a much-needed program for thousands of rural homes that are still without adequate water and sewer facilities.

ENVIRONMENTAL PROGRAMS

The bill provides $80 million for energy research and development in the Environmental Protection Agency. This is $28 million, or a 25-percent reduction from the $108 million originally approved in the bill the President vetoed. The committee does not expect this reduction to critically affect program levels because personnel ceilings preclude full use of the original amount. This $80 million compares to no funds in last year's budget.

Of particular concern to the committee was language in the House report which would restrict funds to the Environmental Protection Agency if any programs were administered which reduces the supply or increases the cost of electricity or food to the consumer. This is recognized as a provision without absolute legal effect, but was responded to in length in the Senate committee report. In brief, enforcement of this language could jeopardize, repeal, or conflict with much of the legislation which has been passed in recent years which pertains to the environment. I am confident that the explanatory language of the Senate report will clarify the House report language and, hopefully, minimize its impact on the programs of the Environmental Protection Agency.

For abatement and control the House and our committee cut by 25 percent a number of add-on items which were contained in the vetoed bill, reducing the total by $1,125,000. The Great Lakes and clean lakes programs, which were a subject of criticism in the veto message, were cut by the requested $175 million. The House, however, did add $4 million in a direct appropriation for the clean lakes program. This should permit the Environmental Protection Agency to initiate an evaluation of these programs with an eye to future program funding at increased levels.

The vetoed bill provided $225 million for the agricultural conservation program advance authorization. The present bill provides $190,000,000 which reduces the original amount by $35 million, but which is $30 million above the budget request.

CONSUMER PROGRAMS

The Senate, in floor action, and at the request of the administration, provided for an additional $100 million for the child nutrition programs because of strains on the section 32 fund of the Department of Agriculture. This was not an authorization of any program increases, but rather simply a shift of funds from other accounts. The Office of Management and Budget did not clear this additional amount of funds; however, it did see fit to use this $100 million as part of its reasons for vetoing the original bill. Accordingly, the House eliminated the increase in budget authority and the Senate committee concurred in that action.

The Food and Drug Administration's budget was reduced by $2.8 million by the House. This is $193,000 more than was appropriated last year, and $50,000 under the budget estimate. Other consumer agencies also received cuts by the House, such as a reduction of $450,000 for the Federal Trade Commission and over $800,000 reduction for the Consumer Product Safety Commission. These agencies are being funded, however, at levels above the fiscal 1974 appropriation.

In summary, Mr. President, this pending measure is deserving of approval by the Senate in its present form. It is a good faith and effective accommodation of the thrust of the President's veto of H.R. 15472. Thus, it will meet the requirements of the Nation's present fiscal and economic situation, with a minimum of adverse impact on the programs and activities which the bill funds.

The **PRESIDING OFFICER**. What is the will of the Senate?

Mr. McGEE. Mr. President, I yield to the distinguished Senator from Maine.

Mr. HATHAWAY. Mr. President, I thank the chairman of the subcommittee for yielding to me for this purpose.

I want first of all to ask a question in regard to the amount of money that was cut for Farmers Home Administration staffing requirements. I understand that about $1.2 million was cut from the amount of money that Farmers Home could use for staff.

We just finished hearings last week where it was brought out by many witnesses that one of the shortcomings of the implementation of the rural housing program under the Farmers Home Administration was the fact that they did not have enough staff. I would appreciate it if the chairman of the subcommittee would explain to me why this cut in appropriations was made.

Mr. McGEE. Yes. The Farmers Home Administration received the percentage cut that all of the line items received, and this has resulted in a shortfall on personnel to do the increasing amount of business that the Farmers Home Administration has to do.

We tried to make some adjustment to that shortfall as a result. The Committee on Agriculture agreed to permit the Agricultural Stabilization and Conservation Service to make available any temporarily surplus personnel for use by the Farmers Home Administration. Both of those agencies agreed that this would be a very valuable interchange, and would as well stabilize the personnel problem, because the ASCS people have the kind of expertise that the Farmers Home Administration would have to call in, in any case.

Therefore, with that kind of language in this proposed committee measure, we believe it will help to adjust to that shortfall on the part of the Farmers Home Administration.

Mr. HATHAWAY. I understand that the committee, of course, will retain oversight over this matter, to see whether or not in fact it does work out.

Mr. McGEE. Yes, indeed. We want to make sure that this is not just a paper operation, and that it in fact makes a substantive input, and does relieve the condition now existing in the Farmers Home Administration.

Mr. HATHAWAY. Because the condition is, as the chairman well knows——

Mr. McGEE. Extremely serious

Mr. HATHAWAY. A bad one at the present time, with applications being delayed anywhere from 4 to 6 months, and one of the key reasons for that is the lack of personnel to properly process the loans.

Mr. McGEE. Yes. The Senator's point is well taken, and we are hopeful that this will help them to adjust to that lack of personnel in the Farmers Home Administration.

Mr. HATHAWAY. I thank the chairman for his interest in this matter. I have one other matter I would like to discuss with the chairman, in regard to the recently enacted rent supplement program for rural areas.

In our hearings last week, it was developed that the Farmers Home Administration does not intend to do anything to implement this program until they have some expression on behalf of Congress that they should go ahead with it, and the purpose of this colloquy is to give them just that expression.

I understand that sometime after the first of the next calendar year, there will be a supplemental appropriation, and I would like to see the Senate request that the Farmers Home Administration give to the Appropriations Committee the estimated amount of drawdown on the funds that would be necessary to implement the rent supplement program for the calendar year 1975. I would like the Senate to make that request in terms of it being sent to the committee on or before December 31 of this year, so that it would be in plenty of time for the committee and the subcommittee to act prior to the time of enactment, or the executive session, on the supplemental.

Mr. McGEE. Yes. The committee considered this problem very carefully. It was the subcommittee's feeling that the way to get at it without delay was to get a letter to the people downtown, requesting that a report and evaluation of this matter be returned to the committee before the end of this calendar year. Armed with that, with the dimension and severity of the problem, we would then be better able to weigh the requirements that would be needed in the first supplemental, for example, if that were a reasonable time interval, or the second supplemental, whatever their disclosures revealed to the committee. But we did not want to be caught unprepared to go after the first opportunity for a supplemental consideration.

Mr. HATHAWAY. I understand. So the letter will request that we have this information, then, by the end of this calendar year?

Mr. McGEE. By the end of this calendar year. That means December 31.

Mr. HATHAWAY. I thank the Senator. This is an important innovation in rural housing, and I know the vast majority of us in this body want to see it implemented as soon as possible.

Mr. McGEE. I appreciate the Senator's leadership in the matter.

Mr. FONG. Mr. President, if the Senator will yield, I want to add also that our subcommittee has not had any hearings on this matter as yet.

Mr. HATHAWAY. The receipt of the letter before December 31 would give ample opportunity to hold hearings.

Mr. McGEE. Yes; and the committee would then be able to take whatever intelligent steps would be required.

Mr. HATHAWAY. I thank the Senator very much.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT

Mr. MANSFIELD. If I may have the attention of the Senate, Mr. President, I ask unanimous consent that on the pending bill there be a time limitation of one-half hour on each amendment, the time to be equally divided between the sponsor of the amendment and the manager of the bill; that there be 2 hours on the bill, and that rule XII be waived.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I thank the Senator.

Mr. President, I ask that the unanimous-consent request be treated in the usual form.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I suggest the absence of a quorum with the time to be charged equally against both sides.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. McGEE. The Senator from Iowa has an amendment.

Mr. CLARK. Mr. President, I ask unanimous consent that Mr. Tom Saylor of the Agriculture and Forestry Committee staff, and Mr. Bill Albrecht of my staff, be permitted the privilege of the floor during the discussion of H.R. 16901.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. CLARK. Mr. President, on behalf of Senators JAVITS, HATFIELD, HUMPHREY, McGOVERN, METZENBAUM, MUSKIE, SCHWEIKER, and myself I send to the desk an unprinted amendment to H.R. 16901, and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

On page 18, line 25, substitute a comma for the semi-colon and add the following: "*Provided further*, That the highest priority in the allocation of the funds contained in this appropriation shall be immediately given to those nations most seriously affected by current food shortages as determined by a global assessment of humanitarian needs;"

On page 19, line 2, substitute a comma for the period and add the following: "*Provided*, That priority in the allocation of funds used to purchase feed-grains available under the Food for Peace program be given to the purchase of specially blended and high nutritional foods."

Mr. CLARK. Mr. President, 2 weeks ago the United States delegation to the World Food Conference in Rome asked the President to increase this country's food assistance to nations suffering from starvation, malnutrition, and the threat of famine. The request was for an additional 1 million tons of food—a modest amount that would have raised our commitment to 4.3 million tons this year, an amount well below the traditional U.S. commitment of food aid.

Unfortunately, the White House rejected that bipartisan request.

This amendment to the agriculture

appropriations bill represents an attempt to help correct that situation, by assigning the highest priority under the food for peace program to the use of food for humanitarian purposes.

In the words of the Secretary-General of the World Food Conference, "It is time we depoliticize food aid and rehumanize it."

Reduced availability of basic grains has diminished the importance of surplus disposal and market development under Public Law 480 programs and, as a result, this country's food assistance has been increasingly used to further foreign policy interests. During fiscal year 1975, for example, over 66 percent of Public Law 480, title I resources, went to Cambodia and Vietnam. Almost three-quarters of title I went to supporting assistance for countries—not for the primary purpose of feeding hungry people—but as budget support for military purposes. Such a disproportionate share of Public Law 480 for these purposes lends credence to the conclusion that the food for peace program has become more a food for war program.

Quantities approved through December 31 of this year show that less than 30 percent of Public Law 480, title I aid, is being directed to strictly humanitarian uses. At the same time, 25 percent of title I assistance went to Cambodia, 20 percent to Egypt and about 7 percent to Chile.

In a year of high commodity prices and tight supplies, it is unconscionable that American food assistance goes first, not to where the most people are starving, but where it seems desirable to support a friendly political regime or exert diplomatic leverage. It is difficult to justify food assistance as primarily a political weapon when the victims are women and children in the poorest countries of the world.

This amendment to the Public Law 480 title I appropriation section of H.R. 16901 would insure that the highest priority in the use of the resources available under this title are used for demonstrated humanitarian purposes. This does not increase or decrease the total level of funding but simply directs a part of the appropriation to be used for a purpose specified in the Public Law 480 legislation.

Under this amendment, the President should demonstrate that, in the allocation of food assistance resources under Public Law 480, priority is being given to those countries most seriously affected by current food shortages, as defined by the appropriate international bodies. In addition every effort should be made to direct the maximum feasible volume of food commodities to those who need it the most—both in terms of increasing our own participation in food assistance as well as taking leadership by other countries in food and the financing of food assistance.

The amendment is consistent with the proposals of the U.S. delegation at the World Food Conference on the resolution concerning food aid. Specifically we proposed that food aid should not be used as a diplomatic weapon to impose the political objectives of donor countries upon recipient countries.

The purpose of this amendment is to encourage the President to take whatever action is necessary to help meet the food problem. The committee report makes clear that this authority exists and rests with the President.

Each year funds are appropriated directly for the purpose of carrying out the Public Law 480 Program. These funds remain available until expended. Therefore, if the funds appropriated in any given year are not used in that year they carry forward to the next fiscal year. In addition, if the funds appropriated for P.L. 480 are not sufficient to carry out the program within any fiscal year, the basic law authorizes the use of CCC funds to finance the sale and exportation of agricultural commodities under P.L. 480. In those cases where CCC funds are used in a fiscal year to carry out P.L. 480 activities, the P.L. 480 appropriation is increased in a subsequent year to repay CCC. Consequently, since the law authorizes the use of CCC funds the amount of the P.L. 480 appropriation does not limit the size of the program to be carried out. The basic authorizing legislation limits Title I activities to $1.9 billion per year and Title II to $600 million per year, in addition to any carry-over of unused prior year's authorization as set forth above.

In addition, the amendment proposes that priority in the title II appropriation be given to specially blended, high nutritional food normally shipped under the program. In times of tight supplies, there seems to be a tendency to cut back on these special foods particularly those that have a feedgrain component. Such cutbacks are particularly disruptive to already established programs designed to improve the level of nutrition of the most vulnerable groups in these countries—women, infants and children. In the spirit of the commitment expressed at the World Food Conference to raise nutritional standards, we should insure that these special foods are programed at least at the level this country was shipping abroad in fiscal year 1972.

Mr. President, I ask unanimous consent to have printed in the Record an article by Anthony Lewis, published in today's New York Times, an article in the November 23 National Journal, and some remarks I made earlier on the floor of the Senate with respect to the World Food Conference.

There being no objection, the material was ordered to be printed in the Record, as follows:

Only Connect

(By Anthony Lewis)

Boston, November 24.—It is a troubled Thanksgiving. Americans are still a privileged people, with material comforts extraordinary by the standards of history or of almost all the world today. We know that, but we wonder whether it can last.

People all over this country are scared. They are worried about their own futures—their jobs, their homes, their ways of life. They doubt the competence of government to deal with the problems of the country. And there is a deeper uneasiness about the world, a sense that things are out of joint in economics and politics and the resources that sustain life.

Food is a particular symbol of unease right now. Americans are increasingly conscious that food is desperately short in parts of the world, that hundreds of millions are malnourished and may die of starvation unless helped. We are still a generous people, but we wonder: Is there anything clearly useful to do? Can we give aid without aggravating our own problems? Is there, in short, a connection between helping others and helping ourselves?

In exploring such questions it is important to distinguish between the long-term and the immediate. Any attempt to look decades ahead of the world food situation must raise profound issues of population and resources and ethics. The World Food Conference in Rome made a reasonable start on mechanisms to deal with the future. But right now there are practical problems that have to be solved if the longer-run ideas are to have any chance of developing.

The immediate problem is that some areas of the world, notably South Asia, are short of grain. There is no doubt that the shortage is severe. Estimates of the need range from six to ten million tons over the next year.

The grain needed can come from only a handuful of surplus countries: the United States primarily, plus Canada, Australia, the European Community. In other words, this is a relatively straightforward problem compared with many that the world faces today. It is a problem of transferring food from known sources to agreed shortage areas.

The United States, because of its immensely productive agriculture, has an inescapable responsibility for leadership in meeting the need for immediate food aid. During the Rome conference, President Ford rejected a call to pledge an additional one million tons of grain, saying that would add to inflation at home. But in fact his Administration has tentatively and secretly decided to send up to three million tons more in the next year, while withholding firm commitment until a fresh review every three months.

Secret plans for aid, subject to quarterly review, have a fatal flaw in terms of effectiveness. The needy countries can make no plans on such a basis—plans for distribution of aid or use of internal stocks. In the absence of firm expectations of outside help, the tendency in hungry areas will be for those who have any food to hoard it—thus worsening price and distribution problems.

To be effective, American action has to be swift, decisive and public. The occasion for decision is a meeting in Rome set for Nov. 29 of the principal grain-exporting countries and of the most needy, to see what can be pledged for the latter.

A number of organizations concerned with the food problem are pressing the United States Government to pledge shipment of two million tons immediately and two million more next summer, contingent on matching contributions by other countries. It is important to get the wheat and rice moving soon, because it takes weeks to arrange and accomplish shipping on so large a scale. And unless commitments are made now, the available grain may go for other, commercial uses.

Why, then, is it in the interest of the United States to make fresh commitments of food aid? What is the connection between us and them?

The answer may be clearer if we ask the question another way: What would it do to Americans if we watched thousands or millions die—literally watched, on television—because we and the world had not acted? Putting aside all considerations of humanity, the result would surely be to weaken further our already frayed confidence in the ability of the system to deal with today's problems.

The point is that the immediate food shortage is a well-defined problem, with a definable solution. If the world is not up to that, how can it be expected to handle the greater complexities of energy and resources, and inflation? Mass starvation would be an unmistakable signal of institutional failure.

Thanksgiving is a day of food, but it is hardly an expression of greed or selfsatisfaction. Rather it is a recognition of the debt to God and nature for their bounty. Those who first celebrated it, in Plymouth in 1621, invited the nearby Indians to share the harvest.

Generosity has been a natural instinct of Americans. Today it can serve a larger purpose. By sharing food with the hungry we can allay the widespread feeling of impotence before the strains of contemporary life, and begin to restore faith in the capacity of man to solve his problems.

[From the National Journal, Nov. 23, 1974]

AGRICULTURE REPORT/POLITICS OF FOOD AID PRESENTS UNITED STATES WITH POLICY DILEMMA

(By Daniel J. Balz)

A Treasury Department expert on the United States food aid program—known as PL 480 after the statute which created it—was talking recently about some of the program's flaws when a visitor interrupted him.

"Why don't people know about these things?" he was asked.

"I suspect a lot of people don't know a lot about PL 480," the official said.

If that has been the case, things may change soon, thanks in part to some of Agriculture Secretary Earl L. Butz's side trips from the recent World Food Conference in Rome.

While delegates from almost 130 nations debated how to find enough grain to meet an anticipated 7–11 million ton shortage in South Asia and Africa, Butz visited Cairo to sign an agreement committing the U.S. to ship 200,000 tons of wheat to the Egyptians, a deal worth about $39 million.

Butz said, however, that the Egyptians wouldn't pay for it directly. Instead, the United States would loan them the money for 20 years at an interest rate of 3 percent, all part of the convenient terms of PL 480, the Food for Peace program.

To many Americans, "food aid" connotes this country's response to ill-fed—and starving—people abroad, a program designed to funnel some of the bounty of America to hungry people in poorer countries.

But to U.S. policy makers, PL 480 is one of their most flexible tools for international diplomacy, a way of buying or securing friendships, rewarding allies and punishing transgressors. To America's farmers and their Agriculture Department in Washington, the program has been an opportunity to open new markets.

Although the world has looked to the United States to lead the fight against famine in parts of the world this year, the PL 480 program is at best only a cumbersome instrument in that battle. And while the United States had nearly a year to revamp its food aid policies in preparation for the food conference, most of the fundamental issues were ignored because both the Nixon and Ford Administrations preferred caution to commitment.

Many of the problems with the PL 480 program were overlooked in Rome, as attention was riveted on a single symbol: the total amount of money the United States was willing to spend this year. The U.S. had planned to spend $891 million on the program in fiscal 1975, enough to buy about 4.6 million metric tons of food. But poor harvests have raised the cost of food so that those 4.6 million tons now cost about $1.35 billion.

In Rome, delegates wanted the U.S. to assure the rest of the world that it would spend at least enough to ship all it had planned to, but Secretary of State Henry A. Kissinger, under orders from President Ford, would say only that the Ford Administration would spend more than the $891 million. Senior Administration officials wanted to avoid a commitment until they could get a better idea of the domestic crop situation, despite the adverse publicity that would result. (*For details of that policy decision, see table.*)

A DIFFERENT PICTURE

Attention on the cost of 4.6 million tons of food, however, obscures a more revealing story—how and where the money is spent. An analysis of budget figures for four fiscal years—actual spending in fiscal 1973 and 1974, latest projections on distribution of fiscal 1975 money and early, quite tentative requests for fiscal 1976—shows the political motivations behind the program.

Program critics within the government say aid often reaches the people in the poorest nations only by accident. Much of it never reaches them at all because it ends up for sale in the markets of the recipient country. The amount that does reach people most in need represents only a fraction of the total food provided under the program.

Critics of the program contend food aid has been used to help governments, not people. It helped the South Koreans finance troop commitments to South Vietnam during the 1960s, for example. Other times, say officials in the White House, it helps perpetuate a worldwide bureaucracy of relief organizations. Other critics say it makes the problem of hunger worse because it delays agricultural development in poor countries. Only some of the time, say bitter bureaucrats, does it help to alleviate hunger.

PUBLIC LAW 480 SUPPLIES

These are the amounts of food supplied by Public Law 480. The fiscal 1974 figures represent actual tonnage shipped. The fiscal 1975 figures show what the United States had planned to provide when the budget was prepared a year ago. There has been no decision on how much of the fiscal 1975 volume actually will be supplied. All figures are in metric tons.]

Commodity	Fiscal 1974		Fiscal 1975	
	Title 1	Title 2	Title 1	Title 2
Wheat/Products	705,574	657,411	1,266,600	606,000
Rice	603,871	0	1,000,000	0
Feed grains/products	370,181	649,865	1,143,600	383,000
Vegetable oil	65,956	53,533	166,000	58

Source: Department of Agriculture.

How it works

The Food for Peace program began in 1954 when America's grain silos were bursting. It was created to dispose of some of those surpluses, and the law retains a provision that restricts its use only to periods of surplus. When the Nixon Administration put export controls on soybeans in 1973, soybeans were cut out of PL 480.

During the first decade of the program, aid was channeled to finance ministers of foreign governments, and because these countries could pay for the food with their own currencies, food aid represented a way of helping the foreign exchange position of various nations.

In those days, the U.S. spent most of its foreign aid money on projects designed to industrialize the developing countries. The developing countries often ignored their own agricultural development needs in the rush to industrialize, and the U.S. went along. That attitude changed, however, when India suffered severe crop shortages in 1965 and 1966 when the monsoons failed to arrive.

The Johnson Administration decided to take a get-tough approach to the program, and the law was rewritten to link concessionary sales of food to "self-help" programs aimed at increasing agricultural production in poor countries. (Concessionary sales are financed by the U.S. over 20–40 years at low interest rates. Often recipient countries receive a grace period of several years before they have to begin repaying the loan.)

Agriculture economists recall that Johnson became so interested in stimulating agricultural production in the developing countries that he told India he would ship no food until it agreed to divert some of its resources to such projects.

Since a series of poor harvests and mammoth purchases of U.S. grain by the Soviet Union in 1972 helped to eliminate most surpluses in this country, the program has entered still another period. For the first time, the U.S. government must buy in commercial markets the food it ships through PL 480. No longer is the program a handy way of "getting rid of the stuff," as Butz likes to say. Now it has become a program of potentially great sacrifice on the part of the American consumer, for an expansion in its size will put more demand pressure on U.S. domestic markets. By now, consumers know that can only send prices up even higher.

SIZE AND COSTS

During the late 1960s and early 1970s, the United States shipped on the average about nine million tons of food a year through the program. That cost about $1.1 billion annually and represented about 12–15 per cent of U.S. agricultural exports.

Since the grain deal drained the Commodity Credit Corporation's bins of cheap wheat and other grains, the complexion has changed. In calendar 1973, for example, PL 480 accounted for only 4 per cent of U.S. agricultural exports.

In fiscal 1973, according to Agriculture Department figures, the program cost $941.7 million and provided 7.1 million tons of food.

In fiscal 1974, the market value of the commodities shipped in the program was $867.3 million. It provided 3.15 million tons of grain.

Because economists had predicted a decline in food prices at the farm level this year, federal budgeters increased the size of the program for fiscal 1975 significantly (to 4.6 million tons), but not its cost. The cost was estimated at $891 million, but now may be half again as much.

MECHANICS

PL 480 operates through two different programs, known simply as Title 1 and Title 2. Under Title 1, the food is sold to foreign countries on a concessionary basis, as in the recent Egyptian deal. Title 1 sales go to a variety of nations, not all of whom would be called the world's poorest. Under Title 2, the food is given away.

Title 1 usually accounts for more than two-thirds of U.S. food aid, while Title 2, which is targeted for the world's neediest people, gets the rest.

In contrast, food aid provided by European nations through the Commission of the European Community (CEC) is entirely in the form of grants, mostly to the least developed countries.

In the fiscal 1975 budget issued last February, Title 1 was scheduled to get 80 per cent of the money. Now, because of the soaring cost of farm commodities and the need of poor countries for help in meeting the increases, the Title 1 share may be reduced to about 65–70 per cent, with the difference going into the grant program under Title 2 to help reduce starvation.

TITLE 1

Title 1, the concessionary sales, operates through commercial markets on a government-to-government basis. The United States finances deals between private grain traders in this country and importers in recipient nations.

When the food shipped under Title 1 arrives at its destination, it is not distributed to the country's hungriest people. Instead, the foreign governments channel the grain into their own commercial markets for sale.

This provides a method for them to raise money to finance development projects under the self-help provisions of the program. One Agriculture Department economist said the projects have not been as successful as the U.S. hoped.

The self-help provision "has served as a means of dialogue," he said, "but it has seldom been something with the teeth in it that's implied." Many countries have continued to ignore agricultural development.

The Title 1 program also has helped foreign countries keep down food prices to consumers because the extra food channelled with the market served to keep prices from rising as much as they might have had the market shelves been bare. But this acts to reduce the incentive of the recipient nation to take steps to increase production, and for the poorest people, it still does little good. They still may be too poor to afford to buy.

TITLE 2

Title 2, the grant program, works through three mechanisms. The major part of Title 2 aid goes through various international relief organizations that conduct programs in nearly 100 countries which provide food to young children and pregnant or nursing mothers. About half of Title 2, including that earmarked for emergency relief, is distributed through these agencies.

Most prominent among these groups are CARE, Church World Service, Catholic Relief Services and the American Jewish Joint Distribution Committee Inc.

Other Title 2 aid is distributed through multilateral organizations and the United States contributes to these through the World Food Program. The food program often uses the food to pay part of the wages of workers employed on development projects.

A third way of providing free food is directly to another government. Under this program, the United States buys the food and pays for shipping it to the recipient nation. The voluntary or multilateral relief agency then handles distribtuion.

ADMINISTRATION

The PL 480 program is part of the Agriculture Department's budget, but is administered largely by the State Department's Agency for International Development (AID).

An interagency staff committee, representing the Departments of Agriculture, State, Treasury and Commerce, and the Office of Management and Budget and the National Security Council, decides where to distribute the aid.

Where it goes

While delegates to the World Food Conference debated how to find millions of tons of food during the next eight months to save lives in Asia and Africa, U.S. officials showed little interest in seeking major alterations in the way this country spreads its aid around.

Butz' trip to Egypt illustrated how the United States views food aid as a foreign policy tool. Budget requests for fiscal 1976 obtained by *NJR* show even more clearly how the money will be handed out. The budget figures are only tentative and both absolute levels and shares are subject to change, but they give a first look at how aid could be used.

When combined with distribution figures for fiscal 1973 and 1974 and tentative figures on the current year, they illustrate the politics and the humantarianism of the program. They show a pattern of helping new friends, forgetting some older ones and reestablishing ties with still others. They also reveal a shifting interest in the foreign policy aims of the United States, as it switches its diplomatic focus from Indochina to the Middle East.

AID TO SOUTHEAST ASIA

For the past several years, the biggest recipients of Title 1 aid have been U.S. allies in Southeast Asia.

In fiscal 1973, Cambodia, South Vietnam and South Korea received 67 per cent of all Title 1 aid, according to Agriculture Department figures. Indonesia got 8 per cent, Pakistan 6 per cent and Bangladesh 5 per cent.

In fiscal 1974, South Vietnam got 40.1 per cent of Title 1 aid and Cambodia 29.3 per cent, while South Korea's share fell to only 1 per cent.

An Agriculture Department official who works closely with the program said the concentration of aid to those countries can be explained in part because they are the only countries which receive much rice under Title 1, and there has been a genuine surplus of rice in this country. Other countries have different dietary habits.

But as a White House official said, "It's no secret that the distribution of food aid reflects the priorities of this Administration on foreign policy."

COST OF THE P.L. 480 PROGRAMS FISCAL YEARS 1974–76

This is how much the P.L. 480 program could cost in the near future. The figures for fiscal 1974 represent money actually spent. The fiscal 1975 figure is an estimate based on original projections of tonnage. The fiscal 1976 figure is a preliminary proposal by the Agency for International Development made about 60 days ago. All figures are in millions of dollars. They are based on the Commodtiy Credit Corporation valuation of the commodities and are slightly below actual market value. "Supporting assistance" goes to promote economic and political stability in countries with security problems. A breakdown of some of the countries included in that category can be found in the following table:

Region	Fiscal 1974 actual			Fiscal 1975 estimate			Fiscal 1976 proposed		
	Total	Title 1	Title 2	Total	Title 1	Title 2	Total	Title 1	Title 2
Africa	$126.2	$19.8	$106.4	$79.8	$20.9	$58.9	$67.0	$4.5	$62.5
Asia	187.6	80.0	106.7	525.4	429.8	95.6	560.3	448.2	112.1
Latin America	59.0	20.3	38.7	137.3	78.3	59.0	127.6	80.8	46.8
Supporting assistance	463.8	432.8	31.0	432.5	393.0	39.5	374.1	321.7	52.4
Other: Portugal	9.5	9.5							
Indochina rice reserve: Title 1							15.4	15.4	
Worldwide reserve: Title 1				90.0	90.0		50.0	50.0	
Title 2 emergency				82.8		82.8	50.0		50.0
Grand total	845.3	562.4	284.9	1,347.8	1,012.0	335.8	1,244.4	920.6	323.8

Budget projections, tentative though they are, show that in fiscal 1975 and 1976, Cambodia and South Vietnam will get a smaller piece of the Title 1 pie. This year Cambodia's share should be around 14 per cent while South Vietnam's may drop to 12 per cent. Next year each of their shares will drop a few more percentage points. South Korea, on the other hand, is due to receive more.

During the past few years, these countries have received almost on Title 2 aid, but they are scheduled to receive some—up to 7 per cent of the total for Cambodia—in fiscal 1976.

MIDDLE EAST

The budget figures show the swing to the Middle East. Egypt, which got nothing under Title 1 in fiscal 1974, already has signed agreements worth $57 million. Projections for fiscal 1975 could give it as much as $93 million, or 9 per cent of Title 1. The final decision won't be made until the Ford Administration decides how much it will spend for the over-all program this year.

In addition, Egypt could get almost $20 million worth of Title 2 aid this year, nearly 6 per cent of the total. That would be more than has been budgeted for the six countries of the drought stricken Sahelian region of Africa, although an Agriculture Department employee said the United States is awaiting a new assessment of requirements in the Sahel before deciding how much to send there.

A State Department AID official said much of the Title 2 aid in Egypt has gone to feed refugees from the Yom Kippur war.

Next year, initial budget estimates show, Egypt's share of both Title 1 and Title 2 will fall by about 1 per cent. A PL 480 staff expert said, however, that the refugee demands should not be as high next year.

Syria also reflects the benefits of the attention it now gets from the United States. Like Egypt, it got nothing in fiscal 1974, but in fiscal 1975 it could get almost 2 per cent of all Title 1 aid. Next year it may get slightly more than that, and it tentatively is scheduled to receive a few million dollars in Title 2 aid, slightly less than 1 per cent of that title's fiscal 1976 total.

Projections for fiscal 1975 put the middle eastern share of Title 1 aid at 13.9 per cent, with 6.8 per cent of Title 2 also going there. Next year, those shares are likely to fall less than 1 per cent.

All middle eastern and southeast Asian countries are lumped under one category in the budget figures: "supporting assistance." AID says such assistance is supposed "to promote economic or political stability in those nations which are encountering major security problems." This remains an integral part of PL 480.

U.S. DISTRIBUTION OF OVERSEAS FOOD AID

HELP GIVEN FOR HUNGER

These figures show the distribution of food aid to countries with serious hunger problems. The fiscal 1974 figures show the actual market value of commodities shipped. The fiscal 1975 figures represent estimates based on earlier projections of tonnage. The fiscal 1976 figures are from preliminary requests made about 60 days ago. Both 1975 and 1976 are calculated on the basis of Commodity Credit Corporation values, which are slightly below actual market value. The fiscal 1975 and 1976 figures are subject to change. All figures are in thousands of dollars. The percentages represent the share of total Title 1 or Title 2 aid.

Country	Fiscal 1974 actual				Fiscal 1975 estimate				Fiscal 1976 proposed			
	Title 1	Percent	Title 2	Percent	Title 1	Percent	Title 2	Percent	Title 1	Percent	Title 2	Percent
Bangladesh	$18,901	3.3	$1,298	0.4	$91,000	9.0	0	0	$111,000	12.1	$1,774	0.5
India	0	0	67,140	22.9	82,000	8.1	$66,000	19.7	137,800	15.0	74,189	23.0
Indonesia	6,572	1.0	8,934	3.1	70,000	6.9	5,732	1.7	0	0	4,060	1.3
Pakistan	30,242	5.3	7,307	2.5	42,000	4.2	1,564	.5	27,600	3.0	2,446	.8
Sri Lanka	5,219	.9	2,558	.9	16,300	1.6	4,197	1.2	18,300	2.0	4,960	1.5
Sahel region:												
Mali	0	0	11,180	3.8	0	0	59	0	0	0	2,570	.8
Muritania	0	0	6,845	2.3	0	0	278	.1	0	0	1,801	.6
Niger	0	0	13,463	4.6	0	0	300	.1	0	0	2,589	.8
Chad	0	0	4,664	1.6	0	0	5	0	0	0	850	.3
Upper Volta	0	0	6,097	2.1	0	0	2,041	.6	0	0	3,745	1.2
Senegal	0	0	5,696	1.9	0	0	688	.2	0	0	2,314	.7
Ethiopia	0	0	8,846	3.0	0	0	583	.2	0	0	1,123	.3
Gambia	0	0	994	.3	0	0	249	.1	0	0	253	.1
Ghana	0	0	1,895	.6	0	0	2,527	.8	0	0	1,580	.5
Guinea	1,587	.3	482	.2	5,300	.5	392	.1	4,500	.5	581	.2
Cameroon	0	0	494	.2	0	0	657	.2	0	0	740	.2
Nigeria	0	0	2,200	.8	0	0	3,000	.9	0	0	3,042	.9

HELP GIVEN FOR DIPLOMACY

These figures show the distribution of food aid to countries where the United States has had strong diplomatic interests in recent years. The fiscal 1974 figures show the actual market value of commodities shipped. The fiscal 1975 figures represent estimates based on earlier projections of tonnage. The fiscal 1976 figures are from preliminary requests made about 60 days ago. Both 1975 and 1976 are calculated on the basis of Commodity Credit Corporation values which are slightly below market value. All figures are in thousands of dollars. The percentages renresent the share of Title 1 or Title 2 aid going to the country.

Country	Fisca 1974 actual				Fiscal 1975 estimate				Fiscal 1976 proposed			
	Title 1	Percent	Title 1	Percent	Title 1	Percent	Title 2	Percent	Title 1	Percent	Title 2	Percent
Cambodia	$168,174	29.3	$15	0	$146,000	14.4	$11,211	3.3	$111,700	12.1	$23,279	7.2
Chile	0	0	3,187	0	65,000	6.4	4,133	1.2	65,000	7.1	4,686	1.4
Israel	0	0	2,470	.8	21,000	2.1	0	0	20,000	2.2	0	0
Egypt	0	0	3,249	1.1	93,000	9.2	19,097	5.7	81,400	8.8	12,821	4.0
Jordan	7,087	1.2	1,671	0.6	8,000	.8	1,546	.5	2,800	.3	1,980	.6
Syria	0	0	0	0	18,000	1.8	0	0	20,000	2.2	2,500	.8
Vietnam	234,325	40.1	966	.3	107,000	10.6	3,037	.9	85,800	9.3	5,153	1.6
Korea	5,726	1.0	5,436	1.9	121,000	12.0	9,468	2.8	150,000	16.3	7,559	2.3

CHILE

Another country benefitting from renewed interest by the United States is Chile. In fiscal 1974, the United States approved no Title 1 sales to Chile, while providing $3.2 million under Title 2. This fiscal year, Chile could get up to $65 million, or 6.4 per cent, of Title 1 spending. Next year, according to budget requests, it could get another $65 million, representing 7 per cent of the fiscal 1976 share.

INDIA

Some of the aid shifted from Southeast Asia would go to India. Some of this, say White House officials, is political while some reflects genuine need.

Right now, India faces one of the most critical hunger problems in the world.

A. H. Boerma, director-general of the Food and Agriculture Organization, recently said that India may need three million to seven million tons of food during the next year to avert widespread starvation.

The U.S. has been supplying India considerable amounts of food under Title 2. In fiscal 1974 the market value of Title 2 aid was $67 million, 23 per cent of the total. The latest figure for fiscal 1975 is $66 million, or 20 per cent. And next year, India may get $74 million, or 23 per cent again, of Title 2.

But the United States is renewing Title 1 sales to India this year as well, and a White House official attributed part of the motive to restoring a ruptured relationship.

This year India could get 8 per cent of Title 1 spending that figure might be as high as 15 per cent in fiscal 1976.

BANGLADESH

The food shortage in Bangladesh also is severe, but there the U.S. commitment is small. A State Department official said no Title 2 shipments have been authorized for Bangladesh for the past 11 months. Budget projects for fiscal 1975 list no Title 2 aid for the tiny country.

The United States is selling food to Bangladesh under Title 1. In fiscal 1975 that aid may be about $90 million, or a 9 per cent share. Next year it could increase several percentage points.

SAHEL

A report just sent to Congress by AID says that from November 1972, when shipments began, through June 30, 1974, the United States had spend about $100 million in food aid to the six countries of the Sahelian section of Africa. Those countries are Mali, Muritania, Chad, Senegal, Upper Volta and Niger.

But an Agriculture Department expert says only about half of that money went for food. The rest went for shipping and distribution costs, which are extremely high in the Sahel.

In fiscal 1974, the United States supplied 506,000 tons of food, much of it sorghum, a grain rarely eaten in the United States and one which has been relatively plentiful. AID officials said this represented about 46 per cent of the worldwide response.

Another 100,000 tons of food have been shipped during fiscal 1975, but until there is a reassessment of the need in the Sahel, the United States is holding off on more shipments. AID reported to Congress that the drought appeared to have been broken. Now the emphasis on aid may shift from food to development.

Another country devasted by drought, Ethopia, got about $16 million in fiscal 1973 and 1974, enough to buy 64,418 metric tons of grain. Nearly half the money went for costs other than food.

Decisions

The World Food Conference could have provided American policy makers with an opportunity to review the food aid program thoroughly and to establish basic guidelines for its operation in the future. Instead, say bitter officials, those decisions largely were avoided because the Administration wanted to adopt a low profile in Rome.

Although the food program was studied, no attempt was made to answer basic questions about it. Nor was there a cohesive organization to bring together conflicting viewpoints.

As with the delegates in Rome, the attention of most U.S. officials was on the amount of money that could be spent this year and not on how it should be spent.

A White House official who worked on the issue during its early stages said the emphasis on money rather than the program itself made it easy for senior advisers to ignore many of the fundamental issues.

"We're letting the fact that we're tight this year influence what we do," he said. "That may be a very foolish position to take. Butz says the shortages are only short-term, but we're acting as if that isn't so."

While in Rome as a member of the U.S. delegation, Sen. Robert Dole, R-Kan., suggested that Congress try to resolve some of the issues next year. If Sen. Milton Young, R-N.D., loses his seat, Dole is scheduled to become the ranking Republican member of the Agriculture and Forestry Committee.

If he and others such as Sens. Hubert H. Humphrey, D-Minn., George McGovern, D-S.D,. and Dick Clark, D-Iowa, follow up on some of their statements in Rome, the program could receive a thorough review next year.

SOME CHANGES

One of the immediate problems is a desire on the part of the Administration to rewrite the law to allow the program to operate even during a period of shortages in the U.S. Under current statute, the program technically can run only when the U.S. has a surplus.

An aide to Humphrey said he thinks the Senator might push for action on that amendment during the lame-duck session of Congress. If he does, still other issues might be raised.

One is the separation of Title 1 from Title 2. The General Accounting Office recently finished a study of the food aid program, and a PL 480 staff member said one of the principal recommendations is for Congress to rewrite the mandate of the program to keep Title 2, the free food part of PL 480, away from the political aspects of Title 1.

DOES TITLE 2 WORK?

But there are problems with Title 2 as well. Within the bureaucracy, said a budget examiner, there has been debate about the effectiveness of Title 2. Although it supposedly helps to feed the neediest people in the poorest countries, it tends to go where the most effective relief agencies operate. In India, a Treasury Department official said, 75 per cent of Title 2 aid goes to that nation's three richest states.

The voluntary agencies which distribute the food wield a lot of power over the program. Because of the sympathies normally attached to humanitarian agencies, this makes legitimate criticism of their efforts difficult.

"There is little dispute within the government for using food for disaster relief," an OMB official said. "The dispute is over the ongoing programs (run mostly by the voluntary agencies). Some of these have been running without arousing much interest in the recipient countries. You would expect these governments to take an interest in the problem, to devote a portion of their own resources. But for a long, long time, there wasn't much evidence of that happening."

Another staff man who works closely with PL 480 had sharp words for Title 2. "It tends to do little good because it's so spread around," he said. "And it interferes with the social structure of the country. It's not always welcome.

"Title 1 at least raises resources which can promote economic development. And how the food is distributed is largely up to them. When you have outsiders go in and decide who should have their incomes supplemented (through free food as in Title 2), that's quite a different thing."

The distribution of Title 2 food is another area of concern. "Food aid tended to be given where it could be delivered most easily," said one official. "That tended to be the school systems of Latin America. Then came the question of whether these kids were the most vulnerable. Research pointed to pregnant mothers and pre-schoolers. But the voluntary agencies prefer to stay in school feeding."

DELAYS PRODUCTION

Finally, questions about how much food aid inhibits production must be weighed. A report by the Economic Research Service of the Agriculture Department says that while there is agreement on using food aid for disaster relief, "there is less agreement on the use of food aid on a medium or long-term basis."

"I think there would be support for killing the entire program," said a Treasury official, "if you could shift the money from PL 480 to AID."

He said politics weighed against that. There is strong support among midwestern Members of Congress for PL 480 because it creates markets for their farmers, but many of these same Members oppose the foreign aid program.

In Rome, the United States supported the idea of emphasizing long-term development of agricultural production in the poor countries, rather than reliance on the developed countries to produce and ship the food.

Outlook

With little indication that the world food shortage is decreasing or that areas hit by famine will not continue to have problems in the year ahead, there is likely to be little let up in attention to the food aid issue.

The United States, as it made clear in Rome, would like to combine with other major exporters and the oil-rich countries in the Middle East to work out a joint program for supplying food aid on an emergency basis to such places as India and Bangladesh.

Under this kind of plan, the United States would produce as much as it could, supply some through its own food aid program, and hope that the Middle Eastern countries provide money to buy more of it and ship it to those people in need.

The Administration still must decide how much money it will want to spend, and its decisions on the PL 480 program cannot be delayed much longer.

But one staff person sounded pessimistic. "I don't think anyone has been trying to come to decisions about how to use it," he said.

KISSINGER'S ATTEMPT TO RAISE COMMITMENT

Secretary of State Henry A. Kissinger made a special appeal to President Ford shortly before the World Food Conference began, asking authorization to announce an increase in the amount of food aid the United States will provide this year, but he was overruled by Ford after objections raised by senior economic advisers.

Instead, Kissinger was allowed only to renew a pledge that the United States would spend more money for food aid that it had budgeted.

Higher farm prices, however, mean that unless the Administration commits $400 million to $500 million more than the $891 million in the budget, the volume of food shipped will be less than the 4.6 million tons planned.

Later, the U.S. delegation in Rome forced Agriculture Secretary Earl L. Butz to cable Ford to ask for a one million ton increase in food aid, but the Administration ignored the request because it was unwilling to depart from its cautious posture for what it viewed as a fleeting public relations triumph.

DECISION IN DECEMBER

Administration officials reported that a final decision on how much food aid the United States will provide in fiscal 1975 may not be made until late December.

At least half a dozen persons said it is still possible that the full amount will be shipped. Several of these persons said it is a virtual certainty that the amount of food provided free under Title 2 of the Food for Peace program (Title 1, the larger part of the program, provides for concessionary sales) will be at least as much as the fiscal 1975 budget called for, even though its cost has risen from $175 million to between $300 million and $350 million.

The reason for this, however, is not because of a policy decision but because of the mechanics of the Title 2 program. An OMB official said that food shipped under Title 2 must be ordered several months in advance. By the time a final decision is made on the fiscal 1975 program, orders covering about eight months of that fiscal year will have been approved.

Although this is common knowledge among food aid experts in various agencies, Ford refused to accede to several congressional members of the U.S. delegation at the food conference who specifically requested Ford to pledge an increase in Title 2 spending from $175 million to $350 million.

KISSINGER

During the months leading up to the food conference, Kissinger was the only senior Administration official pushing for policy decisions which would give the United States a leading role in Rome.

"We had a Kissinger approach and a reaction to it," one White House official said. "Kissinger wanted the United States to lead, to be perceived as leading. He wanted to commit the United States in ways that would make that clear. Others were unwilling to put the United States in a position of leading They were trying really to fudge this. "They were trying to say, 'We've got tremendous domestic economic problems and we've got a need to retain our own flexibility as a country.' "

Kissinger and others at the State Department wanted Ford to pledge an increase in food aid when the President spoke at the United Nations Sept. 18. One State Department official said early drafts of both Ford's and Kissinger's UN speech (given Sept. 23) contained specific references to increasing the volume of food aid this country would pledge. Both were rewritten.

KISSINGER'S SPEECH

When the draft of Kissinger's food conference speech arrived for a White House review, it contained such a pledge that would mean an increase of about $500 million to $600 million in the Food for Peace program.

There was, in the words of one official, "lots of opposition" to Kissinger's pledge on food aid. Objections were raised because of the poor crops now being harvested and because of the effects on prices which could result from a public statement on how much the United States would be shipping.

Because there are no reserves this year, the commodities provided in the food aid program are purchased from commercial markets. Ford's economic advisers feared disruption in the commodities markets might result from Kissinger's pledge. They wanted to retain some flexibility.

NO DEAL

The senior economic advisers met Oct. 31 to review Kissinger's draft, and told Ford they did not think Kissinger should go beyond the September pledge to increase the money spent on the program.

Several White House officials said that while Butz has been sympathetic toward an increase in food aid, he too opposed Kissinger's draft. First, he feared the crops might not be available or would cost too much, and second, he raised doubts that Congress would approve the money to meet the size of the increase Kissinger wanted.

After the economic team made its recommendations, Kissinger asked Ford to reconsider. Ford, according to a White House official, then asked the economic team to review its position. The economic advisers met Nov. 2, Saturday, and decided to offer Ford the same advice they had given him two days earlier. Kissinger then agreed to rewrite parts of the speech.

DECISION TIME

All this maneuvering left the United States in virtually the same spot it has been since last summer. Staff experts say the decision on how much aid will be committed for fiscal 1975 must be made by the end of December—the time when the fiscal 1976 budget is sent to the printers.

"There is every intention," said one staff man, "to try to meet the original figures on tonnage."

WORLD FOOD CONFERENCE

Mr. CLARK. Mr. President, over the last 2 weeks, the representatives of 130 nations met in Rome to discuss the global problem of hunger and the ways to attack it. The World Food Conference was neither an outright success nor an outright failure, but rather a combination of both frustration and hope.

The delegates to the World Food Conference did agree to establish a World Food Council to coordinate the fight against hunger, and the conference did raise the international awareness of the famine, starvation, and malnutrition plaguing so many people in so many parts of the world. There was a great deal of discussion, many proposals and ideas, but no food was committed to feed the hungry. And that was the most singular disappointment of the conference.

As one of the congressional advisers to the U.S. delegation in Rome, I thought it would be appropriate to make a brief report to the Senate on the conference and the challenges that face all of us in meeting the problem of world hunger.

Secretary of State Kissinger was the principal proponent of the conference and his suggestion for such a meeting in a speech to the United Nations earlier this year was received enthusiastically, especially by the developing nations, and with good reason. Only 4 or 5 years ago, there had been some optimism that the problems of hunger might be manageable. Many of the developing nations had become more self-sufficient with the help of irrigation, more fertilizer, pesticides, and the benefits of the Green Revolution in crop yields and nutritional value. Only 4 or 5 years ago, world food production was increasing faster than the world's population, and the United States alone had almost 100 million tons of surplus grain and 60 million idle acres of the most fertile land in the world.

Since then, however, that optimism has faded. In 1972, bad weather devastated harvests in many parts of the world, and for the first time in 20 years, world food production declined. Much of the food that was available was being bought up by the more affluent nations while more and more people worldwide were going hungry. This year, crop setbacks here have virtually depleted domestic stocks of corn, wheat, and soybeans while adverse weather conditions on the Indian subcontinent and in Africa have created new threats of massive famine.

As a result, when the Conference began in Rome, there was little disagreement about the dimensions of the problem. It had two aspects: the long-term-challenge of world hunger, which will have to be met through international rural development programs and the establishment of food reserves—and the short-term challenge of famine, which can only be met by immediate shipments of food to the starving.

The Secretary General of the United Nations Food and Agricultural Organization estimated that over the next 8 months it will take about 10 million additional tons of food assistance to meet the most basic needs of half a billion hungry people.

Although the supplies of some commodities are in short supply, there is more than enough food grain available to meet the immediate challenge and prevent massive famine. But the poorest people in the world, the people that live with starvation every day, cannot afford to buy it. The bill for that additional 10 million tons of food comes to about $2 billion altogether—a cost that would be shared by the many affluent nations of the world, a cost that seems modest indeed when compared with the 500 million lives that may be at stake.

There was no lack of debate at the Conference about the best ways of promoting long-term development of food production and reserves, but with each day it became increasingly apparent that some answer had to be found for the immediate problem of immediate hunger. Canada offered to double its food aid over last year to a million tons and to keep that commitment for each of the next 3 years. Australia indicated that it, too, would increase food aid for the hungry.

But the United States—traditionally the world's leader in both food production and humanitarian food aid—was not prepared to increase its commitment.

The proposal that I supported along with other members of the delegation—including Senator HUMPHREY, Senator HATFIELD, Senator METZENBAUM, Senator MCGOVERN, and Senator JAVITS—was straightforward and modest: an increase in U.S. food aid by 1 million tons. It would have raised the U.S. commitment to 4.3 million tons, just a 30-percent increase over last year.

Even with that increase, the amount of aid would have been far less than the traditional American contribution to stopping hunger. Between 1968 and 1972, for example, the average annual commitment was 9 million tons—in 1973, it was 7.5 million tons, and this year, it fell to 3.3 million tons.

The chairman of the U.S. delegation at the Rome conference, Secretary of Agriculture Earl Butz, argued that consideration of immediate food needs was inappropriate at a conference designed to deal with the long-term problem of food. However, Secretary Kissinger in his opening speech to the World Food Conference said the world food problem must be addressed at two levels: "first, coping with the food emergency and, second, assuring long-term supplies and an adequate standard of nutrition for our growing populations." And given the very real need for food, given the historical role of moral leadership that the United States has provided in this area, given the commitment of Secretary Kissinger to a successful conference, the immediate problem could not be ignored. The United States was in a position to help, and as this country has provided relief for other countries on so many occasions in the past, it should have made a contribution to providing relief now.

After some debate and modification in the proposal, Secretary Butz agreed with it, and the delegation unanimously cabled the President to ask for an immediate increase in U.S. food aid. A week passed without a response from the White House. In the meantime, other delegations began to question the U.S. commitment to solving the world food problem. And, in the meantime, Secretary Butz began to change his mind about the proposal that he supported, attacking it as "partisan" and "political." Finally, a few hours before the conference ended, Secretary Butz announced the President's decision to turn down the request for additional food assistance.

In his announcement, the Secretary cited budgetary restrictions, commodity shortages, and adverse effects on prices as justifications for the decision. But they seem to be more excuse than reason.

In the very telegram the Secretary sent supporting a million ton increase in food aid, it was stated that such an increase would be feasible in terms of the supply situation. Furthermore, his cable said that the announcement at the conference of an increase in food aid would be extremely constructive at this time in view of Canadian and Australian announcements of increased aid.

The additional food would have cost $175 million, hardly enough to doom the budget or upset the economy. And some or even all of that cost could have been avoided by using food aid already in the budget for humanitarian purposes instead of as an instrument of foreign policy. Why is it that this Government has so little difficulty in allocating funds for foreign military shipments, but such great difficulty in allocating a small fraction of that amount for food assistance?

The additional food—1 million tons—would not have created domestic shortages. The countries that need our help the most—Pakistan, India, Bangladesh—depend on rice, and right now, this country has the greatest volume of rice on hand in history. This year, the United States had a record rice crop—22 percent above last year, and the carryover at the end of the marketing year in July will almost triple to 23.1 million hundred-weight. The other commodity needed to combat hunger abroad is wheat. There is no large wheat surplus in this country, but there is an adequate supply—adequate enough to sell several millions tons to the Soviet Union, Egypt, and Syria. If this administration can maintain that these sales will not adversely affect domestic price or supply, how can it maintain that the shipment of a fraction of that amount will drive prices up or leave, the American house wife in short supply? It simply is not so.

The World Food Conference closed without having confronted the immediate problem of hunger. For that indefensible failure, the United States must assume a significant part of the blame. We might have made a difference, but we were unwilling to confront the problem.

Fortunately, the long-term prospects are more encouraging. The World Food Council could become a significant force in combating world hunger. There is new incentive and new interest in developing international grain reserves.

And fortunately, Congress can still do something about the immediate problem. Before the month ends, the Senate will consider both the agricultural appropriations bill and the foreign aid bill. Both represent opportunities to increase our food commitment to the starving nations of the world. In addition, legislation will be introduced—including my own bill to help increase the availability of fertilizer for food development—to deal with the long-term problem of hunger.

This is not a new area of interest or concern to the United States. No country in the world produces more food more efficiently than the United States. No country in the world has farmers with more knowledge or ability than the United States. And, traditionally, no country in the world has had a greater commitment to providing the food for people who do not have it.

So, in my judgment, we are faced with a moral imperative, a humanitarian imperative, to do our part in meeting the challenge of world hunger. The developing nations of the world expect it of us. We ought to expect it of ourselves. And there is no reason to fail to meet that expectation. Too much is at stake for that.

Mr. CLARK. Mr President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. ALLEN). Who yields time?

Mr. McGEE. Mr. President, I would be glad to yield time from the time controlled by the manager of the bill on this side.

I suppose we have no objection to the proposal, because language has been worked out, so we are all pooling each other's time.

Mr. FONG. Mr. President, we have no objection to this amendment. We have worked it out and think it is a very fine amendment. I commend the Senator from Iowa.

Inasmuch as this amendment has been brought before the Senate, I should like to call attention to what America has been doing with respect to food.

Last night, I read an article in the November 18, 1974, issue of U.S. News & World Report, on page 88, which shows that the largest exporting area of food is North America, with exports of 91 million net metric tons. That would be almost 201 billion pounds of food. The next big exporting area is Australia and New Zealand, with 6 million net metric tons. These are the two big exporting areas of food in the world.

Importers are Asia, 43 million net metric tons; East Europe and U.S.S.R., 27 million metric tons; West Europe, 19 million metric tons; Africa, 5 million metric tons; Latin America, 3 million metric tons.

It is interesting to note what America has done in the matter of supplying food for the world and trying to hold down the cost of food for the people of the world, in not trying to take advantage of the situation in which the people of the world find themselves, especially in the very difficult situations where there are drought and famine, floods, hurricanes, and typhoons, and to note what the Arab nations have done in putting a choke on the world's usage of oil, asking $5 or $6 a barrel as an export license for their oil.

If America were to follow such a procedure, what would it mean for the world? What would the cost be to the world if America were to put a 10 cent-a-pound fee on the export of food? That would bring in $20 billion. Yet, America has not done that.

I hope that the Arab nations will look at the world situation, will look at the problem of famine and at the problem of the world shortage of food, and realize that petroleum is at the root of the cost of much of the production of food, especially when we need petroleum to manufacture fertilizer, and fertilizer is needed to increase the production of food. I hope that our Arab friends will look at this matter very seriously and give the world a break, exercise restraint, and not drive the price of oil and petroleum products to such a height that the world is really facing a very serious situation. I just wished to bring this to the attention of the Senate.

I think America has done admirably well. We have supplied the world with a lot of food, as this article shows, to the tune of 91 million metric tons. Australia and New Zealand are the only other countries that export food in large quantities, which is only about 6 or 7 percent of what we export. Between us—North America, Australia, and New Zealand—we export almost 97 million metric tons. North America—that is, Canada and the United States—Australia and New Zealand have not used food as a leverage against the world. We have been humanitarian in what we have done. We have used our preeminent position as food exporters to jack up food cost with export fees.

Over and above not raising the price of food more than what we think it should bring in, we have now shown, by accepting this amendment introduced by the distinguished Senator from Iowa, that we have given highest priority in the allocation of funds in this appropriation bill to those nations most seriously affected by the current food shortage, as determined by a global assessment of humanitarian needs.

By accepting this amendment, we are also saying that priority in the allocation of funds used to purchase feed grains available under the food-for-peace program has been given to the purchase of specially blended and highly nutritious foods. I commend the Senator from Iowa for his amendment. It is a fine amendment, and shows the humanitarian spirit of the American people.

I hope that our friends in the Middle East will also reconsider trying to get as much money from the world, from the developing nations as well as from the developed nations, by raising their prices of petroleum and instead will follow the example of magnanimity and the humanitarian spirit in which America has carried forth its food program by supplying the world with a lot of food at prices which the world can afford.

The cost of oil has a direct bearing on the cost of food and on the world output of food. I hope that we will see a lessening of the price of petroleum from the Middle East.

I think this will be very, very beneficial to the world. It will help in the food situation. It will cut down a lot of the famine that is now prevailing in many of these countries, the 32 countries around the world that have been listed by the United Nations as desperately short of food. These nations, this article points out, are hard-pressed to buy the grain, fertilizer, and petroleum needed to stave off starvation for 700 million of their population of 900 million.

The 32 countries and their populations are as follows:

[*In thousands*]

India	574, 000
Bangladesh	71, 600
Pakistan	66, 800
Ethiopia	26, 100
Sudan	16, 900
Tanzania	14, 400
Sri Lanka	13, 300
Kenya	12, 500
Ghana	9, 400
Madagascar	8, 000
Cambodia	7, 600
Cameron	6, 200
Yemen Arab Republic	6, 100
Upper Volta	5, 700
Mali	5, 400
Haiti	5, 200
Ivory Coast	4, 600
Niger	4, 300
Guinea	4, 200
Senegal	4, 200
Chad	3, 900
El Salvador	3, 900
Laos	3, 200
Somalia	3, 000
Dahomey	2, 900
Sierra Leone	2, 900
Honduras	2, 800
Central African Republic	1, 700
Democratic Republic of Yemen	1, 600
Mauritana	1, 300
Lesotho	1, 000
Guyana	800

These are the 32 countries around the globe that are desperately short of food. I hope that our Arab friends will take heed of what the world is really facing, a famine all over the world. One of the primary reasons is that they are not able to secure the fertilizer that they need because petroleum prices have gone to such an extent that they are not able to buy the petroleum to make the fertilizer that is needed to keep the world fed.

I wish to say that this amendment which has been introduced by the Senator from Iowa, and which has been accepted by the committee, is a fine amendment. I commend him for it.

Mr. **CLARK**. Mr. President, I thank the distinguished Senator from Hawaii for his kind remarks and his support for this amendment. I particularly appreciate the statistics that he offered in terms of the dimension of the problem. It is enormous.

I think it is also important to reiterate what the distinguished Senator from Hawaii said about America's part in the past in providing this kind of assistance. This country was responsible for over 80 percent of the food assistance that has been provided in the world in the last 20 years. Indeed, one of the most ironic things in this area is that from 1968 until 1972, we provided an annual average of 9 million tons, but that amount fell in 1972 to 7.5 million tons, and last year, there was a very precipitous decrease to 3.3 million tons. The proposal put forth at Rome, the additional 1 million tons, would have brought us from 3.3 million to 4.3 million, or somewhat less than half of what we traditionally give.

There can be no question about the humanitarian aid commitment traditionally made by the United States—up until these last 2 years. Of course, that cutback has been partially due to a decrease in reserves and the increased costs that are involved.

The point the Senator made with regard to the Middle Eastern countries, the OPEC countries, the so-called new rich countries, is also well taken. In fact, those countries ought to be prepared to go along with the United States and Canada and Australia and the other countries of the world in increasing food aid. We are not talking about very much—really just the crumbs from our table in terms of the total amount if all the countries are prepared to share.

The United States cannot meet the world's food needs alone. No one believes that we can. We can only do our part—but that is a significant part as we have shown in the past—and join with the other countries to put together a modest amount of money to buy about 10 million tons of grain to help solve this crucial problem.

I thank the distinguished Senator for his support and objective interest in this matter.

Mr. **FONG**. What I was trying to bring out, Mr. President, is this: If the United States were as selfish as the Arab nations, and would put an export tax on the food we sell to foreign countries, if the United States and Canada put on a 1-cent tax per pound, it would bring in $2 billion. If we would put on 10 cents per pound, it would bring in $20 billion. If we put on a $1 per pound excise tax on every pound of food we export, the revenue would be $200 billion.

If we took such an attitude, like what the OPEC countries are doing in the export of oil, it would really bring in a lot of money to North America.

But we have not done that, and I know that America will not do that. I was just calling attention to what we could do if we did what other nations do on the export of oil.

I am trying to show how humanitarian America has been. I know America will continue to be humanitarian in that respect, trying to hold down the cost of food so that the people of the world can be fed, and also trying to donate as much as we can by not asking repayment for that food, as we are now doing under the Public Law 480 program and other programs.

Mr. President, I ask unanimous consent to have printed in the RECORD a U.S. Department of Agriculture news release dated November 18, with attached fact sheets handed out by Secretary of Agriculture Earl L. Butz at a press conference on that date in Washington, D.C.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

[U.S. Department of Agriculture News]

NOTE TO CORRESPONDENTS

WASHINGTON, Nov. 18.—The attached fact sheets were handed out by Secretary of Agriculture Earl L. Butz at a press conference Nov. 18 in Washington, D.C., following the Secretary's return from Rome, Italy, where he headed the U.S. delegation to the World Food Conference.

PRESS DIVISION,
Office of Communication.

THE WORLD FOOD CONFERENCE IN BRIEF

FOOD PRODUCTION

The Conference agreed that increased food production is essential in both developed and developing areas. In the case of many developing countries, a reordering of programs, priorities, and farmer incentives is required to stimulate production. The Conference also recognized that additional funds will be required to help developing countries increase production. In this connection, the United States has supported the creation of a voluntary fund. In Rome, the OPEC countries recommended establishment of such a fund. General approval was expressed at the Conference, and follow-up work by the UN will include this proposal. No specific dollar amounts were proposed. In addition, a number of resolutions were passed to improve nutrition programs, child feeding, fertilizer development, and to increase the participation of women in solving world food problems.

FOOD AID

The Conference recommended that food aid donor countries make all efforts, beginning in 1975, to provide commodities and/or financial assistance to ensure at least 10 million tons of grain per year as food aid. The Conference recommended that grain exporting and importing countries, as well as present and potential financial contributors meet as soon as possible on immediate food problems. A meeting is scheduled for Nov. 29 in Rome.

WORLD FOOD SECURITY

The Conference endorsed the FAO undertaking for international cooperation in establishing a world network of national grain reserves. This would involve adoption of general guidelines for national stockholding policies for grains and the use of international consultations and exchange of information. The Conference gave strong endorsement to the proposal that cereal producing, consuming, and trading nations join together to accelerate implementation of such a world reserve system. This Reserve Coordinating Group, as it was described by Secretary Kissinger in his speech at the Conference, will meet soon to get this activity under way.

INFORMATION

The Conference decided to establish a Global Information and Early Warning System on Food and Agriculture, described by Secretary Butz in his Conference speech as "essential to the whole objective of improved food security around the world." The Conference agreed that FAO is the most appropriate organization to supervise this system. All governments were invited to participate. In the beginning, the system will concentrate on basic foods, particularly grains. Later, a wide range of commodities will be included.

TRADE

The Conference stressed the need for eliminating trade barriers, utilizing the Multilateral Trade Negotiations under the General Agreement on Tarifits and Trade (GATT), as agreed to in the Tokyo Declaration.

WORLD FOOD COUNCIL

The Conference approved establishment of a World Food Council, an organization to have coordinating, consultative and advisory powers with respect to food aid, investment, and other foreign assistance. About 25 members are to be nominated by the UN Economic and Social Council, and elected by the UN General Assembly.

U.S. FOOD ASSISTANCE TO OTHER COUNTRIES

U.S. FOOD AID

In eight years 1965–72, provided 84 percent of all food aid contributions of developed countries (both bilateral and multilateral aid).

46 percent of all World Food Program aid since begining in 1962. (Canada second with 13 percent)

$25 billion in donations and concessional sales since beginning of P.L. 480 in 1954.

143 million tons of wheat, rice, and other grains since 1954.

Current year: Higher spending level on P.L. 480 than a year ago. More wheat and rice in physical quantities in P.L. 480 programs this year than a year ago.

AID TO BANGLADESH

U.S. has contributed a third of all food aid to Bangladesh since its independence (1972).

Current year U.S. is already programming 250,000 tons of wheat and rice to Bangladesh (Title I).

We are watching food situation closely in Bangladesh.

AID TO INDIA

U.S. leading provider of economic development since India's independence.

Last year, U.S. sent outright donations of $67 million (far more Title II-type programs then any other country).

New shipments of food grains expected soon, in addition to Title II donations.

AID TO SAHEL

U.S. made direct donations of over a half million tons of grain in FY 1973 and FY 1974.

This year, additional donation of 100,000 tons are now moving to the Sahel.

U.S. donated $3.3 million to UN Sahelian Trust Fund through FAO for assuring delivery of food in drought relief programs.

U.S. has donated $29 million for aid supplies including medicine, vitamins, tools and equipment.

U.S. supplied aircraft to assist in delivery.

U.S. is providing technical assistance to improve production in the Sahel.

U.S. TECHNICAL AND DEVELOPMENTAL ASSISTANCE

FERTILIZER DEVELOPMENT AID

In FY 1975, U.S. will provide 329,000 tons of fertilizer valued at $164,000,000.

This could increase substantially during year.

⅔ or more of the amount will be purchased offshore.

DEVELOPMENT AID AND TECHNICAL ASSISTANCE

U.S. has provided more than $1½ billion in last 10 years (much of it for agricultural development).

Current year: FY 1975 budget requested a doubling of FY 1974 development aid with 60 percent earmarked for agriculture.

TRAINING PROVIDED FOR FOREIGN NATIONALS IN U.S.

For 22 years, have averaged over 1000 a year.

OVERSEAS TECHNICAL ASSISTANCE SINCE 1966 (BEGINNING OF PASA)

An average of 300 USDA people serve overseas in any given year.

Land Grant Colleges have provided more than 1,000 man years since 1960.

P.L. 480 RESEARCH GRANTS

Since 1954, P.L. 480 counterpart funds have provided 1500 research grants in 32 countries.

DIRECT GRANTS TO OVERSEAS RESEARCH CENTERS

USDA provides one-fourth of the budgets for 10 research centers around the world, including IRRI (Philippines) and the Center for maize and wheat improvement in Mexico.

By 1978, these contributions will double.

P.L. 480 PROCEEDS FOR ECONOMIC DEVELOPMENT

In 20 years, $11 billion has been generated by P.L. 480 for development use by foreign countries.

Mr. CLARK. I think the Senator makes an excellent point.

I yield to the Senator from Minnesota.

Mr. McGEE. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. McGEE. What is the time situation on this amendment?

The PRESIDING OFFICER. The Senator from Iowa has 3 minutes. The Senator from Wyoming has 6 minutes. There are 48 minutes on each side of the bill.

Mr. McGEE. Mr. President, I ask unanimous consent that we may combine the remaining time, the 3 minutes to the Senator from Iowa and the 6 minutes to the manager of the bill, and yield that to the distinguished Senator from Minnesota, if that is in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. I would like to add, Mr. President, that both the Senator from Iowa and the Senator from Minnesota were very distinguished and articulate spokesmen for the humanitarian cause at the Rome conference, and the fact that both are so freshly back from there, I think, is a constructive input in this dialog, on this category particularly, at this time.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I appreciate the courtesy extended to me by the manager of the bill, and thank him for the time allotted for my presentation.

Once again I commend the distinguished Senator from Iowa for his initiative in this matter of humanitarian food assistance. I fully endorse, of course, the amendment that has been offered by the Senator from Iowa. The amendment has as its purpose to ask the officials of Government, particularly in the Department of Agriculture, to give the highest priority to the allocation of funds contained in this appropriation to those nations most seriously affected by the current food shortages. The amendment also directs attention towards the blended and high nutritional foods which are provided under our food aid program.

Mr. President, if there is to be any humanitarian food assistance of any marked degree in this troubled world of ours, it will have to come in a large measure from the United States, Canada, Australia, the Common Market countries, and hopefully the Soviet Union. But it should be known and it is known that the largest food reserve country in the world is the United States of America.

It has been properly noted in this discussion that the United States has been generous over the years with its food assistance. Indeed we have been, and we should be proud of it.

I know that many Americans must have been discouraged and dismayed when they heard some of the comments at the World Food Conference from representatives of certain nations who were highly critical of the United States. I want to say at this point what I said to a staff meeting of the Food and Agricultural Organization during my attendance at the World Food Conference in Rome: that some of those who were our critics have done little or nothing for their own people. As a matter of fact, they have looked upon the agricultural segment of their economy with disdain and with a sense of neglect.

But having made that response does not relieve us from fulfilling our responsibilities and our opportunities. I look upon humanitarian food assistance as not only sound political policy, but above all as necessary moral policy.

The American people are prepared to do what is right. The American people long to do something that is decent. We have had enough indecency over recent months so that we would like to have some way to express what is the real conscience of the American people. It is my judgment that that real conscience is one of compassion, of understanding, and of charity for people who are in distress.

Therefore, the proposal which has been advanced here today is really a directive to the appropriate officials of the executive branch of the Government to do what is right, to use the food reserves that we have in a substantial measure for humanitarian assistance in those areas of the world where famine and malnutrition stalk the land.

I am convinced that at the meeting in Rome in November 29, this amendment, if adopted and made part of the law, can be very effective in America's commitment at that November 29 meeting. I am sure that the Senator from Iowa has noted here in the discussion that emergency food aid commitments are to be made on November 29, and I want our country to do what is right within our means.

When I hear that we do not have the supplies, I must remind those who make statements like that that we continue to export those supplies commercially, and we have continued to use our food reserves under title I for purposes of public policy and foreign policy. It is just a question of how we are going to use what reserves we have.

To be sure, we can sell it all to the Russians. They will buy it all, Mr. President, and they will hold it and use it for whatever purposes they wish. They may even sell it back to us at larger prices than they paid for it; and that is not a statement that is without foundation in fact.

It is simply a question of what policy we are willing to pursue as a government; namely, are we willing to share a part of our reserves for humanitarian assistance, instead of using entirely all of it for commercial exports?

I do believe, Mr. President, that we would be making a serious mistake if we turned our backs upon the needy at this particular time.

Mr. President, let me say just a word in reference to those of us who have asked for this increase in emergency food aid. The Senator from Iowa, myself, and some others, including the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), and the Senator from South Dakota (Mr. McGOVERN), have asked that there be an increase by 1 million tons of emergency food assistance.

We have been chastised for this and, might I say, that never have I felt more honored than to have been criticized for asking for more, for an additional amount of food to feed the hungry children of the earth. I do not let that bother me a bit.

Mr. President, the fact is that our Government is going to do this, and we know we are going to do it. The question is whether we are going to do it in a way that offers leadership or whether we are going to do it grudgingly.

The present outlays of food assistance tell us that we are going to do what we talked about at Rome. The only question is, Are we going to do it in a way that the world knows it and that the American people know it, and in a way that will inspire others to follow the lead that we take or that we make?

This past weekend distinguished religious leaders of the Catholic church, the Protestant church, and of the Jewish faith have appealed to the President of the United States for 4 million tons of emergency food aid. They were Cardinal Cooke, the distinguished church leader of the Catholic faith; the president of the World Council of Churches, and Rabbi Tanenbaum of the American Jewish Committee. All three of them have appealed to the President of the United States, backed up by hundreds of nongovernment organizations, for additional food assistance.

Mr. President, I ask the Secretary of Agriculture to heed that request. I ask the President of the United States in the spirit of Thanksgiving to heed that request. I believe that America has a chance in this troubled world to do something that is decent, kind, and good, that will have reverberations around this globe. I appeal to the President of the United States to use the power of his office now for the saving of lives.

Might I add that while this language is rather general, it has a purpose, and the purpose is outlined specifically. But, on top of all of this, there still is the authority in the Commodity Credit Corporation for the Secretary of Agriculture and the President to do what is needed in terms of food assistance within the limits of our supply.

I am not unaware, Mr. President, that our supplies are not without limit. Obviously, there is a matter of supply that has to be taken into consideration.

I know the American people, however, if called upon to make some sacrifices, will do so. In fact, the American people are waiting for some moral leadership, waiting to be asked to do what is right, they are waiting for the word, they are and they know that what is right is saving lives, feeding hungry people.

We know that we cannot feed all of the children of the earth, but we can help, and it does not do any good to talk about what we are going to do in the long run if people perish in the short run.

Thank goodness Dr. Kissinger, in speaking at Rome, laid down a program that we can be proud of. He said:

> We must deal with the emergency first and then we must deal with the long-term problems next.

I deeply regret that some of our officials there felt that the Rome conference was no place in which to deal with the emergency. That is why we were put on the defensive. We missed a golden opportunity to lead, to be the America that we know this country to be, the America of generosity, the America of compassion.

Thank goodness now there is an amendment here that will at least give an expression of the Senate of the United States in this appropriation bill to do what is the right thing to do.

Might I add that the Senate passed a resolution a month before the Rome food conference expressing our desire as a Senate unanimously that we greatly expand our food aid. So that those of us who attended the World Food Conference were not attending it as individuals but as representatives of the U.S. Senate. If we have anything to be criticized for it is that we asked for too little, not too much.

Mr. President, I want to thank the Senator from Iowa and the Senator from Wyoming. This amendment which is before us does two things. It is much needed and, I think, it wil be happily received by the Nation as an expression of the Congress.

Mr. McGEE. Mr. President, I am prepared—I gather the Senator from Iowa has no time remaining—to yield back the remainder of my time, and we are prepared to vote.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment was agreed to.

Mr. McGEE. Mr. President, what is the time circumstance on the minutes remaining on the bill?

The PRESIDING OFFICER. Each side has 48 minutes.

Mr. McGEE. I thank the Chair.

The PRESIDING OFFICER. Are there further amendments?

Mr. TUNNEY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will please state the amendment.

The legislative clerk read as follows:

> The Senator from California (Mr. TUNNEY) proposes an amendment:
>
> On page 29, line 16, strike out "$5,000,000" and insert in lieu thereof "$10,000,000".

Mr. TUNNEY. Mr. President, I am requesting a $5 million increase in appropriations for farm labor housing. The legislation before us at this time would appropriate $5 million, and I seek to increase this amount to $10 million.

Now, Mr. President, I offered a similar amendment last week to the supplemental appropriation bill, and there were some members of the Appropriations Committee, including the distinguished chairman of the Agriculture Subcommittee, who indicated that it was not appropriate timing to offer a $5 million amendment to the supplemental appropriation bill when we had not yet completed action on the basic agricultural appropriation bill.

At that time, I pointed out that I felt that at least $10 million was needed for farm labor housing, and that I was going to offer a $5 million amendment to the supplemental appropriation bill, and was offering it because I did not feel the $5 million that had been contained in the original agricultural appropriation bill, which was vetoed by President Ford, was adequate.

I also pointed out my very sincere appreciation to the chairman of the subcommittee, the distinguished Senator from Wyoming (Mr. McGEE), for having taken the lead in the committee to make some money available when the administration recommended that no money be made available for farm labor housing. But we had a slight difference of opinion as to the total amount that was needed.

The distinguished Senator from Wyoming pointed out that he felt that there ought to be a better synchronization of the request. He said that he did not feel that I should offer this amendment on the supplemental appropriation bill but rather should wait until the agriculture appropriation bill itself came through before the Senate.

Now, I lost, as everybody knows, on a narrow vote. I lost by seven votes, as I recall, when I offered the amendment last week.

There are more Senators present now than there were last week, 25 more Senators present, and I am hoping that my point of view will prevail this week.

Clearly the money is needed. Currently $42.5 million has been authorized and remains available for appropriations until June 30, 1977. I believe that the facts which I have placed before the Senate on many, many occasions demonstrate the need for these additional funds. Congress must reaffirm its commitment to provide decent housing for farmworkers.

We cannot tolerate, in my view, the unsafe and unsanitary conditions which many of our working people must now endure. Adequate funding of the farm labor housing grant program is vital to the realization of a suitable living environment for those who are, perhaps, the poorest of the poor.

The administration has attempted to discontinue all funds for farm labor housing in an effort to destroy the program completely. As I have pointed out on previous occasions, the Presidential budget has contained no funds for this program despite the fact that it is one of the most popular programs that we have, and despite the fact that local housing authorities oversubscribe the amount of funds that are available every year.

Congress succeeded in appropriating $7.5 million for the current fiscal year only to see it impounded by the administration. This matter was taken to the courts to release the funds and the court case was successful in the United Farm Workers of Florida Housing Project, Inc. against the Farmers Home Administration.

Now, this year the administration has once again failed to budget funds and I just cannot understand the insensitivity and the lack of compassion and understanding that has motivated the administration's action.

Mr. President, I point out again some of the reasons why this money is so desperately needed.

First, the average migrant home consists of two rooms for an average family of 6.5 persons.

Second, a study compiled by the Farmers Home Administration last year indicates a need for more than 100,000 new and rehabilitated housing units for migrant farmworkers alone. When nonmigratory farm workers are included, the need is 3 or 4 times that number.

In other words, we are talking about a need of 300,000 or 400,000 new homes for these farm workers. They are not just migrants, they are people that live in a community and work on a permanent basis in the fields.

The $5 million recommended by the Appropriations Committee would support only 1,300 units. Only 1,300 units, Mr. President, when we need a minimum of 400,000.

Third, migrant housing in many areas is either nonexistent or so substandard that it is subject to condemnation.

I suggest to everyone who is interested in the problem, including the distinguished chairman of the subcommittee, that many farmworkers live in conditions that we would not allow for the family pet or for livestock.

Funding of the farm labor housing program, in my opinion, is vital to our farmworkers. In this time of impending food shortages, we cannot afford to turn our backs on those who produce much of our needed foodstuffs and who remain the poorest of the poor.

I would further add that the problem is not going to go away. We may allow the farmworkers to live in poverty for many more years to come, and we may admit that the reason we are doing this is because of budgetary constraints, but I would suggest, Mr. President, that when we talk about spending $1 billion for one weapon system like an aircraft carrier of the support fleet, and the aircraft that go on it, when we talk about spending $1 billion for one Trident submarine—and it is my understanding it might be $1.5 billion before we are through—it ill behooves us to say that we cannot afford $10 million to build decent homes for those who live in such incredible poverty.

I just cannot help but think that the Senators who voted against this amendment never had the opportunity to go through a farm labor housing establishment, never had the opportunity to see the way farmworkers live and the way their children live.

When we stop to consider the amount of money that it costs our Government, local, State, and National Governments, to put people or keep people on the welfare rolls, and the amount of money that we spend in corrections, the amount of money we spend to imprison people who get into trouble because of the kind of environment that they grew up in, it is an outrage that we are not prepared to spend just a little bit of money to give people a decent place in which to live as children and to give people who are willing to work and not go on the welfare rolls, a decent place to be able to maintain their families.

It is, in my view, a case of being penny wise and pound foolish if we are just going to look at it from the economic sense, but if we look at it from a broader sense of charity, compassion and the desire all of us must have to see even the poorest of our citizens have a basic minimum, a decent standard, it reaches the point where no one in his right mind can suggest that the effort we are making for farmworkers is in any way unjustified.

So I offer this amendment and I hope that this time there will be more Senators present and voting who feel the way I do because I am going to ask for a vote on this amendment.

I point out to my distinguished friend, the Senator from Louisiana, who I see in the Chamber, that I have heard him talk many, many times in the most articulate and eloquent fashion about the need to have people work for the money that they receive and how corrosive and unsettling it is to society to have people on the dole, living on welfare rolls from generation to generation. Well, here we have people who are willing to work.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TUNNEY. I have heard the Senator talk about this matter and I know how sincerely he feels, as do I, that there is a need to provide constructive work for people who are able-bodied and capable of working in our society.

Here we have farmworkers who are prepared to work and do the most grueling kind of work and do not go on the welfare rolls, yet we are not prepared to give them the kind of homes which are the minimum standard of decency.

We are not building palaces for them. This farm housing program in no way attempts to build the kind of home that the average industrial worker lives in. We are just trying to build them a decent place where they can live with their families and not have their children abused by the disease and the vices that run rampant in those farm labor camps, where we have hundreds if not thousands of children having to go outdoors to communal showers and communal toilets in order to take care of the necessities of life.

I hope that the Senator from Louisiana can find it in his heart to support this amendment.

Mr. LONG. Will the Senator yield?

Mr. TUNNEY. Yes.

Mr. LONG. I just came to the Chamber to second the Senator's motion for the yeas and nays. Would the Senator just give me a thumbnail sketch, some idea as to what the Senator wants me to vote for here?

Mr. TUNNEY. Yes. What I would like the Senator from Louisiana to vote for is an amendment that I am offering to increase the appropriations for farm labor housing from $5 million to $10 million, pointing out that we have authorized $42.5 million between now and June 30, 1977, and pointing out that until the end of this coming fiscal year we have $17.5 million authorized. In the committee bill we are making only $5 million available.

Mr. LONG. The only problem I have with the Senator's amendment is that I do not think he will build many houses for $5 million. Did I hear the Senator say million or billion? It would seem to me you would have to put another three zeroes behind the figure to make much of a dent in the problem.

Mr. TUNNEY. We are not making much of a dent, but we will provide probably, with this additional money, about 1,300 to 1,400 new houses. Hopefully, we will be able to take care of the worst cases.

The bill, as it has been passed out of the committee, would provide $5 million, and it would be 1,300 or 1,400 houses. My amendment would make another 1,300 to 1,400 houses available.

Mr. LONG. I think I have been persuaded by the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McGEE. Mr. President, I am always reluctant to rise on this question because of where my heart lies in the context of the problem.

As the Senator has aptly recalled in this measure, we are here to consider an agriculture appropriations bill that was vetoed by the President. We had the only distinction for a long time in that category. We were the only ones singled out for special attention. Therefore, we have been spending the weeks since that veto trying to reword a bill that would have a chance to pass through Congress again and still get the President's signature.

That task required paring a whole assortment of things in the bill. One of those that we did not pare was the money added in behalf of this most laudable project led by the Senator from California. We did not touch that. We left it intact. Nearly everything else, a very great deal in the bill, was pared back, some very substantially.

In fact, in this bill, we have cut back $176 million in an attempt to get a bill together that can become the law of the land with the President's signature.

In doing that, we find ourselves now precisely in that same position where we were the other day, with two differences. One difference is, indeed, this is where the consideration of the bill belongs on the rewritten measure, as the Senator from California has indicated. The second is, not at the insistence of the subcommittee, we had a rollcall vote on it, and the Senate voted no.

There is no way, as I see it, that the committee can accept the amendment or recommend its adoption, particularly if this Congress means it when it says we are indeed seriously endeavoring to try to be fiscally responsible.

This committee has tried, at a horrible price, a price that has produced cuts in other very meritorious programs. The consequence for us, if we start saying, "Well, we will make another exception in this one," is that it is then just as logical, and maybe even more overwhelmingly so in other ways, to make the exception for the next one, the next one and the next one. Then we find ourselves right back where we were before.

I submit to my colleague from California that at this moment it would be inappropriate to accept it—and I hope even to adopt it—to add on now. In the case of acceptance, I would not blame others for a wholesale assault on the bill to add on. Everybody has deep and abiding equities, particularly in the humanitarian programs that are contained in the measure.

So because of the equities I believe we preserved in the bill, and the fact that no cuts of any sort were made as we tried to pare these things back—and in a program without a budget request, incidentally, which makes it also difficulty—we tried to go along as far as we thought we could and still hold out. We will have to recommend the defeat of the amendment.

I would mention in passing that the parliamentary situation is that there cannot be a vote until 3 o'clock. It would be our intention, whenever our time expires, to then set aside this amendment, with its pending rollcall vote, until the hour of 3 o'clock.

Mr. TUNNEY. Will the Senator yield?

Mr. McGEE. I will be glad to yield.

Mr. TUNNEY. I wonder, in consideration of the various programs before the Senator's subcommittee, if any thought was given to an index of human suffering. In other words, it would seem to me that, by any standard, if you were to dedevelop an index of human suffering housing for farmworkers would be at the highest priority.

I suppose that adequate food is the highest priority, because if you do not have food you starve to death. But after adequate food it seems to me that a decent abode is the next highest order of priority.

When you think in terms of what these farm labor camps are like, and the kind of hardship that exists for the people who live in those farm labor camps, despite the fact that they may be able to have enough nutrition in order to maintain body—perhaps in a substandard way—you just have to realize that all the other ingredients that go into making up a quality of life are missing if you are living in a hovel with no indoor plumbing, with no opportunity to take a shower, having to go to communal showers.

I have had the opportunity to go through some of those farm labor camps. You have cases of incest and assaults against people as they move into the communal toilets and showers.

I just cannot think of anything that is of a higher priority than housing, except, as I say, for food.

I just do not think you can apply the same fiscal standards to housing that you would apply to some of these other programs.

Mr. McGEE. If I may respond to my good friend from California, the committee is a compassionate committee made up of compassionate Senators who are very compassionate toward their fellow human beings. Our problem is that there is not enough to fit it all together into one place. That is always the problem we have. We put in here a total of a little over $2.25 billion for rural housing of many sorts. That does not address itself, of course, in any great sum for those who are very miserably suffering at the level that the Senator describes. These others have been requested in smaller amounts, but they have been authorized programs. They had budget estimates, and this sort of thing.

To begin with, the Senator's very commendable effort in this regard has not received that kind of input. In spite of that, we put in $5 million to get the message across. That is, that this is meritorious and we expect a better performance. We intend to follow through on that. But in doing this, we had to take care of food needs, too.

We have nearly $4.7 billion in this bill to take care of food for all kinds of people.

I am simply trying to keep the record in balance. The problem is not the merit. The problem is not the substance. The problem is that we did the very best we could in the bill before it was vetoed to bring into being this effort without a budget estimate. We put the figure at $5 million. In proportion to other programs that had no estimates or no budget authorization, this has stood its ground very well.

I am only saying to the Senator that in this effort to put together a total package that will escape a veto, we have had to be very meticulous in the ways in which we pieced it together. Rather than have the committee standing in the bad light of not having used an ongoing, continuing measuring thermometer of compassion for ultra-need, I think it is important to say that this committee has dealt with that constantly, and tried to arrive at the best that it could and still get it passed.

That is the reason why I say to the Senator from California, we find it difficult at this point to use that as the index for even more compassion. It is the hard rock of legislative appropriation in which we are trying to protect the equitable cutbacks in the interest of all these compassionate programs, in the midst of which the one in the Senator's interest was not even touched in the cutback, and that is why we must stand where we are. As the chairman of the group responsible for that effort, I must continue to oppose the amendment, strictly on the procedural legislative ground, in light of the negative vote the other day. We had no mandate from Congress in any way on that.

Mr. FONG. Mr. President, will the Senator yield?

Mr. McGEE. I am glad to yield.

Mr. FONG. Mr. President, I also oppose this amendment.

We have done more than we have been asked to do in this field. The administration has not asked for any money at all for this program. The House appropriated $5 million for this program, which is $5 million more than the administration asked. We, in our good judgment, felt that we should go along with the House and leave the $5 million in here. We went to conference, and the conference came out with the $5 million item.

The bill that went to the President was vetoed. The President said it was too high and that we should cut it. The committee has cut and adjusted downward many, many items; but we have not adjusted this item and have left it at $5 million.

One of the reasons why the administration feels that this program should not go through is that many of the migrant workers are now part of the mainstream of American citizens, many of them have permanent housing, and many of them can come into the various programs.

For example, we have the rural housing program, which provides direct loans of $20 million. For insured loans for rural housing, we have provided $2,232 million. So, there are other housing programs which would help migrant workers.

We should keep in mind that this program is 90-percent grant. In other words, if it costs $10,000 to build a house for a migrant worker, $9,000 of that is granted by the Federal Government. The $9,000 is given outright. So we can see how costly this program is. The other $1,000, which the worker pays, is loaned to him at 1-percent interest. He has 88 years to pay that 10 percent, at 1-percent interest. So it can be seen how costly this program is to the Federal Government.

In spite of that, the committee has seen fit to appropriate $5 million in this program, for which the administration has asked no money at all. I think the committee has done very well, in view of the tightened budget, in view of the fact that the original bill that passed was vetoed and we are asked to cut programs. We have cut many items downward, and we have left intact this item of $5 million.

I oppose very vigorously this amendment to double the amount to $10 million in direct loans.

Mr. HRUSKA. Mr. President, will the Senator yield me 2 minutes?

Mr. McGEE. I yield the Senator 2 minutes.

Mr. HRUSKA. Mr. President, I support the position which has been explained by the chairman of the committee on the pending bill and the ranking minority Member thereon.

This bill does contain many items which are fully meritorious as the item just requested by the Senator from California; but there are two elements of unfairness in considering and in granting any additional moneys to the funds which are already provided for in the bill—to wit, $5 million.

One is that it is a nonbudget item. Of the many items which have been reduced in this bill, it could be said that this is a nonbudget item and should not be considered at all, not even to the extent of $5 million, and that this $5 million should be spread among those which are properly budgeted and properly justified.

The other reason is that the item in the bill has not been cut at all and many other worthy programs have been cut. This one has not been cut; it has not been subject to any reduction whatsoever.

On those two grounds, and in recognition of the yeoman service that the chairman of the subcommittee and the ranking members have performed in order to perfect a bill here that will meet the thrust of the veto message and the fiscal limitations on our Nation at this time, the amendment should be defeated, and I hope it will be.

Mr. HUMPHREY. Mr. President, I wish to voice my strong support for the amendment of Senator Tunney to increase the funding by $5 million for the farm labor housing grant program. I wish to commend him for his leadership in this area.

The $5 million provided under the regular Agriculture Appropriations bill is simply not adequate to meet the need.

The administration has attempted to discontinue all funds for this program. Last year, the President's budget contained no funds for the program. Congress, nevertheless, succeeded in appropriating $7.5 million for the program, only to see it impounded by the administration. The funds were later released after a court fight.

This year, no funds were requested for this program. We must take steps to provide adequate Federal funds.

The poverty of farmworkers and their substandard housing has been well documented. The average migrant home consists of two rooms for an average family of 6.4 people. To refuse even this modest level of funding borders on insensitivity.

The Farmers Home Administration indicates that 100,000 new and rehabilitated housing units are needed for migrant farmworkers alone. When nonmigratory farmworkers are included, the need is three or four times that number. At least half a million housing units are needed and only a few thousand are being produced each year.

The $5 million recommended by the Appropriations Committee would support only 1,300 units.

The authorization level for the program for the period ending June 30, 1977 has been set at $80 million. To date, $32.5 million has been appropriated against that authorization, and the $5 million in the regular appropriations bill plus the $5 million proposed here would raise the appropriated total to $42.5 million.

Last year, $7.5 million was appropriated. I recommend that this amendment for $5 million be approved so that a total of $10 million will be available in fiscal year 1975. We must not lose sight of the importance of this program for our rural low-income people.

Mr. KENNEDY. Mr. President, I rise today as a cosponsor of the amendment introduced by Senator Tunney. I join them in urging the Senate to adopt this amendment, which would increase the appropriation for the Farmers Home Administration's farm labor housing grant program from $5 to $10 million.

This program provides up to 90 percent of the cost of construction of clean, decent housing for domestic farmworkers in grants to governmental or private nonprofit organizations which agree to provide housing to very low income farmworkers at rents they can afford. In addition, loans can be made for the remainder of the cost at 1 percent interest repayable over 88 years.

Since 1966, Congress has appropriated $32.5 million for the grant program, for the purpose of providing decent housing for farmworkers, which has been supplemented by $32.8 million in loans. In this period, 8,000 family housing units and 4,000 individual housing units have been built or repaired with funds from the farm labor housing program. The urgency of the need for increased congressional support of this program is underlined by the Department of Agriculture's own estimate that 130,000 housing units are needed immediately to provide adequate living conditions for the Nation's over 2 million seasonal farmworkers.

Last week, Clay L. Cochran, executive director, Rural Housing Alliance, testified before the rural housing hearings of the Senate Housing Subcommittee. He said:

> One of the most poorly housed groups in this country is the hired farm worker, particularly seasonal and migrant workers, but also including many regular workers.

He added:

> . . . no one honestly questions that the conditions under which many farm workers live and raise their kids, and the resulting shame, degradation, ill health and disease are matters that will require a special effort.

Domestic farmworkers are among the poorest of our country's low-income workers. In 1972, the average seasonal farmworker had an annual income of only $2,019. But the poverty of farm laborers goes beyond substandard wages to include the most disgraceful housing conditions in the Nation. The average migrant home consists of two rooms for a family of 6.4 people. These homes are located in farm labor housing camps where little or no effort is made to provide sanitary conditions. We had a tragic example of the neglect of sanitary needs in a farm labor camp in March of last year—1973—when a typhoid epidemic broke out in a farm labor housing project in Florida. The epidemic, which hospitalized more than 200 workers, was caused by undetected pollutants in the camp's communal water supply.

The Farm Labor Housing Grant program is not receiving the kind of support it deserves in the light of such deplorable conditions. Instead, the administration has twice asked for zero dollars in appropriations for the program, and in fiscal year 1974 impounded 90 percent of available funds for the program, which were only released and obligated after a lengthy lawsuit. Congress, though it authorized $50 million for the program for the period ending October 1, 1974, has appropriated only 65 percent of that sum. A total of $17.5 million remains currently authorized and available for appropriation.

I think we must take advantage of the availability of these funds to significantly increase congressional support of the Farm Labor Housing Grant program. The great demand on available funds in fiscal year 1974 has demonstrated the need to provide all available funding to the program. The Senate has already expressed its support for the Farm Labor Housing Grant program in passing the Housing and Urban Development Act of 1974, currently in committee, in which the Senate extended the program beyond October 1, 1974 and increased by $25 million the authorizations available to the program in fiscal year 1974 and fiscal year 1975. I think we must renew our support of the Farm Labor Housing Grant program and reaffirm our determination to provide decent housing for all Americans by appropriating at least $10 million for this program.

I, therefore, join Senator TUNNEY in urging that this amendment be adopted.

Mr. MOSS. Mr. President, do I correctly understand that the time on the amendment has expired and that the vote must go over until 3 o'clock?

Mr. FONG. Yes. We will not vote until 3 o'clock.

Mr. MOSS. If so, I would like to offer an amendment.

The PRESIDING OFFICER (Mr. HASKELL). The Senator is correct.

Mr. MOSS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 52, after line 23, insert a new section as follows:

SEC. 511. None of the funds appropriated by this Act may be expended for the purpose of (1) carrying out a price-support program for tobacco, (2) paying an export subsidy to any person for the export of tobacco, (3) advertising or otherwise promoting the sale of tobacco, (4) financing directly or indirectly the sale of tobacco in any foreign country under the Agricultural Trade Development and Assistance Act of 1954, as amended, or (5) inspecting or grading tobacco.

This section shall not apply to tobacco planted and in process prior to the date of this Act.

Mr. MOSS. Mr. President, this is a relatively simple amendment which has a far-reaching impact. We are caught in a catastrophic inflationary spiral caused in part by Government spending. Many of our citizens are suffering from the burdens of inflation, particularly from escalating food costs. To the extent that we can cut spending, we should. To the extent that we can increase food production, we should.

Yet, in the bill before us today, funds are appropriated for carrying out price support programs for tobacco, funds are appropriated for paying export subsidies for tobacco, funds are appropriated for advertising the sale of tobacco overseas, and funds are appropriated for inspecting or grading tobacco. How can we, when dealing with an austerity budget, and dealing with shortages in our food supply, so wantonly appropriate funds for programs which will not only add to the inflationary impact of the budget, but also undermine the health of people?

Just think of it—Americans are going hungry. Americans are finding their earnings eaten up by skyrocketing prices for food, for shelter, and for clothing. Yet in this bill we are appropriating millions and millions of dollars to support the growth, export, advertising, promotion and grading of a deadly plant which will result in the death of more than 50,000 of our countrymen during the next year from lung cancer, not to mention the additional thousands of deaths which will occur from heart disease, from other cancers, and from chronic lung diseases such as the dreaded crippler emphysema.

How can we face our young people and tell them of the virtues of our form of government when we are pouring out money for the sole purpose of developing a crop which will cripple us?

I, for one, am not willing to go to the American people and tell them that I supported an Agriculture Appropriations bill which provided millions of dollars to be spent in support of tobacco when, several weeks ago, I supported the HEW Appropriation bill, which contains a modest amount to dissuade people from smoking, to develop methods to help those who wish to stop smoking, and to provide funds for research on smoking.

I do not in any way wish to hurt the farmers who are already suffering greatly. But I believe that by adjustment to marketing orders and through the excellent work of the Agricultural Extension Service, funds appropriated in this bill can be better used for the development of crops which will benefit the public—crops which will help to cut the cost of food and develop those lands for the growth of crops which will benefit all.

I know already the arguments that will be offered here by the skeptics. There are those who will say that "there is no scientific evidence of the health hazards of using tobacco." Of course, this is completely fallacious. Congress has long since accepted the fact that cigarettes are a health hazard and acted upon this fact. Congress must now take a second step and cut off funding of this hazard by the Federal Government. The time has come to say "Enough," and I trust that my colleagues who have the interests of all the people at heart will join me in support of this amendment.

The amendment would preclude the use of any of the funds appropriated under the act for: First, carrying out a price support program; second, paying an export subsidy; third, advertising or promoting the sale of tobacco; fourth, financing the foreign sale of tobacco under the Agricultural Trade Development and Assistance Act of 1954; and, fifth, inspecting or grading tobacco.

Mr. President, the split in Government activities between supporting the deadly crop and encouraging people not to use it is a clear-cut case of schizophrenia. When we are talking about a health bill, we spend money to educate people not to use tobacco. We spend money on research on how to deal with the diseases caused by tobacco. We spend money to develop systems to help people who have become addicted to tobacco to break the habit. Now, we have a bill before us to spend money to grow the deadly weed. It does not make sense.

The time has come for us to withdraw our money for support of tobacco and move that money into an area that will encourage those who make their livelihoods from tobacco to shift to some other kind of farming or some other kind of business. The time has come for us to put this land which is being wasted by growing tobacco to beneficial use through developing or growing other food products.

Mr. President, on previous occasions I have introduced an essentially similar amendment but it has not been adopted. I have made many efforts to get legislative committees to consider this matter and to make it a part of authorizing legislation, but I have been unsuccessful. If we are going to deal with the problems of inflation, if we are going to deal with the problems of food shortages, the time to deal with them is here and now, in the appropriations bill for the Department of Agriculture.

I ask that my amendment be agreed to.

Mr. THURMOND. Mr. President, I wish to express my strong opposition to the amendment proposed by Mr. Moss to the Agriculture-Environmental and Consumer Protection Appropriation bill. The amendment by the junior Senator from Utah would, in effect, cut off all Government expenditures for tobacco programs.

While I understand and appreciate that this amendment is motivated out of a concern for the health of all Americans, I do not think it is the province of government to dictate to its citizens what they can and cannot eat or drink, so long as the products consumed have not been proven to be criminally dangerous to society. This amendment comes perilously close to an attempt to legislate morality.

My own view is that a substantial number of Americans are going to continue to smoke no matter what the Surgeon General warns. Certainly this Nation's half million tobacco farmers should not be penalized for producing a product that is much in demand throughout the world.

As a matter of fact, U.S. tobacco farmers make a great contribution to our national economy, and tobacco leaf exports greatly improve our balance of payments. The farm value of tobacco produced in this country amounted to some $1.6 billion last year, of which some $813 million was exported. If we discourage our farmers from producing tobacco, then surely other countries will expand their production and we will end up importing large amounts of this commodity. Thus, this amendment could turn an economic plus into a minus for the United States.

I am particularly concerned about what termination of USDA tobacco programs would mean to South Carolina. Tobacco is still the No. 1 money crop for South Carolina, with the 1974 crop bringing in approximately $180 million to South Carolina farmers.

Many of the tobacco growers in South Carolina are very small, family-type farmers, and they would be especially hurt by a termination of production and marketing assistance. Furthermore, the State of South Carolina receives a substantial amount of tax revenues each year from taxes levied on the sale of tobacco products.

It should also be pointed out that present tobacco price support programs are of negligible cost to American taxpayers. This year the average price received by South Carolina tobacco farmers was almost $1.05 per pound—considerably above the price support level. In 1973, tobacco prices were also well above support levels for most of the marketing season.

In short, I believe the amendment offered by the distinguished Senator from Utah is inappropriate, misleading, and counterproductive. Rather than promoting the physical health of our citizenry, this amendment, if adopted, would be detrimental to our Nation's economic health and financially disastrous to our many fine tobacco farmers. I urge that it be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. FONG. Mr. President, not being a tobacco man, only a pineapple and sugar and taro man, I shall have to reserve the remainder of the time on this amendment for those who are interested in this amendment to speak on it. Therefore, I ask that the remainder of the time be reserved until a later time period for those who wish to answer the distinguished Senator from Utah.

Mr. MOSS. If it is possible to do so, I shall be glad to reserve my time until such time as there is further comment on this matter. I reserve the remainder of my time, if it is possible to do so.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. FONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time, I ask the Senator from Hawaii?

Mr. FONG. On the bill.

The PRESIDING OFFICER. To be equally divided?

Mr. FONG. Yes, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the amendment of the distinguished Senator from Utah (Mr. Moss) be set aside for the purpose of my submitting an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place in the bill, insert the following:

"*Provided further*, That no part of the funds appropriated by this Act shall be used during the fiscal year ending June 30, 1975, to make food stamps available for the duration of a strike to a household while its principal wage earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subjected to an employer's lockout.".

Mr. HELMS. Mr. President, I offer this amendment again, fully aware that labor union lobbyists will fall all over themselves to prevent its being approved by the Senate. Still, I think it is important that Senators go on record, as often as may be possible, on a very fundamental question: Should the taxpayers of American be required to subsidize able-bodied people who simply choose not to work—who choose, instead, to walk off their jobs?

I have submitted this amendment several times before. I will continue to submit it until—one day, I hope—it is approved, however many times that may require. There is a principle at stake here that deserves better than to be dismissed in a cavalier fashion.

This amendment would prohibit the distribution of food stamps to strikers. In submitting this amendment, I reject the argument that is always advanced by labor union lobbyists. They cry that to cut off food stamps to strikers is an act designed to deprive union members the right to strike.

That is an absurd argument, Mr. President. Nobody is deprived of his right to strike. But strikers ought to be accountable for their own decision to strike. They pay dues to their labor unions presumably for the purpose of sustaining them when they do strike. If their dues money is used for other purposes—such as financing political campaigns of Senators and Congressmen, or to pay six-digit salaries to top union officials—then it is up to the union members to decide whether they are getting their money's worth. But let it not be said that other Americans, who do not walk off their jobs, ought to be required to finance anybody's decision to go on strike.

If we are going to talk about "rights," Mr. President, let us talk about the rights of the vast majority of Americans to be relieved of the burden of financing one side of a labor dispute.

In that connection, Mr. President, I think it is important to note that in fiscal year 1973, $2,495,654 was appropriated for food stamps. In fiscal year 1974, $2,995,367 was appropriated for food stamps.

In this bill, there is almost exactly a $1 billion increase in appropriations for food stamps.

I suppose that we shall see momentarily, as we always do, a motion to table this amendment. Senators may think they can hide behind that parliamentary device. But they ought to see the deluge of mail that comes to me from citizens who are fed up with this manifestation of the taxpayers' money being used to finance one side of a labor dispute.

It goes without saying that I feel strongly that the Senate ought to mend its ways, and give some thought to this Federal expenditure that is both unwise and unjust. In this period of unprecedented inflation, I feel that we ought to stand up and be counted on the question of our accountability to the American people.

The food stamp program was established in 1964 to help provide an adequate diet for those Americans whose incomes are below the poverty level due to their inability to work. It has done a great deal for needy Americans, and I support its operation on behalf of the truly needy of our society—but only the truly needy who are unable to support themselves.

Congress included a work requirement in the Food Stamp Act which makes it plain that the congressional intent in designing the food stamp program was that it should not benefit those who refuse to work.

Congress has failed, however, specifically to prohibit employed workers, who qualify for the program only because of their participation in a strike, from receiving benefits under the program. The interests of the American consumer and taxpayer, and the maintenance of our system of free collective bargaining, demand that such a prohibition be established.

Free collective bargaining has been chosen by Congress as the system of labor-management negotiation best able to promote economic stability and avoid industrial strife. This system protects the rights and interests of workers, companies, and consumers. The imperative fundamental premise of free collective bargaining is absolute Government neutrality in the labor-management contest. While the Government acts to oversee and referee the process, the results of the contest are determined by the independent bargaining strengths of the parties.

Public assistance to either side in a labor dispute violates the concept of free collective bargaining and violates the rights of the opposing party. Public assistance in the form of the distribution of food stamps to strikers' households has the undeniable effect of giving a distinct economic advantage to the union in the collective bargaining contest.

The duration of strikes has increased significantly since the advent of welfare payments to strikers. To continue to make these payments will only fuel this trend, thus bringing more pressures on our already troubled economy and further undermining the principles of free collective bargaining which is so vital to the American free enterprise system.

In this era of perilous inflation, constantly rising taxes, and public discontent with the state of the economy, we should be particularly sensitive to the needs of the working American, who is both taxpayer and consumer. I believe we should respond to any opportunity to lighten the burdens of inflation and taxes and especially when this can be done without hardship to any legitimate recipient of Government services. Due to the average annual income of most union members and the strike benefits available from union funds, few strikers can plead that they are subjected to hardship through no fault of their own simply because they are denied food stamps to which they are not entitled.

The granting of welfare benefits to strikers deals a double blow to the taxpayer-consumer. Food stamp benefits allow workers to prolong strikes and drive up the costs of production, which are ultimately passed on to the consumer. Our current inflation has been made worse by subsidized, lengthy strikes, and the abnormally high settlements and decreased production of goods and services. By using tax dollars to subsidize strikers, the Government is increasing the consumer's tax burden while using his money to drive up the cost of the very goods and services he must buy.

Now is the time to break the vicious circle which penalizes every American taxpayer and consumer. By prohibiting the distribution of food stamps to strikers, Congress can reduce the cost of the program to the taxpayer and reduce the rate of inflation.

Mr. President, I reserve the remainder of my time.

Mr. McGEE. Mr. President, the committee, of course, must oppose the Senator's amendment, as it has had to on other occasions, because it is properly a legislative matter for the legislative committee. At the appropriate time, in the interests of saving time, since we have been through all of this before, I shall propose, if the Senator wants a rollcall—and he has not manifested that desire as yet—to table it, or just have a voice vote, whichever he prefers. May I inquire of the Senator what his disposition is?

Mr. HELMS. Mr. President, I would say to the distinguished manager of the bill that I do desire a rollcall vote either on a motion to lay on the table or straight up or down.

Mr. President, yielding myself such time as I may require, I think this is properly a matter that should be considered under this bill, because I think that the majority of the American people do not realize that during this fiscal year something like $4 billion of the taxpayers money will be spent, or certainly is being appropriated for the purpose of being spent, for food stamps. I think it is well worth the consideration of this body as to whether citizens who walk off the job ought to be subsidized by taxpayers who do not walk off the job.

Mr. President, I ask unanimous consent that the names of the Senator from South Carolina (Mr. Thurmond) and the Senator from Idaho (Mr. McClure) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in support of the amendment, which I cosponsored, offered by the distinguished Senator from North Carolina (Mr. Helms). I have spoken on this issue in the Senate previously and have introduced a bill in this Senate which would prohibit the issuance of food stamps to a household where the head of the household is engaged in a labor strike.

To provide strikers with food stamps is to inject the Government into a labor dispute on the side of the strikers. This is not the purpose of the food stamp program. The purpose of the food stamp program is to assist those unable to work or find employment, not to subsidize those who have jobs.

The taxpayers bear the ultimate burden of financing this program. When our taxpayers find out their tax dollars are being used to finance one side of a labor dispute, they are outraged. Tax dollars should not be spent on food stamps for those who voluntarily refuse to work, but should be used to help those genuinely in need.

It is time to reevaluate our priorities in regard to this program, and I hope the Senate will adopt this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, I reserve the remainder of the time on the side of the manager of the bill, and suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McGEE. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. I ask unanimous consent that the Senate return to the consideration of the amendment offered by the distinguished junior Senator from Utah (Mr. Moss).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Representing the other side, namely, the committee side opposing the Moss amendment, I yield to the distinguished chairman on the Committee on Agriculture and Forestry such time, within the limits of the time available, as he may require.

Mr. TALMADGE. I thank my distinguished colleague, the chairman of the Subcommittee on Agricultural Appropriations.

Mr. President, this amendment has been proposed time after time and in each case it has been overwhelmingly rejected by the Senate. I believe the Senate action has, in each case, been based on realistic facts and good sense. I just want to briefly review these facts.

First, the Senator from Utah suggests the program is costly and the Government should not support the tobacco program. This costly program that is not costing the Government anything at this time returns nearly $6 billion to the Federal, State, and local governments in tax revenues. A very welcome fact given our deficit budget.

It provided about $1.6 billion of income in 1973 to the over 500,000 farmers who grow tobacco. In fact, it is the principal cash crop for many of our smallest and most distressed farm families throughout Appalachia, the mid-Atlantic States, and in the South.

It is one of the few viable cash crops for these small landowners, and it is a crop that utilizes family labor, not expensive capital equipment. A loss of tobacco would be economic disaster for these people. It would result in mass migrations of farm people to the cities.

In fiscal 1974 we exported tobacco worth $813 million. This yielded needed foreign exchange and greatly assisted our embattled dollar as well as our balance-of-payments position. If we kill the tobacco program, we would not only lose these revenues but would no doubt see added imports of tobacco and more pressure on our trade balance.

I recognize these are economic factors and the thrust of the amendment is directed toward health and moral factors. I would never suggest we must put economics before health and morality but we must realize the limits of Government and its right to dictate to individuals.

You cannot legislate health or morality. We amended the Constitution in such an effort and subsequently found it necessary to negate the provision with another amendment.

Because of this fact and because tobacco is so important to significant sectors of our economy, I know the Senate will again overwhelmingly reject this amendment.

Mr. HELMS. Mr. President, I see no reason why the tobacco crop should be repeatedly singled out for unilateral assault in the Nation's farm support program. As most Senators know, the tobacco program does not even expire this year. It is covered by separate legislation because of the unique way in which the program operates. Moreover, it is unique in another way: It is the cheapest of all the price support programs.

The most recent statistics that come to mind relate to fiscal year 1972, when the realized cost of the program was only $200,000. The cost the Federal Government has sustained in operating the price support program for tobacco from 1933 to date has been about 0.15 percent of the cost for all farm commodity price support operations.

Tobacco is important to the Nation's economy. About 400,000 farms in the United States produce 2 billion pounds of tobacco on nearly 1 million acres each year. Although tobacco uses only 0.3 percent of the Nation's cropland, it is usually the fourth or fifth most valuable crop and accounts for about 8 percent of the cash receipts from all U.S. crops.

Mr. President, in 1972, tobacco brought U.S. farmers $1.4 billion in income and made an $878 million contribution to the U.S. balance of payments through exports.

Mr. President, I want to remind my colleagues that tobacco is not one of the crops run by gigantic "agribusiness" corporations with absentee owners. The average tobacco allotment is about 3 acres. It is an intensive labor crop, tended for the most part on the family farm. It brings cash dividents to these families who otherwise would have a hard time making ends meet.

This fact is of special importance to the economy and culture of North Carolina. We have 80,000 Tar Heel farmers producing tobacco. It provides employment to nearly 200,000 of the State's farm families and seasonal workers. Last year, it brought the State's farmers over $580 million in income. That is over 60 percent of cash receipts from all crops grown.

Nationwide, hundreds of thousands of families earn their living from the production of tobacco. They are dedicated, hardworking citizens who, in my judgment, deserve to be encouraged, not hindered, in their constructive labors to support their families.

Mr. President, the USDA itself has admitted that in the first year of such a phaseout of the program as proposed by the junior Senator from Utah, the average tobacco grower's income would decrease by one-third. It would take until 1980 for the grower's income to come back up to the level that we have at present.

Many of these farmers already are barely at the subsistence level. If the tobacco price level is destroyed, welfare rolls would increase, rural people would flock to the big cities, particularly the industrial centers of the North, and add to the unemployment situation and all its attendant social evils.

Mr. President, in my judgment it would be immoral for the U.S. Congress to abandon these hard-working people by striking down the tobacco program. For there is no doubt that the tobacco market would be faced with ruination without the price support program. The success of the program is due primarily to its role in regulating the production of tobacco, not the subsidy paid to support prices.

To enter the program, a farmer has to vote to accept the acreage limitations. In most referendums, more than 90 percent of the growers voting have favored marketing quotas. It is generally agreed that because of the production control program, less tobacco is produced in the United States than would likely be the case if there were no Government programs.

Mr. President, there is no doubt that the effect of the junior Senator from Utah's program will be to increase tobacco production. It is my understanding that my colleague feels that the production and sale of tobacco is a social evil. I do not understand why he is advocating a measure that would increase the production of tobacco, and drive the price down, presumably making it more readily available to the consumer. Especially since at the same time, my colleague's measure would bring about the ruination of thousands of families who grow tobacco on the family farm, and add to the heartbreak and misery of conditions in congested industrial cities.

Mr. President, it is also my understanding that the junior Senator from Utah feels that the Federal Government should not be encouraging the production of tobacco because some people consider the use of tobacco offensive to health and morals. Yet I would like to point out that the Federal, State, and local governments—and U.S. citizens—enjoy some $5.22 billion annualy in excise taxes collected from cigars, cigarettes, chewing tobacco, pipe tobacco, and snuff.

This figure—$5.22 billion, and I repeat, billion—is nearly four times the amount received by the tobacco growers themselves. Indeed, this tax revenue is more than 26,000 times the cost of the tobacco price support program to the Federal Government.

I submit that if it is morally proper for government at every level to enjoy the benefits of taxation from tobacco, then it is morally proper for the U.S. Government to encourage its production. We simply cannot have it both ways. If it is not proper to encourage production, then it is not proper to enjoy the benefits of taxing it. Indeed, if my colleague would consider amending his proposal so as to rescind all Federal excise taxes on tobacco, I might consider supporting it. In its present form, however, it would strike a severe blow to the economic and social structures of our Nation.

Mr. President, I have in my hand a table which summarizes the manufacture and consumption of tobacco products and the excise taxes paid in the United States between 1955 and 1972, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TOBACCO PRODUCTS: MANUFACTURED/CONSUMPTION, AND EXCISE TAXES, UNITED STATES, 1955–72

Year	Cigars [1] (million pounds)	Cigarettes [1] (million pounds)	Chewing [1] tobacco (1,000 pounds)	Smoking [1] "pipe" (1,000 pounds)	Snuff [1] (1,000 pounds)	Total [1] chewing, smoking, and snuff (1,000 pounds)	Cigarettes [2] per capita (number)	Cigars [2] per capita (number)	Smoking,[2] chewing, and snuff per capita (pounds)	Excise taxes collected—Federal, State, and local (bill. dollars)
1955	6,063	412,309	79,908	79,991	39,221	199,120	3,597	55	1.22	$2.14
1960	7,140	506,944	64,861	73,839	34,599	173,309	4,171	61	.99	2.96
1965	8,340	556,806	65,129	71,781	29,710	166,621	4,258	70	.88	3.60
1970	8,028	583,251	68,789	69,370	26,522	164,681	3,970	60	.83	4.70
1972 [3]	10,050	599,001	73,008	55,845	25,490	154,343	4,050	52	.79	5.22

[1] Manufactured.

[2] Consumption.

[3] Date is preliminary.

Mr. McGEE. Mr. President, I yield such time as remains to the distinguished Senator from North Carolina (Mr. ERVIN).

Mr. ERVIN. Mr. President, this amendment should be entitled an amendment to impoverish hundreds of thousands of farm families in the United States.

The State of North Carolina is one of the greatest agricultural States in the Union. It has more people living on farms than any other State. Fifty cents of every dollar which North Carolina farmers receive in cash for their agricultural products is for the tobacco they grow.

You know, Mr. President, there is really no sound clinical research in the field of the effect of tobacco on health. We have a lot of statistics, and I can take statistics and prove that tobacco is very healthful because Americans smoke more cigarettes than any other people on the face of the Earth, and Americans live longer than virtually any other people on Earth. So I can argue from that that smoking cigarettes is a very healthy thing to do.

I have very little respect for statistics, however, because I can never forget the fact of an old mountaineer in the South Mountains in my State who was accustomed to buying his groceries from a neighborhood grocery store on credit.

He decided it was about time to go in and pay his grocery bill. When he asked for the amount of it, the storekeeper gave him the figures, and it was more than the old mountaineer felt he justly owed, so he started to complain.

The storekeeper got out his account books and laid them on the counter and pointed out the account to the old mountaineer and said, "Here are the figures." He said, "Figures don't lie."

And the old mountaineer said, "I know figures don't lie, but liars sure do figure."

I saw on television the commission that made the report to the Surgeon General the first time, and virtually every one of them was smoking. It was a smoke-filled room.

These people who get these statistics all together just pluck them out of the air. They cannot tell you on any records, and certainly some great doctors have said that there is no evidence of any causal relation between smoking and health.

It would be a terrible thing to impoverish hundreds of thousands of farm families, many with little children, which this amendment, if adopted, would do. Instead of decreasing the amount of tobacco, you would do away with the acreage allotments, and you would have more tobacco in the future than you have now, which shows about how much wisdom there is in this legislative proposal.

Mr. TALMADGE. Mr. President, will the Senator yield at this time?

Mr. ERVIN. Yes.

Mr. TALMADGE. Is it not a fact that one of the principal health hazards in our country is being overweight which causes many problems, such as heart attacks and things of that nature?

Mr. ERVIN. Yes; and I would state that people get fat largely by eating things that contain sugar.

Mr. TALMADGE. Could it not be reasonable——

Mr. ERVIN. I would remind my friend, the distinguished Senator from Utah, that Utah is a great sugar beet State, and I have not introduced any legislation to keep people from getting fat by eating sugar.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. ERVIN. Yes.

Mr. TALMADGE. To use the irrational logic of the Senator from Utah, could it not be reasonably assumed then that any food taken to excess is a health hazard and, therefore, all farm programs should be abolished?

Mr. ERVIN. Absolutely, the Senator is correct.

I might state—I do not have a copy of the poem—but someone sent me a little poem when this matter was up before that told about all of the things we do, the things we eat, and the things we eat which are deadly, and then it wound up it said, "Let's eliminate all these things from our diet, let's don't drink any of them, let's don't eat any of them, and then we won't have to worry about anything except the stroke of lightning," and he said, "Then we can die of malnutrition with our arteries intact."

I sincerely hope the Senate will bury this proposal, and permanently, in the archives of gravity, where it belongs.

Mr. McGEE. Mr. President, I yield time to the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, I will speak on this legislation later, and I will withhold my comments until that time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HELMS. On the time of the distinguished manager of the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield time to the Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, I thank the distinguished Senator from Wyoming.

I want to associate myself with the remarks of the distinguished Senator from Georgia and the distinguished Senator from North Carolina in opposition to this proposed amendment.

It is not surprising that we are facing another attack on this important product, tobacco. We have become accustomed to such attacks on the Senate floor.

But I would like to point out to the Members of the Senate that tobacco is not only a product of tremendous economic importance to those States in which it is grown, but it is important to the economy of this country as one of our major export products.

This crop produces the major cash income for a vast majority of the little farmers in this country, farmers who are faced every day throughout the year with meeting the high cost of keeping their farm operations going. To adversely affect their economic base by legislation of this type would not only bring about the demise of these small tobacco growers but could very well seriously affect the ability of this Nation to produce the agricultural products that we need.

Many of these small farmers grow several crops and may even maintain poultry or livestock, but their principal source of income is tobacco. And, if that income is taken from them, the economic viability of their operations will be undermined and we will lose not only their tobacco but their other crops, which tend to be foodstuffs.

Furthermore, the tobacco program is working. It is one of the better examples of a Federal program, not only in the agricultural segment, but in any segment in which the Government is involved. It has been successful. It is accomplishing its goals.

The arguments against it, based on medical research that is still inconclusive, certainly do not indicate that it would be prudent at this time to emasculate completely a program that has meant so much not only to the farmers in my State of Kentucky, but to farmers in other States that are represented here, and has meant so much to the economy, the well-being, of this entire country.

So I join with the distinguished Senators in asking that this amendment be rejected.

I thank the Senator.

Mr. McGEE. Mr. President, I would be glad to yield to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I join my colleagues from North Carolina, Kentucky, and Georgia, in expressing opposition to this amendment, and I hope that the Senate will defeat it.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. McGEE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The time to be charged how, Senator?

Mr. McGEE. To be distributed equally on both sides to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is it correct to state that the vote on amendments to the pending business will begin at the hour of 3 o'clock?

The PRESIDING OFFICER. The Senator is correct. Rollcall votes will begin at that time.

TIME LIMITATION AGREEMENT ON ROLLCALL VOTES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the first vote, which will take the usual 15 minutes, that the other votes which, I understand, will be back to back, take 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The time to be equally divided among both sides?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 o'clock with the time equally taken out of both sides on the bill.

There being no objection, the Senate, at 1:42 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

THE AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS, 1975

The Senate continued with the consideration of the bill (H.R. 16901) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator desire to have the time charged equally on the bill?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. McCLURE). Without objection, it is so ordered.

NATIONAL HEALTH PLANNING AND DEVELOPMENT AND HEALTH FACILITIES ASSISTANCE ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside until 3 p.m. and that, in the meantime, the Senate proceed to the consideration of calendar No. 1220, S. 2994, that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER (Mr. McClure). Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2994) to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

"TITLE XIV—NATIONAL HEALTH PLANNING AND DEVELOPMENT—Continued

"Part C—State Health Planning and Development

"Sec. 1421. Designation of State health planning and development agencies.
"Sec. 1422. State administrative program.
"Sec. 1423. State health planning and development functions.
"Sec. 1424. Grants for regulation or establishment of rates for health services.
"Sec. 1425. Statewide Health Coordinating Councils.
"Sec. 1426. Assistance for State health planning and development.

"Part D—General Provisions

"Sec. 1431. Definitions.
"Sec. 1432. Procedures and criteria for reviews of proposed health delivery system changes.
"Sec. 1433. Technical assistance for health planning agencies and State health planning and development agencies.
"Sec. 1434. Review by the Secretary.
"Sec. 1435. Special provisions for the Virgin Islands, Guam, the Trust Territories of the Pacific Islands, and American Samoa.
"Sec. 1436. Waiver authority."

TITLE II—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

Sec. 201. Revision of health facilities programs under the Public Health Service Act.

"TITLE VI—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"Sec. 600. Declaration of purpose.
"Sec. 601. State allotments.
"Sec. 602. State health facilities plan.
"Sec. 603. Approval of projects.
"Sec. 604. Payments from allotments.

"Part B—Grants, Loans, and Loan Guarantees

"Sec. 610. Grants for construction and modernization of health facilities.
"Sec. 611. Loans and loan guarantees for construction and modernization of health facilities.
"Sec. 612. Priorities.
"Sec. 613. Conditions for approval of applications.
"Sec. 614. General provisions relating to loans and loan guarantees.
"Sec. 615. Loan and loan guarantee fund.

"Part C—General Provisions

"Sec. 620. Regulations.
"Sec. 621. Withholding of payments and other actions.
"Sec. 622. Judicial review.
"Sec. 623. Recovery.
"Sec. 624. Records and audits.
"Sec. 625. Authorization of appropriations.
"Sec. 626. Technical assistance.
"Sec. 627. Definitions."

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Miscellaneous and transitional provisions.
Sec. 302. Agency reports.

TITLE IV—RADIATION HEALTH AND SAFETY

Sec. 401. Short title.
Sec. 402. Declaration of purpose.
Sec. 403. Amendment of Public Health Service Act respecting radiation health and safety.

TITLE I—NATIONAL HEALTH PLANNING AND DEVELOPMENT

REVISION OF HEALTH PLANNING PROGRAMS UNDER THE PUBLIC HEALTH SERVICE ACT

Sec. 101. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XIV—NATIONAL HEALTH PLANNING AND DEVELOPMENT

"Part A—National Guidelines for Health Planning

"NATIONAL GUIDELINES FOR HEALTH PLANNING

"Sec. 1401. (a) The Secretary shall, within one year after the date of enactment of this title, issue guidelines concerning national health planning policy, by promulgation of a rule under section 553 of title 5, United States Code. The Secretary may, from time to time, as he deems appropriate, revise the guidelines in accordance with the preceding sentence.

"(b) The Secretary shall include in the guidelines issued under subsection (a) the following:

"(1) Standards respecting the appropriate supply, distribution, and organization of health resources, and

"(2) A statement of national health planning goals developed after consideration of the priorities, set forth in section 1402, which goals, to the maximum extent practicable, shall be expressed in quantitative terms.

"(c) In issuing guidelines under subsection (a) the Secretary shall consult with and solicit recommendations and comments from the health planning agencies designated under part B, the State health planning and development agencies designated under part C, the statewide health coordinating councils established under part C, and the National Advisory Council on Health Planning and Development established by section 1403.

"NATIONAL HEALTH PRIORITIES

"Sec. 1402. The Congress finds that the following deserve priority consideration in the formulation of national health planning goals and in the development and operation of Federal, State, and area health planning and resources development programs:

"(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

"(3) The development of medical group practices (especially those whose services are appropriately coordinated or integrated with institutional health services), health maintenance organizations, and other organized systems for the provision of health care.

"(4) The training and increased utilization of physician extenders.

"(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

"(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(8) The promotion of activities for the prevention of disease, including study of nutritional and environmental factors affecting health and provision of preventive health care services.

"(9) The adoption of uniform cost accounting, simplified reimbursement, and utilization reporting systems and improved management procedures for health service institutions.

"(10) The development of effective methods of educating the general public concerning proper personal (including preventive) health care and methods for effective use of available health services.

"NATIONAL ADVISORY COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

"Sec. 1403. (a) There is established in the Department of Health, Education, and Welfare an advisory council to be known as the National Advisory Council on Health Planning and Development (hereinafter in this section referred to as the 'Council'). The Council shall advise, consult with, and make recommendations to the Secretary with respect to the development of national guidelines under section 1401.

"(b) (1) The Council shall be composed of twelve members. The Chief Medical Director of the Veterans' Administration, the Assistant Secretary for Health and Environment of the Department of Defense, and the Assistant Secretary for Health of the Department of Health, Education, and Welfare shall be nonvoting ex officio members of the Council. The remaining members shall be appointed by the Secretary and shall be persons who, as a result of their training, experience, or attainments, are exceptionally well qualified to assist in carrying out the functions of the Council. Of the voting members, not less than four shall be persons who are not providers of health services, not more than three shall be officers or employees of the Federal Government and not less than three shall be members of governing bodies of health planning agencies designed under part B. Not more than five of the voting members of the Council shall be of the same political party.

"(2) The term of office of voting members of the Council shall be six years, except that—

"(A) of the members first appointed to the Council, three shall be appointed for terms of two years and three shall be appointed for terms of four years, as designated by the Secretary at the time of appointment; and

"(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

A member may serve after the expiration of his term until his successor has taken office.

"(3) The Chairman of the Council shall be selected by the voting members from among their number. The term of office of the chairman of the Council shall be the lesser of three years or the period remaining in his term of office as a member of the Council.

"(c) (1) Except as provided in paragraph (2), the members of the Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council.

"(2) Members of the Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Council.

"(3) While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

"(d) The Council may appoint, fix the pay of, and prescribe the functions of such personnel as are necessary to carry out its functions. In addition, the Council may procure the services of experts and consultants as authorized by section 3109 of title 5, United States Code, but without regard to the last sentence of such section.

"(e) The provisions of section 14(a) of the Federal Advisory Committee Act shall not apply with respect to the Council.

"PART B—HEALTH PLANNING AGENCIES

"HEALTH AREAS

"SEC. 1411. (a) There shall be established, in accordance with this section, health areas throughout the United States with respect to which health planning agencies shall be designated under section 1415. Each health area shall, in accordance with regulations of the Secretary, meet the following requirements:

"(1) The area shall be a geographic region appropriate for the effective planning and development of health services, determined on the basis of factors including population and the availability of resources to provide all necessary health services for residents of the area.

"(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services.

"(3) The boundaries of an area may not cross State boundaries, except that an area may comprise a geographic region which crosses State boundaries if it is determined that such a region is a more appropriate region for the effective planning and development of health services or if necessary to comply with the requirements of paragraph (4).

"(4) The boundaries of an area may not cross the boundaries of a standard metropolitan statistical area (as designated by the Office of Management and Budget) unless the Secretary waives such requirement.

"(5) Notwithstanding the provisions of paragraphs (1) through (4), the boundaries of areas shall follow the boundaries of areas for which have been developed comprehensive regional, metropolitan area, or other local area plans referred to in section 314 (b), unless the Governor of any State in which such area is located, upon a finding that another area is a more appropriate region for the effective planning and development of health services, waives such requirement. If the requirement of this paragraph is waived, health areas shall be established in accordance with paragraphs (1) through (4).

"(b)(1) Within one hundred and twenty days following the date of enactment of this title, the Secretary shall simultaneously give to the Governor of each State written notice of the initiation of proceedings to establish health areas throughout the United States. Each notice shall contain the following:

"(A) A statement of the requirement (in subsection (a)) of the establishment of health areas throughout the United States.

"(B) A statement of the criteria prescribed by subsection (a) for health areas and the procedures prescribed by this subsection for the designation of health area boundaries.

"(C) A request that the Governor receiving the notice (i) designate the boundaries of health areas within his State, and, where appropriate and in cooperation with the Governors of adjoining States, designate the boundaries within his State of health areas located both in his State and in adjoining States, and (ii) submit (in such form and manner as the Secretary shall specify) to the Secretary, within ninety days of the receipt of the notice, such boundary designations together with comments, submitted by the entities referred to in paragraph (2), with respect to such designations.

At the time such notice is given under this paragraph to each Governor, the Secretary shall publish as a notice in the Federal Register a statement of the giving of his notice to the Governors and the criteria and procedures contained in such notice.

"(2) Each State's Governor shall in the development of boundaries for health areas consult with and solicit the views of the chief executive officer or agency of the political subdivisions within the State, the State agency which administers or supervises the administration of the State's health planning functions under a State plan approved under section 314(a), each entity within the State which has developed a comprehensive regional, metropolitan area or other local area plan or plans referred to in section 314 (b), and each regional medical program established in the State under title IX.

"(3)(A) Within one hundred and twenty days of the date on which notice was given to the Governors, the Secretary shall publish in the Federal Register the health area boundary designations and provide interested persons an opportunity to comment thereon. The boundaries for health areas submitted by the Governors shall, except as otherwise provided in subparagraph (B), constitute upon their publication in the Federal Register the boundaries for such health areas.

"(B)(i) If the Secretary determines, after reviewing the comments submitted pursuant to subparagraph (A), that a boundary submitted to him for a health area does not meet the requirements of subsection (a), he shall, after consultation with the Governor who submitted such boundary, make such revision in the boundary for such area (and as necessary, in the boundaries for adjoining health areas) as may be necessary to meet such requirements and publish such revised boundary (or boundaries); and the revised boundary (or boundaries) shall upon publication in the Federal Register constitute the boundary (or boundaries) for such health area (or areas). The Secretary shall notify the Governor of each State in which is located a health area whose boundary is revised under this clause of the boundary revision and the reasons for such revision.

"(ii) In the case of areas of the United States not included within the boundaries for health areas submitted to the Secretary as requested under the notice under paragraph (1), the Secretary shall publish in the Federal Register health area boundaries which include such areas, provide interested persons an opportunity to comment thereon, and shall, thereafter, establish boundaries for such areas. The Secretary shall notify the Governor of each State in which is located a health area the boundary for which is established under this clause of the boundaries established. In carrying out the requirement of this clause, the Secretary may make such revisions in boundaries submitted under subparagraph (A) as he determines are necessary to meet the requirements of subsection (a) for the establishment of health areas throughout the United States.

"(iii) The Secretary shall complete all revisions and establishment of health areas under this subparagraph within one year after the date of enactment of this title.

"(4) The Secretary shall review on a continuing basis and at the request of any Governor or designated health planning agency the appropriateness of the boundaries of the health areas established under paragraph (3) and, if he determines that a boundary for a health area no longer meets the requirements of subsection (a), he may revise the boundaries in accordance with the procedures prescribed by paragraph (3)(B) (ii). If the Secretary acts on his own initiative to revise the boundaries of any health area, he shall consult with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate health planning agency or agencies designated under part B and the appropriate Statewide Health Coordinating Council established under part C. A request for boundary revision shall be made only after consultation with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate designated health planning agencies, and the appropriate established Statewide Health Coordinating Council and shall include the comments concerning the revision made by the entities consulted in requesting the revision.

"HEALTH PLANNING AGENCIES

"SEC. 1412. (a) DEFINITION.—For purposes of this title, the term 'health planning agency' means a public entity or nonprofit private corporation which is organized and operated in the manner described in subsection (b) and which is capable, as determined by the Secretary, of performing each of the functions described in section 1413. The Secretary shall by regulation establish standards and criteria for the requirements of subsection (b) and section 1413.

"(b) LEGAL STRUCTURE.—(1) A health planning agency for a health area shall—

"(A) if it is a private corporation, (i) be incorporated in the State in which the largest part of the population of its health area resides, (ii) not be a subsidiary of, or otherwise controlled by, any other public or private entity, and (iii) not engage in activities other than performance of the functions described in this title,

"(B) if it is a public entity, (i) provide, in addition to the governing body of the parent entity (if any), for a governing body for health planning established in accordance with paragraph (4), which body shall have exclusive authority to perform the functions described in section 1413, and (ii) have a planning area identical to the health area established under this part which it serves, and

"(C) not be an educational institution or operate such an institution.

"(2) Notwithstanding the provisions of paragraphs (1)(B)(i) and (4) (A) and (C), a public entity which has received a project grant for the development of a comprehensive regional, metropolitan area, or other local area plan under section 314(b) may be a health planning agency for a health area if the Governor of the State in which such area is located certifies that such entity has performed its health planning functions in a satisfactory manner. No such entity may be a health planning agency unless it meets the requirements of section 314(b).

"(3) STAFF.—

"(A) EXPERTISE.—A health planning agency shall have a staff which provides the agency with expertise in at least the following: (i) the gathering and analysis of data, (ii) health planning, and (iii) development and utilization of health resources. The functions of planning and of development of health resources shall be conducted by separate staffs with skills appropriate to each function.

"(B) Size and employment.—A health planning agency shall have a single director. The size of the professional staff of any health planning agency shall be not less than ten, except that if the quotient of the population (rounded to the next highest one hundred thousand) of the health area which the agency serves divided by one hundred thousand is greater than ten, the minimum size of the professional staff shall be the lesser of (i) such quotient, or (ii) fifty. The members of the staff shall be selected, paid, promoted, and discharged in accordance with such system as the agency may establish, except that the rate of pay for any position shall not be less than the rate of pay prevailing in the health area for similar positions in public or private health service entities. A health planning agency may employ consultants and may contract with individuals or groups for the provision of services, where necessary to perform its functions. Such consultants and other individuals and groups shall be compensated in accordance with standards established by regulations of the Secretary.

"(4) Governing Body.—

"(A) In general.—Each health planning agency shall have a governing body composed, in accordance with subparagraph (C), of not less than ten members and of not more than thirty members, except that the number of members may exceed thirty if the governing body has established another unit (referred to in this paragraph as an 'executive committee') composed, in accordance with subparagraph (C), of not more than twenty-five members of the governing body and has delegated to that unit the authority to take such action (other than the establishment and revision of the plans referred to in subparagraph (B)(ii)) as the governing body is authorized to take.

"(B) Responsibilities.—The governing body—

"(i) shall be responsible for the internal affairs of the health planning agency, including matters relating to the staff of the agency, the agency's budget, and procedures and criteria (developed and published pursuant to section 1432) applicable to its functions under subsections (e), (f), (g), (h), and (i) of section 1413;

"(ii) shall be responsible for the establishment of the long-range goal plan and short-term priorities plan required by section 1413 (b);

"(iii) shall be responsible for the approval of all actions taken pursuant to subsections (e), (f), (g), (h), and (i) of section 1413;

"(iv) shall be responsible for the approval of grants and contracts made and entered into under section 1413(c)(3);

"(v) shall (I) issue an annual report concerning the activities of the agency, (II) include in that report the long-range goal plan and short-term priorities plan developed by the agency, and a listing of the agency's income, expenditures, assets, and liabilities, and (III) make the report readily available to the residents of the health area and the various communications media serving such area;

"(vi) shall reimburse its members for their reasonable costs incurred in attending meetings of the governing body;

"(vii) shall meet at least once in each calendar quarter of a year and shall meet at least two additional times in a year unless its executive committee meets at least twice that year; and

"(viii) shall (I) conduct its business meetings in public, (II) give adequate notice to the public of such meetings, and (III) make its records and data available, upon request, to the public.

The governing body (and executive committee (if any)) of a health planning agency shall act only by vote of a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum is in attendance. A quorum for a governing body and executive committee shall be not less than one-half of its members.

"(C) Composition.—

"(i) A majority (but not more than 60 per centum) of the members of the governing body and the executive committee (if any) of a health planning agency shall be residents of the health area served by the agency who are consumers of health services, who are not (nor have within the twelve months preceding appointment been) providers of health services or holders of public elected or appointed offices in governmental authorities in the health area, and who are broadly representative of the social, economic, linguistic, and racial populations and geographic areas of the health area.

"(ii) The remainder of the members of such governing body and executive committee shall be residents of the health area served by the agency who (I) hold public elective or appointive offices which are broadly representative of the governmental authorities in the health area, or (II) are providers of health services chosen in accordance with division (iii).

"(iii) Providers of health services shall be broadly representative of—

"(I) health professions personnel (including allied health personnel and public and community health personnel);

"(II) the health institutions (including public and private hospitals, health maintenance organizations, extended care facilities and health education institutions) located in such health area and the employees of such institutions not described in subclause (I): *Provided*, That the governing body and executive committee of any health planning agency serving an area in which there is located one or more qualified health maintenance organizations (within the meaning of section 1310) shall include at least one member who is representative of such organizations; and

"(III) health care insurers.

A governing body and executive committee of any health planning agency serving an area in which there is located one or more hospitals or other health care facilities of the Veterans' Administration shall include, as an ex officio member, an individual whom the Administrator of Veterans' Affairs shall have designated for such purpose.

"(iv) If, in the exercise of its functions, a governing body or executive committee appoints a subcommittee of its members or an advisory group, it shall, to the extent practicable, make its appointments to any such subcommittee or group in such a manner as to provide the representation on such subcommittee or group described in this subparagraph.

"(5) Individual Liability.—No individual who, as a member or employee of a health planning agency, shall, by reason of his performance of any duty, function, or activity required of, or authorized to be undertaken by, an agency under this title, be liable for the payment of damages under any law of the United States or any State (or political subdivision thereof), provided he has acted within the scope of such duty, function, or activity, has exercised due care, and has acted, with respect to that performance, without malice toward any person affected by it.

"(6) Private Contributions.—No health planning agency shall accept from any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources any funds or other contributions of facilities or services.

"(7) Other Requirements.—Each health planning agency shall—

"(A) make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

"(B) provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title; and

"(C) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records pertinent to the disposition of amounts received from the Secretary under this title.

"(c) Subarea Councils.—A health planning agency may establish subarea advisory councils representing parts of the agencies' health area to advise the governing body of the agency on the performance of its functions. The composition of a subarea advisory council shall conform to the requirements of subsection (b)(4)(C).

"FUNCTIONS OF HEALTH PLANNING AGENCIES

"Sec. 1413. (a) For the purpose of—

"(1) improving the health of residents of a health area,

"(2) increasing the accessibility (including overcoming geographic, architectural, and transportation barriers), acceptability, continuity, and quality of the health services provided them,

"(3) restraining increases in the cost of providing them health services, and

"(4) preventing unnecessary duplication of health resources,

each health planning agency shall have as its primary responsibility the provision of effective health planning for its health area and the promotion of the development within the area of health resources which meet identified needs, reduce documented inefficiencies, and implement the health plans of the agency. To meet its primary responsibility, a health planning agency shall carry out the functions described in subsections (b) through (i) of this section.

"(b)(1) In providing health planning and resources development for its health area, a health planning agency shall perform the following functions:

"(A) The agency shall assemble and analyze data describing—

"(i) the status (and its determinants) of the health of the residents of its health area,

"(ii) the number, type, and location of the area's health resources,

(iii) the patterns of utilization of the area's health resources,

"(iv) the effect the area's health delivery system has on the residents of the area, and

"(v) the environmental and occupational exposure factors affecting immediate and long-term health conditions.

In carrying out this paragraph, the agency shall to the maximum extent practicable use existing data (including data developed under Federal health programs) and coordinate its activities with the cooperative system provided for under section 306(e).

"(B) The agency shall, after appropriate consideration of the recommended national guidelines for health planning issued by the Secretary under section 1401, the priorities set forth in section 1402, and the data developed pursuant to subparagraph (A), establish, annually review, and amend as necessary a long-range goal plan (hereinafter in this title referred to as the 'LPG') which shall be a detailed statement of goals (i) to achieve a healthful environment and health delivery system in the area which, when developed, will prevent unnecessary duplication of health resources and assure that high quality health services will be available and accessible in a manner which assures continuity of care, at reasonable cost, for all residents of the area, (ii) which is responsive to the unique needs and resources of the area; and (iii) which takes into account and is consistent with the national guidelines for health planning issued by the Secretary under section 1401.

"(C) The agency shall establish, annually review, and amend as necessary a short-term priorities plan (hereinafter in this title referred to as the 'SPP') which describes objectives which will achieve the goals of the LGP and priorities among the objectives. In establishing the SPP, the agency shall give priority to those objectives which will maximally improve the health of the residents of the area, as determined on the basis of the relation of the cost of attaining such objectives to their benefits, and which are fitted to the special needs of the area.

"(D) The agency shall develop and publish specific plans and projects for achieving the objectives established in the SPP.

"(2) The Secretary is authorized, upon the petition of any interested person or upon his own initiative, to review any LGP or SPP of any health planning agency, as originally established, or as revised in accordance with the State health plans prepared pursuant to section 1425(e)(1). In conducting such review the Secretary shall consult with the appropriate Statewide Health Coordinating Council. Upon a finding that such LGP or SPP is not consistent with the purposes of this title, the Secretary shall require modification of such LGP or SPP to correct such inconsistency and such LGP or SPP shall be implemented in accordance with such modification.

"(c) A health planning agency shall implement its LGP and SPP, and in implementing the plans it shall perform at least the following functions:

"(1) The agency shall seek, to the extent practicable, to implement its LGP and SPP with the assistance of individuals and public and private entities in its health area.

"(2) The agency may provide, in accordance with the priorities established in the SPP, technical assistance to individuals and public and private entities in the area for the development of projects and programs which the agency determines are necessary to achieve the health delivery system described in the LGP, including assistance in meeting the requirements of the agency prescribed under section 1432(b).

"(3) The agency shall, in accordance with the priorities established in the SPP, make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit entities in the area to assist them in planning and developing projects and programs for the development of health resources to improve the organization, coordination, or accessibility of health services which the agency determines are necessary for the achievement of the health delivery system described in the LGP. Such grants and contracts shall be made from the Area Health Services Development Fund of the agency established with funds provided under grants made under section 1417. No grant or contract under this subsection may be used to pay the costs of construction or modernization of medical facilities. No single grant or contract made or entered into under this paragraph may be available for obligation beyond the one year period beginning on the date the grant or contract was made or entered into. If an individual or entity receives a grant or contract under this paragraph for a project or program, such individual or entity may receive only two more such grants or contracts for such project or program.

"(d) Each health planning agency shall coordinate its activities with—

"(1) each Professional Standards Review Organization (designated under section 1152 of the Social Security Act),

"(2) entities referred to in paragraphs (1) and (2) of section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 and regional and local entities the views of which are required to be considered under regulations prescribed under section 403 of the Intergovernmental Cooperation Act of 1968 to carry out section 401 (b) of such Act,

"(3) State health entities, and

"(4) any other appropriate entity,

in the health planning agency's health area. The agency shall, as appropriate, secure data from them for use in the agency's planning and development activities, enter into agreements with them which will assure that actions taken by such entities which alter the area's health delivery system will be taken in a manner which is consistent with the LGP and the SPP in effect for the area, and, to the extent practicable, provide technical assistance to such entities.

"(e)(1) Each health planning agency shall review and, in accordance with its LGP and SPP, recommend for approval or disapproval each proposed use within its health area of Federal funds appropriated under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (other than funds described in paragraph (4)) for grants, contracts, loans, or loan guarantees for the development, expansion, or support of health resources.

"(2) The agency shall consider each application for Federal funds for a use described in paragraph (1) and shall forward such application, along with its recommendation and a detailed statement of reasons therefor to the Secretary and the appropriate State health planning and development agency (hereinafter in this part referred to as the 'State Agency'). Notwithstanding any other provision of this Act or any other Act referred to in paragraph (1), the Secretary shall allow a health planning agency sixty days to make the review required by such paragraph.

"(3) If an agency disapproves a proposed use in its health area of Federal funds described in paragraph (1), the Secretary may not make such Federal funds available for such use until he has made, upon request of the entity making such proposal, a review of the agency recommendation. In making any such review of any agency recommendation, the Secretary shall give the appropriate State Agency an opportunity to consider the recommendation of the health planning agency and to submit to the Secretary its comments on the recommendation. The Secretary, after taking into consideration the State Agency's comments (if any) may make such Federal funds available for such use, notwithstanding the recommendation of the health planning agency. Each such decision by the Secretary to make funds available shall be submitted to the appropriate health planning agency and State Agency and shall contain a detailed statement of the reasons for the decision.

"(4) The provisions of paragraph (1) shall not apply to any use of funds—

"(A) referred to in subsection (f), or

"(B) appropriated for grants or contracts under title IV, VII, or VIII of this Act, except that where such grants and contracts are made, entered into, or used to support the delivery of health services they shall be subject to the provisions of paragraph (1).

"(f)(1) Each health planning agency shall review and, in accordance with its LGP and SPP, recommend for approval or disapproval each proposed use within its health area of Federal funds appropriated under the Acts referred to in subsection (e) which are made available by a State, pursuant to an allotment to such State under such Acts, for grants and contracts for the development, expansion, or support of health resources.

"(2) The agency shall consider each application for funds for a use described in paragraph (1) and shall forward such application, along with its recommendation and a detailed statement of reasons therefore to the appropriate State Agency. Such State Agency shall follow the procedures prescribed by paragraphs (2) and (3) of subsection (e).

"(g) To assist State Agencies in carrying out their functions under paragraph (3) of section 1423(a) each health planning agency shall review and, in accordance with its LGP and SPP, make recommendations to the appropriate State Agency respecting the need for new institutional health services, health care facilities, and health maintenance organizations proposed to be offered or developed in the health area of such health planning agency. Such review shall be conducted prior to the time such services, facilities, and organizations are offered or developed or substantial expenditures are undertaken in preparation for such offering or development.

"(h)(1) Except as provided in paragraph (2), each health planning agency shall review on a periodic basis (but at least every five years) all institutional health services offered and health care facilities and health maintenance organizations located in the health area of the agency and shall make recommendations to the State Agency designated under section 1421 for each State in which the health planning agency's health area is located respecting the need in the area for such services, facilities, and organizations. If the designated State Agency determines that there does not exist a need for a particular institutional health service, health care facility, or health maintenance organization, the health planning agency for the health area in which such service is offered or facility or organization located shall work with the provider of such service or with such facility or organization, the designated State Agency, and other appropriate individuals and entities for the improvement or elimination (as the State Agency and health planning agency determine appropriate) of such service.

"(2) A health planning agency shall complete its initial review of existing institutional health services, health care facilities, and health maintenance organizations within three years after the date of the agency's designation under section 1415(ac).

"(i) Each health planning agency shall annually recommend to the State Agency designated for each State in which the health planning agency's health area is located (1) projects for the construction and modernization of health facilities in the agency's health area which projects will achieve the LGP and SPP of the health planning agency, and (2) priorities among such projects.

"ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH PLANNING AGENCIES

"SEC. 1414. The Secretary may provide all necessary technical and other nonfinancial assistance (including the preparation of prototype plans of organization and operation) to public or nonprofit private entities (including entities which have received financial assistance for the fiscal year ending June 30, 1974 under section 314(b) of title IX or as experimental health service delivery systems under section 304) which—

"(1) express a desire to be designated as health planning agencies, and

"(2) the Secretary determines have a potential to meet the requirements of a health planning agency specified in sections 1412 and 1413,

to assist such entities in developing applications to be submitted to the Secretary under section 1415 and otherwise in preparing to meet the requirements of this part for designation as a health planning agency.

"DESIGNATION OF HEALTH PLANNING AGENCIES

"Sec. 1415. (a) At the earliest practicable date after the establishment under section 1411 of health areas (but not later than eighteen months after the date of enactment of this title) the Secretary shall enter into agreements in accordance with this section for the designation of health planning agencies for such areas.

"(b)(1) The Secretary may enter into agreements with entities under which the entities would be designated as the health planning agencies of health areas on a conditional basis with a view to determining their ability to meet the requirements of section 1412(b) and their capacity to perform the functions prescribed by section 1413.

"(2) During any period of conditional designation (which may not exceed 24 months), the Secretary may require that the entity conditionally designated meet only such of the requirements of section 1412(b) and perform only such of the functions prescribed by section 1413 as he determines such entity to be capable of meeting and performing. The number and type of such requirements and functions shall, during the period of conditional designation, be progressively increased as the entity conditionally designated becomes capable of added responsibility so that, by the end of such period, the agency may be considered for designation under subsection (c).

"(3) Any agreement under which any entity is conditionally designated as a health planning agency may be terminated by such entity upon ninety days notice to the Secretary or by the Secretary upon ninety days notice to such entity.

"(4) The Secretary may not enter into an agreement with any entity under paragraph (1) for conditional designation as a health planning agency for a health area until—

"(A) the entity has submitted an application for such designation which contains assurances satisfactory to the Secretary that upon completion of the period of conditional designation the applicant will be organized and operated in the manner described in section 1412(b) and will be qualified to perform the functions prescribed by section 1413;

"(B) a plan for the orderly assumption and implementation of the functions of a health planning agency has been received from the applicant and approved by the Secretary; and

"(C) the Secretary has consulted with the Governor of each State in which such health area is located and such other State and local officials as he may deem appropriate, with respect to such designation.

In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and each regional medical program established in such area under title IX

(c)(1) The Secretary shall enter into an agreement with an entity for its designation as a health planning agency if, on the basis of an application under paragraph (2) (and, in the case of an entity conditionally designated, on the basis of its performance during a period of conditional designation under subsection (b) as a health planning agency for a health area), the Secretary determines that such entity is capable of fulfilling, in a satisfactory manner, the requirements and functions of a health planning agency. Any such agreement under this subsection with an entity may be renewed in accordance with paragraph (3), shall contain such provisions respecting the requirements of sections 1412(b) and 1413 and such conditions designed to carry out the purpose of this title, as the Secretary may prescribe, and shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(A) by the entity at such time and upon notice to the Secretary as he may by regulation prescribe, or

"(B) by the Secretary, upon his determination after providing the agency with notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the entity is not complying with or effectively carrying out the provisions of such agreement.

"(2) The Secretary may not enter into an agreement with any entity under paragraph (1) for designation as a health planning agency for a health area unless the entity has submitted an application to the Secretary for designation as a health planning agency, and the Secretary has consulted with the Governor of each State in which the area is located and such other State anu local officials as he may deem appropriate, with respect to such designation. Such an application shall contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 1412(b) and is qualified to perform or is performing in a satisfactory manner the functions prescribed by section 1413. In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by (A) each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and (B) each regional medical program established in such area under title IX.

"(3) An agreement under this subsection for the designation of a health planning agency may be renewed by the Secretary for a period not to exceed twelve months if upon review of the agency's operation and performance of its functions he determines that it has fulfilled, in a satisfactory manner, the functions of a health planning agency prescribed by section 1413 and continues to meet the requirements of section 1412(b).

"(d) If a designation under subsection (b) or (c) of a health planning agency for a health area is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b) or (c) (as the Secretary determines appropriate), enter into a designation agreement with another entity to be the health planning agency for such area.

"PLANNING GRANTS

"Sec. 1416. (a) The Secretary shall make in each fiscal year a grant to each health planning agency with which there is in effect a designation agreement under subsection (b) or (c) of section 1415. A grant under this subsection shall be made on such conditions as the Secretary determines to be appropriate, shall be used by a health planning agency for compensation of agency personnel, collection of data, planning, and the performance of other functions of the agency, and shall be available for obligation during the period for which its designation agreement is entered into or renewed (as the case mase may be). A health planning agency may use funds under a grant under this subsection to make payments under contracts with other entities to assist the health planning agency in the performance of its functions; but it shall not use funds under such a grant to make payments under a grant or contract with another entity for the development or support of health resources.

"(b)(1) The amount of any grant under subsection (a) to a health planning agency designated under section 1415(b) shall be determined by the Secretary. The amount of any grant under subsection (a) to any health planning agency designated under section 1415(c) shall be the product of $0.50 and the population of the health area for which the agency is designated, unless the agency would receive a greater amount under paragraph (2) or (3).

"(2)(A) If the application of a health planning agency for such a grant contains assurances satisfactory to the Secretary that the agency will expend or obligate in the period in which such grant will be available for obligation non-Federal funds meeting the requirements of subparagraph B for the purposes for which such grant may be made, the amount of such grant shall be the sum of—

"(i) the amount determined under paragraph (1), and

"(ii) the lesser of (I) the amount of such non-Federal funds with respect to which the assurances were made, or (II) the product of $0.25 and the population of the health area for which the agency is designated.

"(B) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by subparagraph (A) shall not include any funds contributed to the agency by any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources.

"(3) The amount of a grant under subsection (a) to a health planning agency designated under section 1415(c) may not be less than $220,000.

"(c)(1) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1975, $90,000,000 for the fiscal year ending June 30, 1976, and $125,000,000 for the fiscal year ending June 30, 1977.

"(2) Notwithstanding subsection (b), if the total of the grants to be made under this section to health planning agencies for any fiscal year exceeds the total of the amounts appropriated under paragraph (1) for that fiscal year, the amount of the grant for that fiscal year to each health planning agency shall be an amount which bears the same ratio to the amount determined for that agency for that fiscal year under subsection (b) as the total of the amounts appropriated under paragraph (1) for the fiscal year bears to the total amount required to make grants to all health planning agencies in accordance with the applicable provision of subsection (b).

"DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

"Sec. 1417. (a) The Secretary shall make in each fiscal year a grant to each health planning agency—

"(1) with which there is in effect a designation agreement under section 1415 (b) or (c),

"(2) which has in effect an LGP and SPP reviewed by the Statewide Health Coordinating Council, and

"(3) which is organized and operated in the manner prescribed by section 1412(b) and is performing its functions under section 1413 in a manner satisfactory to the Secretary.

to enable the agency to establish and maintain an Area Health Services Development Fund from which it may make grants and enter into contracts in accordance with section 1413(c)(3).

"(b)(1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health area for which the health planning agency is designated, the average family income of the area and the supply of health services in the area.

"(2) The amount of any grant under subsection (a) to a health planning agency for any fiscal year may not exceed the product of $1 and the population of the health area for which such agency is designated.

"(c) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, and $120,000,000 for the fiscal year ending June 30, 1977.

"PART C—STATE HEALTH PLANNING AND DEVELOPMENT

"DESIGNATION OF STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

"SEC. 1421. (a) For the purpose of the performance within each State of the health planning and development functions prescribed by section 1423, the Secretary shall enter into and renew agreements (described in subsection (b)) for the designation of a State health planning and development agency for each State other than a State for which the Secretary may not under subsection (d) enter into, continue in effect, or renew such an agreement.

"(b) (1) A designation agreement under subsection (a) is an agreement with the Governor of a State for the designation of an agency (selected by the Governor) of the government of that State as the State health planning and development agency (hereinafter in this part referred to as the 'State Agency') to administer the State administrative program prescribed by section 1422 and to carry out the State's health planning and development functions prescribed by section 1423. The Secretary may not enter into such an agreement with the Governor of a State unless—

"(A) there has been submitted by the State a State administrative program which has been approved by the Secretary;

"(B) an application has been made to the Secretary for such an agreement and the application contains assurances satisfactory to the Secretary that the agency selected by the Governor for designation as the State Agency has the authority and resources to administer the State administrative program of the State and to effectively carry out the health planning and development functions prescribed by section 1423, and

"(C) in the case of an agreement entered into under paragraph (3), there has been established for the State a Statewide Health Coordinating Council meeting the requirements of section 1425.

"(2) (A) The agreement entered into with a Governor of a State under subsection (a) may provide for the designation of a State Agency on a conditional basis with a view to determining the capacity of the designated State Agency to administer the State administrative program of the State and to carry out the health planning and development functions prescribed by section 1423. The Secretary shall require as a condition to the entering into of such an agreement that the Governor submit on behalf of the agency to be designated a plan, satisfactory to the Secretary, for the agency's orderly assumption and implementation of such functions.

"(B) The period of an agreement described in subparagraph (A) may not exceed twenty-four months. During such period the Secretary may require that the designated State Agency perform only such of the functions of a State Agency prescribed by section 1423 as he determines it is capable of performing. The number and type of such functions shall, during such period, be progressively increased as the designated State Agency becomes capable of added responsibility, so that by the end of such period the designated State Agency may be considered for designation under paragraph (3).

"(C) Any agreement with a Governor of a State entered into under subparagraph (A) may be terminated by the Governor upon ninety days' notice to the Secretary or by the Secretary upon ninety days' notice to the Governor.

"(3) If, on the basis of an application for designation as a State Agency (and, in the case of an agency conditionally designated under paragraph (2), on the basis of its performance under an agreement with a Governor of a State entered into under such paragraph), the Secretary determines that the agency is capable of fulfilling in a satisfactory manner, the responsibilities of a State Agency, he shall enter into an agreement with the Governor of the State designating the agency as the State Agency for the State. No such agreement may be made unless an application therefor is submitted to, and approved by, the Secretary. Any such agreement shall be for a term of twelve months, except that, prior to the expiration of such term, such agreement may be terminated—

"(A) by the Governor at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(B) by the Secretary, upon his determination, after providing notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the designated State Agency is not complying with or effectively carrying out the provisions of such agreement.

An agreement under this paragraph shall contain such provisions as the Secretary may require to assure that the requirements of this part respecting State Agencies are complied with.

"(4) An agreement entered into under paragraph (3) for the designation of a State Agency may be renewed by the Secretary for a period not to exceed twelve months if he determines that it has fulfilled, in a satisfactory manner, the responsibilities of a State Agency during the period of the agreement to be renewed and if the applicable State administrative program continues to meet the requirements of section 1422.

"(c) If a designation agreement with the Governor of a State entered into under subsection (b) (2) or (b) (3) is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b) (2), or (b) (3) (as the Secretary determines appropriate), enter into another agreement with the Governor for the designation of a State Agency which will comply with and effectively carry out the provisions of such agreement.

"(d) If, upon the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Planning and Development and Health Facilities Assistance Act of 1974 is enacted, a designation agreement for a State is not in effect under this section the Secretary shall forthwith order that no further Federal funds appropriated for any program under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for the development, expansion or support of health resources shall be made available for use in such State.

"STATE ADMINISTRATIVE PROGRAM

SEC. 1422. (a) A State administrative program (hereinafter in this section referred to as the 'State Program') is a program for the performance within the State by its State Agency of the functions prescribed by section 1423. The Secretary may not approve a State Program for a State unless it—

"(1) meets the requirements of subsection (b);

"(2) has been submitted to the Secretary by the Governor of the State at such time and in such detail, and contains or is accompanied by such information, as the Secretary deems necessary; and

"(3) has been submitted to the Secretary only after the Governor of the State has afforded to the general public of the State a reasonable opportunity for a presentation of views on the State Program.

"(b) The State Program of a State must—

"(1) provide for the performance within the State (after the designation of a State Agency and in accordance with the designation agreement) of the functions prescribed by section 1423, in a manner satisfactory to the Secretary and in a manner consistent with the guidances issued by the Secretary pursuant to section 1401, and specify the State Agency of the State as the sole agency for the performance of such functions (except as provided in subsection (b) of such section) and for the administration of the State Program;

"(2) contain or be supported by satisfactory evidence that the State Agency has under State law the authority to carry out such functions and the State Program in accordance with this part and contain a current budget for the operation of the State Agency;

"(3) provide for adequate consultation with, and authority for, the Statewide Health Coordinating Council (prescribed by section 1425), in carrying out such functions and the State Program;

"(4) (A) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibilities in the performance of such functions and the State Program, and require the State Agency to have a professional staff for planning and a professionl staff for development;

"(B) provide for such methods of administration as are found by the Secretary to be necessary for the proper and efficient administration of such functions and the State Program, including methods relating to the establishment and maintenance of personnel standards on a merit basis consistent with such standards as are or may be established by the Civil Service Commission under section 208(a) of the Intergovernmental Personnel Act of 1970 (Public Law 91–648), but the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with the methods relating to personnel standards on a merit basis established and maintained in conformity with this paragraph;

"(5) require the State Agency to perform its functions in accordance with procedures and criteria established and published by it, which procedures and criteria shall conform to the requirements of section 1432;

"(6) require the State Agency to (A) conduct its business meetings in public, (B) give adequate notice to the public of such meetings, and (C) make its records and data available, upon request, to the public;

"(7) (A) provide for the coordination (in accordance with regulations of the Secretary) with the cooperative system provided for under section 306(e) of the activities of the State Agency for the collection, retrieval, analysis, reporting, and publication of statistical and other information related to health and health care, and (B) require providers of health services doing business in the State to make statistical and other reports of such information to such State Agency;

"(8) provide, in accordance with methods and procedures prescribed or approved by the Secretary, for the evaluation, at least annually, of the performance by the State

Agency of its functions and of their economic effectiveness;

"(9) provide that the State Agency will from time to time, and in any event not less often that annually, review the State Program and submit to the Secretary required modifications;

"(10) require the State Agency to make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

"(11) require the State Agency to provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title;

"(12) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records of the State Agency pertinent to the disposition of amounts received from the Secretary under this title; and

"(13) provide that if the State Agency makes a decision in the performance of a function under paragraph (3) or (4) of section 1423(a) which is inconsistent with a recommendation made under subsection (g), (h), or (i) of section 1413 by a health planning agency within the State—

"(A) such decision (and the record upon which it was made) shall, upon request of the health planning agency, be reviewed, under an appeals mechanism consistent with State law governing the practices and procedures of administrative agencies, by an agency of the State (other than the State health planning and development agency) designated by the Governor, and

"(B) the decision of the reviewing agency shall be considered the decision of the State health planning and development agency.

"(c) The Secretary shall approve any State Program and any modification thereof which complies with subsection (a) and (b). The Secretary shall review for compliance with the requirements of this part the specifications of and operations under each State Program approved by him. Such review shall be conducted not less often than once each year.

"STATE HEALTH PLANNING AND DEVELOPMENT FUNCTIONS

"Sec. 1423. (a) Each State Agency of a State Agency of a State designated under section 1421(b)(3) shall, except as authorized under subsection (b), perform within the State the following functions:

"(1) Prepare and review and revise as necessary (but at least annually) a preliminary long-range State health plan which shall be made up of the LGP's of the health planning agencies within the State and a preliminary short-term State health plan which shall be made up of the SPP's of such agencies. Such preliminary plans may, as found necessary for the State Agency, contain such revisions of such LGP's and SPP's to achieve their appropriate coordination or to deal more effectively with statewide health needs. Such preliminary plans shall be submitted to the Statewide Health Coordinating Council of the State for approval or disapproval and for use in developing the State health plans referred to in section 1425(e)(1).

"(2) Assist the Statewide Health Coordinating Council of the State in the performance of its functions generally.

"(3)(A) Serve as the designated planning agency of the State for the purposes of section 1122 of the Social Security Act if the State has made an agreeemnt pursuant to such section, and (B) administer a State certificate of need program which applies to new institutional health services, health care facilities, and health maintenance organizations proposed to be offered or developed within the State and which is satisfactory to the Secretary. Such program shall (i) provide for review and determination of need prior to the time such services, facilities, and organizations are offered or developed or substantial expenditures are undertaken in preparation for such offering or development, and (ii) provide that only those services, facilities, and organizations found to be needed shall be offered or developed in the State. In performing its functions under this paragraph the State Agency shall consider recommendations made by health planning agencies under section 1413(g).

"(4) Review on a periodic basis (but not less often than every five years) all institutional health services being offered and health care facilities and health maintenance organizations located in the State and after consideration of recommendations submitted by health planning agencies under section 1413(h) respecting the need for such services, facilities, and organizations make findings respecting the continued need for such services, facilities, and organizations. With respect to any service, facility, or organization found not to be needed the State Agency will assist the appropriate health planning agency in improving or eliminating such service, facility, or organization as authorized by section 1413(h). A State Agency shall complete its findings with respect to the need for any existing institutional health service, health care facility, or health maintenance organization within one year after the date a health planning agency has made its recommendation under section 1413(h) with respect to the need for such service facility, or organization.

"(b)(1) Any function described in subsection (a) may be performed by another agency of the State government, upon request of the Governor, under an agreement with the State Agency satisfactory to the Secretary.

"(2) The requirement of paragraph (3)(B) of subsection (a) shall not apply to a State Agency until the expiration of the first regular session of the legislature of such State which begins after the date of enactment of this title.

"(c) If a State Agency makes a decision in carrying out a function described in paragraph (3) or (4) of subsection (a) which is not consistent with the applicable LGP or SPP, the State Agency shall submit to the appropriate health planning agency and to the Secretary a detailed statement of the reasons for the inconsistency.

"GRANTS FOR REGULATION OR ESTABLISHMENT OF RATES FOR HEALTH SERVICES

"Sec. 1424. (a) The Secretary is authorized to enter into and renew agreements with designated State health planning and development agencies for the regulation or establishment of rates for the payment or reimbursement for those engaged in the delivery of health services, as defined in regulations of the Secretary, within the State.

"(b) Any agreement entered into this section shall—

"(1) provide for the performance within the State of the functions prescribed by subsection (a) and specify the State Agency of the State as the sole agency for the performance of such functions, except that such functions may be performed by another agency of the State government, upon request of the Governor, under an agreement with the State Agency satisfactory to the Secretary;

"(2) contain or be supported by satisfactory evidence that the State Agency has under State law the authority to carry out such functions in accordance with this section and contain a current budget for the performance of such functions by the State Agency;

"(3) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibility in the performance of such functions, and require the State Agency to have a professional staff for rate regulation, which staff shall be headed by a Director;

"(4) provide for such methods of administration as found by the Secretary to be necessary for the proper and efficient administration of such functions, including methods relating to the establishment and maintenance of personnel standards, as described in section 1422(b)(4)(B);

"(5) require the State Agency to perform its functions in accordance with procedures established and published by it, which procedures shall conform to the requirements of section 1432;

"(6) comply with the requirements prescribed by paragraphs (6) through (12) of section 1422(b) with respect to the functions prescribed by subsection (a); and

"(7) provide for the establishment of a procedure under which the State Agency will obtain the recommendation of the appropriate health planning agency prior to conducting a review of the rates charged or proposed to be charged for services.

Any such agreement shall contain such additional provisions as the Secretary may require to assure that the requirements of this section are complied with.

"(c)(1) The Secretary may not enter into an agreement with a State Agency unless an application has been made to the Secretary for such an agreement and the application contains assurances satisfactory to the Secretary that the State Agency has the authority and resources to carry out the functions prescribed by subsection (a).

"(2) If, on the basis of an application for an agreement under this section, the Secretary determines that the State Agency is capable of performing, in a satisfactory manner, the functions prescribed by subsection (a), he shall enter into such agreement for a period of twelve months.

"(3) An agreement entered into under this section with a State Agency may be renewed by the Secretary for a period not to exceed twelve months if he determines that the State Agency has performed in a satisfactory manner, the functions prescribed by subsection (a).

"(d)(1) The sums appropriated under subsection (g) shall be allotted, for each fiscal year, among the State Agencies that, under subsection (a), have entered into an agreement with the Secretary that is in effect for such fiscal year. The allotment shall be, under the Secretary's regulations, in accordance with the populations of the respective States served by State Agencies eligible therefor, and the costs of performing the functions to be undertaken by the State Agencies under their agreements.

"(2) The amount of any allotment to a State Agency under paragraph (1), for any fiscal year, that the Secretary determines will not be required by the State Agency, during the period for which it is available, for the purposes for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other State Agencies which have entered into an agreement with the Secretary that is in effect for such fiscal year with respect to which such a determination has not been made, in proportion to the original allotments to such State Agencies under paragraph (1) for such fiscal year, but with such proportionate amount for any of such other State Agencies being reduced to the extent it exceeds the sum the Secretary estimates such State Agency needs and will be able to use during that period; and the total of those reductions shall be similarly reallotted among the State Agencies whose proportionate amounts were not so reduced. Any amount so reallotted to a State Agency from sums appropriated under subsection (g) for a fiscal year shall be deemed part of its allotment under paragraph (1) for the fiscal year.

"(3) From each State Agency's allotment for a fiscal year under this subsection, the Secretary shall from time to time pay to the State Agency the amount of its expenditures incurred during that year under the agreement entered into under this subsection, but no payment shall be made unless such agreement is then in effect. The Secretary shall make these payments on the basis of estimates of those expenditures, or in anticipation of those expenditures based upon his estimate of the sums the State Agency will need in order to perform the functions undertaken under the agreement, but with such adjustments as may be necessary to take account of previously made underpayments or overpayments.

"(e) Any agreement entered into under this section shall be for a term of twelve months, except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the State Agency at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(2) by the Secretary, upon his determination, after providing notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the State Agency is not complying with or effectively carrying out the provisions of such agreement.

"(f) The Secretary shall issue regulations regarding the performance of the functions prescribed by subsection (a). In issuing such regulations the Secretary shall consider the manner in which the State Agency should perform such functions including whether the State Agency should—

"(1) permit those engaged in the delivery of health services to retain savings accruing to them from effective management and cost control,

"(2) create incentives at each point in the delivery of health services for utilization of the most economical modes of services feasible,

"(3) document the need for and cost implications of each new service for which a determination of reimbursement rates is sought, and

"(4) employ for each type or class of person engaged in the delivery of health services—

"(A) a unit for determining the reimbursement rates, and

"(B) a base for determining rates of change in the reimbursement rates,

which unit and base are satisfactory to the Secretary.

"(g) There are authorized to be appropriated, for the purposes of this section, $10,000,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, and $20,000,000 for the fiscal year ending June 30, 1977.

"STATEWIDE HEALTH COORDINATING COUNCILS

"Sec. 1425. (a) A State health planning and development agency designated under section 1421 shall be advised by a Statewide Health Coordinating Council (hereinafter in this section referred to as the 'SHCC') which (1) is organized in the manner described by subsection (c), and (2) performs the functions listed in subsection (e).

"(b)(1) Each health planning agency designated to serve a health area that falls, in whole or in part, within the boundaries of one or more States shall participate in the SHCC for each such State.

"(2)(A) Each health planning agency which participates in an SHCC for any State shall assume, for each fiscal year, its share of the costs of operation of the SHCC in excess of those defrayed under subparagraph (B). The share of each such agency bear the same proportion to such costs as the amounts the Secretary has awarded to the agency under section 1416 (with respect to the portion of its health area which falls within such State) for that year bear to the aggregate amounts awarded under such section to all agencies participating in such SHCC.

"(B) In the case of any SHCC for any State which, in any year, includes members appointed by the Governor of such State pursuant to subsection (c)(1)(B) the State shall contribute to the SHCC to assist in meeting its costs of operation an amount equal to 40 per centum of such costs for such year.

"(3) Each health planning agency which participates in an SHCC shall (A) make available its LGP and SPP for each year for integration into the State health plans under subsection (e)(1) and (B) make such revisions in its LGP and SPP as required to be consistent with such State plans.

"(c)(1) A SHCC shall be composed in the following manner:

"(A)(i) A SHCC for any State shall have no fewer than sixteen representatives appointed by the Governor of such State from lists of at least five nominees submitted to the Governor by each of the health planning agencies designated for health areas which fall, in whole or in part, within the State.

"(ii) Each health planning agency within the State shall be entitled to the same number of representatives on the SHCC.

"(iii) Each health planning agency shall be entitled to at least two representatives on the SHCC.

"(iv) Where the governing body of any of the health planning agencies represented on the SHCC includes a member representative of health maintenance organizations the SHCC shall include a member representative of such organizations.

"(B) The Governor of the State may appoint such persons (including State officials, public elected and appointed officials, and other representatives of governmental authorities within the State) to serve on the SHCC as he deems appropriate; except that the number of persons appointed to the SHCC by the Governor under this subparagraph may not exceed 40 per centum of the total membership of the SHCC.

"(C) A majority of the members of a SHCC shall be consumers of health services who are not providers of health services or holders of public elective or appointive offices.

"(2) The SHCC shall select from among its members a chairman.

"(d) The SHCC shall—

"(1)(A) conduct its business meetings in public, (B) give adequate notice to the public of such meetings, and (C) make its records and data available, upon request, to the public;

"(2) meet at least once in each calendar quarter of a year;

"(3) act only by a vote of a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum of not less than one-half of its members is in attendance;

"(4) make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports; and

"(5) in preparing and revising the State health plans under subsection (e)(1), follow the procedures prescribed by section 1432(a).

"(e) A SHCC shall perform the following functions:

"(1) Taking into account the preliminary State health plans prepared by the State Agency in accordance with Section 1423(a)(1), prepare and review and revise as necessary (but at least annually) a long-range State health plan which shall be made up of the LGP's of the health planning agencies within the State and a short-term State health plan which shall be made up of the SPP's of such agencies. Such plans may, as found necessary by the SHCC, contain such revisions of such LGP's and SPP's to achieve their appropriate coordination or to deal more effectively with statewide health needs.

"(2) Review annually the budget of each such health planning agency and report to the Secretary, for purposes of his review under section 1434(a), its comments on such budget.

"(3) Review applications submitted by such health planning agencies for grants under sections 1416 and 1417 and report to the Secretary its comments on such applications.

"(4) Advise the State Agency of the State generally on the performance of its functions.

"(5) Review annually and approve or disapprove any State plan and any application (and any revision of a State plan or application) submitted to the Secretary as a condition to the receipt of any funds under allotments made to States under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. Notwithstanding any other provision of any Act referred to in the preceding sentence, the Secretary shall allow a SHCC sixty days to make the review required by such sentence. If a SHCC disapproves such a State plan or application, the Secretary may not make Federal funds available under such State plan or application until he has made, upon request of the Governor of the State which submitted such plan or application or another agency of such State, a review of the SHCC decision. If after such review the Secretary decides to make such funds available, the decision by the Secretary to make such funds available shall be submitted to the SHCC and shall contain a detailed statement of the reasons for the decision.

"(6) Advise and consult with the State Agency in carrying out the State health facilities plan referred to in section 602.

"ASSISTANCE FOR STATE HEALTH PLANNING AND DEVELOPMENT

"Sec. 1426. (a)(1) From the sums appropriated under subsection (c) for each fiscal year the State health planning and development agencies designated under subsection (b)(2) or (b)(3) of section 1421 shall be entitled to allotments to assist in meeting the costs of performing the functions prescribed by section 1423 which shall be determined in accordance with regulations, on the basis of the population and the per capita income of the respective States. Notwithstanding the provisions of the preceding sentence, no allotment to any State Agency for any fiscal year shall be less than one per centum of the sum appropriated for such fiscal year pursuant to subsection (c). Any such allotment to a State Agency for a fiscal year shall remain available for obligation by the State Agency, in accordance with the provisions of this subsection only during the period for which its designation agreement is entered into or renewed.

"(2) The amount of any allotment to a State Agency under paragraph (1) for any fiscal year which the Secretary determines will not be required by the State Agency, during the period for which it is available, for the purposes for which allotted, shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other State Agencies with respect to which such determination has not been made, in proportion to the original allotments to such State Agencies under paragraph (1) for such fiscal year, but with such proportionate amount for any of such other State Agencies being reduced to the extent it exceeds the sum the Secretary estimates such State Agency needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the State Agencies whose proportionate amounts were not so reduced. Any amount so reallotted to a State Agency from funds appropriated pursuant to this paragraph for a fiscal year shall be deemed part of its allotment under paragraph (1) for such fiscal year.

"(b)(1) From each State Agency's allotment for a fiscal year under subsection (a), the State Agency shall from time to time be paid the Federal share of the costs incurred during that year in performing the functions prescribed by section 1423. Such payments shall be made on the basis of estimates by the Secretary of the sums the State Agency will need in order to perform such functions, but with such adjustments as may be necessary to take account of previously made underpayments or overpayments. The 'Federal share' for any State Agency for purposes of this subsection shall be such part, not exceeding 90 per centum, of the cost of the performance of such functions as the Secretary may determine.

"(2) Payments under paragraph (1) shall be made on such terms and conditions as the Secretary may prescribe. No payment may be made under paragraph (1) unless the Secretary (A) determines that the Federal funds to be paid will be used to supplement State funds that would in the absence of such Federal funds be used for the purposes for which such Federal funds would be paid and will in no event supplant such State funds and (B) receives satisfactory assurances that the State Agency will expend in performing the functions prescribed by section 1423 during the fiscal year for which the payment is sought, an amount of funds from non-Federal sources which is at least as great as the average amount of funds expended by the State for which such State Agency has been designated for such purposes (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the fiscal year for which such payment is sought.

"(c) For purposes of making allotments to States under subsection (a) to assist in meeting the costs of performing the functions prescribed by section 1423 there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for the fiscal year ending June 30, 1977.

"(d) The Secretary shall provide to any State Agencies engaged in the performance of the functions prescribed by section 1423 such technical assistance as may be necessary in order that such State Agencies may properly perform such functions.

"PART D—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 1431. For purposes of this title:

"(1) The term 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(2) The term 'Governor' means the chief executive officer of a State or his designee.

"(3) The term 'provider of health services' means an individual—

"(A) who holds a fiduciary position with, or has a fiduciary interest in, any entity described in clause (ii), (iii), or (iv) of subparagraph (B), or

"(B) who receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

"(i) Fees or other compensation for the provision of, research into the provision of, or instruction in the provision of, health services.

"(ii) Financial interests in entities engaged in such provision, research, or instruction.

"(iii) Producing or supplying, or from financial interests in entities engaged in producing or supplying, drugs or other articles for individuals or in entities engaged in the provision of, research into the provision of, or instruction in the provision of, health services.

"(iv) Financial interests in entities engaged in indemnifying the provision of health services.

"(4)(A) the term 'institutional health services' means the health services provided through health care facilities and health maintenance organizations (as such facilities and organizations are defined in regulations prescribed under section 1122 of the Social Security Act); and (B) the term 'health care facilities' means the health care facilities referred to in clause (A).

"(5) the term 'health resources' includes health services, health professions personnel, and health facilities, except that such term does not include Christian Science sanatoriums operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts.

"PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH DELIVERY SYSTEM CHANGES

"SEC. 1432. (a) Prior to establishment of any long-range goal plan or short-term priorities plan under section 1413(b) (1) (B) and (C), each health planning agency shall conduct a public hearing on the plan as proposed and shall give interested persons an opportunity to submit their views orally and in writing. Not less than thirty days prior to such hearing, such agency shall publish in at least two newspapers of general circulation throughout its health area a notice of its consideration of the proposed plan, the time and place of the hearing, the place at which interested persons may consult the plan in advance of the hearing, and the place and period during which to direct written comment to the agency on the plan.

"(b) In conducting pursuant to subsections (e), (f), (g), and (h) of section 1413 or in conducting any other reviews, each health planning agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria (appropriate to carry out the purposes of this title) developed and published by the agency in accordance with regulations of the Secretary; and in performing its review functions under section 1423, a State health planning and development agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria (appropriate to carry out the purposes of this title) developed and published by the State Agency in accordance with regulations of the Secretary. Procedures and criteria for reviews by health planning agencies and State health planning and development agencies may vary according to the purpose for which a particular review is being conducted or the type of health services being reviewed.

"(c) Each health planning agency and State health planning and development agency shall include in the procedures required by subsection (b) at least the following:

"(1) Written notification to affected persons of the beginning of a review.

"(2) Schedules for reviews which provide that no review shall, to the extent practicable, take longer than ninety days from the date the notification described in paragraph (1) is made.

"(3) Provision for persons subject to a review to submit to the agency or State Agency (in such form and manner as the agency or State Agency shall prescribe and publish) such information as the agency or State Agency may require concerning the subject of such review.

"(4) Submission of applications (subject to review by a health planning agency or a State Agency) made under this Act or other provisions of law for Federal financial assistance for health services to the health planning agency or State Agency at such times and in such manner as it may require.

"(5) Submission of periodic reports by those engaged in the delivery of health services and other persons subject to agency or State Agency review respecting the development of proposals subject to review.

"(6) Provision for written findings which state the basis for any final decision or recommendation made by the agency or State Agency.

"(7) Notification of providers of health services and other persons subject to agency or State Agency review of the status of the agency or State Agency review of the health services or proposals subject to review, findings made in the course of such review, and other appropriate information respecting such review.

"(8) Provision for public hearings in the course of agency or State Agency review if requested by interested persons; and provision for public hearings, for good cause shown, respecting agency and State Agency decisions.

"(9) Preparation and publication of regular reports by the agency and State Agency of the reviews being conducted (including a statement concerning the status of each such review) and of the reviews completed by the agency and State Agency (including a general statement of the findings and decisions made in the course of such reviews) since the publication of the last such report.

"(10) Access by the general public to all applications reviewed by the agency and State Agency and to all other written materials pertinent to any agency or State Agency review.

"(11) In the case of construction projects, submission to the agency and State Agency by the entities proposing the projects of letters of intent in such detail as may be necessary to inform the agency and State Agency of the scope and nature of the projects at the earliest possible opportunity in the course of planning of such construction projects.

"(d) Criteria required by subsection (b) for health planning agency and State Agency review shall include consideration of at least the following:

"(1) The relationship of the health services being reviewed to the applicable LGP and SPP.

"(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing such services.

"(3) The need that the population served or to be served by such services has for such services.

"(4) The availability of alternative, less costly, or more effective methods of providing such services.

"(5) The relationship of services reviewed to the existing health delivery system of the area in which such services are provided or proposed to be provided.

"(6) In the case of health services proposed to be provided, the availability of resources (including health professions personnel, management personnel, and funds for capital and operating needs) for the provision of such services and the availability of alternative uses of such resources for the provision of other health services.

"(7) The special needs and circumstances of those entities which provide a substantial portion of their services or resources, or both, to individuals not residing in the health area in which the entity is located or in adjacent health areas. Such entities may include medical and other health professions schools, multidisciplinary clinics, specialty centers, and such other entities as the Secretary may by regulation prescribe.

"(8) The special needs and circumstances of health maintenance organizations for which assistance may be provided under title XIII.

"(9) In the case of a construction project—

"(A) the costs and methods of the proposed construction, and

"(B) the probable impact of the construction project reviewed on the costs of providing health services by the person proposing such construction project.

"TECHNICAL ASSISTANCE FOR HEALTH PLANNING AGENCIES AND STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

"SEC. 1433. (a) The Secretary shall provide (directly or through grants or contracts, or both) to designated health planning agencies and, upon request, to State Agencies (1) assistance in developing their health plans and approaches to planning various types of health services, (2) technical materials, including methodologies, policies, and standards appropriate for use in health planning, and (3) other technical assistance as may be necessary in order that such agencies may properly perform their functions.

"(b) The Secretary shall include in the materials provided under subsection (a) the following:

"(1)(A) Specification of the minimum data needed to determine the health status of the residents of a health area and the determinants of such status, including specification for data which describe mortality and morbidity by age, sex, race, residence, economic status, and occupation, the etiologies of mortality and morbidity, and the environmental and occupational exposure factors affecting health conditions.

"(B) Specification of the minimum data needed to determine the status of the health resources of a health area, including specification for data which describe health care facilities by size, types of services provided, location, and operating costs, which describe health professions personnel by type, specialty, supply, location, and mode of practice and which describe health services by type and location.

"(C) Specification of the minimum data needed to describe the use of health resources within a health area, including the use by various population groups, including groups based on age, sex, race, residence, economic status, and occupation.

"(2) Planning approaches, methodologies, policies, and standards which shall be consistent with the guidelines established by the Secretary under section 1401 for appropriate planning and development of health resources, and which shall cover the priorities listed in section 1402.

"(3) Guidelines for the organization and operation of health planning agencies and State Agencies including guidelines for—

"(A) the structure of a health planning agency, consistent with section 1412(b), and of a State Agency, consistent with section 1422;

"(B) the conduct of the planning and development process;

"(C) the performance of health planning agency functions in accordance with section 1413; and

"(D) the performance of State Agency functions in accordance with section 1423.

"(c) The Secretary shall establish the following within one year of the date of enactment of this title:

"(1) A uniform system for calculating the aggregate cost of operation and the aggregate volume of services provided by health services institutions as defined by the Secretary in regulations. Such system shall provide for the calculation of the aggregate volume to be based on:

"(A) The number of patient days;

"(B) The number of patient admissions;

"(C) The number of out-patient visits; and

"(D) Other relevant factors as determined by the Secretary.

"(2) A uniform system for cost accounting and calculating the volume of services provided by health services institutions. Such system shall:

"(A) Include the establishment of specific cost centers and, where appropriate, subcost centers.

"(B) Include the designation of an appropriate volume factor for each cost center.

"(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions), and different sizes of such types of institutions.

"(3) A uniform system for calculating rates to be charged to health insurers and other health institutions payors by health service institutions. Such system shall:

"(A) Be based on an all-inclusive rate for various categories of patients (including, but not limited to individuals receiving medical, surgical, pediatric, obstetric, and psychiatric institutional health services).

"(B) Provide that such rates reflect the true cost of providing services to each such category of patients. The system shall provide that revenues derived from patients in one category shall not be used to support the provision of services to patients in any other category.

"(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health service institutions) and different sizes of such types of institutions.

"(D) Provide that differences in rates to various classes of purchasers (including health insurers, direct service payors, and other health institution payors) be based on justified and documented differences in the costs of operation of health service institutions made possible by the actions of such purchasers.

"(4) A classification system for health services institutions. Such classification system shall quantitatively describe and group health services institutions of the various types. Factors included in such classification system shall include:

"(A) the number of beds operated by an institution;

"(B) the geographic location of an institution;

"(C) the operation of a postgraduate physician training program by an institution; and

"(D) the complexity of services provided by an institution.

"(5) A uniform system for the reporting by health services institutions of:

"(A) The aggregate cost of operation and the aggregate volume of services, as calculated in accordance with the system established by the Secretary under paragraph (1).

"(B) The costs and volume of services at various cost centers, and subcost centers, as calculated in accordance with the system established by the Secretary under paragraph (2); and

"(C) Rates, by category of patient and class of purchaser, as calculated in accordance with the system established by the Secretary under paragraph (3).

Such system shall provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions) and different sizes of such institutions.

"REVIEW BY THE SECRETARY

"SEC. 1434. (a) The Secretary may review and approve or disapprove the annual budget of each designated health planning agency. In making such review for approval or disapproval the Secretary shall consider the comments of statewide health coordinating councils submitted under section 1425(e)(2).

"(b) The Secretary shall prescribe performance standards covering the structure, operation, and performance of the functions of each designated health planning agency and State agency and he shall establish a reporting system based on the performance standards that allows for continuous review of the structure, operation, and performance of the functions of such agencies.

"(c) The Secretary may review in detail at least every three years the structure, operation, and performance of the functions of each designated health planning agency to determine—

"(1) the adequacy of the LGP of the agency for meeting the needs of the residents of the area for a healthful environment and for accessible, acceptable and continuous high quality health care at reasonable costs, and the effectiveness of the SPP in achieving the health delivery system described in the LGP;

"(2) the extent to which the LGP, SPP, and other plans and projects of the agency take account of, and are consistent with the guidelines issued by the Secretary pursuant to section 1401;

"(3) if the structure, operation, and performance of the functions of the agency meet the requirements of sections 1412(b) and 1413;

"(4) the extent to which the agency's governing body (and executive committee (if any) represents the residents of the health service area for which the agency is designated;

"(5) the professional credentials and competence of the staff of the agency;

"(6) the appropriateness of the data assembled pursuant to section 1413(b)(1)(A) and the quality of the analyses of such data;

"(7) the extent to which technical and financial assistance from the agency have been utilized in an effective manner to achieve the goals and objectives of the LGP and the SPP;

"(8) the extent to which the agency is participating in the appropriate Statewide Health Coordinating Council or Councils under section 1425(b) and is revising its LGP and SPP in accordance with the Statewide health plans developed pursuant to section 1425(e)(1); and

"(9) the extent to which it may be quantifiably demonstrated that—

"(A) the accessibility, acceptability, continuity, and quality of health care in such area has been improved;

"(B) increases in costs of the provision of health care have been restrained; and

"(C) unnecessary duplications of health resources in such area have been prevented.

"(d) The Secretary may review in detail at least every three years the structure, operation, and performance of the functions of each designated State Agency to determine—

"(1) the adequacy of the State health plan of the Statewide Health Coordinating Council developed under section 1425(e)(1) in meeting the needs of the residents of the State for a healthful environment and for accessible, acceptable, and continuous high quality health care at reasonable costs;

"(2) if the structure, operation, and performance of the functions of the State Agency meet the requirements of sections 1422 and 1423;

"(3) the extent to which the Statewide Health Coordinating Council has a membership meeting, and has performed in a manner consistent with, the requirements of section 1425;

"(4) the professional credentials and competence of the staff of the State Agency;

"(5) the extent to which the State Agency has performed the functions prescribed by section 1423(a) in an effective manner to achieve the State's health plan under section 1425(e)(1) and in a manner consistent with the guidelines issued by the Secretary pursuant to section 1401; and

"(6) the extent to which it may be demonstrated that—

"(A) the accessibility, acceptability, continuity, and quality of health care in the State has been improved;

"(B) increases in costs of the provision of health care have been restrained; and

"(C) unnecessary duplications of health resources have been prevented."

"SPECIAL PROVISIONS FOR THE VIRGIN ISLANDS, GUAM, THE TRUST TERRITORIES OF THE PACIFIC ISLANDS, AND AMERICAN SAMOA

"SEC. 1435. The Virgin Islands, Guam, the Trust Territories of the Pacific Islands, and American Samoa shall each be considered a State for purposes of this title, except that—

"(1) no health areas shall be established within them,

"(2) no health planning agencies shall be designated for them,

"(3) the State health planning and development agency designated for each of them under section 1421 shall, in addition to the functions prescribed by section 1423, perform the functions prescribed by section 1413 and shall be eligible to receive grants authorized by sections 1416 and 1417, and

"(4) the chief executive officer of each of them shall appoint the Statewide Health Coordinating Council prescribed by section 1425 in accordance with regulations of the Secretary.

"WAIVER AUTHORITY

"SEC. 1436. The Secretary shall waive the requirements of sections 1411 and 1412, if he finds that a State applying for assistance under this title or under title VI—

"(1) has no county or municipal public health institutions or departments, and

"(2) has, prior to the date of enactment of this section, maintained a health planning system which substantially complies with the purposes of this title.

TITLE II—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

REVISION OF HEALTH FACILITIES PROGRAMS UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 201. Title VI of the Public Health Service Act (42 U.S.C. 291 et seq.) is amended to read as follows:

"TITLE VI—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"PART A—PURPOSE, STATE ALLOTMENTS, STATE PLAN

"DECLARATION OF PURPOSE

"SEC. 600. It is the purpose of this title to provide assistance, through allotments under this part and grants, loans and loan guarantees under part B, for such projects for—

"(1) construction or modernization of public or other nonprofit outpatient facilities, and

"(2) modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which, without the modernization of such facilities, would be designated medically underserved populations,

as may be necessary, in conjunction with existing facilities, to furnish adequate health care services to all people throughout the United States.

"STATE ALLOTMENTS

"SEC. 601. (a) For the purpose of providing assistance to projects described in section 600, each State shall be entitled to receive, for each fiscal year, an allotment from the sums appropriated for such fiscal year under section 625, bearing the same ratio to the sums appropriated for such year under such section as the product of—

"(1) the population of such State, and

"(2) the square of the allotment percentage applicable to such State,

bears to the sum of the corresponding products for all of the States.

"(b)(1) The allotment to any State (other than Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands) for any fiscal year shall be not less than $1,000,000; and the allotment to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands for any fiscal year shall be not less than $500,000 each.

"(2) Notwithstanding paragraph (1), if the amount appropriated under section 625 for any fiscal year is less than the amount required to provide allotments in accordance with paragraph (1), the amount of the allotment to any State for such fiscal year shall be an amount which bears the same ratio to the amount prescribed for such State by paragraph (1) as the amount appropriated for such fiscal year bears to the amount of appropriations needed to make allotments to all the States in accordance with paragraph (1).

"(c) For the purposes of this part—

"(1) The 'allotment percentage' for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentage for the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands shall be 75 per centum.

"(2) The allotment percentage shall be determined by the Secretary between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce, and the States shall be notified promptly thereof. Such determination shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such determination.

"(3) The population of the several States shall be determined on the basis of the latest figures certified by the Department of Commerce.

"(4) The term 'United States' means (but only for purposes of paragraphs (1) and (2)) the fifty States and the District of Columbia.

"(d) Any sum allotted to a State for a fiscal year under this section and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), in addition to the sums allotted to such State for such purposes for such next two fiscal years.

"STATE HEALTH FACILITIES PLAN

"SEC. 602. (a) Before an application for assistance under this part for a health facility project described in section 600 may be approved, the State Agency of the State in which such project is located must have submitted to the Secretary and had approved by him a State health facilities plan. To be approved by the Secretary a State health facilities plan for a State must—

"(1) prescribe that the State Agency of the State shall administer or supervise the administration of the plan and contain evidence satisfactory to the Secretary that the State Agency has the authority to carry out the plan in conformity with this title;

"(2) prescribe that the Statewide Health Coordinating Council of the State shall advise and consult with the State Agency in carrying out the plan;

"(3) be approved by the Statewide Health Coordinating Council as consistent with the State health plans developed pursuant to section 1425(e)(1);

"(4) set forth, in accordance with criteria established in regulations prescribed under section 620 and on the basis of a statewide inventory of health facilities, a survey of need, and the plans of the health planning agencies within the State—

"(A) the number and type of outpatient health facilities needed to provide adequate outpatient care to people residing in the State, and a plan for the distribution of such facilities in health areas throughout the State, and

"(B) the extent to which existing health facilities in the State are in need of modernization;

"(5) set forth a program for the State for assistance under this part for projects described in section 600, which program shall indicate the type of assistance which shall be made available to each project and shall conform to the assessment of need set forth pursuant to paragraph (4) and regulations promulgated pursuant to section 620;

"(6) set forth (in accordance with regulations promulgated under section 620) priorities for the provision of assistance under this part for projects in the program set forth pursuant to paragraph (4);

"(7) provide minimum requirements (to be fixed at the discretion of the State Agency) for the maintenance and operation of facilities which receive assistance under this part, and provide for enforcement of such requirements;

"(8) provide for affording to every applicant for assistance for a health facilities project under this part an opportunity for a hearing before the State Agency; and

"(9) provide that the State Agency will from time to time, but not less often than annually, review the plan and submit to the Secretary any modifications thereof which it considers necessary.

"(b) The Secretary shall approve any State health facilities plan and any modification thereof which complies with the provisions of subsection (a) if the State Agency, as determined under the review made under section 1434(d), is organized and operated in the manner prescribed by section 1422 and is carrying out its functions under section 1423 in a manner satisfactory to the Secretary. If any such plan or modification thereof shall have been disapproved by the Secretary for failure to comply with subsection (a), the Secretary shall, upon request of the State agency, afford it an opportunity for hearing.

"APPROVAL OF PROJECTS

"SEC. 603. (a) For each project described in section 600 included within a State's State health facilities plan approved under section 602 there shall be submitted to the Secretary, through the State's State Agency, an application. The applicant under such an application may be a State, a political subdivision of a State, or any other public entity, or a private nonprofit entity. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

"(b) An application for any project shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor, in accordance with regulations promulgated under section 620;

"(3) a certification by the State Agency of the Federal share for the project;

"(4) in the case of a construction project, reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in the entity which is to operate the facility on completion of the project;

"(5) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed: *Provided,* That, for the continued maintenance and operation of an outpatient facility which is located in an area determined by the Secretary to be an urban or rural poverty area and which is providing services to the poor in such area, Federal assistance provided directly to such facility or through benefits accorded individuals served at such facility shall be counted as financial support in meeting this requirement;

"(6) adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 376c);

"(7) in the case of any application for a project for modernization of any health facility (except an outpatient facility), reasonable assurance that when the project is completed the facility will serve a medically underserved population or a population which without the modernization of such facility, would be designated as a medically underserved population;

"(8) in the case of any application of any nonprofit entity for a project for the construction or modernization of any outpatient facility, reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care;

"(9) in the case of a modernization project for a health facility for continuation of existing health services, a finding by the State Agency of a continued need for such services, and in the case of any project for construction of an outpatient facility, a finding by the State Agency of the need for the new health services to be provided through the facility upon completion of the project; and

"(10) reasonable assurance that at all times after such application is approved (i) the facility or portion thereof to be constructed or modernized will be made available to all persons residing or employed in the area served by the facility and (ii) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor. The Secretary shall, in determining the reasonableness of the volume of services provided, take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(c) The Secretary shall approve an application submitted under subsection (a) for a project to be assisted from an allotment made under this part if—

"(1) there are sufficient funds in such allotment to pay the Federal share of the project, and

"(2) the Secretary finds that—

"(A) the application (i) is in conformity with the State health facilities plan approved under section 602, (ii) has been approved and recommended by the State Agency, (iii) is for a project which is entitled to priority over other projects within the State as determined in accordance with the approved State health facilities plan, and (iv) contains such reasonable assurances as described in subsection (b), and

"(B) the plans and specifications are in accord with the regulations promulgated under section 620.

"(d) No application shall be disapproved until the Secretary has afforded the State Agency an opportunity for a hearing.

"(e) Each application under this part shall be reviewed by a health planning agency in accordance with section 1413(f).

"(f) Amendment of any approved application shall be subject to approval in the same manner as an original application.

"PAYMENTS FROM ALLOTMENTS

"SEC. 604. (a) If with respect to any health facility project approved under section 603 the State Agency certifies (upon the basis of inspection by it) to the Secretary that, in accordance with approved plans and specifications, work has been performed upon the project or purchases have been made for it and that payment from the applicable allotment of the State in which the project is located is due for the project, the Secretary shall, except as provided in subsection (b), make such payment to the State.

"(b) The Secretary is authorized to not make payments to a State pursuant to subsection (a) in the following circumstances:

"(1) If such State is not authorized by law to make payments for an approved health facility project from the payment to be made by the Secretary pursuant to subsection (a), or if the State so requests, the Secretary shall make the payment from the State allotment directly to the applicant for such project.

"(2) If the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to section 621 payment by the Secretary may, after he has given the State agency notice and opportunity for hearing pursuant to such section, be withheld, in whole or in part, pending corrective action or action based on such hearing.

In no event may the total of payments made under subsection (a) with respect to any project exceed an amount equal to the Federal share of such project.

"(c) In case an amendment to an approved application is approved as provided in section 603 or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

"GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

"GRANTS FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"SEC. 610. (a) The Secretary is authorized to make grants to any public or private nonprofit entity to assist such entity in meeting the costs of any project for the (1) construction or modernization of a public or other nonprofit outpatient facility or (2) modernization of a public or other nonprofit health facility which will serve a medically underserved population or a population which, without the modernization of such facility, would be designated a medically underserved population.

"(b) The amount of any grant made under this section shall be determined by the Secretary, but no such grant shall exceed 75 per centum of the costs of such project, except that any grant for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may cover up to 100 per centum of such costs.

"(c) Payments under grants made under this section shall be made by way of reimbursement and on such terms and conditions and in such installments as the Secretary may determine.

"LOANS AND LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"SEC. 611. (a) In order to assist public and other nonprofit entities in meeting the costs of projects for the—

"(1) construction or modernization of public or other nonprofit outpatient facilities and

"(2) modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which without the modernization of such facilities would be designated medically underserved populations.

the Secretary is authorized to make loans to such entities for such projects and guarantee to non-Federal lenders or the Federal Financing Bank payment of principal of and interest on loans made by such lenders to nonprofit private entities for such projects.

"(b)(1) No loan guarantee under this part with respect to any construction or modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under this part with respect to such project, exceeds 90 per centum of the cost of such project, except that any loan guarantee for a project for the construction or modernization of facility to be located in an area determined by the Secretary to be an urban or rural poverty area may, when added to the amount of any such grant or loan, cover up to 100 per centum of such costs.

"(2) No loan under this part with respect to any construction or modernization project may be made in an amount which, when added to the amount of any grant under this part with respect to such projects, exceeds 90 per centum of the costs of such project, except that any loan for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may, when added to the amount of any such grant, cover up to 100 per centum of such costs.

"(c) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this section as will promote efficiency and economy thereof.

"PRIORITIES

"SEC. 612. In making grants and loans, and in guaranteeing loans under this part the Secretary shall give priority to projects based upon the relative need of various populations and in various areas lacking adequate facilities of the several types for which assistance is available under this part, giving special consideration—

"(1) in the case of projects for construction or modernization of outpatient facilities, to any outpatient facility that will be located in, and provide services for, residents of an area determined by the Secretary to be a rural or urban poverty area;

"(2) to projects designed to (A) eliminate or prevent imminent safety hazard as defined by Federal, State, or local fire, building, or life safety codes or regulations or (B) avoid noncompliance with State or voluntary licensure or accreditation standards; and

"(3) in the case of projects for modernization of facilities, to facilities serving densely populated areas.

"CONDITIONS FOR APPROVAL OF APPLICATIONS

"SEC. 613. (a) No grant, loan, or loan guarantee for any project may be made under this part unless an application therefor has been submitted to the Secretary and approved by him. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(b) Each application under this section shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor, in accordance with regulations promulgated under section 620;

"(3) a certification of the total cost of such project and the amount of the grant or loan which is sought under this part or the amount of the loan for which a guarantee is sought under this part;

"(4) in the case of a construction project, reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in the entity which is to operate the facility on completion of the project;

"(5) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed: *Provided*, That, for the continued maintenance and operation of an outpatient facility which is located in an area determined by the Secretary to be an urban or rural poverty area and which is providing services to the poor in such area, Federal assistance provided directly to such facility or through benefits accorded individuals served at such facility shall be counted as financial support in meeting this requirement;

"(6) adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 2176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c);

"(7) in the case of any application for any grant, loan, or loan guarantee for modernization of any facility (except an outpatient facility), reasonable assurance that when the project is completed the facility will serve a medically underserved population or a population which, without the modernization of such facility, would be designated as a medically underserved population;

"(8) in the case of any application of any nonprofit private entity for any grant, loan, or loan guarantee for construction or modernization of any outpatient facility, reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care; and

"(9) reasonable assurance that at all times after such application is approved (A) the facility or portion thereof to be constructed or modernized will be made available to all persons residing or employed in the area served by the facility, and (B) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor. The Secretary shall, in determining the reasonableness of the volume of services provided, take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(c) The Secretary shall not approve any application submitted in accordance with subsections (a) and (b) for a project for contsruction or modernization of a health facility unless the Secretary finds—

"(1) that the application contains such reasonable assurances as described in subsection (b);

"(2) that the plans and specifications are in accordance with the regulations promulgated under section 620; and

"(3) in the case of any direct loan or loan for which a guarantee is sought, that (A) the applicant will be able to make payments of principal and interest thereon when due, and (B) the terms, conditions, maturity, security (if any), and schedule and amounts of repayment with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accordance with regulations and with section 614.

"(d) Each application under this part shall be reviewed by a health planning agency in accordance with section 1413(e).

"(e) Amendment of any approved application shall be subject to approval in the same manner as an original application.

"GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

"SEC. 614. (a)(1) Any loan to any public entity or nonprofit private entity under this part shall require such entity to pay interest thereon at a rate comparable to the current rate of interest prevailing on the date such loan is made with respect to loans to nonprofit private entities which are guaranteed under this part for modernization or construction of similar facilities in the same or similar areas, minus an amount equal to the lesser of (i) one-half of such current rate of interest and (ii) 4½ per centum per annum.

"(2)(A) The Secretary shall from time to time, but with due regard to the financial interests of the United States, sell loans made under this part either on the private market or to the Federal National Mortgage Association in accordance with section 302 of the Federal National Mortgage Association Charter Act or to the Federal Financing Bank.

"(B) Any loan so sold shall be sold for an amount which is equal (or approximately equal) to the amount of the unpaid principal of such loan as of the time of sale.

"(3)(A) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this part under which the Secretary agrees—

"(i) to guarantee to such purchaser (and any successor in interest to such purchaser) payments of the principal and interest payable under such loan, and

"(ii) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which, when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

"(B) Any such agreement—

"(i) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser any payments of principal and interest payable by such entity under such loan;

"(ii) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;

"(iii) shall provide that, in the event of any default by the entity to which such loan was made in payment of principal or interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying to the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and

"(iv) shall provide that, in the event such loan is closed out as provided in clause (iii), or in the event of any other loss incurred by the Secretary by reason of the failure of such entity to make payments of principal or interest on such loan, the Secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such entity.

"(4) The Secretary may, for good cause, waive any right of recovery which he has against an entity by reason of the failure of such entity to make payments of principal or interest on a loan made to such entity under this part, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

"(5) After any loan to an entity under this part has been sold and guaranteed, interest paid on such loan and any interest subsidy paid by the Secretary with respect to such loan which is received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

"(6) Amounts received by the Secretary as proceeds from the sale of loans under this section shall be deposited in the loan fund established by section 615, and shall be available to the Secretary for the making of further loans under this part in accordance with the provisions of such section.

"(b)(1) No guarantee under this part of a loan made to any nonprofit private entity shall be approved if the rate of interest payable on such loan exceds such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

"(2) In the case of a guarantee under this part of any loan made to a nonprofit private entity, the Secretary shall pay to the holder of such loan and for and on behalf of such entity amounts sufficient to reduce the net effective interest rate otherwise payable on such loan by an amount equal to the lesser of (i) one-half of such interest rate and (ii) 4½ per centum per annum. Each holder of a loan which is guaranteed under this part shall shave a contractual right to receive from the United States interest payments required by the preceding sentence.

"(3) The United States shall be entitled to recover from the applicant for a loan guarantee under this part the amount of any payments made pursuant to such guarantee unless the Secretary for good cause waives such right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(4) Guarantees of loans under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purpose of this part will be achieved, and to the extent permitted by paragraph (5), any terms and conditions applicable to a loan guarantee under this part may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(5) Any guarantee of a loan made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, unless such applicant or such person engaged in fraud or misrepresentation in applying for, making, or contracting to make such loan.

"(c) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this part may not exceed such limitations as may be specified in appropriations Acts.

"LOAN AND LOAN GUARANTEE FUND

"SEC. 615. (a)(1) There is hereby established in the Treasury a loan and loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (A) to enable him to make loans under this part, (B) to enable him to discharge his responsibilities under guarantee issued by him under this part, (C) for payment of interest on the loans which are guaranteed and loans which are sold and guaranteed under this part, and (D) for repurchase by him of direct loans made under this part which have been sold and guaranteed. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital required for the fund. There shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this part, including any moneys derived from the sale of assets.

"(2) Of the moneys in the fund, there shall be available to the Secretary for the purpose of making direct loans only such sums as shall have been appropriated for such purpose or sums received by the Secretary from the sale of such loans.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended (31 U.S.C. 744), and the purposes for which securities may be issued under that Act, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"Part C—General Provisions

"REGULATIONS

"SEC. 620. The Secretary shall by regulation—

"(a) prescribe criteria for determining needs for health facilities for which assistance is available under this title;

"(b) prescribe criteria for determining the extent to which existing facilities are in need of modernization;

"(c) prescribe general standards of construction, modernization, and equipment for facilities of various classes and in various types of locations;

"(d) prescribe the general manner in which the State Agency of each State shall determine for the State health facilities plan the priority among projects within the State for which assistance is available under part A, based on the relative need of different areas within the State for such projects and giving special consideration—

"(1) in the case of projects for construction or modernization of outpatient facilities to any outpatient facility that will be located in, and provide services for, residents of an area determined by the Secretary to be a rural or urban poverty area;

"(2) to projects designed to (i) eliminate or prevent imminent safety hazard as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (ii) avoid noncompliance with State or voluntary licensure or accreditations standards; and licensure or accreditation standards; and

"(3) in the case of projects for modernization of facilities, to facilities serving densely populated areas;

"(e) require each State health facilities plan under this section to provide for adequate health facilities to furnish needed health services for persons unable to pay therefor; and

"(f) prescribe the general manner in which each entity which receives or has received financial assistance under this title shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such assurances. Such regulations shall require each such entity to submit periodically to the Secretary reports which specify data and information which reasonably support compliance. No entity shall be excused from such requirement.

"WITHHOLDING OF PAYMENTS AND OTHER ACTIONS

"SEC. 621. (a) Whenever the Secrteary, after reasonable notice and opportunity for hearing to the State Agency or entity concerned finds—

"(1) that the State Agency is not complying substantially with the provisions required by section 602 to be included in its State health facilities plan,

"(2) that any assurance required to be given in an application filed under section 603 or 613 is not being or cannot be carried out, or

"(3) that there is a failure to carry out plans and specifications approved by the Secretary under section 603 or 613,

the Secretary may take the action authorized by subsection (b).

"(b)(1) Upon a finding described in subsection (a) and after notice as required by such subsection, the Secretary shall—

"(A) withhold from all projects within the State with respect to which the finding was made further payments from the State's allotment under section 601, or

"(B) withhold from the specific projects with respect to which the finding was made further payments.

"(2) Payments may be withheld, in whole or in part, under paragraph (1)—

"(A) until the basis for the finding upon which the withholding was made no longer exists, or

"(B) If corrective action to make such finding inapplicable cannot be made, until the entity or State concerned repays or arranges for the repayment of Federal funds paid under this part for projects which because of the finding are not entitled to such funds.

"(c) (1) The Secretary is directed, in the administration of this title, to establish a permanent office within the Department of Health, Education, and Welfare which shall be responsible for and have the authority to investigate and ascertain, on a periodic basis, with respect to each entity which is receiving or has received financial assistance under title VI of this Act, the extent of compliance by such entity with the assurances required to be made at the time such assistance was received. The Secretary, through such office, shall investigate on his own initiative (on a periodic basis) and upon the complaint of any interested person filed with such office.

"(2) If the Secretary finds that any such entity has failed to demonstrate compliance with such assurances, in accordance with regulations promulgated pursuant to section 620(f), the Secretary shall forthwith (A) take action in accordance with subsection (b), or (B) effect compliance by any other means authorized by law, including an administrative hearing held in accordance with the requirements of section 554 of title 5, United States Code, or legal actions by way of specific performance or otherwise: *Provided*, That no action shall be taken pursuant to clause (B) until the Secretary has advised such entity of the failure to comply with such assurances and has determined that compliance cannot be secured by voluntary means.

"(3) An appropriate action to effectuate compliance with such assurance may be brought by a person other than the Secretary only if a complaint has been filed by such person with the Secretary in accordance with paragraph (1) and (A) the Secretary has dismissed such complaint, or (B) the Secretary has failed to act on such complaint by holding an administratve hearing or bringing a legal action within six months after the date on which such complaint was filed.

"JUDICIAL REVIEW

"SEC. 622. If—

"(1) the Secretary refuses to approve an application for a project submitted under section 603, the State Agency through which such application was submitted,

"(2) any State is dissatisfied with the Secretary's action under section 621, such State, or

"(3) any entity will be adversely affected by the Secretary's action under section 621, such entity

may appeal to the United States court of appeals for the circuit in which such State Agency, State or entity is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title

28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

"RECOVERY

"Sec. 623. (a) If any facility with respect to which funds have been paid under this title shall, at any time within twenty years after completion of construction or modernization—

"(1) be sold or transferred to any person, agency, organization—

"(A) which is not qualified to file an application under this title, or

"(B) which is not approved as a transferee by the Secretary, or

"(2) cease to be a public or other nonprofit facility, unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from this obligation,

the United States shall be entitled to recover from either the transferor or the transferee (or in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of construction or modernization under such project or projects. Such right shall not constitute a lien upon said facility prior to judgment.

"(b) The Secretary may waive the requirements of subsection (a) with respect to a facility in any State—

"(1)(A) in a case where the amounts which, were it not for this subsection, would be recovered, are applied to the development, expansion, or support of another health facility located in such State, and

"(B) such other health facility has been approved by the Statewide Health Coordinating Council for such State as consistent with the State health plans developed pursuant to section 1425(e)(1), or

"(2) if the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner.

In no case shall the moneys to which this subsection applies exceed 90 per centum of the total costs of the project. The provisions of this subsection shall apply with respect to transfers occurring after the date of enactment of this section and within one year before such date.

"RECORDS AND AUDITS

"Sec. 624. (a)(1) Each entity receiving Federal assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such entity of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such entities which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the assistance referred to in paragraph (1).

"(b) Each such entity shall file at least annually with the Secretary a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

"(1) the financial operations of the facility constructed or modernized with such assistance, and

"(2) the costs to such facility of providing health services in such facility, and the charges made for such services, during the period with respect to which the statement is filed.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 625. (a)(1) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years $125,000,000 for allotments under part A and grants under part B.

(2) Of the sums appropriated under this subsection, 50 per centum shall be used for allotments under part A and 50 per centum shall be used for grants under part B.

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years such sums as may be necessary to make direct loans and guarantee loans under part B.

"TECHNICAL ASSISTANCE

"Sec. 626. The Secretary shall provide (either through the Department of Health, Education, and Welfare or by contract) all necessary technical and other nonfinancial assistance to any public or other nonprofit entity which is eligible to apply for assistance under this title to assist such entity in developing applications to be submitted to the Secretary under sections 603 or 613. The Secretary shall make every effort to inform eligible applicants of the availability of assistance under this title.

"DEFINITIONS

"Sec. 627. For the purposes of this title—

"(1) The term 'construction' includes construction of new buildings, acquisition of initial equipment (including medical transportation facilities) for buildings constructed with assistance under this title, and acquisition of equipment for any building in any case in which it will help to provide outpatient services not previously provided in the area served through such buildings.

"(2) The term 'modernization' includes the alteration, expansion, major repair (to the extent permitted by the Secretary by regulations), modeling, replacement, and renovation of existing buildings including initial equipment thereof), and replacement of obsolete equipment of existing buildings.

"(3) The term 'health facility' means (A) a facility which provides to patients services of licensed physicians and a reasonably full range of diagnostic and treatment services or (B) a rehabilitation facility.

"(4) The term 'rehabilitation facility' means a facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of—

"(A) medical evaluation and services, and

"(B) psychological, social, or vocational evaluation and services,

under competent professional supervision, and in the case of which—

"(C) the major portion of the required evaluation and services is furnished within the facility, and

"(D) either (i) the facility is operated in connection with a hospital, or (ii) all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State.

"(5) The term 'outpatient facility' means a health facility which offers a reasonably full range of diagnostic and treatment services, which services do not include bed and board.

"(6) The term 'cost' as applied to construction or modernization means the amount found by the Secretary to be necessary for construction and modernization repectively, under a project, except that such term does not include any amount found by the Secretary to be attributable to expansion of the bed capacity of any facility.

"(7) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territories of the Pacific Islands, the Virgin Islands, and the District of Columbia.

"(8) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of health facilities or a population group designated by the Secretary as having a shortage of such facilities.

"(9) The term 'title', when used with reference to a site for a project, means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure undisturbed use and possession for the purpose of construction or modernization and operation of the project for a period of (A) not less than twenty years in the case of a grant under this title, or (B) the term of repayment of a loan made directly or guaranteed in the case of such loan or guarantee under this title.

"(10) The term 'nonprofit' as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(11)(A) The term 'Federal share' with respect to any project means the proportion of the cost of such project to be paid by the Federal Government under this title.

"(B) With respect to any project in any State for which a grant is made from an allotment under section 601, the Federal share shall be the amount determined by the State Agency, but not more than 66⅔ per centum or the State's allotment percentage, whichever is the lower, except that, if the State's allotment percentage is lower than 50 per centum, such allotment percentage shall be deemed to be 50 per centum for purposes of this paragraph.

"(C) Prior to the approval of the first project in a State during any fiscal year the State Agency shall give the Secretary written notification of the maximum Federal share established pursuant to subparagraph (B) for projects in such State to be approved by the Secretary during such fiscal year and the method for determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such method of determination for projects in such State approved during such fiscal year shall not be changed after such approval.

"(D) Notwithstanding the provisions of subparagraphs (B) and (C), the Federal share shall, at the option of the State Agency, be equal to the per centum provided under such subparagraphs plus an incentive per centum (which when combined with the per centum provided under such subparagraphs shall not exceed 100 per centum) specified by the State Agency in the case of (i) projects that will provide services primarily for persons in an area determined by the Secretary to be a rural or urban poverty area, and (ii) projects that offer potential for reducing health care costs through shared services among health facilities, through interfacility cooperation, or through the construction or modernization of free-standing outpatient facilities.

"(12) The term 'State Agency' means the State health planning and development agency of a State designated under title XIV.

"(13) The Secretary may not determine that an area is an urban or rural poverty area unless—

"(A) such area contains one or more subareas which are characterized as subareas of poverty;

"(B) the population of such subarea or subareas constitute a substantial portion of the population of such urban or rural area; and

"(C) the grant, in connection with which such determination is made will be used in a manner which will serve the needs of the individuals residing or employed in such subarea or subareas.".

TITLE III—MISCELLANEOUS PROVISIONS

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

SEC. 301. (a) (1) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 314(a) of the Public Health Service Act, except that no grant made to a State with funds appropriated under this paragraph shall be available for obligation beyond (A) the date on which a State health planning and development agency is designated for such State under section 1421 of such Act, or (B) June 30, 1976.

(2) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 304 of the Public Health Service Act for experimental health services delivery systems, section 314(b) of such Act, and title IX of such Act, except that no grant made with funds appropriated under this paragraph shall be available for obligation beyond (A) June 30, 1976, or (B) the date on which a health planning agency has been designated under section 1415 of such Act for a health area which includes the area of the entity for which a grant is made under such section 304, 314(b) or title IX.

(b) A reference in any law or regulation—

(1) to the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) of the Public Health Service Act shall in the case of a State for which a State health planning and development agency has been designated under section 1421 of such Act be considered a reference to such State agency designated under such section 1421;

(2) to an agency or organization which has developed a comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) of the Public Health Service Act shall if all or part of the area covered by such plan or plans is within a health area established under section 1411 of the Public Health Service Act be considered a reference to the health planning agency designated under section 1415 of such Act for such health area; and

(3) to a regional medical program assisted under title IX of the Public Health Service Act shall if the program is located in a State for which a State health planning and development agency has been designated under section 1421 of the Public Health Service Act be considered a reference to such State agency.

(c) Section 316 of the Public Health Service Act is repealed.

(d) The assets, commitments, obligations, and outstanding balances of the loan guarantee and loan fund established in the Treasury by section 626 of the Public Health Service Act, as in effect prior to the date of enactment of this Act, shall be transferred to the loan and loan guarantee fund established by section 615 of the Public Health Service Act.

AGENCY REPORTS

SEC. 302. The Secretary of Health, Education, and Welfare shall report, within one year of the date of the enactment of this Act, to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives (1) the identity of each report required to be made by the Secretary under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to the Congress (or any committee thereof), (2) the provision of such Act which requires each such report, (3) the purpose of each such report, and (4) the due date for each such report. The report of the Secretary under this section may include such recommendations as he considers appropriate for termination or consolidation of any such reporting requirements.

TITLE IV—RADIATION HEALTH AND SAFETY

SHORT TITLE

SEC. 401. This title may be cited as the "Radiation Health and Safety Act of 1974".

DECLARATION OF PURPOSE

SEC. 402. It is the purpose of this title to—

(a) provide for the protection of public health from the potential adverse effects of unnecessary consumer-patent radiation exposure by assuring efficacious consumer-patient radiologic services;

(b) assure adequate training of radiologic technologists by providing for the establishment of criteria and minimum standards for the accrediation of schools training radiologic technologists;

(c) provide for the establishment of criteria and minimum standards for the licensure of radiologic technologists; and

(d) provide for establishment of programs for the accreditation of education institutions training radiologic technologists and of State programs for the licensure of radiologic technologists, with authority for the Secretary to take necessary action in the absence of State action.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT RESPECTING RADIATION HEALTH AND SAFETY

SEC. 403. Part F of title III of the Public Health Service Act is amended by inserting after subpart 3 the following new subpart:

"Subpart 4.—Radiologic Technologists

"DECLARATION OF PURPOSE

"SEC. 360G. The Congress finds and declares—

"(a) that, consistent with the recommendations of the National Council on Radiation Protection and Measurement and the International Commission on Radiological Protection, it is in the national interest and in the interest of public health and safety to minimize exposure of the public to potentially hazardous radiation from all sources;

"(b) while the operation and the use of radiologic equipment and methods is essential in modern medicine, even the most advanced radiologic equipment and procedures will not adequately protect the health and safety of either the consumer-patient subjected to radiologic procedures or individuals performing such radiologic procedures, including their progeny, unless the individuals performing radiologic procedures are fully qualified by reason of training and experience in the operation of radiologic equipment or in the performance of radiologic procedures so as to avoid unnecessary consumer-patient and operator exposure to unnecessary radiation and to assure efficacious consumer-patient radiologic services;

"(c) that it is in the overall public health interest to have an adequate and continuing supply of well-trained radiologic technologists and that any person who operates radiologic equipment or administers radiologic procedures to consumer-patients should be required to demonstrate competence by training, experience, and examination;

"(d) that the protection of the public health and safety from unnecessary exposure to potentially hazardous radiation from all sources is the primary responsibility of State and local government, within maximum criteria and standards established by the Federal Government; and

"(e) that, consistent with the recommendations of (1) the National Advisory Committee on Radiation to the Surgeon General in 1966, (2) the Secretary's Task Force on Environmental Health and Related Problems in June 1967, (3) the Surgeon General's Medical X-ray Advisory Committee on Public Health Considerations in Medical Diagnostic Radiology in October 1967, (4) the 1970 report of the Secretary to the Congress pursuant to the Radiation Control for Health and Safety Act of 1968, (5) the National Academy of Sciences-National Research Council's Advisory Committee on the Biological Effects of Ionizing Radiations in November 1972, and (6) the Conference on Radiation Control Program Directors in May 1974, it is in the national interest and in the interest of public health and safety to provide for mandatory licensure of persons administering potentially hazardous radiation to consumer-patients.

"RECOMMENDED CRITERIA AND STANDARDS

"SEC. 360H. (a) The Secretary shall, as soon as practicable but not later than one year after the date of enactment of this subpart, develop and issue criteria and minimum standards for the accreditation of education institutions conducting programs for the training of radiologic technologists and for use in the accreditation of education institutions conducting programs for the training of medical and dental practitioners, dental hygienists, and dental assistants. Such criteria and standards shall be published in the Federal Register.

"(b) (1) The Secretary shall, as soon as practicable, but not later than one year after the date of enactment of this subpart, develop and issue to the States criteria and minimum standards for licensure of radiologic technologists, and provide such other advice and assistance to the States as he deems necessary for the effective implementation of this subpart. Such criteria and minimum standards shall distinguish between the following categories of specialization: senior radiologic technologists, medical radiologic technologists, dental radiologic technologists, radiation therapy technologists, nuclear medicine technologists, photoroentgen technician, and technologist-in-training. The Secretary may provide in such criteria and minimum standards that graduation from an educational institution for the training of radiologic technologists accredited pursuant to this subpart satisfies the requirements for a provisional license as a technologist-in-training conditioned on licensure within one year in one or more categories of specialization. Such criteria and standards shall be published in the Federal Register. The Secretary may designate other categories of specialization or levels of competence for the purpose of licensure if he finds that such additional categories are required to assure adequate protection of public health from unnecessary radiation exposure or to assure efficacious consumer-patient radiologic services.

"(2) The Secretary shall, concurrent with the development and issuance of criteria and standards under paragraph (1) of this section, review and evaluate any voluntary certification programs in existence on the date of enactment of this subpart, and he shall, based on such review and evaluation, determine whether such programs meet the criteria and standards issued pursuant to this section. If he is satisfied that a program meets such criteria and standards he shall, within one year thereafter, license those individuals who have been certified under such programs in the appropriate categories of specialization established pursuant to paragraph (1) of this subsection.

"(c) In establishing criteria and minimum standards under this section the Secretary shall consult with the Environmental Protection Agency, State health departments, and appropriate professional organizations.

"(d) The Secretary shall give to the States such other advice and assistance as will foster enactment and enforcement of appropriate laws and standards. Such advice and assistance may include model laws and training curriculums, and training aids.

"(e) The Secretary shall, from time to time, revise the criteria and standards issued by him pursuant to this subpart.

"ACCREDITATION AND LICENSURE

"SEC. 3601. (a) The training and licensure of radiologic technologists who intend to apply radiation to humans for diagnostic or therapeutic purposes in any State or States shall be subject to the provisions of this subpart.

"(b) Consistent with the policy declaration of this subpart, State and local government shall be encouraged to minimize exposures of the public to potentially hazardous radiation from all sources and shall not be displaced by Federal action except as otherwise provided under subsection (c) or (d).

"(c) Upon issuance of the criteria and minimum standards pursuant to section 360H for the accreditation of educational institutions, the Governor of a State may file with the Secretary a letter of intent that such State will within two years of the issuance of the criteria and minimum standards adopt as a minimum, the standards of accreditation of educational institutions issued by the Secretary. If, after two years, a State fails to adopt such standards, or is unable to adopt such standards or more stringent standards, the minimum standards issued by the Secretary for the accreditation of educational institutions shall become the standards in such State. If the Secretary determines that such State standards are consistent with the criteria and minimum standards issued pursuant to section 360H; that an adequate means of enforcement by State action is provided; and that the State program is consistent with the purposes of this subpart, such State standards shall be the standards applicable in such State.

"(d) Upon application of a Governor, the Secretary may grant an extension under subsection (c) for not more than two years if after review the Secretary determines that good faith efforts have been made by the State and reasonable assurance is provided that an effective program to implement the purposes of this subpart will be provided by the State within the period of the extension.

"(e)(1) After receiving any criteria and minimum standards issued pursuant to section 360H for the licensure of radiologic technologists, the Governor of a State may file a letter of intent that such State will within two years of the issuance of the criteria and minimum standards adopt as a minimum the standards for licensure of radiologic technologists issued by the Secretary. If, after two years, a Governor fails to adopt such standards, or is unable to adopt such standards or more stringent standards, the minimum standards issued by the Secretary for licensure of radiologic technologists shall become the standards in such State. If the Secretary determines that such State standards are consistent with the criteria and minimum standards issued pursuant to section 360H; that an adequate means of enforcement by State action is provided; and that the State program is consistent with the purposes of this subpart, such State standards shall be the standards applicable in such State.

"(2) Notwithstanding any other provision of this section, in the case of a State which has, prior to the effective date of standards and criteria promulgated pursuant to this subpart, established standards for the accreditation or licensure of radiologic technologists, such State shall be deemed to be in compliance with this section unless the Secretary determines, after notice and hearing, that the standards of such State do not meet the minimum standards prescribed by the Secretary pursuant to this section or the conditions for approval of a State program set forth in paragraph (1) of this subsection.

"(f) The Secretary may authorize appropriate professional organizations to provide accreditation and licensing under this section if he determines that such organization will adhere to the criteria and minimum standards issued pursuant to section 360H. For the purposes of accreditation, the Secretary shall, to the maximum extent practicable, consistent with the purposes of this subpart, utilize organizations recognized by the Commissioner of Education for such purposes.

"(g) The Secretary may make grants to States or professional organizations designated pursuant to subsection (f) of this section in an amount up to two-thirds of the first year and one-third of the second year costs of planning, developing, or establishing programs to carry out the purposes of this subpart.

"(h) The Secretary may make grants to educational institutions under title VII of this Act to carry out the purposes of this subpart.

"(i) The Secretary shall annually review programs established pursuant to this subpart and shall suspend the effectiveness of any standards or regulations as to accreditation or as to licensure with respect to any State or certified professional licensing organization designated pursuant to subsection (f) when he determines that the program of any State or organization is inconsistent with the purposes of this subpart or with revised criteria and minimum standards issued pursuant to subsection 360H(e).

"PROHIBITED ACTS

"SEC. 360J. (a) Upon the effective date of regulations and standards established pursuant to the subpart, it shall be unlawful for an individual to apply potentially hazardous radiation to humans for diagnostic or therapeutic purposes unless he is a licensed medical practitioner, a licensed dentist, a licensed dental hygienist, or holds a valid radiologic technologist license issued in accordance with standards promulgated pursuant to section 360H, except, for a licensed photo-roentgen technologist or a licensed technologist-in-training who must be under the supervision of a radiologist or a more specialized radiologic technologist as provided for in section 360H.

"(b) The district courts of the United States shall have jurisdiction, for cause shown, to restrain violations of this section. The district courts of the United States shall also have jurisdiction in accordance with section 1355 of title 28 of the United States Code to enforce the provisions of this section.

"(c)(1) Any violation of this subsection by an individual applying potentially hazardous radiation to human beings for diagnostic or therapeutic purposes shall be subject to a civil penalty of not more than $1,000. For the purposes of this section, any such violation shall be with respect to each act or omission made unlawful by this section.

"(2) Any such civil penalty may on application be remitted or mitigated by the Secretary. In determining the amount of such penalty, or whether it should be remitted or mitigated and in what amount the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be deducted from any sums owing by the United States to the person charged.

"(d) Actions under this section may be brought in the district court of the United States for the district wherein any act or omission or transaction constituting the violation occurred, or in such court for the district where the defendant is found or transacts business and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found.

"(e) Nothing in this subpart shall be construed as requiring the Secretary to report for the institution of proceedings minor violations of this subpart whenever he believes that the public interest will be adequately served by a suitable written notice or warning.

"(f) The remedies provided for in this section shall be in addition to and not in substitution for any other remedies provided by law."

Mr. KENNEDY. Mr. President, I am happy to have the opportunity to speak before my colleagues in the Senate on the National Health Planning and Development and Health Facilities Assistance Act of 1974. This act is of particular significance to those of us in the Senate, for it deals with a topic we are vitally concerned with—health and more specifically the planning for an integrated system of health care that meets the needs of all Americans.

The proposed legislation creates a single new program of State and areawide health planning and development which combines the best features of the existing programs of comprehensive health planning, regional medical programs, Hill-Burton, and experimental health services delivery systems. The new legislative authority will commence upon enactment and continue through the end of fiscal 1977. Provision is made for overlapping the new authority with the existing authorities and the Secretary of Health, Education, and Welfare is given responsibility for assisting the existing programs during their combination and transition into the new program.

The bill also amends the existing Hill-Burton authority by establishing a new special projects grant program directed toward meeting the Nation's urgent health facilities needs. In addition, the bill addresses the problem of harmful radiation exposure by adding provisions designed to protect the public from such exposure.

At this time I would like to present a brief summary of the key provisions of the bill now before us.

New title XIV has three principal parts which provide authority for:

First. National guidelines for health planning, requires the Secretary of HEW within 1 year of enactment of this legislation to issue guidelines concerning national health planning policy. A National Advisory Council on health planning and development is to be established in HEW on a permanent basis and is to advise, consult with, and make recommendations to the Secretary with respect to the development of these guidelines. The Council is to be composed of 12 persons broadly representative of consumers, health planning agencies, and other qualified persons.

Second. Health planning agencies, creates a system of health planning agencies responsible for areawide planning and development throughout the country in health areas established by the Governors of the States. The bill specifies the criteria for the structure, staff, governing body, and functions of the health planning agencies. Each agency is required to annually establish or revise a long-range goal plan — LGP — and a short-term priorities plan—SPP—to provide technical and financial assistance for development of health resources which implement the plans; to review proposed Federal health projects; to assist States in reviews of new health services and facilities offered or proposed to be offered; to review the need for existing institutional services and facilities and make recommendations to the States regarding their continued need; and to coordinate with appropriate planning and regulatory entities. These functions shall be conducted for the purpose of improving the health of the area's residents; increasing the accessibility, acceptability, continuity, and quality of health services; restraining increases in the cost of providing services; and preventing unnecessary duplication of health resources in the area.

Third. State health planning and development agencies provides for assistance to each State government in the development and funding of a State health planning and development agency, selected by the Governor in each State and designated by the Secretary. The State agency is to prepare—at least annually—a preliminary long-range State health plan and a preliminary short-term State health plan made up of the plans of the health planning agencies. The State agency is to serve as the designated planning agency for purposes of section 1122 of the Social Security Act, if the State chooses to participate in that program, and is to administer a mandatory State certificate of need program. It also is to review the need for new and existing institutional health services and facilities. The State agency is to assist and be advised by a statewide health coordinating council which prepares a long-range State health plan and a short-term State health plan—based on the preliminary plans of the State agency—composed of the plans of the health planning agencies. The Council also reviews the budgets and applications of the health planning agencies; advises the State agency on the performance of its functions; and reviews proposed uses of Federal funds allotted to the State under Federal health programs. The proposed legislation permits the Secretary to enter into agreements with State agencies for regulation or establishment of rates for payment or reimbursement of health services. This program is to be implemented only at the option of the individual States.

Title II of the bill amends existing law by substituting a new title, "Assistance for Construction and Modernization of Health Facilities" which provides authority for:

First. State allotment, entitles each State which has developed an approved health facilities plan to a State allotment to assist it in meeting the costs of projects for construction or modernization of public or other nonprofit outpatient facilities, and modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which without the modernization would be designated medically underserved. Each project application must be rveiewed by the appropriate health planning agency.

Second. Grants, loans, and loan guarantees, authorizes grants to public or private nonprofit entities and direct loans and guarantees of loans to public and other nonprofit entities to assist in meeting the costs of projects for the same purposes specified for State allotments. Each project application must be reviewed by the appropriate planning agency.

Title III of the bill, "miscellaneous provisions," provides for transition from existing programs to the new programs established under titles I and II of the act and for agency reports.

Title IV of the bill, the Radiation Health and Safety Act of 1974, amends part F of title III of the Public Health Service Act by providing for the establishment of criteria and minimum standards for accreditation of schools training radiologic technologists, and for the licensure of radiologic technologists. The bill also provides for the establishment of programs for the accreditation of educational institutions training radiologic technologists and of State programs for licensure of such personnel and authorizes the Secretary of HEW to take necessary action in the absence of State action.

II. LEGISLATIVE BACKGROUND

The legislative authority for all programs for health planning and resources development—the comprehensive health planning, regional medical programs, Hill-Burton, and experimental health services delivery systems programs—expired on June 30, 1974. Since that time, the programs' functions have been funded with released impounded moneys or under continuing resolutions.

During the past year, the committee considered in depth a number of measures for the revision, combination, and extension of these programs. The Subcommittee on Health held hearings on March 11, 20, 26, and 28, 1974 on S. 2994, S. 3139, S. 2796, S. 3166, and related bills. In addition, hearings were held on June 14, 1974 on S. 3577, S. 2983, and proposals to provide assistance for the construction and modernization of health facilities. Subsequent to the hearings, an amendment in the nature of a substitute was drafted by the Subcommittee on Health of the Labor and Public Welfare Committee which incorporated features of all of the above proposals. The full committee ordered the measure as amended, reported on October 10, 1974. The vote was 14 to 0 with 2 abstentions.

COST OF LEGISLATION

As reported by the committee, S. 2994 provides for authorizations of appropriations for 3 fiscal years, 1975, 1976, and 1977, for health planning and resources development programs. The authorization for fiscal year 1975 is $245 million; for fiscal year 1976, $330 million; and for fiscal year 1977, $415 million. The total authorizations for the 3 years are $990 million. See table I.

TABLE I.—AUTHORIZATIONS FOR FISCAL YEARS 1975-77 UNDER S. 2994

[In millions of dollars]

	Fiscal year—			
	1975	1976	1977	Total
Title XIV:				
Health planning agency planning grants, sec. 1416	60	90	125	275
Development grants for area health services development funds, sec. 1417	25	75	120	220
Grants for regulation or estabment of rates for health services, sec. 1424	10	15	20	45
Assistance for State health planning and development, sec. 1426	25	25	25	75
Subtotal	120	205	290	615
Title VI:				
State allotments and grants, sec. 625 (a)	125	125	125	375
Loans and loan guarantees, sec. 625 (b)	(1)	(1)	(1)	(1)
Subtotal	125	125	125	375
Total	245	330	415	990

[1] Such sums as may be necessary.

These figures may be compared with recent budgetary experience in the three principal existing programs which will be combined by S. 2994, comprehensive health planning, regional medical programs, and Hill-Burton. Authorizations for fiscal year 1973 were $747.5 million and $391.3 million in fiscal year 1974. Table II provides a summary of the obligational authority for fiscal years 1973 and 1974 under existing law.

TABLE II.—COMPARABLE OBLIGATIONAL AUTHORITY FOR FISCAL YEARS 1973-74 UNDER EXISTING LAW

	1973	1974
State health planning, section 314(a)	20.0	10.0
Areawide health planning, section 314(b)	40.0	25.1
Medical facilities construction, Hill-Burton, title VI	437.5	197.2
Regional medical programs, title IX	250.0	159.0
Total	747.5	391.3

In reviewing the new and existing obligational authorities, it is evident that the bill we are considering is fiscally responsible. While the authorizations are below current levels for the existing programs, the bill still provides funds for planning, implementation, and construction but at a level that will permit efficient and effective utilization of our increasingly scarce economic resources.

III. HISTORY AND NEED FOR LEGISLATION

The legislation before you is being considered at an opportune time. Since a large number of Federal health statutes expired on June 30, we have a unique opportunity to consider this legislation within a total national strategy to resolve our major health problems of access, cost, and quality of care.

In the past, complex health problems have been dealt with in a piecemeal manner. This approach was often unavoidable; yet, I am sure that we all share the opinion that specific legislative proposals should be developed in a context that recognizes the interrelationships among the various elements contributing to health care: Resource planning and development, including manpower and facilities; resource allocation; cost and efficiency of care; public demand for services; and the ability of the public to pay for necessary health services.

S. 2994 captures the essence of the previously mentioned elements since it integrates three separate programs dealing with planning, implementation and construction into a unified approach. The addition of the regional medical program and the comprehensive health planning program to the earlier enacted Hill-Burton program meant that the Federal Government was assisting States and localities in the operation of three distinct programs with different histories and responsibilities but with some overlap in their efforts and a common goal of improving the health of the American people. The proposed legislation builds upon the experience of these three programs and seeks to combine their best features into one new health planning and resources development effort. Because the proposed legislation can only be fully understood in the context of our experience to date, I would like to review briefly each of the three existing programs.

COMPREHENSIVE HEALTH PLANNING

The Comprehensive Health Planning and Public Health Services Amendments of 1966 (P.L. 89–749) authorized a 2-year program of Federal support for comprehensive health planning and public health services. The public health services parts of this act are not the subject of the present legislation, having been considered earlier this year. The comprehensive health planning—CHP—authority was recommended by President Johnson to provide a coherent response to some of the existing shortcomings of Federal, State, and local health planning efforts at the time. It was an outgrowth of the enactment in 1964 of legislative authority for areawide health facilities planning councils. The legislation responded to the criticism of that program that planning for health facilities without planning for health manpower, services or other programs and activities which affected people's health would inevitably lead to a bias of our resources toward expensive health facilities.

Thus, the comprehensive health planning agencies envisioned by the legislation were given a broad mandate to plan for all parts of the health system and any aspect of our physical, work, or personal environment which affected health. Further, the agencies were given the authority to study the needs of their own communities and devote their planning efforts to priorities which would respond to those needs rather than an arbitrary part of the health system—such as health facilities.

The original legislative authority contained three principal parts which are the concern of the proposed legislation:

First. Authorization of formula grants to States for the support of State comprehensive health planning programs. The legislation provided for a State health planning council to advise the designated State agency, and the council membership was to be broadly representative of public and private health organizations throughout the State with a majority of the membership representing consumers of health services;

Second. Authority for project grants to public or private nonprofit organizations to assist in paying the costs of operating areawide comprehensive health planning agencies. These agencies were to prepare regional or local plans for the coordination and development of existing and new health services, facilities, and manpower; and

Third. Authority for project grants to public or private nonprofit institutions or organizations for training, studies, and demonstrations intended to develop improved comprehensive health planning.

The comprehensive health planning authority has been amended several times since 1966; however, in 1972 the role of the State comprehensive health planning agencies was strengthened by the Social Security Amendments of 1972 (P.L. 92–603).

These amendments added section 1122 to the Social Security Act. It provides the health care facilities and HMO's would not be reimbursed by medicare, medicaid, or the maternal and child health programs for depreciation, interest or return on equity capital relating to capital expenditures that were determined by designated State planning agencies—which in most States is the 314(a) agency—to be inconsistent with standards, criteria or plans developed by the State agencies.

This important provision related expenditures under medicare and medicaid to State health planning for the first time by assuring, in effect, that medicare and medicaid would not support the construction of unneeded health care facilities. It was clear in the legislative history of this provision that States should use recommendations from areawide agencies to assist them in the implementation of this provision.

The important concept embodied in this legislation, that health financing should be closely related to health planning, has subsequently been reflected in almost all major proposals for national health insurance through a series of devices intended to assure that national health insurance does not pay for costly services which the planning process determines are unneeded.

I would like to point out that the ultimate objectives of the original program were to promote the development of a healthful environment and a health care system in which quality health services would be available, accessible, and affordable for all persons. Despite the many changes made by S. 2994, these objectives are continued in the proposed legislation. The means are changed, but the objectives are the same.

REGIONAL MEDICAL PROGRAMS

The initial regional medical program—RMP—legislative authority grew out of the report of the President's Commission on Heart Disease, Cancer, and Stroke, published in December 1964. Enactment of the Heart Disease, Cancer, and Stroke Amendments of 1965 (Public Law 89–239), adding title IX to the Public Health Service Act, came on October 6, 1965. The legislation responded to the report's recommendation calling for the establishment of a national network of regional centers, local diagnostic and treatment stations, and medical complexes designed to unite the worlds of scientific research, medical education, and medical care.

The 1965 authority was amended in 1968 and again in 1970.

The 1970 legislation (Public Law 91–515), while retaining an expanded categorical disease focus by adding coverage of kidney diseases, made a number of program changes. These included a new emphasis on primary care, the linking of primary to secondary and tertiary care, renewed emphasis on regionalization of health care resources, new construction authority, and a call for better use of health manpower especially in underserved areas. A requirement was added that areawide CHP agencies be afforded the opportunity to review and comment on RMP grant proposals affecting their planning areas.

The initial concept of the regional medical programs was to provide a vehicle by which scientific knowledge about the diagnosis and treatment of heart disease, cancer, stroke, and related diseases, could be transferred to providers of health services in order to improve the quality of care provided to patients with those diseases. The program activities supported by RMP in the first several years and to some extent the local RMP structures and staffs themselves reflected this initial concept and mission. A significant portion of the funds in the early years went to the support of programs and projects intended to make the best in modern medical care readily accessible to people suffering from or threatened by heart disease, cancer, and stroke.

New emphases reflecting the Department's national health priorities for 1970 were contained in the legislative extension in October 1970. These new priorities included improved access to care, especially primary care for all Americans, with special emphasis on underserved, innercity, and rural areas.

These developments coupled with an increase in funds in fiscal year 1972 resulted in a marked redirection in RMP activities. This redirection took the general form of:

A movement from a categorical to a more comprehensive focus;

A growing concern with primary and ambulatory services in addition to that for secondary and teritary inpatient care;

A decreased interest in high technology projects and increased interest in projects aimed at dealing with problems of health services delivery and the delivery system; and, Expansion of health manpower projects intended to improve the use, productivity and distribution of manpower.

The reorientation of the program emphasis can be observed in the shift in types of medical institutions and services supported and in the percentage of program activity in each area. Examples of increasing allocations in specific program areas include:

In fiscal 1970, over 80 percent of RMP projects were disease focused, categorical in nature, and only 17 percent of the projects were of a comprehensive or multicategorical nature. Two years later in 1972 nearly one-half—45 percent—were of a comprehensive or multicategorical nature, and the percentage of projects focused on a single categorical disease had dropped propotionally—83 percent to 55 percent.

In order to bring together planning and implementation activities, S. 2994 has replaced existing regional medical program authority with a development fund to be administered by the local health planning agencies in accordance with their perception of the health needs of the area.

MEDICAL FACILITIES CONSTRUCTION PROGRAM (HILL-BURTON)

Congressional interest in effective health planning and resources development began with the enactment of the Hill-Burton program in 1946. To identify and meet some of the deficiencies in the supply and distribution of health facilities, Congress enacted and President Truman approved in 1946 the Hospital Survey and Construction Act. This act authorized grants to the States for:

First. Surveying State needs and developing State plans for the construction of public and voluntary nonprofit hospitals and public health centers; and,

Second. Assisting in constructing and equipping such facilities.

Not only did this program provide funds for the construction of needed new hospitals but it clearly contemplated that the States which received those funds would use them in accordance with a planning process by which the States would be surveyd with respect to their need for an existing supply of medical facilities, and plans drawn based on these surveys which would use the available funds to fill unmet needs.

Little change in this Federal effort occurred until 1964 when the Hill-Burton Act was modified by the addition of legislative authority for the funding of regional, or areawide, voluntary health facilities planning agencies—sometimes called "318 agencies" after the section number of the legislative authority in the Public Health Service Act. This new authority rapidly led to the funding in many major metropolitan areas of nonprofit private corporations governed by boards of community leaders and health care providers which sought to plan for their whole community the development of needed hospitals and other health care facilities.

In 1970, Congress enacted the Medical Facilities Construction and Modernization Amendments of 1970 (P.L. 91-296). It authorized new appropriations for construction and modernization of health facilities and supplemented the grant program by a program of loans and loan guarantees.

The 1970 amendments made several important changes in the operation and administration of the Hill-Burton program. They provided for assistance in the construction of neighborhood health centers, assignment of priority to areas of relatively small financial resources and rural communities, and establishment of priorities for outpatient facilities in poverty areas and for facilities providing comprehensive health care, training in the health or allied health professions and treatment for alcoholism.

The original enactment of Hill-Burton was based on a recognition of the need for an increase in the capacity of the Nation's health facilities. In 1946, while the eight States with the highest per-capita income had 4 beds per 1,000 population, there were only 2.5 beds per 1,000 population in the eight States with the lowest per-capita income. Today, this imbalance has been corrected and, indeed, the general hospitals in the lowest income States are newer facilities on the average.

The need for additional hospital beds in the Nation has virtually disappeared. State plan data reflecting the status of facilities as of January 1974, indicate that there are 20,000 surplus hospital beds in the Nation. A recent report by a respected research group indicates a projected surplus of over 67,000 beds for 1975. However, it should be noted that despite these aggregate surpluses, a number of States and service areas within States still report a shortage of facilities and beds. This is particularly true in areas which have experienced rapid recent population shifts or growth.

However, there is still tremendous need for modernization of existing facilities. According to the latest Hill-Burton State plans, more than 167,000 general hospital beds and nearly 233,000 long-term care beds need to be modernized. About 2,800 public health centers, outpatient facilities, and rehabilitation facilities need modernization.

Of a $20 billion estimated total backlog in health facility needs, 13 billion is needed for modernization, two-thirds of the total backlog. Looked at another way, over one-third of our country's general hospitals and long-term care facilities have reached the point that they need to be remodeled or replaced.

Moreover, there is a continuing and growing need for outpatient facilities. In the last two decades there has been an explosive growth in hospitals' outpatient activities. In 1953, there were two outpatient visits for every inpatient admission. By 1972, with 158,465,000 outpatient visits and 31,035,931 admissions this ratio had increased to 5 to 1. In 1953, over 60 percent of the community hospitals reported outpatient services; by 1972, this number had increased to 90 percent. In addition, data from 1955 to 1970 indicate that emergency visits have increased by 312 percent and that outpatient clinic attendance went up by nearly 5 percent. Together, their rates of growth averaged 11 percent annually.

In terms of the use of available services, community hospitals reported almost 134 million ambulatory visits in 1970, or 662 per 1,000 civilian population. By 1973, the rate of outpatient visits had risen to over 800 per 1,000 population. From 1967 through 1970, there was essentially no net change in the number of community hospitals or in the number that provide ambulatory services.

Nevertheless, use of outpatient services increased by 22 percent, in comparison to an 8 percent increase in inpatient services. Thus, while growth in inpatient utilization appears to be slowing, the growth in outpatient utilization continues to increase.

It is evident that the Nation needs strong and effective health planning. Many parts of the country presently lack adequate physician services and, in some cases, hospital beds to provide needed care to their populations. In some areas through a lack of effective planning and control over facilities development, excesses of costly hospitals and nursing homes have developed. Even where reasonable amounts of health resources are available, they are often inaccessible at night or on weekends or operating in an entirely uncoordinated manner. Health care costs are rising at rates which well exceed those of the general economy.

The existing programs—comprehensive health planning, regional medical programs, and Hill-Burton—have all made a variety of very important and impressive contributions to their own communities and to our knowledge of how to achieve effective health planning. Only through these programs and their efforts have we learned the true extent of the problems to which they respond and how a more effective program might be designed. Thus, the new programs enacted by S. 2994 build upon the existing programs: their strengths have been emphasized and continued, an attempt has been made to avoid their deficiencies, and it is hoped that the invaluable resources which they have developed through their governing boards and staffs will become the core of the new programs.

IV. NEED FOR BILL NOW

As has already been pointed out, this is an opportune time for the Senate to take action. However, there is an even more important reason for the Senate to move positively on this bill today. The concepts expressed in S. 2994 have been under discussion for a couple of years. We are aware that the administration over a year and one-half ago proposed the termination of regional medical programs and Hill-Burton.

The Congress responded by calling for a simple 1-year extension of the existing programs, with the expressed intent of studying the programs under consideration. I believe that this was a sound move on the part of the Congress. While this action permitted us to carry out this essential review, it also had an adverse effect on the programs themselves.

The 1-year extension was a signal to many that the Congress was going to make some significant changes in the near future. This lack of stability made it difficult for many programs to maintain and/or hire the high-quality personnel necessary to carry out program responsibilities. In other cases, it was hard to get communities to develop quality proposals which were responsive to community needs since the future support of such efforts was clearly uncertain.

The studying the Congress authorized has been completed. We have heard from many people and have incorporated their ideas into our own analysis of the strengths and weaknesses of the existing programs. The end result is a bill which significantly enhances our ability to deal with planning, implementation, and construction in a coordinated and effective fashion.

The time for action is now and there is no reason to delay the implementation of the concepts expressed in S. 2994. To do so would mean that the Senate would be avoiding its responsibility and obligation to insure that programs are enacted which will benefit the total population. Furthermore, nonaction by the Senate will only perpetuate the uncertainty and instability that now faces 56 State comprehensive health planning agencies, 218 areawide comprehensive health planning agencies, 53 regional medical programs, 56 State Hill-Burton agencies, 17 experimental health services delivery systems and their respective constituencies.

A second reason for our immediate action on S. 2994 rests with the strong potential for enactment of some form of national health insurance in the near future. In all of the hearings that have been held on NHI and through the volumes of material that have been written on the subject, considerable stress has been given to benefit packages and the financial mechanisms for supporting such a program. Such a focus has been appropriate, since they are major elements in any program; however, a major outgrowth of this stress has been an increasing concern for physical and human resources. Specifically, will there be enough resources, appropriate to the needs, and distributed in a manner so as to effectively meet the demand that will be generated through a national health insurance program?

This concern leads into the question of planning and the need for an effective planning base if we are to successfully implement national health insurance. Up to this point adequate attention has not been given to this very real question. However, we can change that situation today within the context of this bill. Quite frankly, S. 299 gives us the capacity to implement a comprehensive planning base throughout the total United States. Even more important, though, is that this can be done with a time interval that provides an opportunity to plan for national health insurance.

What exactly does this bill do as far as the planning for national health insurance is concerned. First of all it will support the creation of a system of regional health planning agencies throughout the entire country. This is contrasted with the existing situation under the comprehensive health planning program where only 75 percent of the population is covered by an areawide health planning agency. The areas currently not covered are largely rural but under S. 2994 they would now have the opportunity to participate in regional health planning.

Second, the bill would provide the financial resources necessary to employ both the number and types of staff necessary to tackle the planning issues posed by national health insurance. Under S. 2994 regional health planning agencies have a minimum professional staff of 10 compared with the average of 4 under the existing comprehensive health planning program.

Third, S. 2994 targets the planning activities on the personal service needs of the population and the manpower and facilities necessary to meet the needs.

Finally, the bill fosters the creation of regional decisionmaking bodies encompassing providers, consumers, educators, payors, and local elected officials who in conjunction with appropriately educated professional staff can make planning and resource allocation decisions which will go a long way to ensuring an effective implementation of a national health insurance program on a local level

A third rationale for immediate action is linked to the authority for development activities. As is well known, the regional medical programs have served as a vehicle for the development of a number of initiatives both on State and regional level. While many of the activities were consistent with community needs a large number of the projects were research projects tied to the interests of medical school faculty. This bill gives us the capacity to benefit from the strengths of the regional medical programs experience by supportng developmental projects which are responsive to the priorities set forth in a regional agency's short-term priorities plan.

More importantly though this provision will allow communities to positively attack resource deficiencies that they all face in some form. Of even greater significance though is that this authority gives real meaning and substance to the planning that will be taking place. In many parts of the country, under the existing comprehensive health planning program, planning agencies have been frustrated by their inability to get their planning priorities implemented in a viable format. There has been no mandated link between the planning under comprehensive health planning and the development under regional medical programs. S. 2994 rectifies this very condition.

Furthermore, if we think back to the earlier discussion about the ties between national health insurance and planning and resource needs, we see the real promise this provision holds.

Another reason for an immediate decision on this bill rests on the question of need for facilities and services. For a number of years this country has wrestled with the problem of how to get facilities and services into areas where they are needed. To a large extent, we have been successful, as witnessed by the Hill-Burton program. Increasingly though our successes have been turning to failures as we have seen beds and services added in communities where there was already an adequate supply. Various estimates have placed the number of excess beds currently operating or projected to be operating in the near future throughout the United States as between 67,000 and 110,000. Estimates of the projected unnecessary cost of supporting those beds based on an average cost of $20,000 range up to $2 billion annually.

Many States have taken steps to rectify this condition by passing certificate of need laws. To date 24 States have passed such legislation which requires providers to secure certificates of approval prior to carrying out modernization or new construction projects.

The Congress supported the actions of the 24 States through the Social Security Amendments of 1972. Specifically, the Congress, by adding section 1122 to the Social Security Act, legislatively expressed the conviction that public funds through medicare, medicaid, and maternal and child health programs should not be used to support unnecessary capital expenditures. The Congress made this a voluntary program and to date the chief executives of 40 States and territories have signed agreements with the Secretary of HEW to implement this program. This States participating in the section 1122 program have been doing so for about a year and in that period about 2,000 actions have been completed with a denial rate of about 5 percent. These disapprovals are estimated to have a dollar value of $200 million.

Today, every State, except for Texas and West Virginia, has either a certificate of need or a section 1122 program. However, there is general concensus that State certificate of need programs are the basic component in a program to control unnecessary capital expenditures. This bill gives strength and substance to this feeling by requiring all States to enact a certificate of need program and in turn States will be provided with the financial resources to operate such a program. Financial support is also available for those States that want to participate in the section 1122 program.

Another feature of this part of the bill deals with the necessity of existing facilities and services. To date all of our attention is addressed to new construction and little time is spent on duplicative facilities and services that operate at low occupancies. When one considers the $2 billion cost of maintaining excess hospital beds in a 1-year period, the cost to public over a 10- to 20- to 30-year period becomes overwhelming.

This bill would permit planning agencies to review existing facilities and services in the context of total community needs. Where a continuing need was not indicated the planning agency could work with the facility to reorient the facility or service to a more appropriate use.

A fifth reason that the bill is needed now deals with the construction and modernization of health care facilities. While most experts agree that few if any new hospitals are needed there remain many hospitals in urgent need of modernization. These institutions, largely in poverty areas, have few sources of capital funds.

In addition, with the increased emphasis on treating patients in ambulatory care facilities there is an urgent need to provide a financing mechanism for these outpatient facilities. The bill would provide support for these activities by modifying the current Hill-Burton program to insure that funds are directed at these efforts rather than on construction of new hospitals. Since the Federal Government would disburse some of the funds directly, the particular needs of our medically underserved populations could be more adequately met than is the case under current law.

A final argument for immediate action by the Senate on S. 2994 rests with the costs of medical care. The rising costs of health care during the past decade is a problem that cannot be ignored. Prior to the economic stabilization program the health industry was the most inflationary sector in the economy with total health care costs rising 50 percent faster than the consumer price index. Hospital costs, the largest single component of health care expenditures registered annual cost increases as high as 15 percent. This spectacular rate of increase resulted in higher insurance premiums, greatly increased expenditures by the Federal and State governments under programs like medicare and medicaid and higher out of pocket costs to almost all Americans. In many cases access to care was made impossible by the high costs. During the period when controls were in effect, the rate of increases was substantially reduced. However, once controls were lifted, costs skyrocketed. During the months April through September 1974, medical prices rose 16.6 percent on an annualized basis.

Some States have established programs to review the rates of health providers. More must be done, however. Recognizing that circumstances vary between different parts of the country a provision to support rate review activities by State governments has been included. No State need participate unless it wants to. While I trust that a comprehensive national health insurance program will be enacted shortly that will provide a national mechanism to deal with inflation of health care costs, we cannot ignore the problem that exists today and should support those States which are willing to act immediately.

V. SUMMARY OF PROVISIONS OF PROPOSED LEGISLATION

NATIONAL GUIDELINES FOR HEALTH PLANNING

The proposed legislation directs the Secretary of HEW to develop national guidelines for health planning. The guidelines shall include standards respecting appropriate supply, distribution, and organization of health resources and a statement of quantified national health planning goals based on specified national health priorities.

In issuing guidelines the Secretary is to consult with and get recommendations from the health planning agencies, the State health planning and development agencies, the statewide health coordinating councils, and the National Advisory Council on Health Planning and Development.

NATIONAL ADVISORY COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

The proposed legislation authorizes the creation of a National Advisory Council on Health Planning and Development to be composed of Government officials, individuals active in the health planning process at the areawide level, providers of health care services, and others knowledgeable about the problems of the health care industry. The purpose of the Council is to advise the Secretary with respect to the promulgation of national guidelines for health planning.

In recognition of the important position the Department of Defense and Veterans' Administration occupy in the health care field, the Chief Medical Director of the Veterans' Administration and the Assistant Secretary for Health and Environment of the Department of Defense, as well as the Assistant Secretary of Health of the Department of Health, Education, and Welfare, are included as nonvoting exofficio members of the Council.

HEALTH AREAS

In creating a system of health planning agencies, the Governors of the States will first be asked to propose health planning areas which must be approved by the Secretary of HEW. Existing health planning areas for those agencies authorized under section 314(b) of the Public Health Service Act are to continue to be health areas for purposes of the proposed program, unless the Governors of the respective States choose to modify existing boundaries.

In designating new health areas, or in modifying existing health areas, the Governor is required to designate areas which, to the extent feasible, include at least one center for the provision of highly specialized health services; which do not cross State boundaries unless the Governor or the Secretary determines that an area which crosses State boundaries is a more appropriate region for the effective planning and development of health services; and do not cross the boundaries of a standard metropolitan statistical area—SMSA—unless the Secretary waives the requirement.

HEALTH PLANNING AGENCIES

The proposed legislation authorizes the Secretary to designate for all health planning areas, public or private, nonprofit entities as health planning agencies. Public entities currently functioning as 314(b) agencies may be designated as health planning agencies under the proposed legislation. The bill requires the staff of a health planning agency to have expertise in the gathering and analysis of data, in health planning, and in the development and utilization of health resources. The size of the professional staff is set at a lower minimum of 50, depending upon the population of an agency's health area.

The health planning agency is to have a governing body of between 10 and 30 members, but may exceed 30 if there is an executive committee of not more than 25 empowered to act for the governing body in all ways other than the establishment and revision of the long-range goal plan and short-term priorities plan.

The proposed legislation places a number of specific requirements upon health planning agencies. Each agency is required to annually establish or revise a long-range goal plan — LGP — and a short-term priorities plan—SPP—to provide technical and financial assistance for development of health resources which implement the plans; to review proposed Federal health project grants; to assist States in reviews of new health services and facilities offered or proposed to be offered; to review the need for existing institutional services and facilities and make recommendations to the States regarding their continued need; and to coordinate with appropriate planning and regulatory entities.

These functions shall be conducted for the purpose of improving the health of the area's residents; increasing the accessibility, acceptability, continuity, and quality of health services; restraining increases in the cost of providing services and preventing unnecessary duplication of health resources in the area.

The Secretary of HEW is required to make a planning grant in each fiscal year to each designated health planning agency to assist it in the performance of its functions. Each designated agency shall also receive a development grant to enable it to establish and maintain an area health services development fund from which it may make grants and let contracts for developing health resources consistent with its plans.

STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

The Secretary is authorized to enter into a designation agreement with a State health planning and development agency to be selected by the Governor. Although the legislation calls for the performance of a list of functions by the State health planning and development agency, specific responsibilities which have been listed in the proposed legislation can be delegated, upon request by the Governor of a State involved, to another State agency under a satisfactory agreement with the State health planning and development agency.

Provision is made in the proposed legislation for a Senate administrative program to carry out and integrate the State health planning and development activities to be administered by the State agency.

Each State agency, or its designee, is required to perform the following functions:

Prepare and review and revise as necessary, but at least annually, a preliminary long-range State health plan which shall be a synthesis of the long-range

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goal plans of health planning agencies within the State and a preliminary short-term State health plan which shall be a synthesis of the short-term priority plans of such agencies. The plans are required to be submitted to the statewide health coordinating council for its use in reviewing and revising the State health plans.

Assist the Statewide Health Coordinating Council of the State in the performance of its functions generally.

Serve as the designated planning agency of the State for purposes of section 1122 of the Social Security Act, in those States which elect to participate in the 1122 program.

Administer the mandatory State certificate of need program which applies to new institutional health services, health care facilities, and health maintenance organizations proposed to be offered and developed within the State. Each State is given one legislative cycle for that particular State to adopt certificate of need legislation.

Review all institutional health services being offered and health care facilities and health maintenance organizations located in the State at least once every 5 years, after consideration of recommendations submitted by health planning agencies respecting the need for such services, facilities, and organizations make findings respecting the continued need for such services, facilities and organizations. In addition, the State agency is directed to assist the areawide health planning agency in improving or eliminating any health care facility, institutional service, or health maintenance organization found to be unnecessary.

In addition, the proposed legislation provides incentives in the form of Federal grants to assist the States in administering programs for the regulation or establishment of rates for the payment of or reimbursement for health services. This program is to be implemented only at the option of the individual States.

STATEWIDE HEALTH COODINATING COUNCIL

The proposed legislation provides that each State health planning and development agency be advised by a statewide health coordinating council—SHCC.

The SHCC is directed to prepare, review, and revise as necessary, long-range and short-term State health plans based upon a working draft based upon the preliminary plans developed by the State agency. In addition, it is directed to review the budget of each health planning agency within the State annually, review applications by each health planning agency for planning and development fund grants, and forward its comments to the Secretary.

In addition, the SHCC is required to advise the State agency on the performance of its functions and to annually review and approve or disapprove any State plan and any application submitted to the Secretary as a condition of the receipt of any funds under allotments made to States under the Public Health Service Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970.

The SHCC is to be composed in such a way as to assure adequate opportunity for each health planning agency in the State, as well as the Governor of the State, to contribute to the development of the State health plans, and the approval of applications for Federal assistance to the State. The SHCC is to be composed of no fewer than 16 representatives selected by the health planning agencies within the State, and who are to comprise 60 percent of the total membership of the State health coordinating council.

In addition, the Governor is authorized to appoint members to the SHCC.

ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

The proposed new program of assistance for construction and modernization of health facilities has two major foci. First, it provides grants, loans and loan guarantees for the construction and modernization of public or other nonprofit outpatient facilities. Second, the bill recommends enactment of authority to enable the Secretary of HEW to provide grants, loans and loan guarantees for the modernization of public or other nonprofit health facilities which will serve medically underserved populations.

The program authorized by the proposed legislation is a combined formula—project grant program. Of the funds appropriated under the proposed title, 50 percent are to be allocated to the States, under the existing Hill-Burton formula, for the purposes described above. The remaining 50 percent are to be awarded by the Secretary directly to entities qualifying for assistance under the requirements of the proposed title.

In order to qualify for assistance under this title, the State health planning and development agency is required to submit a State health facilities plan to the Secretary which must be consistent with the State health plan and areawide health plans required by the planning provisions.

RADIATION HEALTH AND SAFETY

The bill provides for the establishment of criteria and minimum standards for accreditation of schools training radiologic technologists, and for the licensure of radiologic technologists. The bill also provides for the establishment of programs for the accreditation of educational institutions training radiologic technologists and of State programs for licensure of such personnel and authorizes the Secretary of HEW to take necessary action in the absence of State action.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I ask unanimouse consent that Eleanor Parker of my staff have privilege of the floor during the debate and voting on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Eugene Rubel have privilege of the floor.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BEALL. Mr. President, I ask unanimous consent that John Hunnicutt and Joseph Carter have privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I ask unanimous consent that Mildred Wade of my office be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I send to the desk an amendment on behalf of the Senator from California (Mr. CRANSTON).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114, insert between lines 14 and 15 the following:

"(v) Where two or more hospitals or other health care facilities of the Veterans' Administration are located in a State, the SHCC shall, the addition to the appointed members, include, as an ex officio member, an individual whom the Administrator of Veterans' Affairs shall have designated as a representative of such position.".

Mr. KENNEDY. Mr. President, this legislation directs and authorizes a number of advisory boards and agencies. There is a National Advisory Board to help the Secretary of HEW in promulgating national guidelines for health planning. There are State advisory agencies and also local agencies.

On the national board, and also on the local agencies, provisions are made for representatives of the Veterans' Administration to sit as exofficio members. This was as a result of the direct request of the Senator from California.

We had not included a Veterans' Administration representative on the State planning agency board, and it seems to me that, certainly, in the States where there are Veterans' Administration facilities inclusion should be so made.

That is the purpose of the amendment, and it is highly acceptable to me. It certainly seems to carry forward what was the intention of the committee by including the representative of the Veterans' Administration in the National Board as he was on the local board. I have no objection. I think it would be a worthwhile inclusion.

I just add for the purposes of the record that I am sure the Senator from California would want to have a full explanation, and this will in no way eliminate any present member of the Planning Board.

There is a minimum number of 16 on the State health coordinating council and then, depending on the number of area health planning agencies in the respective States, who will also have representation on the Board, this will just add 1 additional member. So, it in no way excludes any other members, but simply adds one additional ex-officio nonvoting member.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, may I ask the manager of the bill for clarification on what is relatively a minor item but of great significance to at least one hospital in Detroit, and conceivably to others? It has to do with the term "modernization" which is found in section 627 (2) of the bill.

The section reads:

> The term "modernization" includes the alteration, expansion, major repair (to the extent permitted by the Secretary by regulations), remodeling, replacement, and renovation of existing buildings including initial equipment thereof, and replacement of obsolete equipment of existing buildings.

May I inquire as to whether "replacement" in this section would include new construction on a different site providing only a portion of services formerly provided by that facility, provided that the old building cannot and will not any longer be used, inpatient beds will not be increased, and the range of services provided the population served will not be diminished?

It is my understanding that it was intended to reach that circumstance, but, for purposes of the record, I would like to expressly raise the question with the manager of the bill.

Mr. KENNEDY. I am glad to respond to the question of the Senator from Michigan. The Senator has correctly stated what would be the interpretation of the language that was included in the legislation.

As suggested by the Senator from Michigan, this would be an old building which could no longer be used, and the number of in-patient beds would not be increased. There would be new construction at a different site. That quite clearly would fall within the terms of modernization as defined within the legislation.

The answer would be in the affirmative.

Mr. HART. Mr. President, I thank the Senator.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 2994.

Mr. MANSFIELD. Is there an amendment pending?

The PRESIDING OFFICER. There is an amendment pending.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily; that the Senate return to the consideration of the Calendar No. 1229, H.R. 16901; that the distinguished Senator from Connecticut (Mr. WEICKER) be recognized, and that at the conclusion of the voting on this bill and all amendments thereto that the Senate once again return to the consideration of Calendar No. 1220, S. 2994.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE - ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS, 1975

The Senate continued with the consideration of the bill (H.R. 16901) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 20, line 23, strike all through page 21 line 2.

Mr. WEICKER. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, very simply, what this amendment does is to strike that portion of the bill that calls for $85 million in Federal subsidies to sugar growers. I am going to be very brief in my comments.

I realize that it could be argued that this is money already committed. But I think it could also be argued that these subsidies were intended to assure the farmer a fair price. I think it is going to be a little difficult for any of us to explain why we are appropriating $85 million in subsidies to the sugar industry at a time when the profits are at record levels, and when most Americans feel that they are being gouged when it comes to the price of this particular staple.

There is no point in my reviewing the figures that we have all read in the financial sections of our newspapers, nor do I have to remind everybody what they pay for sugar when they go to the supermarket.

I advise my colleagues that I believe it is going to be very strange for us to engage in this type of legislation at a time when the whole industry is under question. The Council on Wage and Price Stability is holding hearings today on the sugar problem. I am not willing to go ahead and make any specific allegations of wrongdoing. That would be unfair.

However, I believe we must consider this carefully before we commit ourselves to $85 million in subsidies for an industry that looks mighty swollen and mighty fat at the present time.

With those comments, Mr. President, I yield back the remainder of my time.

Mr. McGEE. Mr. President, the committee has to oppose this amendment for a very obvious reason. The objection to high prices is understandable. This is an industry in which prices are very high right now. This amendment would strike out the subsidy money of $85 million.

There is only one trouble with that, Mr. President. That is that these are payments to the growers in this country that were contracted for in the last growing season, not in the new growing season coming up.

These are commitments that have already been entered into and must be lived up to. For that reason, as a matter of integrity in terms of a legislative body, I would submit that whatever the case may be for changing that policy in the future, the amendment has no place in this bill now. These growers in confidence, in the word of the legislative record of Congress, undertook planting commitments, cost risks, and all the rest that goes with their staying in their own agricultural pursuit on the basis of the law as it now exists.

With all respect for the deep feeling that is there, my family's sugar costs—and I use saccharin—have shot clear through the ceiling. But that should not be taken out of the commitment to growers who already have completed their growing season. The harvest is mostly in.

This is a matter of integrity under the law.

This body would be ill advised, it seems to me, to flout that kind of a commitment in spite of the squeeze that is here.

I would hasten to add, Mr. President, that these sugargrowers had very little to do with what has happened to sugar prices; that this is a worldwide phenomenon now compounded by some of the politics among the nations of the world that has further complicated the whole pricing sequence in recent months.

What has happened to sugar prices irritates me. But it has nothing to do with, and has no bearing upon, the commitment under the law that already has been contracted for in the sugar crop this year.

Mr. FONG. Mr. President, will the Senator yield?

Mr. McGEE. I yield to the distinguished ranking minority member of the subcommittee.

Mr. FONG. Mr. President, I oppose this amendment very vigorously.

For 26 years, we have had a Sugar Act; and because of that act, the price of sugar has been kept constantly within reasonable limits. Last June the House refused to extend the Sugar Act, and this is one of the reasons why prices have gone skyward. This is not the only reason, but it is one of the reasons.

Within the past 26 years, we have had marketing quotas whereby we restrict the growing of sugarcane as well as sugar beets in the United States, and we have asked American growers to comply with certain requirements before they can get any payment from the Government under funds incorporated in this bill.

If we look at the program, we will note that it is not a subsidy. This is not money that comes out of the Governments' pocket. This money comes from the processors. The processors are called upon to pay 50 cents per 100 pounds for both domestic and foreign sugar that is processed. When Uncle Sam receives this money, he gives back a certain amount of money to U.S. sugar growers because they have followed certain conditions that Uncle Sam tells them to follow. Uncle Sam says the grower has to comply with certain labor, certain wage, certain price, and certain marketing quotas prescribed by the law which is now in effect but which will terminate on December 31, 1974.

The Federal Government has received more in the past 36 years than it has given out in payments. I think it has received more than $3 billion in payments from the processors, from the amount of sugar that has been processed, at the rate of 50 cents per hundred pounds, and from this money has given back to complying growers a certain amount, based on his total sugar production, with smaller producers receiving more per ton produced than the larger producers. Uncle Sam makes a profit. Uncle Sam has been making a profit out of this processing tax which is imposed upon the processors.

To say at this time that we will not honor our agreements with the growers who have complied with the statute, have followed every regulation that has been set down by the Federal Government for them to grow their sugar cane, is very unfair and detrimental to them. This is an amount of money that they have been looking forward to. They have relied upon it. They have followed the regulations which have been set down by the Federal Government, and they have scrupulously adhered to what has been prescribed by the Federal Government. This money is for something that has already been done.

As I said before, the Sugar Act is scheduled to expire in December of this year. I believe, however, that the House of Representatives is going to pass a new Sugar Act, knowing that without such an act we are going to be at the mercy of the sugar-producing countries of the world, because we do not produce enough sugar for our own needs. We produce approximately 60 percent of the sugar that is being consumed by the people of the United States. We have to protect our domestic sugar industry. It is because of such an act that we have been able to provide our citizens with a reasonable price on their sugar. Japan, which does not have such an act and which goes into the international market to buy its sugar, pays a price far in excess of what we are paying. It is so with Italy and with the other countries of the world.

To propose this amendment to this appropriation bill is very unfair, I say, because the Sugar Act is under the jurisdiction of the Committee on Finance. It is a finance matter. The Finance Committee has always worked on the question of taxation, on the question of payments for sugar, which they consider to be a matter of revenue. The Finance Committee has not had a chance to look at the amendment. There probably are many ramifications which I have not noted at this time because this amendment comes up very unexpectedly, and I have not had a chance to evaluate it fully. I think it would be highly inappropriate to approve this amendment at this time.

Mr. WEICKER. Mr. President, I have to respond in two ways to the comments that have been made.

As to the moneys that go from the processors to the Government, we all pay our taxes. It does not belong to the sugar industry at all. It goes to many things.

The purpose of a subsidy is to take a situation which could result in prices that are too low, in the industry not receiving its fair share, and giving that industry a helping hand.

We are talking about the 1974 crop, the crop that is going to be sold under the prices that exist today. So, in addition to the prices that are going to be received for the 1974 crop there will be $85 million in Federal subsidies? That is absolutely preposterous.

I hope my colleagues will support this amendment.

Mr. FONG. Mr. President, again I say that this is not a subsidy. This is a partial repayment of taxes which have been imposed upon the processors. The Government gets 50 cents per 100 pounds for processing. This is a repayment of a portion. Uncle Sam makes money out of this processing tax.

In addition, Mr. President, I wish to reiterate that in the long history of this program, the Federal Government has made a $760 million profit besides stabilizing our sugar supply and prices as well as improving the working conditions of those who are engaged in sugar production. I ask unanimous consent that the U.S. Department of Agriculture 1975 Budget Explanation Notes be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE 1975
BUDGET EXPLANATION NOTES

Domestic Sugar Prices. An important purpose of the law is to stabilize U.S. sugar prices. The law was first enacted following a history of wildly fluctuating and disastrously low prices in the United States. The charts on the following page shows that the Act has been effective in stabilizing U.S. prices. During the periods of tight supplies and soaring prices in the world market (1963 and 1972) United States prices did not rise sharply until after world prices skyrocketed. Then they were maintained at levels below world prices. They returned to more normal levels, while world prices declined drastically. For example, the monthly spot prices of raw sugar, duty paid and delivered at New York averaged 7.90, 8.26 and 8.79 cents per pound, respectively, during fiscal years 1970, 1971, and 1972. For the same years, world prices, f.o.b. Caribbean Areas, averaged 3.34, 4.28 and 6.12 cents per pound.

As a result of continued short supplies of sugar in the world, the spot price for world raw sugar on January 8, 1974, was 13.00 cents per pound and the U.S. price was 11.63 cents. On a comparable basis the U.S. price for sugar, including freight and duty, was about 3.37 cents per pound less than the world price.

During 1963, the world price reached a high of 12.60 cents while the U.S. price reached a peak of 13.20 cents per pound. In 1973 the world and domestic price reached a high of 14.00 and 11.65 cents per pound respectively.

Fair Wage and Price Determinations. The Secretary, as authorized under the Act, determines fair and reasonable minimum wage rates for fieldworkers, and fair prices for sugarcane and sugarbeets. These determinations are issued after investigation, notice, and public hearing.

Studies, Surveys and Reports. Special cost studies and surveys are made in order to develop basic data for use in making wage and price determinations, as well as for other program operations under the Sugar Act.

A formal report was issued in February 1973 on the field cost survey of the Louisiana sugarcane and raw sugar processing operations for the 1969, 1970 and 1971 crops.

Field cost surveys covering the operations of 320 sugarbeet producers for the 1972 crop and all 54 operating beet sugar factories for the 1970–1972 crops was conducted during calendar year 1973. Summarization of the data collected is in process. A formal cost study report is expected to be issued in mid-1974.

International Sugar Agreement. The broad purpose of the International Sugar Agreement is to achieve and maintain a balance between supply and demand in the world sugar market at prices reasonable both to producers and consumers. The provisions of the Agreement apply to sugar exported to the so-called world free market, that is, to sugar exports that do not have the benefit of protection or favored markets.

The United States under the Sugar Act reserves a portion of its market for foreign countries, and provides access for sugar imports for 32 countries at prices which, after payment of the duty, are the same as prices received by domestic producers. The United States is not a member of this International Sugar Organization but maintains liaison with that organization and supplies sugar statistics to the organization on a monthly basis.

The International Sugar Agreement expired at the end of 1973, but the statistical arm of the organization will be continued.

TABLE I.—TAX COLLECTIONS AND OBLIGATIONS

Fiscal year	Sugar tax collections				Total sugar program obligations
	Excise tax	Import compensating tax	Sugar import fee	Total	
1938 to 1947	$618,711,749	$41,097,312		$659,809,061	$481,880,677
1948 to 1957	776,786,154	42,102,459		818,888,613	631,470,891
1958 to 1967	950,157,000	21,195,698	$41,278,409	1,012,631,107	803,792,598
1968	102,270,000	306,590		102,576,590	81,909,000
1969	108,191,000	203,600		108,394,600	91,286,000
1970	113,309,000	180,000		113,489,000	95,084,000
1971	113,556,000	140,000		113,696,000	85,465,000
1972	115,752,000	152,800		115,904,800	88,046,000
1973	113,616,000	189,400		113,805,400	86,779,000
Subtotal	3,012,348,903	105,567,859	41,278,409	3,159,195,171	2,445,713,166
1974 (estimate)	114,500,000	125,000		114,625,000	90,965,000
1975 (estimate)	115,500,000	120,000		115,620,000	92,811,000
Total	3,242,348,903	105,812,859	41,278,409	3,389,440,171	2,629,489,166

Mr. McGEE. Mr. President, I yield 1 minute to the distinguished Senator from Kentucky, who was not in the Chamber a moment ago when we were debating another matter. This concerns the Moss amendment.

Mr. COOK. Mr. President, I thank the Senator from Wyoming.

I oppose the amendment of the Senator from Utah. I read a portion of the amendment:

> None of the funds appropriated by this Act may be expended for the purpose of (1) carrying out a price-support program for tobacco, (2) paying an export subsidy to any person for the export of tobacco . . .

It has always been my position that, rather than attack this matter this way, if the Senator from Utah wishes to propose that there be a total ban in the tobacco field in the United States he should propose it to the Senate of the United States and to the House of Representatives. But please do not try to go in the back door.

For example, he proposes that we do nothing within the framework of the Federal system in regard to helping the exporting of tobacco and tobacco products. Yet, at a time when we have an imbalance in our balance of payments, we see that this industry produces a cash flow to the United States in loose leaf alone of $879 million a year. In the finished products alone, more than $225 million a year is exported.

The export cash balance on this crop alone as far as the United States is concerned, is in excess of $1 billion a year. Now, by a simple amendment, the Senator would say that this should be eliminated, that no aid should be rendered to produce this kind of income, this quid pro quo of dollar bills for products that is the result of the American and the international economic system.

My only point, Mr. President, is that if we wish to make an attack on this legitimate industry, we should seek to eliminate it, not seek to pick it to death.

For instance, I was interested to hear the conversation about sugar. The State from which Senator Moss comes is one of the large t producers of sugar beets; yet I doubt seriously that he would support the amendment of the Senator from Connecticut.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOK. May I have 1 more minute, please?

Mr. McGEE. I yield 1 more minute to the Senator from Kentucky.

Mr. COOK. I thank the gentleman.

May I also say to the Senator from Connecticut that there is produced in the Connecticut Valley 16,280,000 tons of tobacco a year that is placed in the international market and in the national market. To my State, tobacco is worth $340 million a year on crop income alone. Its total sales are probably in excess of $700 million a year.

I say that we should be very, very careful when we have an amendment like this on the floor of the U.S. Senate to the agriculture bill that, in effect, without a hearing, without a national evaluation, affects over 20 States and, in effect, would take a tremendous percentage of agricultural income and absolutely destroy it.

May I say, Mr. President, that since I have been here, we have had this amendment every year. This is the first time, now, in the 2 years, that we shall have a rollcall vote; there has not been one up to now. I hope that we shall give it the kind of treatment that we should give amendments of this kind, that seek to destroy a legitimate industry by going through the back door.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOK. I yield the floor, Mr. President.

Mr. HUMPHREY. Mr. President, I am concerned about the failure of the Farmers Home Administration to properly effectuate section 514 of title V of the Housing and Community Development Act.

The omnibus housing and community development legislation enacted on August 22 made progressive changes in the rural housing programs of the Farmers Home Administration. These changes provide rural areas equity with HUD's urban programs. Amendments were made to title V of Housing Act of 1949.

Three months have passed and FmHA has issued regulations on only a portion of the title V amendments. Regulations thus far issued relate to the section 515 rural rental program only.

Serious omission in new regulations is the implementation of rental assistance program, section 514, of title V of Housing and Community Development Act of 1974, Public Law 93-383. This program is similar to the rent supplement program available in urban areas since 1965.

Rental assistance was created to enable the Farmers Home Administration to make payments to owners of rural rental or farm labor housing units in order to keep tenant rent at no more than 25 percent of family income. Provision designed specifically for persons of low income, particularly the elderly and farmworkers whose meager incomes already are spread thinly among the necessities of life.

Rental assistance could be applied to only 20 percent of the units in a rental project, although for elderly and farm labor housing, assistance can be increased to 100 percent of the units.

In this time of rapid inflation, rental assistance is the only way in which FHA will be able to serve low-income rural people. The alternatives for most of these people are few—mostly expensive, but substandard housing.

On Thursday, November 21, before the Senate Subcommittee on Housing's rural housing hearings, James Bostic USDA's Deputy Assistant Secretary, stated that FHA would not implement the rental assistance program, even though it is, I believe, the most critical addition for low-income people to the rural housing program.

Mr. Bostic incorrectly stated that FHA required an appropriation before the program could begin—something which the agency failed to ask for.

For the record, an appropriation is not required. Rental assistance is financed through reimbursements to the Rural Housing Insurance Fund.

It appears to me that the agency is continuing an attitude well-honed in the previous administration of defying the laws of Congress. Not only do I personally abhor that attitude, but I find it unconscionable when the health and well-being of elderly people and families are at stake.

I urge that the Farmers Home Administration expeditiously issue regulations to implement the rental assistance program that the Senate overwhelmingly supported when it passed its bill last March.

I ask unanimous consent that two communications be printed at this point in my remarks—my letter to the chairman of the Subcommittee Senator McGEE, and my letter to the Secretary of Housing and Urban Development Mr. James T. Lynn.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OCTOBER 9, 1974.

Hon. GALE W. MCGEE,
Chairman, Subcommittee on Agriculture, Environmental and Consumer Protection, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: With enactment of the Housing and Community Development Act of 1974, rural areas have finally gained parity with urban areas in a number of housing assistance programs. One new program for the Farmers Home Administration is "Rental Assistance" (Section 514 of Title V of the 1974 Housing Act), which is comparable to the rent supplement program authorized for the Department of Housing and Urban Development in 1965, but infrequently used in rural areas. The importance of this program in our inflationary economy cannot be overstressed. It will enable FmHA to make assistance payments to owners of rural rental (Section 515 program) or farm labor housing projects (Sections 514 and 516), so that low-income families will not have to pay more than 25 percent of their small incomes for housing.

This rental assistance program is financed through reimbursements to the Rural Housing Insurance Fund and, therefore, will not require an appropriation at this time. However, I am concerned that without specific language in either the Agricultural or the Supplementary appropriations bills, implementation of this program will be delayed. Farmers Home Administration was given new and wide-ranging authority in the 1974 Housing Act, yet it failed to request funds for any of the new programs. There is no indication that the Agency will move aggressively on this program either. I heartily agree with President Ford's message of October 8, in which he urges early implementation of the 1974 Housing and Community Development Act—particularly the provisions that will help those people who are hurt the most by our current economic situation.

The cost of the rent supplement program for rural areas is surprisingly small in comparison to its benefits. Furthermore, the program is legislatively limited to 20 percent of the units financed under the rural rental program, except in the case of elderly or farm labor housing projects. This past year FmHA financed approximately 12,000 rural rental units. Even if that workload is increased to 20,000 units in FY 75, and another 1,000 units of farm labor housing are built, I estimate that the cost of the rental assistance program would amount to only $4,375,000. My calculations are attached. You might note that the per unit assistance is estimated at $500; this is far less than the $1200 per unit average for the urban rent supplement program. The disparity is caused by a lower rental cost to the consumer under the rural housing programs.

Rural areas are generally the last to benefit from federal housing programs, yet they suffer the worst housing and the greatest poverty in this nation. With inflation causing almost daily rises in the price of housing, we cannot afford to wait until next year's appropriation to assist our rural families in obtaining decent housing. I strongly believe that the rental assistance program will be a valuable tool for our rural residents, and that FmHA should make it available immediately.

I am attaching some committee report draft language for your consideration. Since the Senate has not acted on either the Agricultural or the Supplementary appropriations bills, I think that either piece of legislation might be appropriate. If this is not possible, I intend to encourage implementation of the rural rental assistance program through a floor colloquy.

Thank you for your consideration.

Sincerely,

HUBERT H. HUMPHREY.

NOVEMBER 4, 1974.

Hon. JAMES T. LYNN,
Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR MR. SECRETARY: We urge that in the development of regulations by your Department for the implementation of the Housing and Community Development Act of 1974 (PL 93-383), careful consideration be given to the effective coordination and application of provisions relating to rural housing and development.

As you know, rural America contains half of the Nation's poor and two-thirds of its substandard housing. Moreover, it should be clearly recognized by now that there is a direct connection between rural conditions and the exacerbation of urban problems. The central requirement of the present decade is the creation of comprehensive and coordinated Federal, State and local government policies to promote balanced *national* growth and development.

PL 93-383 reflects an awareness of these facts in concrete terms. Thus, while Title I explicitly calls for the development of a national urban growth policy, focussing on housing, environmental, and economic opportunity requirements principally for persons of low and moderate income, it is significant that 20 percent of community development assistance authorized under this Title is designated for allocation to units of general local government outside of metropolitan areas, and to states for use outside of metropolitan areas. More over, in addition to major new and revised housing assistance programs authorized under this Act, important improvements are made in the programs of rural housing assistance through amendments, under Title V, to the Housing Act of 1949.

In light of these considerations, we are concerned that effective coordination be achieved without delay between your office and that of the Secretary of Agriculture for the early implementation of various programs under this Act which can benefit rural residents. As you know, Section 603(b) of the Rural Development Act of 1972 empowers the Secretary of Agriculture to coordinate the rural development work of all departments and agencies of the Federal Government and to focus them upon rural development, both in terms of their substantive programs and in terms of their personnel and their offices.

Moreover, under Title V of the Housing and Community Development Act, a new program of "Rental Assistance" is established, for which the Farmers Home Administration would have administrative responsibility. We urge that you take such steps as may be necessary and appropriate to assist in avoiding any delay in the implementation of this program, which would enable FmHA to make assistance payments to owners of rural rental or farm labor housing projects, so that low-income families will not have to pay more than 25 percent of their small incomes for housing. This is the first time that FmHA has been authorized to provide assistance to the lowest income families, and it should be expedited, provided adequate funds, and targetted on those who are in serious need of this help.

We also want to bring to your attention our views on certain specific matters with respect to the development of regulations on PL 93-383.

First, equitable and effective housing assistance outside metropolitan areas, as authorized under this Act, may be hindered by difficulties confronted by local governments in the preparation of technical documents in the application process. It is important that legislative provisions for advance payments and technical assistance be made known to local governments in rural areas. The Department should also inform these governments without delay and in clear terms of revisions authorized with respect to applications for development assistance, to permit communities to follow simplified procedures and to enable local governments to determine readily whether they qualify for assistance.

Second, procedures should be clearly indicated in regulations to assure that the review and decision process on development assistance takes into full account the views of local governments and residents, which should be weighted effectively with the recommendations of State governments in final determinations by the Department on assistance allocations.

Third, policies of the Department should take account of the important role of private, non-profit corporations and of local housing authorities in the development of housing programs outside of metropolitan areas. For example, often in rural communities, without the efforts of church-related organizations as housing program sponsors, the job will not get done. We believe it is important, therefore, that the capabilities of such sponsors and local housing authorities be determined on a case-by-case basis, particularly with respect to project applications for rural areas.

Finally, Section 518 of PL 93-383 authorizes a new program of assistance for mobile homes and sites, under the Housing Act of 1949. However, while Title VI provides for the establishment of Federal construction and safety standards for mobile homes and authorizes a program of mobile home safety research and development, this important requirement in addressing problems associated with the utilization of mobile homes toward resolving housing shortages must be supplemented by carefully developed and scrupulously monitored regulations for administering the mobile homes program under Section 518. Standards must be clearly set forth on site requirements, density limits, and essential facilities and services to be provided in mobile home parks, for example, and persons purchasing or renting mobile homes under this program sould have a reasonable expectation of protection from fraud and misrepresentation, and that site maintenance and services will be stipulated and continued by mobile home park developer-owners receiving Federal assistance under this Act.

We ask that you give immediate and serious consideration to these recommendations toward assuring that rural as well as urban areas are enabled to meet urgent needs and undertake planned development for future growth.

Sincerely,

HUBERT H. HUMPHREY,
U.S. Senate.
DICK CLARK,
U.S. Senate.

Mr. McGEE. In response to the distinguished Senator from Minnesota's remarks let me reiterate my assurances to the Senator from Maine (Mr. HATHAWAY.) The subcommittee will request a report from the Department of Agriculture on the status of this program, with the report to be submitted by the end of this calendar year. With this information in hand, the committee will be in a position to consider the program.

Mr. ROBERT C. BYRD. Mr. President, first, I wish to thank the chairman of the subcommittee, Mr. McGEE, for accepting my proposal which directs ASCS to make available to West Virginia farmers, from available reserves, up to $250,000 to eradicate the multiflora rose. I introduced this proposal in committee on behalf of myself and Senator Randolph, when I was advised by ASCS officials that this amount was needed.

The chairman will recall that, earlier this year, I participated in a debate with him and my colleague, Senator Randolph, regarding the need for funding to control this noxious brush, and the chairman indicated, at that time, that he would be holding hearings on the possibility of funding ACP on a "no year" funding basis. This "no year" funding would allow ASCS to redistribute any unused balances to States to handle emergency or special programs, such as the multiflora rose in West Virginia. I am sorry that the committee has not held those hearings, but I do understand that, with having to reenact the vetoed agricultural appropriations bill, which we are considering today, the committee has not been able to schedule all hearings desirable. I would, however, urge that this matter be taken up early next year when the committee considers the fiscal year 1976 agricultural appropriations bill.

Mr. McGEE. I certainly want to assure the Senator that the committee will go into this subject very thoroughly when ASCS officials appear before the committee next spring. In addition, I am sure that the Senator, who is a member of the subcommittee, will be there to remind us of this commitment at that time.

Mr. ROBERT C. BYRD. I thank the Senator. At this time I would also like to inquire of the chairman whether he would support additional funds beyond this $250,000 to farmers in West Virginia for the eradication of the multiflora rose if such a need arises.

Mr. McGEE. The committee included the language which you requested and agreed on the amount of $250,000, because that was the amount estimated to be needed. If, however, any further need arises, I can assure the Senator that the committee will take quick action to see that all necessary funds are made available and, of course, we could include language or additional funds in the supplemental in January or February of 1975 if such a need arises.

I share the Senator's feeling that, since USDA was instrumental in introducing the multiflora rose to West Virginia, it should also be equally instrumental in eradicating this noxious brush.

Mr. ROBERT C. BYRD. I thank the able Senator.

Mr. MUSKIE. Mr. President, President Nixon's veto of the Agriculture-Environmental and Consumer Protection appropriations bill for fiscal year 1975 has caused Congress to consider a second appropriations bill for these programs. The President's arguments for vetoing the bill were not convincing. The able chairman of the Appropriations Subcommittee, Senator McGee, has discussed the inappropriateness of the President's veto, and I shall not repeat that argument.

The chairman of the subcommittee and the ranking Republican, Senator Fong, have displayed considerable diligence in fulfilling their duties this year. As in the past, they have been sensitive to the needs of environmental protection programs. They have provided funds to reduce the abuses heaped on the environment.

The bill vetoed by the President contained many increases in EPA programs. Those increases remain in the bill before the Senate, subject to the general reduction applied to all programs by the Appropriations Committee. This reduction has been recommended to the Senate because we are now well into the fiscal year, and increases ought to be reduced proportionately.

There has been a significant attempt in recent years to undermine and rewrite environmental protection programs through legislation in appropriations bills. This has not been a product of the Senate Appropriations Committee. Rather, it has been done by a House Appropriations Subcommittee, and has led to considerable difficulty and conflict.

There were three provisions in the House-passed legislation that continue the attempt to use the appropriations bill to amend and redirect the Clean Air Act and other environmental laws.

First was an amendment to the Clean Air Act which was stricken from the bill before us. Second was language in the House report which attempted to discredit all environmental laws. The third was an assertion that all language contained in previous reports is still valid.

I commend the subcommittee chairman, Senator McGee, for taking the action necessary to remove the most objectionable of these provisions from the bill, which is the language amending the Clean Air Act.

Section 511 of the House bill contains this provision:

> No part of any funds appropriated under this Act may be used by the Environmental Protection Agency to administer any program to tax, limit, or otherwise regulate parking facilities.

This language was entirely inappropriate.

Section 511 of the bill as passed by the House raised three important questions. And, because this provision will be subject to conference discussion, I would like to raise those questions:

First. We must ask if it is proper to use an appropriations procedure to accomplish substantive change in legislative policy. This amendment could not be reached in the House on a point of order because it is purportedly a procedural limitation on the use of funds. It is more than that. This amendment would void current regulations of the Environmental Protection Agency authorized by the Clean Air Act and which have been upheld by the courts.

The language of the House bill is legislative in nature, yet it has had no legislative hearings. It was adopted by the House subcommittee with no public discussion. This is not proper legislative process.

Again, I commend the Appropriations Committee, and particularly the subcommittee chairman, Senator McGee, for agreeing to strike this provision from the Senate bill.

Second. We must ask ourselves whether the Congress wants to restrict pollution control authority through this process without any review of the ramifications of that restriction on the health of citizens in areas where such controls are required.

Third. We must ask ourselves whether or not we want to impose on the Environmental Protection Agency the burden of finding other means to meet statutory deadlines for achieving public health-related air quality standards. Last year the Senate bowed to House demands in the energy emergency legislation to prohibit the Environmental Protection Agency from using parking surtaxes as an element of pollution control without a specific congressional authorization. The provision in the House bill would bar the Environmental Protection Agency from using any parking regulations whatsoever as an element of pollution control.

Dates for the attainment of the deadlines of the Clean Air Act remain intact. Therefore, communities with air pollution problems will simply have to adopt other measures to reach clean air goals. Parking management is a very useful tool for many communities. Removal of the power to use this approach simply forces communities to use more stringent techniques to accomplish the goals of the Clean Air Act. This might include annual inspection of auto emission control devices, extensive mandatory retrofit of catalysts on older cars, and gas rationing. None of these are popular or economically attractive programs.

I think that rationing of gasoline without careful congressional consideration as to its implications and the alternatives is a step which should not be taken, but the Environmental Protection Agency may have no other choice. The courts have ordered that Agency to develop transportation control strategies which will achieve health-related air quality standards by the deadlines established in the act. Even if Congress should act in the next session to change those deadlines or provide the agency with additional tools, we cannot anticipate how quickly that legislation might move. Certainly it would not develop quickly enough to avoid adverse public reaction to proposals which would be required by court order.

A number of communities across the country with substantial pollution problems want to emphasize mass transit. Transportation control plans used in a number of cities, such as Boston, require employers to reduce parking spaces available to employees in order to encourage carpooling and mass transit. As such a shift occurs, the mass transit systems will improve, congestion will decline, shopping and commercial use of the downtown area will become more pleasant and attract more customers without causing pollution.

Carpools and mass transit clearly have a beneficial effect on the fuel supply problem facing the country. John Sawhill, Acting Federal Energy Administrator, recognized the usefulness of such transportation control plans in conserving scarce fuel. Recently in Philadelphia, he commented that increased use of carpools and mass transit were important in reducing the fuel shortages facing the Nation.

Parking management regulations may be useful in tackling longrun problems that occur when facilities are located improperly in urban areas. They may not be. But the legislative committees—not the appropriations committees—ought to make that decision.

In any event, communities should be encouraged to take a long look at the proper location of facilities to minimize the environmental impact of growth. This is not an "antigrowth" approach, for it will actually allow more growth by having it occur in the least damaging way.

The Subcommittee on Enivronmental Pollution of the Senate Public Works Committee held weeks of Clean Air Act oversight hearings this year. We carefully examined parking management and indirect source regulations of the Environmental Protection Agency. In addition, in June of this year, Congress enacted the Energy Supply and Environmental Coordination Act, which specifically prohibited Federal imposition of parking taxes and delayed the implementation of parking management regulations for 6 months.

These actions were to insure that EPA would consult carefully with localities and develop reasonable regulations that could be implemented in the most reasonable fashion possible.

The Environmental Protection Agency's legal authority to impose parking management regulations has been questioned by some. It was the intent of Congress in the Clean Air Act of 1970 to authorize EPA to use transportation and land use controls where necessary to meet the goals established in the act. Page 12 of the 1970 Senate report says that:

> In addition to direct emission controls, other potential parts of an implementation plan include land use and air and surface transportation controls. These should insure that . . . sources will be located and operated so as not to interfere with the implementation, maintenance and enforcement of any applicable air quality standard or goal.

The legal issue has not been tested completely in the courts, but the first broad test has occurred, and a sweeping decision sustaining this authority was upheld by the U.S. Court of Appeals for the First Circuit Court on Sept. 27, 1974. This case dealt with the Metropolitan Boston Air Quality Transportation Control Plan. On all constitutional and statutory challenges, EPA's authority under the act was supported by the court.

This item will obviously be controversial in conference, and I would urge the Senate to stand by its action in removing this provision.

The second major problem created by the action of the House Appropriations Committee stems from objectionable language in the House report. It reads as follows:

> The Committee considered recommending the following language in the bill relating to funds for the Environmental Protection Agency:
>
> None of these funds are appropriated for the purpose of administering any program that reduces the supply or increases the cost of electricity or food to the consumer.
>
> However, the Committee agreed it would be best to include the language in the report at this time, and to rely on the Environmental Protection Agency to so modify its regulations and requirements as necessary to accomplish this directive.
>
> While protecting the air we breathe and the purity of our waters is absolutely essential, and has long been a major concern of this Committee, it does not seem that this must be accomplished by raising the cost of food and electricity beyond the financial ability of many Americans.

The report of the Senate Appropriations Committee rejects this language and the committee is to be commended for their forthright position.

It appears to rest on the erroneous assumption that a significant part of increased food and electricity costs and general inflation stems from pollution control requirements. This charge has been made frequently during the debate over our economic ills. Investigaton of this charge has shown that pollution control expenditures have a minimal effect on economic output and inflation.

A report prepared by Russell W. Peterson, Chairman of the Council on Environmental Quality, and presented at a pre-economic summit meeting states the following:

> The economic impact of these expenditures [on environmental programs] is not nearly as significant as some would have us believe. Pollution control expenditures certainly are not responsible for our current problems of inflation. The Council on Environmental Quality's most recent analysis of the impact of environmental programs on the economy indicate that these programs account for at most roughly ½ of one percent of our current inflation. Nor are they any more responsible for high interest rates. Put in perspective, expenditures made during 1973 to satisfy requirements of federal water and air pollution control legislation amounted to approximately one percent of our GNP. Looking at it another way, they amounted to from two to three percent of all investments and five to six percent of total expenditures on plant and equipment. These numbers certainly are not large enough to have the economic impact that some are attributing to them.
>
> Furthermore, a recent study showed that the projected investment and operating costs for pollution control devices over the next ten years would have an insignificant impact on the growth in GNP—4.3 percent per year without the pollution control program and 4.2 percent with it. And, of course, the increased value to the people of cleaner air and water is not included in the GNP.

An extensive article by the National Journal, August 24, 1974, concluded that environmental costs had a small impact on the economy.

The Environmental Protection Agency has conducted the most comprehensive studies existing in this area and is currently engaged in a new series of investigating into eight specific projects to provide additional data.

An independent analysis by the Chase Econometrics Associates, Inc. took EPA's cost data and coupled them with forecasts about the economy. They estimated that by 1977, 3.2 percent of the gross national product would be devoted to pollution control. This analysis estimated that 1977 would be the peak year, with the figure dropping to 2.2 percent by 1980.

Chase Econometrics also estimated that very little impact would be felt in output and employment, since there would be offsetting employment and production gains in the manufacture of pollution control equipment.

Mr. President, the real cause of increased electricity and food costs lie in factors such as oil price rises, material shortages, drought, and government management.

When all factors are examined, it becomes clear that environmental regulations cannot legitimately become the scapegoat for our economic problems. Repealing all our environmental protection laws would have very little impact on inflation or food production. In fact, in the long run, these environmental protection efforts are likely to secure our food supply in a more balanced ecological system.

Recently, the Administrator of Environmental Protection Agency, Russell E. Train, summarized this issue this way:

> . . . we really do not have the option of not paying environmental costs at all. The question is really who shall bear the burden of these costs. If electric power is generated with inadequate controls over sulfur and particulate emissions, then the cost is borne by the general public through statistically demonstrable increases in mortality and morbidity.

Congress certainly expects some costs associated with cleaning up the environment. Repairing past damage will require sacrifice, commitment, and resources. We would fool ourselves if we pretended that a clean environment will be free. But we can say with assurance that the costs will not be unreasonable, and that the magnitude of the costs will depend on the ingenuity of private industry in developing effective low cost technology.

The House language appears to be targeted on undermining environmental protection efforts some industries regard as bothersome. The intent could hardly be to save the Nation from inflation, since the cause of inflation lies elsewhere.

Mr. President, there is another problem in the report of the House Appropriation Committee. In the past that committee has attempted to force the regulatory programs of the Environmental Protection Agency into the framework of the National Environmental Policy Act, even though such programs are exempt from NEPA. The House Appropriations Committee has attempted to nullify this exemption. The present report references all previous report language and directs the Agency to comply with its orders, even though that language was contradicted in subsequent legislative history, and in some cases was specifically voided by legislative action.

As a result of this pressure, the Environmental Protection Agency has voluntarily submitted some of its regulations to the Environmental Impact Statement process. The main effect of this will be to delay regulations.

Regulatory responsibilities of the Environmental Protection Agency under both the Clean Air Act and the Federal Water Pollution Control Act are not subject to the provisions of the National Environmental Policy Act. Statutory provisions in both these laws clearly stipulate their relationship with NEPA.

Section 511(c)(1) of the Federal Water Pollution Control Act reads as follows:

> Except for the provision of Federal financial assistance for the purpose of assisting the construction of publicly owned treatment works as authorized by section 201 of this Act, and the issuance of a permit under section 402 of this Act for the discharge of any pollutant by a new source as defined in section 306 of this Act, no action of the Administrator taken pursuant to this Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852);

Section 7(c)(1) in the Energy Supply and Environmental Coordination Act of 1974 reads as follows:

> No action taken under the Clean Air Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856).

Thus, not only is the Administrator not required to comply with the National Environmental Policy Act except as specifically provided in the above quoted section of the Water Pollution Control Act but also any action of the Administrator to conform to the spirit of NEPA shall be for information purposes only and cannot be construed as impacting, delaying or modifying his regulatory responsibility in any way.

The House report language has no legal standing in this issue, and the Agency is required to ignore it.

In summary, when we examine the entire congressional effort to further environmental protection, the actions of the House Appropriations Committee are clearly inappropriate. The Subcommittee on Environmental Pollution of the Senate Public Works Committee has held extensive hearings on air and water legislation this year and will do so again next year. This is a responsibility borne by the legislative committees of the House and Senate, and I know that the House counterparts will engage in similar reviews.

The Senate must reject the House action as inappropriate. I commend the Senate Appropriations Committee for its action and urge the Senate to maintain the support it has given to environmental programs.

Mr. President, I ask unanimous consent to have printed in the Record certain correspondence in connection with this matter.

There being no objection, the material was ordered to be printed in the Record, as follows:

September 27, 1974.

Hon. Gale W. McGee,
U.S. Senate,
Washington, D.C.

Dear Gale: I am deeply disturbed by a provision in the House version of the Agriculture-Environmental and Consumer Protection appropriation bill which bars use of EPA funds "to administer any program to tax, limit or otherwise regulate parking facilities."

This provision, which may not be subject to a point or order in the House, is designed to narrow the regulatory authority of the Environmental Protection Agency and thus has the effect of amending substantive law. Such policy must be made in the context of the Clean Air Act and *not* in appropriation bills.

The House Report, by way of justification, notes that this same provision was included in P.L. 93-245, a 1974 supplemental appropriation bill. You will recall that we discussed that earlier provision and agreed that, because there were no EPA regulatory appropriations included in that Suplemental, the provision was moot. In this case the provision is anything but moot. This appropriation bill carries *all* of EPA's funds for FY 1975.

If adopted, a major element of EPA's clean air regulatory effort would be voided without any evaluation of the impact of such actions on Clean Air Act deadlines, the public health, or the overall regulatory effort.

Should this provision survive in the House, I urge that it be deleted in the Senate Committee and that it not be included in the conference agreement.

Sincerely,

Edmund S. Muskie,
U.S. Senate, Chairman, Subcommittee on Environmental Pollution.

U.S. Senate,
Washington, D.C., October 11, 1974.

Hon. Edmund S. Muskie,
Chairman, Subcommittee on Environmental Pollution, Committee on Public Works, U.S. Senate, Washington, D.C.

Dear Ed: Thank you for your recent letter in which you commented on the action of the House Appropriations Committee in restricting the use of appropriated EPA funds for its parking facilities program.

As you know, H.R. 16901 passed the House on October 9 and included the provision to which you objected. The time element did not allow us to consider this in committee prior to the recess. I anticipate that we will get to this shortly after we reconvene in November. I know of your deep interest and concern in this matter, and you may rest assured that you and your staff will continue to be kept advised.

Sincerely,

Gale McGee,
Chairman, Subcommittee on Agriculture, Environmental and Consumer Protection.

U.S. Senate,
Washington, D.C., November 19, 1974.

Hon. Gale McGee,
U.S. Senate,
Washington, D.C.

Dear Gale: As Members of the Committee on Public Works, we are concerned with a provision of the pending Environmental Protection Agency Appropriation bill (H.R. 16901) which would have the effect of amending the Clean Air Act through a restriction on the use of EPA funds.

Section 510 of that bill would prohibit EPA from using any funds ". . . to administer any program to tax, limit, or otherwise regulate parking facilities."

While technically this is a limitation on the use of funds, it is in fact an amendment to Sec. 110 of the Clean Air Act which requires EPA to take such measures "as may be necessary to insure attainment and maintenance of primary (health) . . . standards, including but not limited to, *land use and transportation controls.*"

EPA has, pursuant to court order, promulgated such controls and is in the process of holding additional hearings on their viability (in accordance with the Energy Supply and Environmental Coordination Act enacted in June of this year).

The Subcommittee on Environmental Pollution of the Committee on Public Works has held hearings on these transportation and land use control proposals in Los Angeles and additional hearings will be held early next year. The Administration has proposed legislation designed to reduce the impact of these requirements. And the House Committee is committed to a full evaluation of the implications of the policies proposed to implement the Clean Air Act prior to the required extension of funding authority.

We feel that it is both inappropriate and unwise to attempt to vacate a legislative mandate through a limitation on use of funds. Congress has directed EPA to develop programs to achieve and maintain health-related air quality standards. This limitation may require EPA to adopt draconian measures such as gas rationing to achieve health standards because other tools have been eliminated even though both the law and the courts insist that deadlines be met.

As indicated above, we are committed to a thorough review and any appropriate modifications of the Clean Air Act. We would appreciate your support to see that such modifications occur in an orderly manner by deleting this provision of H.R. 16901.

Sincerely,

Edmund S. Muskie,
Howard H. Baker, Jr.,
Jennings Randolph,
Chairman.

U.S. Environmental
Protection Agency,
Washington, D.C., Oct. 3, 1974.

Hon. Gale W. McGee,
Chairman, Subcommittee on Agriculture, Environmental and Consumer Protection, Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: As you requested, I am pleased to offer my comments on H.R. 16901, the Agriculture-Environmental and Consumer Protection Appropriation Bill of 1975, which is now before your Committee. Two points are of serious concern to me: section 511 of the bill itself and secondly, certain language in the House Report concerning EPA.

If enacted, section 511 would, in my judgment significantly affect the ability of the Environmental Protection Agency to carry out its mandate under the Clean Air Act. Section 511 states:

> No part of any funds appropriated under this Act may be used by the Environmental Protection Agency to administer any program to tax, limit, or otherwise regulate parking facilities.

Enactment of section 511 would substantially impair the ability of some 24 metropolitan areas to achieve the Clean Air Act health-protection standards for carbon monoxide and photochemical oxidants. In addition, the ability of all State air pollution control programs to maintain compliance with the health standards, once they are met, would be greatly impaired.

The language of section 511 would affect the following programs: nationwide "indirect source" parking reviews, parking management programs in twenty cities with severe automobile pollution problems, on-street parking restrictions in various transportation control areas, employer transit use incentive plans being implemented in fifteen metropolitan areas, and air quality maintenance plans which are being formulated and adopted by the States to ensure maintenance of the national ambient air quality standards across the country. Each of these programs is complementary to measures that EPA is taking, together with State and local governments, to expand mass transit service and carpool programs.

Under the Clean Air Act, which requires the establishment of such transportation measures as are needed to help meet and maintain the air quality standards, the Agency would be required to replace any parking-related measures eliminated by section 511 with new measures sufficient to meet the standards. However, the Agency has already included almost all available reasonable measures in severely polluted areas. Consequently, any replacement measures would likely be more controversial and less acceptable.

If enacted, section 511 would have a serious and adverse impact on air pollution control programs throughout the country. Such a measure in my judgment should be enacted only after the most careful deliberation and review by the appropriate Committees of Congress. No hearings were ever held on this section.

Section 511 is not simply a repitition of previously enacted language as the House report suggests, but rather goes far beyond the prohibition on parking charges contained in the recently enacted Energy Supply and Environmental Coordination Act of 1974. EPA has fully complied with that prohibition and, in fact, took action even prior to the final Congressional action.

As you know, the Administration has recommended to the Congress an amendment to the CAA which would give EPA needed flexibility in the administration of the transportation control plans. I feel confident that the appropriate Committees will be holding hearings on this proposal early next year.

It should be noted that section 511 would eliminate measures with significant energy conservation as well as health benefits. The parking regulations approved or promulgated by EPA should significantly reduce energy consumption by encouraging mass transit usage and carpooling. The importance of such parking measures has been recognized, for example, by John Sawhill, Administrator of the Federal Energy Administration, in his recent remarks before the Ninth Project Independence Hearing and elsewhere.

Because EPA's parking management measures have a number of important ramifications and have gained considerable momentum and support at the State and local levels, I have enclosed an attachment which describes the specific adverse effects that would follow from enactment of section 511. In view of these considerations, I urge you and your committee to eliminate section 511 from the bill.

I am also concerned by a section of House Report No. 93–1379. The paragraph, which does not refer to any specific section of H.R. 16901, is found on page 5 and reads in part as follows:

> The Committee considered recommending the following language in the bill relating to funds for the Environmental Protection Agency:
>
> None of these funds are appropriated for the purpose of administering any program that reduces the supply or increases the cost of electricity or food to the consumer.
>
> However, the Committee agreed it would be best to include the language in the report at this time, and to rely on the Environmental Protection Agency to so modify its regulations and requirements as necessary to accomplish this directive . . .

A literal interpretation of this language could call into question most of EPA's statutory authorities since a great number of our authorities are in some way related to the energy and food industries and have some impact direct or indirect upon supply and price.

For example, EPA regulations which impact upon the production of electricity include among others health related sulfur oxide particulate air standards; thermal and chemical effluent standards; and environmental regulations of off-shore oil production; the transportation of energy resources; and proposed authority over surface mining. EPA regulations which impact upon the production and distribution of food include among others pesticide regulations; water effluent guidelines on food-related industries; and environmental regulations affecting the production and transportation of natural gas and fertilizers.

I should point out to the Committee that EPA in the process of development of our regulations does take into account both the projected economic and energy impacts, consistent, of course, with our statutory responsibility. In addition to our energy and economic assessments which occur as each regulation is being developed, we have undertaken two special, comprehensive efforts to review the economic and energy impacts of our programs. Both of these efforts are designed to calculate these impacts to insure that we are fully aware of all economic and energy impacts, particularly in light of the Nation's rapidly changing energy and economic situation.

I cannot believe that the language from the House report cited above was intended to diminish or negate the Agency's obligations under other statutes enacted by Congress or to cause a wholesale revision of our regulations and standards. I hope your Committee will carefully scrutinize this language and consider the effect, if any, it has or should have on EPA programs.

I greatly appreciate your consideration of these matters and I would be glad to discuss this situation with you at your convenience.

Sincerely yours,

RUSSELL E. TRAIN.

EFFECTS OF ENACTING SECTION 511 OF H.R. 16901

ROLE OF PARKING CONTROLS IN CLEAN AIR PROGRAMS

In many areas, the combined impact of new automobile emission controls and stationary source controls will not be adequate to attain the health protection standards for the two primary automobile-related pollutants, carbon monoxide and photochemical oxidants. Consequently, it is necessary to provide certain measures which provide for the reduction and control of automobile use to minimize pollution impacts. Such measures take different forms to solve different problems. High localized carbon monoxide levels are caused by concentrated automobile use in and around large parking facilities. To prevent the creation of additional localized carbon monoxide problems, the "indirect source" parking facility review regulations provide for the careful designing of new parking facilities so as to avoid creation of high polluting congestion situations.

"Transportation control plans" in some 30 metropolitan areas require reductions in the amount of areawide vehicle miles traveled in order to help meet the air quality standard for both photochemical oxidants and carbon monoxide. The placement and the availability of parking facilities are important factors in determining whether or not transit or carpooling are used as transport modes and influence the vehicle miles traveled in the area. The parking management, employer transit incentive, and on-street parking programs contained in 24 of the transportation control plans are a vital element of the vehicle miles traveled reduction program. The placement of future parking facilities and their relationship to available transit facilities also influence the ability to maintain carbon monoxide and photochemical oxidant air quality standards once they are achieved. The planning and the review of new parking facilities are, accordingly, important parts of the new air quality maintenance plans.

SPECIFIC IMPACTS OF SECTION 511

The impact of section 511 would be widespread. The following is a brief discussion of the effect of the legislation on current programs.

Indirect Source Parking Facility Review: Indirect source parking programs are implemented to ensure that construction of a new parking facility does not cause a localized carbon monoxide problem. Currently, EPA has promulgated national indirect source regulations for review of new facilities and some 26 states have adopted or are drafting indirect source programs to replace the Federal program, as EPA has encouraged them to do. Section 511 would eliminate the Federal indirect source parking review program and would seriously jeopardize existing and potential state programs. Under section 511, EPA could not implement the promulgated program and its ability to approve state programs may be voided. Obviously, if the Federal program is voided, the impetus for states to adopt programs will be seriously diminished. Furthermore, since EPA funds are used by many states to implement approved programs, existing state programs (such as that in Florida) might also be diluted or eliminated.

Parking Management Regulations: Parking management regulations have been approved or promulgated for some 20 metropolitan areas as one of a variety of measures set forth in the transportation control plans to help reduce vehicle miles traveled. I have recently proposed amendments to the parking management regulations to provide additional flexibility and have decided to delay the effective date of the regulations from January 1, 1975 to June 30, 1975 so that the new flexibility will be available to all covered by the regulations. Several local areas such as San Francisco, San Diego, Los Angeles, Portland, and Seattle are developing local plans to replace our regulations. The Agency has recently granted $500,000 to several California cities to aid this process. Section 511, if enacted, would eliminate this program and discourage further local efforts in this area.

There are many examples of cities in both the United States and Europe, which manage parking to encourage or discourage the use of automobiles in various parts of the city. The experiences of these cities in limiting parking have shown that restricting the availability of parking spaces is an effective means for discouraging the unnecessary use of the single passenger automobile in order to encourage use of available mass transit and carpool options. These programs have improved air quality without adverse economic effects.

Miscellaneous Transportation Control Plan Parking Restrictions: Various on-street parking regulations and designated area parking controls which have been carefully formulated through coordinated local, state, and EPA efforts would be voided. Many of these programs are already underway.

Employer Transit Incentive Programs: These programs in 15 areas call upon private and public employers having a certain number of employees or parking spaces to formulate a plan which encourages employees to use mass transit or carpools. This very effective pollution prevention and energy conservation measure has been positively accepted by many companies. In Boston, some 700 employer incentive plans were voluntarily submitted. Minnesota Mining and Manufacturing Company has put into effect an exemplary employee van-pool program which will save 106,000 gallons of gasoline a year and substantially reduce vehicle miles traveled. Similarly, innovative plans have been implemented in response to EPA regulations by such companies as Bell Helicopter Company, John Hancock Insurance Company, and General Electric Company. Since the employer incentive programs are oriented around employer parking facilities, they may also be covered under the section 511 prohibition.

Air Quality Maintenance Plans: The states are currently developing plans which will assure the maintenance of the air quality standards once they have been met. The indirect source review measures discussed above serve as a check for air quality maintenance on a localized scale and are an integral part of every air quality maintenance plan. Furthermore, review of new parking facilities will be necessary to maintain acceptable areawide carbon monoxide and oxidant levels by minimizing increases in vehicle miles traveled. This will be especially important in the mid-1980's after all vehicles are equipped with effective pollution control devices and the continued increases in the number of new vehicles begins to neutralize the impact of these devices. Section 511 would eliminate parking controls from maintenance plans and consequently make it extremely difficult to maintain healthy air.

Enforcement Implications: In view of the section 511 language which refers to the use by EPA of the authorized funds to administer any program related to parking facilities, the Agency might not be able to enforce the parking provisions of state plans which have been previously approved. Such a circumstance reduces the Agency's credibility and effectiveness.

Mr. RANDOLPH. Mr. President, on July 22 I participated in a colloquy with the able chairman of the Agriculture, Environmental, and Consumer Protection Subcommittee and my distinguished colleague from West Virginia (Mr. Robert C. Byrd) concerning funding for the eradication of the troublesome noxious weed in West Virginia and other States known as multiflora rose. At that time Senator Byrd and I planned on offering an amendment to the Agriculture appropriations bill to redistribute any unobligated balances remaining from 1973 REAP funds and the 1974 RECP funds at the Secretary's discretion based on conservation needs, with no State receiving more than 15 percent of its current year's allocation from these unobligated balances.

Additionally an amendment would have provided for "no-year" funding for the agricultural conservation program so that any unobligated balances remaining from the 1975 and subsequent years programs might be released by State committees and redistributed at the discretion of the Secretary based on conservation needs. There are very few programs in the Agriculture Department which do not have no-year funding and ACP is one of these.

It is important that the subcommittee did recognize the multiflora rose by directing the Department of Agriculture to make available from reserves up to $250,000 to West Virginia farmers for eradication of the multiflora rose. However, I am very concerned with this report language which could actually limit the reserve funds available to West Virginia farmers. The ASCS officials in Washington told the ASCS Director in West Virginia 1 month ago that it would assist West Virginia's farmers with between $200,000 and $300,000.

As of the end of last week West Virginia farmers have applied for about 217,000 pounds of the pesticide Tordon 10K. This pesticide costs from $1.60 to $2 a pound. ASCS officials in West Virginia estimate that this number of farmers who have applied is a relatively small percentage of those farmers and landowners who will eventually need the cost-sharing funds to purchase Tordon 10K. The West Virginia ASCS officials have limited their application process due to a possible lack of funding. The State has been trying to substantially complete the applications for farmers so that funding could be used this year to purchase the pesticide although labeling practices will prevent the pesticide application until next spring. In this manner cost-sharing funds which are vitally needed will not be lost.

I stress the impact this growing bush has on grazing and pasture land. This problem is worse than many ever expected.

During the July 22 discussion on this matter of no-year funding for ACP and the multiflora rose, Senator McGee mentioned that the subcommittee would hold hearings in order to fully discuss this issue. The target date for this issue was the supplemental appropriaitons, but hearings have not yet been held. I ask the able chairman if he plans on holding hearings on no-year funding for ACP and the multiflora rose problem in the near future?

Mr. McGEE. Mr. President, I understand Senator Randolph's concern with the report language which limits the reserve funds for the eradication of multiflora rose. This certainly was not the intent of the subcommittee to hinder any funding efforts for West Virginia's farmers. It is my hope that, if the Agricultural Stabilization and Conservation Service can provide additional reserve funds beyond the $250,000 limit in the appropriations bill at the end of the year that it do so. I believe this figure was a realistic one made by the ASCS officials.

Mr. RANDOLPH. This is correct, Mr. Chairman, but the ASCS director of West Virginia made this request to the Washington ASCS about 1 month ago. Now the application for eradication of multiflora rose have doubled in the last 10 days. This is a problem which has continued to worsen for over 20 years and now about 30,000 West Virginia farmers are affected.

Mr. McGEE. I want to assure the Senator that the Agriculture Appropriations Subcommittee will cover this matter when we have hearings on ASCS. I regret that the subcommittee schedule has not permitted hearings on this subject. However, the Senator will be invited to our hearings and we will then be in a position to act on this matter.

Mr. RANDOLPH. I thank the Senator from Wyoming for his efforts on this important matter not only to West Virginia but also to those farmers in many States with emergency situations caused by bad weather and a lack of contractors and costly programs, particularly with increasing fuel costs and fertilizer prices.

In addition to extending availability of appropriations as provided in S. 3943, I strongly believe that no-year funding is needed to insure that funds for conservation cost sharing in ACP remain available for the reasons I just mentioned. I am gratified that Senator McGee shares the urgency of this problem by agreeing to hold hearings in the near future.

Mr. DOMENICI. Mr. President, I am pleased that today we are in the final phase of appropriating funds for environmental programs for this fiscal year. There have been many complex issues dealt with as we have worked to find the most effective use for tax money to be applied to environmental programs.

In general, I am satisfied that the money appropriated here will be well spent and will produce definite environmental benefits. I am, however, concerned about the tremendous difference between the vast sums to be spent on construction of municipal waste water treatment facilities and the small amounts that will be spent on research related to waste water treatment. In fiscal year 1973, 1974, and 1975, EPA will award grants for construction of municipal sewage treatment plants totaling about $9 billion. During this period we will commit less than $10 million a year on research to improve existing treatment techniques.

Several times during this Congress I have had occasion while serving on the Environmental Pollution Subcommittee of the Public Works Committee to observe this discrepancy between the huge amount of money we commit on existing technology and the pitiful amount we commit to improving it. From what I have been able to learn, technology to be employed in treatment plants to be constructed with current appropriations is not the final word. In fact, it is about a generation old, it can be improved upon and my point here is that we ought to get about it.

I want to clean up the waters of this Nation and I want to do it now, but I want also to ensure that we are not so concerned about getting the cleanup facilities installed that we forget about making those facilities more efficient and less costly. In that regard, I intend to examine very carefully existing legislative authority for reserach and development programs related to waste water treatment plants. I intend to introduce and pursue legislation early in the next session to modify existing authority based on the results of my examination.

Mr. HART. Mr. President, at the time of the veto of this bill's predecessor (H.R. 15472), a workable compromise on the Federal Trade Commission's extremely important line-of-business program was agreed to by the conferees. Although it did not contain all of the provisions included in the Senate-passed bill, line-of-business emerged intact as an important new weapon in the antitrust arsenal. I note that the line-of-business program reported by the Appropriations Committee is the same as was agreed to in conference.

As I understand it, the Federal Trade Commission is specifically authorized to obtain line-of-business data from not to exceed 500 firms of its choosing. The line-of-business program is limited to use for statistical purposes by the Federal Trade Commission, and copies of individual reports cannot be supplied by FTC to other agencies or FTC Bureau of Competition personnel. Line-of-business reports can be obtained for law enforcement purposes, however, by the Federal Trade Commission and other governmental agencies under powers conferred by their respective enabling legislation. Mr. President, I ask unanimous consent that the explanatory text in the conference report on H.R. 15472 be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION

Amendment No. 54.—Appropriates $38,043,000 for the Federal Trade Commission instead of $37,743,000 as proposed by the House and $38,543,000 as proposed by the Senate.

The $200,000 and 11 positions for the Bureau of Economics were deleted because as of June 30, 1974, 16 existing positions were vacant. The positions were also deleted because of the failure of the Bureau of Economics to comply with the congressional directives to broaden the recruitment base.

Amendment No. 55.—Provides that line-of-business data may be obtained from not to exceed 500 firms, as provided by the Senate, rather than 250 firms as provided by the House. While the language will permit collection of data from up to 500 firms, the conferees note that this is a new program with many complex and difficult technical questions and under these circumstances an initial mailing of less than 500 may be prudent until more experience is gained.

Amendment No. 56.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment. The conference agreement provides that the information in the line-of-business program shall be used only for statistical purposes, as provided in the House Bill.

A new paragraph is added providing that the Federal Trade Commission shall separately obtain information for law enforcement purposes under existing practices and procedures, or as changed by law subsequent to the passage of this appropriation bill.

The stipulations of this section relating to the FTC's line-of-business survey are not to be interpreted as barring any duly authorized FTC personnel from inspecting the information provided in these line-of-business reports. Similarly, the stipulations of this section should not be read as qualifying the FTC's compulsory process power.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 57.—Deletes language permitting publication in an enforcement proceeding of data on individual firms contained in line-of-business reports.

Amendment No. 58.—Deletes language limiting access to data in line-of-business reports to employees of the Federal Trade Commission duly authorized in the premises. The language as approved will limit access to the data to employees of the Federal Trade Commission, and will exclude all others.

Amendment No. 59.—Deletes language which would have made data in line-of-business reports available to various other agencies of the government. These agencies will have access to similar type data to the extent that such access is authorized by the existing laws under which the various agencies operate.

Mr. HART. Subsequent to conference agreement on line-of-business, at the express request of President Ford, Congress created the Council on Wage and Price Stability. Congress specifically empowered the Council on Wage and Price Stability to obtain "data or information pertaining to the economy or any sector of the economy" from any department or agency of the United States which collects or prepares such data or information. The Council is required to "review and analyze the effect of economic concentration and anticompetitive practices."

Mr. President, I ask unanimous consent that the following letter from Director Albert Rees be inserted in the RECORD at this point. The letter indicates Director Rees' support of the line-of-business program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNCIL ON WAGE AND PRICE STABILITY,
Washington, D.C., November 14, 1974.

Senator PHILIP A. HART,
Senator WILLIAM PROXMIRE,
Senator WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

GENTLEMEN: This is in response to your request for our comments concerning the usefulness to the Council of the data to be collected by the Federal Trade Commission's line-of-business reporting program, and, specifically, for our views on your proposed amendment to broaden our access to individual firm data.

To date we have had good cooperation from firms we have contacted requesting data. For example, the cane sugar refiners have agreed to supply us, through their economic consultant, with aggregate line-of-business data for use in our sugar hearings, to be held November 25. Nevertheless, we are very anxious to be able to use any data the FTC can provide on a line-of-business basis, once it becomes available. Such data will be useful in spotlighting areas where detailed study by our staff is warranted, though the relatively long delay inherent in the process of collection and compilation may reduce the usefulness of the data for this purpose. Such data also will provide useful benchmarks against which the data supplied to us by firms can be compared for analytical purposes.

We are most interested in obtaining industry data, rather than data on individual firms. At times we may wish to ask FTC staff to disaggregate industry data and reaggregate it into a different form. For example, we might ask for a breakdown of the meatpacking industry (SIC–2011) into two categories consisting of the old-line firms (Swift, Cudahy, etc.) and the newer packers (Iowa Beef Processors, etc.), since the latter employ somewhat different technologies. We anticipate requiring direct access to data for an individual firm only in rare cases. In such cases, we would prefer to go directly to the firm in question for more current data.

This does not mean, however, that we are uninterested in having the sort of access to data that your amendment would provide. We understand that the FTC intends to require that any aggregation of data they release include data for at least four firms. This will be done to prevent the disclosure of individual firm data. This "rule of four" may present a major obstacle to us. At times, the information that we request of the FTC staff might require aggregates of data from only two or three firms. Without the proposed amendment, we would be blocked from obtaining such data, even though we would not be seeking and would not require access to data for an individual firm. In these cases, the passage of this amendment would serve our interests.

I must express a few reservations about the amendment. We are aware of the controversy that has surrounded the development of the line-of-business program and are concerned with the disclosure issue as a confirmation of industry fears. Although we would find increased access to the line-of-business data useful in carrying out our mandate, we would not want to have the whole line-of-business program jeopardized by an attempt to broaden access to individual firm data.

The imprecise drafting of the amendment also concerns me. For example, it appears possible that individual firm data, if transmitted to us by the FTC, might be in turn obtained from us under provisions of the Freedom of Information Act. We would hope that the amendment could be redrafted to preclude this possibility.

To summarize, while we would like increased access to data, we can live with aggregated data, even if we do not find it ideally suited to our purposes.

Sincerely,

ALBERT REES,
Director.

Mr. HART. Since the Council on Wage and Price Stability has no subpena power, the Council cannot obtain line-of-business reports directly from reporting firms, other than on a voluntary basis. Under the act creating the Council, the Federal Trade Commission would be obligated to provide the Council with whatever data is requested by Director Rees—including line-of-business data.

I would like to ask whether it is the intent of the Appropriations Committee to cut back on the authority granted the Council on Wage and Price Stability by Public Law 93–387 to obtain data and information from the Federal Trade Commission?

Mr. McGEE. I reply to the inquiry of the Senator that in my opinion there was no such intent on the part of the Appropriations Committee. I think the record bears this out.

As the Senator knows, we are returning to the language that was included in the final version of the original bill earlier this year. That bill was approved by the conference committee and by both Houses of Congress prior to enactment of Public Law 93–387. So it is obvious that we had no intent to alter or restrict any provisions of that law.

Mr. HART. Finally, I note that the FTC appropriation is $450,000 less than the amount reported by the conference committee on H.R. 15472. I appreciate the recognition given by the committee as to the importance of antitrust enforcement as part of our war on inflation, and ask unanimous consent that the Senate Appropriations Committee report language respecting the $450,000 cut be printed at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee considered but decided against a suggestion to restore the funding for the Federal Trade Commission to the level in the vetoed bill, H.R. 15472. However, the Committee recognizes that the Commission is engaged in several major and important projects.

Since the Committee is anxious for the FTC to proceed on its important actions, it is requested that the Commission immediately supply the Committee, and continue to supply the Committee, with an analysis of the impact of the proposed $450,000 budget reduction. The failure of the Committee to appropriate the funds at this time does not represent the final judgment of the Committee on this question, and the matter will likely be raised in consideration of the Second Supplemental Appropriations Bill at which time the Committee will have a more thorough analysis of the impact of this reduction from the original Conference agreement.

Mr. HART. Of course, I will defer offering an amendment to restore these funds until a final judgment is made by the committee. I ask unanimous consent that my letters to President Ford and Chairman McGee requesting restoration of these funds be included in the Record at this point, together with two letters from FTC Chairman Engman. Although I have not received a written response from the White House, my staff has been orally advised early this afternoon that the White House will not support the restoration of the $450,000 at this time because the funds are not earmarked for antitrust purposes, but are fungible with other FTC responsibilities. It is my expectation that further input will be received from the White House prior to the Appropriations Committee reviewing this matter in January.

There being no objection, the letters were ordered to be printed in the Record, as follows:

November 19, 1974.

Dear Mr. President: As you no doubt know, I strongly support your commitment to tougher enforcement of the antitrust laws which you spelled out in your Economic Message to the Congress. There is no doubt in my mind that antitrust is one of the more powerful weapons not only to lessen the present inflation, but to put the economy back in kilter so in the future fiscal and monetary policies can respond to its ills.

In this spirit, I turn to you for help in an area which I think is most important.

The Federal Trade Commission fiscal 1975 appropriation is included in the Agriculture-Environmental-Consumer Protection appropriations bill H.R. 16901. President Nixon, stating that the total package approved by Congress was inflationary, vetoed the bill.

At the time of the veto, the FTC appropriation in H.R. 15472 was $38,348,000—which exceeded the OMB recommendations by some $244,000, but which FTC advised was necessary to carry out their statutory responsibilities. As repassed by the House in H.R. 16901, the total appropriation has been slashed $192.2 million and FTC's by some $450,000.

While we may argue over the inflationary impact of some appropriation, money spent for antitrust enforcement is returned to consumers and business manyfold. In that light, appropriations for the FTC—and the Antitrust Division—should be viewed more as an investment than an expenditure.

It is my hope that the Senate can be persuaded to restore the $450,000 slashed from the FTC budget and that the conferees will agree with this decision.

The FTC has stated this reduction is "unwarranted and unwise in light of the Commission's vital role in fighting inflation." Without its restoration, they have advised that "the Commission will have to make significant reductions in its existing staff during the third and fourth quarters of fiscal 1975."

Your support in restoring the full FTC appropriation could prevent the crippling of this very important weapon in the war on inflation.

Sincerely,

Philip A. Hart,
Chairman.

November 20, 1974.

Hon. Gale W. McGee,
Chairman, Subcommittee on Agriculture, Environmental, and Consumer Protection, Washington, D.C.

Dear Gale: Once again, your Subcommittee will be considering the fiscal 1975 appropriations for the Federal Trade Commission contained in the Agriculture-Environmental-Consumer Protection Appropriations Bill (H.R. 16901). At the time of President Nixon's veto of its predecessor bill, the FTC appropriations in H.R. 15472 was $38,348,000—some $500,000 less than the $38,848,000 reported by the Appropriations Committee and approved by the Senate. As re-passed by the House, FTC's budget has been slashed by an additional $450,000 to $37,898,000.

In these inflationary times, it is not without considerable trepidation that I request your assistance in restoring at least the $450,000 slashed from the FTC budget. But there is no doubt in my mind that antitrust is one of the more powerful weapons not only to lessen the present inflation, but to put the economy back in kilter so in the future fiscal and monetary policies can respond to its ills. While there may be disagreement over the inflationary impact of some appropriations, money spent for antitrust enforcement is returned to consumers and business manyfold. In that light, appropriations for the FTC—and the Antitrust Division—should be viewed more as an investment than an expenditure. Without adequate funding—and $37,898,000 is inadequate—statements and speeches about tough antitrust enforcement are tantamount to a fraud on the public.

The FTC has stated this reduction is "unwarranted and unwise in light of the Commission's vital role in fighting inflation." Without its restoration, they have advised that "the Commission will have to make significant reductions in its existing staff during the third and fourth quarters of fiscal 1975."

Your support in restoring the full FTC appropriation could prevent the loss of this very important weapon in the war against inflation. Overall, the House has slashed almost $200 million from the vetoed bill. In this context, we are talking about adding back less than ½ of 1% of the amount cut by the House. Given President Ford's strong commitment to tougher enforcement of the antitrust laws, I also have written to him seeking his support.

With best wishes,

Sincerely,

Philip A. Hart.

Federal Trade Commission,
Washington, D.C., November 5, 1974.

Hon. Warren G. Magnuson,
Chairman, Senate Commerce Committee, Washington, D.C.

Dear Mr. Chairman: This letter is in response to your October 18, 1974, inquiry regarding the impact of a possible reduction in the Federal Trade Commission's Fiscal 1975 Budget as passed by the House of Representatives in H.R. 16901, the Agriculture-Environmental and Consumer Protection Appropriations Bill.

The Commission believes this reduction to be unwarranted and unwise in light of the Commission's vital role in fighting inflation. The Commission is examining—and will continue to examine—with special care those trade restraints, collusive activities, and unfair market practices which reduce competition and lead to higher prices for consumers.

As the President emphasized in his Economic Message to the Congress, he is "determined to return to the vigorous enforcement of anti-trust laws." We concur in the need to remove artificial restrictions on the operation of the marketplace and to strengthen competitive forces as a damper on inflationary price increases and we agree with the President that more vigorous antitrust enforcement can be a principal tool to help achieve these ends.

Therefore, although we strongly support the President's goal of reducing overall Federal expenditures, we regard any reduction in the funding of the Federal Trade Commission for Fiscal 1975 as unwise in view of the nation's present rates of inflation.

Against this background, I am enclosing a staff analysis that was prepared to identify possible areas where the proposed $450,000 reduction might be accomplished if it becomes necessary to do so.

Sincerely,

Lewis A. Engman,
Chairman.

POSSIBLE FISCAL 1975 FUNDING REDUCTION STAFF ANALYSIS

For the Commission to absorb a further $450,000 reduction in its fiscal 1975 funding, it seems clear that the cut must come from personnel funds. They constitute the bulk of the Commission's "controllable" expenditures, and one quarter of the year has already elapsed. Therefore, the only account large enough to absorb this reduction is the salaries and benefits account. To do this, it appears the following steps would be necessary:

1. Reduce clerical overtime for the remainder of the year by 50 percent agency-wide.—Restricting overtime could generate $150,000 in potential savings. However, this will certainly introduce delay in overall Commission enforcement efforts, and will make it difficult to support the attorney staff, many of whom work overtime as a matter of course, and will not be able to do so if they cannot have clerical support. Since cases in adjudication must receive priority consideration, many investigations and studies will be slowed by this step.

2. Curtail use of consultants and expert witnesses.—The Commission could possibly generate up to $100,000 during the remaining three quarters by drastically reducing these expenditures. The enforcement bureaus will certainly object to this delay in developing their cases, and the lack of ability to hire expert witnesses for trial; however, the reduction could be accomplished by allowing them to use expert witnesses more selectively and only in the highest priority trials.

3. Revise Commission hiring plans for the remainder of the year.—To save the additional $200,000 required, the Commission will be required to change its existing hiring plans for the Bureau of Consumer Protection, Regional Offices, and Bureau of Competition. This course of action will limit the agency's consumer protection activities both in the headquarters and regional offices and may also limit the agency's progress in increasing antitrust enforcement activities within the regional offices.

Preliminary analysis indicates that revision of existing hiring plans may restrict the Commission's planned programs in a number of possible antitrust activities and such important consumer protection programs as the vocational schools program, the land sales program, and the compliance program. The exact impact of the hiring restrictions on each of these individual pro-

grams cannot be fully assessed at this time, but taken together, they will unquestionably delay our enforcement efforts.

Similarly, limiting the use of consultants will have an immediate effect on the agency's preparation of antitrust and consumer protection litigation, the primary areas of need for consultant services used to develop evidence and for expert witnesses.

As background, in House Report 93-275, the House Appropriations Subcommittee on Agriculture-Environmental, and Consumer Protection directed that the Commission intensify its recruiting practices to ensure that the additional positions granted by the Congress would be filled and available for high priority projects. The Commission complied with this Congressional directive, and reached its manpower ceiling at the close of fiscal year 1974.

Consequently, the Commission entered fiscal 1975 fully staffed. Therefore, the Commission does not project that it will have any uncommitted personnel compensation funds during the current fiscal period.

In fiscal year 1975, the Commission originally planned to have 1,592 full-time permanent employees at the end of the fiscal year. Accordingly, the Commission had anticipated that it would begin the fiscal year with a full-time permanent workforce of 1,560 and end the year at the adjusted ceiling of 1,592 on June 30, 1975.

At present, the Commission's original manpower plan is on target and we are within our overall manpower dollar constraints. Based on the original appropriations bill, our projections indicated that if there were no further Congressional actions affecting our available resources, this staffing position could be maintained for the balance of this fiscal year.

However, we have also been advised by OMB of a proposed 23 position cut in full-time permanent personnel ceiling. This is pending appeal at this time. Further, the necessary hiring constraint, if it must be imposed, will result in the agency ending the fiscal year with approximately 33 unfilled positions under even the revised OMB full-time employment ceiling of 1,569. If the Commission's projections are correct, and assuming the private and government job markets do not deteriorate further, the Commission should be able to meet this reduction through attrition.

In sum, if the $450,000 reduction is not restored by the Senate, and if the Commission does not receive a supplemental appropriation to cover the cost of the October 1974 pay raise, estimated at $1,079,000 for fiscal 1975, it seems clear that, since over seventy-five percent of the Commission's budget is for salaries and benefits, the Commission will have to make significant reductions in its existing staff during the third and fourth quarters of fiscal 1975.

FEDERAL TRADE COMMISSION,
Washington, D.C., November 19, 1974.

Hon. PHILIP A. HART,
Hon. WILLIAM PROXMIRE,
Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATORS HART, PROXMIRE AND MAGNUSON: This letter is in response to your joint letter of November 11, 1974, requesting the Commission's views on several issues raised by Title IV of H.R. 16901.

At the outset, the Commission has requested me to express its appreciation for your support and encouragement of the Commission's Line of Business reporting program.

You first inquire about the Commission's views on the usefulness of line of business data for antitrust enforcement. When the reporting program is fully implemented, we expect it to be very useful for antitrust enforcement purposes. First, the aggregate data will provide important economic measures of industry performance not available at present. Such information is expected to provide assistance in the selection of areas warranting in-depth antitrust enforcement scrutiny. Second, individual company data could be useful in particular enforcement proceedings.

Under both the Commission's regulations (copy attached) and H.R. 16901, law enforcement agencies would have to obtain individual company information directly from the companies. The Commission believes it has adequate authority to obtain this data by compulsory process from companies in the course of its law enforcement investigations. The Department of Justice would know best whether it could obtain this information in a like manner. The source of the data, of course, would not affect its usefulness.

The Commission continues to believe that the House-passed language is neither necessary nor desirable. In recognition of the fact that companies consider line of business data to be highly confidential, the Commission adopted regulations to insure its confidentiality. The Commission believes that its own regulations are fully adequate to achieve this end.

You inquire secondly whether line of business data could be helpful to fight inflation. The Council on Wage and Price Stability, of course, is best situated to define its own data needs. The Commission, however, believes that the line of business program, when fully implemented, will indeed provide important and currently unavailable information on industry performance.

In the Commission's opinion, Title IV of H.R. 16901 would preclude access by the Council on Wage and Price Stability to individual company line of business data. The Council does not have subpoena authority. Moreover, its general statutory authority to request and receive information from other agencies (see P.L. 93-387, section 4(a)) would seem to be superseded by the more specific and later provisions of H.R. 16901.

You inquire thirdly about the Commission's views on a proposed amendment to H.R. 16901. The amendment would continue to give individual company data confidential treatment and prohibit its public release by the Commission. The Commission agrees with this objective but continues to feel that its own regulations are sufficient. The amendment would also disclaim any legislative intention to prohibit interagency transfer of line of business data. As indicated above Commission regulations restrict the transfer of such data outside of certain units within its Bureau of Economics. Unless and until it is required by law to do so, the Commission intends to respect the commitment embodied in these regulations. Of course, the Commission would respect a mandate from Congress to make line of business data available to other agencies on a confidential basis. We would, however, oppose enactment of legislation requiring us to release retroactively to other agencies individual data which were ordered to be produced under a promise of confidentiality.

Finally, you request clarification of the Commission's overall position on the confidentiality issue. Chairman McGee's characterization of the Commission's position—that we desire "line of business data simply for statistical purposes and do not want nor do not intend to use it for any other purpose"—is essentially correct. However, the Commission has never indicated that it would refrain from compelling companies to produce line of business data (either by subpoena or special order) if such data were deemed relevant to an investigation or adjudication. See *United States* v. *St. Regis Paper Co.*, 368 U.S. 208 (1961).

By direction of the Commission.

LEWIS A. ENGMAN,
Chairman.

FEDERAL TRADE COMMISSION—LINE-OF-BUSINESS REPORTING PROGRAM

RESOLUTION REQUIRING ANNUAL REPORTS FROM CORPORATION; CORRECTION

In FR Doc. 74—19394 appearing on page 30377 of the issue for Thursday August 22, 1974, following the last line (the words *Acting Secretary.*) the rules and procedures set forth below should be inserted:

Rules and procedures for the use of confidential individual company data collected under the FTC's line of business report program

Data collected under the Line of Business Report Program are gathered for the purpose of preparing statistical compilations, consistent with the confidentiality strictures contained herein. Under no conditions are the individual company reports to be inspected or otherwise used for "taxation, regulation or investigation" or in any Commission adjudication or in connection with any investigation for the purpose of initiating adjudicative proceedings.[1] While the Commission intends to utilize tabulations of Line of Business data in an annual Line of Business Report, the FTC series on aggregate concentration, and such other statistical and economic reports as are authorized by the Commission, no individual company data contained in the Line of Business Reports will be revealed in these reports prepared by the FTC. However, these FTC reports may be utilized in connection with any Commission adjudication or any investigation for the purpose of initiating adjudicative proceedings.

The names of companies, financial data and all other information which are obtained from respondent companies in connection with the Federal Trade Commission's Line of Business Reporting Program are confidential, and persons authorized to have access to this information may not release, discuss or in any way provide access to such information to anyone not authorized to have access. Further, all such Line of Business data are considered to be exempt from the disclosure provisions of the Freedom of Information Act. Penalties under Section 10 of the Federal Trade Commission Act provide for fines up to five thousand dollars ($5,000) or imprisonment not exceeding one year for unauthorized release of such information.

Authorized access and use. Access to and use of individual company data is restricted to members of the Division of Financial Statistics and the Statistical Reports Unit of the Economic Research and Services Section, both of which are part of the Bureau of Economics and both of which have no involvement in any investigative or regulatory functions of the Federal Trade Commission. Access by members of the Division of Management is authorized only during and for the purpose of electronic processing of such data.

The Division of Financial Statistics is a statistics-gathering unit which prepares for publication the Quarterly Financial Report and the Line of Business Report. All mailing of reporting forms and correspondence relating to individual Line of Business companies (except for correspondence involving legal action for failure to submit reports) will be under the supervision of the Chief of the Division of Financial Statistics. That division is responsible for reviewing, editing and cod-ing all individual company reports and for requesting such tabulations and listings of individual company data from the Division of Management as needed to prepare the Line of Business Report. The Financial Statistics Division is responsible for the selection and maintenance of the Line of Business survey panel. The Chief of the Division of Financial Statistics is responsible for the development and implementation of disclosure analysis procedures applied to all Line of Business data. He shall certify to the Director of the Bureau of Economics that he has reviewed and approved all disclosure analysis procedures used in the Line of Business publication tables and all other tabulations involving Line of Business source data.

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[1] Except where the latter relate to legal action initiated because of the refusal of a respondent company to file a timely and acceptable Line of Business report.

The Statistical Reports Unit is a statistical research and economic analysis unit in the Office of the Director, Bureau of Economics, and is responsible for: The preparation of FTC merger statistical reports, the annual FTC statistics on aggregate concentration, the FTC report on rates of return in selected manufacturing industries, and other statistical and economic reports authorized by the Commission. The head of the Statistical Reports Unit shall request from the Division of Financial Statistics such access to individual company Line of Business data as is needed to complete Bureau of Economics reports, after receiving concurrence from the Chief of Financial Statistics Division that the table plants and disclosure analysis procedures to be used in preparing these FTC reports are consistent with the Line of Buisness procedures and adequate to protect against direct or residual disclosure that could result from such additional tabulation of Line of Business data. He will certify to the Director of the Bureau of Economics that he has subjected all tables in these reports which in any way used Line of Business data to the above described disclosure analysis.

The Director of the Bureau of Economics will not have access to the individual Line of Business schedules nor the derived data listings for individual companies utilized by these statistical units. He shall, however, have supervisory responsibility and authority with respect to the units. Such responsibility and authority shall include approving any reports prepared by them, making recommendations with respect to the preparation of such reports, and exercising any other supervisory control not requiring recess to the individual Line of Business data.

Under no conditions may the individual company data reported on the Line of Business schedule be used for, or in the course of, any enforcement action or enforcement investigation. Therefore, all persons not on the staffs of the Statistical Reports Unit or Division of Financial Statistics will not be granted recess to individual company information in the Line of Business files or data records; nor will personnel from either of these two units engage in any activity of the Commission which involves regulation or investigation, nor prepare any reports utilizing Line of Business data for such purposes while assigned to thee units. Any employee who transfers into or out of either of the units will be formally notified in writing that he is subject to Section 10 of the Federal Trade Commission Act and to these Rules, which prohibit disclosure, discussion, or release of these data to any unauthorized person.

Security of individual company Line of Business data. All individual company Line of Business schedules and data records at the Federal Trade Commission must at all times be under the security and supervision of the staff of either the Statistical Reports Unit or the Division of Financial Statistics, except during electronic data processing when the Chief, Division of Management, shall be responsible for their security.

All rooms containing individual company Line of Business data will be locked except when occupied. The individual company data will be stored in secured drawers, files, etc., except when being used.

The Chief of the Commission's Division of Management shall be responsible for the security of the original Line of Business schedules and all derived punched cards and computer records being processed. All punched cards, tapes, printouts, and containers for same, will be conspicuously marked "confidential." The Chief of the Division of Management will be responsible for the security of data in his possession and will personally approve all storage locations and security procedures, subject to concurrence of the Chief, Financial Statistics Division. He will not permit any special tabulations or listings of Line of Business data except those specifically approved by the Director of the Bureau of Economics, and for which disclosure analysis procedures have been reviewed and concurred in by the Chief of the Financial Statistics Division for consistency with existing Line of Business disclosure analysis procedures. Except for magnetic storage media used in processing, all cards, tapes and printouts containing individual company Line of Business data will be sent to the Division of Financial Statistics for secure storage, along with the original Line of Business schedules.

All persons having use or possession of individual company data will be personally responsible for securing the confidentiality of those data and for following the rules set forth above. Any violation of these rules, either through neglect or otherwise, will result in prosecution to the full extent of the law or any other legal action decided on by the Chairman of the Commission.

VIRGINIA HARDING,
Acting Secretary.

AUGUST 2, 1974.

[FR Doc. 74—19884 Filed 8-26-74;8:45 am]

Mr. STEVENS. Mr. President, I would like to address a question to my good friend from Wyoming (Mr. MCGEE). During consideration of this bill in subcommittee, we considered the need for increased funds to enable the Environmental Protection Agency to rebuild the safe water demonstration project at Wainwright, which was destroyed by fire last November. Today, I introduced a bill to provide for the increased authorization which is needed for this project. I hope that the Congress will consider this matter before we adjourn. The limitation in existing law is too low to permit utilization of EPA funds for replacement of the Wainwright project. It is my understanding that unless the authorization is increased, the chairman of the subcommittee is of the opinion that an increase in EPA funds for this project would not be authorized at this time. Is this correct?

Mr. MCGEE. The Senator is absolutely correct. The Senator has discussed this matter with me and I assure him that we will consider this matter in subcommittee when his bill to increase its authorization is enacted.

Mr. DOLE. Mr. President, I am pleased to note that the agriculture-environmental and consumer protection appropriation bill, which we are considering today, is $177 million less than the bill we passed several months ago, and that it is $53 million less than the budget request for 1975. After studying the new committee recommendation, I believe that the reductions have come from administrative funds or from areas which will not be detrimental to farmers or to any others who are intended to be recipients of Federal assistance under this bill.

PREVIOUS ACTIONS

I voted to reduce the funds under this bill when it was originally considered by the Senate. The amendment to reduce funding under that bill was defeated in spite of support by other members of the Senate Agriculture Committee. When the final version of the bill came before the Senate in July, I voted against it because of the inflationary impact it would have.

Agriculture is the primary industry in Kansas and the agriculture appropriation bill is important to Kansas farmers and to all citizens of the State. However, the biggest problem facing Kansas farmers is inflation. Prices for fertilizer, farm equipment, and other materials and services essential to Kansas agriculture have skyrocketed. In many cases, farm expenses have risen much faster than prices farmers receive. Excessive Federal spending is a basic factor behind high rates of inflation and that is the reason for my actions to cut Federal spending in this and other appropriation bills.

After having studied the actions taken by the Senate Agriculture Committee on the appropriation, I believe that this bill now warrants my support. After having studied the appropriations for the four titles of the bill, it appears that the reductions were as follows: $21 million from agricultural programs; $67 million from environmental programs; $110 million from consumer programs; and a redistribution of funds to increase the appropriation for rural redevelopment programs by $21 million.

INCREASE FROM HOUSE

In looking over the Senate recommendation, I have noted that the funding in all cases is identical to the bill passed earlier by the House of Representatives except for title I, agricultural programs. It is my understanding that the Senate committee received a request for an appropriation of $15.6 million for quarantine facilities at Fleming Key. Since this facility is important to our foreign trade, I support the recommendation made by the Senate committee to add $15.6 million to the budget.

Aside from the addition to the first title of the bill, $37 million was cut from the agricultural programs section. Of this $37 million, $26.6 million—more than two-thirds of the cut—was from administrative costs for salaries and expenses. Another $4 million was from research funds. This, and the cut in administrative funds, add up to $30.6 million, or more than 80 percent of the total reduction.

The remaining $6 million cut from the agricultural program title came from the funds for the Sugar Act and cropland adjustment programs with $3 million cut from each of these two. These are funds paid directly to farmers. But Kansas farmers are receiving little, if any, money from these programs anyway. That is for two reasons. First, the target price concept for the farm program, which I helped write into the 1973 farm bill last year, only makes payments to farmers when market prices fall below a certain level. Because of that and because foreign demand for our farm products has kept market prices strong, Kansas farmers are receiving few, if any, USDA payments. So this cut of $6 million will not hurt farmers, even though it was only a small portion of the total reduction.

CONSERVATION FUNDS AT HIGH LEVEL

I commend the Appropriation Committee for their efforts to insure that funds for the vast majority of soil and water conservation projects, including watershed planning, watershed and flood prevention, Great Plains conservation program, contract funds for farm conservation measures, water bank and emergency conservation measures were not reduced at all, and in fact, are increased under the bill by more than $135 million above the President's budget request.

RURAL DEVELOPMENT EMPHASIZED

I am also pleased to note that funds appropriated for loan programs under the Farmers Home Administration and the rural development program were greatly increased over the President's budget request. This increase of funds above the President's budget request indicates an emphasis on rural development. This emphasis will mean $142 million above the President's budget request, for a total of $900 million for nonappropriated funds for rural electric and telephone cooperative loans. It will mean $110,000 in nonappropriated funds above the President's budget request for rural housing loans, for a total of $2.376 billion in appropriated and nonappropriated funds for rural housing. It means a total of $150 million in appropriated and nonappropriated funds for rural water and waste disposal grants, which is $130 million above the President's request. It means $5 million for rural housing for domestic farm labor and $5 million for mutual and self-help housing programs. This emphasis means $1.037 billion of appropriated and nonappropriated funds for rural development programs, which is $20 million above the 1975 budget request.

All of these funds will have a very noticeable and substantial impact in poverty stricken rural areas where Federal dollars are greatly needed.

CONCERN FOR FOOD STAMP PROGRAM

One title of this appropriation bill greatly concerns me. This is title IV which includes the appropriation for the food stamp program. The increase for the food stamp appropriation this year is nearly $1 billion. This is nearly a 33-percent increase over last year's appropriation for the food stamp program. It is clear to me that, as many experts have indicated, if the food stamp program continues to grow as it has in recent years, it will bankrupt the entire Government within a few years.

I believe the food stamp program's regulations need to be substantially revised so that food stamps are issued to those in need. It is my feeling that if this is done, we could make a substantial saving in taxpayers' dollars by insuring that food stamps are given only to them.

Because of my concern for this program, I have directed a letter to the General Accounting Office requesting that an investigation be made of the food stamp program to insure that the intent of Congress is being followed in this matter. I have requested that the GAO report to me of cases where persons are receiving food stamps who should be capable of purchasing food with their own income. The issue of revising the food stamp program is likely to be considered next year in the Senate Agriculture Committee. It is my hope that we can provide more specific direction to the Department of Agriculture to revise regulations in order to assure issuance of food stamps to those in need.

In summary, I give my support to this measure. I believe it will be beneficial to Kansas farmers by helping to hold down the high rate of inflation.

As I indicated before, the reduction in funds under the new agriculture appropriation bill is primarily for cuts in administrative costs. I am convinced that the cuts in the bill will not greatly hurt Kansas farmers. In fact, the reduction is in line with cuts in other appropriation bills and I believe Kansas farmers are prepared to bear their fair share of reductions in Federal expenditures in order to hold down inflation.

Mr. HATFIELD. Mr. President, the Appropriations Committee report on the agricultural, environmental, and consumer protection appropriations bill, H.R. 16901, lists several agricultural projects for which no funds were specifically appropriated, but which the committee recommends be undertaken with funds elsewhere available in the agriculture budget. I want to call particular attention to one of those projects—STEEP.

STEEP, an acronym for solutions to environmental and economic problems, is a proposal to create a coordinated regional research program to attack the problem of erosion in the crop producing areas of the Pacific Northwest while at the same time maintaining or even increasing the productivity that is so important to the economic and social viability of the region. Senator MAGNUSON and I have worked on this project for several years, and thought that our efforts had been rewarded as the original appropriations bill for agriculture, H.R. 15472, passed the Senate with $1.2 million for STEEP. While only $500,000 of that amount survived the conference, at least a beginning had been made.

Unfortunately, STEEP was one of the budget items that became a victim of congressional attempts to meet the objections of the former President's veto. So I want to again stress the importance of this project, and urge that it be given a top priority for funding.

An estimated 110 million tons of soil are eroded annually on the cropland of the Pacific Northwest. All residents of the Pacific Northwest are directly or indirectly affected by this wind and water erosion problem. The three States of Oregon, Washington, and Idaho produce between $700 and $900 million worth of small grains annually; a similar amount is contributed to the economy of the area through supporting businesses and services. The economy of the Pacific Northwest has an effect on still greater numbers of citizens nationally; thus wind and water erosion in the Pacific Northwest has a serious impact on the well-being of the whole Nation. And we should not overlook the international implications of cropland being destroyed by erosion in a time of global food shortage.

Therefore, I call special attention of my colleagues and the Department of Agriculture to this project, and urge that it be funded as fully and as soon as possible.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. McGEE. I am glad to yield to the distinguished majority whip.

Mr. ROBERT C. BYRD. Mr. President, I understand that this request has been cleared on both sides of the aisle. I ask unanimous consent that a vote occur on the amendment by Mr. Moss immediately, or as soon as we get the request cleared; that the votes occur as follows: On the Moss amendment, to be followed by the vote on the Helms amendment, to be followed by the vote on the Tunney amendment, to be followed by the vote on the Weicker amendment, to be followed immediately by third reading, to be followed immediately by a vote on final passage of the bill, with paragraph 3 of rule XII waived.

That will be the request.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Reserving the right to object, is it the intention of the distinguished Senator from West Virginia to have 15 minutes on each of these votes?

Mr. ROBERT C. BYRD. It is my understanding that consent has already been given to have 10 minutes on each rollcall vote after the first one.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. HELMS. Will the Senator yield?

Mr. McGEE. Did the Senator ask for the yeas and nays?

Mr. ROBERT C. BYRD. I ask unanimous consent that it be in order to order the yeas and nays on all four amendments and final passage, with one show of seconds.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered on the several amendments and the passage of the bill.

The question is on agreeing to the amendment by the Senator from Utah (Mr. Moss).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), the Senator from Florida (Mr. GURNEY), and the Senator from New York (Mr. JAVITS) are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. PERCY) are absent on official business.

The result was announced—yeas 24, nays 65, as follows:

[No. 502 Leg.]

YEAS—24

Bartlett
Bellmon
Brooke
Cannon
Case
Clark
Cranston
Goldwater
Hart
Hatfield
Kennedy
Long
McClure
Metcalf
Metzenbaum
Moss
Packwood
Pastore
Pell
Randolph
Roth
Schweiker
Scott, Hugh
Williams

NAYS—65

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bentsen
Bible
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Gravel
Griffin
Hansen
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Nunn
Pearson
Proxmire
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NOT VOTING—11

Bennett
Biden
Buckley
Church
Eastland
Fulbright
Gurney
Javits
Mathias
Percy
Ribicoff

So the amendment was rejected.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TALMADGE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment of the Senator from North Carolina (Mr. HELMS). The yeas and the nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Connecticut (Mr. RIBICOFF), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), the Senator from Florida (Mr. GURNEY), and the Senator from New York (Mr. JAVITS), are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. PERCY), are absent on official business.

The result was announced—yeas 34, nays 55, as follows:

[No. 503 Leg.]

YEAS—34

Allen
Baker
Bartlett
Bellmon
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Long
McClellan
McClure
Nunn
Packwood
Roth
Scott, William L.
Stennis
Talmadge
Thurmond
Tower
Young

NAYS—55

Abourezk
Aiken
Bayh
Beall
Bible
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cook
Cranston
Eagleton
Fong
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Kennedy
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NOT VOTING—11

Bennett
Biden
Buckley
Church
Eastland
Fulbright
Gurney
Javits
Mathias
Percy
Ribicoff

So Mr. HELMS' amendment was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which Mr. Helms' amendment was rejected.

Mr. FONG. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to table.

The motion was agreed to.

The PRESIDING OFFICER. The question now occurs on the amendment of the Senator from California (Mr. TUNNEY). The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Connecticut (Mr. RIBICOFF), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), the Senator from Florida (Mr. GURNEY), and the Senator from New York (Mr. JAVITS), are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. PERCY), are absent on official business.

The result was announced—yeas 42, nays 47, as follows:

[No. 504 Leg.]

YEAS—42

Abourezk
Baker
Bayh
Bentsen
Brooke
Burdick
Case
Chiles
Clark
Cook
Cranston
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
McGovern
Metcalf
Metzenbaum
Mondale
Muskie
Packwood
Pastore
Pearson
Pell
Schweiker
Scott, Hugh
Stevenson
Tunney
Weicker
Williams

NAYS—47

Aiken
Allen
Bartlett
Beall
Bellmon
Bible
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Goldwater
Griffin
Hansen
Helms
Hruska
Inouye
McClellan
McClure
McGee
McIntyre
Montoya
Moss
Nelson
Nunn
Proxmire
Randolph
Roth
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—11

Bennett
Biden
Buckley
Church
Eastland
Fulbright
Gurney
Javits
Mathias
Percy
Ribicoff

So Mr. TUNNEY's amendment was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. FONG. Mr. President, I move to table that motion.

The motion to table was agreed to.

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Connecticut (Mr. WEICKER) is the pending business. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Connecticut (Mr. RIBICOFF), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), and the Senator from Florida (Mr. GURNEY), are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. PERCY), are absent on official business.

The result was announced—yeas 28, nays 62, as follows:

[No. 505 Leg.]

YEAS—28

Baker
Beall
Brock
Brooke
Byrd, Robert C.
Cannon
Case
Cook
Cotton
Domenici
Hartke
Javits
Metcalf
Metzenbaum
Packwood
Pastore
Pell
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Taft
Thurmond
Weicker
Williams

NAYS—62

Abourezk
Aiken
Allen
Bartlett
Bayh
Bellmon
Bentsen
Bible
Burdick
Byrd, Harry F., Jr.
Chiles
Clark
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy

Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pearson
Sparkman
Stennis
Stevens
Stevenson
Symington
Talmadge
Tower
Tunney
Young

NOT VOTING—10

Bennett
Biden
Buckley
Church
Eastland
Fulbright
Gurney
Mathias
Percy
Ribicoff

So Mr. Weicker's amendment was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. FONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. Symington) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from New York (Mr. Buckley), and the Senator from Florida (Mr. Gurney) are necessarily absent.

I also announce that the Senator from Maryland (Mr. Mathias) and the Senator from Illinois (Mr. Percy) are absent on official business.

The result was announced—yeas 84, nays 5, as follows:

[No. 506 Leg.]

YEAS—84

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NAYS—5

Byrd,
  Harry F., Jr.
Cotton
Roth
Scott,
  William L.
Weicker

NOT VOTING—11

Bennett
Biden
Buckley
Church
Eastland
Fulbright
Gurney
Mathias
Percy
Ribicoff
Symington

So the bill (H.R. 16901) was passed.

Mr. McGEE. Mr. President, I move to reconsider the vote by which that bill was passed.

Mr. FONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGEE. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McGee, Mr. McClellan, Mr. Stennis, Mr. Proxmire, Mr. Robert C. Byrd, Mr. Bayh, Mr. Talmadge, Mr. Fong, Mr. Hruska, and Mr. Young conferees on the part of the Senate.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise, in the first instance, to inquire of the distinguished majority leader, what is the program for the remainder of the week?

Mr. MANSFIELD. Mr. President, as the Chair has indicated, we are now on the health bill. Tomorrow the first order of business will be the conference report on the Eximbank, to be followed, at approximately 12:30, when that business will be laid aside, by the Navajo-Hopi Indian bill.

It is my understanding that we will then return to the Eximbank, which I understand is in some difficulty, and it looks as if there is no doubt about it but that we will be in session Wednesday. We will start our 2-day recess at the close of business Wednesday, and return on Monday next at 12 noon.

On a related matter, the distinguished Senator may recall that the joint leadership met earlier today to discuss the matter of adjournment and the meeting of the 94th Congress. We have agreed between us that the Senate will be in session no longer than December 20 or 21; that the Senate will convene for the 94th Congress on January 13, the Constitution permitting. I understand there is some question about coming in ahead of time. That matter will be worked out. It may be that we will have to come in on the 3d briefly. I am not at all certain, but the question is being looked into. The reason for coming in no later than the 13th, is that we have had a very difficult 2 years. Furthermore, it is my understanding that the House of Representatives will meet on the 3d and then go into a 2-week recess or interregnum for the purpose of organizing that body. That is the situation as it stands at the present time.

Mr. HUGH SCOTT. If the Senator will yield further, then, I understand from what he has said that he expects we will be in session this Wednesday.

Mr. MANSFIELD. We will.

Mr. HUGH SCOTT. And as to the constitutional question, it is my impression that in previous years, not years in which a President is inaugurated, we have by joint resolution come in after the first Wednesday in January. Does the Senator recall that?

Mr. MANSFIELD. Not the first Wednesday in January, but the 3d day of January.

Mr. HUGH SCOTT. Or the 3d day of January.

Mr. MANSFIELD. Otherwise, we have to do it by concurrent resolution.

Mr. HUGH SCOTT. That is what I was leading up to. In the past, we have been able to do it by concurrent resolution.

Mr. MANSFIELD. Yes; but it is usually the same date.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. BEALL. I was going to point out to the Senator from Pennsylvania that I happen to have been sworn in in 1971, and I remember very vividly we came back on the 21st of January in that year. So obviously, it can be done.

Mr. MANSFIELD. That is true, but as I recall the House came in on the same day.

THE ECONOMY

Mr. HUGH SCOTT. Mr. President, if the Senator will further indulge me, with the approval of the distinguished Senator from Massachusetts, the distinguished majority leader knows that I have submitted to him a statement, the substance of which, without reading all of it at this point, is that I do agree with the majority leader's economic suggestions for cooperating in a bipartisan spirit in certain particulars, referring especially to revival of the Reconstruction Finance Corporation to help ailing businesses, larger downpayment and shorter repayment on credit purchases, curbing excess business profits, cutting taxes for low- and moderate-income earners, and creating public service jobs—as the President has already proposed. I have found myself in disagreement on the matter of wage and price controls, noting that the distinguished majority leader is concerned with the "endless instability that comes from trying to follow a hands-off policy with stop and start crash remedies."

On the matter of wage and price controls, which the majority leader supports on a mandatory basis, I would like to point out that it is precisely the termination of such controls which leads to the economic instability about which he speaks. The actual effect of imposed controls is not really adversely felt until such controls are lifted, and therein lies the instability. If we act hastily here we can expect not only continued high prices; that is, frozen high prices—but shortages as well.

When wage controls were lifted last April, first year increases in new agreements increased wage benefits an average of 7 percent. By autumn, increases reached 12 percent and, for building trades, 16 percent. Mr. George Meany, and other labor leaders, concerned with cost-of-living increases, have made it clear that they are determined to catch up with living costs.

So, wage and price controls might operate as a brick on the safety valve until pressures blow the structure skyhigh.

If, in spite of these obvious dangers and the proven fallacies of previous experimentation, the Democratic majority is dead set on controls, they had better be mandatory. Provisions for standby controls are the coward's way out. Such a device would be transparent: First, pass the buck to the President; second, if imposed and they do not work, blame the President; third, if not imposed and if the Congress avoids other necessary antirecession legislation, blame the President.

The unavoidable effect of standby controls is also obvious: Industry and labor will both anticipate the ultimate imposition of controls and will rush to increase prices and wages to even greater, perhaps insupportable, levels.

I repeat what I said 2 months ago: Let Congress act on the President's proposals or, if they can do better, come up with proposals of their own. We will cooperate in the passage of constructive legislation.

We cannot just stand around, issuing manifestos. There is no bread in rhetoric.

I repeat then, our Republican assurances that we will cooperate, where given the chance, with the overwhelming Democratic majorities in the 94th Congress.

My closing thought is in the form of a classified ad:

> Lost, valuable time, by the 93rd Congress. Owner will pay substantial reward to finder of whatever may be salvaged. (signed) *The Public.*

Mr. President, I ask unanimous consent to include an editorial from the Philadelphia Bulletin of November 10, 1974, in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VICTORY'S BURDEN—DEMOCRATS ON SPOT

Even with lopsided majorities in the Senate and House, there is little danger of the Democrats becoming the "legislative dictatorship" President Ford warned against in his pre-election campaigning.

Rather than lording it over the White House, the Democrats are more likely to have great difficulty getting themselves together around a coherent economic program. This is their most pressing need.

There are too many competing interests within the party's restored "New Deal" electoral coalition to make single-minded usurpers out of Democratic members of Congress.

The voters don't want the Democrats to overwhelm President Ford anyway. Appalled by Watergate and anxious over the economy, they turned to the Democrats in a spirit of hope and charity—hope that the Democrats will help make the political system work and charity in overlooking the party's past contributions to current economic problems.

The Democrats' successes last Tuesday put them on the spot.

Senate Democratic Leader Mike Mansfield frankly agrees that his party doesn't yet have a program to handle the bitter blend of inflation and recession the nation is confronted with. His own preferences for wage-price controls and gas rationing point up problems the Democrats will have in fashioning a policy. Many of his colleagues strongly oppose those measures.

The Democrats have never had an easy time composing their differences. With at least a half dozen prospective presidential candidates in the Senate and a like number of Democratic governors emerging as presidential hopefuls, it will be all the more difficult to tell who speaks for the party.

The Democrats will have an opportunity to discuss issues at the party's "mini-convention" in Kansas City next month. But the purpose of that meeting, an offshoot of the divisive 1972 McGovern convention, is to write a party charter not, by prior agreement, to fashion a midterm platform.

But somehow, the new Congress—if not what remains of the current one—will have to start coping more effectively with deeply challenging national and international issues. The Democrats will be more oriented to fighting recession than inflation. Yet the two evils are in key respects inseparable.

If, for instance, sky-high oil prices keep draining dollars from the U.S. economy, stringent conservation efforts will have to be made or the oil outflows will impede a business upturn.

The elections are over. There will be a brief interval before the new Congress for both President Ford and the Democrats to develop and clarify positions that, despite their recent partisan fling, they must work out in concert.

In reality, neither can dominate the other. Both the President and Senator Mansfield have pledged to meet each other "more than halfway" in the coming months. At the moment, Mr. Ford may seem under a stronger compulsion to meet that intention than the exultant Democrats.

But the nation's voters will hold the Democrats responsible for using their enhanced majorities wisely and well.

Mr. HUGH SCOTT. Mr. President, I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, first, let me say I am delighted that the distinguished Republican leader has agreed with recommendations (1), (2), (3), and (6) of the resolution adopted by the Democratic policy committee and the Democratic conference.

I note that he makes no mention of resolution paragraph No. (4) which reads as follows:

> Implementing mandatory allocations and, if need be, the equitable rationing of energy, enforcing other conservation measures, including a basic 55 miles-per-hour speed law and reducing wastage in the utility and other industrial fields to the end that dependency on foreign sources of petroleum can be reduced by one million barrels per day as the President has suggested;

I would assume that he would be in support of the President's suggestion in that respect.

Mr. HUGH SCOTT. If the distinguished majority leader will yield, I, of course, have said on other occasions that I support the recommendations of the President in the energy conservation field, and I await with interest the reporting of any bills which tend to serve that purpose, which is the public purpose.

Mr. MANSFIELD. Now, Mr. President, the President has only said that he would be interested in a proposal of this kind. I believe he has the authority to downgrade the import of petroleum products into this country, and I wish that he would to the tune of at least 1 million barrels, especially so in view of the fact that Canada has done so, has reduced its exports to the United States, by something on the order of 200,000 barrels out of a daily quota of something around 800,000 barrels.

Then I note that the distinguished Republican leader—and in this I may be mistaken—made no reference to the Stennis proposal at the Democratic conference on Thursday last that the Senate Democratic leadership confer, contact the Senate Republican leadership, proposing that the joint congressional leadership meet with the President from time to time to discuss the economic situation and ways and means by which we could, cooperatively, seek for common solutions.

If the Republican leadership were in accord, it was further suggested that the House joint leadership also be asked to join in this endeavor.

The resolutions in toto were unanimously adopted, and I know that the distinguished Republican leader is in favor of the Stennis proposal, and that he is considering ways and means for the joint leadership of both houses to meet with the President informally to discuss the economic situation.

Mr. HUGH SCOTT. As a matter of fact, the distinguished majority leader and I have discussed this several times and, in fact, earlier today again, and I have secured the approval of the minority leadership and the floor leadership in the other body, and the distinguished assistant minority leader here and I have drafted a letter which the distinguished majority leader has, with copies to those Members of the floor leadership who are included in the distinguished majority leader's suggestion, and have drafted a letter which will go to the President either today or tomorrow morning indicating that we would like very much to confer informally from time to time, have him confer informally from time to time, with the floor leadership of both Houses, so that we can cooperatively seek solutions to the problems of the economy.

Mr. MANSFIELD. The Senator is correct. He emphasizes the point that what Congress—Democratic controlled or not—wants to do is to work cooperatively with the President. The Republican leader urges that the Democratic majority should seek mandatory controls, but may I say that it is impossible for either the President or Congress, acting alone, to achieve any reasonable response to the economic stagflation, or whatever it is called, which confronts the Nation today singly with the kind of powers we have. Cooperation is what is needed. To that end let me read this resolution. It states as follows:

> Resolved: That Congress consider a legislative agenda to develop remedies to counter recession and alleviate inflation including a nucleus of the following actions:
>
> (5) Formulating a system under which,

> when needed as a last resort, effective controls can be imposed to encompass prices, wages, rents and profits, and high interest rates, assuring that such a system is developed and enforced fairly and equitably and without discrimination in terms of the overall needs of the Nation;

The distinguished Republican leader states as follows, and I quote:

> When wage controls were lifted last April, first year increases in new agreements increased wage benefits an average of 7 percent. By autumn, increases reached 12 percent and, for building trades, 16 percent.

What more proof do we need to be assured that controls under phase II did work, but as soon as President Nixon withdrew the only effective phase of his four-part economic program what happened? Wages went up by 7 percent immediately and by this autumn by 12 percent, and for the building trades by 16 percent. So I think this is a good way to face up to a problem.

I have been reading the newspapers, listening to the commentators, and to the politicians, Democrats, and Republicans, saying that controls did not work. Mr. President, controls were the only part of the four-phased Presidential program which did work. But once those controls were taken off the sky was the limit.

Where are we today? At 12.1 percent inflation, 6.2 percent unemployment. Inflation, the trend is up; unemployment, the trend is up.

We cannot just talk. We have to do something and in doing so we have to work together if we are to do what the people expect of us. The way we are going about now is not the right way. It does us no good to argue on this floor. There is not a Member of this body who does not want to do something about inflation and unemployment, the pinch which all of us feel. The question is how do we get together; how do we work together, both parties in this Chamber, and this Chamber in turn with the President, to the end that we can do something instead of finding fault with one another all the time.

Frankly, I have not found fault with the Republicans in Congress. But I have found fault with the administration downtown because I think that under President Nixon, the administration shirked its duty and allowed things to slip into the situation which confronts the Nation today.

I hope that we would be able to work together, and I am very pleased to note that for the greater portion of this program, which was set out before the Democrats and inserted in the RECORD of November 21, the distinguished Republican leader is in agreement.

Mr. President, may I say one thing more, explaining not the Democratic position on wage-price-rent-profit controls, but the position of the Senator from Montana. I said before the Democratic conference:

> Yesterday, on my own initiative as a Senator from Montana and not as Majority Leader and not speaking for the Democrats, I introduced legislation that, in addition to granting the needed authority for controls, requires the Administration to provide Congress in 60 days with a draft framework for their implementation. Only in this way can Congress and all concerned be assured of equity and fairness in across-the-board application. I realize that perhaps even now a majority of the Congress may be against controls, but I point out that in an article written by Mr. Ernest B. Ferguson, an independent commentator, he states that on election day, NBC took one of the most extensive opinion surveys ever conducted. It asked some 8,000 voters as they left their balloting places how they felt about key issues. On wage-price controls, the verdict was 52 percent for, 31 against, and 17 no opinion.
>
> Furthermore, later, the CBS took a poll on the subject. It asked Congressmen and candidates, rather than voters. Members of the outgoing Congress came down against giving the President power to impose controls by 57 to 43 percent. That is this Congress.
>
> The incoming Members are for such power, but just barely, 51 to 49 percent.
>
> I realize also that organized labor, big business, and the administration are against controls. But as I have said many times, it is time for us to face the facts of life, to bite the real bullet, and to endeavor to do something about it, because the people are expecting results from the Congress.

Mr. HUGH SCOTT. Mr. President, I want to point out, first of all, that the distinguished majority leader has well made the point that on the Republican side we have not only offered cooperation, but as far as I personally am concerned, and I believe others feel the same way over here, many of them have proposed that we jointly with the Democratic majority favor certain constructive proposals, such as the recreation of the Reconstruction Finance Corporation which was created originally in the Republican administration. It worked and when it went out of business it showed a profit.

Mr. MANSFIELD. That is correct, it was created under President Hoover in 1931.

Mr. HUGH SCOTT. And showed a profit.

Mr. MANSFIELD. It did.

Mr. HUGH SCOTT. I think we have shown our good faith in offering to cooperate and mentioning specifics rather than to be so general as to render our proposals less meaningful.

I want to make the point on price controls that I had said I was against standby controls, I also questioned the value of mandatory controls, but I said that if the majority leader was dead set on controls they had better be mandatory than standby, because if there is anything in this country that does not work, it is standby controls, because it is an immediate signal to everybody to run in and grab a share of the pie larger than their share of the economy.

Mr. MANSFIELD. Will the Senator yield right there?

Mr. HUGH SCOTT. Therefore, I am not advocating the controls. I am merely saying to the Senator, if the Senator wants to be responsible about it and if the Senator is determined to do something which I think is fateful and dangerous, then the Senator had better make it mandatory rather than standby for obvious reasons.

Mr. MANSFIELD. May I say that I would be most happy to vote for mandatory controls, but I do not think I would get very far in the Chamber, in this Congress, or this administration.

But the Senator indicates that, in effect, merely the talk of controls would increase prices sky high.

Where does the Senator think prices have gone and continue to go without controls?

Five pounds of sugar, $3. A pound of coffee, $1.75, $1.90. Bananas probably about 20 cents apiece.

The roof has been shot through and all one has to do is go down to the grocery store, shuffle through the market, and find out how little one can buy with so much.

Mr. HUGH SCOTT. Well, now, I am still persisting in my point that if the Senator keeps saying to this country that the Senator is going to favorably consider standby controls, the price of sugar is going to shoot up, and other prices just the same.

I just finished voting against the subsidy on sugar, so my viewpoint is pretty clear on that.

I am saying the Senator already, through this discussion of standby controls, helped to increase the prices and I mean those who have advocated it.

Mr. MANSFIELD. Will the Senator yield?

Mr. HUGH SCOTT. Could I just finish the thought here?

The Senator speaks of mandatory price controls and points out that price controls did temporarily work last time. That is true. But what I was pointing out was that the moment they are taken off, the lid blows off, to use the Senator's own phrase.

Now, how long would mandatory controls be kept on if, indeed, the moment they are taken off the lid is going to blow sky high? Are we going to keep them on forever? If that is the case, we have a controlled and a regimented economy and we no longer have a free enterprise system.

Mr. MANSFIELD. Well, it would be most desirable if the cost of living decreased to 3 percent and unemployment decreased to 2.5 percent.

Mr. HUGH SCOTT. Well, that could be. If other devices do not work, congressional devices, that could be 20 years.

Mr. MANSFIELD. Could be.

Mr. HUGH SCOTT. Yes. All right; that is just the point I wanted to make.

Mr. MANSFIELD. The point is what the people want; they want lower prices and the only way prices will stabilize is through a rational, comprehensive, across-the-board approach to the economy. How long it takes is not the issue. Achieving economic stability is the issue and we must do whatever is necessary to achieve it—and for, however, long it takes.

Mr. HUGH SCOTT. I think my point is made.

Mr. MANSFIELD. They want productivity which will compete with the prices, and what the people want is action; what they want is something to be done by the Congress and the administration.

The important thing is that we take whatever action is needed—and for however long—until economic equilibrium is achieved.

Mr. HUGH SCOTT. We have used up too much of the time of the distinguished Senator from Massachusetts.

May I close with a quotation from Sandy Grady of the Philadelphia Bulletin, who is known as a very, very liberal commentator:

> So all the Democrats have to do in 24 months is bring back 40-cents-a-gallon gas and the $20,000 house, stop crime, clean up the rivers, cut taxes and give everybody a job.

Good luck.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I would like to yield to the Senator from Massachusetts.

Mr. MANSFIELD. I am happy to yield to the Senator.

Mr. JAVITS. Mr. President, if the Senator from Massachusetts will indulge me for 2 minutes, I think this discussion is, with all respect, probably more important than anything that has taken place on the floor today, because this is the very nub of what is troubling our people.

Mr. President, I have been involved in these issues for years and respectfully submit to both leaders that it is not necessary to lock horns on the issue of wage and price control, but already there is such a large area of agreement between the majority and minority leaders as to make a very, very effective possibility for a bipartisan program.

I welcome the fact that it will be entered into and I say for myself that I shall do my utmost to bring about a Republican conference for the purpose of considering both the majority leader's plan and the minority leader's memorandum, which I think deserves to be discussed at the level of all Senators on this side, so critical is it and so much am I convinced that the President's program has to be very materially firmed up.

Now, even on the issue of wage and price control, Mr. President, there are very new factors. One is the 400-percent increase in the price of oil, the other is the fact that wages and salaries may very well catch up and give to the whole economy that state of equilibrium—I like the word which the majority leader last used—which may be a substitute for possibly a vain effort to bring about across-the-board reductions.

For all those reasons, I for one Senator welcome very much the Stennis resolution, the action implemented, taken by Senator Mansfield and Senator Scott, and the fact that all Senators on both sides of the aisle should become deeply involved with giving some direction to this country, which at the moment is almost directionless, which at the moment is fiddling while Rome burns, including this country and the world, and millions of people starve and tens of millions of Americans are in real doubt as to the traditional optimism of all Americans about the boundless vitality of the American economy.

I thank my colleague very much for yielding.

Mr. MANSFIELD. Mr. President, I appreciate the remarks of the distinguished Senator from New York. No one is more aware of the economic situation in this Nation than he, and no one more learned.

I am also appreciative of the statements made by the distinguished Republican leader, because it indicates that there is room for cooperation, when he picks five out of the seven points and finds himself in substantial agreement with what the Democrats, in general, had suggested, but let me bring this close to home.

There has been a good deal of talk about a pay raise for Members of Congress and judges, high-ranking civil servants and the like. If my information is correct, the cost of living has increased for us by something on the order of 30 percent in the past 5 years. That is quite a chunk out of our paychecks, but we are in a position where we can stand situations of that kind far better than the people in the middle- and lower-income groups.

Does the Senator realize that if the present rate of inflation continues—12.1 percent from September 1973 to September 1974, and it certainly is higher now—that in 8 years it will take twice as much money as we are making now to be able to buy what we are buying now at today's prices?

They should look after the interests of the people, because they have no place else to turn but to the Government, and the Government to them. It means the Congress and the administration.

Mr. JAVITS. I thank my colleague, and I thank Senator Kennedy for his indulgence.

Mr. KENNEDY. Mr. President, this conversation and dialogue are entirely relevant to the legislation that we are considering. We hear a great deal in our caucus, I am sure on both sides of the aisle, about taking some meaningful steps to try and do something about increased costs. We have an opportunity with this legislation, the health planning legislation, to take some meaningful steps on the whole question of getting a handle on the increased cost of health care.

We talk in many instances in generalities. Here we have an opportunity to do something that is specific and can make a great deal of difference in terms of the total health care cost to the American people.

NATIONAL HEALTH PLANNING AND DEVELOPMENT AND HEALTH FACILITIES ASSISTANCE ACT OF 1974

The PRESIDING OFFICER (Mr. McClure). Under the previous order, the pending business is S. 2994, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 2994) to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Massachusetts (Mr. Kennedy).

Mr. MANSFIELD. Mr. President, I think the Senator from Missouri has a close call. I wonder if we could have him offer his amendment, and then proceed with the amendment of the Senator from Massachusetts.

Mr. KENNEDY. I have no objection.

The PRESIDING OFFICER. Without objection, the pending amendment will be temporarily laid aside, and the Senator from Missouri is recognized to offer an amendment.

Mr. EAGLETON. I thank the distinguished majority leader very much. I have an amendment at the desk, which I call up and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 83, line 6, strike "(2)", and insert in lieu thereof "(2) and (3),".

On page 84, insert between lines 4 and 5 the following:

"(3) The review required under paragraph (1) of section 1413, or paragraph (4) of section 1423(a) shall not apply to facilities or services subject to review under section 1122 of the Social Security Act, or subject to a certificate of need program enacted by a State prior to the enactment of this section which the Secretary determines substantially meets the requirements of section 1122 of the Social Security Act or subject to a certificate of need issued pursuant to section 1423(a) (3) (B).".

Mr. EAGLETON. Mr. President, this amendment has been offered in behalf of myself, Senator Taft, and Senator Pastore. I believe it is agreeable to the Senator from Massachusetts. It provides that the mandatory review required under paragraph (1) of section 1413 or paragraph (4) of section 1423 shall not apply to facilities or services subject to review under section 1122 of the Social Security Act if a certificate has been received from the Secretary of Health, Education, and Welfare by which the Secretary determines a program enacted by a State prior to the enactment of this section substantially meets the requirements of section 1122.

Mr. KENNEDY. Mr. President, the Senator has stated correctly both my understanding of the amendment and my willingness to accept it.

It is also my understanding that this will not preclude the area health planning agencies from moving ahead themselves in terms of periodic reassessment of need, but it eliminates the mandatory feature, an aspect which as I understand it is the principal objection. It will still permit local planning agencies, if they so desire, to make such review and such recommendations to the Governors or other interested parties, as they may wish.

With that understanding, I am willing to accept the amendment of the Senator from Missouri.

Mr. TAFT. Mr. President, I am a cosponsor of this amendment, because I believe that the periodic review provisions in the committee bill for recertification of health facilities and health services would not accomplish the desired goal of providing and continuing needed health facilities and services. I believe the provisions, as written, would be counterproductive and should be modified.

If it is found that existing facilities and services in a particular local are not needed, there are methods other than recertification available to force them to cease operation—such as a drastic drop in revenue—poor quality health care. Certification of need for new facilities and services should be as accurate as possible prior to their establishment. This is not to say that certain unforeseen situations could not develop over a 5-year period that would alter the certification of need. For as I am sure we are all aware, "the best plans can go astray."

I believe the language for recertification in the committee bill would make it almost impossible to get financial backing since the investor would always have a cloud hanging over his head as to whether his principal is safe—let alone the interest.

The recertification provisions have no sanctions and the individuals making the decisions on recertification are not liable, both of which I believe could have the effect of lackadaisical planning at the outset.

This threat of possible elimination of facilities and services which require long-term investment constitutes a hardship on those looking for financial backing as well as those who would be willing to invest. Since the committee bill also prohibits contributions of any funds or other contributions of facilities or services to health planning agencies from any individual or private entity which has a financial fiduciary, or in the development, expansion, or support of health resources—where does one go for funds for those facilities and services that are certified to be needed?

The committee bill states that one of the purposes of establishing health planning agencies is to prevent unnecessary duplication of health resources. These health planning agencies are required to establish, annually review, and amend as necessary a long-range goal plan. This long-range goal plan must be a detailed statement of goals:

(1) To achieve a healthful environment and health delivery system in the area which, when developed, will prevent unnecessary duplication of health resources.

They are also required to establish, annually review, and amend as necessary a short-term priorities plan which describes objectives which will achieve goals of the long-range goal plan.

In addition, the Secretary of Health, Education, and Welfare is authorized to review the long-range goal plan and the short-range goal plan and must call for modification of such plans—if he finds them to be inconsistent with the purpose of national health planning.

With all of these above procedures calling for review and modification, I can see no stated purpose of a 5-year periodic review of new health resources and hope the provisions on recertification are modified accordingly.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Maryland (Mr. BEALL) be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. Is all remaining time yielded back?

Mr. EAGLETON. I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

The question is on agreeing to the amendment of the Senator from California, offered by the Senator from Massachusttes.

Mr. KENNEDY. Mr. President, is there a time limitation?

The PRESIDING OFFICER. There is no time limitation.

The question is on agreeing to the amendment of the Senator from California, offered by the Senator from Massachusetts.

Mr. BEALL. As I recollect, the amendment currently under consideration is the amendment that would allow the Administrator of the Veterans' Administration to appoint ex officio members of the boards where there are two or more veterans hospitals in the State. Is that correct?

Mr. KENNEDY. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California offered by the Senator from Massachusetts on his behalf.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I call up the amendment of the Senator from Delaware and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN's amendment is as follows:

On page 67, line 24, delete the word "ten," and insert in lieu thereof the word "five."

On page 68, line 2, delete the word "ten," and insert in lieu thereof the word "five."

On page 68, line 4, delete the word "fifty," and insert in lieu thereof the word "twenty-five."

Mr. KENNEDY. Mr. President, the amendment of the Senator from Delaware is a very simple amendment. It lowers the minimum number of staff required to staff an areawide health planning agency from 10 to 5. It affects only those States with populations less than 1,000,000, and in no way precludes them from having a greater number of staff if they so desire.

It seems to me it will provide at least some reduction in the total cost. This is an amendment made by a Member from a smaller State. I have no objection to that particular proposal.

I have a full statement from the Senator from Delaware which I also ask unanimous consent to have printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR BIDEN

This is a very simple amendment. It would substitute the requirements for staff size of health planning agencies, as provided in the House health planning bill, for the requirements provided in the Senate bill.

Instead of requiring a minimum of 10 professional staff members, or one professional for every one hundred thousand population, whichever number is greater, my amendment, like the House bill, H.R. 16204, would require a minimum of five professional staff members, or one for every one hundred thousand population, whichever is greater.

While the Senate bill provides for a maximum of 50 professionals, my amendment sets the maximum at 25.

Mr. President, certainly the need for adequate professional staffing of health planning agencies is obvious. I would not quarrel with that.

However, it does not seem likely that every health planning area will be as populous as New York City or Los Angeles. In fact, given such variables as size of State and size of standard metropolitan statistical areas (SMSAs), I would presume that there may be some rather small health areas—comparatively speaking.

For example, in my own State of Delaware, we have in New Castle County an area-wide health planning agency, which receives Federal funding under section 314–B of the Public Health Service Act. As I understand the health planning bill, now being considered by the Senate, this so-called "B" agency could be designated by the Governor of Delaware as a "health planning agency." As defined in this legislation.

In this instance, A "B" agency, which encompasses a health area of about 400,000 Delawareans, would be required to increase its professional staff to ten.

As one of the professional staff members of this "B" agency said to me: "We'd be falling all over each other."

In sum, Mr. President, I believe that the minimum requirements for staffing, as provided in the Senate bill, although well-intended, are too severe. Not just for Delaware, but for other States with comparable characteristics.

Moreover, the higher minimum requirements proposed in the Senate bill are an unnecessary expense, when they are imposed on agencies in smaller planning areas, which simply don't require as many professional staff members to fulfill the objectives of this legislation.

It is my understanding, that the committee will accept my amendment, and I would urge its adoption to my distinguished colleagues in the Senate.

Mr. BEALL. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. BEALL. Why apply it to just 500,000?

Mr. KENNEDY. That would be the minimum number. It lowers it from the total number of 10 to 5.

Mr. COOK. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. COOK. What bothers me about this—and I say this not because it applies to my State at all—is, for instance, if we take the State of Alaska, which is the largest State in the Union but which has a population of less than 500,000 would there be a planning commission of only five in that State?

Mr. KENNEDY. Under the provisions we have not limited the number to five, but rather set that as a minimum number.

Mr. COOK. Did the Senator from Massachusetts say that he was submitting an explanation?

Mr. KENNEDY. It was the statement of the Senator from Delaware.

Mr. COOK. I thank the Senator.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Delaware.

Mr. AIKEN. I have had little time to study this bill amidst phone calls today. Some folks seem disturbed over the new method of establishing areas.

If you take the State of Vermont, for instance—and that is where the phone calls were coming from—who decides whether some areas are involved with Boston and another one with New York? How would that be arranged? I think that is what is disturbing them, though I am not sure.

Mr. KENNEDY. The original version of S. 2994, submitted by me in February, contained population measure for health planning areas. Those have been stricken during Committee consideration of the bill. The Governors of each State would nominate new health planning areas to be approved by the Secretary. Existing areas could be modified only with the approval of the Governor of the State involved.

Mr. AIKEN. The Bennington area might be incorporated in an Albany area or Vermont and New Hampshire could set up their own area?

Mr. KENNEDY. The original language in S. 2994, as introduced, was strongly and strenuously objected to by the Governors, and because of the confusion in terms of responsibility, we eliminated that particular provision and established that there will be separate area planning agencies, that will be responsible to State planning agencies.

So even though there will be some sacrifice in terms of, perhaps, coordination, we are hopeful that there will be an umbrella that will be established that will permit cooperation which otherwise may not have taken place.

Mr. Aiken. Then the bill in the Senate today has very substantial differences from the bill as introduced.

Mr. KENNEDY. The Senator is quite correct.

Mr. AIKEN. Maybe that will meet the concerns.

Mr. KENNEDY. On page 43 of the report we spell out the differences between what was introduced and what actually came out. I draw the Senator's attention to that if he has further questions on it.

Mr. BEALL. Mr. President, I understand the intent of the amendment and I think the clarification is adequate and proves the advisability of adopting the amendment, in my opinion.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment offered by the Senator from Massachusetts for the Senator from Delaware.

The amendment was agreed to.

Mr. PELL. Mr. President, I send an amendment to the desk.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

On page 138, line 9, insert immediately after "1436" the following "(a) At the request of the Governor of a state applying for a waiver under this Section, . . . "

On page 138, insert between lines 16 and 17 the following:

"(b) A State receiving a waiver under subsection (a) of this section and otherwise meeting the requirements of this title shall be eligible for assistance authorized by this title "

Mr. PELL. Mr. President, this amendment has been discussed on a staff level with the manager of the bill. The amendment would insure that a State receiving a waiver under this section would continue to receive funds to support its statewide health planning system. The amendment clarifies the waiver process by requiring the Governor of a State that seeks a waiver to formally request it from the Secretary of Health, Education, and Welfare.

I hope that this amendment is agreeable to the manager of the bill.

Mr. KENNEDY. Mr. President, we discussed this amendment in the committee. As I understand, this is basically a reshaping and a redrafting of the amendment which then, at least, was extremely clear to the members but is really a conforming amendment.

Mr. PELL. That is my understanding of it.

Mr. KENNEDY. So it is acceptable to me. I hope it is adopted.

The **PRESIDING OFFICER** (Mr. HATHAWAY). The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

The **PRESIDING OFFICER.** The bill is open to further amendment.

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The **PRESIDING OFFICER** (Mr. HUDDLESTON). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Health Programs Extension Act of 1974".

TITLE I—AMENDMENTS TO PUBLIC HEALTH SERVICE ACT REFERENCES TO ACT

SEC. 101. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

COMPREHENSIVE HEALTH PLANNING

SEC. 102. (a)(1) Section 314(a)(1) is amended (A) by striking out "and" after "1973," and (B) by inserting after "1974" the following: ", and $10,000,000 for the fiscal year ending June 30, 1975."

(2) Section 314(b)(1)(A) is amended (A) by striking out "and" after "1973," and (B) by inserting after "1974" the following: ", and $25,100,000 for the fiscal year ending June 30, 1975."

(b) The first sentence of section 314 (b)(1)(A) is amended by striking out "and ending June 30, 1974" and inserting in lieu thereof "and ending June 30, 1975."

HILL-BURTON PROGRAMS

SEC. 103. (a)(1) Section 601(a) is amended to read as follows:

"(a) for the fiscal year ending June 30, 1975—

"(1) $20,800,000 for grants for the construction of public or other nonprofit facilities for long-term care;

"(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

"(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities;".

(2) Section 601(b) is amended (A) by striking out "and" after "1973," and (B) by inserting after "1974" the following ", and $41,400,000 for the fiscal year ending June 30, 1975."

(3) Section 601(c) is amended (A) by striking out "and" after "1973," and (B) by inserting after "1974" the following: ", and $50,000,000 for the fiscal year ending June 30, 1975."

(b)(1) Section 621(a) is amended by striking out "through June 30, 1974" in paragraphs (1) and (2) and inserting in lieu thereof "through June 30, 1975."

(2) Section 625 (2) is amended by striking June 30, 1973, and June 30, 1974" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975."

REGIONAL MEDICAL PROGRAMS

SEC. 104. Section 901 (a3 is amended (1) by striking out "and" after "1973," and (2) by inserting after "1984" the following: ", and $159,000,000 for the fiscal year ending June 30, 1975."

TITLE II—MISCELLANEOUS

MISCELLANEOUS

SEC. 201. Section 601 of the Medical Facilities Construction and Modernization Amendments of 1970 is amended by striking out "1974" and inserting in lieu thereof "1975".

Mr. STEVENS. Mr. President, it is with some reluctance that I offer this amendment in the nature of a substitute.

The effect of the amendment would be to extend for 1 year, through June 30, 1975, the appropriations authorizations for the comprehensive health planning program, the Hill-Burton program, and the regional medical program at the fiscal year 1974 authorization levels. The amendment also would extend a provision of the Medical Facilities Construction and Modernization Amendments of 1970, as amended—designed to assure the availability and expenditure of appropriated health funds.

We in Alaska have always placed a very high priority and emphasis on strengthening comprehensive health planning and developing a strong and effective State and local health planning capability.

In addition, we have received substantial assistance under the Federal Hill-Burton hospital construction program and other Federal health programs that have enabled us to build modern up-to-date health facilities where, without such Federal assistance, it would probably not have been possible to finance such construction.

The third program, the regional medical program, has been of particular assistance to us through the highly effective Washington/Alaska regional medical program which has enabled the Nation's largest State to utilize on a cooperative basis the knowledge and techniques and personnel located in the advanced, highly skilled, and sophisticated health community in our nearest stateside neighbor—the State of Washington.

While I really support S. 2994, the National Health Planning and Development and Health Facilities Assistance Act of 1974, we believe that we need a little time to study this matter, to see what is going to happen to States such as Alaska. We in Alaska of course realize that the existing comprehensive health planning program—CHP—Hill-Burton program, and regional medical program—RMP—authorities expired some 17 months ago. Since that time, they have been extended by the Congress in the hope of agreeing on appropriate revisions and extensions of these essential Federal health authorities—particularly as an important groundwork for national health insurance which Congress may adopt within the next few years.

However, in reviewing the legislation and in consulting with a broad spectrum of health leaders in Alaska, I find there is serious concern that several major deficiencies in S. 2994 raise sufficient doubt as to whether the 93d Congress should pass this measure without further close review and consideration of the problems involved.

I believe the most prudent and appropriate action for the Senate and House at this time would be adoption of a simple extension of the comprehensive health planning, regional medical program, and Hill-Burton authorities for the remainder of the current fiscal year.

This would enable us to take another look at the problems which the health leaders have pointed out in S. 2994 and hopefully, to find adequate and effective solutions for consideration of the problems that have been raised by the people in my State, in particular, and to pass legislation similar to S. 2994 with some modifications next year.

I list some of the deficiencies that have been pointed out to me in connection with the proposed legislation:

Sections 1413(h) and 1423(a)(4) provide for periodic review by planning agencies of all existing health care services and institutions, with a finding to be made as to the continued need for such services and institutions. Financial authorities indicate that this provision would have a serious negative impact on the ability of health care institutions to finance necessary capital improvements that they have under way at this time.

In this connection, I ask unanimous consent to have printed in the RECORD letters from the National Association of Church and Institutional Financing Organizations and the B. C. Ziegler Co.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF CHURCH
AND INSTITUTIONAL FINANCING
ORGANIZATIONS,
Washington, D.C., November 13, 1974.

LEO J. GEHRIG, M.D.,
Vice President, American Hospital Association, Washington, D.C.

DEAR DR. GEHRIG: The National Association of Church and Institutional Financing Organizations (NACIFO) believes the recertification provisions in both the Senate and House versions of pending comprehensive health planning legislation (S. 2994 and H.R. 16204) will have substantial detrimental effects on the ability of health care institutions to raise the capital necessary to provide for quality health care. As an organization comprised of a substantial majority of the nation's underwriters of nonprofit institutional bonds, NACIFO feels a responsibility to make known its views regarding the effect of the proposed language on the ability of hospitals to raise funds in the capital markets.

While NACIFO recognizes the need for and the desirability of keeping the HSP up to date through periodic review, we believe that the provisions in these bills not only accomplish this desirable goal but also cause undesirable and counter productive side effects. Because the bills explicitly accept the possibility that a service granted a certificate of need today may be subject to "elimination" within five years, investors buying a hospital's long-term bonds will recognize a greater risk in the purchase than would exist if this language were not included in final legislation. In effect, a hospital seeking purchasers for its long-term bonds so as to finance construction and acquisition of equipment for a specific health service or group of services would be seeking long-term investors in a service which could face "elimination" within a considerably shorter term. Obviously, where there is such a threat to the security backing the bonds, the rate of interest which a hospital would have to pay to attract capital to this venture would be higher than at present. Higher interest rates will have to be paid to compensate for the higher risk.

NACIFO wishes to emphasize that it is the mere threat of elimination which increases the risk attached to the purchase of hospital bonds. The possibility, or even the probability, that elimination will not be a frequent occurrence will not gainsay the fact that this language adds a substantial risk to the decision to buy hospital bonds. And, since higher risk inevitably means higher interest rates, the cost of hospital construction and renovation will rise significantly even though projects have received a certificate of need. And ultimately those costs will be passed along to the consumer in the form of higher prices for health care, thus partially defeating one of the major purposes of this legislation.

NACIFO believes that the goal of keeping the HSP up to date need not be accomplished at the price of raising the risk involved in the purchase of hospital bonds. While NACIFO recognizes that services which have been needed and efficiently used in the past may become unnecessary and underutilized in the future, it does not believe that added costs should be forced into the health care delivery system in order to provide for the elimination of these unnecessary services.

Sincerely,

THOMAS H. QUINN.

B. C. ZIEGLER AND CO.,
West Bend, Wis., October 22, 1974.

MR. DAVID E. MARINO,
Capital Financing Coordinator,
American Hospital Association,
Chicago, Ill.

DEAR DAVE: The pending comprehensive health planning legislation contained in Senate Bill S. 2994 Section 603(g) and House Bill H.R. 16204 Section 1413(g)(1) is of great concern to our company. B. C. Ziegler and Company, as you know, specializes in providing financial services to the health care industry. There are currently in excess of $2½ billion of hospital and health care related bonds outstanding where we have been the sole underwriter.

We recognize the advisability, Dave, for a periodic review and inspection of existing institutional health services. However, the proposed statute accepts the possibility that a facility granted a certificate of need today may be subject to "elimination" within five years. This tells us that our thousands of bond holders located in every state of the union, might be holding bonds secured by a hospital which could face "elimination" prior to the maturity of the bonds. Incidentally, over 80% of bonds marketed by our firm are held by individuals and primarily the kind of individuals who could not afford to lose their investment.

We also have grave reservations as to the future marketability of bonds subject to this risk. The added risk would certainly result in higher interest rates for the hospitals to pay. There are any number of methods by which health care services may currently be discontinued, but the proposed legislation could provide sufficient enough resistance to the investor so that he would look elsewhere in making investments.

One of the missions of the American Hospital Association is to assist hospitals in providing quality health care as efficiently as possible, with the least possible cost to the user. With this mission in mind, Dave, we urge you to take whatever steps are necessary to oppose the above legislation in its present form. Recertification of institutions providing health care services should not be necessary. Comprehensive planning is already a part of the health service program in this country. The threat of elimination of existing facilities is one that can and should be avoided.

Sincerely,

B. C. ZIEGLER,
Chairman of the Board.

Mr. STEVENS. I was not in the Chamber at the time, so I do not know what has been the disposition of the Eagleton-Taft amendment, but I did receive their letter of November 22, which indicated that they, too, were worried about this provision in S. 2994, and I would be happy to learn what has happened in regard to that provision.

The overall planning process mandated by S. 2994 fails to appropriately recognize the need for State governmental authority in this process to insure that good planning is performed at both State and local levels. The proposed authority of local, nongovernmental planning agencies to independently fund development projects to carry out local plans and the power of the local agencies to review and approve HEW project grants without even a mandatory review by the State planning and development agency are but two examples of this lack of concern for statewide priorities which we in Alaska have tried to establish.

Title II of S. 2994 would detrimentally change the existing program of grants and loans for the modernization and construction of health care facilities—Hill-Burton. I support redirection of this program to more effectively concentrate Federal assistance on projects of greatest need, but disagree with the approach of the reported bill. S. 2994 provides for half of the grant assistance to be allocated on a project basis directly by HEW, thereby circumventing the State government role in setting statewide priorities for the health facility construction assistance. Moreover, despite a well-documented $12.7 billion nationwide need for hospital modernization projects alone, S. 2994 would sharply reduce the annual authorization level for the Hill-Burton program from $197 million to $125 million.

S. 2994 includes a provision—section 1424—for optional Federal grants to assist those States seeking to set the rates charged by health care providers. It would perhaps be appropriate to have State-level rate determination as an integral part of comprehensive national health insurance legislation, but not in this planning bill. S. 2994 would not finance services, nor would it require Federal purchasers of care such as the medicare program to pay the rates set by State-level programs.

A separate title of S. 2994 provides for accrediting and licensing of radiologic technicians.

I am informed that the rapidly increasing number of allied health professions seeking State licensure coverage has become a serious problem in the health industry. Licensure of radiologic technicians could be delayed at least until consideration has been given to this overall problem, with some general agreement reached as to proper and workable solutions. I have no objection to licensure of the radiologic technicians, but I think that the entire problem of just who should be covered in the allied health professions, so far as licensure under State laws is concerned, should be reviewed by Congress, instead of proceeding on a piecemeal basis.

This bill, S. 2994, represents the culmination, I am certain, of a great deal of work by the committee. As I have mentioned, I am very reluctant to point out at this late date that the legislation includes some flaws which affect States in positions such as mine, which I think could be resolved if we were given more time to make the necessary review and some what I think are minor amendments, really, to straighten out this legislation before it is passed. We will have very little chance to do that in the next Congress. I am sure that is going to be the suggestion. This is a comprehensive bill. It affects all States, yet I think it really is directed at the major population center States and has not given adequate attention to States such as mine, which has a very large rural population.

Of direct concern to Alaska is the provision which affects the program I mentioned, the Washington/Alaska regional medical program. The RMP's play a critical role in our State which contains large, medically underserved areas. Established in the mid-1960's as a means of bringing the best medical care quickly to patients suffering from heart disease, cancer, stroke, and related diseases, the program has since broadened its scope and the effectiveness of its activities in Alaska. The RMP's now address a larger number of disease categories. In addition, the RMP's presently play an important role in stimulating the development of new types of health services and health manpower. Any attempt to cut back on such a necessary and successful program as the RMP's at a time when the public and the Congress are concerned with improving the health care system in medically underserved areas, should be, I think, really reviewed in greater depth.

This bill presents other problems for Alaska, which as I am sure Congress realizes, is a State undergoing rapid change and development, and a State consisting of extreme distances and variation in temperature. The present pipeline development project in our State calls for medical facilities to be constructed quickly for large numbers of people in the northern regions of the State. At best, the periodic review provisions in S. 2994 would make hospital construction in these areas a difficult proposition. These facilities are needed immediately; under S. 2994 we would have problems obtaining capital financing, since we cannot guarantee the same need in 5 years.

Because of the provisions in S. 2994 which deal with minimum requirements for staff, the bill would discriminate against rural areas such as those which comprise the vast areas of Alaska. These provisions would make it almost impossible according to our health people for rural areas to do their own health planning.

For these reasons, I reluctantly offer this substitute, which, I point out again, continues the programs that we have funded in Congress through a simple extension of the comprehensive health planning, Hill-Burton, and regional medical program authorities. This would provide us the opportunity to fund these projects again as we come back into session in the next Congress and give us an opportunity to have our States review in depth the provisions of this bill, S. 2994, as it has been reviewed.

I say to my good friend, the manager of the bill, I am sure that he realizes—we have worked together on many things—that the problem is that my people in Alaska tell me that there have been so many changes made in this bill since it was originally introduced that we just have not had the opportunity to examine completely in depth what is going to happen to States such as ours in the field of health manpower and health delivery services and statewide planning.

I offer the substitute to do what I have stated, to extend the programs which are in effect through June 30, 1975, with the hope that if it is successfully carried out, we will have an opportunity to review this bill in depth and to work together in the beginning of the next Congress to achieve its objectives.

Mr. CLARK. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. Yes, I yield.

Mr. CLARK. Mr. President, I rise in support of S. 2994, the National Health Planning and Development and Health Facilities Assistance Act of 1974 and, therefore, in opposition to the pending amendment. I think it would be a mistake to postpone such important legislation into next year.

During the current year, Americans will spend around $100 billion for health care. That is over $450 a year for every man, woman, and child in the United States. But, Americans are not getting a good return on that investment. Mr. President, they are not getting a good return because they are paying for many services and facilities which are unnecessary and duplicative in many cases. Because of poor planning we have not been able to spend money for the very service and facilities that are desperately needed. In order for us to prevent any more Federal dollars from going to health care facilities that are not providing efficient and effective health services, we need to pass a strong health planning bill—one that will include a specific review of health care facilities on a regular basis to make sure that each taxpayer's dollars are being well spent.

This country is first in many areas, but not in health care. That is because we have not planned for our future. This bill will establish planning agencies from the local to the State and to the Federal levels, and I believe that it will serve the needs of our citizens by providing for the most prudent use of our health dollars.

Briefly, Mr. President, this legislation is an important step forward to providing the Nation's citizens with the health care that they need and deserve and, certainly, the Senator from Massachusetts and his committee are to be commended for bringing this bill before us this year. Right now, health care too often is not available in many areas of the country because we have not adequately planned for it. The legislation before us will make health care planning a national goal, consolidating the current planning programs—the regional medical program, the Hill-Burton authorities, the comprehensive health care planning—and giving the Nation's care needs the long-range attention that they clearly deserve.

The legislation provides for areawide health planning and development. This means that health planning agencies will be required to formulate long- and short-term plans for the efficient and equitable delivery of health care services. And the health planning agencies will be required to ensure citizens within each planning area equal access to medical care.

This legislation will give planning agencies the authority they have lacked by setting up State health planning and development agencies to perform a number of planning and regulatory jobs.

Mr. KENNEDY. Will the Senator yield?

Mr. CLARK. Yes, I yield.

Mr. KENNEDY. Mr. President, I request the yeas and nays on the final passage.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska (Mr. STEVENS).

The amendment was rejected.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, these functions will include the administration of a special program to enable each planning area to determine its needs and then insure that its health care institutions are delivering the necessary services. The agencies will review hospital construction and only allow construction that fits the desired plan and the needs of its citizens.

A State health coordinating council

will be established under this legislation to review the State health plan drafted by the State health planning and development agency, and this council will have the authority to channel Federal dollars into those projects which have been approved and certified by the planning agency.

In addition, this legislation directs the Secretary of Health, Education, and Welfare to promulgate national guidelines for health planning, emphasizing special priorities for the health care of our citizens. This legislation provides authority for grants, loans, and loan guarantees for the construction and modernization of public or nonprofit private outpatient facilities, and the construction and modernization of public and nonprofit inpatient facilities with special emphasis on medically underserved areas.

Mr. President, this legislation will give our citizens the opportunity to have a voice in the health care that is available to them, and it is an important beginning in our efforts to guarantee every American the health care that they rightfully deserve.

For these reasons, Mr. President, I urge the adoption of S. 2994.

Mr. KENNEDY. I ask for the third reading, Mr President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The Senator from New York is recognized.

Mr. JAVITS. Mr. President, may I ask the manager of the bill if he wishes to have a rollcall on this bill?

Mr. KENNEDY. Yes.

Mr. JAVITS. He does?

Mr. KENNEDY. Yes.

Mr. JAVITS. Mr. President, there is a very substantial problem with this bill in respect to assistance for construction and modernization of health facilities. In my judgment, the bill's provision does not direct itself to the fundamental problem which faces us in this field, because the bill provides $125 million per year for hospital construction and hospital modernization, but does not make it available on terms which meet the issue, and that issue is the unbelievable condition of deterioration which affects so-called public hospitals in cities.

Seventy percent of our people live in cities, yet, because there are more small States than big States, we have adopted in this particular measure the absolutely archaic idea that for half of this $125 million we shall go ahead and allocate it in accordance with the old Hill-Burton formula.

The fact is that they are just digging a deeper hole for us than we have had before, because we are already overbuilt under the Hill-Burton formula, under which we have spent over $4.4 billion in grants and over $2 billion in principal loans, either directly or guaranteed. We are already overbuilt in hospital beds, recent evidence indicates a surplus approaching 70,000 excess hospital beds can be anticipated by 1975. Yet we propose to continue this absolutely archaic formula for 3 more years, to the extent of $67.5 million a year, with complete disregard of the fact that that is by no means the target.

If the figure is 70,000, and it may well be, the cost of supporting excess hospital beds has been estimated to be between $1 and $2 billion per year which, under existing prevailing formulas for the reimbursement of hospitals will continue to be paid, whether or not the excess beds are occupied.

The committee report states that in so many words.

In addition, Mr. President, the report, in that part entitled "Committee Views," states very clearly—I refer to the specific page of the report, because it is such an important matter—at page 39 the report says:

> A recently published study indicates that by 1975, over 67,000 unneeded hospital beds will be in operation throughout the United States.
>
> Hospital beds, though unused, contribute substantial additional costs to the health care industry. It is estimated that a hospital bed, full or empty, costs ⅓ its initial cost each year to operate. Each $1,000 invested in hospital expansion requires approximately $333 each year in operational financing.

Yet the Senate committee, notwithstanding its own statement to that effect, takes the completely wrong view that the situation which we started about 27 years ago in order to take account of the then disparity in hospital beds between rich and poor States, considering their per capita income, should be continued. Like some Frankenstein, it is just going to continue and continue simply because there are more States on that side of the calendar than there are on my side of the calendar, where there are big cities with terribly degrading, outmoded and obsolete facilities.

Incidentally, the report uses, I believe, the word "degrading"—I shall supply that reference to the Senate—to the extent of over 300 hospitals in the major cities of the country, which are absolutely behind the times, and many unsafe. This is all as shown by a survey of HEW. I refer my colleagues to page 59 of the report which says:

> Members of the Committee have visited many urban hospitals personally, and have observed first-hand the antiquated, overcrowded, dangerous, and degrading state of many of our large hospitals. In the view of the Committee, it is the responsibility of the Federal government to intervene in this sorry state of affairs.

Instead of devoting that money on a targeted project basis to them, we go through the same matter of recreating more unused beds even, than we had before, according to this bill.

The House of Representatives took a very different view of this matter, a very much more enlightened view, and tried to direct some of these resources to exactly the right targets, which are these hospitals that are archaic, degrading, and found by the HEW survey, many of them, to be unsafe and completely inappropriate for the uses to which it is attempted to put them. I call that to the attention of the Senate.

I tried, in the committee, to bring about an amendment of this bill to correct this very serious and damaging situation, but without success, again because of the almost superstitious impact of the so-called Hill-Burton formula.

No one revered Lister Hill more than I did. When he started, by the way, he had a completely lopsided formula against the cities, because part of the formula was based on the population, but then it squared the per capita income in relationship to the average per capita income in the United States, giving that twice the value it normally would have.

Again, that was intended to correct the alleged prejudice to rural areas as against city areas and in recognition of the then unability to determine need and establish an arbitrary formula. But that was corrected years ago, and it is now simply recreating itself, in more beds which are unneeded and which only waste money for their share of maintenance. I have given figures to the Senate on the maintenance cost and I would again point out that the original enactment of Hill-Burton was based on a recognition of the need for an increase in the capacity of the Nation's health facilities. In 1946, while the eight States with the highest per capita income had 4 beds per 1,000 population, there were only 2.5 beds per 1,000 population in the eight States with the lowest per capita income. Today, this imbalance has been corrected and, indeed, the general hospitals in the lowest income States are newer facilities on the average.

As I say, I tried to do this in the committee, and I failed. The committee, as I say, continued to adhere to this, what I call a superstition, that you have got to provide Hill-Burton money because maybe, in some nook or cranny of the country, it still might be helpful because of shifts of population.

So, again taking care of those situatons on a strict project basis, we again waste money by simply going through the old exercise, without any inspiration or idea as to the situation.

The study that I mentioned, the one which requires pinpointing for modernization, particularly of public hospitals, I have referred to it in my own minority views at page 213. The number is 341 hospitals. This is the fact and there is no gainsaying it. There is no ducking or denying it; it just is a fact.

> In December 1973, HEW conducted a nationwide survey of State Hill-Burton agencies to determine the number and distribution of short-term, non-profit, general hospitals that did not meet structural and safety standards for at least 25 percent of their beds. All hospitals identified as needing modernization had to have over 100 beds, been recommended by the Areawide Comprehensive Health Planning agency for modernization and believed to be unable to generate the necessary funds for capital improvements because of insufficient patients.
>
> The study found 341 hospitals with serious defects. In examining the distribution of the hospitals, it was found that many States had relatively few, if any, hospitals meet-

ing all the criteria. In fact, thirteen States indicated no such hospitals and nine States had only one such hospital.

The wide distributional discrepancy found in modernization needs suggests that a targeted modernization program would be a more efficient and responsible use of scarce Federal resources than a formula program like Hill-Burton.

Mr. President, under all these circumstances, while I could have sought again on the Senate floor to change the situation, I doubt very much that there would have been any further result than the result which we already got in the committee, and all it would have done would have been to rivet that in, because that is the way these things go. Once the Senate would have voted on that proposition, it would not even have been an open matter in conference.

Mr. President, I point that out because it is a very critical deficiency in this bill, with which Senators from States which have this very grave problem and the very grave social problem of the lack of means with which to modernize and renovate especially the so-called public hospitals in the larger States of the country must cope. I call it to the attention of the Senate. I hope very much that there may be a chance to find some formula which will correct the matter in conference, but if that proves to be impossible, I simply serve notice that I shall press it by amendment, by separate legislation, or in any other way open to me.

I intended to propose an amendment which responded to these concerns—assuring an annual appropriation of $185 million, which I might note is less than congressional appropriations in 1972, 1973 and 1974—in accordance with the allocation formula set forth in the House reported bill, H.R. 16204, to wit: the population, the financial need and the need for medical facilities projects authorized by the bill.

In order to ascertain the amount each State would be alloted under that formula, as compared to the outdated Senate bill formula, I had HEW prepare comparative charts—utilizing an $185 million authorization—set forth at the conclusion of my remarks, which establishes that for example in my own New York State it loses $4,666,720.

However, as I previously noted, in view of the parochial State-by-State allocation dollar gains and losses, I did not choose to proceed with an amendment. Rather, I believe it would be more appropriate for the conference committee, when it is appointed on S. 2994 and H.R. 16204, to resolve the formula issue.

Mr. President, the purpose of the pending bill, the Health Facilities Assistance Act of 1974, (S. 2994) National Health Planning and Development is to replace the State areawide planning components of five programs, conducted under the Public Health Service Act, whose authorizations expired with the close of the current fiscal year. These are the comprehensive health planning programs under sections 314(a) and 314(b) of the act, the Hill-Burton program under title VI of the act, the regional medical programs under title IX of the act, the program supporting area health education centers—funded through both the regional medical programs and section 774 of the act—and the program assisting experimental health services delivery systems under section 304 of the act.

To achieve this goal the bill provides for:

First. The development of a national health policy through appropriate guidelines established by the Secretary of the Department of Health, Education, and Welfare.

Second. The creation of a system of health planning agencies responsible for areawide planning and development throughout the country in health areas established by the Governors of the States with criteria for the structure, staff, governing body, and functions of the health planning agencies.

Third. The establishment of a State health planning and development agency in each State, selected by the Governor and designated by the Secretary with each State agency entitled to an allotment to assist them in meeting the costs of performing their prescribed functions; separate allotments will be available for those States which have in effect an agreement with the Secretary for the performance of rate regulation functions.

Fourth. An allotment to a State to assist in meeting the costs of projects for construction or modernization of public or other nonprofit outpatient facilities, and modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which without the modernization would be designated medically underserved. Each project application must be reviewed by the appropriate health planning agency; also authorized are direct loans and guarantees of loans to public and other nonprofit entities to assist in meeting the costs of projects for the same purposes specified for State allotments.

I am gratified that the pending legislation in great measure responds to the concerns I expressed when I introduced my Health Planning Act (S. 3139) and the administration's "Health Resource Planning Act" (S. 3166), as well as my Urban Hospital Emergency Assistance Act (S. 2983).

With respect to the allotment provisions, item "4" above, I wish to reiterate that I am deeply concerned that the reported bill provision—section 625(a)(2)—requiring that 50 percent of the funds appropriated for facilities construction and modernization be distributed to the States according to the formula specified in title VI of the Public Service Act, will not allow scarce Federal dollars to be focused on those hospitals in areas with the greatest need for construction or modernization of facilities. The formula in the reported bill simply fails to recognize that times have changed, that the problems of 20 years ago are no longer the problems of today.

Other than that grave defect, this is a splendid bill, a fine monument to the work which has been done by Senator KENNEDY and Senator BEALL. Though I and the ranking minority member of the whole committee, Senator BEALL is a key member on the Health Subcommittee. I admire and approve tremendously of the job he does, but I do think that in this case we have had a complete blind spot, and I felt it my duty, Mr. President, to call it to the attention of the Senate.

Tentative Hill-Burton allotments utilizing $185 million authorization under House formula in H.R. 16204

Alabama	$3,066,119
Alaska	1,000,000
Arizona	1,729,537
Arkansas	1,953,753
California	13,448,322
Colorado	1,962,821
Connecticut	2,432,946
Delaware	1,000,000
District of Columbia	1,000,000
Florida	5,085,306
Georgia	4,131,189
Hawaii	1,000,000
Idaho	1,000,000
Illinois	8,718,277
Indiana	4,723,467
Iowa	2,923,162
Kansas	2,392,761
Kentucky	2,772,914
Louisiana	3,869,100
Maine	1,143,660
Maryland	2,798,874
Massachusetts	5,493,019
Michigan	6,498,879
Minnesota	3,456,763
Mississippi	1,888,320
Missouri	3,930,799
Montana	1,000,000
Nebraska	1,235,587
Nevada	1,000,000
New Hampshire	1,000,000
New Jersey	7,573,727
New Mexico	1,000,000
New York	13,932,671
North Carolina	4,952,483
North Dakota	1,000,000
Ohio	7,418,679
Oklahoma	2,440,769
Oregon	1,828,242
Pennsylvania	10,834,902
Rhode Island	1,000,000
South Carolina	2,653,605
South Dakota	1,000,000
Tennessee	4,007,257
Texas	10,156,387
Utah	1,044,621
Vermont	1,000,000
Virginia	4,714,399
Washington	2,359,689
West Virginia	2,057,415
Wisconsin	3,259,219
Wyoming	1,000,000
American Samoa	500,000
Guam	500,000
Puerto Rico	3,824,115
Trust Territory	791,245
Virgin Islands	500,000
Total	185,000,000

Tentative Hill-Burton allotments utilizing $185 million authorization under Senate formula in S. 2994

Alabama	$4,560,093
Alaska	1,000,000
Arizona	1,922,646
Arkansas	2,648,810
California	12,559,253
Colorado	2,049,947
Connecticut	1,489,967
Delaware	1,000,000
District of Columbia	1,000,000
Florida	7,017,153
Georgia	5,008,042
Hawaii	1,000,000
Idaho	1,000,000
Illinois	6,533,518
Indiana	4,450,902
Iowa	2,582,940
Kansas	1,839,377

Kentucky	$3,935,841
Louisiana	4,504,699
Maine	1,153,517
Maryland	2,727,107
Massachusetts	3,781,554
Michigan	6,243,940
Minnesota	3,289,573
Mississippi	3,292,059
Missouri	4,250,453
Montana	1,000,000
Nebraska	1,315,439
Nevada	1,000,000
New Hampshire	1,000,000
New Jersey	4,164,520
New Mexico	1,299,460
New York	9,265,951
North Carolina	5,914,414
North Dakota	1,000,000
Ohio	8,325,845
Oklahoma	2,857,249
Oregon	1,964,902
Pennsylvania	9,559,968
Rhode Island	1,000,000
South Carolina	3,435,339
South Dakota	1,000,000
Tennessee	4,878,256
Texas	11,417,632
Utah	1,295,909
Vermont	1,000,000
Virginia	4,459,779
Washington	2,633,541
West Virginia	2,183,639
Wisconsin	4,090,306
Wyoming	1,000,000
American Samoa	500,000
Guam	500,000
Puerto Rico	5,096,460
Trust Territory	500,000
Virgin Islands	500,000
Total	185,000,000

Mr. **KENNEDY**. Mr. President, I think we will be ready to vote very quickly, but do want to make a brief comment on the statement made by the distinguished Senator from New York.

He has correctly identified one of the very critical needs that we are facing in providing health care in the major urban areas of this country, and that is the desperate financial condition of the hospitals in our major industrial areas. They are virtually without the ability to raise the kind of capital which is so essential to modernize their facilities or to replace their facilities. Basically they are dependent upon the antiquated taxing system which exists in our major municipalities or by floating bond issues.

Any review of the financial situation of any of these communities would show quite clearly that that opportunity is virtually ended. It is limited, at best. For the major hospitals in our major urban areas it is virtually nonexistent. So they are depending upon the kind of assistance which we, in Congress, can provide.

In the past the formula which has been accepted here in Congress and in the Senate has been based primarily in favor of the rural communities of this country and the smaller towns and cities of this Nation.

I think that we are attempting to deal with that particular problem without prejudicing many of the smaller States and rural communities in the way we have approached this particular issue.

There will not be a new hospital bed that will be built under this new legislation. There will be some that will be replaced. There will be some modernization of the facilities, but virtually no new building of hospital beds for the reasons that have been correctly pointed out by the Senator from New York.

Anywhere from 67,000 to 110,000 hospital beds are virtually not being used. The American consumer is paying up to $2 billion this year just to preserve hospital beds in facilities that are unnecessary and thus not needed. That is why this legislation is so important.

We have been talking a great deal about how are we going to get a handle on inflation. One of the most important elements of inflation, outside of food and energy, is hospital costs, and with effective kinds of programing and planning in the health area we can really provide some very substantial and significant savings to the consumer. But we are going to have to meet our responsibilities to these urban-area hospitals, and I am very hopeful that the Secretary, with the power that he will receive under the project-grant provisions of this legislation, will recognize that need.

Studies that have been done by HEW have reflected it, and I am hopeful that he will provide some additional help and assistance so that we can help provide needed hospital services to the millions of people who inhabit the communities of this Nation without any disservice in providing important health services to those who live in rural communities.

Mr. President, I am hopeful that we can act on this legislation. I know that this whole issue about the Hill-Burton formula has been of great interest to the Senator from New York. We cosponsored an amendment. I think 4 years ago when this legislation was up before the Senate. We had to modify it, I believe, on the floor. It was modified even further in conference, demanding a study of this whole issue. HEW did a study and supported completely the positions which were taken by the Senator from New York, and in which I was pleased to join with him.

I hope and believe that we have made some modest progress on the issue of this legislation, and I feel we have. We have not made all of the progress that both he and I would like to make, but I think on that issue we have made some steps forward.

Mr. President, I would like at this time to respond in detail to the criticisms the Senator from Alaska voiced to the provisions of S. 2994.

First, the so-called recertification provision which the Senator from Alaska fears will have an adverse effect on hospital's borrowing ability has been so modified by the Eagleton-Taft-Beall amendment as to no longer present that problem.

Second, while the original version of S. 2994, introduced in February, may indeed have inadequately provided for State and other local governmental input, I believe S. 2994 as reported by the committee, does adequately so provide. The role of State and local government has been greatly strengthened by the committee changes I endorse.

The third issue, that of modification of the Hill-Burton authority, I spoke to in response to the comments of the Senator from New York.

The fourth point he mentions, optional State rate regulation, is extremely important. I myself would have liked to mandate that into legislation. I think that is really the only way we are ever going to get some real control on health care costs.

Listening to the majority leader on the mandatory requirements of wages and prices, we had considered and had suggested mandatory requirements in terms of health care costs. But because of the general disposition of the membership of even our committee, and knowing the sentiment on the floor, we have had to make that optional.

I would hope, as the majority leader has mentioned, and as we sat through conference and caucus after conference and caucus, and listened to those clear and eloquent voices that talk about getting a handle on inflation, that they put their votes where their voices are, and help us adopt some of the matters that could really do something about inflation.

Nonetheless, I think providing that opportunity to States that really want to take advantage of it can be very important.

On the final question of the radiologic technicians, there are only two States that have any requirements for the training of radiologic technicians, and there are some very serious health dangers with regard to exposure to radiation which exist.

This does provide some additional burden, particularly for the small family doctor who is providing an X-ray in his office, and that is true, and we have been sensitive to that, and we are willing to try to see what can be done to relieve some of the additional burden that will be placed on him in terms of meeting certain minimum requirements.

But there can be no question that in terms of the health of the people as a whole, setting these minimum requirements is absolutely essential in meeting our responsibilities on the whole question of exposure to radiation.

I want to indicate to the Senator, as I do to other Members, that we will be glad to consider these points that are raised as we move toward the conference. This bill has been on the calendar for a period of 2 weeks.

The Senator is quite correct about the changes and the drafts. We have tried to work closely with the Governors' Conference. Governor Noel, who has been chairman of the Governors' Conference, has appointed a very effective Governors' group. I met with them when I traveled to the Governors' Conference last year in Seattle and met with the Governors on these particular matters.

This does not meet all their objections. But I think it does meet their principal ones. I think we finally have to recognize that the Federal Government is providing the great majority of the resources addressed by this legislation and it, perhaps, is not unreasonable for us to expect that some minimum standards are going to have to be met.

Mr. STEVENS. Mr. President, will the Senator yield? I would just say to the Senator that I appreciate his comments on the points that I mentioned, and I would be happy to see some of the more particular responses.

The one area of great concern is the regional medical program, and I discussed this with the senior Senator from Washington. He, too, is very worried about the continuation of our Alaska-Washington program.

He indicated to me that the Senator thought that this program could continue under this legislation in spite of the interpretation that has been given to it by the regional medical people.

Does the Senator feel that is the case?

Mr. KENNEDY. I want to be very clear in my response. Although we would be abolishing the authority for the RMP, it is quite clear from the committee report itself that there are a number of RMP funded projects which are enormously valuable and useful. We are providing development authority as well as resources so that the best of those RMP programs and their purposes can be carried forward and continued.

In the RMP program, we spent close to $1 billion over a period of recent years. I do think, as someone who has followed and has generally supported the RMP programs, although some of that money has been very wisely and justifiably spent and some programs are superb, that in terms of the health dollar I think it could probably have been expended more efficiently and effectively.

I am very hopeful that the RMP programs that are of particular value and worthwhile—and I understand the Senator has an excellent one in Alaska which is tied into the State of Washington—it is certainly the intention of myself and, I believe, what is more important, the language of the legislation, that the purposes and the thrust of that program can be carried forward under the aegis of the area health planning agency.

But I do not want to leave the Senator with the thought that the authority for the RMP is continued in it.

Mr. STEVENS. We are most worried about the authorization for the continued Federal assistance to that program in and of itself which, I think, has been the most successful one in the country, particularly under the able guidance of the senior Senator from Washington over a period of years. I would hope that somehow or other we could make a record to make clear that this is——

Mr. KENNEDY. The development funds amount to a dollar per person for the population per year.

They could certainly be used to continue RMP-funded projects were that to be the judgment of both the State planning agency and the local planning agency.

I do not know the exact dollar figure of the Alaska program.

Mr. STEVENS. Am I correct, this would take joint concurrence of the agency in Alaska and in Washington to accomplish the use of an allocation of those funds for that purpose?

Mr. KENNEDY. Local and State.

Mr. STEVENS. In both States, to continue the RMP?

Mr. KENNEDY. Yes; local and State.

Mr. STEVENS. I would invite reconsideration——

Mr. KENNEDY. Yes.

Mr. STEVENS (continuing). Of finding some way to continue those RMP's which were successful.

We sat on the Appropriations Committee. The Senator from New Hampshire and the senior Senator from Washington know that many areas of the country rejected the RMPs, but our area accepted them and we have used that RMP very efficiently, I think the dollars were well spent.

My problem is that it looks to me, if we decide to keep the RMP going, we can forgo the use of those moneys for local and statewide planning in Alaska, forgoing to help concomitantly with that use.

I will not belabor the question. I am grateful for the Senator's comments and hopeful that we can review this aspect as well next year.

Mr. KENNEDY. Let me just say finally, planning and development funds are different, so one could use the development funding for a continuation of the program and the planning would be funded separately, and would not be jeopardized.

I want to indicate to my good friend and colleague that the work that was done effectively by some of the RMP programs is certainly work that ought to be carried on and should be carried on. If we are not successful in this particular endeavor I want to indicate to him that we will try and find ways, because the good ones were superb. I think, unfortunately, there were too many that failed to meet that standard.

I would like to ask that a passage from the committee report accompanying S. 2994 be inserted in the RECORD at this point to further clarify our views with respect to this issue.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REGIONAL MEDICAL PROGRAMS

The Regional Medical Program (RMP) authorized under Title IX of the Public Health Service Act, has suffered from many of the problems which have beset comprehensive health planning agencies. Although the efforts of the Department of HEW until recently have been somewhat more vigorous in implementing the regional medical program than has been the case with comprehensive health planning activities, the regional medical program has suffered from a lack of focus and coordination. While some individual projects undertaken by certain regional medical programs have been outstanding, the program as a whole has suffered from lack of focus (arising to some extent from lack of specificity in the original Congressional mandate), uneven quality, and lack of coordination with comprehensive health planning activities.

Although RMP enjoyed some successes and produced many identifiable accomplishments, it suffered from serious shortcomings. In large measure its successes and accomplishments relate to the structures that were established and the process that has been created. The shortcomings of RMP, of finding results obtained comparable to the approximately $600 million investment made during the program's history. RMP efforts over those years were not sufficiently targeted; they were too diffuse to have led to significant results or impact. Moreover, where the RMP efforts in the aggregate did achieve some critical mass, as in the case of coronary care unit demonstration and its failings, relate in part to the difficulty training activities, they did not always address priority community problems and needs.

This is not to say that these substantive failures and shortcomings were entirely the fault of RMP. The frequent absence of local plans and specific priorities certainly contributed. Moreover, the national priorities expressed by HEW in this and previous administrations often changed and were inconsistent, and militated against more significant end results and impact by RMP. The failure of the Congress in the several extensions of the RMP legislation to provide greater specificity in program objectives may also have contributed in some measure.

Perhaps most fundamental though was the effect of the shift made in 1970 from the original concept of RMP as a disease focused program with primary responsibility for the dissemination of knowledge to health care providers to a concept which was similar to that of CHP (the development of primary ambulatory services, comprehensive services, emergency medical services, and generally the implementation of HEW health priorities). As long as the program had a specific disease focus and a specific responsibility to serve providers it did not need to be related closely to community health planning programs and could show a well defined independent mission. However, as these emphases were given up and the program began to take on a responsibility to serve the needs of its communities and to respond to health planning, it became increasingly necessary to consider first its appropriate coordination and then combination with health planning programs. Not only did the Department move the RMP program mission toward that of the CHP program, it did it in an ambiguous and inconsistent manner which made it increasingly hard to say what the program was supposed to be doing and to defend it. The Committee is aware that this drift and confusion has been very difficult for the many fine people who have worked in the individual RMP programs and has been impressed by their persistent efforts to respond appropriately and their dedication to the ultimate goal of providing good care to the Nation's people.

For these reasons, the proposed Committee legislation has replaced existing regional medical program authority with a development fund to be administered by the local health planning agencies in accordance with their perception of the health needs of the area. The implementation fund is intended to catalyze change in the area's health care delivery system, in accordance with the national guidelines, and State and areawide health plans, in order to bring about the realization of the short and long-term plans required by the legislation. It is expected by the Committee that projects funded under existing regional medical program authority, and which, in the judgment of the local health planning agency merit continued support may be supported in whole or in part, by the development fund authorized in Section 1417. Funding for any particular project is limited by the proposed Committee legislation to 3 years. Transitional provisions to continue funding of existing comprehensive health planning agencies, regional medical programs, and experimental health service delivery systems until June 30, 1976 are present in the proposal committee legislation.

For purposes of designating health planning agencies, priority is given to applications recommended by existing comprehensive health planning agencies and programs

> currently funded under regional medical program authority. In addition, these agencies and programs are consulted in establishing health areas. In addition, the Committee believes that EHSDS programs, where they are functioning, be consulted for these purposes.

Mr. BEALL. Mr. President, may I say, to supplement what the Senator from Massachusetts said, that there are many instances around the country where RMP's have done popular work.

I know in Maryland, the RMP's have done excellent work in the experimental health care delivery and I would expect that this effort begun by the RMP's would certainly be not only maintained but built upon and expanded by the area agencies that will exist under this legislation.

The RMP's provided the groundwork and now that breakthrough would be expanded and a general broadening of the services throughout the State and other areas as a result of the opportunity here.

But I rose to comment on the remarks of the distinguished Senator from New York, the ranking member of the committee who makes valid points with regard to legislation.

I think the point in this case is particularly valid because the squaring point under Hill-Burton for many years has outlived its usefulness.

There was a day, in my opinion, when the legislation was first enacted in 1946 or 1947, whenever it was, that statistics showed there needed to be some favored treatment given the less populous areas of the country because there was a deficit of hospital beds in those areas, but figures available on page 42 of the report indicate quite clearly that such is not the case today.

We have had a change in the beds per population across the country and now, rather than suffering as they did over 20 years ago, the rural areas of the country have caught up with the more populous and, indeed, have surpassed the more populous areas because they do not need this kind of favorable treatment provided under the squaring bill any more.

In this bill, the practical situation was that we could go 50 percent of the way, so now 50 percent of the funds will be divided according to the squaring rule and 50 percent divided by project and population.

The House went all the way, so there is an opportunity, perhaps in the conference, to go all the way, but that remains to be seen.

In any event, we are moving away from an antiquated formula.

As I said, I think the Senator's objections are quite valid. Hopefully, one of these days we will go further than half the way from something not quite needed.

Mr. JAVITS. If the Senator will yield, I wish to comment that we will grow up to it because every Senator will have such a big metropolitan center. I suggest in your State you have Baltimore, as I have in New York; others have major centers; for example, Senator KENNEDY has Boston; that we would simply grow up to the point where we see how invalid that archaic Hill-Burton formula approach is.

I thank my colleague very much.

Mr. BEALL. One further point, Mr. President.

I do not know whether the Senator from Massachusetts alluded to it or not, but several people asked me how much this cost. I think it should be pointed out, on page 68 of the report:

> The total obligational authority in fiscal year 1974 under existing programs is $391.3 million compared with $254 million authorized under S. 2994 for fiscal year 1975. This reduction is made possible through savings achieved through the coordination of planning activities, elimination of duplicative efforts under several different authorities, and a refocussing of priorities under the program to assist in facilities construction.

So I think this is a very specific example of how we can save money by taking several categorical programs and dividing them.

There is the possibility it will effectuate feasibility to achieve them in this case.

I think, for no other reason, this bill should commend itself to those interested in the cost of various programs that move through the legislative body.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOLE. Mr. President, although there have been several refining amendments to this bill—along with some assurances from the distinguished floor manager (Mr. KENNEDY) that current successful planning and policy programs will not be substantially disrupted by its implementation, I cannot, in good conscience, believe that it represents the "medicine" which our Nation's health delivery system needs in order to reach its desired goals.

I certainly recognize that some changes in present practices are necessary as we move forward toward the increasingly better and more efficient health care which we all seek. However, this bill retains just too many objectionable features which, I feel, may indeed be counterproductive.

I am particularly concerned by the broad authority which would be vested in the Secretary of Health, Education, and Welfare to establish national standards and directly oversee virtually every aspect of the health planning process. In my opinion, this will greatly undermine the traditional role of State and local units in the decisionmaking being done, and serve to seriously impede the delivery forms which have already been effectively utilized.

I also have a great many problems with the proposed utility-type system of rate regulation, for it will surely necessitate the creation of yet another governmental bureaucracy; stifle competition and innovation; force States to develop from scratch the necessary expertise to review and monitor hospital financial transactions; and result in the eventual Government takeover of health care institutions.

I am further bothered by the approach taken to bring about the modernization and construction of health care facilities, and firmly believe that the State-Government function must be considered in setting statewide priorities for such assistance. Moreover, I can find no justification whatsoever in a health planning bill for a provision to accredit and license radiologic technicians, and can only suggest that as a solution to any problem which may exist, it is at best premature.

After talking at some length with a great number of those in the health delivery field—physicians, regional medical program directors, hospital administrators, and others directly affected by this legislation in the State of Kansas—I am convinced that more time is needed to study proposed revisions before launching out on a course which could conceivably have some very adverse long-range implications. For that reason, I strongly urge my colleagues to join me in rejecting this very questionable and controversial step toward further federalization—which goes hand in hand with increasing socialization.

Mr. President, I am not against constructive improvements which will result in true progress toward a greater quality of national health care. But I cannot agree that this bill is the judicious and enlightened undertaking that will assist in meeting that goal.

SENATOR RANDOLPH STRESSES IMPORTANCE OF RADIATION AND SAFETY MEASURE

Mr. RANDOLPH. Mr. President, although some of the provisions of S. 2994 are controversial and are opposed by certain segments of the health care providers in this country, I support this important measure. In my opinion, this legislation, which is designed toward the development of a national health policy and the strengthening of State health programs including area health planning and health facilities construction, will help assure quality health care is made available to all Americans. It is my belief that some of the provisions of the original bill have been modified to ameliorate concerns expressed to the committee.

The able Senator from Massachusetts (Mr. KENNEDY) has outlined the provisions of this measure which has been fashioned under his leadership. Senator KENNEDY has worked diligently and effectively in bringing to the Senate not only this legislation but other measures to improve the health care system of our Nation. His vital endeavors will significantly benefit all citizens.

It is my intention to bring to the attention of my colleagues a provision which I authored, and which if enacted, will greatly benefit consumer-patients by establishing a national radiation health and safety program.

Over the years the practice of medicine has progressed to the point of significant reliance on radiation for diagnostic and therapeutic purposes. Radiologic services have evolved from the diagnostic uses of X-rays in medicine to now include radiotherapy, nuclear medicine, and diathermy.

The attendant benefits from the use of radiation for medical and dental diagnosis and for radiation therapy are well recognized for their essential role in modern medicine. Moreover, the risks associated with undergoing an efficacious X-ray examination needed for proper medical care are less than the risks which would be incurred without the examination.

When an X-ray examination is prescribed for a patient, the logical assumption is that the radiation procedures are being performed in a professional manner. Yet there is evidence to suggest that current radiologic practices are not being performed at maximum benefit and minimum risk for the consumer-patient.

The United Nations Scientific Committee on the Effects of Atomic Radiation in 1972 stated:

> The awareness of the radiological staff of the importance of the protection of the patient is probably the greatest factor in the control of population exposure.

Nevertheless a significant portion of present consumer-patient exposures can be avoided without a decrease in medical benefits through improvements in training, equipment, techniques, and procedures in administering radiation to patients, particularly in the application of X-rays for diagnostic procedures.

Using data from the 1972 report of National Academy of Science National Research Council on the Biological Effects of Ionizing Radiation—BEIR committee—the Environmental Protection Agency verified earlier estimates that medical radiation exposures alone to the U.S. population is leading to, first, between 660 and 14,000 serious disabilities, congenital abnormalities, constitutional diseases, and deaths per year; second, between 1,800 and 9,000 cancer deaths per year; and third, from 0.7 to 7 percent of all ill health in the United States. The BEIR committee also concluded that—

> It appears reasonable that as much as a 50 percent reduction in the genetically significant dose from medical radiology might be possible through improved technical and educational methods.

At the present time the United States is faced with the reality that the competence of almost two-thirds of the individuals providing consumer radiologic services is unknown. Two approaches are incorporated in title IV, the Radiation Health and Safety Act of 1974, to upgrade the quality of these services; first, control over admission to the profession is provided through a requirement for mandatory licensure; and, second, control over the educational curriculum of individuals who will be providing consumer-patient radiologic procedures is provided through accreditation.

The Radiation Health and Safety Act provides that the Secretary of Health, Education, and Welfare issue, and periodically update, criteria and minimum standards for use in Federal or State licensure of radiologic technologists. In establishing these criteria and Federal minimum standards, the Secretary would consult the Environmental Protection Agency, with State licensure bodies and health departments, and with appropriate professional organizations.

For the purpose of accreditation within 1 year of enactment, the Secretary is also required to issue, and periodically update, criteria and minimum standards for use in the accreditation of institutions training radiologic technologists.

Three separate Congresses have considered similar legislation. This measure was introduced by this Senator on January 31, 1973, and is cosponsored by Senators BAYH, ROBERT C. BYRD, DOMINICK, GRAVEL, HART, JAVITS, KENNEDY, MONDALE, MOSS, MUSKIE, HUGH SCOTT, STEVENS, TUNNEY, and WILLIAMS.

Mr. President, it is my hope that the Radiation Health and Safety Act will be retained by the House-Senate conference committee.

The PRESIDING OFFICER. The bill, having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), the Senator from Florida (Mr. CHILES), the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Florida (Mr. GURNEY) are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. PERCY) are absent on official business.

The result was announced—yeas 65, nays 18, as follows:

[No. 507 Leg.]

YEAS—65

Abourezk
Aiken
Baker
Bayh
Beall
Bentsen
Bible
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Ervin
Fong
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Weicker
Williams
Young

NAYS—18

Allen
Bartlett
Bellmon
Brock
Byrd,
Harry F., Jr.
Dole
Fannin
Hansen
Helms
Hollings
Hruska
Huddleston
McClure
Nunn
Scott,
William L.
Stennis
Thurmond
Tower

NOT VOTING—17

Bennett
Biden
Buckley
Chiles
Church
Eagleton
Eastland
Fulbright
Goldwater
Gurney
Mathias
McClellan
Percy
Ribicoff
Symington
Talmadge
Tunney

So the bill (S. 2994) was passed, as follows:

S. 2994

An act to amend the Public Health Service Act to assure the development of a national health policy and of effective State and area health planning and resources development programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Health Planning and Development and Health Facilities Assistance Act of 1974".

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.

TITLE I—NATIONAL HEALTH PLANNING AND DEVELOPMENT

Sec. 101. Revision of health planning programs under the Public Health Service Act.

"TITLE XIV—NATIONAL HEALTH PLANNING AND DEVELOPMENT

"PART A—NATIONAL GUIDELINES FOR HEALTH PLANNING

"Sec. 1401. National guidelines for health planning.
"Sec. 1402. National health priorities.
"Sec. 1403. National Advisory Council on Health Planning and Development.

"PART B—HEALTH PLANNING AGENCIES

"Sec. 1411. Health areas.
"Sec. 1412. Health planning agencies.
"Sec. 1413. Functions of health planning agencies.
"Sec. 1414. Assistance to entities desiring to be designated as health planning agencies.
"Sec. 1415. Designation of health planning agencies.
"Sec. 1416. Planning grants.
"Sec. 1417. Development grants for area health service development funds.

"PART C—STATE HEALTH PLANNING AND DEVELOPMENT

"Sec. 1421. Designation of State health planning and development agencies.
"Sec. 1422. State administrative program.
"Sec. 1423. State health planning and development functions.
"Sec. 1424. Grants for regulations or establishment of rates for health services.
"Sec. 1425. Statewide Health Coordinating Councils.
"Sec. 1426. Assistance for State health planning and development.

"PART D—GENERAL PROVISIONS

"Sec. 1431. Definitions.
"Sec. 1432. Procedures and criteria for reviews of proposed health delivery system changes.
"Sec. 1433. Technical assistance for health planning agencies and State health planning and development agencies.
"Sec. 1434. Review by the Secretary.
"Sec. 1435. Special provisions for the Virgin Islands, Guam, the Trust Territories of the Pacific Islands, and American Samoa.
"Sec. 1436. Waiver authority."

TITLE II—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

Sec. 201. Revision of health facilities programs under the Public Health Service Act.

"TITLE VI—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"PART A—PURPOSE, STATE ALLOTMENTS, STATE PLAN

"Sec. 600. Declaration of purpose.
"Sec. 601. State allotments.
"Sec. 602. State health facilities plan.
"Sec. 603. Approval of projects.
"Sec. 604. Payments from allotments.

"PART B—GRANTS, LOANS, AND LOAN GUARANTEES

"Sec. 610. Grants for construction and modernization of health facilities.
"Sec. 611. Loans and loan guarantees for construction and modernization of health facilities.
"Sec. 612. Priorities.
"Sec. 613. Conditions for approval of applications.
"Sec. 614. General provisions to loans and loan guarantees.
"Sec. 615. Loan and loan guarantee fund.

"PART C—GENERAL PROVISIONS

"Sec. 620. Regulations.
"Sec. 621. Withholding of payments and other actions.
"Sec. 622. Judicial review.
"Sec. 623. Recovery.
"Sec. 624. Records and audits.
"Sec. 625. Authorization of appropriations.
"Sec. 626. Technical assistance.
"Sec. 627. Definitions."

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Miscellaneous and transitional provisions.
Sec. 302. Agency reports.

TITLE IV—RADIATION HEALTH AND SAFETY

Sec. 401. Short title.
Sec. 402. Declaration of purposes.
Sec. 403. Amendment of Public Health Service Act respecting radiation health and safety.

TITLE I—NATIONAL HEALTH PLANNING AND DEVELOPMENT

REVISION OF HEALTH PLANNING PROGRAMS UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 101. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XIV—NATIONAL HEALTH PLANNING AND DEVELOPMENT

"PART A—NATIONAL GUIDELINES FOR HEALTH PLANNING

"NATIONAL GUIDELINES FOR HEALTH PLANNING

"SEC. 1401. (a) The Secretary shall, within one year after the date of enactment of this title, issue guidelines concerning national health planning policy, by promulgation of a rule under section 553 of title 5, United States Code. The Secretary may, from time to time, as he deems appropriate, revise the guidelines in accordance with the preceding sentence.

"(b) The Secretary shall include in the guidelines issued under subsection (a) the following:

"(1) Standards respecting the appropriate supply, distribution, and organization of health resources, and

"(2) A statement of national health planning goals developed after consideration of the priorities, set forth in section 1402, which goals, to the maximum extent practicable, shall be expressed in quantitative terms.

"(c) In issuing guidelines under subsection (a) the Secretary shall consult with and solicit recommendations and comments from the health planning agencies designated under part B, the State health planning and development agencies designated under part C, the statewide health coordinating councils established under part C, and the National Advisory Council on Health Planning and Development established by section 1403.

"NATIONAL HEALTH PRIORITIES

"SEC. 1402. The Congress finds that the following deserve priority consideration in the formulation of national health planning goals and in the development and operation of Federal, State, and area health planning and resources development programs:

"(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

"(3) The development of medical group practices (especially those whose services are appropriately coordinated or integrated with institutional health services), health maintenance organizations, and other organized systems for the provision of health care.

"(4) The training and increased utilization of physician extenders.

"(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

"(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(8) The promotion of activities for the prevention of disease, including study of nutritional and environmental factors affecting health and provision of preventive health care services.

"(9) The adoption of uniform cost accounting, simplified reimbursement, and utilization reporting systems and improved management procedures for health service institutions.

"(10) The development of effective methods of educating the general public concerning proper personal (including preventive) health care and methods for effective use of available health services.

"NATIONAL ADVISORY COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

"SEC. 1403. (a) There is established in the Department of Health, Education, and Welfare an advisory council to be known as the National Advisory Council on Health Planning and Development (hereinafter in this section referred to as the 'Council'). The Council shall advise, consult with, and make recommendations to the Secretary with respect to the development of national guidelines under section 1401.

"(b)(1) The Council shall be composed of twelve members. The Chief Medical Director of the Veterans' Administration, the Assistant Secretary for Health and Environment of the Department of Defense, and the Assistant Secretary for Health of the Department of Health, Education, and Welfare shall be nonvoting ex officio members of the Council. The remaining members shall be appointed by the Secretary and shall be persons who, as a result of their training, experience, or attainments, are exceptionally well qualified to assist in carrying out the functions of the Council. Of the voting members, not less than four shall be persons who are not providers of health services, not more than three shall be officers or employees of the Federal Government and not less than three shall be members of governing bodies of health planning agencies designated under part B. Not more than five of the voting members of the Council shall be of the same political party.

"(2) The term of office of voting members of the Council shall be six years, except that—

"(A) of the members first appointed to the Council, three shall be appointed for terms of two years and three shall be appointed for terms of four years, as designated by the Secretary at the time of appointment; and

"(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed ony for the remainder of such term.

A member may serve after the expiration of his term until his successor has taken office.

"(3) The chairman of the Council shall be selected by the voting members from among their number. The term of office of the chairman of the Council shall be the lesser of three years or the period remaining in his term of office as a member of the Council.

"(c)(1) Except as provided in paragraph (2), the members of the Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council.

"(2) Members of the Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Council.

"(3) While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

"(d) The Council may appoint, fix the pay of, and prescribe the functions of such personnel as are necessary to carry out its functions. In addition, the Council may procure the services of experts and consultants as authorized by section 3109 of title 5, United States Code, but without regard to the last sentence of such section.

"(e) The provisions of section 14(a) of the Federal Advisory Committee Act shall not apply with respect to the Council.

"PART B—HEALTH PLANNING AGENCIES

"HEALTH AREAS

"SEC. 1411. (a) There shall be established, in accordance with this section, health areas throughout the United States with respect to which health planning agencies shall be designated under section 1415. Each health area shall, in accordance with regulations of the Secretary, meet the following requirements:

"(1) The area shall be a geographic region appropriate for the effective planning and development of health services, determined on the basis of factors including population and the availability of resources to provide all necessary health services for residents of the area.

"(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services.

"(3) The boundaries of an area may not cross State boundaries, except that an area may comprise a geographic region which crosses State boundaries if it is determined that such a region is a more appropriate region for the effective planning and development of health services or if necessary to comply with the requirements of paragraph (4).

"(4) The boundaries of an area may not cross the boundaries of a standard metropolitan statistical area (as designated by the Office of Management and Budget) unless the Secretary waives such requirement.

"(5) Notwithstanding the provisions of paragraphs (1) through (4), the boundaries of areas shall follow the boundaries of areas for which have been developed comprehensive regional, metropolitan area, or other local area plans referred to in section 314 (b), unless the Governor of any State in which such area is located, upon a finding that another area is a more appropriate region for the effective planning and development of health services, waives such requirement. If the requirement of this paragraph is waived, health areas shall be established in accordance with paragraphs (1) through (4).

"(b)(1) Within one hundred and twenty days following the date of enactment of this title, the Secretary shall simultaneously give to the Governor of each State written notice of the initiation of proceedings to establish health areas throughout the United States. Each notice shall contain the following:

"(A) A statement of the requirement (in subsection (a)) of the establishment of health areas throughout the United States.

"(B) A statement of the criteria prescribed by subsection (a) for health areas and the procedures prescribed by this subsection for the designation of health area boundaries.

"(C) A request that the Governor receiving the notice (i) designate the boundaries of health areas within his State, and, where appropriate and in cooperation with the Governors of adjoining States, designate the boundaries within his State of health areas located both in his State and in adjoining States, and "(ii) submit (in such form and manner as the Secretary shall specify) to the Secretary, within ninety days of the receipt of the notice, such boundary designations together with comments, submitted by the entities referred to in paragraph (2), with respect to such designations.

At the time such notice is given under this paragraph to each Governor, the Secretary shall publish as a notice in the Federal Register a statement of the giving of his notice to the Governors and the criteria and procedures contained in such notice.

"(2) Each State's Governor shall in the development of boundaries for health areas consult with and solicit the views of the chief executive officer or agency of the political subdivisions within the State, the State agency which administers or supervises the administration of the State's health planning functions under a State plan approved under section 314(a), each entity within the State which developed a comprehensive regional, metropolitan area or other local area plan or plans referred to in section 314(b), and each regional medical program established in the State under title IX.

"(3)(A) Within one hundred and twenty days of the date on which notice was given to the Governors, the Secretary shall publish in the Federal Register the health area boundary designations and provide interested persons an opportunity to comment thereon. The boundaries for health areas submitted by the Governors shall, except as otherwise provided in subparagraph (B), constitute upon their publication in the Federal Register the boundaries for such health areas.

"(B)(i) If the Secretary determines, after reviewing the comments submitted pursuant to subparagraph (A), that a boundary submitted to him for a health area does not meet the requirements of subsection (a), he shall, after consultation with the Governor who submitted such boundary, make such revision in the boundary for such area (and as necessary, in the boundaries for adjoining health areas) as may be necessary to meet such requirements and publish such revised boundary (or boundaries); and the revised boundary (or boundaries) shall upon publication in the Federal Register constitute the boundary (or boundaries) for such health area (or areas). The Secretary shall notify the Governor of each State in which is located a health area whose boundary is revised under this clause of the boundary revision and the reasons for such revision.

"(ii) In the case of areas of the United States not included within the boundaries for health areas submitted to the Secretary as requested under the notice under paragraph (1), the Secretary shall publish in the Federal Register health area boundaries which include such areas, provide interested persons an opportunity to comment thereon, and shall, thereafter, establish boundaries for such areas. The Secretary shall notify the Governor of each State in which is located a health area the boundary for which is established under this clause of the boundaries established. In carrying out the requirement of this clause, the Secretary may make such revisions in boundaries submitted under subparagraph (A) as he determines are necessary to meet the requirements of subsection (a) for the establishment of health areas throughout the United States.

"(iii) The Secretary shall complete all revisions and establishment of health areas under this subparagraph within one year after the date of enactment of this title.

"(4) The Secretary shall review on a continuing basis and at the request of any Governor or designated health planning agency the appropriateness of the boundaries of the health areas established under paragraph (3) and, if he determines that a boundary for a health area no longer meets the requirements of subsection (a), he may revise the boundaries in accordance with the procedures prescribed by paragraph (3)(B)(ii). If the Secretary acts on his own initiative to revise the boundaries of any health area, he shall consult with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate health planning agency or agencies designated under part B and the appropriate Statewide Health Coordinating Council established under part C. A request for boundary revision shall be made only after consultation with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate designated health planning agencies, and the appropriate established Statewide Health Coordinating Council and shall include the comments concerning the revision made by the entities consulted in requesting the revision.

"HEALTH PLANNING AGENCIES

"SEC. 1412. (a) DEFINITION.—For purposes of this title, the term 'health planning agency' means a public entity or nonprofit private corporation which is organized and operated in the manner described in subsection (b) and which is capable, as determined by the Secretary, of performing each of the functions described in section 1413. The Secretary shall by regulation establish standards and criteria for the requirements of subsection (b) and section 1413.

"(b) LEGAL STRUCTURE.—(1) A health planning agency for a health area shall—

"(A) if it is a private corporation, (i) be incorporated in the State in which the largest part of the population of its health area resides, (ii) not be a subsidiary of, or otherwise controlled by, any other public or private entity, and (iii) not engage in activities other than performance of the functions described in this title,

"(B) if it is a public entity, (i) provide, in addition to the governing body of the parent entity (if any), for a governing body for health planning established in accordance with paragraph (4), which body shall have exclusive authority to perform the functions described in section 1413, and (ii) have a planning area identical to the health area established under this part which it serves, and

"(C) not be an educational institution or operate such an institution.

"(2) Notwithstanding the provisions of paragraphs (1)(B)(i) and (4) (A) and (C), a public entity which has received a project grant for the development of a comprehensive regional, metropolitan area, or other local area plan under section 314(b) may be a health planning agency for a health area if the Governor of the State in which such area is located certifies that such entity has performed its health planning functions in a satisfactory manner. No such entity may be a health planning agency unless it meets the requirements of section 314(b).

"(3) STAFF.—

"(A) EXPERTISE.—A health planning agency shall have a staff which provides the agency with expertise in at least the following: (i) the gathering and analysis of data, (ii) health planning, and (iii) development and utilization of health resources. The functions of planning and of development of health resources shall be conducted by separate staffs with skills appropriate to each function.

"(B) SIZE AND EMPLOYMENT.—A health planning agency shall have a single director. The size of the professional staff of any health planning agency shall be not less than five, except that if the quotient of the population (rounded to the next highest one hundred thousand) of the health area which the agency serves divided by one hundred thousand is greater than five, the minimum size of the professional staff shall be the lesser of (i) such quotient, or (ii) twenty-five. The members of the staff shall be selected, paid, promoted, and discharged in accordance with such system as the agency may establish, except that the rate of pay for any position shall not be less than the rate of pay prevailing in the health area for similar positions in public or private health service entities. A health plannng agency may employ consultants and may contract with individuals or groups for the provision of services, where necessary to perform its functions. Such consultants and other individuals and groups shall be compensated in accordance with standards established by regulations of the Secretary.

"(4) GOVERNING BODY.—

"(A) IN GENERAL.—Each health planning agency shall have a governing body composed, in accordance with subparagraph (C), of not less than ten members and of not more than thirty members, except that the number of members may exceed thirty if the governing body has established another unit (referred to in this paragraph as an 'executive committee') composed, in accordance with subparagraph (C), of not more than twenty-five members of the governing body and has delegated to that unit the authority to take such action (other than the establishment and revision of the plans referred to in subparagraph (B)(ii)) as the governing body is authorized to take.

"(B) RESPONSIBILITIES.—The governing body—

"(i) shall be responsible for the internal affairs of the health planning agency, including matters relating to the staff of the agency, the agency's budget, and procedures and criteria (developed and published pursuant to section 1432) applicable to its functions under subsections (e), (f), (g), (h), and (i) of section 1413;

"(ii) shall be responsible for the establishment of the long-range goal plan and short-term priorities plan required by section 1413(b);

"(iii) shall be responsible for the approval of all actions taken pursuant to subsections (e), (f), (g), (h), and (i) of section 1413;

"(iv) shall be responsible for the approval of grants and contracts made and entered into under section 1413(c)(3);

"(v) shall (I) issue an annual report concerning the activities of the agency, (II) include in that report the long-range goal plan and short-term priorities plan developed by the agency, and a listing of the agency's income, expenditures, assets, and liabilities, and (III) make the report readily available to the residents of the health area and the various communications media serving such area;

"(vi) shall reimburse its members for their reasonable costs incurred in attending meetings of the governing body;

"(vii) shall meet at least once in each calendar quarter of a year and shall meet at least two additional times in a year unless its executive committee meets at least twice in that year; and

"(viii) shall (I) conduct its business meetings in public, (II) give adequate notice to the public of such meetings, and (III) make its records and data available, upon request, to the public.

The governing body (and executive committee (if any)) of a health planning agency shall act only by vote of a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum is in attendance. A quorum for a governing body and executive committee shall be not less than one-half of its members.

"(C) Composition.—

"(i) A majority (but not more than 60 per centum) of the members of the governing body and the executive committee (if any) of a health planning agency shall be residents of the health area served by the agency who are consumers of health services, who are not (nor have within the twelve months preceding appointment been) providers of health services or holders of public elected or appointed offices in governmental authorities in the health area, and who are broadly representative of the social, economic, linguistic, and racial populations and geographic areas of the health area.

"(ii) The remainder of the members of such governing body and executive committee shall be residents of the health area served by the agency who (I) hold public elective or appointive offices which are broadly representative of the governmental authorities in the health area, or (II) are providers of health services chosen in accordance with division (iii).

"(iii) Providers of health services shall be broadly representative of—

"(I) health professions personnel (including allied health personnel and public and community health personnel);

"(II) the health institutions (including public and private hospitals, health maintenance organizations, extended care facilities and health education institutions) located in such health area and the employees of such institutions not described in subclause (I): *Provided*, That the governing body and executive committee of any health planning agency serving an area in which there is located one or more qualified health maintenance organizations (within the meaning of section 1310) shall include at least one member who is representative of such organizations; and

"(III) health care insurers.

A governing body and executive committee of any health planning agency serving an area in which there is located one or more hospitals or other health care facilities of the Veterans' Administration shall include, as an ex-officio member, an individual whom the Administrator of Veterans' Affairs shall have designated for such purpose.

"(iv) If, in the exercise of its functions, a governing body or executive committee appoints a subcommittee of its members or an advisory group, it shall, to the extent practicable, make its appointments to any such subcommittee or group in such a manner as to provide the representation on such subcommittee or group described in this subparagraph.

"(5) Individual Liability.—No individual who, as a member or employee of a health planning agency, shall, by reason of his performance of any duty, function, or activity required of, or authorized to be undertaken by, an agency under this title, be liable for the payment of damages under any law of the United States or any State (or political subdivision thereof), provided he has acted within the scope of such duty, function, or activity, has exercised due care, and has acted, with respect to that performance, without malice toward any person affected by it.

"(6) Private Contributions.—No health planning agency shall accept from any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources any funds or other contributions of facilities or services.

"(7) Other Requirements.—Each health planning agency shall—

"(A) make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

"(B) provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title; and

"(C) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records pertinent to the disposition of amounts received from the Secretary under this title.

"(c) Subarea Councils.—A health planning agency may establish subarea advisory councils representing parts of the agencies' health area to advise the governing body of the agency on the performance of its functions. The composition of a subarea advisory council shall conform to the requirements of subsection (b)(4)(C).

"FUNCTIONS OF HEALTH PLANNING AGENCIES

"Sec. 1413. (a) For the purpose of—

"(1) improving the health of residents of a health area,

"(2) increasing the accessibility (including overcoming geographic, architectural, and transportation barriers), acceptability, continuity, and quality of the health services provided them,

"(3) restraining increases in the cost of providing them health services, and

(4) preventing unnecessary duplication of health resources,

each health planning agency shall have as its primary responsibility the provision of effective health planning for its health area and the promotion of the development within the area of health resources which meet identified needs, reduce documented inefficiencies, and implement the health plans of the agency. To meet its primary responsibility, a health planning agency shall carry out the functions described in subsections (b) through (i) of this section.

"(b)(1) In providing health planning and resources development for its health area, a health planning agency shall perform the following functions:

"(A) The agency shall assemble and analyze data describing—

"(i) the status (and its determinants) of the health of the residents of its health area,

"(ii) the number, type, and location of the area's health resources,

"(iii) the patterns of utilization of the area's health resources,

"(iv) the effect the area's health delivery system has on the residents of the area, and

"(v) the environmental and occupational exposure factors affecting immediate and long-term health conditions.

In carrying out this paragraph, the agency shall to the maximum extent practicable use existing data (including data developed under Federal health programs) and coordinate its activities with the cooperative system provided for under section 306(e).

"(B) The agency shall, after appropriate consideration of the recommended national guidelines for health planning issued by the Secretary under section 1401, the priorities set forth in section 1402, and the data developed pursuant to subparagraph (A), establish, annually review, and amend as necessary a long-range goal plan (hereinafter in this title referred to as the 'LGP') which shall be a detailed statement of goals (i) to achieve a healthful environment and health delivery system in the area which, when developed, will prevent unnecessary duplication of health resources and assure that high quality health services will be available and accessible in a manner which assures continuity of care, at reasonable cost, for all residents of the area; (ii) which is responsive to the unique needs and resources of the area; and (iii) which takes into account and is consistent with the national guidelines for health planning issued by the Secretary under section 1401.

"(C) The agency shall establish, annually review, and amend as necessary a short-term priorities plan (hereinafter in this title referred to as the 'SPP') which describes objectives which will achieve the goals of the LGP and priorities among the objectives. In establishing the SPP, the agency shall give priority to those objectives which will maximally improve the health of the residents of the area, as determined on the basis of the relation of the cost of attaining such objectives to their benefits, and which are fitted to the special needs of the area.

"(D) The agency shall develop and publish specific plans and projects for achieving the objectives established in the SPP.

"(2) The Secretary is authorized, upon the petition of any interested person or upon his own initiative, to review any LGP or SPP of any health planning agency, as originally established, or as revised in accordance with the State health plans prepared pursuant to section 1425(e)(1). In conducting such review the Secretary shall consult with the appropriate Statewide Health Coordinating Council. Upon a finding that such LGP or SPP is not consistent with the purposes of this title, the Secretary shall require modification of such LGP or SPP to correct such inconsistency and such LGP or SPP shall be implemented in accordance with such modification.

"(c) A health planning agency shall implement its LGP and SPP, and in implementing the plans it shall perform at least the following functions:

"(1) The agency shall seek, to the extent practicable, to implement its LGP and SPP with the assistance of individuals and public and private entities in its health area.

"(2) The agency may provide, in accordance with the priorities established in the SPP, technical assistance to individuals and public and private entities in the area for the development of projects and programs which the agency determines are necessary to achieve the health delivery system described in the LGP, including assistance in meeting the requirements of the agency prescribed under section 1432(b).

"(3) The agency shall, in accordance with the priorities established in the SPP, make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit private entities in the area to assist them in planning and developing projects and programs for the development of health resources to improve the organization, coordination, or accessibility of health services which the agency determines are necessary for the achievement of the health delivery system described in the LGP. Such grants and contracts shall be made from the Area Health Services Development Fund of the agency established with funds provided under grants made under section 1417. No grant or contract under this subsection may be used to pay the costs of construction or modernization of medical facilities. No single grant or contract made or entered into under this paragraph may be available for obligation beyond the one year period beginning on the date the grant or contract was made or entered into. If an individual or entity receives a grant or contract under this paragraph for a project or program, such individual or entity may receive only two more such grants or contracts for such project or program.

"(d) Each health planning agency shall coordinate its activities with—

"(1) each Professional Standards Review Organization (designated under section 1152 of the Social Security Act),

"(2) entities referred to in paragraphs (1) and (2) of section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 and regional and local entities the views of which are required to be considered under regulations prescribed under section 403 of the Intergovernmental Cooperation Act of 1968 to carry out section 401 (b) of such Act,

"(3) State health entities, and

"(4) any other appropriate entity,

in the health planning agency's health area. The agency shall, as appropriate, secure data from them for use in the agency's planning and development activities, enter into agreements with them which will assure that actions taken by such entities which alter the area's health delivery system will be taken in a manner which is consistent with the LGP and the SPP in effect for the area, and, to the extent practicable, provide technical assistance to such entities.

"(e)(1) Each health planning agency shall review and, in accordance with its LGP and SPP, recommend for approval or disapproval each proposed use within its health area of Federal funds appropriated under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (other than funds described in paragraph (4)) for grants, contracts, loans, or loan guarantees for the development, expansion, or support of health resources.

"(2) The agency shall consider each application for Federal funds for a use described in paragraph (1) and shall forward such application, along with its recommendation and a detailed statement of reasons therefor to the Secretary and the appropriate State health planning and development agency (hereinafter in this part referred to as the 'State Agency'). Notwithstanding any other provision of this Act or any other Act referred to in paragraph (1), the Secretary shall allow a health planning agency sixty days to make the review required by such paragraph.

"(3) If an agency disapproves a proposed use in its health area of Federal funds described in paragraph (1), the Secretary may not make such Federal funds available for such use until he has made, upon request of the entity making such proposal, a review of the agency recommendation. In making any such review of any agency recommendation, the Secretary shall give the appropriate State Agency an opportunity to consider the recommendation of the health planning agency and to submit to the Secretary its comments on the recommendation. The Secretary, after taking into consideration the State Agency's comments (if any) may make such Federal funds available for such use, notwithstanding the recommendation of the health planning agency. Each such decision by the Secretary to make funds available shall be submitted to the appropriate health planning agency and State Agency and shall contain a detailed statement of the reasons for the decision.

"(4) The provisions of paragraph (1) shall not apply to any use of funds—

"(A) referred to in subsection (f), or

"(B) appropriated for grants or contracts under title IV, VII, or VIII of this Act, except that where such grants and contracts are made, entered into, or used to support the delivery of health services they shall be subject to the provisions of paragraph (1).

"(f)(1) Each health planning agency shall review and, in accordance with its LGP and SPP, recommend for approval or disapproval each proposed use within its health area of Federal funds appropriated under the Acts referred to in subsection (e) which are made available by a State, pursuant to an allotment to such State under such Acts, for grants and contracts for the development, expansion, or support of health resources.

"(2) The agency shall consider each application for funds for a use described in paragraph (1) and shall forward such application, along with its recommendation and a detailed statement of reasons therefore to the appropriate State Agency. Such State Agency shall follow the procedures prescribed by paragraphs (2) and (3) of subsection (e).

"(g) To assist State Agencies in carrying out their functions under paragraph (3) of section 1423(a) each health planning agency shall review and, in accordance with its LGP and SPP, make recommendations to the appropriate State Agency respecting the need for new institutional health services, health care facilities, and health maintenance organizations proposed to be offered or developed in the health area of such health planning agency. Such review shall be conducted prior to the time such services, facilities, and organizations are offered or developed or substantial expenditures are undertaken in preparation for such offering or development.

"(h)(1) Except as provided in paragraphs (2) and (3), each health planning agency shall review on a periodic basis (but at least every five years) all institutional health services offered and health care facilities and health maintenance organizations located in the health area of the agency and shall make recommendations to the State Agency designated under section 1421 for each State in which the health planning agency's health area is located respecting the need in the area for such services, facilities, and organizations. If the designated State Agency determines that there does not exist a need for a particular institutional health service, health care facility, or health maintenance organization, the health planning agency for the health area in which such service is offered or facility or organization located shall work with the provider of such service or with such facility or organization, the designated State Agency, and other appropriate individuals and entities for the improvement or elimination (as the State Agency and health planning agency determine appropriate) of such service.

"(2) A health planning agency shall complete its initial review of existing institutional health services, health care facilities, and health maintenance organizations within three years after the date of the agency's designation under section 1415(c).

"(3) The review required under paragraph (1) of section 1413 or paragraph (4) of section 1423(a) shall not apply to facilities or services subject to review under section 1122 of the Social Security Act, or subject to a certificate of need program enacted by a State prior to the enactment of this section which the Secretary determines substantially meets the requirements of section 1122 of the Social Security Act or subject to a certificiate of need issued pursuant to section 1423(a)(3)(B).

"(i) Each health planning agency shall annually recommend to the State Agency designated for each State in which the health planning agency's health area is located (1) projects for the construction and modernization of health facilities in the agency's health area which projects will achieve the LGP and SPP of the health planning agency, and (2) priorities among such projects.

"ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH PLANNING AGENCIES

"SEC. 1414. The Secretary may provide all necessary technical and other nonfinancial assistance (including the preparation of prototype plans of organization and operation) to public or nonprofit private entities (including entities which have received financial assistance for the fiscal year ending June 30, 1974, under section 314(b) or title IX or as experimental health service delivery systems under section 304) which—

"(1) express a desire to be designated as health planning agencies, and

"(2) the Secretary determines have a potential to meet the requirements of a health planning agency specified in section 1412 and 1413,

to assist such entities in developing applications to be submitted to the Secretary under section 1415 and otherwise in preparing to meet the requirements of this part for designation as a health planning agency.

"DESIGNATION OF HEALTH PLANNING AGENCIES

"SEC. 1415. (a) At the earliest practicable date after the establishment under section 1411 of health areas (but not later than eighteen months after the date of enactment of this title) the Secretary shall enter into agreements in accordance with this section for the designation of health planning agencies for such areas.

"(b)(1) The Secretary may enter into agreements with entities under which the entities would be designated as the health planning agencies for health areas on a conditional basis with a view to determining their ability to meet the requirements of section 1412(b), and their capacity to perform the functions prescribed by section 1413.

"(2) During any period of conditional designation (which may not exceed 24 months), the Secretary may require that the entity conditionally designated meet only such of the requirements of section 1412(b) and perform only such of the functions prescribed by section 1413 as he determines such entity to be capable of meeting and performing. The number and type of such requirements and functions shall, during the period of conditional designation, be progressively increased as the entity conditionally designated becomes capable of added responsibility so that, by the end of such period, the agency may be considered for designation under subsection (c).

"(3) Any agreement under which any entity is conditionally designated as a health planning agency may be terminated by such entity upon ninety days notice to the Secretary or by the Secretary upon ninety days notice to such entity.

"(4) The Secretary may not enter into an agreement with any entity paragraph (1) for conditional designation as a health planning agency for a health area until—

"(A) the entity has submitted an application for such designation which contains assurances satisfactory to the Secretary that upon completion of the period of conditional designation the applicant will be organized and operated in the manner described in section 1412(b) and will be qualified to perform the functions prescribed by section 1413;

"(B) a plan for the orderly assumption and implementation of the functions of a health planning agency has been received from the applicant and approved by the Secretary; and

"(C) the Secretary has consulted with the Governor of each State in which such health area is located and such other State and local officials as he may deem appropriate, with respect to such designation.

In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and each regional medical program established in such area under title IX.

(c)(1) The Secretary shall enter into an agreement with an entity for its designation as a health planning agency if, on the basis of an application under paragraph (2) (and, in the case of an entity conditionally designated, on the basis of its performance during a period of conditional designation under subsection (b) as a health planning agency for a health area), the Secretary determines that such entity is capable of fulfilling, in a satisfactory manner, the requirements and functions of a health planning agency. Any such agreement under this subsection with an entity may be renewed in accordance with paragraph (3), shall contain such provisions respecting the requirements of sections 1412 (b) and 1413 and such conditions designed to carry out the purpose of this title, as the Secretary may prescribe, and shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(A) by the entity at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(B) by the Secretary, upon his determination after providing the agency with notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the entity is not complying with or effectively carrying out the provisions of such agreement.

"(2) The Secretary may not enter into an agreement with any entity under paragraph (1) for designation as a health planning agency for a health area unless the entity has submitted an application to the Secretary for designation as a health planning agency, and the Secretary has consulted with the Governor of each State in which the area is located and such other State and local officials as he may deem appropriate, with respect to such designation. Such an application shall contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 1412(b) and is qualified to perform or is performing in a satisfactory manner the functions prescribed by section 1413. In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by (A) each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and (B) each regional medical program established in such area under title IX.

"(3) An agreement under this subsection for the designation of a health planning agency may be renewed by the Secretary for a period not to exceed twelve months if upon review of the agency's operation and performance of its functions he determines that it has fulfilled, in a satisfactory manner, the functions of a health planning agency prescribed by section 1413 and continues to meet the requirements of section 1412(b).

"(d) If a designation under subsection (b) or (c) of a health planning agency for a health area is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b) or (c) (as the Secretary determines appropriate) enter into a designation agreement with another entity to be the health planning agency for such area.

"PLANNING GRANTS

"SEC. 1416. (a) The Secretary shall make in each fiscal year a grant to each health planning agency with which there is in effect a designation agreement under subsection (b) or (c) of section 1415. A grant under this subsection shall be made on such conditions as the Secretary determines to be appropriate, shall be used by a health planning agency for compensation of agency personnel, collection of data, planning, and the performance of other functions of the agency, and shall be available for obligation during the period for which its designation agreement is entered into or renewed (as the case may be). A health planning agency may use funds under a grant under this subsection to make payments under contracts with other entities to assist the health planning agency in the performance of its functions; but it shall not use funds under such a grant to make payments under a grant or contract with another entity for the development or support of health resources.

"(b)(1) The amount of any grant under subsection (a) to a health planning agency designated under section 1415(b) shall be determined by the Secretary. The amount of any grant under subsection (a) to any health planning agency designated under section 1415(c) shall be the product of $0.50 and the population of the health area for which the agency is designated, unless the agency would receive a greater amount under paragraph (2) or (3).

"(2)(A) If the application of a health planning agency for such a grant contains assurances satisfactory to the Secretary that the agency will expend or obligate in the period in which such grant will be available for obligation non-Federal funds meeting the requirements of subparagraph B for the purposes for which such grant may be made, the amount of such grant shall be the sum of—

"(i) the amount determined under paragraph (1), and

"(ii) the lesser of (I) the amount of such non-Federal funds with respect to which the assurances were made, or (II) the product of $0.25 and the population of the health area for which the agency is designated.

"(B) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by subparagraph (A) shall not include any funds contributed to the agency by any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources.

"(3) The amount of a grant under subsection (a) to a health planning agency designated under section 1415(c) may not be less than $220,000.

"(c)(1) For the purpose of making payments pursuant to grants made under subsection (a), there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1975, $90,000,000 for the fiscal year ending June 30, 1976, and $125,000,000 for the fiscal year ending June 30, 1977.

"(2) Notwithstanding subsection (b), if the total of the grants to be made under this section to health planning agencies for any fiscal year exceeds the total of the amounts appropriated under paragraph (1) for that fiscal year, the amount of the grant for that fiscal year to each health planning agency shall be an amount which bears the same ratio to the amount determined for that agency for that fiscal year under subsection (b) as the total of the amounts appropriated under paragraph (1) for the fiscal year bears to the total amount required to make grants to all health planning agencies in accordance with the applicable provision of subsection (b).

"DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

"SEC. 1417. (a) The Secretary shall make in each fiscal year a grant to each health planning agency—

"(1) with which there is in effect a designation agreement under section 1415 (b) or (c),

"(2) which has in effect an LGP and SPP reviewed by the Statewide Health Coordinating Council, and

"(3) which is organized and operated in the manner prescribed by section 1412(b) and is performing its functions under section 1413 in a manner satisfactory to the Secretary,

to enable the agency to establish and maintain an Area Health Services Development Fund from which it may make grants and enter into contracts in accordance with section 1413(c)(3).

"(b)(1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health area for which the health planning agency is designated, the average family income of the area and the supply of health services in the area.

"(2) The amount of any grant under subsection (a) to a health planning agency for any fiscal year may not exceed the product of $1 and the population of the health area for which such agency is designated.

"(c) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, and $120,000,000 for the fiscal year ending June 30, 1977.

"PART C—STATE HEALTH PLANNING AND DEVELOPMENT

"DESIGNATION OF STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

"SEC. 1421. (a) For the purpose of the performance within each State of the health planning and development functions prescribed by section 1423, the Secretary shall enter into and renew agreements (described in subsection (b)) for the designation of a State health planning and development agency for each State other than a State for which the Secretary may not under subsection (d) enter into, continue in effect, or renew such an agreement.

"(b)(1) A designation agreement under subsection (a) is an agreement with the Governor of a State for the designation of an agency (selected by the Governor) of the government of that State as the State health planning and development agency (hereinafter in this part referred to as the 'State Agency') to administer the State administrative program prescribed by section 1422 and to carry out the State's health planning and development functions prescribed by section 1423. The Secretary may not enter into such an agreement with the Governor of a State unless—

"(A) there has been submitted by the State a State administrative program which has been approved by the Secretary;

"(B) an application has been made to the Secretary for such an agreement and the application contains assurances satisfactory to the Secretary that the agency selected by the Governor for designation as the State Agency has the authority and resources to administer the State administrative program of the State and to effectively carry out the health planning and development functions prescribed by section 1423, and

"(C) in the case of an agreement entered into under paragraph (3), there has been established for the State a Statewide Health Coordinating Council meeting the requirements of section 1425.

"(2)(A) The agreement entered into with a Governor of a State under subsection (a) may provide for the designation of a State Agency on a conditional basis with a view to determining the capacity of the designated State Agency to administer the State administrative program of the State and to carry out the healh planning and development functions prescribed by section 1423. The Secretary shall require as a condition to the entering into of such an agreement that the Governor submit on behalf of the agency to be designated a plan, satisfactory to the Secretary, for the agency's orderly assumption and implementation of such functions.

"(B) The period of an agreement described in subparagraph (A) may not exceed twenty-four months. During such period the Secretary may require that the designated State Agency perform only such of the functions of a State Agency prescribed by section 1423 as he determines it is capable of performing. The number and type of such functions shall, during such period, be progressively increased as the designated State Agency becomes capable of added responsibility, so that by the end of such period the designated State Agency may be considered for designation under paragraph (3).

"(C) Any agreement with a Governor of a State entered into under subparagraph (A) may be terminated by the Governor upon ninety days' notice to the Secretary or by the Secretary upon ninety days' notice to the Governor.

"(3) If, on the basis of an application for designation as a State Agency (and, in the case of an agency conditionally designated under paragraph (2), on the basis of its performance under an agreement with a Governor of a State entered into under such paragraph), the Secretary determines that the agency is capable of fulfilling in a satisfactory manner, the responsibilities of a State Agency, he shall enter into an agreement with the Governor of the State designating the agency as the State Agency for the State. No such agreement may be made unless an application therefor is submitted to, and approved by, the Secretary. Any such agreement shall be for a term of twelve months, except that, prior to the expiration of such term, such agreement may be terminated—

"(A) by the Governor at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(B) by the Secretary, upon his determination, after providing notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the designated State Agency is not complying with or effectively carrying out the provisions of such agreement.

An agreement under this paragraph shall contain such provisions as the Secretary may require to assure that the requirements of this part respecting State Agencies are complied with.

"(4) An agreement entered into under paragraph (3) for the designation of a State Agency may be renewed by the Secretary for a period not to exceed twelve months if he determines that it has fulfilled, in a satisfactory manner, the responsibilities of a State Agency during the period of the agreement to be renewed and if the applicable State administrative program continues to meet the requirements of section 1422.

"(c) If a designation agreement with the Governor of a State entered into under subsection (b)(2) or (b)(3) is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b)(2), or (b)(3) (as the Secretary determines appropriate), enter into another agreement with the Governor for the designation of a State Agency which will comply with and effectively carry out the provisions of such agreement.

"(d) If, upon the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Planning and Development and Health Facilities Assistance Act of 1974 is enacted, a designation agreement for a State is not in effect under this section the Secretary shall forthwith order that no further Federal funds appropriated for any program under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for the development, expansion or support of health resources shall be made available for use in such State.

"STATE ADMINISTRATIVE PROGRAM

"Sec. 1422. (a) A State administrative program (hereinafter in this section referred to as the 'State Program') is a program for the performance within the State by its State Agency of the functions prescribed by section 1423. The Secretary may not approve a State Program for a State unless it—

"(1) meets the requirements of subsection (b);

"(2) has been submitted to the Secretary by the Governor of the State at such time and in such detail, and contains or is accompanied by such information, as the Secretary deems necessary; and

"(3) has been submitted to the Secretary only after the Governor of the State has afforded to the general public of the State a reasonable opportunity for a presentation of views on the State Program.

"(b) The State Program of a State must—

"(1) provide for the performance within the State (after the designation of a State Agency and in accordance with the designation agreement) of the functions prescribed by section 1423, in a manner satisfactory to the Secretary and in a manner consistent with the guidelines issued by the Secretary pursuant to section 1401, and specify the State Agency of the State as the sole agency for the performance of such functions (except as provided in subsection (b) of such section) and for the administration of the State Program;

"(2) contain or be supported by satisfactory evidence that the State Agency has under State law the authority to carry out such functions and the State Program in accordance with this part and contain a current budget for the operation of the State Agency;

"(3) provide for adequate consultation with, and authority for, the Statewide Health Coordinating Council (prescribed by section 1425), in carrying out such functions and the State Program;

"(4)(A) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibilities in the performance of such functions and the State Program, and require the State Agency to have a professional staff for planning and a professional staff for development;

"(B) provide for such methods of administration as are found by the Secretary to be necessary for the proper and efficient administration of such functions and the State Program, including methods relating to the establishment and maintenance of personnel standards on a merit basis consistent with such standards as are or may be established by the Civil Service Commission under section 208(a) of the Intergovernmental Personnel Act of 1970 (Public Law 91-648), but the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with the methods relating to personnel standards on a merit basis established and maintained in comformity with this paragraph;

"(5) require the State Agency to perform its functions in accordance with procedures and criteria established and published by it, which procedures and criteria shall conform to the requirements of section 1432;

"(6) require the State Agency to (A) conduct its business meetings in public, (B) give adequate notice to the public of such meetings, and (C) make its records and data available, upon request, to the public;

"(7)(A) provide for the coordination (in accordance with regulations of the Secretary) with the cooperative system provided for under section 306(e) of the activities of the State Agency for the collection, retrieval, analysis, reporting, and publication of statistical and other information related to health and health care, and (B) require providers of health services doing business in the State to make statistical and other reports of such information to such State Agency;

"(8) provide, in accordance with methods and procedures prescribed or approved by the Secretary, for the evaluation, at least annually, of the performance by the State Agency of its functions and of their economic effectiveness;

"(9) provide that the State Agency will from time to time, and in any event not less often than annually, review the State Program and submit to the Secretary required modifications;

"(10) require the State Agency to make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

"(11) require the State Agency to provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title;

"(12) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records of the State Agency pertinent to the disposition of amounts received from the Secretary under this title; and

"(13) provide that if the State Agency makes a decision in the performance of a function under paragraph (3) or (4) of section 1423(a) which is inconsistent with a recommendation made under subsection (g), (h), or (i) of section 1413 by a health planning agency within the State—

"(A) such a decision (and the record upon which it was made) shall, upon request of the health planning agency, be reviewed, under an appeals mechanism consistent with State law governing the practices and procedures of administrative agencies, by an agency of the State (other than the State health planning and development agency) designated by the Governor, and

"(B) the decision of the reviewing agency shall be considered the decision of the State health planning and development agency.

"(c) The Secretary shall approve any State Program and any modification thereof which complies with subsections (a) and (b). The Secretary shall review for compliance with the requirements of this part the specifications of and operations under each State Program approved by him. Such review shall be conducted not less often than once each year.

"STATE HEALTH PLANNING AND DEVELOPMENT FUNCTIONS

"Sec. 1423. (a) Each State Agency of a State designated under section 1421(b)(3) shall, except as authorized under subsection (b), perform within the State the following functions:

"(1) Prepare and review and revise as necessary (but at least annually) a preliminary long-range State health plan which shall be made up of the LGP's of the health planning agencies within the State and a preliminary short-term State health plan which shall be made up of the SPP's of such agencies. Such preliminary plans may, as found necessary by the State Agency, contain such revisions of such LGP's and SPP's to achieve their appropriate coordination or to deal more effectively with statewide health needs. Such preliminary plans shall be submitted to the Statewide Health Coordinating Council of the State for approval or disapproval and for use in developing the State health plans referred to in section 1425 (e)(1).

"(2) Assist the Statewide Health Coordinating Council of the State in the performance of its functions generally.

"(3)(A) Serve as the designated planning agency of the State for the purposes of section 1122 of the Social Security Act if the State has made an agreement pursuant to such section, and (B) administer a State certificate of need program which applies to new institutional health services, health care facilities, and health maintenance organizations proposed to be offered or developed within the State and which is satisfactory to the Secretary. Such program shall (i) provide for review and determination of need prior to the time such services, facilities, and organizations are offered or developed or substantial expenditures are undertaken in preparation for such offering or development, and (ii) provide that only those services, facilities, and organizations found to be needed shall be offered or developed in the State. In performing its functions under this paragraph the State Agency shall consider recommendations made by health planning agencies under section 1413(g).

"(4) Review on a periodic basis (but not less often than every five years) all institutional health services being offered and health care facilities and health maintenance organizations located in the State and after consideration of recommendations submitted by health planning agencies under section 1413(h) respecting the need for such services, facilities, and organizations make findings respecting the continued need for such services, facilities, and organizations. With respect to any service, facility, or organization found not to be needed the State Agency will assist the appropriate health planning agency in improving or eliminating such service, facility, or organization as authorized by section 1413(h). A State Agency shall complete its findings with respect to the need for any existing institutional health service, health care facility, or health maintenance organization within one year after the date a health planning agency has made its recommendation under section 1413(h) with respect to the need for such service facility, or organization.

"(b)(1) Any function described in subsection (a) may be performed by another agency of the State government, upon request of the Governor, under an agreement with the State Agency satisfactory to the Secretary.

"(2) The requirement of paragraph (3) (B) of subsection (a) shall not apply to a State Agency until the expiration of the first regular session of the legislature of such State which begins after the date of enactment of this title.

"(c) If a State Agency makes a decision in carrying out a function described in paragraph (3) or (4) of subsection (a) which is not consistent with the applicable LGP or SPP, the State Agency shall submit to the appropriate health planning agency and to the Secretary a detailed statement of the reasons for the inconsistency.

"GRANTS FOR REGULATION OR ESTABLISHMENT OF RATES FOR HEALTH SERVICES

"Sec. 1424. (a) The Secretary is authorized to enter into and renew agreements with designated State health planning and development agencies for the regulation or establishment of rates for the payment or reimbursement for those engaged in the delivery of health services, as defined in regulations of the Secretary, within the State.

"(b) Any agreement entered into under this section shall—

"(1) provide for the performance within the State of the functions prescribed by subsection (a) and specify the State Agency of the State as the sole agency for the performance of such functions, except that such functions may be performed by another agency of the State government, upon request of the Governor, under an agreement with the State Agency satisfactory to the Secretary;

"(2) contain or be supported by satisfactory evidence that the State Agency has under State law the authority to carry out such functions in accordance with this section and contain a current budget for the performance of such functions by the State Agency;

"(3) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibility in the performance of such functions, and require the State Agency to have a professional staff for rate regulation, which staff shall be headed by a Director;

"(4) provide for such methods of administration as found by the Secretary to be necessary for the proper and efficient administration of such functions, including methods relating to the establishment and maintenance of personnel standards, as described in section 1422(b)(4)(B);

"(5) require the State Agency to perform its functions in accordance with procedures established and published by it, which procedures shall conform to the requirements of section 1432;

"(6) comply with the requirements prescribed by paragraphs (6) through (12) of section 1422(b) with respect to the functions prescribed by subsection (a); and

"(7) provide for the establishment of a procedure under which the State Agency will obtain the recommendation of the appropriate health planning agency prior to conducting a review of the rates charged or proposed to be charged for services.

Any such agreement shall contain such additional provisions as the Secretary may require to assure that the requirements of this section are complied with.

"(c)(1) The Secretary may not enter into an agreement with a State Agency unless an application has been made to the Secretary for such an agreement and the application contains assurances satisfactory to the Secretary that the State Agency has the authority and resources to carry out the functions prescribed by subsection (a).

"(2) If, on the basis of an application for an agreement under this section, the Secretary determines that the State Agency is capable of performing, in a satisfactory manner, the functions prescribed by subsection (a), he shall enter into such agreement for a period of twelve months.

"(3) An agreement entered into under this section with a State Agency may be renewed by the Secretary for a period not to exceed twelve months if he determines that the State Agency has performed in a satisfactory manner, the functions prescribed by subsection (a)

"(d)(1) The sums appropriated under subsection (g) shall be allotted, for each fiscal year, among the State Agencies that, under subsection (a), have entered into an agreement with the Secretary that is in effect for such fiscal year. The allotment shall be, under the Secretary's regulations, in accordance with the populations of the respective States served by State Agencies eligible therefore, and the costs of performing the functions to be undertaken by the State Agencies under their agreements.

"(2) The amount of any allotment to a State Agency under paragraph (1), for any fiscal year, that the Secretary determines will not be required by the State Agency, during the period for which it is available, for the purposes for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other State Agencies which have entered into an agreement with the Secretary that is in effect for such fiscal year with respect to which such a determination has not been made, in proportion to the original allotments to such State Agencies under paragraph (1) for such fiscal year, but with such proportionate amount for any of such other State Agencies being reduced to the extent it exceeds the sum the Secretary estimates such State Agency needs and will be able to use during that period; and the total of those reductions shall be similarly reallotted among the State Agencies whose proportionate amounts were not so reduced. Any amount so reallotted to a State Agency from sums appropriated under subsection (g) for a fiscal year shall be deemed part of its allotment under paragraph (1) for the fiscal year.

"(3) From each State Agency's allotment for a fiscal year under this subsection, the Secretary shall from time to time pay to the State Agency the amount of its expenditures incurred during that year under the agreement entered into under this subsection, but no payment shall be made unless such agreement is then in effect. The Secretary shall make these payments on the basis of estimates of those expenditures, or in anticipation of those expenditures based upon his estimate of the sums the State Agency will need in order to perform the functions undertaken under the agreement, but with such adjustments as may be necessary to take account of previously made underpayments or overpayments.

"(e) Any agreement entered into under this section shall be for a term of twelve months, except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the State Agency at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(2) by the Secretary, upon his determination, after providing notice and opportunity for hearing in accordance with section 554 of title 5, United States Code, that the State Agency is not complying with or effectively carrying out the provisions of such agreement.

"(f) The Secretary shall issue regulations regarding the performance of the functions prescribed by subsection (a). In issuing such regulations the Secretary shall consider the manner in which the State Agency should perform such functions including whether the State Agency should—

"(1) permit those engaged in the delivery of health services to retain savings accruing to them from effective management and cost control,

"(2) create incentives at each point in the delivery of health services for utilization of the most economical modes of services feasible,

"(3) document the need for and cost implications of each new service for which a determination of reimbursement rates is sought, and

"(4) employ for each type or class of person engaged in the delivery of health services—

"(A) a unit for determining the reimbursement rates, and

"(B) a base for determining rates of change in the reimbursement rates,

which unit and base are satisfactory to the Secretary.

"(g) There are authorized to be appropriated, for the purposes of this section $10,000,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, and $20,000,000 for the fiscal year ending June 30, 1977.

"STATEWIDE HEALTH COORDINATING COUNCILS

"SEC. 1425. (a) A State health planning and development agency designated under section 1421 shall be advised by a Statewide Health Coordinating Council (hereinafter in this section referred to as the 'SHCC') which (1) is organized in the mánner described by subsection (c), and (2) performs the functions listed in subsection (e).

"(b)(1) Each health planning agency designated to serve a health area that falls, in whole or in part, within the boundaries of one or more States shall participate in the SHCC for each such State.

"(2)(A) Each health planning agency which participates in an SHCC for any State shall assume, for each fiscal year, its share of the costs of operation of the SHCC in excess of those defrayed under subparagraph (B). The share of each such agency shall bear the same proportion to such costs as the amounts the Secretary has awarded to the agency under section 1416 (with respect to the portion of its health area which falls within such State) for that year bear to the aggregate amounts awarded under such section to all agencies participating in such SHCC.

"(B) In the case of any SHCC for any State which, in any year, includes members appointed by the Governor of such State pursuant to subsection (c)(1)(B) the State shall contribute to the SHCC to assist in meeting its costs of operation an amount equal to 40 per centum of such costs for such year.

"(3) Each health planning agency which participates in an SHCC shall (A) make available its LGP and SPP for each year for integration into the State health plans under subsection (e)(1) and (B) make such revisions in its LGP and SPP as required to be consistent with such State plans.

"(c)(1) A SHCC shall be composed in the following manner:

"(A)(i) A SHCC for any State shall have no fewer than sixteen representatives appointed by the Governor of such State from lists of at least five nominees submitted to the Governor by each of the health planning agencies designated for health areas which fall, in whole or in part, within the State.

"(ii) Each health planning agency within the State shall be entitled to the same number of representatives on the SHCC.

"(iii) Each health planning agency shall be entitled to at least two representatives on the SHCC.

"(iv) Where the governing body of any of the health planning agencies represented on the SHCC includes a member representative of health maintenance organizations the SHCC shall include a member representative of such organizations.

"(v) Where two or more hospitals or other health care facilities of the Veterans' Administration are located in a State, the SHCC shall, in addition to the appointed members, include, as an ex officio member, an individual whom the Administrator of Veterans' Affairs shall have designated as a representative of such facilities.

"(B) The Governor of the State may appoint such persons (including State officials, public elected and appointed officials, and other representatives of governmental authorities within the State) to serve on the SHCC as he deems appropriate; except that the number of persons appointed to the SHCC by the Governor under this subparagraph may not exceed 40 per centum of the total membership of the SHCC.

"(C) A majority of the members of a SHCC shall be consumers of health services who are not providers of health services or holders of public elective or appointive offices.

"(2) The SHCC shall select from among its members a chairman.

"(d) The SHCC shall—

"(1)(A) conduct its business meetings in public, (B) give adequate notice to the public of such meetings, and (C) make its records and data available, upon request, to the public;

"(2) meet at least once in each calendar quarter of a year;

"(3) act only by a vote of a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum of not less than one-half of its members is in attendance;

"(4) make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports; and

"(5) in preparing and revising the State health plans under subsection (e)(1), follow the procedures prescribed by section 1432(a).

"(e) A SHCC shall perform the following functions:

"(1) Taking into account the preliminary State health plans prepared by the State Agency in accordance with section 1423(a)(1), prepare and review and revise as necessary (but at least annually) a long-range State health plan which shall be made up of the LGP's of the health planning agencies within the State and a short-term State health plan which shall be made up of the SPP's of such agencies. Such plans may, as found necessary by the SHCC, contain such revisions of such LGP's and SPP's to achieve their appropriate coordination or to deal more effectively with statewide health needs.

"(2) Review annually the budget of each such health planning agency and report to the Secretary, for purposes of his review under section 1434(a), its comments on such budget.

"(3) Review applications submitted by such health planning agencies for grants under sections 1416 and 1417 and report to the Secretary its comments on such applications.

"(4) Advise the State Agency of the State generally on the performance of its functions.

"(5) Review annually and approve or disapprove any State plan and any application (and any revision of a State plan or application) submitted to the Secretry as a condition to the receipt of any funds under allotments made to States under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. Notwithstanding any other provision of any Act referred to in the preceding sentence, the Secretary shall allow a SHCC sixty days to make the review required by such sentence. If a SHCC disapproves such a State plan or application, the Secretary may not make Federal funds available under such State plan or application until he has made, upon request of the Governor of the State which submitted such plan or application or another agency of such State, a review of the SHCC decision. If after such review the Secretary decides to make such funds available, the decision by the Secretary to make such funds available shall be submitted to the SHCC and shall contain a detailed statement of the reasons for the decision.

"(6) Advise and consult with the State Agency in carrying out the State health facilities plan referred to in section 602.

"ASSISTANCE FOR STATE HEALTH PLANNING AND DEVELOPMENT

"SEC. 1426. (a)(1) From the sums appropriated under subsection (c) for each fiscal year the State health planning and development agencies designated under subsection (b)(2) or (b)(3) of section 1421 shall be entitled to allotments to assist in meeting the costs of performing the functions prescribed by section 1423 which shall be determined, in accordance with regulations, on the basis of the population and the per capita income of the respective States. Notwithstanding the provisions of the preceding sentence, no allotment to any State agency for any fiscal year shall be less than one per centum of the sum appropriated for such fiscal year pursuant to subsection (c). Any such allotment to a State Agency for a fiscal year shall remain available for obligation by the State Agency, in accordance with the provisions of this subsection only during the period for which its designation agreement is entered into or renewed.

"(2) The amount of any allotment to a State Agency under paragraph (1) for any fiscal year which the Secretary determines will not be required by the State Agency, during the period for which it is available, for the purposes for which allotted, shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other State Agencies with respect to which such determination has not been made, in proportion to the original allotments to such State Agencies under paragraph (1) for such fiscal year, but with such proportionate amount for any of such other State Agencies being reduced to the extent it exceeds the sum the Secretary estimates such State Agency needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the State Agencies whose proportionate amounts were not so reduced. Any amount so reallotted to a State Agency from funds appropriated pursuant to this paragraph for a fiscal year shall be deemed part of its allotment under paragraph (1) for such fiscal year.

"(b)(1) From each State Agency's allotment for a fiscal year under subsection (a), the State Agency shall from time to time be paid the Federal share of the costs incurred during that year in performing the functions prescribed by section 1423. Such payments shall be made on the basis of estimates by the Secretary of the sums the State Agency will need in order to perform such functions, but with such adjustments as may be necessary to take account of previously made underpayments or overpayments. The 'Federal share' for any State Agency for purposes of this subsection shall be such part, not exceeding 90 per centum, of the cost of the performance of such functions as the Secretary may determine.

"(2) Payments under paragraph (1) shall be made on such terms and conditions as the

Secretary may prescribe. No payment may be made under paragraph (1) unless the Secretary (A) determines that the Federal funds to be paid will be used to supplement State funds that would in the absence of such Federal funds be used for the purposes for which such Federal funds would be paid and will in no event supplant such State funds and (B) receives satisfactory assurances that the State Agency will expend in performing the functions prescribed by section 1423 during the fiscal year for which the payment is sought, an amount of funds from non-Federal sources which is at least as great as the average amount of funds expended by State for which such State Agency has been designated for such purposes (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the fiscal year for which such payment is sought.

"(c) For purposes of making allotments to States under subsection (a) to assist in meeting the costs of performing the functions prescribed by section 1422 there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for the fiscal year ending June 30, 1977.

"(d) The Secretary shall provide to any State Agencies engaged in the performance of the functions prescribed by section 1423 such technical assistance as may be necessary in order that such State Agencies may properly perform such functions

"PART D—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 1431. For purposes of this title:

"(1) The term 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(2) The term 'Governor' means the chief executive officer of a State or his designee.

"(3) The term 'provider of health services' means an individual—

"(A) who holds a fiduciary position with, or has a fiduciary interest in, any entity described in clause (ii), (iii), or (iv) of subparagraph (B), or

"(B) who receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

"(i) Fees or other compensation for the provision of, research into the provision of, or instruction in the provision of, health services.

"(ii) Financial interests in entities engaged in such provision, research, or instruction.

"(iii) Producing or supplying, or from financial interests in entities engaged in producing or supplying drugs or other articles for individuals or in entities engaged in the provision of, research into the provision of, or instruction in the provision of, health services.

"(iv) Financial interests in entities engaged in indemnifying the provision of health services. "(4)(A) the term 'institutional health services' means the health services provided through health care facilities and health maintenance organizations (as such facilities and organizations are defined in regulations prescribed under section 1122 of the Social Security Act); and (B) the term 'health care facilities' means the health care facilities referred to in clause (A).

"(5) the term 'health resources' includes health services, health professions personnel, and health facilities, except that such term does not include Christian Science sanatoriums operated, or listed and certified, by the First Church of Christ Scientist, Boston, Massachusetts.

"PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH DELIVERY SYSTEM CHANGES

"SEC. 1432. (a) Prior to establishment of any long-range goal plan of short-term priorities plan under section 1413(b)(1)(B) and (C), each health planning agency shall conduct a public hearing on the plan as proposed and shall give interested persons an opportunity to submit their views orally and in writing. Not less than thirty days prior to such hearing, such agency shall publish in at least two newspapers of general circulation throughout its health area a notice of its consideration of the proposed plan, the time and place of the hearing, the place at which interested persons may consult the plan in advance of the hearing, and the place and period during which to direct written comment to the agency on the plan.

"(b) In conducting reviews pursuant to subsections (e), (f), (g), and (h) of section 1413 or in conducting any other reviews, each health planning agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria (appropriate to carry out the purposes of this title) developed and published by the agency in accordance with regulations of the Secretary; and in performing its review functions under section 1423, a State health planning and development agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria (appropriate to carry out the puposes of this title) developed and published by the State Agency in accordance with regulations of the Secretary. Procedures and criteria for reviews by health planning agencies and State health planning and development agencies may vary according to the purpose for which a particular review is being conducted or the type of health services being reviewed.

"(c) Each health planning agency and State health planning and development agency shall include in the procedures required by subsection (b) at least the following:

"(1) Written notification to affected persons of the beginning of a review.

"(2) Schedules for reviews which provide that no review shall, to the extent practicable, take longer than ninety days from the date the notification described in paragraph (1) is made.

"(3) Provision for persons subject to a review to submit to the agency or State Agency (in such form and manner as the agency or State Agency shall prescribe and publish) such information as the agency or State Agency may require concerning the subject of such review.

"(4) Submission of applications (subject to review by a health planning agency or a State Agency) made under this Act or other provisions of law for Federal financial assistance for health services to the health planning agency or State Agency at such time and in such manner as it may require.

"(5) Submission of periodic reports by those engaged in the delivery of health services and other persons subject to agency or State Agency review respecting the development of proposals subject to review.

"(6) Provision for written findings which state the basis for any final decision or recommendation made by the agency or State Agency.

"(7) Notification of providers of health services and other persons subject to agency or State Agency review of the status of the agency or State Agency review of the health services or proposals subject to review, findings made in the course of such review, and other appropriate information respecting such review.

"(8) Provision for public hearings in the course of agency or State Agency review if requested by interested persons; and provision for public hearings, for good cause shown, respecting agency and State Agency decisions.

"(9) Preparation and publication of regular reports by the agency and State Agency of the reviews being conducted (including a statement concerning the status of each such review) and of the reviews completed by the agency and State Agency (including a general statement of the findings and decisions made in the course of such reviews) since the publication of the last such report.

"(10) Access by the general public to all applications reviewed by the agency and State Agency and to all other written materials pertinent to any agency or State Agency review.

"(11) In the case of construction projects, submission to the agency and State Agency by the entities proposing the projects of letters of intent in such detail as may be necessary to inform the agency and State Agency of the scope and nature of the projects at the earliest possible opportunity in the course of planning of such construction projects.

"(d) Criteria required by subsection (b) for health planning agency and State Agency review shall include consideration of at least the following:

"(1) The relationship of the health services being reviewed to the applicable LGP and SPP.

"(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing such services.

"(3) The need that the population served or to be served by such services has for such services.

"(4) The availability of alternative, less costly, or more effective methods of providing such services.

"(5) The relationship of services reviewed to the existing health delivery system of the area in which such services are provided or proposed to be provided.

"(6) In the case of health services proposed to be provided, the availability of resources (including health professions personnel, management personnel, and funds for capital and operating needs) for the provision of such services and the availability of alternative uses of such resources for the provision of other health services.

"(7) The special needs and circumstances of those entities which provide a substantial portion of their services or resources, or both, to individuals not residing in the health area in which the entity is located or in adjacent health areas. Such entities may include medical and other health professions schools, multidisciplinary clinics, specialty centers, and such other entities as the Secretary may by regulation prescribe.

"(8) The special needs and circumstances of health maintenance organizations for which assistance may be provided under title XIII.

"(9) In the case of a construction project—

"(A) the costs and methods of the proposed construction, and

"(B) the probable impact of the construction project reviewed on the costs of providing health services by the person proposing such construction project.

"TECHNICAL ASSISTANCE FOR HEALTH PLANNING AGENCIES AND STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

"SEC. 1433. (a) The Secretary shall provide (directly or through grants or contracts, or both) to designated health planning agencies and, upon request, to State Agencies (1) assistance in developing their health plans and approaches to planning various types of health services, (2) technical materials, including methodologies, policies, and standards appropriate for use in health planning, and (3) other technical assistance as may be necessary in order that such agencies may properly perform their functions.

"(b) The Secretary shall include in the materials provided under subsection (a) the following:

"(1)(A) Specification of the minimum data needed to determine the health status of the residents of a health area and the determinants of such status, including specification for data which describe mortality and morbidity by age, sex, race, residence, economic status, and occupation the etiologies of mortality and morbidity, and the environmental and occupational exposure factors affecting health conditions.

"(B) Specification of the minimum data needed to determine the status of the health resources of a health area, including specification for data which describe health care facilities by size, types of services provided, location, and operating costs, which describe health professions personnel by type, specialty, supply, location, and mode of practice and which describe health services by type and location.

"(C) Specification of the minimum data needed to describe the use of health resources within a health area, including the use by various population groups, including groups based on age, sex, race, residence, economic status, and occupation.

"(2) Planning approaches, methodologies, policies, and standards which shall be consistent with the guidelines established by the Secretary under section 1401 for appropriate planning and development of health resources, and which shall cover the priorities listed in section 1402.

"(3) Guidelines for the organization and operation of health planning agencies and State Agencies including guidelines for—

"(A) the structure of a health planning agency, consistent with section 1412(b), and of a State Agency, consistent with section 1422;

"(B) the conduct of the planning and development processes;

"(C) the performance of health planning agency functions in accordance with section 1413; and

"(D) the performance of State Agency functions in accordance with section 1423.

"(c) The Secretary shall establish the following within one year of the date of enactment of this title:

"(1) A uniform system for calculating the aggregate cost of operation and the aggregate volume of services provided by health services institutions as defined by the Secretary in regulations. Such system shall provide for the calculation of the aggregate volume to be based on:

"(A) The number of patient days;

"(B) The number of patient admissions;

"(C) The number of out-patient visits; and

"(D) Other relevant factors as determined by the Secretary.

"(2) A uniform system for cost accounting and calculating the volume of services provided by health services institutions. Such system shall:

"(A) Include the establishment of specific cost centers and, where appropriate, subcost centers.

"(B) Include the designation of an appropriate volume factor for each cost center.

"(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions), and different sizes of such types of institutions.

"(3) A uniform system for calculating rates to be charged to health insurers and other health institutions payors by health service institutions. Such system shall:

"(A) Be based on an all-inclusive rate for various categories of patients (including, but not limited to individuals receiving medical, surgical, pediatric, obstetric, and psychiatric institutional health services).

"(B) Provide that such rates reflect the true cost of providing services to each such category of patients. The system shall provide that revenues derived from patients in one category shall not be used to support the provision of services to patients in any other category.

"(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health service institutions) and different sizes of such types of institutions.

"(D) Provide that differences in rates to various classes of purchasers (including health insurers, direct service payors, and other health institution payors) be based on justified and documented differences in the costs of operation of health services institutions made possible by the actions of such purchasers.

"(4) A classification system for health services institutions. Such classification system shall quantitatively describe and group health services institutions of the various types. Factors included in such classification system shall include:

"(A) the number of beds operated by an institution;

"(B) the geographic location of an institution;

"(C) the operation of a postgraduate physician training program by an institution; and

"(D) the complexity of services provided by an institution.

"(5) A uniform system for the reporting by health services institutions of:

"(A) The aggregate cost of operation and the aggregate volume of services, as calculated in accordance with the system established by the Secretary under paragraph (1)

"(B) The costs and volume of services at various cost centers, and subcost centers, as calculated in accordance with the system established by the Secretary under paragraph (2); and

"(C) Rates, by category of patient and class of purchaser, as calculated in accordance with the system established by the Secretary under paragraph (3).

Such system shall provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions) and different sizes of such institutions.

"REVIEW BY THE SECRETARY

"SEC. 1434. (a) The Secretary may review and approve or disapprove the annual budget of each designated health planning agency. In making such review for approval or disapproval the Secretary shall consider the comments of Statewide Health Coordinating Councils submitted under section 1425 (e) (2).

"(b) The Secretary shall prescribe performance standards covering the structure, operation, and performance of the functions of each designated health planning agency and State Agency and he shall establish a reporting system based on the performance standards that allows for continous review of the structure, operation, and performance of the functions of such agencies.

"(c) The Secretary may review in detail at least every three years the structure, operation, and performance of the functions of each designated health planning agency to determine—

"(1) the adequacy of the LGP of the agency for meeting the needs of the residents of the area for a healthful environment and for accessible, acceptable and continuous high quality health care at reasonable costs, and the effectiveness of the SPP in achieving the health delivery system described in the LGP.

"(2) the extent to which the LGP, SPP, and other plans and projects of the agency take account of, and are consistent with the guidelines issued by the Secretary pursuant to section 1401;

"(3) if the structure, operation, and performance of the functions of the agency meet the requirements of sections 1412(b) and 1413;

"(4) the extent to which the agency's governing body (and executive committee (if any)) represents the residents of the health service area for which the agency is designated;

"(5) the professional credentials and competence of the staff of the agency;

"(6) the appropriateness of the data assembled pursuant to section 1413(b)(1)(A) and the quality of the analyses of such data;

"(7) the extent to which technical and financial assistance from the agency have been utilized in an effective manner to achieve the goals and objectives of the LGP and the SPP;

"(8) the extent to which the agency is participating in the appropriate Statewide Health Coordinating Council or Councils under section 1425(b) and is revising its LGP and SPP in accordance with the Statewide health plans developed pursuant to section 1425(e)(1); and

"(9) the extent to which it may be quantifiably demonstrated that—

"(A) the accessibility, acceptability, continuity, and quality of health care in such area has been improved;

"(B) increases in costs of the provision of health care have been restrained; and

"(C) unnecessary duplications of health resources in such area have been prevented.

"(d) The Secretary may review in detail at least every three years the structure, operation, and performance of the functions of each designated State Agency to determine—

"(1) the adequacy of the State health plan of the Statewide Health Coordinating Council developed under section 1425(e)(1) in meeting the needs of the residents of the State for a healthful environment and for accesssible, acceptable, and continuous high quality health care at reasonable costs;

"(2) if the structure, operation, and performance of the functions of the State Agency meet the requirements of sections 1422 and 1423;

"(3) the extent to which the Statewide Health Coordinating Council has a membership meeting, and has performed in a manner consistent with, the requirements of section 1425;

"(4) the professional credentials and competence of the staff of the State Agency;

"(5) the extent to which the State Agency has performed the functions prescribed by section 1423(a) in an effective manner to achieve the State's health plan under section 1425 (e)(1) and in a manner consistent with the guidelines issued by the Secretary pursuant to section 1401; and

"(6) the extent to which it may be demonstrated that—

"(A) the accessibility, acceptability, continuity, and quality of health care in the State has been improved;

"(B) increases in costs of the provision of health care have been restrained; and

"(C) unnecessary duplications of health resources have been prevented."

"SPECIAL PROVISIONS FOR THE VIRGIN ISLANDS, GUAM, THE TRUST TERRITORIES OF THE PACIFIC ISLANDS, AND AMERICAN SAMOA

"SEC. 1435. The Virgin Islands, Guam, the Trust Territories of the Pacific Islands, and American Samoa shall each be considered a State for purposes of this title, except that—

"(1) no health areas shall be established within them,

"(2) no health planning agencies shall be designated for them,

"(3) the State health planning and development agency designated for each of them under section 1421 shall, in addition to the functions prescribed by section 1423, perform the functions prescribed by section 1413 and shall be eligible to receive grants authorized by section 1416 and 1417, and

"(4) the chief executive officer of each of them shall appoint the Statewide Health Coordinating Council prescribed by section 1425 in accordance with regulations of the Secretary.

"WAIVER AUTHORITY

"SEC. 1436. (a) At the request of the Governor of a State applying for a waiver under this section, the Secretary shall waive the requirements of sections 1411 and 1412, if he finds that a State applying for assistance under this title or under title VI—

"(1) has no county or municipal public health institutions or departments, and

"(2) has, prior to the date of enactment of this section, maintained a health planning system which substantially complies with the purposes of this title.

"(b) A State receiving a waiver under subsection (a) of this section and otherwise meeting the requirements of this title shall be eligible for assistance authorized by this title."

TITLE II—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

REVISION OF HEALTH FACILITIES PROGRAMS UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 201. Title VI of the Public Health Service Act (42 U.S.C. 291 et seq.) is amended to read as follows:

"TITLE VI—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"PART A—PURPOSE, STATE ALLOTMENTS, STATE PLAN

"DECLARATION OF PURPOSE

"SEC. 600. It is the purpose of this title to provide assistance, through allotments under this part and grants, loans and loan guarantees under part B, for such projects for—

"(1) construction or modernization of public or other nonprofit outpatient facilities, and

"(2) modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which, without the modernization of such facilities, would be designated medically underserved populations,

as may be necessary, in conjunction with existing facilities, to furnish adequate health care services to all people throughout the United States.

"STATE ALLOTMENTS

"SEC. 601. (a) For the purpose of providing assistance to projects described in section 600, each State shall be entitled to receive, for each fiscal year, an allotment from the sums appropriated for such fiscal year under section 625, bearing the same ratio to the sums appropriated for such year under such section as the product of—

"(1) the population of such State, and

"(2) the square of the allotment percentage applicable to such State,

bears to the sum of the corresponding products for all of the States.

"(b)(1) The allotment to any State (other than Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands) for any fiscal year shall be not less than $1,000,000; and the allotment to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands for any fiscal year shall be not less than $500,000 each.

"(2) Notwithstanding paragraph (1), if the amount appropriated under section 625 for any fiscal year is less than the amount required to provide allotments in accordance with paragraph (1), the amount of the allotment to any State for such fiscal year shall be an amount which bears the same ratio to the amount prescribed for such State by paragraph (1) as the amount appropriated for such fiscal year bears to the amount of appropriations needed to make allotments to all the States in accordance with paragraph (1).

"(c) For the purposes of this part—

"(1) The 'allotment percentage' for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentage for the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands shall be 75 per centum.

"(2) The allotment percentage shall be determined by the Secretary between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce, and the States shall be notified promptly thereof. Such determination shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such determination.

"(3) The population of the several States shall be determined on the basis of the latest figures certified by the Department of Commerce.

"(4) The term 'United States' means (but only for purposes of paragraphs (1) and (2)) the fifty States and the District of Columbia.

"(d) Any sum allotted to a State for a fiscal year under this section and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), in addition to the sums allotted to such State for such purposes for such next two fiscal years.

"STATE HEALTH FACILITIES PLAN

"SEC. 602. (a) Before an application for assistance under this part for a health facility project described in section 600 may be approved, the State Agency of the State in which such project is located must have submitted to the Secretary and had approved by him a State health facilities plan. To be approved by the Secretary a State health facilities plan for a State must—

"(1) prescribe that the State Agency of the State shall administer or supervise the administration of the plan and contain evidence satisfactory to the Secretary that the State Agency has the authority to carry out the plan in conformity with this title;

"(2) prescribe that the Statewide Health Coordinating Council of the State shall advise and consult with the State Agency in carrying out the plan;

"(3) be approved by the Statewide Health Coordinating Council as consistent with the State health plans developed pursuant to section 1425(e)(1);

"(4) set forth, in accordance with criteria established in regulations prescribed under section 620 and on the basis of a statewide inventory of health facilities, a survey of need, and the plans of the health planning agencies within the State—

"(A) the number and type of outpatient health facilities needed to provide adequate outpatient care to people residing in the State, and a plan for the distribution of such facilities in health areas throughout the State, and

"(B) the extent to which existing health facilities in the State are in need of modernization;

"(5) set forth a program for the State for assistance under this part for projects described in section 600, which program shall indicate the type of assistance which shall be made available to each project and shall conform to the assessment of need set forth pursuant to paragraph (4) and regulations promulgated pursuant to section 620;

"(6) set forth (in accordance with regulations promulgated under section 620) priorities for the provision of assistance under this part for projects in the program set forth pursuant to paragraph (4);

"(7) provide minimum requirements (to be fixed at the discretion of the State Agency) for the maintenance and operation of facilities which receive assistance under this part, and provide for enforcement of such requirements;

"(8) provide for affording to every applicant for assistance for a health facilities project under this part an opportunity for a hearing before the State Agency; and

"(9) provide that the State Agency will from time to time, but not less often than annually, review the plan and submit to the Secretary any modifications thereof which it considers necessary.

"(b) The Secretary shall approve any State health facilities plan and any modification thereof which complies with the provisions of subsection (a) if the State Agency, as determined under the review made under section 1434(d), is organized and operated in the manner prescribed by section 1422 and is carrying out its functions under section 1423 in a manner satisfactory to the Secretary. If any such plan or modification thereof shall have been disapproved by the Secretary for failure to comply with subsection (a), the Secretary shall, upon request of the State agency, afford it an opportunity for hearing.

"APPROVAL OF PROJECTS

"SEC. 603. (a) For each project described in section 600 included within a State's State health facilities plan approved under section 602 there shall be submitted to the Secretary, through the State's State Agency, an application. The applicant under such an application may be a State, a political subdivision of a State, or any other public entity, or a private nonprofit entity. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

"(b) An application for any project shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor, in accordance with regulations promulgated under section 620;

"(3) a certification by the State Agency of the Federal share for the project;

"(4) in the case of a construction project, reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in the entity which is to operate the facility on completion of the project;

"(5) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed: *Provided*, That, for the continued maintenance and operation of an outpatient facility which is located in an area determined by the Secretary to be an urban or rural poverty area and which is providing services to the poor in such area, Federal assistance provided directly to such facility or through benefits accorded individuals served at such facility shall be counted as financial support in meeting this requirement;

"(6) adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F. R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 376c);

"(7) in the case of any application for a project for modernization of any health facility (except an outpatient facility), reasonable assurance that when the project is completed the facility will serve a medically underserved population or a population which without the modernization of such facility, would be designated as a medically underserved population;

"(8) in the case of any application of any nonprofit private entity for a project for the construction or modernization of any outpatient facility, reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care;

"(9) in the case of a modernization project for a health facility for continuation of existing health services, a finding by the State Agency of a continued need for such services, and in the case of any project for construction of an outpatient facility, a finding by the State Agency of the need for the new health services to be provided through the facility upon completion of the project; and

"(10) reasonable assurance that at all times after such application is approved (i) the facility or portion thereof to be constructed or modernized will be made available to all persons residing or employed in the area served by the facility and (ii) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor. The Secretary shall, in determining the reasonableness of the volume of services provided, take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(c) The Secretary shall approve an application submitted under subsection (a) for a project to be assisted from an allotment made under this part if—

"(1) there are sufficient funds in such allotment to pay the Federal share of the project, and

"(2) the Secretary finds that—

"(A) the application (i) is in conformity with the State health facilities plan approved under section 602, (ii) has been approved and recommended by the State Agency, (iii) is for a project which is entitled to priority over other projects within the State as determined in accordance with the approved State health facilities plan, and (iv) contains such reasonable assurances as described in subsection (b), and

"(B) the plans and specifications are in accord with the regulations promulgated under section 620.

"(d) No application shall be disapproved until the Secretary has afforded the State Agency an opportunity for a hearing.

"(e) Each application under this part shall be reviewed by a health planning agency in accordance with section 1413(f).

"(f) Amendment of any approved application shall be subject to approval in the same manner as an original application.

"PAYMENTS FROM ALLOTMENTS

"SEC. 604. (a) If with respect to any health facility project approved under section 603 the State Agency certifies (upon the basis of inspection by it) to the Secretary that, in accordance with approved plans and specifications, work has been performed upon the project or purchases have been made for it and that payment from the applicable allotment of the State in which the project is located is due for the project, the Secretary shall, except as provided in subsection (b), make such payment to the State.

"(b) The Secretary is authorized to not make payments to a State pursuant to subsection (a) in the following circumstances:

"(1) If such State is not authorized by law to make payments for an approved health facility project from the payment to be made by the Secretary pursuant to subsection (a), or if the State so requests, the Secretary shall make the payment from the State allotment directly to the applicant for such project.

"(2) If the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to section 621 payment by the Secretary may, after he has given the State agency notice and opportunity for hearing pursuant to such section, be withheld, in whole or in part, pending corrective action or action based on such hearing.

In no event may the total of payments made under subsection (a) with respect to any project exceed an amount equal to the Federal share of such project.

"(c) In case an amendment to an approved application is approved as provided in section 603 or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

"PART B—GRANTS, LOANS, AND LOAN GUARANTEES

"GRANTS FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"SEC. 610. (a) The Secretary is authorized to make grants to any public or private nonprofit entity to assist such entity in meeting the costs of any project for the (1) construction or modernization of a public or other nonprofit outpatient facility or (2) modernization of a public or other nonprofit health facility which will serve a medically underserved population or a population which, without the modernization of such facility, would be designated a medically underserved population.

"(b) The amount of any grant made under this section shall be determined by the Secretary, but no such grant shall exceed 75 percentum of the costs of such project, except that any grant for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may cover up to 100 per centum of such costs.

"(c) Payments under grants made under this section shall be made by way of reimbursement and on such terms and conditions and in such installments as the Secretary may determine.

"LOANS AND LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"SEC. 611. (a) In order to assist public and other nonprofit entities in meeting the costs of projects for the—

"(1) construction or modernization of public or other nonprofit outpatient facilities and

"(2) modernization of public or other nonprofit health facilities which will serve medically underserved populations or populations which without the modernization of such facilities would be designated medically underserved populations,

the Secretary is authorized to make loans to such entities for such projects and guarantee to non-Federal lenders or the Federal Financing Bank payment of principal of and interest on loans made by such lenders to nonprofit private entities for such projects.

"(b)(1) No loan guarantee under this part with respect to any construction or modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under this part with respect to such project, exceeds 90 per centum of the costs of such project, except that any loan guarantee for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may, when added to the amount of any such grant or loan, cover up to 100 per centum of such costs.

"(2) No loan under this part with respect to any construction or modernization project may be made in an amount which, when added to the amount of any grant under this part with respect to such project, exceeds 95 per centum of the costs of such project, except that any loan for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may, when added to the amount of any such grant, cover up to 100 per centum of such costs.

"(c) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this section as will promote efficiency and economy thereof.

"PRIORITIES

"SEC. 612. In making grants and loans, and in guaranteeing loans under this part the Secretary shall give priority to projects based upon the relative need of various populations and in various areas lacking adequate facilities of the several types for which assistance is available under this part, giving special consideration—

"(1) in the case of projects for construction or modernization of outpatient facilities, to any outpatient facility that will be located in, and provide services for, residents of an area determined by the Secretary to be a rural or urban poverty area;

"(2) to projects designed to (A) eliminate or prevent imminent safety hazard as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (B) avoid noncompliance with State or voluntary licensure or accreditation standards; and

"(3) in the case of projects for modernization of facilities, to facilities serving densely populated areas.

"CONDITIONS FOR APPROVAL OF APPLICATIONS

"SEC. 613. (a) No grant, loan, or loan guarantee for any project may be made under this part unless an application therefor has been submitted to the Secretary and approved by him. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(b) Each application under this section shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor, in accordance with regulations promulgated under section 620;

"(3) a certification of the total cost of such project and the amount of the grant or loan which is sought under this part or the amount of the loan for which a guarantee is sought under this part;

"(4) in the case of a construction project, reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in the entity which is to operate the facility on completion of the project;

"(5) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed: *Provided,* That, for the continued maintenance and operation of an outpatient facility which is located in an area determined by the Secretary to be an urban or rural poverty area and which is providing services to the poor in such area, Federal assistance provided directly to such facility or through benefits accorded individuals served at such facility shall be counted as financial support in meeting this requirement;

"(6) adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c);

"(7) in the case of any application for any grant, loan, or loan guarantee for modernization of any facility (except an outpatient facility), reasonable assurance that when the project is completed the facility will serve a medically underserved population or a population which, without the modernization of such facility, would be designated as a medically underserved population;

"(8) in the case of any application of any nonprofit private entity for any grant, loan, or loan guarantee for construction or modernization of any outpatient facility, reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care; and

"(9) reasonable assurance that at all times after such application is approved (A) the facility or portion thereof to be constructed or modernized will be made available to all persons residing or employed in the area served by the facility, and (B) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor. The Secretary shall, in determining the reasonableness of the volume of services provided, take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(c) The Secretary shall not approve any application submitted in accordance with subsections (a) and (b) for a project for construction or modernization of a health facility unless the Secretary finds—

"(1) that the application contains such reasonable assurances as described in subsection (b);

"(2) that the plans and specifications are in accordance with the regulations promulgated under section 620; and

"(3) in the case of any direct loan or loan for which a guarantee is sought, that (A) the applicant will be able to make payments of principal and interest thereon when due, and (B) the terms, conditions, maturity, security (if any), and schedule and amounts of repayment with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accordance with regulations and with section 614.

"(d) Each application under this part shall be reviewed by a health planning agency in accordance with section 1413(e).

"(e) Amendment of any approved application shall be subject to approval in the same manner as an original application.

"GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

"SEC. 614. (a)(1) Any loan to any public entity or nonprofit private entity under this part shall require such entity to pay interest thereon at a rate comparable to the current rate of interest prevailing on the date such loan is made with respect to loans to nonprofit private entities which are guaranteed under this part for modernization on construction of similar facilities in the same or similar areas, minus an amount equal to the lesser of (i) one-half of such current rate of interest and (ii) 4½ per centum per annum.

"(2)(A) The Secretary shall from time to time, but with due regard to the financial interests of the United States, sell loans made under this part either on the private market or to the Federal National Mortgage Association in accordance with section 302 of the Federal Mortgage Association Charter Act or to the Federal Financing Bank.

"(B) Any loan so sold shall be sold for an amount which is equal (or approximately equal) to the amount of the unpaid principal of such loan as of the time of sale.

"(3)(A) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this part under which the Secretary agrees—

"(i) to guarantee to such purchaser (and any successor in interest to such purchaser) payments of the principal and interest payable under such loan, and

"(ii) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which, when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

"(B) Any such agreement—

"(i) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser any payments of principal and interest payable by such entity under such loan;

"(ii) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;

"(iii) shall provide that, in the event of any default by the entity to which such loan was made in payment of principal or interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying to the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and

"(iv) shall provide that, in the event such loan is closed out as provided in clause (iii), or in the event of any other loss incurred by the Secretary by reason of the failure of such entity to make payments of principal or interest on such loan, the Secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such entity.

"(4) The Secretary may, for good cause, waive any right of recovery which he has against an entity by reason of the failure of such entity to make payments of principal or interest on a loan made to such entity under this part, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payments of principal and interest.

"(5) After any loan to an entity under this part has been sold and guaranteed, interest paid on such loan and any interest subsidy paid by the Secretary with respect to such loan which is received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

"(6) Amounts received by the Secretary as proceeds from the sale of loans under this section shall be deposited in the loan fund established by section 615, and shall be available to the Secretary for the making of further loans under this part in accordance with the provisions of such section.

"(b)(1) No guarantee under this part of a loan made to any nonprofit private entity shall be approved if the rate of interest payable on such loan exceeds such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

"(2) In the case of a guarantee under this part of any loan made to a nonprofit private entity, the Secretary shall pay to the holder of such loan and for and on behalf of such entity amounts sufficient to reduce the net effective interest rate otherwise payable on such loan by an amount equal to the lesser of (i) one-half of such interest rate and (ii) 4½ per centum per annum. Each holder of a loan which is guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(3) The United States shall be entitled to recover from the applicant for a loan guarantee under this part the amount of any payments made pursuant to such guarantee unless the Secretary for good cause waives such right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(4) Guarantees of loans under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purpose of this part will be achieved, and to the extent permitted by paragraph (5), any terms and conditions applicable to a loan guarantee under this part may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(5) Any guarantee of a loan made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, unless such applicant or such person engaged in fraud or misrepresentation in applying for, making, or contracting to make such loan.

"(c) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this part may not exceed such limitations as may be specified in appropriations Acts.

"LOAN AND LOAN GUARANTEE FUND

"SEC. 615. (a)(1) There is hereby established in the Treasury a loan and loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (A) to enable him to make loans under this part, (B) to enable him to discharge his responsibilities under guarantees issued by him under this part, (C) for payment of interest on the loans which are guaranteed and loans which are sold and guaranteed under this part, and (D) for repurchase by him of direct loans made under this part which have been sold and guaranteed. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital required for the fund. There shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this part, including any moneys derived from the sale of assets.

"(2) Of the moneys in the fund, there shall be available to the Secretary for the purpose of making direct loans only such sums as shall have been appropriated for such purpose or sums received by the Secretary from the sale of such loans.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended (31 U.S.C. 744), and the purposes for which securities may be issued under that Act, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"PART C—GENERAL PROVISIONS

"REGULATIONS

"SEC. 620. The Secretary shall by regulation—

"(a) prescribe criteria for determining needs for health facilities for which assistance is available under this title;

"(b) prescribe criteria for determining the extent to which existing facilities are in need of modernization;

"(c) prescribe general standards of construction, modernization, and equipment for facilities of various classes and in various types of locations;

"(d) prescribe the general manner in which the State Agency of each State shall determine for the State health facilities plan the priority among projects within the State for which assistance is available under part A, based on the relative need of different areas within the State for such projects and giving special consideration—

"(1) in the case of projects for construction or modernization of outpatient facilities, to any outpatient facility that will be located in, and provide services for, residents of an area determined by the Secretary to be a rural or urban poverty area;

"(2) to projects designed to (i) eliminate or prevent imminent safety hazard as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (ii) avoid noncompliance with State or voluntary licensure or accreditation standards; and

"(3) in the case of projects for modernization of facilities, to facilities serving densely populated areas;

"(e) require each State health facilities plan under this section to provide for adequate health facilities to furnish needed health services for persons unable to pay therefor; and

"(f) prescribe the general manner in which each entity which receives or has received financial assistance under this title shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such assurances. Such regulations shall require each such entity to submit periodically to the Secretary reports which specify data and information which reasonably support compliance. No entity shall be excused from such requirement.

"WITHHOLDING OF PAYMENTS AND OTHER ACTIONS

"SEC. 621. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Agency or entity concerned finds—

"(1) that the State Agency is not complying substantially with the provisions required by section 602 to be included in its State health facilities plan,

"(2) that any assurance required to be given in an application filed under section 603 or 613 is not being or cannot be carried out, or

"(3) that there is a failure to carry out plans and specifications approved by the Secretary under section 603 or 613,

the Secretary may take the action authorized by subsection (b).

"(b)(1) Upon a finding described in subsection (a) and after notice as required by such subsection, the Secretary shall—

"(A) withhold from all projects within the State with respect to which the finding was made further payments from the State's allotment under section 601, or

"(B) withhold from the specific projects with respect to which the finding was made further payments.

"(2) Payments may be withheld, in whole or in part, under paragraph (1)—

"(A) until the basis for the finding upon which the withholding was made no longer exists, or

"(B) if corrective action to make such finding inapplicable cannot be made, until the entity or State concerned repays or arranges for the repayment of Federal funds paid under this part for projects which because of the finding are not entitled to such funds.

"(c)(1) The Secretary is directed, in the administration of this title, to establish a permanent office within the Department of Health, Education, and Welfare which shall be responsible for and have the authority to investigate and ascertain, on a periodic basis, with respect to each entity which is receiving or has received financial assistance under title VI of this Act, the extent of compliance by such entity with the assurances required to be made at the time such assistance was received. The Secretary, through such office, shall investigate on his own initiative (on a periodic basis) and upon the complaint of any interested person filed with such office.

"(2) If the Secretary finds that any such entity has failed to demonstrate compliance with such assurances, in accordance with regulations promulgated pursuant to section 620(f), the Secretary shall forthwith (A) take action in accordance with subsection (b), or (B) effect compliance by any other means authorized by law, including an administrative hearing held in accordance with the requirements of section 554 of title 5, United States Code, or legal actions by way of specific performance or otherwise: *Provided*, That no action shall be taken pursuant to clause (B) until the Secretary has advised such entity of the failure to comply with such assurances and has determined that compliance cannot be secured by voluntary means.

"(3) An appropriate action to effectuate compliance with such assurances may be brought by a person other than the Secretary only if a complaint has been filed by such person with the Secretary in accordance with paragraph (1) and (A) the Secretary has dismissed such complaint, or (B) the Secretary has failed to act on such complaint by holding an administrative hearing or bringing a legal action within six months after the date on which such complaint was filed.

"JUDICIAL REVIEW

"SEC. 622. If—

"(1) the Secretary refuses to approve an application for a project submitted under section 603, the State Agency through which such application was submitted,

"(2) any State is dissatisfied with the Secretary's action under section 621, such State, or

"(3) any entity will be adversely affected by the Secretary's action under section 621, such entity

may appeal to the United States court of appeals for the circuit in which such State Agency, State or entity is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

"RECOVERY

"SEC. 623. (a) If any facility with respect to which funds have been paid under this title shall, at any time within twenty years after completion of construction or modernization—

"(1) be sold or transferred to any person, agency, organization—

"(A) which is not qualified to file an application under this title, or

"(B) which is not approved as a transferee by the Secretary, or

"(2) cease to be a public or other nonprofit facility unless the Secretaary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from this obligation,

the United States shall be entitled to recover from either the transferor or the transferee (or in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of construction or modernization under such project or projects. Such right shall not constitute a lien upon said facility prior to judgment.

"(b) The Secretary may waive the requirements of subsection (a) with respect to a facility in any State—

"(1)(A) in a case where the amounts

which, were it not for this subsection, would be recovered, are applied to the development, expansion, or support of another health facility located in such State, and

"(B) such other health facility has been approved by the Statewide Health Coordinating Council for such State as consistent with the State health plans developed pursuant to section 1425(e)(1), or

"(2) if the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner.

In no case shall the moneys to which this subsection applies exceed 90 per centum of the total costs of the project. The provisions of this subsection shall apply with respect to transfers occurring after the date of enactment of this section and within one year before such date.

"RECORDS AND AUDITS

"SEC. 624. (a)(1) Each entity received Federal assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such entity of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such entities which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the assistance referred to in paragraph (1).

"(b) Each such entity shall file at least annually with the Secretary a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

"(1) the financial operations of the facility constructed or modernized with such assistance, and

"(2) the costs to such facility of providing health services in such facility, and the charges made for such services, during the period with respect to which the statement is filed.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 625. (a)(1) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years $125,000,000 for allotments under part A and grants under part B.

"(2) Of the sums appropriated under this subsection, 50 per centum shall be used for allotments under part A and 50 per centum shall be used for grants under part B.

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years such sums as may be necessary to make direct loans and guarantee loans under part B.

"TECHNICAL ASSISTANCE

"SEC. 626. The Secretary shall provide (either through the Department of Health, Education, and Welfare or by contract) all necessary technical and other nonfinancial assistance to any public or other nonprofit entity which is eligible to apply for assistance under this title to assist such entity in developing applications to be submitted to the Secretary under sections 603 or 613. The Secretary shall make every effort to inform eligible applicants of the availability of assistance under this title.

"DEFINITIONS

"SEC. 627. For the purposes of this title—

"(1) The term 'construction' includes construction of new buildings, acquisition of initial equipment (including medical transportation facilities) for buildings constructed with assistance under this title, and acquisition of equipment for any building in any case in which it will help to provide outpatient services not previously provided in the area served through such buildings.

"(2) The term 'modernization' includes the alteration, expansion, major repair (to the extent permitted by the Secretary by regulations), remodeling, replacement, and renovation of existing buildings including initial equipment thereof), and replacement of obsolete equipment of existing buildings.

"(3) The term 'health facility' means (A) a facility which provides to patients services of licensed physicians and a reasonably full range of diagnostic and treatment services or (B) a rehabilitation facility.

"(4) The term 'rehabilitation facility means a facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of—

"(A) medical evaluation and services, and

"(B) psychological, social, or vocational evaluation and services,

under competent professional supervision, and in the case of which—

"(C) the major portion of the required evaluation and services is furnished within the facility, and

"(D) either (i) the facility is operated in connection with a hospital, or (ii) all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State.

"(5) The term 'outpatient facility' means a health facility which offers a reasonably full range of diagnostic and treatment services, which services do not include bed and board.

"(6) The term 'cost' as applied to construction or modernization means the amount found by the Secretary to be necessary for construction and modernization respectively, under a project, except that such term does not include any amount found by the Secretary to be attributable to expansion of the bed capacity of any facility.

"(7) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territories of the Pacific Islands, the Virgin Islands, and the District of Columbia.

"(8) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of health facilities or a population group designated by the Secretary as having a shortage of such facilities.

"(9) The term 'title', when used with reference to a site for a project, means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure undisturbed use and possession for the purpose of construction or modernization and operation of the project for a period of (A) not less than twenty years in the case of a grant under this title, or (B) the term of repayment of a loan made directly or guaranteed in the case of such loan or guarantee under this title.

"(10) The term 'nonprofit' as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(1)(A) The term 'Federal share' with respect to any project means the proportion of the cost of such project to be paid by the Federal Government under this title.

"(B) With respect to any project in any State for which a grant is made from an allotment under section 601, the Federal share shall be the amount determined by the State Agency, but not more than 66⅔ per centum or the State's allotment percentage, whichever is the lower, except that, if the State's allotment percentage is lower than 50 per centum, such allotment percentage shall be deemed to be 50 per centum for purposes of this paragraph.

"(C) Prior to the approval of the first project in a State during any fiscal year the State Agency shall give the Secretary written notification of the maximum Federal share established pursuant to subparagraph (B) for projects in such State to be approved by the Secretary during such fiscal year and the method for determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such method of determination for projects in such State approved during such fiscal year shall not be changed after such approval.

"(D) Notwithstanding the provisions of subparagraphs (B) and (C), the Federal share shall, at the option of the State Agency, be equal to the per centum provided under such subparagraphs plus an incentive per centum (which when combined with the per centum provided under such subparagraphs shall not exceed 100 per centum) specified by the State Agency in the case of (i) projects that will provide services primarily for persons in an area determined by the Secretary to be a rural or urban poverty area, and (ii) projects that offer potential for reducing health care costs through shared services among health facilities, through interfacility cooperation, or through the construction or modernization of free-standing outpatient facilities.

"(12) The term 'State Agency' means the State health planning and development agency of a State designated under title XIV.

"(13) The Secretary may not determine that an area is an urban or rural poverty area unless—

"(A) such area contains one or more subareas which are characterized as subareas of poverty;

"(B) the population of such subarea or subareas constitute a substantial portion of the population of such urban or rural area; and

"(C) the grant, in connection with which such determination is made will be used in a manner which will serve the needs of the individuals residing or employed in such subarea or subareas.".

TITLE III—MISCELLANEOUS PROVISIONS

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

SEC. 301. (a)(1) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 314(a) of the Public Health Service Act, except that no grant made to a State with funds appropriated under this paragraph shall be available for obligation beyond (A) the date on which a State health planning and development agency is designated for such State under section 1421 of such Act, or (B) June 30, 1976.

(2) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 304 of the Public Health Service Act for experimental health services delivery systems, section 314(b) of such Act, and title IX of such Act, except that no grant made with funds appropriated under this paragraph shall be available for obligation beyond (A) June 30, 1976, or (B) the date on which a health planning agency has been designated under section 1415 of such Act for a health area which includes the area of the entity for which a grant is made under such section 304, 314(b) or title IX.

(b) A reference in any law or regulation—

(1) to the agency of a State which administers or supervises the administration of a State's health planning functions under a

State plan approved under section 314(a) of the Public Health Service Act shall in the case of a State for which a State health planning and development agency has been designated under section 1421 of such Act be considered a reference to such State agency designated under such section 1421;

(2) to an agency or organization which has developed a comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) of the Public Health Service Act shall if all or part of the area covered by such plan or plans is within a health area established under section 1411 of the Public Health Service Act be considered a reference to the health planning agency designated under section 1415 of such Act for such health area; and

(3) to a regional medical program assisted under title IX of the Public Health Service Act shall if the program is located in a State for which a State health planning and development agency has been designated under section 1421 of the Public Health Service Act be considered a reference to such State agency.

(c) Section 316 of the Public Health Service Act is repealed.

(d) The assets, commitments, obligations, and outstanding balances of the loan guarantee and loan fund established in the Treasury by section 626 of the Public Health Service Act, as in effect prior to the date of enactment of this Act, shall be transferred to the loan and loan guarantee fund established by section 615 of the Public Health Service Act.

AGENCY REPORTS

SEC. 302. The Secretary of Health, Education, and Welfare shall report, within one year of the date of the enactment of this Act, to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives (1) the identity of each report required to be made by the Secretary under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to the Congress (or any committee thereof), (2) the provision of such Acts which requires each such report, (3) the purpose of each such report, and (4) the due date for each such report. The report of the Secretary under this section may include such recommendations as he considers appropriate for termination or consolidation of any such reporting requirements.

TITLE IV—RADIATION HEALTH AND SAFETY

SHORT TITLE

SEC. 401. This title may be cited as the "Radiation Health and Safety Act of 1974".

DECLARATION OF PURPOSE

SEC. 402. It is the purpose of this title to—

(a) provide for the protection of public health from the potential adverse effects of unnecessary consumer-patient radiation exposure by assuring efficacious consumer-patient radiologic services;

(b) assure adequate training of radiologic technologists by providing for the establishment of criteria and minimum standards for the accreditation of schools training radiologic technologists;

(c) provide for the establishment of criteria and minimum standards for the licensure of radiologic technologists; and

(d) provide for establishment of programs for the accreditation of education institutions training radiologic technologists and of State programs for the licensure of radiologic technologists, with authority for the Secretary to take necessary action in the absence of State action.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT RESPECTING RADIATION HEALTH AND SAFETY

SEC. 403. Part F of title III of the Public Health Service Act is amended by inserting after subpart 3 the following new subpart:

"Subpart 4.—Radiologic Technologists

"DECLARATION OF PURPOSE

"SEC. 360G. The Congress finds and declares—

"(a) that, consistent with the recommendations of the National Council on Radiation Protection and Measurement and the International Commission on Radiological Protection, it is in the national interest and in the interest of public health and safety to minimize exposure of the public to potentially hazardous radiation from all sources;

"(b) while the operation and the use of radiologic equipment and methods is essential in modern medicine, even the most advanced radiologic equipment and procedures will not adequately protect the health and safety of either the consumer-patient subjected to radiologic procedures or the individuals performing such radiologic procedures, including their progeny, unless the individuals performing radiologic procedures are fully qualified by reason of training and experience in the operation of radiologic equipment or in the performance of radiologic procedures so as to avoid unnecessary consumer-patient and operator exposure to unnecessary radiation and to assure efficacious consumer-patient radiologic services;

(c) that it is in the overall public health interest to have an adequate and continuing supply of well-trained radiologic technologists and that any person who operates radiologic equipment or administers radiologic procedures to consumer-patients should be required to demonstrate competence by training, experience, and examination.

"(d) that the protection of the public health and safety from unnecessary exposure to potentially hazardous radiation from all sources is the primary responsibility of State and local government, within minimum criteria and standards established by the Federal Government; and

"(e) that, consistent with the recommendations of (1) the National Advisory Committee on Radiation to the Surgeon General in 1966, (2) the Secretary's Task Force on Environmental Health and Related Problems in June 1967, (3) the Surgeon General's Medical X-ray Advisory Committee on Public Health Considerations in Medical Diagnostic Radiology in October 1967, (4) the 1970 report of the Secretary to the Congress pursuant to the Radiation Control for Health and Safety Act of 1968, (5) the National Academy of Sciences-National Research Council's Advisory Committee on the Biological Effects of Ionizing Radiations in November 1972, and (6) the Conference of Radiation Control Program Directors in May 1974, it is in the national interest and in the interest of public health and safety to provide for mandatory licensure of persons administering potentially hazardous radiation to consumer-patients.

"RECOMMENDED CRITERIA AND STANDARDS

"SEC. 360H. (a) The Secretary shall, as soon as practicable but not later than one year after the date of enactment of this subpart, develop and issue criteria and minimum standards for the accreditation of education institutions conducting programs for the training of radiologic technologists and for use in the accreditation of education institutions conducting programs for the training of medical and dental practitioners, dental hygienists, and dental assistants. Such criteria and standards shall be published in the Federal Register.

"(b)(1) The Secretary shall, as soon as practicable, but not later than one year after the date of enactment of this subpart, develop and issue to the states criteria and minimum standards for licensure of radiologic technologists, and provide such other advice and assistance to the States as he deems necessary for the effective implementation of this subpart. Such criteria and minimum standards shall distinguish between the following categories of specialization: senior radiologic technologists, medical radiologic technologists, dental radiologic technologists, radiation therapy technologists, nuclear medicine technologists, photoroentgen technician, and technologist-in-training. The Secretary may provide in such criteria and minimum standards that graduation from an educational institution for the training of radiologic technologists accredited pursuant to this subpart satisfies the requirements for a provisional license as a technologist-in-training conditioned on licensure within one year in one or more categories of specialization. Such criteria and standards shall be published in the Federal Register. The Secretary may designate other categories of specialization or levels of competence for the purpose of licensure if he finds that such additional categories are required to assure adequate protection of public health from unnecessary radiation exposure or to assure efficacious consumer-patient radiologic services.

"(2) The Secretary shall, concurrent with the development and issuance of criteria and standards under paragraph (1) of this section, review and evaluate any voluntary certification programs in existence on the date of enactment of this subpart, and he shall, based on such review and evaluation, determine whether such programs meet the criteria and standards issued pursuant to this section. If he is satisfied that a program meets such criteria and standards he shall, within one year thereafter, license those individuals who have been certified under such programs in the appropriate categories of specialization established pursuant to paragraph (1) of this subsection.

"(c) In establishing criteria and minimum standards under this section the Secretary shall consult with the Environmental Protection Agency, State health departments, and appropriate professional organizations.

"(d) The Secretary shall give to the States such other advice and assistance as will foster enactment and enforcement of appropriate laws and standards. Such advice and assistance may include model laws and training curriculums, and training aids.

"(e) The Secretary shall, from time to time, revise the criteria and standards issued by him pursuant to this subpart.

"ACCREDITATION AND LICENSURE

"SEC. 3601. (a) The training and licensure of radiologic technologists who intend to apply radiation to humans for diagnostic or therapeutic purposes in any State or States shall be subject to the provisions of this subpart.

"(b) Consistent with the policy declaration of this subpart, State and local government shall be encouraged to minimize exposures of the public to potentially hazardous radiation from all sources and shall not be displaced by Federal action except as otherwise provided under subsection (c) or (d).

"(c) Upon issuance of the criteria and minimum standards pursuant to section 360H for the accreditation of educational institutions, the Governor of a State may file with the Secretary a letter of intent that such State will within two years of the issuance of the criteria and minimum standards adopt as a minimum, the standards of accreditation of educational institutions issued by the Secretary. If, after two years, a State fails to adopt such standards, or is unable to adopt such standards or more stringent standards, the minimum standards issued by the Secretary for the accreditation of educational institutions shall become the standards in such State. If the Secretary determines that such State standards are consistent with the criteria and minimum standards issued pursuant to section 360H; that an adequate means of enforcement by State action is provided; and that the State program is consistent with the purposes of this subpart, such State standards shall be the standards applicable in such State.

"(d) Upon application of a Governor, the Secretary may grant an extension under subsection (c) for not more than two years if after review the Secretary determines that good faith efforts have been made by the State and reasonable assurance is provided than an effective program to implement the purposes of this subpart will be provided by the State within the period of the extension.

"(e)(1) After receiving any criteria and minimum standards issued pursuant to section 360H for the licensure of radiologic technologists, the Governor of a State may file a letter of intent that such State will within two years of the issuance of the criteria and minimum standards adopt as a minimum the standards for licensure of radiologic technologists issued by the Secretary. If, after two years, a Governor fails to adopt such standards, or is unable to adopt such standards or more stringent standards, the minimum standards issued by the Secretary for licensure of radiologic technologists shall become the standards in such State. If the Secretary determines that such State standards are consistent with the criteria and minimum standards issued pursuant to section 360H; that an adequate means of enforcement by State action is provided; and that the State program is consistent with the purposes of this subpart, such State standards shall be the standards applicable in such State.

"(2) Notwithstanding any other provision of this section, in the case of a State which has, prior to the effective date of standards and criteria promulgated pursuant to this subpart, established standards for the accreditation or licensure of radiologic technologists, such State shall be deemed to be in compliance with this section unless the Secretary determines, after notice and hearing, that the standards of such State do not meet the minimum standards prescribed by the Secretary pursuant to this section or the conditions for approval of a State program set forth in paragraph (1) of this subsection.

"(f) The Secretary may authorize appropriate professional organizations to provide accreditation and licensing under this section if he determines that such organization will adhere to the criteria and minimum standards issued pursuant to section 360H. For the purposes of accreditation, the Secretary shall, to the maximum extent practicable, consistent with the purposes of this subpart, utilize organizations recognized by the Commissioner of Education for such purposes.

"(g) The Secretary may make grants to States or professional organizations designated pursuant to subsection (f) of this section in an amount up to two-thirds of the first year and one-third of the second year costs of planning, developing, or establishing programs to carry out the purposes of this subpart.

"(h) The Secretary may make grants to educational institutions under title VII of this Act to carry out the purposes of this subpart.

"(i) The Secretary shall annually review programs established pursuant to this subpart and shall suspend the effectiveness of any standards or regulations as to accreditation or as to licensure with respect to any State or certified professional licensing organization designated pursuant to subsection (f) when he determines that the program of any State or organization is inconsistent with the purposes of this subpart or with revised criteria and minimum standards issued pursuant to subsection 360H(e).

"PROHIBITED ACTS

"SEC. 360J. (a) Upon the effective date of regulations and standards established pursuant to the subpart, it shall be unlawful for an individual to apply potentially hazardous radiation to humans for diagnostic or therapeutic purposes unless he is a licensed medical practitioner, a licensed dentist, a licensed dental hygienist, or holds a valid radiologic technologist license issued in accordance with standards promulgated pursuant to section 360H, except, for a licensed photo-roentgen technologist or a licensed technologist-in-training who must be under the supervision of a radiologist or a more specialized radiologic technologist as provided for in section 360H.

"(b) The district courts of the United States shall have jurisdiction, for cause shown, to restrain violations of this section. The district courts of the United States shall also have jurisdiction in accordance with section 1355 of title 28 of the United States Code to enforce the provisions of this section.

"(c)(1) Any violation of this subsection by an individual applying potentially hazardous radiation to human beings for diagnostic or therapeutic purposes shall be subject to a civil penalty of not more than $1,000. For the purposes of this section, any such violation shall be with respect to each act or omission made unlawful by this section.

"(2) Any such civil penalty may on application be remitted or mitigated by the Secretary. In determining the amount of such penalty, or whether it should be remitted or mitigated and in what amount, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be deducted from any sums owing by the United States to the person charged.

"(d) Actions under this section may be brought in the district court of the United States for the district wherein any act or omission or transaction constituting the violation occurred, or in such court for the district where the defendant is found or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found.

"(e) Nothing in this subpart shall be construed as requiring the Secretary to report for the institution of proceedings minor violations of this subpart whenever he believes that the public interest will be adequately served by a suitable written notice or warning.

"(f) The remedies provided for in this section shall be in addition to and not in substitution for any other remedies provided by law."

The title was amended so as to read:

A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective State and area health planning and resources development programs, and for other purposes.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I wish to express my appreciation to the staff of the committee—to Dr. Caper, Mr. Cutler, Mr. Carter, and the other members of the staff who have worked so well on this measure.

ORDER FOR ADJOURNMENT TO 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR RANDOLPH TOMORROW VACATED

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. RANDOLPH on tomorrow be vacated.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HATFIELD ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. HATFIELD be recognized for not to exceed 15 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR STENNIS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. HATFIELD has been recognized on tomorrow and the order for his recognition has been consummated, Mr. STENNIS be recognized for not to exceed 15 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MANSFIELD ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the order for the recognition of Mr. STENNIS on tomorrow, Mr. MANSFIELD be recognized for not to exceed 10 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. MANSFIELD on tomorrow under the order entered, there be a period for the transaction of routine morning business of not to exceed 10 minutes, with statements therein limited to 2 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF CONFERENCE REPORT ON H.R. 15977, EXPORT-IMPORT BANK ACT AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the routine morning business is concluded tomorrow, the conference report on H.R. 15977, Export-Import Bank Act amendment, be made in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 1 o'clock tomorrow, the conference report on the Export-Import Bank Act amendment be temporarily laid aside and that the Senate then proceed to the consideration of H.R. 10337, surface rights in the 1934 Navajo Reservation, the Navajo-Hopi bill, and that the conference report remain in a temporarily laid aside status until the action is completed on H.R. 10337, at which time the Senate will resume consideration of the conference report.

Mr. ABOUREZK. Reserving the right to object, Mr. President, I have an agreement with the majority leader concerning the Export-Import Bank bill and the time for the Navajo-Hopi bill to be brought up. I know that the assistant majority leader is not aware of that agreement, but until such time as the majority leader is here, I would object to that agreement.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, rollcall votes are anticipated on tomorrow. I think that about wraps it up for tomorrow.

Mr. HARRY F. BYRD, JR. Mr. President, may I ask a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HARRY F. BYRD, JR. What is the status of the Export-Import Bank matter at the moment?

Mr. ROBERT C. BYRD. The Export-Import Bank conference report is a privileged matter and may be called up at any time.

Mr. HARRY F. BYRD, JR. But, as I understand it, it would not be called up until after the special orders tomorrow, until after the morning hour?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. HARRY F. BYRD, JR. I thank the Senator.

ADJOURNMENT UNTIL 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11:30 a.m. tomorrow.

The motion was agreed to; and at 6:09 p.m., the Senate adjourned until tomorrow, Tuesday, November 26, 1974, at 11:30 a.m.

HOUSE OF REPRESENTATIVES—*Monday, November 25, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

O give thanks unto the Lord; for He is good; for His mercy endureth forever.—Psalms 106: 1.

O God and Father of us all, as we enter this week of Thanksgiving and before we set our minds to the tasks that confront us, we pause in silence in Thy presence invoking Thy blessing upon us, thanking Thee for Thy goodness and praying that Thou wilt guide us during these troubled times. May the work we do, the devotion we bring to our tasks, and the efforts we put forth be worthy of the approval of Thy good spirit.

Make us clear in our thinking, creative in our endeavors, and constructive in our work as we seek to promote programs for the benefit of all and in harmony with Thy eternal purposes.

Keep us loyal to lofty ideals, faithful in the field of freedom, steadfast in our efforts for peace, humble in spirit, and ever grateful in heart.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 16757. An act to extend the Emergency Petroleum Allocation Act of 1973 until August 31, 1975;

H.R. 17434. An act to amend the National Wildlife Refuge System Administration Act of 1966 to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, and for other purposes.

The message also announced that the Senate having proceeded to reconsider the bill (H.R. 12471) entitled "An act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act," returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was resolved that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate having proceeded to reconsider the bill (H.R. 14225) entitled "An act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals," returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was resolved that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1064. An act to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification, and

S. 2299. An act to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 5463. An act to establish rules of evidence for certain courts and proceedings;

H.R. 16373. An act to amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records and to provide that individuals be granted access to records concerning them which are maintained by Federal agencies; and

H.J. Res. 444. Joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11929) entitled "An act to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MONTOYA, Mr. GRAVEL, Mr. BAKER, and Mr. DOMENICI to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14215) entitled "An act to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by this act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. CRANSTON, Mr. WILLIAMS, Mr. PELL, Mr. KENNEDY, Mr. MONDALE, Mr. HATHAWAY, Mr. STAFFORD, Mr. TAFT, Mr. SCHWEIKER, Mr. BEALL, and Mr. JAVITS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 600. An act to designate certain natural wildlife refuge lands as wilderness;

S. 3202. An act to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act;

S. 3418. An act to establish a Privacy Protection Commission, to provide management systems in Federal agencies and certain other organizations with respect to the gathering and disclosure of information concerning individuals, and for other purposes;

S. 3830. An act to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements;

S.J. Res. 224. Joint resolution to authorize and request the President to issue a proclamation designating January 1975, as "March of Dimes Birth Defects Prevention Month"; and

S.J. Res. 248. Joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

FB-111, THE CINDERELLA OF THE AIR FORCE, WON THE ANNUAL BOMBING COMPETITION, BUT YOU WOULD NEVER KNOW IT FROM THE AIR FORCE

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I think many Members of this body and of the public are aware of the fact that recently the Air Force held a bombing competition. We are aware of that because our good colleague, the gentleman from Wisconsin (Mr. ASPIN), took exception to certain gambling operations he said were going on there.

I do not know anything about the gambling, but one thing this body is not aware of and the public is not aware of either is, what plane won the competition?

The Air Force has deliberately concealed this information, because the plane that won both competitions, both the bombing and the navigation, was the Cinderella of the Air Force, the FB-111, the plane that my good friend, the gentleman from Iowa (Mr. GROSS), says cannot even fly. Yes, the FB-111 won both competitions. Yet the Air Force has concealed that fact. Why? Because Congress has said we ought to keep the F-111 line open so that when we have to make a decision next year about a long-range new bomber we can have a meaningful choice between the FB-111 at $17 million a copy and the B-1 at $100 million a copy.

Secretary Schlesinger was in Germany the other day. He has been opposed to the FB-111, but I have learned from reliable sources that when he found out that the FB-111 was the only plane that could fly in the soupy, lousy German winter weather, he came back and changed his mind. But apparently Mr. Ash of the Budget Bureau is running our defense, because today the White House is asking Congress formally to rescind the decision we made just a couple of months ago to keep the F-111 production line open as a hedge against a too-costly B-1.

KING CAUCUS AND THE 94TH CONGRESS

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I have obtained a copy of a secret Democratic document which outlines proposals aimed at increasing the stranglehold of the Democratic Caucus over the legislative process in the 94th Congress.

This document is a 14-point set of so-called reform proposals drawn up by the Democratic Study Group to be offered at the early organization meeting of the caucus on December 2. Included in this set of proposals is a restoration of proxy voting in committees, even though the House just recently banned that practice, provision for binding caucus instructions on Democrats in committee and on the House floor, and a new rule to set a permanent 2 to 1 majority to minority ratio on the Rules, Ways and Means, and Appropriations Committees, regardless of the House ratio.

Mr. Speaker, this blatant new power grab only lends further credence to my warnings in this well last June 19 that we are witnessing the reemergence of King Caucus who reigned supreme in the House between 1911 and 1916. King Caucus then was the superlegislative committee of the House riding roughshod over the membership, at the expense of individual and committee rights, and the free and orderly operation of the legislative process. It is clear that King Caucus II, as envisioned by the DSG, will be just as ruthless, dictatorial, and secretive. I would hope the Democratic Members-elect of the 94th will think twice before rushing into his mad embrace.

WHY NO U.S. FLAG AT OHIO STATE-MICHIGAN GAME?

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, a psychologist will tell you if you are really bothered by something, the thing to do is get it off your chest. Well, as a Member of Congress, I have a unique opportunity not afforded many Americans to say what I think about an incident that has bothered me and has been mentioned to me by many others this weekend. College football is an American tradition and a tradition at Ohio State University. On Saturday, the game had at stake the Big Ten championship, the trip to the Rose Bowl, and national ranking. The importance of the game was recognized by national television coverage.

The national television audience saw a truly great football game, but I do not rise to talk about what was seen, but what was not seen either by the television audience or by 88,525 fans, the largest crowd in the history of the stadium.

Part of the pageantry in the stadium and part of the tradition of Ohio State football is the raising of a huge American flag.

However, on Saturday, that flag was not raised, and no flag flew from the staff during the game. The reason the flag did not fly was that it might have blocked a shot of one end zone camera.

I question whether a slightly less advantageous camera position would have been noticed by the national audience.

Far more important, however, it raises the question of whether television was there because of the game, or the game there because of television.

The American flag's importance lies in its symbolism. The decision not to fly the flag served as symbolism of another sort. It disturbs my sense of value and was a mistake I hope is never repeated.

Congressman DEVINE and I are today introducing a resolution commending Ohio State University and its football team for exemplifying those qualities which have made our Nation great.

WHY NO U.S. FLAG AT OHIO STATE-MICHIGAN GAME?

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, I join with my colleague from Ohio (Mr. WYLIE) in his remarks having to do with the flag situation at Ohio State University. TV coverage should not be permitted to violate patriotic traditions, nor to interrupt normal game procedures.

I would also like to point out that Ohio is unique. We are tickled to death that Ohio State University won the championship, the No. 1 rating, and the bid to go to the Rose Bowl. Ohio had a pretty good record all around this year. It even elected a Republican Governor and maintained the same majority in the House as it had before, which is contrary to the national trends.

Mr. Speaker, I did want to offer my condolences to those Members who attended the University of Michigan and went to Ann Arbor, as well as the President of the United States, but I am sure all of them do join those of us in Ohio in commending Ohio State University and Coach Woody Hayes for an excellent effort, and hope for a big win in the Rose Bowl.

I hope all of our colleagues will join Congressman WYLIE and me in supporting our resolution we introduced today commending the Ohio State University team and Woody Hayes.

WHERE THERE IS NO VISION

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, it has

truly been said that where there is no vision the people perish.

When the responsible and accredited leaders of a nation abdicate their responsibilities, how far away is disaster?

For some time now I have attempted to alert America and its leaders to the coming debacle after January 1 if the country remains unprotected and vulnerable to the insidious machinations of the gold speculators or, to use a better word—the gold gamblers.

What has not even been discussed nor anticipated is the threat to the American monetary and fiscal structure. It is in clear and present danger unless Congress acts positively by January 1.

A word to the wise has usually been sufficient.

USDA BOUGHT FROZEN GROUND BEEF FOR LUNCH PROGRAM AT SEA COAST LOCATIONS

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, many of the cattlemen throughout the Nation are in dire economic straits. Cattle in my own Fourth Congressional District were sold last week for as little as 8 cents per pound live on the hoof, with top calves being sold for around 20 cents per pound. At the same time, hay is being sold for $1.50 per bale. It takes simple arithmetic to realize you cannot buy too many $1.50 bales to feed $80 cows and still remain in business.

One avenue of relief proposed and supported by the USDA has been the stepped up purchase of beef for the school lunch program. I heartily join in this increased buying. However, I am somewhat skeptical as to whether or not it will really help domestic producers.

On October 17, the USDA bought 5,890,500 pounds of frozen ground beef for the lunch program. Of that total only 529,000 pounds were purchased at noncoastal locations. Over 90 percent of the beef was bought at sea coast locations. The week of October 23 over 95 percent was again purchased at similar locations. This certainly raises a question as to whether this was in fact American beef. Not one pound of beef was purchased in such producing States as Texas and Oklahoma. Only three carloads of beef were purchased in Nebraska.

USDA purchase specifications require the use of meats which originate from animals slaughtered in U.S. plants. I have only the utmost regard for the Department of Agriculture. But can it be that Los Angeles is now the center for cattle raising and slaughter? Have ranchers relocated their operations from Texas to Massachusetts?

If American meat producers are going to survive they must have support from their Government, the best support being that it buy their products.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO FILE REPORT ON H.R. 17474, TO AMEND FARM LABOR CONTRACTOR REGISTRATION ACT OF 1963

Mr. FORD. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight tonight to file a report to accompany the bill, H.R. 17474, a bill to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 642]

Armstrong
Ashley
Baker
Biaggi
Blatnik
Boggs
Bolling
Brasco
Brinkley
Brown, Ohio
Broyhill, Va.
Burke, Calif.
Carey, N.Y.
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Conable
Conyers
Davis, Ga.
Dellums
Dingell
Donohue
Esch
Eshleman
Fisher
Giaimo
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Guyer
Hanna
Hanrahan
Hansen, Wash.
Harsha
Hébert
Hillis
Holifield
Howard
Hudnut
Jarman
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Kemp
Kluczynski
Kuykendall
Landrum
Luken
McSpadden
Macdonald
Maraziti
Martin, Nebr.
Mathias, Calif.
Mills
Minshall, Ohio
Mosher
Murphy, N.Y.
Obey
Parris
Patten
Pettis
Poage
Podell
Powell, Ohio
Pritchard
Quie
Randall
Rarick
Reid
Riegle
Robison, N.Y.
Roncallo, N.Y.
Rooney, N.Y.
Roybal
Ruppe
Scherle
Sebelius
Shoup
Sisk
Staggers
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Symington
Traxler
Udall
Widnall
Wilson, Charles, Tex.
Wyatt
Wyman
Young, Ga.

The SPEAKER. On this rollcall 336 Members have recorded their presence by electronic device a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

Mr. KASTENMEIER. Mr. Speaker, due to other business, I was unable to return to the floor on Thursday last in order to vote on H.R. 16373, the Privacy Act of 1974. Had I been present, I would have voted "aye" on rollcall No. 641.

H.R. 17493, TO CONSOLIDATE ALL FEDERAL EDUCATION PROGRAMS

(Mr. FLYNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLYNT. Mr. Speaker, on Thursday, November 21, 1974, my colleagues from Georgia, Mr. LANDRUM and Mr. STEPHENS, and I introduced H.R. 17493, to create a Department of Education to be headed by a Secretary of Education and to consolidate therein all Federal programs relating to education.

H.R. 17493 declares as national policy that the vital objectives of Federal legislation cannot be achieved so long as major Federal programs and responsibilities in the education field are fragmented among several agencies and departments. This fragmentation among diverse departments and agencies of the Federal Government has tended to relate the administration of education legislation to relatively minor levels within the executive branch of Government.

By assigning Cabinet-level status to the Chief Education Officer of the United States, H.R. 17493 is designed to give adequate recognition to the important role of the Federal Government in the field of education. The creation of a U.S. Department of Education would provide the vehicle for better coordination of effort and purpose between and among Federal, State, and local educational agencies. It is my strong belief that the consolidation of all educational functions within a single department of Cabinet rank will reduce administrative costs by eliminating duplication of effort and thereby insure that a larger percentage of education appropriations are spent for actual educational, rather than administrative, purposes.

We believe strongly that it is both necessary and desirable to establish a new department to carry out the major Federal programs affecting education, and we urge passage of H.R. 17493.

THE RICE ACT OF 1974

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, the President of the United States has urged that American farmers increase production. One means of accomplishing this goal is the passage of H.R. 15263, the Rice Act of 1974.

This legislation would achieve with rice what we achieved with other agricultural commodities in the omnibus farm bill last year. It would reduce Government interference in production and free our farmers to grow more rice in response to demand.

My distinguished colleague and the author of H.R. 15263, Mr. ALEXANDER, has estimated that the measure would increase U.S. commerce from exports by from $350 to $400 million annually.

This benefit seems all the more important in light of recent adverse trade balance and our huge oil imports obligations.

Increasing rice production—to the extent of 500,000 additional acres planted and 1 million more metric tons of rice under the act—would also help the United States meet its moral obligation to help feed a hungry, growing world.

And, increased production would contribute to a redress of the inequity and suffering caused by higher domestic food prices. Food prices are rising faster than incomes or increases in food stamps and other food assistance benefits.

Mr. Speaker, this legislation enjoys bipartisan support. We cannot let the special interests prevent the Congress from removing obstacles in the path of greater farm production.

PEOPLE'S COUNSEL FOR THE PUBLIC SERVICE COMMISSION

Mr. **ADAMS**. Mr. Speaker, by direction of the Committee on District of Columbia, I call up the bill (H.R. 17450) to provide a People's Counsel for the Public Service Commission in the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The **SPEAKER**. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill as follows:

H.R. 17450

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be appointed by the Commissioner of the District of Columbia, by and with the advice and consent of the District of Columbia Council an additional counsel of the Public Service Commission (established under section 493 of the District of Columbia Self Government and Governmental Reorganization Act) to be known as the People's Counsel, who—

(1) shall represent and appear for the people of the District of Columbia at all hearings of the Commission and in all judicial proceedings involving the interests of users of the products of or service furnished by public utilities under the jurisdiction of the Commission;

(2) shall represent and appear for petitioners appearing before the Commission for the purpose of complaining in matters of rates or services; and

(3) may investigate the service given by, the rates charged by, and the valuation of the properties of, the public utilities under the jurisdiction of the Commission.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That there shall be appointed by the Commissioner of the District of Columbia, by and with the advice and consent of the District of Columbia Council, an additional counsel of the Public Service Commission (established under section 493 of the District of Columbia Self-Government and Governmental Reorganization Act) to be known as the People's Counsel, who—

(1) shall represent and appear for the people of the District of Columbia at all hearings of the Commission and in all judicial proceedings involving the interests of users of the products of or services furnished by public utilities under the jurisdiction of the Commission;

(2) shall represent and appear for petitioners appearing before the Commission for the purpose of complaining in matters of rates or services; and

(3) may investigate the service given by, the rates charged by, and the valuation of the properties of, the public utilities under the jurisdiction of the Commission.

SEC. 2. Paragraph 42 of section 8 of the Act of March 4, 1913 (making appropriations for the government of the District of Columbia) (D.C. Code, sec. 43-412), is amended as follows:

(a) The first sentence of such paragraph 42 is amended to read as follows: "The expenses, including the expenses of the People's Counsel, of any investigation, valuation, revaluation, or proceeding of any nature by the Public Service Commission of or concerning any public utility operating in the District of Columbia, and all expenses of any litigation, including appeals, arising from any such investigation, valuation, revaluation, or proceeding, or from any order or action of the Commission, shall be borne by the public utility investigated, valued, revalued, or otherwise affected as a special franchise tax in addition to all other taxes imposed by law, and such expenses with interest at 6 per centum per annum may be charged to operating expenses and amortized over such period as the Commission shall deem proper and be allowed for in the rates to be charged by such utility.".

(b) The second sentence of such paragraph 42 is amended by inserting "; or certified by the People's Counsel with respect to his expenses" immediately before the period at the end of that sentence.

(c) The third sentence of such paragraph 42 is amended by inserting "and the People's Counsel, combined" immediately after "Commission".

Mr. **ADAMS** (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Washington?

There was no objection.

GENERAL LEAVE

Mr. **ADAMS**. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to revise and extend their remarks on H.R. 17450.

The **SPEAKER**. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. **ADAMS**. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I know of no controversy regarding this bill. I think Members on the Republican side as well as on this side of the aisle are in agreement on this bill.

We have in the United States at the present time, as all Members know, a very difficult series of problems regarding the public utilities systems and in particular the electric utilities who have been coming in for substantial rate increases in the various jurisdictions.

In the District of Columbia in 1913 when the Public Service Commission was created the concept was that this Commission would protect the public interest. However by the year 1926 it had become apparent that a Public Service Commission, and this was the case throughout the United States, viewed itself as a quasi-judicial body. In determining whether or not the utilities should have an increase in rates, they based the decision simply on the presentation of the utilities.

So in 1926 there was a provision placed in the District of Columbia Code, in section 43(205), that provided for a People's Counsel. This existed until the year 1952, and as so often happened with District of Columbia legislation, when a Reorganization Act went through this provision was dropped. There was no explanation as to why it was left out of the code, but since then there has been no People's Counsel to represent consumers and residents before the Public Services Commission.

NEED FOR CONGRESSIONAL ACTION

As you know we are going to have a new government come in on the 2d of January of next year in the District. However the various public utilities of the District of Columbia, such as the gas company and the electric company and other utilities who are governed and controlled by the Public Service Commission, have indicated they are coming in for another series of rate increases during this interim period before the new government can come into effect. For example, Pepco will come in and ask for an increase, as it has in the last 4 years, for another $51 million hike, which they indicate they will ask for between now and the 1st of January.

Therefore we propose in the bill to create a People's Counsel that could be and can be changed by the new government when it comes into being on January 1. Prior to that time it would be in place so that it could represent the residential users and other consumers who are not represented before the Public Service Commission at the present time.

The GSA is represented and the large users such as the supermarkets are represented and the apartment house owners are represented, but there are key issues as to who should pay the new rate increase, and a People's Counsel is very necessary.

FAVORABLE SUPPORT

This bill is supported by the District of Columbia government and the civic associations and even Pepco has admitted this is necessary, because what happens now that we do not have an adversary proceeding so far as residential consumers are concerned?

I hope this bill will be passed. I do not believe it is controversial. Any sections that were controversial were removed by the committee during its deliberations.

FUNDING

It will not cost additional money. We are suggesting the money for the last 2 months, which could amount to no more than $25,000, be reprogramed by the Mayor from present appropriations. For the next year if the District of Columbia decides it wants to keep the Public Service Commission, it is asking for $100,000 in the regular District of Columbia budget as part of the Public Service Commission, and at that time they can make the decision and justify it before the Appropriations Committee as to whether they want the expenses of this Counsel to be paid for out of the utility rate base or out of the appropriations.

For this interim period of time before the government comes in, we are suggesting that funds be reprogramed as an appropriation so that this People's Counsel will not have to be beholden to either the Public Service Commission or to the utilities for payment.

I do not think this bill is controversial. As stated earlier, it reenacts a section that was previously in the District of Columbia Code. I hope the House will adopt the bill. If there are any questions from the Members I will be glad to answer them.

I strongly urge speedy congressional action on H.R. 17450 as reported (Rept. No. 93-1485), providing for a People's Counsel within the Public Service Commission of the District of Columbia. This bill reenacts title 43, section 206 of the District of Columbia Code which Congress originally passed in 1926.

Utility services are necessities of life, and consumers must depend upon them to function and exist. It is essential that this relationship is governed by rules and regulations that adequately reflect the realities of life today.

Any rate increases should be carefully analyzed at this time. This will provide a pause that can be utilized to collectively apply talents to devise ways of solving the problems confronting utilities, without causing an undue burden on a company's rate payers, at a time when many are past the financial breaking point.

Local District utilities have indicated their intentions for filing for major rate hikes in the next few weeks. For example, Pepco indicates a $50 million rate increase will be requested. Because of the immediate nature of these rate increases, and their potential impact on local residents in these times of economic uncertainty, the creation of this special office offers the potential for an established public interest representative. While strengthening the hands of the Commission, the People's Counsel, as established in H.R. 17450, would represent the interest of the consumer by appearing at all hearings of the Commission, and before the courts, representing complainants, and investigating services, rates, and the operation of public utilities.

There is an apparent need for a People's Counsel, as evidenced in the strong support for this office, received from the many community and consumer groups in the Washington area, such as the District of Columbia Federation of Civic Associations, and Consumers Union, to name a few. Local District utilities also voiced favorable support for this office, including the Potomac Electric Power Co. The Mayor and City Council presented written testimony welcoming congressional action at this time. The Commission itself has urged the establishment of this office.

Actually, ratepayers finance the expensive rate presentations made by a utility company, with their monthly payments for service. Large power companies are fully and well informed, organized, staffed, consulted, advised, and prepared. The public is not informed, not organized, not staffed, has no regular counsel, is ill advised, and rarely prepared. Legitimate and concerned consumer groups make up for shortages in expertise and finances, in part with energy and dedication.

The People's Counsel would be well warranted to serve these interests, and the presence of strong aid would give consumers a fair hand, and develop useful, mutual cooperation in the public interest.

I am including at this point in the Record a summary of the bill:

SUMMARY OF H.R. 17450

The purpose of H.R. 17450 is to amend the District of Columbia Self-Government and Governmental Reorganization Act (the Home Rule Act, P.L. 93-198, 87 Stat. 774) to establish a People's Counsel within the local Public Service Commission of the District of Columbia.

This Counsel would be responsible for representing the people of the District of Columbia at all hearings of the Commission and in all judicial proceedings involving the interests of consumers regarding public utilities services. The People's Counsel is also given the authority to represent consumer complaints before the Commission and to investigate the service, rates, and operations of the public utilities.

BACKGROUND

The Public Service Commission is the local regulatory body responsible for regulating gas, electric and telephone utilities; taxi operations within the D.C. boundaries; and some charter bus services. The original legislation which established the Public Utilities Commission in 1913 (predecessor to the Public Service Commission) (D.C. Code, Title 43, Section 101, et al.) was amended in 1926 to provide for the appointment of additional counsel in the Public Service Commission called the People's Counsel, to intervene at hearings or judicial proceedings in matters concerning services provided by public utilities. However, the People's Counsel was abolished through Reorganization Plan No. 5, approved in 1952. The bill, as reported by this Committee, re-enacts Title 43, Section 205 of the D.C. Code, drawing upon the original thinking and concerns of Congress when it initially enacted this law.

NEED FOR LEGISLATION

In developing and enacting this legislation in 1913, the Congress recognized that the responsible regulatory commission must in many instances act in a judicial fashion, balancing in an independent manner the varying viewpoints of public groups appearing before it. This necessarily independent posture has inhibited the Commission from vigorously protecting the consumers' viewpoints and needs in rate proceedings. Their function has been rather to insure the development of a full and complete record which presents the facts and other ratemaking considerations relative to a fair and meaningful determination of the complex issues involved. This is different from a conventional adversary position. As such, the 1926 amendment created a separate office, with legal counsel, to advocate the views and needs of local consumers with regard to utility rates, distribution of these rates, service levels, fuel costs, and other utility operations.

PRINCIPAL PROVISIONS OF THE BILL

The first section of the bill, as reported, provides for the appointment by the Commissioner of the District of Columbia (after January 2, 1975, the Mayor) with the advice and consent of the District of Columbia Council, a People's Counsel within the Public Service Commission.

The duties of the Counsel are set forth in this section. He shall represent and appear for the people of the District of Columbia at all hearings of the Commission and in all judicial proceedings involving the interests of users of the products or services furnished by public utilities within the PSC's jurisdiction. It is the Committee's understanding that "judicial proceedings" include appeals before appropriate courts which are brought by the PSC, the People's Counsel, the utility, or public intervenors in the proceeding under contention.

Secondly, he shall represent and appear before the Commission for the purpose of complaining in matters of rates and services.

Thirdly, the Counsel may investigate the service given by, the rates charged by, and the valuation of the properties of, the public utilities under the jurisdiction of the Commission. It was the intent and belief of the Committee that the local Public Service Commission and the Council of the District of Columbia working in conjunction with the People's Counsel established herein could most properly develop appropriate powers, procedures and regulations, necessary to carry out the responsibilities and duties described in Section 1 of this Act. The Committee fully notes that establishing a People's Counsel does not preclude intervention by private groups, classes of service or others who may desire to be parties to proceedings before the local Commission. Furthermore, nothing in this bill prohibits the Public Service Commission from carrying out its general responsibility to protect the public interest in its proceedings.

Section 2 of H.R. 17450 amends the D.C. Code to provide that the expenses of the People's Counsel in any investigation, valuation, revaluation litigation, appeal, or proceeding of the Public Service Commission concerning a public utility operating in the District of Columbia, shall be borne by the public utility involved. Subsection 2b states that these expenses must be certified prior to payment. Present law provides that the expenses of the Public Service Commission itself for investigations, valuations, revaluations or other proceedings of utilities shall be assessed against the utility involved. These include the costs of expert witnesses, special accountants, or other extra costs incurred as a result of that particular proceeding or investigation. The basic salaries and expenses of the Public Service Commission are paid through the standard appropriations process. The present law limits these expenses to one-half of 1 percent of the existing valuation of the company investigated in rate and evaluation cases, and not more than 1/10 of 1 percent in all other investigations for any one year. In the case of the electric company, Potomac Electric Power Company, these limitations would equal $6 million and $1.3 million respectively. Normally, however, assessments are under $100,000. The highest amount the PSC has ever assessed was $224,500.

Under the provisions of Section 2, these same types of costs incurred by the People's Counsel as a result of investigative or rate casework could be assessed against the utility. The basic salaries and expenses of the People's Counsel Office would be covered by the current authorization for appropriations for the Public Service Commission. The Committee wishes to stress that the limitations on dollar totals for such assessments in the existing statute would remain the same.

Mark-up sessions were held by the Committee on October 19, and November 19 and 20, 1973, and the amendments adopted are set forth in the bill, H.R. 17450 as reported. The Committee amendment deletes the provision which would have authorized the Public Service Commission to reimburse expenses of private organizations intervening in the public interest. Although this clarifying provision was requested by the Commission to clearly delineate the Commission's existing authority to grant such reimbursements, the Committee felt it was both unnecessary and inappropriate to include this in the current legislation. The Committee understands that the D.C. Code, title 43, Sections 412 and 1003, provides the Commission with the authority to grant such reimbursements at their discretion.

It is the hope of the Committee that the Council will take prompt action to clarify whether the Commission can provide reimbursement for private parties who wish to intervene in actions before the Public Service Commission.

The Committee was unable to obtain estimates of the potential costs of reimbursing such private intervenors.

COMMITTEE VOTE

H.R. 17450, as amended, was unanimously ordered reported by voice vote of the Full Committee on November 20, 1974.

COSTS OF BILL

The basic expenses of the Office of People's Counsel, including salaries, rent, supplies, telephones, and equipment, will be appropriated by Congress under the present statutory authorization for the Public Service Commission (43 D.C. Code Section 206). The Chairman of the Commission estimated for FY 1976 a modest operating budget of $100,000 for this office. This is in line with the operating costs of the Maryland State Office and in keeping with the allocation of money for this function in the states.

DISTRICT GOVERNMENT RECOMMENDATIONS

The prepared testimony of the District Government's representative presented at the hearing September 30, 1974 in support of this 1974 legislation follows:

PREPARED STATEMENT OF C. FRANCIS MURPHY, D.C. CORPORATION COUNSEL

Mr. Chairman, thank you for the opportunity to appear today to express the views of the Government of the District of Columbia on a bill to establish a People's Council in the D.C. Public Service Commission.

The statement of the Chairman of the Public Service Commission gives you a comprehensive picture of the nature of the work of the Commission, its jurisdiction and its position with regard to the investigation of the increasing utility rates in the District of Columbia. As you are aware, Mayor Washington on August 26, 1974, requested the Public Service Commission to investigate the sharply rising utility rates. He stated the investigation should center on the adequacy of steps being taken to hold down the costs of service and to assure the adequacy of bills as well as ways to reduce costs and the adequacy of the Commission's monitoring procedures. Mr. Stratton has advised you of his response as Chairman of the Commission to Mayor Washington.

On behalf of Mayor Washington I want to assure this Committee that the Mayor remains committed in his concern for consumers to providing adequate support for the PSC so that it can do its job. Mr. Stratton has indicated that the Commission is prepared to undertake the investigation which Mayor Washington requested. The method by which the Commission proposes to conduct the investigation—by utilizing independent consultants—will insure that the Commission has before it all the relevant information it will need to reach a decision with regard to existing rates and any new requests by the utility company for rate increases.

The Government of the District of Columbia favors the establishment of a mechanism which will enable the views of the consumers to be represented adequately before the PSC. We favor the concept of having an attorney who would be available to represent consumer interests in proceedings before the PSC. We think that an attorney must be able to intervene in rate proceedings and to initiate proceedings on behalf of consumers interests. As you are aware, in the past there had been a People's Counsel involved in ratemaking matters We think it would be appropriate to reestablish that position, which was abolished in 1952, to provide today's consumers with a voice in utility ratesetting and regulatory proceedings.

We also foresee a role for the new Office of Consumer Affairs to work on behalf of consumers through the People's Counsel. We hope the Office of Consumer Affairs will be able to expand its work on behalf of consumers as the Office develops its programs and the People's Counsel would offer a new mechanism for the Office to use in further protection of consumer interest.

Mr. GROSS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I should like to ask the gentleman from Washington a question or two concerning the bill, particularly with reference to the payment of expenses due to the operations of this so-called People's Counsel.

It appears from the language on page 4 of the bill that whether the utility company is guilty or innocent of any wrongdoing, it will pay any and all costs. Is that not true?

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ADAMS. I would state to the gentleman that if the costs are certified as true, they then would be paid by the utilities and they would become part of the utilities rate base.

Mr. GROSS. Certified by whom?

Mr. ADAMS. Certified by the People's Counsel per case, as audited by the GAO and by the District government. This follows the provision that is presently in Code section 43-206 and is the system used for certifying and establishing expenses, as opposed to salaries in a rate case. We have estimated that if the expenses were paid in any case it would not exceed the largest amount used in recent years which was between $75,000 and $100,000. This amounts to about 50 cents per residential user, if such expert witnesses are necessary to testify.

Mr. GROSS. The language on page 4, beginning at line 17, states:

> "The expenses, including the expenses of the People's Counsel, of any investigation, valuation, revaluation, or proceeding of any nature by the Public Service Commission of or concerning any public utility operating in the District of Columbia, and all expenses of any litigation, including appeals, arising from any such investigation, valuation, revaluation, or proceeding, or from any order or action of the Commission, shall be borne by the public utility investigated, valued, revalued, or otherwise affected as a special franchise tax in addition to all other taxes imposed by law, and such expenses with interest at 6 per centum per annum may be charged to operating expenses and amortized over such period as the Commission shall deem proper and be allowed for in the rates to be charged by such utility.".

There is no condition with respect to the application of this law with respect to payment.

Mr. ADAMS. I would state to the gentleman that in paragraph (b) on page 5 it requires there be a certification. In addition to that, we have the provision of section 43-206 on compensation and investigation of rate cases, which is a standard procedure that is used in 17 States in the United States and variations of it in other States for the manner in which to present the rate case and how the expenses of it shall be paid. That is an expense of the Public Service Commission in an adversary proceeding being paid by the general taxpayers, they are paid by those who have the right to use the services. We estimate this would be 50 cents per customer in the District of Columbia, spread over a 2-year basis.

Mr. GROSS. Then why the authorization of $100,000?

Mr. ADAMS. The authorization of the $100,000 would be for the Counsel itself, so there is not a headhunting system here. In other words, the People's Counsel has a regular salary and appears before the Commission and does not have to go out to get business in order to be paid. That is why we carefully separated it from the expenses so the GS-14, would be paid out of appropriated funds as a regular official. In other words, now we cannot use the Corporation Counsel's office because the Corporation Counsel represents the Public Service Commission.

Mr. GROSS. In the matter of compensation, the report accompanying the bill alludes to costs in those States which have some form of a People's Counsel and uses those State cost figures as a basis for the District of Columbia.

The District of Columbia's population, as I remember it, is about 740,000. The population of the State of Maryland, for instance, where such an office is maintained, is several million. The State of Missouri, also referred to, has several million population. I do not understand why there is such comparison with respect to costs, because there is no comparison in the population served.

Mr. ADAMS. The cost of hiring the People's Counsel for an individual plus a secretary, so the cost of such counsel is the same as though they were going to hire a lawyer. We are not talking about the expenses that may be incurred for the various cases such as for expert witnesses, court costs, and so forth, but the cost of an individual who is going to represent the people would be the same as whether a lawyer was hired in Maryland or Missouri or elsewhere.

They are not hiring more than one and not going into an elaborate staff. I might state that the number of people using utilities here is larger than in many of the States of the United States.

The **SPEAKER.** The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 1 additional minute.)

Mr. GROSS. Mr. Speaker, I am not at all enthusiastic about this bill. Let the District of Columbia have a counsel and pay the bills from District funds. I question the maintenance of a counsel on terms such as these.

I would point out to the gentleman that the People's Counsel is spelled "c-o-u-n-s-e-l." I note on page 4, line 18 of the bill, in reference to the People's Counsel, it is spelled "c-o-u-n-c-i-l."

I would suggest to those sponsoring this legislation that they might like to amend the bill before they get into difficulty with it.

TECHNICAL CORRECTION

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that on page 4, line 18, that the word "council" be spelled "c-o-u-n-s-e-l" rather than "c-o-u-n-c-i-l."

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. GUDE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise to urge the support of my colleagues for the bill H.R. 17450, as amended and reported by the Committee on the District of Columbia.

Briefly, this bill is designed to revive the Office of People's Counsel as an adjunct to the District of Columbia Public Service Commission. Actually, such an office was provided by amendment to the original law establishing the Public Utilities Commission in the District of Columbia, in 1926. However, the People's Counsel authorized by that legislation some 5 decades ago to intervene at hearings or judicial proceedings in matters concerning services provided by public utilities in the District apparently had not been active for several years prior to the enactment of Reorganization Plan No. 5 in 1952, and the office was abolished by that legislation.

I find the concept of a People's Counsel in the office of the Public Service Commission of the District a very appealing one. In the first place, the citizens of my own State of Maryland have such a People's Counsel. Such an office has provided a means by which consumers' viewpoints and needs can be protected when rate cases are pending before the Utilities Commission, in a manner and to a degree which is not possible on the part of the Commission members themselves. Further, it is a fact that all citizens must rely upon utility companies to furnish them with such essentials as electricity, gas, and telephone service; and yet they have little or no real opportunity to exert any close and meaningful public oversight over the utility companies themselves.

While I am sure the D.C. Public Service Commission has done a highly competent job of making thorough and comprehensive studies and decisions on complex rate structures and procedures, I do not believe it is possible for the Commission at the same time to serve effectively in the dual role of defender of the city's consumer interests to the degree that such defense is justified and needed.

In testimony at a public hearing on this proposed legislation held on September 26 and 30 of this year, the Chairman of the D.C. Public Service Commission, Mr. William R. Stratton, expressed support for the enactment of the legislation and stated quite frankly that the Commission as presently constituted cannot properly provide representation on behalf of the public through legitimate intervenors in rate case proceedings. He explained that to make an effective presentation in a utility rate hearing requires timetaking, backbreaking effort and expertise to a degree that the Commission with its present personnel and staff simply is not able to provide. He stated further that the People's Counsel proposed in this bill, with proper financial resources, will have the professional capability, the expertise and the time, to function as a truly adequate public advocate.

I understand that the estimate of the cost to the city of the Office of the People's Counsel will be some $100,000 per year, a figure which is approximately the same as has been the experience in Maryland for that same office. I wish to point out, however, that not all the actual cost will be borne by the public as included in that figure. The bill provides that the operating expenses of the People's Counsel in any investigation or procedure incident to the operations of the Public Service Commission in connection with a public utility operating in the District of Columbia shall be borne by the public utility itself. This is consistent with the provision in present law that expenses of the Public Utilities Commission itself involving investigations, evaluations, and other proceedings of utilities are to be assessed against the utilities concerned. The $100,000 per year of public funds, therefore, is to defray such expenses as salaries, office rental, equipment, and the like.

Despite the imminence of home rule in the District of Columbia, I feel that this legislation must be enacted by the Congress at this time, because of announcements by two of the District's utility companies that they will be filing with the Public Service Commission for major rate increases within the next several weeks. Both the immediate nature of these proposed major rate increases and their very substantial potential impact on the local citizens makes it essential, in my opinion, that the People's Counsel for this city be authorized immediately, in the public interest.

Mr. Speaker, in addition to the State of Maryland, the States of Indiana, Missouri, Montana, and Vermont have also provided for an independent counsel to protect the interests of the general public in utilities regulatory proceedings. The trend toward such an office is evident, and I urge the support of my colleagues in this body to approve this proposed legislation, H.R. 17457, and thus to provide a means by which the people of this city can have a truly effective voice in this increasingly important area.

I believe this to be a very essential piece of legislation for the people of the District of Columbia. It also relates to the question of utility rates in the entire metropolitan area of Washington, and puts the District of Columbia on a parity, on the issue of consumer advocacy, with the State of Maryland. I hope the House will speedily enact this legislation and send it to the Senate.

Mr. DIGGS. Mr. Speaker, H.R. 17450 amends title 43 of the District of Columbia Code to establish a People's Counsel in the District of Columbia Public Service Commission.

The Public Service Commission is the local regulatory body responsible for approving the utility rates of the National Capital area's telephone, gas, and electric companies.

This legislation would establish a special lawyer with the Commission to appear in behalf of local consumers and to provide that their concerns and needs were taken into consideration in setting utility rates. This special People's Counsel could also investigate services, billing practices and other aspects of the operation of public utilities.

BACKGROUND

This bill reenacts title 43, section 205 of the District of Columbia Code originally enacted in 1926. This section had been abolished under a Presidential reorganization plan in 1952, because apparently the People's Counsel position had not been functional for a number of years. I would like to emphasize to Members that five other States have such a counsel. They are Vermont, Indiana, Montana, Missouri, and Wisconsin. Still other States, such as Kentucky, rely upon intervention through a separate office of the State attorney general.

HISTORY OF COMMITTEE ACTION

The House District Committee held 2 days of hearings on September 26 and 30. The committee took this action in recognition of the fact that during the last 6 months small, large, residential, commercial, and governmental consumers had been confronted with rapidly rising utility bills. Utility increases in the Nation's Capital have a significant impact on the costs of government and on regionwide energy costs. For example, testimony last year by the Washington Metropolitan Area Transit Authority indicated that in 1980 when the subway system is operational, an increase of one mil per kilowatt hour of electricity will cost the area's subway riders $710,000 annually. Further rate requests in the Nation's Capital will be submitted before January 1.

The committee received testimony favorable to the People's Counsel bill from representatives of the District of Columbia government, the District of Columbia Public Service Commission, the Maryland State People's Counsel, utility experts, consumer groups, local citizens associations, and the Potomac Electric Power Co. No testimony or statements in opposition to this legislation was presented at the hearings or received by the committee.

NEED FOR LEGISLATION

Most Americans must depend on a power company to provide them with electricity. The consumer has virtually no opportunity to shop around for this basic commodity. As such, there is a need for close public vigilance of the utility industry and a requirement that we balance competing public interests. Neither can we afford to any longer take electricity for granted. In the last few years we have experienced brownouts, fuel shortages and now we are faced with escalating electric rates.

In developing and enacting the original People's Counsel legislation in 1926, the Congress recognized that the responsible regulatory commission must in many instances act in a judicial fashion, balancing in an independent manner the varying viewpoints of public groups appearing before it. This necessarily independent posture has inhibited the commission from vigorously protecting the consumers' viewpoints and needs in rate proceedings. Their function has been rather to insure the development of a full and complete record which presents the facts and other rate-making considerations relative to a fair and meaningful determination of the complex issues involved. This is different from a conventional adversary position. As such, the 1926 congressional action created a separate office, with legal counsel, to advocate the views and needs of local consumers with regard to utility rates, distribution of these rates, service levels, fuel costs, and other utility operations.

The committee recognizes that it is only by allowing the public to truly become a proper party in all such proceedings that the local regulatory commission will gain the breadth of information and viewpoints necessary to make the difficult decisions with which it is faced.

REASONS FOR IMMEDIATE CONGRESSIONAL ACTION

Your committee seriously considered whether in view of the Self-Government and Governmental Reorganization Act, Congress should be legislating in this area. It was determined that congressional action at this time to authorize the establishment of a People's Counsel was both necessary and desirable for the following reasons:

First. Announcements by local district utilities, notably the Potomac Electric Power Co. and C. & P. Telephone Co., indicate that they will be filing for major rate increases within the next 3 weeks. Pepco announced on November 8 they will petition the PSC for a rate hike totaling $51 million. The Washington Gas Co. already has a rate increase pending. The PSC in turn have indicated they hope to complete actions on these requests by early January 1975; that is, before the new home rule government takes effect. Because of the immediate nature of these rate increases and their substantial potential impact on local residents it is critical that a special office such as People's Counsel be established immediately to provide the necessary expertise for proper consumer representation.

Second. The District of Columbia government, the Public Service Commission, utility experts, Maryland's People's Counsel and citizens and residents have urged the committee to establish such an office. They were particularly concerned that without this legislation small residential consumers would be unable to obtain legal assistance or the types of expert witnesses needed in these types of proceedings. The local electric power company voiced the hope that such an office could help expedite rate proceedings through its ability to consolidate and coordinate public witnesses.

The committee fully expects that actions will be taken at the local level to reprogram sufficient moneys to immediately establish this office. A postponement until 1975 would be in violation of the committee's intent to authorize this office before further rate increases are forthcoming.

CONCLUSION

In conclusion, within the next month the local utility regulatory body within the Nation's Capital will be confronted with requests for substantial increases in this area's utility rates. Rate hikes will have a further budgetary impact on the hard-pressed residential consumer and will have a significant effect on the cost of operating the Federal Government within this city. It is thus imperative that the Congress take prompt action to insure that the concerns and views of all affected parties are brought to bear in the Commission's determinations. I therefore urge the adoption of this legislation, H.R. 17450, to establish a People's Counsel within the District of Columbia Public Service Commission.

Mr. ADAMS. Mr. Speaker, I move the previous question on the bill, as amended.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 65, not voting 91, as follows:

[Roll No. 643]

YEAS—278

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Carter
Cederberg
Chamberlain
Clark
Cleveland
Cochran
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Fulton
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Green, Pa.
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harrington
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holtzman
Horton
Hungate
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, La.
McClory
McCloskey
McCollister
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Regula
Reuss
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schneebeli
Schroeder
Seiberling
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Treen
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—65

Andrews, N.C.
Ashbrook
Bafalis
Bauman
Beard
Bennett
Bevill
Blackburn
Burleson, Tex.
Camp
Casey, Tex.
Clawson, Del
Collier
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Flynt
Frelinghuysen
Gettys
Goldwater
Goodling
Gross
Holt
Hosmer
Huber
Hunt
Jarman
Jones, Tenn.
Ketchum
King
Lagomarsino
Landgrebe
Long, Md.
Lott
Lujan
McCormack
McEwen
Mayne
Michel
Milford
Mizell
Moorhead, Calif.
Nichols
O'Brien
Price, Tex.
Rhodes
Roberts
Rousselot
Runnels
Satterfield
Shuster
Skubitz
Spence
Steiger, Ariz.
Symms
Taylor, Mo.
Towell, Nev.
Waggonner
Ware
Williams
Young, Fla.
Young, S.C.

NOT VOTING—91

Archer
Armstrong
Ashley
Baker
Blatnik
Boggs
Bolling
Brasco
Brinkley
Brotzman
Brown, Ohio
Broyhill, Va.
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Conable
Davis, Ga.
Esch
Eshleman
Findley
Fisher
Frey
Froehlich
Giaimo
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Guyer
Hanna
Hanrahan
Hansen, Wash.
Harsha
Hébert
Hillis
Howard
Hudnut
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Kluczynski
Landrum
Luken
Maraziti
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Montgomery
Mosher
Murphy, N.Y.
Parris
Patman
Patten
Pettis
Poage
Podell
Powell, Ohio
Randall
Rarick
Reid
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Roybal
Ruth
Scherle
Sebelius
Shipley
Shoup
Smith, N.Y.
Steele
Steiger, Wis.
Stephens
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wyatt
Wyman
Young, Ga.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Archer.

Mr. Thompson of New Jersey with Mr. Grover.

Mrs. Boggs with Mr. Ruth.

Mr. Chappell with Mr. Baker.

Mr. Giaimo with Mr. Maraziti.

Mr. Landrum with Mr. Minshall of Ohio.

Mr. Murphy of New York with Mr. Wyatt.

Mr. Patten with Mr. Roncallo of New York.

Mr. Charles H. Wilson of California with Mr. Armstrong.

Mr. Riegle with Mr. Brotzman.

Mr. Rooney of New York with Mr. Gubser.

Mr. Roybal with Mr. Hudnut.

Mr. Carey of New York with Mr. Sebelius.

Mrs. Burke of California with Mr. Brown of Ohio.

Mr. Howard with Mr. Smith of New York.

Mr. Shipley with Mr. Mathias of California.

Mr. Kluczynski with Mr. Parris.

Mr. Udall with Mr. Broyhill of Virginia.

Mrs. Chisholm with Mr. Burke of Florida.

Mr. Ashley with Mr. Hillis.

Mr. Brinkley with Mr. Clancy.

Mr. Clay with Mr. Davis of Georgia.

Mr. Jones of Alabama with Mr. Hanrahan.

Mr. Mathis of Georgia with Mr. Powell of Ohio.

Mr. Jones of North Carolina with Mr. Don H. Clausen.

Mr. Mills with Mr. Mosher.

Mr. Montgomery with Mr. Conable.

Mr. Patman with Mr. Steele.

Mr. Young of Georgia with Mr. Gray.

Mr. Randall with Mr. Esch.

Mr. Stephens with Mr. Pettis.

Mr. Thornton with Mr. Eshleman.

Mr. Traxler with Mr. Harsha.

Mr. Charles Wilson of Texas with Mr. Findley.

Mrs. Grasso with Mr. Guyer.

Mr. Hanna with Mr. Shoup.

Mr. Fisher with Mr. Frey.

Mr. Luken with Mr. Froehlich.

Mrs. Green of Oregon with Mr. Wyman.

Mr. Tiernan with Mr. Scherle.

Mr. Reid with Mr. Steiger of Wisconsin.

Mrs. Griffiths with Mrs. Hansen of Washington.

Mr. Rarick with Mr. Blatnik.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING RULE XXIII, CLAUSE 6, OF THE RULES OF THE HOUSE

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1387 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1387

Resolved, That rule XXIII of the Rules of the House of Representatives is amended by adding at the end of clause 6 the following new sentence: "Material placed in the Record pursuant to this provision shall indicate the full text of the proposed amendment, the name of the proponent Member, the number of the bill to which it will be offered and the point in the bill or amendment thereto where the amendment is intended to be offered, and shall appear in a portion of the Record designated for that purpose.".

The SPEAKER. The gentleman from Texas (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1387 provides that the material relating to amendments placed in the Record by a Member shall include the full text of the proposed amendment, the name of the proponent Member, the number of the bill to which it will be offered and the point in the bill or amendment thereto where the amendment is intended to be offered and shall appear in a portion of the Record designated for that purpose.

Mr. Speaker, I recommend adoption of this rule, and yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, clause 6 of rule XXIII, among other things, provides that any amendment printed in the Record at least 1 day prior to consideration on the floor shall be guaranteed 10 minutes of debate—5 minutes for and 5 minutes against. This rule has been used numerous times since its inclusion in the rules in January 1971.

In addition, the Rules Committee has granted several rules this past Congress that provide that amendments must be printed in the Record 3 days in order to be considered.

To date, when amendments are inserted in the Record, they appear at any point. The purpose of this resolution is to designate a section in the Record, similar to "Extensions of Remarks," for proposed amendments. This should make the work of Members and their staffs much easier.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Alabama, (Mr. Dickinson) the author of the revision.

Mr. DICKINSON. Mr. Speaker, House Resolution 1387 is a housekeeping measure and noncontroversial, but I believe it is important and would like to point out its purpose to the Members.

As you know, if a Member wants to be guaranteed time to discuss an amendment which he offers to a bill, he may have the amendment printed in the Congressional Record in advance. At present, amendments are introduced through 1-minute speeches, Extensions of Remarks, and various other ways, and consequently printed throughout the Record. This haphazard approach makes it very difficult to be informed on the amendments coming up, particularly in the case of complicated bills to which there are many, many amendments.

The purpose of this resolution is to establish a special section in the Record where such amendments can be printed. The full text of the amendment, the name of the sponsor, the number of the bill, and the place in the legislation where the amendment will be offered would be published. This information—printed in a specific, easy-to-locate place in the Record—will make it easier for all Members to be prepared to act on the amendments when they are offered.

In addition, this guarantees the Member the right to offer his amendment to the bill, or to an amendment to the bill in the nature of a substitute, or a substitute, if the Member so states in the Record.

Mr. Speaker, I believe House Resolution 1387 will eliminate a great deal of confusion, and I would certainly recommend the adoption of the resolution.

Mr. QUILLEN. Mr. Speaker, I have no requests for time, and I urge the adoption of the resolution.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER: PROCEDURE FOR PRINTING OF AMENDMENTS UNDER RULE 23, CLAUSE 6

The SPEAKER. The Chair desires to make a statement concerning the submission of proposed amendments for printing in a designated portion of the Congressional Record, pursuant to the provisions of Rule 23, clause 6, as recently amended by the House.

In order that such amendments to be inserted in the Record not be commingled with bills and reports submitted to the clerk through the hopper, the clerk shall make available a box to be placed at the desk in front of the Chair, solely for the submission of proposed amendments to be printed in the Record. Each such amendment must bear the written signature of the Member causing it to be inserted and must be submitted either while the House is in session or, if the House is not in session, under the same regulations promulgated by the Joint Committee on Printing for the submission of extensions of remarks after the adjournment of the House. A member's debate time will be protected under the rule only if his amendment is properly submitted for printing in the designated portion of the Record.

The Chair will further state that only such amendments as have been dropped in the proper box will be printed in the designated portion of the Record. Proposed amendments which are inserted in 1-minute speeches or in other remarks on the floor, or inserted in Extensions of Remarks, will not appear in the designated portion of the Record unless such amendments are also dropped in the proper box. The Chair suggests, in order to avoid printing duplication and excessive cost in preparing the Congressional Record, that Members refrain from reading or inserting their proposed amendments while discussing them on the floor or in Extensions of Remarks, since they will be printed in the section of the Record set aside for that purpose.

An amendment placed in the box must conform with the provisions of the rule to be printed in the designated portion of the Record, and remarks accompanying the amendment should be limited to identification by bill number of the bill sought to be amended, and identification of the portion of the bill, or of the amendment thereto, where the designated amendment will be offered.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Texas. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YOUNG of Texas. Mr. Speaker, am I correct in my understanding that inasmuch as the next three bills are out of the Joint Committee on Atomic Energy, we will take up the three rules under succession?

The SPEAKER. The Chair will recognize the gentleman to take one rule after the other to be disposed of.

Mr. YOUNG of Texas. I thank the Speaker.

PROVIDING FOR CONSIDERATION OF H.R. 16074, TO PROVIDE NUCLEAR INFORMATION TO COMMITTEES AND MEMBERS OF CONGRESS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1462 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1462

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16074) to provide available nuclear information to committees and Members of Congress. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 16074, it shall be in order to take from the Speaker's table the bill S. 3802 and to consider the said Senate bill in the House.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself time as I may consume.

Mr. Speaker, House Resolution 1462 provides for an open rule with 1 hour of general debate on H.R. 16074, a bill providing for annual reports to Congress on nuclear information.

House Resolution 1462 provides that after the passage of H.R. 16074, it shall be in order to take from the Speaker's table the bill S. 3802 and to consider S. 3802 in the House.

H.R. 16074 requires the Joint Committee on Atomic Energy to report to the House and Senate by June 30 of each year concerning the development, use and control of nuclear energy.

Mr. Speaker, the Joint Committee on Atomic Energy reported this bill unanimously. I urge the adoption of House Resolution 1462 in order that we may discuss and debate H.R. 16074.

Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Texas (Mr. YOUNG) has explained the provisions of the resolution and the bill should be passed. The bill makes it possible for the Committee on Atomic Energy to make an annual report to the Congress by June 30 of each year. This is a step forward and I urge adoption of the resolution.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 1161, FACILITATING ENTRY INTO FOREIGN PORTS OF U.S. NUCLEAR WARSHIPS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1463 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1463

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 1161) assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a United States warship, and all points of order against the joint resolution for failure to comply with clause 4 of Rule XXI are hereby waived. After general debate, which shall be confined to the joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1463 provides for an open rule with 1 hour of general debate on House Joint Resolution 1161, a joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

House Resolution 1463 provides that all points of order against the joint resolution for failure to comply with clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative measure—are waived.

The intent of the resolution is to enable the United States to give an unqualified assurance that any nuclear damages claims involving the reactor of a nuclear-powered warship would be handled on an absolute liability basis regardless of whether or not a foreign government has enacted legislation to that effect.

House Joint Resolution 1161 would not preclude the Congress from questioning the amount of a proposed settlement or the merits of the findings on damages or causal connection, if the Congress felt the agencies involved has not done their job properly.

Mr. Speaker, I urge the adoption of House Resolution 1463 in order that we may discuss and debate House Joint Resolution 1161.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Iowa.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, I thank the gentleman from Texas for yielding.

May I propound a parliamentary inquiry to the Speaker?

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, is it proposed to take up these bills in the reverse order in which they are listed on the program of business for today?

The SPEAKER. The Chairman of the Committee of the Whole I am sure will recognize the gentleman from Illinois (Mr. PRICE) who will handle the various bills and he will bring them up in the order in which they are listed in the program.

Mr. GROSS. We are considering the rules in the reverse order in which they are listed.

The SPEAKER. The Chair recognizes that fact. This is hardly a parliamentary inquiry, as the Chair understands it.

I am sure the gentleman from Texas will yield to the gentleman from Illinois in order to ask him in what order he proposes to bring the legislation up.

Mr. YOUNG of Texas. Mr. Speaker, I yield to the gentleman from Illinois (Mr. PRICE).

Mr. PRICE of Illinois. Mr. Speaker, there is no reason why we cannot adhere to the program as listed.

Mr. GROSS. I simply thought the Members ought to be on notice. They may be interested in these various bills and they may want to take part in the debate.

Mr. PRICE of Illinois. I think the gentleman is correct. The gentleman from Illinois intends to follow the program as outlined.

Mr. GROSS. I thank the gentleman.

Mr. YOUNG of Texas. Mr. Speaker, I yield to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from Texas (Mr. YOUNG) has explained the provisions of the resolution and the joint resolution provides simply claims settlement authority. There are no additional funds authorized.

Mr. Speaker, I urge the adoption of the resolution and reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION FOR FISCAL YEAR 1975

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1461 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1461

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16609) to amend Public Law 93–276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1461 provides for an open rule with 1 hour of general debate on H.R. 16609, a bill making a supplemental authorization of appropriations for the Atomic Energy Commission for the fiscal year 1975.

H.R. 16609 provides for a supplemental authorization of $62,200,000 for operating expenses and $18,300,000 for plant and capital equipment.

The supplemental funds authorized in the bill are to be used mainly to conduct an underground test program which must be revised as a result of the Threshold Test Ban Treaty signed by the United States and the Soviet Union earlier this year.

Mr. Speaker, the Joint Committee on Atomic Energy reported this bill by a unanimous vote. I urge the adoption of House Resolution 1461 in order that we may discuss and debate H.R. 16609.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Texas (Mr. Young) has ably described the resolution and its provisions.

I would like to say that this is a supplemental authorization.

Mr. Speaker, I urge the adoption of the resolution and point out to the Members of the House that one of the major operations of the Commission is in Oakridge, Tenn. I commend the resolution to all the Members and ask it be adopted.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16609) to amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. Price).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16609) with Mr. Burlison of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. Price) will be recognized for 30 minutes, and the gentleman from California, (Mr. Hosmer) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. Price).

Mr. PRICE of Illinois. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill amends Public Law 93-276, the AEC Fiscal Year 1975 Authorization Act, by providing a supplemental authorization for appropriations of $62,200,000 for operating expenses and $18,300,000 for plant and capital equipment. The committee has carefully considered the bill, and the committee's recommendations are founded upon the testimony received in executive hearings held on September 12 and 26, 1974, and an open hearing on September 23.

The bill is in two sections. Section 1 would amend subsection 101(a) of Public Law 93-276 by providing an increase of $62,200,000 for operating expenses—$53,000,000 for AEC's weapons program and $9.2 million for AEC's safeguards program. Section 2 of the bill would amend Public Law 93-276 by increasing the amount appearing in subsection 101 (b)(11) by $18,300,000—$4,500,000 for weapons testing equipment and $13,800,000 for safeguards equipment.

The Atomic Energy Commission testified that the increase for weapons testings is required to accommodate the higher yield tests deemed necessary before implementation of the Threshold Test Ban Treaty which is scheduled to become effective March 31, 1976. Secretary of Defense Dr. James Schlesinger testified that the United States would be unduly constrained if it were to preclude itself from carrying out the supplemental testing program.

Even with this recommended supplemental, the scope of the revised testing program is still significantly less than the fiscal year 1974 testing program.

With regard to the recommended add-on of $2.5 million for advanced research programs at the AEC's weapons laboratories, the committee believes that these funds are urgently needed to help offset the serious effects which could result if such programs as weapons physics and weapons safety are further reduced or eliminated.

Of the AEC requested increase for the safeguards program, $18 million would be used to upgrade the transportation and related communications aspects of safeguarding nuclear materials from diversion or theft. This would include the hiring of about 175 additional AEC civilian guards and the procurement of additional safeguards equipment such as secure trailers and communications equipment.

The committee's recommended add-on of $5 million for the safeguards program would be used to upgrade the AEC's research and development efforts aimed at developing safeguards techniques for the numerous processes involving the handling of special nuclear material and would also be used to better define the requirements imposed on AEC licensees for physical protection and material control and accountability. This must be done in advance of the time when plutonium is produced and processed from our growing civilian nuclear power program.

I would like to note in passing that there is an error on page 5 of this committee report which could be confusing. The figure "$92.7 million" given as the total authorized safeguards program in the first paragraph on that page should be "$110.7 million."

The Joint Committee is convinced that the supplemental funds contained in this bill are necessary to meet our national security objectives and to enhance AEC's system for safeguarding nuclear materials. The committee recommends, therefore, that the $62,200,000 in operating expenses and $18,300,000 in capital equipment funds be approved.

I urge favorable consideration of this bill.

Mr. HOSMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 16609, the bill to authorize supplemental fiscal year 1975 appropriations for the Atomic Energy Commission.

As the distinguished gentleman from Illinois has explained, the bill is in two sections. Section 1 would provide an increase of $62,200,000 for operating expenses in the AEC's nuclear weapons program and its safeguards programs. Section 2 of the bill would provide $18,300,000 for the capital equipment needs of the weapons testing and safeguards programs.

The supplemental funds for the nuclear weapons program would support efforts by AEC to initiate a significantly modified testing programs, and to help alleviate the serious effects which could result from the significant reduction to the weapons laboratories' advanced research programs. The modified testing program would be in response to a DOD request that the AEC accomplish the activities necessary to assure the development of certain high priority systems by March 31, 1976, the projected effective date of the Threshold Test Ban Treaty.

The proposed $2.5 million for advanced research programs would be used to strengthen the weapons laboratories' efforts in such areas as materials and high explosives research.

As concerns the supplemental request for safeguards, AEC has indicated that many of the studies of this area have concluded that the safeguards area of transportation including related communication aspects needs to be strengthened. As a result, AEC has requested these supplemental funds to upgrade its capability to protect nuclear materials in transit. In addition, the Joint Committee has recommended an additional $3 million for the AEC's Director of Regulation and $2 million for the AEC's General Manager for efforts relating to the safeguarding of special nuclear material.

Based on AEC's and DOD's testimony and an evaluation of the data supporting the supplemental request, the committee believes that the supplemental increase is justified and recommends that the $62,200,000 in operating expenses and $18,300,000 in capital equipment funds be approved.

Mr. Chairman, I want to add, however, I am not really very satisfied with the request that came out, inasmuch as it totally ignored the fact that we do have a very difficult problem with respect to enriching uranium, which is a nuclear fuel. Our capacity to do this enriching is gradually being consumed by the enlargement of the nuclear power industry in this country. If the administration and the Congress does not take some action in the very near future, looking toward the expansion of the capacity to create this nuclear fuel in the form of enriched uranium, then we are simply going to have another kind of energy shortage in this country and it is going to be a difficult one. It will be the kind of an energy shortage that will require something like a mini-Manhattan project and the expenditure of millions of dollars to overcome. If we could get some interest in solving this problem now in a timely fashion, it can be handled as a routine addition to the Nation's capacity to enrich, not as an emergency matter. It could be handled like other private investment rather than expenditure of Government tax receipts, and the Nation will thereby benefit.

I only hope, Mr. Chairman, that this matter will not be neglected by those who are privileged to serve in the next Congress.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Iowa.

Mr. GROSS. What is the total supplemental?

Mr. HOSMER. The total supplemental is $80.5 million.

Mr. GROSS. That is not, however, to be found in sections 1 and 2 of the bill submitted to the House?

Mr. HOSMER. As the gentleman from Iowa knows, these bills have always come in in the form of a revision of the total amount of expenditure. If the mathematics are worked out, that is what it works out to.

Mr. GROSS. But it is $80.5 million?

Mr. HOSMER. $80.5 million; yes.

Mr. GROSS. I thank the gentleman.

Mr. PRICE of Illinois. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I find the supplemental authorization before us of appropriations for the Atomic Energy Commission for fiscal 1975 a very interesting proposal.

We should have no delusions over the purpose of this request. It is to beat the deadline on nuclear testing which was set by the Threshold Test Ban Treaty.

I find this especially objectionable, in view of the agreement just signed by President Ford and Chairman Brezhnev which could at least begin to slow the arms race if given a chance. Instead, the Pentagon is working feverishly to speed up tests above the limit in the SALT agreement which prohibits underground nuclear tests above 150 kilotons. If ratified by the Senate, this agreement would take effect on March 31, 1976.

Two former officials of the Arms Control and Disarmament Agency, Adrian Fisher and Herbert Scoville, have sharply criticized this latest Atomic Energy request, saying that to speed up nuclear testing before the treaty comes into force will confirm the worst fears of non-nuclear nations, that the United States and the Soviet Union are hypocrites. Certainly this gives the Soviets some grounds to question us.

Second, we do not need these new weapons, and yet we are asked to authorize funds to test. Together, the United States and the Soviet Union have the equivalent of more than 1 million Hiroshimas, and yet there are only 200 large cities in each nation.

What are the rest of the weapons to be used for?

Secretary Kissinger was recently moved to cry out, "What in God's name is strategic superiority?"

What grounds are there? What are we doing with this Midas insistence on strategic superiority, threatening the very existence of the globe?

Instead of racing to test weapons above the threshold level, we should be working on a complete ban of underground testing. It has been said that Mr. Brezhnev would be open to suggestion that we complete a comprehensive test ban treaty.

As the first step, we should seek to lower the figure for tests above 150 kilotons, which is far too high. A kiloton is 1,000 tons, the equivalent of 1,000 tons of TNT. A bomb of this size is 10 times the size of the bomb that leveled Hiroshima.

Why do we need it?

I have been informed that the AEC publicly admitted its safety measures are far from adequate. A report by the Natural Resources Defense Council concludes that present radiation protection standards are far from adequate. Scientists repeatedly warn us of the danger that terrorists could easily steal just 11 pounds of plutonium, enough to make a bomb that would destroy the city of Washington, D.C.

What are we doing here? It is outrageous that the Office of Management and Budget saw fit to cut the AEC's original request of $87.6 million for safeguards; they have cut that figure to $18.6 million, while approving funds for increased testing.

They are saying they do not care about our personal safety, but the committee in this House should care about it.

The committee restored only $5 million of this Office of Management and Budget cut. That was very nice on the part of the committee, but they should have restored all the money for safeguards. There are not enough safeguards in the whole nuclear field. We all know that.

Mr. Chairman, this Congress has a responsibility to the people of this country to see to it that we have adequate funds for research and development on safeguards. I cannot understand the committee's agreeing to this large cut.

Therefore, I will submit amendments at the end of this discussion which will divert funds from our vast arsenal of weapons and insure protection against the theft of valuable—and highly dangerous—nuclear materials.

I shall submit amendments which will take the money from increased nuclear testing and give it to the research necessary safeguards. I will not change the amount of money in the bill; that will not be changed, either up or down. I will just see to it that the emphasis is where it should be.

Mr. Chairman, it seems to me that this is the very least we should do. It seems to me that we have a responsibility to provide the AEC with the amount of money requested to develop, acquire, and fabricate badly needed safeguard devices. This would provide no additional funds for any other purposes. My amendments would preclude the use of this money for the procurement and fabrication of weapons and for weapon testing. The funds are to be used to protect life, not to destroy life. The "doomsday clock" is ticking.

Mr. Chairman, I will say to my colleagues that it seems to me that it is about time we did something about this.

Mr. FRENZEL. Mr. Chairman, today we are considering three bills submitted to us by the Joint Committee on Atomic Energy. Two of these are particularly commendable and necessary. For too many years we, as a nation, have not provided the proper assurances to foreign governments that we would compensate them for any damages which our nuclear ships' entry into their ports might cause. The unblemished safety record of our nuclear warships is a matter of pride, but it should be accompanied by the legal guarantees of liability and indemnification.

It is also a step forward to require the Joint Committee to publish an annual, publicly available report to both Houses on the development, use, and control of atomic energy. This compilation of information should help to answer some of the basic questions which are so often raised about our nuclear programs. I commend the committee for this action.

However, Mr. Chairman, my primary concern today is with H.R. 16609 the AEC supplemental authorization. By now all of us are familiar with the disposition of the $80.5 million requested in this bill. The $23 million requested for nuclear safeguard programs will be well spent. The moneys authorized for plant and capital equipment and operating expenses are also useful. What concerns me is the authorization of $57.5 million for nuclear weapons testing. In racing to beat a weapons testing deadline which we ourselves instigated, we give credence to allegations that we have misplaced our priorities.

I am also curious about the need for further experimental testing of these new systems at a size in excess of 150 kilotons. Another important question arises as to where these systems will be tested. It can be assumed that because they are "on-continent" tests, they will be exploded at the Nevada site. No State wants these tests, and local people must be heard prior to authorization of the tests.

Mr. Chairman, I will support H.R. 16609 but I have some grave reservations. If some of the questions raised here are not satisfactorily answered, I will not support the needed appropriations.

Mr. HOSMER. Mr. Chairman, I have no further requests for time.

Mr. PRICE of Illinois. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 16609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(a) of Public Law 93–276 is hereby amended by striking therefrom the figure $2,551,533,000", and submitting the figure $2,606,233,000".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 5, delete the figure $2,606,233,000" and substitute therefor the figure "$2,613,733,000."

AMENDMENT OFFERED BY MS. ABZUG TO THE COMMITTEE AMENDMENT

Ms. ABZUG. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Ms. Abzug to the committee amendment: Strike out $2,613,733,000 and substitute in lieu thereof the following: "$2,589,633,000 at least $38,100,000 of which is specifically authorized solely for operating costs, including research and development, for safeguards and".

Ms. ABZUG. As I indicated, Mr. Chairman, I am offering an amendment to the committee amendment, which would strike out $2,613,733,000 and substitute in lieu thereof $2,589,633,000, at least $38,100,000 of which is specifically authorized for operating costs, including research and development, for safeguards.

This amendment would eliminate the new funds requested to step up underground nuclear tests. It also restores the $38,100,000 in operating funds requested by the AEC for safeguards.

I indicated earlier that it seems to me totally unacceptable that the office of Management and Budget saw fit to cut the AEC's original request of $87.6 million for safeguards to $18.6 million for safeguards, while approving the funds for increased testing.

As I noted earlier, the committee did restore $5 million of this cut, but $23 million is still a pitiful sum when we are talking about human safety and when there is much debate in this country as to the safety of nuclear reactors and the radioactive elements that have not been properly safeguarded.

It could not possibly hurt the defense of this Nation to improve the safety efforts that we are making with respect to the development of nuclear energy or nuclear fuels, as was indicated as needed by my colleague, the gentleman from California (Mr. Hosmer).

Therefore, I am urging my colleagues to refuse to support the funds for testing, as I said earlier, because speeding up tests at this time makes a mockery and a travesty of the threshold agreement.

I am sure that if the Senate ratifies these agreements, which I suspect they will, there can be no tests larger than 150 kilotons after March 31, 1976. This bill however, authorizes tests above and beyond that threshold.

The purpose of such a ban is to put a limit on the increasingly dangerous buildup of nuclear weapons. Therefore, we are skirting around the agreements by providing for stepped-up testing before the limitation takes effect.

It is dangerous. It is silly, silly, and it makes a mockery of our agreements to now come in and say, "Between now and 1976 we are going to pollute the atmosphere. We are going to continue this dangerous testing of even bigger weapons."

It is the height of cynicism for the Pentagon or for this Congress to come in with a plan to test more monstrous weapons before that ban takes effect.

Furthermore, the money would be used for testing a new MIRV warhead for the Minuteman III ICBM, and MIRV warheads for the Trident submarine, new bombers and new bombs for the B–52 bombers.

All these items are controversial. They have not been thoroughly discussed by the Congress, nor thoroughly understood by the public. They are pushing us in a direction we do not want to go; toward a first strike posture, an even more warlike stance. Yet, we are pushing to have more.

I do not think we want to go that far. I think we pour too much money into such projects. It is time that we called a halt to this nuclear neurosis by cutting off further funds for this purpose.

Mr. Chairman, I urge my colleagues to adopt my amendment to the committee amendment.

I will also be offering another amendment which is aimed at seeing to it that funds for testing are stricken and restores funds for safeguards.

In 1974, when major agreements are taking place between the major nations of the world, it seems to me that this is our obligation. This is the moment to start. This is the time to begin to deal effectively and intelligently with our nuclear arsenal and at the same time recognize the real threat to human survival and human safety.

If we knuckle under to the OMB, we are wrong. The members of the committee know that they are wrong because they tried to restore some of this money.

Here is our chance to represent the people and their interest in survival.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am in full agreement with the concept of an expanded program to determine what will be necessary to adequately protect nuclear materials from falling into unwanted hands, and I think every member of the committee is, too.

The Joint Committee unanimously agreed to add $5 million to the request of the administration of $18 million for supplemental funds in this area, an increase of almost 30 percent. However, this amendment would probably have the effect of retarding rather than advancing efforts to expand the program.

Mr. Chairman, the committee determined that the $23 million we recommended in this bill is the maximum amount that can be effectively utilized in the remainder of this fiscal year. This makes a total of $110 million for safeguards in fiscal year 1975, more than was requested by the administration.

The AEC's original request for over $87 million was submitted to the Office of Management and Budget in May, over 6 months ago. The long delay by OMB in submitting this legislation to the Congress has completely precluded any meaningful use of that full amount this year. We believe that the $18 million request and the additional $5 million which they added can be used to good purpose, but that any further authorization would either be unused or, worse, would be spent hastily and without achieving anything of value.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I will yield after I complete my statement.

The AEC supplemental appropriations have already passed the House with only $18 million approved for safeguards. The Senate has also passed that bill and has added the $5 million recommended by the Joint Committee. When the bill goes to conference, $23 will be the maximum figure they can consider for Safeguards. These appropriations are of course subject to the legislative authorization we are considering today.

This amendment would serve to delay the enactment of this bill, and possibly preclude its enactment this year by creating a difference between the House and the Senate bills. There is little time for a conference on this bill, and if the authorization is not enacted by the time the conferees meet on the appropriations bill these funds may be dropped altogether.

The longer we delay in approving this bill the less the AEC will be able to do to carry out its purposes. So let me say that, while I am in sympathy with the objectives of the amendment, it seems to me its adoption would thwart those very objectives rather than advancing them.

So, Mr. Chairman, I urge the defeat of this amendment so that the important additional efforts authorized by this bill can begin without further unnecessary delay.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentlewoman from New York.

Ms. ABZUG. As I understand the concern of the gentleman from Illinois, it is that there is not time to have a conference if we have differences with the other body?

Mr. PRICE of Illinois. That is not the main concern; that was just a statement.

Ms. ABZUG. The gentleman would agree, I believe, that we can go to conference with the other body?

Mr. PRICE of Illinois. That is not my major concern; that is just a statement of fact, but what I am principally concerned about is that the committee has thoroughly studied these matters and we have $110 million which is all the agency or the regulatory bodies can possibly spend during this fiscal year.

Ms. ABZUG. Let me ask this question, then, of the chairman. The gentleman feels that we cannot spend the money for safeguards in the time allotted by the supplemental, but we can spend it for nuclear testing. How does the gentleman account for that?

Mr. PRICE of Illinois. The gentlewoman from New York is totally unacquainted with the facts in regard to the safeguard provisions, the difference is that the maximum attention with regard to the safeguard provisions is being given, everything that can possibly be done in this area is being done, and that is all that the regulatory bodies feel can be done. They will, of course, accept the additional funds, but I doubt if they are going to be able to use them prudently.

Ms. ABZUG. That is just an opinion. Does the gentleman have any facts about this? I might say that I have a great many facts, but, if the gentleman from Illinois has additional facts, I would like to see them.

I am not as expert as the gentleman from Illinois is about this.

Mr. PRICE of Illinois. Yes, we do have facts, and the committee has conducted hearings on safeguards. If the gentlewoman would like, I will send the gentlewoman a copy of a report.

Ms. ABZUG. I might add that I have recently read a report by the Union of Concerned Scientists, and the Sierra Club, about the inadequacy of the safety precautions exercised over various nuclear reactors. There has been constant testimony before committees of Congress about the need to increase the amount of money used for this purpose. As a matter of fact, in answer to questions which I raised, Assistant Secretary of State Joseph Sisco admitted before a subcommittee of the Foreign Affairs Committee that safeguards for the international transfer of nuclear materials are inadequate.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. PRICE of Illinois was allowed to proceed for 1 additional minute.)

Mr. PRICE of Illinois. The Union of Concerned Scientists and others certainly have not given adequate attention to some of the refutation of their arguments. This is the whole question, but there is no part of the atomic energy program that has been given more attention than safety and safeguards. There are other scientists, greater in number, with just as much experience who feel differently.

Mr. Chairman, I yield back the remainder of my time.

Mr. HOSMER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would not take this time except that I think the membership of this body is entitled to an understanding of what the issue is here. Let me say that the bill that the committee has set forth for supplemental appropriations is not a bill to accelerate nuclear testing or to interfere with the arrangements between whatever countries want to restrict nuclear testing. It is not a bill that is going to allow one iota of fallout any place in the world, because whatever testing is done is going to be done underground.

What this amount of money that is being provided here in the weapons testing area will do is simply, in a rational manner, permit the United States and the Union of Soviet Socialist Republics to position themselves in such a way by March 31, 1976, when the threshold limitations are projected to go into effect in connection with the agreement between those two powers, that they will be stable in relation to each other in their nuclear capabilities at that time. Therefore, this agreement that has been worked out as such tremendous efforts by these two superpowers will have the maximum possible chance of succeeding and accomplishing the world peaceful purpose that it is being put together for.

I wish the gentlewoman from New York could understand that. What we would do here is to contribute to an asymmetry between these two powers at the time that this test ban goes into effect. This would weaken the agreement, would put cracks in it so that its endurance might not be that which we would hope it would have, and its stability might not be sufficiently long lasting to accomplish its purpose.

I totally agree with the gentlewoman's desires for peace. I totally believe that we should do everything we possibly can, but, for heaven's sake, let us not get emotional about this and come rushing in here with an action that is counterproductive to that general purpose.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Iowa.

Mr. GROSS. I think the gentleman for yielding.

Were these agreements entered into prior to the consideration of the regular authorization bill of some $2.5 billion?

Mr. HOSMER. They were entered into, but their effect in relation to the program had not come into the budgetary process, so that at the time we started to take this thing up at the first of the year, we did not have the information necessary to go into this bill, and that is why it came up as a supplemental. That is the only reason why it came up as a supplemental.

Mr. GROSS. Mr. Chairman, one more question, if the gentleman will be so kind as to yield: This $80 million additional is not for the purpose of in any way underwriting the agreements that have been made to supply uranium or facilities of any kind to the several foreign countries in which the United States has been committed to build or supply material for nuclear reactors?

Mr. HOSMER. I can give the gentleman 100 percent assurance, that is correct. The only thing is it accelerates the expenditure of money which otherwise would be requested and spent at a later date in order that, pursuant to the agreement between the United States and the Soviet Union, one could get the work done that was necessary to get done to reinforce this agreement when, as, and if it goes into agreement in 1976.

Ms. ABZUG. The thing that concerns me is that it goes beyond this threshold for testing of 150 kilotons. I have checked this out from the testimony of experts, Mr. Adrian Fisher and Col. Herbert Scovill, former officials of the Arms Control and Disarmament Agency. Let me ask my question.

Mr. HOSMER. If I may say to the lady, Colonel Scovill and Mr. Adrian Fisher are fine gentlemen. I had them before the committee and questioned them. I continuously asked them if the real underlying purpose of this agreement was not unilateral disarmament and neither one of the gentlemen, despite the fact they were so questioned, would admit that their objective was unilateral disarmament. That is all on the record. I stated that it was the unilateral disarmament position as the lady has brought it in today. The unilateral disarmament position is a position which is in derogation of the best interests of this country.

Ms. ABZUG. Mr. Chairman, I do not believe in unilateral disarmament but in general disarmament and in disarmament as a result of agreement among the parties. That has nothing to do with it. We are talking about violating an agreement which has to do with testing.

Mr. HOSMER. Mr. Chairman, I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG) to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Section 101(b) of Public Law 93-276 is hereby amended by striking from subsection (11) capital equipment, the figure "$208,850,000" and substituting the figure "$227,150,000".

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 2, line 3, after the words "substituting the" strike out all through and including line 4 and substitute in lieu thereof the following: "following: '$251,250,000 at least $42,000,000 of which is specifically authorized solely for the acquisition and fabrication of safeguard equipment.'"

Ms. ABZUG. Mr. Chairman, this amendment does essentially what the first one attempted to do with respect to capital rather than operating expense. It strikes funds for testing and restores funds for safeguards. In this case it restores $42.4 million.

Let me make something very clear. I do not want this record to be confused in the least. My colleague, the gentleman from California (Mr. HOSMER), made some statements which are totally inappropriate and have nothing to do with the argument before the House. The issue is the following. We have an agreement which has set a threshold on our testing and that threshold is 150 kilotons. We are suggesting here that we pass beyond that threshold before the agreement goes into effect. That is a cynical action on the part of this House.

The position I take in my amendments has nothing to do with disarmament or unilateral disarmament. It has to do with the question of testing. It does not take away one iota of the thousands of nuclear weapons we have. It does not begin to create disarmament or a threat to the armament program, unfortunately. It does however, suggest that an agreement is beginning to take place between the United States and the Soviet Union as to how to save civilization and not destroy it. All I wanted to quote was the fact that, interestingly enough, we had no tests greater than the threshold of 150 kilotons in fiscal year 1974, and only 2 in the last 4 years. One of them was the Cannikin test for the Spartan ABM warhead, now no longer needed because of the ABM treaty of 1972. It is quite evident that there is no high priority need for the development of new high-yield weapons. It is always possible, of course, to improve the efficiency of yield to the ratio of our nuclear weapons. But is it necessary to our security that we have this continuing testing which threatens the safety of this country, at the same time that we minimize the safeguards?

I suggest that this is mindless and we have no justification for it. Let us not put any red herrings in the way by saying that this is unilateral disarmament.

Last May the AEC reported 861 abnormal events during the previous year's operation of nuclear powerplants. Every one of the plants had at least one such event. It is ludicrous that I have to get up and appeal to this empty House for the safety of this country and of humanity and have people in this House tell me it is OK to cut the money for Safeguards because we cannot use it in time, when at the same time we are violating international agreement and détente by suggesting we get in higher yield tests than an international agreement has provided for.

We ought to be ashamed, and if we are not, the future will take care of that problem. We are all extremely lucky that none of these 860 abnormal events turned into a catastrophe that destroyed thousands of people.

Radiation hazards are also involved in the testing of weapons. The National Resources Defense Council says that radiation emission standards are 100,000 times too low.

Why do you not ever give us these kind of facts on the floor of the House? Why is it that somebody not on the committee always has to give these facts? It seems to me we are entitled to be informed by experts, and I believe you on the committee are experts, in the House.

I am sorry that we disagree here and yet I think our disagreement is much less than appears, because the committee did ask for increased amounts for Safeguards. Even if we do not have enough time to spend all the money, is it not better to be safe? Is it not better to grant the request of the Atomic Energy Commission for the amount of Safeguard money it needs? When the Commission, which is the authority, which is the expert, comes to the committee and asks for other money, we are guided by them. How come we are not guided by them here? How come we are guided by the Office of Management and Budget that only knows about cutting, that does not care whether they cut out food from programs, that does not care whether they cut out housing from programs; they do not care about anything except cutting budgets.

I hope the House will support my amendment.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

I would like to point out that the Commission did not ask for these funds in September. The first time they asked for an increase in funds was in May this year. Of course, that request had to go to the Office of Management and Budget. It laid there for quite awhile before it was finally considered. A large part of the increase was disapproved. The committee was the one that added funds to the request submitted to Congress.

What we are talking about here today is not the basic appropriation for the Commission. We are talking about increased appropriations, supplemental appropriations, for fiscal year 1975.

We are talking about an increase in appropriations of $23 million over the figure already approved for the Safeguard program, this particular area we are talking about, of $87 million in the fiscal year 1975. We are talking about an increase by $23 million to bring it up to $100 million.

The committee has given much attention to the question of Safeguard and with respect to the reporting on Safeguard matters to the Congress. We will continue reporting to the Congress. Hardly a week goes by when there is not some kind of report to the Congress on powerplants or the nuclear industry.

I would like to mention another report. The Commonwealth Edison Co. of the city of Chicago has seven nuclear powerplants in operation. If anyone were to look at the record recently, they would have seen that those seven nuclear powerplants of Commonwealth have reported a saving of power cost of $10 million last year by the operation of those seven nuclear powerplants. They also indicate that they operate their system at 25 percent less cost than normally because of the atomic energy plants.

So, these kinds of reports are constantly being made to the Congress. The committee set up a special committee on safeguards in the matter of transport of radioactive material. There have been adequate reports in the public press and in the Congress, and there will be others. There is probably no program in the whole governmental system that has more reports issued on it or about it.

Mr. Chairman, I ask that the committee reject this amendment.

Mr. HOSMER. Mr. Chairman, I rise in opposition to this amendment by the gentlewoman from New York for the same reasons as I opposed her previous amendment, namely, that they are, both in letter and in spirit, in derogation of the arms control agreements between the two superpowers, and would tend to degrade the force and effect of these new agreements if the gentlewoman's amendment were passed.

The gentlewoman has made further reference to a lot of megaton nuclear testing. I think the record ought to be clear on that.

The Cannikin test was a test in excess of 1 megaton conducted by the United States in 1971. Since that time, the United States has conducted no test in the megaton range. However, since that time the Soviet Union in 1972 conducted a test of about a megaton. In 1973, the Soviet Union conducted two tests in the 3- to 6-megaton range. Again this year, 1974, they conducted two more tests; one in the 1- to 3-megaton range, and another in the 3- to 4-megaton range.

I think that this should amply illustrate that there is no one on our side who is going ape in the testing area. We are only doing what we have to do and should do to maintain our position relative to the nuclear arsenals of the world.

One other thing I would want to mention to the gentlewoman: That is, her allegation that this committee and the AEC did not bring up facts, and that someone like the gentlewoman had to bring out these facts.

What she quoted were not facts, but the opinion of some people who are members of the very, very, very meagerly small minority in the nuclear world, and they are not facts. They are opinions. Those people have been sounding off those same opinions for a long, long time. The fact that they have repeated them and reiterated them and even that they are repeated and reiterated here on the floor of this body does not make those opinions ipso facto fact. They are not.

Mr. RONCALIO of Wyoming. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I merely want to say that in my 2 years on the committee, I would like to have my friend, the gentlewoman from New York, to know that I think we have seen 2 years of openness toward criticism on nuclear policy.

I commend the gentlewoman from Washington, who serves as head of the Commission on Atomic Energy. During those 2 years I know of no member on my committee, either of my friends from California, Mr. Holifield and Mr. Hosmer, who are here now, who has ever refused to cooperate in supplying materials I wanted, or to stop the Plowshare program which was not possibly their desire at the time.

Last week Mr. Doub, former AEC Commissioner, and Mr. Ralph Lapp, physicist, and I spent the better part of 1 day answering questions with the young people of Ralph Nader's group, who wanted the nuclear moratorium.

I think in the last 2 years there has been a better rapport with the critics of nuclear policy than I have seen in a long time.

I think even Ralph Nader admits that he finds more information available now than ever before. We need the help of bona fide critics and concerned citizens in the proper policy and direction of development of atomic power in this nation. We appreciate their interest in these matters. We appreciate their joining with us in the best interests of the country.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentlewoman from New York.

Ms. ABZUG. I appreciate the fact that the gentleman appreciates the fact that I am interested in the subject of survival. I do want to make it very clear that the gentleman is a very good friend of mine. So are many other members of this committee. They are colleagues with whom I disagree but on this matter, they are friends of mine. They do very fine work. But I think I have to disagree with them. The reason I do—is that there is very little money provided for safeguarding international programs or developing approved safeguard techniques.

It seems to me this is a misplaced priority in the handling of the atomic energy program.

At a time when we are concerned with safety, at a time when we are concerned with nuclear reactors and fuels, and the way in which we handle powerplants, it becomes our responsibility to err on the side of caution, and not allow our money to be cut in the area of research on safeguards.

How can the gentleman say that makes me an isolated critic? I think I represent, in my view, if I may say so, what is necessary for the majority of the population, and I think we should not permit the Office of Management and Budget to come in and tell us to cut the request which is made by the experts, who are asking $87 million for safeguards, and we are giving them $23 million. It seems to me that this is the place we cannot afford to cut the budget. This is a misplaced priority.

The other question is, do we not think it is a bit cynical for this committee to fly in the face of an international agreement which has set a certain threshold of testing?

Why now do we want to test above the level of 150 kilotons, in the face of an agreement that says we have to cut out that level of testing?

Mr. RONCALIO of Wyoming. First, we called in the best experts in the land to hear what is going on in mutual balance force reductions—not in unilateral reductions.

Second, in my opinion we must listen to those experts in that particular field as to the statement or procedure involving this fact at the present time.

Third, the OMB should not make the cuts in disagreement with the experts.

Fourth, we believe Chairman Price responded to the criticism, which makes the amendment unnecessary and, in fact, impractical at this time.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Mr. Chairman, the gentlewoman has referred to the violation of an agreement.

We are not in violation of the agreement. We are consistent with the action the Commission wants to take with the funds. That is consistent with the agreement, and the other side has already recognized that. They have conducted several megaton tests since the agreement.

So we are not flying in the face of the agreement at all.

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the gentleman for his observation.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug).

The amendment was rejected.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Burlison of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 16609) to amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, pursuant to House Resolution 1461, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Ms. ABZUG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 49, answered "present" 1, not voting 72, as follows:

[Roll No. 644]

YEAS—312

Abdnor
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bevill
Biaggi
Biester
Blackburn
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Ford
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Pa.
Griffiths
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harsha
Hays
Heinz
Henderson
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Lagomarsino
Landgrebe
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Michel
Milford
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Schneebeli
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins

Williams
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Winn
Wolff
Wright
Wydler
Wylie
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—49

Abzug
Anderson,
  Calif.
Aspin
Badillo
Bergland
Bingham
Burton, John
Burton, Phillip
Clay
Conyers
Dellums
Drinan
Eckhardt
Edwards, Calif.
Fish
Forsythe
Fraser
Gross
Gude
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Kastenmeier
Koch
Lehman
Mazzoli
Melcher
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Obey
Rangel
Rodino
Roe
Rosenthal
Sarbanes
Schroeder
Seiberling
Stark
Stokes
Studds
Waldie
Yates

ANSWERED "PRESENT"—1

Evins, Tenn.

NOT VOTING—72

Armstrong
Ashley
Bell
Blatnik
Boggs
Bolling
Brasco
Brinkley
Brown, Ohio
Broyhill, Va.
Burke, Calif.
Carey, N.Y.
Chappell
Chisholm
Conable
Conlan
Davis, Ga.
Diggs
Eshleman
Findley
Giaimo
Grasso
Green, Oreg.
Grover
Gubser
Guyer
Hanna
Hanrahan
Hansen, Wash.
Hastings
Hébert
Hillis
Howard
Hudnut
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Kluczynski
Landrum
Luken
McCormack
McKinney
Maraziti
Martin, Nebr.
Mills
Mosher
Murphy, N.Y.
Parris
Patten
Pettis
Poage
Podell
Powell, Ohio
Rarick
Reid
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Roybal
Scherle
Sebelius
Shoup
Steele
Steiger, Wis.
Stephens
Teague
Traxler
Wilson,
  Charles, Tex.
Wyatt
Wyman
Young, Alaska
Young, Ga.

So the bill was passed.

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Roncallo of New York.

Mr. Hébert with Mr. Broyhill of Virginia.

Mr. Rooney of New York with Mr. Rarick.

Mr. Chappell with Mr. Findley.

Mrs. Chisholm with Mr. Luken.

Mr. Giaimo with Mr. Bell.

Mr. Roybal with Mr. Eshleman.

Mr. Riegle with Mr. Grover.

Mr. Diggs with Mr. Davis of Georgia.

Mr. Murphy of New York with Mr. Hanrahan.

Mr. McCormack with Mr. Armstrong.

Mr. Landrum with Mr. Hillis.

Mr. Kluczynski with Mr. Conlan.

Mr. Jones of Alabama with Mr. Martin of Nebraska.

Mr. Howard with Mr. Brown of Ohio.

Mr. Stephens with Mr. Gubser.

Mr. Teague with Mr. Parris.

Mr. Charles Wilson of Texas with Mr. Pettis.

Mr. Young of Georgia with Mr. Blatnik.

Mr. Carey of New York with Mr. Hastings.

Mrs. Burke of California with Mr. Conable.

Mr. Brinkley with Mr. Mosher.

Mr. Ashley with Mr. Guyer.

Mr. Mills with Mr. Hudnut.

Mrs. Grasso with Mr. Maraziti.

Mr. Hanna with Mr. Scherle.

Mr. Jones of North Carolina with Mr. Young of Alaska.

Mr. Traxler with Mr. Wyman.

Mr. Reid with Mr. Steiger of Wisconsin.

Mr. Patten with Mr. Shoup.

Mrs. Hansen of Washington with Mr. Wyatt.

Mrs. Green of Oregon with Mr. Steele.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FACILITATING THE ENTRY INTO FOREIGN PORTS OF U.S. NUCLEAR WARSHIPS

Mr. PRICE of Illinois. Mr. Speaker, I call up the joint resolution (H.J. Res. 1161) and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 1161

Whereas it is vital to the national security to facilitate the ready acceptability of United States nuclear powered warships into friendly foreign ports and harbors; and

Whereas the advent of nuclear reactors has led to various efforts throughout the world to develop an appropriate legal regime for compensating those who sustain damages in the event there should be an incident involving the operation of nuclear reactors; and

Whereas the United States has been exercising leadership in developing legislative measures designed to assure prompt and equitable compensation in the event a nuclear incident should arise out of the operation of a nuclear reactor by the United States as is evidenced in particular by section 170 of the Atomic Energy Act of 1954, as amended; and

Whereas some form of assurance as to the prompt availability of compensation for damage in the unlikely event of a nuclear incident involving the nuclear reactor of a United States warship would, in conjunction with the unparalleled safety record that has been achieved by United States nuclear powered warships in their operation throughout the world, further the effectiveness of such warships: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the policy of the United States that it will pay claims or judgments for bodily injury, death, or damage to or loss of real or personal property proven to have resulted from a nuclear incident involving the nuclear reactor of a United States warship: *Provided,* That the injury, death, damage or loss was not caused by the act of an armed force engaged in combat or as a result of civil insurrection. The President may authorize, under such terms and conditions as he may direct, the payment of such claims or judgments from any contingency funds available to the Government or may certify such claims or judgments to the Congress for appropriation of the necessary funds.

Mr. PRICE of Illinois. Mr. Speaker, I move to strike the last word.

The Joint Committee on Atomic Energy has for some time been concerned with the problem of access into foreign ports of our nuclear warships. Despite their outstanding safety record, there is a reluctance on the part of some nations to allow U.S. nuclear warships to use their ports without some assurance that the United States would accept the liability for damages in the unlikely event of an incident caused by a reactor in a U.S. warship.

The Joint Committee held a series of hearings on this matter over the past 2 years, in which we heard from Admiral Rickover, Admiral Zumwalt, the Under Secretary of State, and Department of Defense officials, all of whom urged some sort of congressional action to provide the needed assurances. As a result, my colleague, Craig Hosmer, and I introduced this joint resolution, which is aimed at removing any question of congressional intent relative to this question. The Joint Committee voted unanimously to report it favorably.

This resolution states that it is the policy of the United States that it would pay any bona fide claims arising from a nuclear incident involving the nuclear reactor of a U.S. warship. We believe, as do the Departments of Defense and State, that this expression of the Congress will facilitate our negotiations with foreign nations for entry of our nuclear warships into their ports.

This resolution is intended strictly as authority for claims settlement. It does not authorize any new funds. Claims within its purview would be paid out of Department of Defense contingency funds, to the extent that is feasible. Claims which exceed available contingency funds would have to be submitted to the Congress for review and appropriations.

We do not anticipate that any such claims will ever arise. But it is critical to the defense of this Nation and our allies that our nuclear fleet have the flexibility afforded by access to a variety of foreign ports. This is a real and present problem that I believe can be alleviated by the adoption of this resolution. I urge its passage.

Mr. HOSMER. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I urge passage of the joint resolution for all of the reasons stated by the gentleman from Illinois and in addition because the principal effect of the passage of this resolution will be to give American seamen on nuclear naval ships an even break at getting R. & R. in decent liberty ports. Believe me, this is a morale factor that all of us who have served on naval ships find incomparable.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I believe this is a good resolution, but it is confined strictly and exclusively to the warships?

Mr. HOSMER. And to any incident arising from their nuclear reactors only—their propulsion plants.

Mr. GROSS. That is what I mean. Anything that would flow from this is limited exclusively to warships?

Mr. HOSMER. Precisely.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. HOSMER. Yes, I yield to the gentlewoman.

Ms. ABZUG. Does the gentleman think the effect of this legislation will be to make the Japanese more anxious or more agreeable to having nuclear-powered ships in their ports?

Mr. HOSMER. My remarks were not in respect to the desirability of being in their ports. I did not have theirs exactly in mind; but I think the ones that I am thinking about are perhaps some ports in the Southern Hemisphere and some ports in the Mediterranean. I would not attempt to give an opinion as to the Japanese.

I had a nice experience, though, some years ago. I was welcomed when I entered a port in Tokyo Bay on VJ Day in 1945, to see up against one large wall of what was left of a factory an enormous sign many feet high that said, "Welcome U.S. Navy," and I think we still have about the same welcome from these people now that we did then and the same great spirit between our countries.

Ms. ABZUG. Mr. Speaker, will the gentleman yield further?

Mr. HOSMER. I yield further to the gentlewoman.

Ms. ABZUG. There is a great deal of concern in other countries about our allowing nuclear warships into their ports. I believe the Japanese had a particular experience with a nuclear power that they have not forgotten. Is this intended to encourage these nations to give them assurance in case they have a catastrophe? Is there an intention to force them to accept these nuclear ships in their ports? I would like an answer to the question.

Mr. HOSMER. If the gentlewoman will stop long enough, I will give an answer. The answer is simply this. This resolution has nothing to do with nuclear weapons. This resolution has only to do with the nuclear powerplants of naval vessels. It is simply limited thereto.

Ms. ABZUG. Mr. Speaker, only last week we watched the President of the United States being hustled in and out of a friendly country, Japan, with security so tight that he could not see or be seen by the average citizen but only a select few. Why was such security necessary? Because of the wrath of the Japanese people upon discovering that U.S. ships are carrying nuclear weapons into their ports. Japan has known, and will never forget, what nuclear weapons can do. Their people want no part of the nuclear madness, and bear no love for any country that insists they harbor it.

Yet, today, we have a proposal to facilitate access to foreign ports, for our nuclear warships. When will we learn that the people of other countries don't want our nuclear warships, nor any part of the so-called protection offered. The average citizen, anywhere in the world, wants only to be allowed to live in peace without the constant threat of sudden nuclear destruction.

Now we are being asked to guarantee other countries that the American taxpayer will pay damages in case our warships cause an accident in foreign ports. Suppose such an accident occurred, and wiped out not just other vessels in port, but through radiation, wiped out a port city of some 200,000 people? Is there any adequate compensation for that kind of destruction?

The real purpose of this resolution is to make it easier for the United States to confront the Soviet Union at various points around the globe. Since we are already far ahead of the Soviets in both quantity and quality of nuclear weapons, I see no reason to add to the growing hazards by permitting these confrontations. Where we go, the Soviets are sure to follow. Suppose an accident involved a Soviet ship with the same access rights as ours? Would world war III result?

Rather than providing insurance, let us keep our warships away from foreign ports and avoid the unspeakable hazards of possible accidents. I urge my colleagues to defeat this resolution.

The **SPEAKER.** Under the rule the previous question is ordered on the joint resolution.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 248), assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 248

Whereas it is vital to the national security to facilitate the ready acceptability of United States nuclear powered warships into friendly foreign ports and harbors; and

Whereas the advent of nuclear reactors has led to various efforts throughout the world to develop an appropriate legal regime for compensating those who sustain damages in the event there should be an incident involving the operation of nuclear reactors; and

Whereas the United States has been exercising leadership in developing legislative measures designed to assure prompt and equitable compensation in the event a nuclear incident should arise out of the operation of a nuclear reactor by the United States as is evidenced in particular by section 170 of the Atomic Energy Act of 1954, as amended; and

Whereas some form of assurance as to the prompt availability of compensation for damage in the unlikely event of a nuclear incident involving the nuclear reactor of a United States warship would, in conjunction with the unparalleled safety record that has been achieved by United States nuclear powered warships in their operation throughout the world, further the effectiveness of such warships: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the policy of the United States that it will pay claims or judgments for bodily injury, death, or damage to or loss of real personal property proven to have resulted from a nuclear incident involving the nuclear reactor of a United States warship: *Provided*, That the injury, death, damage, or loss was not caused by the act of an armed force engaged in combat or as a result of civil insurrection. The President may authorize, under such terms and conditions as he may direct, the payment of such claims or judgments from any contingency funds available to the Government or may certify such claims or judgments to the Congress for appropriation of the necessary funds.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 1161) was laid on the table.

ANNUAL REPORTS TO CONGRESS ON NUCLEAR INFORMATION

Mr. PRICE of Illinois. Mr. Speaker, I call up the bill (H.R. 16074) to provide available nuclear information to committees and Members of Congress, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 16074

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Atomic Energy Act of 1954 is amended by designating the present text subsection "a" and by adding the following as "b":

"b. The members of the Joint Committee who are Members of the Senate and the members of the Joint Committee who are Members of the House of Representatives shall, on or before June 30th of each year, report to their respective Houses on the development, use, and control of nuclear energy for the common defense and security and for peaceful purposes. Each report shall provide facts and information available to the Joint Committee concerning nuclear energy which will assist the appropriate committees of the Congress and individual Members in the exercise of informed judgment on matters of weaponry; foreign policy; defense; international trade; and in respect to the expenditure and appropriation of Government revenues. Each report shall be presented formally under circumstances which provide for clarification and discussion by the Senate and the House of Representatives. In recognition of the need for public understanding, presentations of the reports shall be made to the maximum extent possible in open sessions and by means of unclassified written materials."

Mr. PRICE of Illinois. Mr. Speaker, I move to strike the last word.

This bill provides for annual reports to Congress by the Joint Committee on Atomic Energy to insure that all Members are adequately informed as to developments in the field of nuclear weapons and international aspects of atomic energy.

The Joint Committee has been vigorous in its oversight of the activities of the Atomic Energy Commission throughout its history. We conduct frequent and intensive hearings which are held in open session except when the requirements of national security or other compelling circumstances require executive sessions. These hearings are published and thus available to Members and the public. In addition, the committee publishes several reports each year on subjects related to atomic energy. For instance, over the 10-year period from 1963 to 1972, we published 112 such reports, in addition to formal reports on 24 bills.

It is for this reason that we are surprised and somewhat amused when Members occasionally complain that they do not have access to information on which to base informed decisions on atomic energy matters. I recommend to any Member who does not feel adequately informed that he examine the latest Joint Committee report entitled "Joint Committee on Atomic Energy Membership, Publications, and Other Pertinent Information Through the 93d Congress, 1st Session." This report, updated and published annually, lists all Joint Committee publications back to 1946, and also contains a list of AEC technical reports and film libraries from which the great numbers of reports prepared by the Commission can be obtained. The Joint Committee staff is available also to assist any Member in finding information on any atomic energy matter.

Despite this wealth of information, the committee felt it would also be of use to report annually to Members on recent developments in the critical areas enumerated in H.R. 16074. A formal report of this nature would, in our opinion, serve to highlight events of special importance and provide a starting point for Members interested in pursuing some particular topic in more depth.

This bill was reported without dissent by the Joint Committee. I believe that it will provide a useful supplement to the reports we have been publishing and will continue to publish on specific topics. I support the bill and urge those Members who desire more information on these matters to do likewise.

Mr. HOSMER. Mr. Speaker, I rise in very weak support of H.R. 16074, which will require a report once a year which probably no one will read anyway. It ambiguously requires the thing.

The genesis of this was the dissatisfaction and unhappiness expressed by some Members that they were not being informed. I think they were actually being provided material but just were not paying any attention to it. This may help to draw their attention to these things. I really do not know; I would not think so.

But, it probably will not harm any Member very much if we pass the bill. It will not cost very much except for the printing of the report and the preparation thereof.

Mr. PRICE of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, pursuant to the provisions of House Resolution 1462, I call up for immediate consideration the Senate bill (S. 3802) to provide available nuclear information to committees and Members of Congress.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 3802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Atomic Energy Act of 1954 is amended by designating the present text subsection "a." and by adding the following as subsection "b.":

"b. The members of the Joint Committee who are Members of the Senate and the members of the Joint Committee who are Members of the House of Representatives shall, on or before June 30 of each year, report to their respective Houses on the development, use, and control of nuclear energy for the common defense and security and for peaceful purposes. Each report shall provide facts and information available to the Joint Committee concerning nuclear energy which will assist the appropriate committees of the Congress and individual members in the exercise of informed judgment on matters of weaponry; foreign policy; defense; international trade; and in respect to the expenditure and appropriation of Government revenues. Each report shall be presented formally under circumstances which provide for clarification and discussion by the Senate and the House of Representatives. In recognition of the need for public understanding, presentations of the reports shall be made to the maximum extent possible in open sessions and by means of unclassified written materials.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 16074) was laid on the table.

GENERAL LEAVE

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the three bills just passed.

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

COL. S. PERRY BROWN ADDRESSES FOUNDERS OF THE AMERICAN LEGION

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, my good friend, Col. S. Perry Brown is a former national commander of the American Legion, an organization whose merits have been extolled many times by the House of Representatives, and deservedly so. Colonel Brown makes his home in the beautiful beginning area of the hill country in Wimberley, Tex.

Colonel Brown recently addressed the Founders of the American Legion at their annual banquet in Miami, Fla., and his excellent speech gave a very interesting account of the formative years of this benevolent and patriotic group.

I insert a copy of Colonel Brown's remarks which I know will be of interest to every Member of this body, including the many Legionnaires:

ADDRESS TO THE FOUNDERS OF THE AMERICAN LEGION

(By Col. S. Perry Brown)

Mr. President, my fellow Texans, the reverend clergy, your distinguished guests, and our very important persons—the Founders of the American Legion:

To me, it is interesting that events and incidents that happened 50 or 60 years ago seem so fresh and clear in detail in my mind, while those that happened yesterday or the day before become confused in a fog or have been forgotten.

My friends tell me that I am in my second childhood or that they can find very few persons to disprove what I say happened 50 years ago. But they say if I don't "hew the line" on what happened recently there are many who will call my hand.

I sometimes wonder, Mr. President, if you Founders had a vision of the outcome of what you started—a veterans' organization of 3½ million members at its peak! I am told that those who are in The American Legion plus those who have been in the organization, number twice that, or over 7 million, with a stable membership of over 2½ million during the last 20 years . . . and our greatest asset, a million women of the Auxiliary marching side by side and in many programs accomplishing even more than The Legion.

While in a military hospital following the St. Mihel offensive, I heard of a meeting to be held in Paris in March 1918 at which would be considered the formation of a new veterans' organization. Having no C.O., being a Casual, I asked the head of the hospital for permission to attend. He said he had no authority to make me a delegate, but did okay my leave for the purpose of attending.

Upon my arrival in Paris, having located the place of the meeting, my friend, a Captain Long, and I knocked on the door. The Sergeant-at-Arms opened the door. We explained our situation and showed him our credentials. He said: "Come on in." "*Welcome*". Thus my entry into the first session of what later became The American Legion. I will always be indebted to that individual and have an idea he may have become one of those who designed TV commercials for a soft drink company using "Come On In".

Those of you who were there recall that this meeting was the outgrowth of an earlier meeting during the previous month. The firing had stopped about three months before. The cry from the million voices of the Americans who were a part of AEF was: When do we go home? The war was over. "Why shouldn't we go home?" they all asked.

One of the hardest jobs in the world for the leadership of a military force is to keep its members interested after a war, during a period of demobilization. As a matter of fact, I think each member wanted to go A.W.O.L. and a great many of them did just that. There followed a number of escapades of soldiers and sailors—all A.W.O.L.—and with a great many of them at cross-purposes with the law. The civil authorities of France, working with our military leaders, were seeking a way to prevent so much of this.

So, in February 1919, there was called into Paris, representatives from a number of the military organizations to discuss the solution of this problem. In the interim young Theodore Roosevelt became actively interested in the development of an organization composed of veterans of World War I. He happened to be one of the representatives called in. On the evening after the day session, he invited some twenty of his friends to dinner for the purpose of discussing this new veterans' group. Among them were some of my friends. Franklin D'Olier, with whom I had served, and who later became President of one of the major insurance companies of America. Then there was William J. "Wild Bill" Donovan, a distinguished American who was later head of the O.S.S. of World War II. And, of course, Teddy Roosevelt, Jr. was there.

These and the others present discussed the possibilities of this veterans' organization. Their thinking was that it might be of considerable help in recreating interest on the part of the individual soldier, and so they recommended to General Pershing and others that they permit representatives of each major military unit to meet in Paris within the next few weeks and try to perfect a veterans' organization.

THE PARIS CAUCUS

These delegates from throughout the AEF met in Paris on March 15. I have been told by many that this was the occasion when the major objectives of The American Legion were formed. These objectives were Rehabilitation, Americanism, Child Welfare, and National Security. As a matter of fact, none of these were discussed except National Security and a little about Americanism.

Many of the officers of the AEF had been members of the National Guard and had been very critical of their treatment at the hands of the professional officer. Upon the floor of this meeting, there were frequently heard criticisms of this nature. Rather than the personal hardship of the individual, the speakers were trying to point out the misuse of the military personnel and their serious interest in seeing a better type of security. If you remember back in 1914, the total number in our regular armed force was only approximately 75,000. This was expanded to almost 4 million—about 50 times—over night.

These speakers were saying that we should never have to go through this type of recruitment process again. Many of these men had led untrained troops into battle because of the desperate need for manpower. They were now interested in seeing that we should maintain our military strength. And upon this floor, too, for the first time a new word was used, "Bolshevism". This was the anarchy then in motion in Russia and some of the speakers who had been assigned to the units working with the White Russians were desperately afraid of the outcome of this movement and said so.

The great driving force which you Founders gave to the new organization was a system under which the veterans of World War I might become more effective in the development of their ideas. For example, it permitted local posts to be formed. It was there the policies of The Legion were developed. Then it established a plan, not from on high, but at grass roots, whereby this idea might be taken to the District, the Division, the Department, and then to the National organization. For example, somewhere in the early days a member of a Post—let's call him Bill Jones—started working on a program which would interest high school students in learning more about the functions of his government. He propounded these views at a post meeting. The members, because of their belief in the individual presenting the idea, voted to make such a plan a policy of The Legion Post. This next went to the District, and Bill Jones, who had first presented this program, wasn't known to the District, so the vote was on the merits of his idea. Was it a good program or not? If it was the District voted for it. Then it went even further, perhaps to the Division and on to the Department. And here, Bill Jones had never been heard of. The only reason the Department would vote to approve such a program was because the delegates believed in it. Then it went to the National Organization where some 50-odd other Departments debated the merits of the issue. If approved there, it became a mandate of The Legion and a Directive to the new Commander and his staff to carry out. It is well to remember here that you, in the local posts, initiate the policies and objectives of this Legion of ours.

WHERE DID REHABILITATION START?

The need for rehabilitation was not evident at this first meeting. If my memory is correct, there were only one or two wheelchair veterans. There were very few crutches—many canes, not for navigation. The veterans who had lost an arm or a leg or were otherwise wounded, or had Tuberculosis, were still in the hospital. The need for rehabilitation developed as the veteran who had been discharged from the hospital returned to civilian life and was unsuccessful in trying to find a job that he could do.

So, as The Legion developed, the idea of rehabilitation began to take hold. The early discussions were in an effort to find out to whom the responsibility of returning these veterans belong so far as helping in their readjustment to civilian life was concerned.

Was it the community from which he enlisted?

Was it the Federal Government who drafted him into service in the armed forces for the preservation of that government?

Today, these questions seem almost ridiculous, and yet, here was a veteran without a hospital; without any method of retraining; without any G.I. Bill; without even the recognition of his government that anything was owed to him because of his service to his nation.

I remember calling upon businessmen in my hometown of Beaumont, Texas, asking them to give donations of money toward the building of a veterans' hospital. As a matter of fact, the Legionnaires in Texas did build a hospital in the early 20's to try to take care of their members who were in need.

As the needs for rehabilitation of the veteran developed, The Legion, through its National organization, presented these problems to the Congress and helped them spell out the answers. There followed the development of what was known then as The Veterans Bureau, which later became The Veterans Administration.

What a difference between the service to veterans of World War I and those of World War II! Those who came out of World War II had the facilities of the finest hospitals in the world, equipped with the latest scientific instruments and the best of trained staffs. They could borrow money to go into business, or to build their homes, or to buy a farm. They were offered free education. The Congress did not have to be sold on the responsibility to the veterans. Their question was: "How can we help the veteran readjust as he returns to civilian life?" And whatever it took, Congress provided. As a matter of fact, among the members of Congress were many veterans who recognized this need. What a debt we owe our Founders!

WHERE DID AMERICANISM START?

On a bright day in Centralia, Washington, November 11, 1919, a group of Legionnaires were in a parade in observance of Armistice Day. As the parade approached the center of the city, mingled with the music of the bands and cheers of the spectators, shots were heard and Legionnaires began falling in the ranks. At the close of the day, several Legionnaires had been killed and others seriously wounded.

WHY?

During a trial it was brought out that the membership of the I.W.W. had been infiltrated by those representing the anarchy of the Bolsheviks in Russia and having failed to get recognition in the local Post of The American Legion, sought to destroy it. The veterans who were members of The Legion woke up to the fact that all was not right on the home front—that persons and organizations were fighting against the principles upon which our country was founded and which they had just defended on the battle front. Here, then, began the crusade against these foreign forces and The Legion's program of Americanism was developed. It took two directions:

1. A nationwide fight against subversion and subversive influences.

2. A program of education of our youth in the ideal's and ideas of the Founding Fathers of our country.

Because of The Legion's stand against subversive influences, our criticism of communism, our stand against Bolshevik anarchy; because of our fight against the recognition of Russia, we were criticized by members of the Congress, by the President, by members of the Cabinet—by the public in general. But because of The Legion's activity in this field, our Government and our people finally awoke to the fact that there were influences undermining the principles of our country and seeking to destroy our Government.

This was the beginning of the Federal Bureau of Investigation, a branch of the Department of Justice. It was also the beginning—the organization—of the House Un-American Activities Committee of the Congress, a Committee which was originally headed by my good friend in Congress, the Congressman from my own District, the Honorable Martin Dies.

There followed in succession, of course, the Whitaker Chambers case and the famous pumpkin; also the unearthing of influences in the entertainment world. Mr. Hoover, head of the F.B.I. had a great admiration for The Legion for its stand against these subversive influences, and has frequently leaned upon members of The American Legion and individual posts, to carry out missions which he had delegated to them. Each new Commander of The Legion has either been called upon by Mr. Hoover or he had asked them to visit with him upon many occasions. Upon such a visit, as your Commander, I was requested by Mr. Hoover to address the graduating class of his F.B.I. Academy.

The program of education of our youth has taken the direction of school awards, oratorical contest, junior baseball, boys state, and many other worthwhile projects. Each of these developments has come through the system established by our Founders, which permitted the individual member of the Post to present his ideas of what this program of Americanism should consist.

WHERE DID CHILD WELFARE BEGIN?

Although nothing was said about child welfare at the Paris caucus in 1919, the caring for children of veterans was a matter which just seemed to develop naturally. Veterans had children and some of these children became orphans; or the father had to be hospitalized and could no longer care for his own children. Thus this program of Child Welfare began. Where did it begin? Why, in the local Posts themselves! Post members, then as today, doing an unsung job in caring for someone else's children—being concerned that the child had what we call a "Square Deal"—the right of every American child to be a "Whole Child" with the guarantee of a home, health, education, character and opportunity. In many a location, Child Welfare received an extra emphasis such as in Centralia, Washington, the incident which I just mentioned, where children were left fatherless, or in other communities that suffered a natural disaster—a flash flood, a fire, leaving whole families homeless.

From these small beginnings, and these valiant contributions in local Posts, has developed a program which has helped some 10 million children. Coupled with this has been the Education and Scholarship program of The American Legion which has enabled many an American young man and woman to complete their education in a college of their choice.

NATIONAL SECURITY

The real discussion which took place in Paris early in 1919 had to do with the military structure for the post-war era. As I have said before, so many of these commanders of military units had taken into their ranks just prior to an offensive many soldiers with so little training that they were of little help to themselves or to the unit of which they were a part. To prevent this ever happening again, our Founders suggested the possibility of each young male American being trained in the use of arms. This was no new or novel idea, it had been suggested by President George Washington as he addressed the new

Congress. Later, they calld it "Universal Military Training".

A sound defensive structure is the cornerstone on which The American Legion was founded. It is needed more today than any time in our history. At a meeting of The Legion's Security Commission today, presided over by its able Chairman Emmet Lenihan, a distinguished member of the Armed Forces asked the help of the Commission in securing increased appropriations. He stated that 55% to 60% of the appropriations goes to pay personnel and only about 12% is left for hardware. What a saving could be accomplished by the use of young men trained through the civilian components.

Serious doubts are being expressed by those in authority in the lasting value of the procurement of manpower through the volunteer system.

The first problem of the veterans has been to sell the need of an armed force to our people. We have had so many pacifists, so many conscientious objectors, so many who wanted to turn the other cheek, that it has been almost impossible to sell the idea of UMT to the Congress.

Today, our people are supporting our Armed Forces. A large part of our annual budget goes to maintain a posture of military strength. The civilian components, viz: the National Guard and the Organized Reserves, through Universal Military Training, offer a plan for a much stronger posture and more economically. General George Marshall, the great military leader of the free world during World War II said: "To those who consider the introduction of a system of Universal Military Training an imposition on Democracy, I would reply that in my opinion it would be the most Democratic expression of our national life."

The great strength of The American Legion in its early years, was the driving force of volunteers. Whenever there was a discussion of a subject before a Committee in the Congress in which the veterans were involved, there appeared before that Committee, The Legion's top flight members—men who commanded the respect of Congress. Men to whom the Congressmen turn for advice.

Now that is rapidly changing. The Legion has become wealthy and has hired officials and heads of Departments who appear before the Congress. Their influence is in the name of The Legion only, and the real power of individual volunteers with stature is lost.

OUR HERITAGE

Now in closing, may I suggest to you what I think is the outstanding heritage which the Founders of The American Legion willed to us? It is read at every meeting of your Post and your Department.

It was written while the sounds of battle were still ringing in the ears of those men who had served in World War I. It has not been changed but one time since its origin, and that was by one little letter, which permitted those of World War II to enter the ranks of the greatest veterans organization in the world.

Listen again to those words of the heritage which is yours as members of this organization.

FOR GOD AND COUNTRY

We associate ourselves together for the following purposes:

To uphold and defend the Constitution of the United States of America;

To maintain law and order;

To foster and perpetuate a one hundred percent Americanism;

To preserve the memories and incidents of our associations during the great wars;

To inculcate a sense of individual obligation to the community, state, and nation;

To combat the autocracy of both the classes and the masses;

To make right the master of might;

To promote peace and goodwill on earth;

To safeguard and transmit to posterity the principles of justice, freedom and democracy;

To consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

To the Founders of The American Legion, our eternal thanks.

Good night.

FALSE ECONOMY

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WRIGHT. Mr. Speaker, it is supremely ironic, as the gentleman from New York (Mr. STRATTON) has just pointed out, that the administration is reportedly preparing a request to Congress to end the F-111 program within days after the FB-111 performed so spectacularly and demonstrated its clear superiority over all the other bombing aircraft in our Nation's arsenal in the annual Air Force bombing and navigation competition.

As the gentleman from New York has said, the FB-111 was awarded the Bombing Trophy and the Fairchild Trophy for overall excellence. It won both navigation and bombing phases of the competition conducted by the Strategic Air Command.

In addition, this extraordinary aircraft has demonstrated its clear mastery in safety, in survivability over heavily defended targets, and in its ability to penetrate enemy radar in low-level bombing attacks.

It is the only supersonic bomber in production today anywhere in the free world. It is our only existing aircraft capable of succeeding the obsolescent fleet of subsonic B-52's, most of which are 20 years old.

The irony of the administration's reported consideration of prematurely terminating F-111 production is seen in the utterly invalid claim that to do so would save money. To impound F-111 funds for the remainder of this fiscal year would save a relatively small amount of money at best, since some of the money appropriated by this Congress has already been spent for that purpose, and since termination charges for contractors and subcontractors would absorb much of the remainder.

The irony of the "economy" claim is further evident in the administration's total reliance upon the B-1 bomber, still untried, with an astronomical estimated cost already at $76 million per aircraft and likely to reach $100 million by the time the B-1 could go into actual production.

The F-111, already in production and fully proven in combat and in every performance, costs approximately $15 million per aircraft. We can have at least five and perhaps six or even seven FB-111's for each B-1 the Air Force hopes to get at some time in the future. The FB-111, in fact, is the Nation's only insurance policy against possible technological or fiscal problems in acquiring the B-1.

Clearly, therefore, it would be false economy to close down the production line of the best bomber now in the Air Force inventory before a firm decision has been made and ratified by Congress to begin B-1 production. This is particularly true in light of the startup costs of approximately $200 to $250 million which it would cost the Nation simply to crank up the F-111 plant again and put it back into production if the production line were allowed to die and the skilled team of workmen allowed to disperse.

Rumor has it further that the White House will ask Congress also to suspend production of A-7D's and UH-1 helicopters, for which Congress has appropriated funds.

According to reports, the administration will ask Congress to disallow the money it appropriated to acquire 48 additional Huey helicopters for our Defense Department. The disruption created by this sudden change in signals would have a costly effect upon the production line at the Bell helicopter plant which already has made commitments and contracts based upon the validity of the congressional decision.

Such a change in signals now would effect not only the 48 helicopters which Congress has ordered for the United States, but 68 others which Bell has on contract with foreign governments, including Israel, Spain, Thailand, and Cambodia. The Bell organization already has gone out on contracts for long lead items, such as engines, and if we were to pull the rug out from under their standard production, it would necessitate their having to renegotiate the price for these foreign sales, since each would cost more to build.

Concerning the A-7D, it is rumored that the White House will ask for part of this money to be used in acquiring additional F-14's at approximately $17.8 million per aircraft. This also seems clearly to constitute false economy, since a new lightweight fighter—the YF-16 or YF-17—is on the way, and the Navy could have four of these for each additional F-14 that it might otherwise procure.

All in all, the reported request from the administration amounts clearly to false economy and a commitment to acquire fewer high-priced aircraft rather than more at lesser prices.

LEGISLATION TO PROVIDE ENHANCED EDUCATIONAL OPPORTUNITIES FOR YOUNG AMERICANS

The SPEAKER pro tempore (Mr. McKAY). Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I am today introducing legislation first introduced in the other body by my good friend and respected colleague, Senator LLOYD BENTSEN. The leglislation will provide enhanced educational opportunities for young Americans and will have positive ramifications throughout our economy. I am honored to join Senator BENTSEN in this effort. I personally believe the legislation to be among the more creative conceived in the Congress and I salute him for his foresight and leadership. At this point in the RECORD, to explain the purpose and provisions of the bill, I attach

Senator Bentsen's statement in support of the "educational savings plan," and a summary of its provisions.

Remarks by Senator Lloyd Bentsen

Mr. President, today I am introducing legislation to provide greater educational opportunities for an estimated 33 million young Americans through the creation of "Educational Savings Plans."

The "Educational Savings Plans" provided for in this bill will allow a federal tax credit for individuals who save for either vocational or other higher educational expenses. Funds deposited in these "Educational Savings Plans" will be channelled into savings and loan associations, mutual savings banks and other federally insured financial institutions—the majority of whose loans are related to housing. These savings plans will not only make post secondary education more readily available to millions of this country's youth, they will provide a stable source of private funds at reasonable interest rates to potential American homeowners.

The average American has four basic economic goals beyond the day to day physical needs for survival—He wants to be able to purchase his own home, to provide for his children's education, to meet his family's health needs and finally, to provide for his own retirement when those working years are behind him.

Despite the progress of the last several decades, in recent years these four basic goals of home ownership, education, health care, and retirement have become further from the reach of millions of Americans. I believe it is the duty of government to provide policies that enhance the opportunity for working Americans to accomplish the goals which they have chosen.

This past year, the Congress passed a major piece of legislation to reform the private pension system and I was pleased to have played a role in that effort. Next year we expect to pass legislation to provide a national system of health insurance and I hope to play a role in seeing that legislation enacted as well. But in addition to retirement income and health care, I believe we must take steps to assist American families in meeting the educational needs of their children and those families' needs for housing.

In the ten years between 1962 and 1972, the costs of tuition, room and board at public colleges and universities increased 58% compared to a 38% increase in the consumer price index. During the same period, the costs of private higher education have escalated 80% more, more than twice the rise in the consumer price index. Equally important, vocational education programs have also seen substantial cost increases.

Middle and lower-middle income students have been increasingly priced out of post-secondary education. With limited funds available under the various programs of student financial aid, and with college costs increasing, we confront a situation in which the costs of a secondary education tends to eliminate those who fall between the categories of the very poor and the very rich. The children of the very poor frequently qualify for full scholarship aid, and those who are very rich can afford high tuitions. It is primarily moderate income Americans who are frequently ineligible for federal student assistance who have been suffering during the cost squeeze in education. The educational savings plan provided for in this legislation should be of considerable benefit to these famililties. It should also provide an element of predictability to families concerned about how they are going to meet the cost of their children's higher education.

In addition, Mr. President, these educational savings plans can give strong impetus to our efforts to provide a better trained work force and to improve the productivity of the American worker. In recent years, many countries have been outstripping the United States in productivity as they have adopted American management techniques and improved their technologies. One of the lessons of the economic summit was that our country badly needs the new technology and higher levels of skills created by a vigorous post-secondary education program in both our colleges and vocational schools.

When American youth becomes more productive, the individual and the economy benefit. The educational savings plan should channel increasing numbers of students into career education, develop their skills, lower unemployment rates, and provide the nation with a more effective work force.

The Department of Treasury estimates that as many as 15 million families would utilize these plans to save for the education of 33 million children. This would mean approximately $9 billion would be deposited in educational savings plans annually. Since these plans will be managed by savings and loan associations, mutual savings banks, and any other institutions placing 50% of their assets into housing related loans, these plans will provide a stable source of financing for home mortgages and construction loans.

Mr. President, the unavailability of a steady flow of capital into housing is creating unnecessary shortages of housing and inefficiencies in construction.

Thrift institutions, such as savings and loan associations and mutual savings banks which will be able to offer educational savings plans, made 65% of this nation's loans for the purchase of homes in 1973 and have been the traditional source of such lending. Savings and loan associations put approximately 85% of their funds into mortgages generally and 75% into single family dwellings. Mutual savings banks have over 60% of their assets in mortgages. But, Mr. President, these institutions suffer serious shortages of funds during periods of tight money and high interest rates.

During the last period of tight money in 1969 there was a net outflow from savings and loan associations of over a billion dollars during the course of the year. As interest rates eased in 1970 and 1971, funds began to move back into these institutions for a peak new inflow of over $23 billion in 1972. But when interest rates began to climb again in 1973, that net inflow was more than cut in half to only $10½ billion. When the Administration's tight money policies of this year began to really be felt that inflow was further cut to $2.7 billion for the first nine months of this year. We are never going to be able to provide the almost 2 million new homes Americans need every year when the principal source of funds for housing is subject to this type of fluctuation.

The $9 billion dollars in annual deposits for educational savings plans provided by my legislation would not be subject to such market fluctuations and would provide a steady source of financing for as many as 300,000 new homes per year—three times as many homes as the emergency housing legislation we just passed.

As a result of the unavailability of financing, the current depression in housing appears to be the worst since the 1930's. Housing starts have dropped from an annual rate of over 2½ million in October 1972 to a present annual rate of slightly over one million. Forty percent of the total decline in our entire economy during the first quarter of this year came in residential construction even though residential construction accounts for only about 4% of our nation's total output.

Fluctuations such as these not only drive up home prices by creating a housing shortage, they cause serious inefficiencies in every phase of home construction by increasing the cost of materials and skilled labor and contributing to home builder bankruptcies. Over 50,000 construction workers lost their jobs in September alone for a total of over half a million out of work. Over 1,000 home builders have been forced out of business since the first of the year. Inflation in housing cannot be controlled by forcing skilled construction workers and home builders into other lines of work or by continuing to create artificial shortages of housing units available.

Mr. President, the periodic unavailability of funds for housing has created seven major housing cycles since World War II. Past experience indicates that a substantial increase in construction costs occur during the two years following the bottom of the cycle. We will be paying for the present depression in the housing industry with higher construction costs in 1975 and 1976. And, Mr. President, most Americans have already been priced out of the market for a new home. A home that costs $32,000 in 1971 now costs $45,750—a 43% inflationary increase over three years. Moreover, when the extra cost of the 2½% increase in interest rates during that period is included, the monthly payments have gone up 78%. A more stable and lower cost source of funds must be made available if the opportunity for home ownership is to be a reality for millions of American families.

The Treasury estimates that a $1.7 billion annual revenue loss will occur from the tax credits allowed on these educational savings plans. However, this estimate does not take into consideration the benefits to the Treasury of lower unemployment rates and more stable profits in construction and construction-related industries. I believe most if not all of the direct revenue loss of this legislation, would be offset by the benefits of steadier economic growth. I am sure that when the long term benefits of greater educational opportunity are considered, we will find, as we did with the Veteran education programs, the country reaps a healthy return on its investment.

Mr. President, with the twin goals of encouraging long term savings for education and stabilizing the flow of funds into housing, the Educational Savings Plan addresses two of the most serious social issues confronting the American people. I believe this is the kind of tax incentive the American people want—one which addresses the basic needs of our society and one which benefits millions of average citizens.

I ask that a brief analysis of the legislation and the text of the legislation be printed at the conclusion of my remarks.

Thank you, Mr. President.

Provisions of the "Educational Savings Plan"

1. A taxpayer can contribute as much as $250 annually for each dependent child to an "educational savings plan" and subtract a tax credit equal to 20% of that contribution from the taxpayer's federal income tax. If no plan is opened for an individual by his parents or guardian, he can contribute $250 annually to an educational savings account for his own education and subtract a credit equal to 20% of that contribution.

Example: A family saving for the education of two dependent children in a qualified plan could save $500 annually and reduce their tax liability by $100.

2. Any funds which are withdrawn from an educational savings plan and used for an educational purpose such as tuition or fees at an eligible educational institution or for reasonable living expenses during participation in such a program would be free of any further taxation. However, if the plan is terminated or the funds withdrawn for other than an educational purpose, the tax credits must be repaid to the Treasury. This provision is waived if the person for which the plan was established has died or become disabled.

3. The definition of "eligible educational

institution "would closely follow the definition of post-secondary education adopted by the National Commission on the Financing of Post Secondary Education. This would include institutions of higher education and vocational schools either accredited by an official accrediting agency and recognized by the Office of Education or institutions otherwise eligible to participate in federal programs, such as those recognized by the Veterans Administration. Presently, approximately 10,000 public and private post secondary educational institutions would be accessible to students and families under this definition.

4. A plan established for dependents could continue until the youngest child reaches 25 years of age or as long as the child remains a student, at which time the plan automatically would terminate. A plan established by the taxpayer for himself could continue until the taxpayer was 25 years old or as long as he remains a student.

5. During the years that a taxpayer withdraws money from one of these plans, the taxpayer would be required to file a supplemental tax form specifying the use of these funds. Falsification of this supplemental return would subject the taxpayer to existing penalties for tax fraud.

6. Educational savings plans can be administered by savings and loan associations, mutual savings banks, and other federally insured financial institutions that invest at least 50% of their assets in housing. The earnings in these plans would be determined by competition as well as the existing authority of the various government agencies that regulate such financial institutions.

IMPACT OF THE "EDUCATIONAL SAVINGS PLAN"

The savings plan is directed at meeting two of the most basic goals of the American people—the opportunity for a better education and for home ownership.

The Department of the Treasury estimates that 15 million families would save for the education of 33 million children through these plans and that approximately $9 billion would be deposited annually in the thrift institutions which offered them. Most of these funds would be channeled into home mortgages and provide the nation with a more stable source of financing for as many as 300,000 new homes a year.

The Treasury estimates a $1.7 billion annual revenue loss from the tax credits allowed on educational savings plans. However, the building of an additional 300,000 homes would result in over a billion dollars in federal revenue from taxes on wages and profits in the home building industry. Reductions in government expenditures on unemployment compensation for construction workers would further reduce this revenue loss.

ARE WE REALLY STOPPING THE FDA FROM CONTROLLING FOOD SUPPLEMENTS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 10 minutes.

Mr. FORSYTHE. Mr. Speaker, during the 93d Congress a majority of Senators and over 200 Members of the House, including me, cosponsored legislation to limit the right of the Food and Drug Administration to restrict the combinations and potencies of safe food supplements.

When I added my name as a cosponsor of Congressman HOSMER's bill, I was indicating my concern over this issue and my desire to see a legislative remedy enacted. I was not, however, expressing my unwavering support for any specific language. In fact I believe that the Proxmire-Hosmer bill, as passed by the Senate, contains several provisions which make it unacceptable as a mechanism for preventing the FDA from banning the sale of truthfully labeled vitamins and mineral supplements.

In fashioning legislation regarding this question, the Congress should be very sure that it does not limit the FDA's legitimate and productive efforts to monitor other areas of the food and drug industry. Unfortunately, the Proxmire-Hosmer bill would do just that by removing the FDA's authority over all "special dietary foods"—including infant foods, foods with artificial sweeteners, hypoallergenic foods, and low sodium foods. The FDA's authority over all these food categories should not be limited in order to insure the availability of vitamin and mineral supplements.

Further, the Proxmire-Hosmer bill prohibits the FDA from limiting the potencies and combinations of any ingredient in all "special dietary foods." This language could nullify the FDA's recent decision to ban cyclamates and would possibly allow unsafe levels of vitamin D to be added to infant formulas. If our legislative goal is to safeguard dietary supplements, it seems both unnecessary and dangerous to make the bill applicable to all ingredients in all special dietary foods.

Perhaps the major defect in the Proxmire-Hosmer bill is that under its provisions the FDA is allowed to place limits on ingredients only if the product is "ordinarily injurious to health." This provision places the burden of proof on the FDA and means that a product can be challenged as unsafe only after it has been marketed. Between the time the product is marketed and evidence is developed to show that it is "ordinarily injurious to health" thousands of unsuspecting people may have been harmed. This provision, which applies to all special dietary foods, including infant foods, clearly undermines the trend toward greater rather than lesser consumer protection.

While the intent of the Proxmire-Hosmer bill is to prevent the FDA from classifying vitamins as drugs, the bill contains a paragraph stating that nothing in the bill shall prevent the FDA from applying section 403(g)—the standard rulemaking provision—or chapter V—the drug chapter—of the Food, Drug, and Cosmetic Act. In their testimony before the House Public Health Subcommittee, FDA officials pointed out that this paragraph nullified the entire effect of the bill. They argued that under the Proxmire-Hosmer bill the FDA would be able to issue the very same regulations they issued last year.

For these reasons I feel the Proxmire-Hosmer bill is a classic example of that type of well-intentioned legislation that has been used as a rallying point for years, during which time no one has ever examined it very closely. In fact, the bill which passed the Senate was brought to the floor as an amendment to the health manpower bill after only 2 days of subcommittee hearings. It was never considered by the full committee.

Mr. Speaker, I commend Congressman HOSMER and Senator PROXMIRE for their dedicated efforts to formulate legislation to overturn the FDA's ban on the sale of vitamin and mineral supplements. Without their leadership it is unlikely that this issue would have been addressed during the 93d Congress. Unfortunately, I do not believe that the bill which passed the Senate is the optimal approach to this problem.

Contrasted with the Proxmire-Hosmer bill, however, is H.R. 16317 which has been approved by the Public Health Subcommittee and which is now pending before full Interstate and Commerce Committee. While I do not agree with all the provisions in that bill, I believe it is a more reasonable approach to the problem of limiting the FDA's authority over conventional food supplements. At the same time, H.R. 16317 does not remove the FDA's authority over other areas of food and drug industries. In my view, this is an essential element of any legislation which is proposed on this matter and I urge my colleagues to carefully compare the provisions of the Proxmire-Hosmer bill and of H.R. 16317 before reaching any decision regarding these bills.

THE NEED TO DELAY OFFSHORE DRILLING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, I am today introducing a bill and a companion House concurrent resolution, both of which express the view that any offshore oil leasing to be done by the U.S. Department of the Interior should be delayed until such time as the coastal States which may be affected have an ample opportunity to adopt coastal management plans for their areas.

The Coastal Zone Management Act of 1972 expressed in detail the concern of Congress regarding the preservation of coastal areas including the necessity to protect fish, shellfish, as well as ecologically fragile areas of the coast. The same areas offer man important recreational use of which millions of Americans avail themselves annually.

In my own congressional district, which contains the only Atlantic coastal area in Maryland, the specter of offshore oil exploration and drilling and its concomitant offshore development could bring about fundamental changes in the nature and character, not only of our environment, but of the entire way of life in our part of Maryland.

I have been distressed to see the attitude of the Department of the Interior in response to requests to delay offshore leasing until coastal zone management plans could be adopted by the States. Secretary Morton stated at the Governors' Conference on Offshore Leasing that his Department felt that there was no necessity to delay leasing. Last Thursday in testimony before the Subcommittee on the Environment of the House Committee on the Interior, of which I am a member, Secretary Morton sought to assure me and the committee that there is no need to delay such leasing because, as he put it, the actual oil production in the leased area would not occur for at least 5 to 7 years. Almost at the very same time that the Secretary was speaking, officials of the Exxon Co. were holding a press conference in Baltimore in which they stated that oil drilling could get underway off Maryland's Eastern Shore within 2 to 3 years.

One of the prime areas for leasing by the Interior Department will be the Baltimore Canyon which is located off the coast of New Jersey, Delaware, and Maryland. All the studies which I have seen, including a report by the Council on Environmental Quality released earlier this year, indicate that along with the possibility of pollution from Outer Continental Shelf oil operations, an even greater impact may result from onshore development associated with such production.

The legislation which I am introducing today will delay any leasing until such time as the affected States receive final approval of a coastal zone management plan, or until June 30, 1976, whichever occurs first. The House concurrent resolution which I am introducing expresses the sense of Congress that the States be permitted the time to plan development onshore.

I invite my colleagues to join me in cosponsoring this legislation, and I will reintroduce it after the Thanksgiving recess. Although it is unlikely that there will be time for passage of this legislation before the end of the 93d Congress, it will be reintroduced in January when the new Congress convenes. At this point I include the text of the bill and concurrent resolution:

H.R. 17508

A bill to amend the Coastal Zone Management Act of 1972 to suspend until no later than June 30, 1976, Federal oil and gas leasing in areas seaward of State coastal zones

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) is amended by adding at the end thereof the following new subsection:

"(i) Notwithstanding any other provision of law, the Secretary of the Interior may not grant any lease for the exploration and development of oil and gas deposits of submerged lands of the Outer Continental Shelf which are seaward of the seaward boundary of any coastal State before whichever of the following dates first occurs:

"(1) the date on which the Secretary finally approves the coastal zone management program of the State pursuant to section 306; or

"(2) June 30, 1976."

H. Con. Res. 687

Whereas the Congress of the United States has determined that there is a national interest in the effective management, beneficial use, protection, and development of the coastal zone of the United States;

Whereas the Congress is concerned that the U.S. coastal zone, and the fish, shellfish, other living marine resources and wildlife therein are ecologically fragile and consequently extremely vulnerable to destruction by man's actions;

Whereas the coastal zones of the United States are also an important recreational area used by millions of citizens for relaxation and enjoyment;

Whereas the Congress has reflected its determination and concern regarding the preservation of such areas by the passage of the Coastal Zone Management Act of 1972 (P.L. 92-583); and

Whereas the United States Department of Interior has announced its intention to proceed with an extensive offshore oil leasing program on the Outer Continental Shelf along the Atlantic Seaboard and in other areas without a thorough examination and discussion of the onshore impact of this leasing program: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That no federal agency conducting or supporting oil leasing activities directly or indirectly affecting the United States coastal zone shall conduct or permit any such activities prior to the development of an approved State Management Program under the terms of the Coastal Zone Management Act of 1972 by each State which may be directly or indirectly affected by such activities.

MASS TRANSIT BILL MAKES A BAD SITUATION WORSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, while we in Congress are still basking in the glow of accomplishment at having saved mass transit last week, a couple of economists writing in this Sunday's Washington Star-News described in detail telling how our mass transit bill will make a bad situation worse.

In fact—

Say these economists—

> it is not public transportation which needs to be saved, but the public which needs to be rescued from the transit industry.

The article presents example after example of UMTA-financed rail rapid transit projects which led to soaring operating deficits, increased congestion and worse pollution problems. Perhaps most depressing, they cite a raft of statistics showing that new system riders come, not from the ranks of automobile drivers, but are attracted instead from preexisting transit systems.

These critics may be overly harsh on current transit programs. The program has enjoyed some isolated successes. But overall there is no denying the results have been terribly disappointing. This article does a pretty good job of explaining why transit, as traditionally conceived, has been such a disaster in the marketplace. It should be must reading for those of us who are interested in providing a significant mass transit alternative.

The article follows:

[From the Washington Star-News, Nov. 24, 1974]

SQUELCHING THE MYTHS OF MASS TRANSIT

(By Yale Brozen and Laura Genero)

If further evidence was needed of America's uncritical acquiescence to the concept of mass transit, last week's congressional approval of an $11.8 billion subsidy bill should do the trick. A big push for the legislation came from big-city mayors, from major transit systems faced with a need to impose new, self-defeating fare increases, and from persons seeking to cut our use of energy.

Mass transit is held up not only as a way out of the energy crisis, but as an answer to many urban problems, traffic congestion, air pollution, urban sprawl, the immobility of the poor and elderly, and decay of our central cities. In fact, mass transit has become so widely regarded as a public good, that even the oil companies—which stand to lose from reduced gas sales—are buying advertising to promote it.

These hopes are based on the idea that there really is nothing wrong with our present transit systems that additional money cannot cure. A mix of subways and buses, as the argument goes, could provide adequate public transportation if they were faster, safer, cleaner, more comfortable and efficient. Then the public would gladly take mass transit instead of their cars to work.

The only problem is that the government already has spent $4 billion in the past 10 years on mass transit, and has yet to achieve a single desired result: Mass transit patronage continues to decline steadily, transit industry deficits frequently double from year to year, and automobile-related urban problems persist.

Mass-transit advocates dispute this conclusion bitterly—the experiment has been woefully underfinanced, they say, since $4 billion simply wasn't enough to make the kinds of wholesale improvements that are necessary.

UCLA economist and transit historian George W. Hilton recently finished an exhaustive study of transit subsidies, and came up with quite a different answer, however. Hilton's study, published by the American Enterprise Institute for Public Policy Research, concludes that the real problem is the structure of the transit industry itself—something which government subsidies are powerless to change. Mass transit has evolved into a rigid monopoly of fixed-route, parallel-run buses and subways, unable to adjust to the single most important change in urban life: the growth of suburbs. As a result, no matter how much the government spends on mass transit, Americans will continue to drive their cars instead of taking public transportation.

In fact, it is not public transportation which needs to be saved, but the public which needs to be rescued from the transit industry. The chief beneficiaries of government transit subsidies have been the transit monopolies, which are bailed out of yearly deficits; transit-union workers; construction workers; and contractors.

CHANGING CITIES

The problems of the transit industry are historical, rooted in the forces of diffusion that have changed the shape of American cities. Our urban areas are no longer densely-populated, compact cities easily served by fixed-route buses and subways. The population, seeking a better quality of life, has emptied out into suburbs full of dispersed apartments and single-family homes. This geography demands highly flexible transportation that will carry passengers from door-to-door.

Mass transit, however, is still organized around a system of radial routes designed to carry passengers in and out of the city's central business district. This pattern was established in 1880, with the introduction of the electric streetcar. The streetcar lines in every major city eventually became monopolies—because it was advantageous to power all of a city's streetcars from a single electrical source. This was the beginning of mass transit's troubles.

Streetcars charged a flat nickel fare to all passengers, regardless of the distances they traveled. This made them vulnerable to cream-skimming from other vehicles, which would take short-haul passengers at a cheaper rate, faster.

THE JITNEY

The first real competition to the streetcars showed itself in 1914, in the form of the jitney bus. This was nothing more than a private automobile which picked up passengers randomly for a fee. The jitneys moved at speeds 100–150 percent faster than the streetcars, and were free to turn off main roads and carry passengers to their doors. They adapted excellently to the demands of rush-hour traffic and to crosstown travel not served by streetcars.

In a short time, armies of jitneys sprang up in every major city. They were unregulated, unlicensed and moved along streetcar routes, siphoning off short-haul passengers. In Los Angeles alone, the railways lost as much as $600 a day to the jitney and had to lay off 84 motormen. In Bay City, Michigan, Saginaw, Michigan and Des Moines, Iowa, jitneys put the streetcar lines out of business. Eventually, the jitney became such a threat that the transit monopolies and their supporters persuaded the municipal government to regulate and legislate the jitney out of business. By 1920 the jitneys—which once numbered as many as 62,000—had disappeared.

Outlawing the jitney, however, did not put an end to the financial dilemma of the transit monopolies. It was only the beginning. People moved further from the central city, putting them out of reach of streetcars. In response to the demand for greater transit flexibility the transit monopolies switched over from streetcars to buses, hoping to gain some of the flexibility of the jitney. But they ran the buses over the same old radial streetcar routes, stopping at almost every corner, thus depriving the bus of its speed and potential flexibility.

The decision to stick with monopolized, fixed-route transit systems meant eventual financial disaster for the transit industry. Between 1946 and 1963, patronage on urban mass transit fell from 23 billion riders to just 8 billion. From 1954–63, 194 private transit companies went out of business. By the end of the 1950s, mass transit had become so unprofitable that the private sector would no longer operate it.

By the 1970s, most major transit systems were municipally owned and piling up large deficits. Since 1963, transit industry deficits have increased 77,000 percent. In 1973, the total net yearly deficit of the industry was more than $680 million.

SUBSIDIES

Beginning in 1965, the government tried to turn this situation around through a program of federal subsidies supporting all kinds of mass transit improvements: upgrading transit service, buying new equipment, consolidating city-wide lines, building new subways and financing managerial and technical research. This was based on an economic analysis of the transit industry by Lyle C. Fitch, et al, who argued—much as is argued today—that the channeling of money into the Highway Trust Fund, instead of into public transportation facilities, was responsible for America's overdependence on the automobile.

Although 70 percent of all passengers carried on local public transportation ride the bus, the transit-subsidy program spent the majority of its funds building rail lines and subways. It was hoped that, if suburban commuters could turn to mass transit for a quick, direct trip into the central business district, rush-hour auto traffic would be significantly reduced. That was hope; unfortunately, the actual results of this effort provide a chastening example of what can be expected from future investment in subways. (And there is no particular reason to believe that the Washington area will be an exception.)

RESULTS

The Federal Urban Mass Transportation Administration (UMTA) helped finance an entire new rail line in the median strip of Chicago's Dan Ryan Expressway. The line runs 9.5 miles straight through the Chicago Loop (the central business district). It cost $29 million.

In 1970, the Chicago Transit Authority surveyed the riders on the new line and found that 80 percent of the passengers were formerly riders of other forms of mass transit; only 8 percent were ex-drivers. This means that the subway line served chiefly to siphon off passengers from pre-existing public facilities—in this case, a bus line which it eventually put out of business. It had no significant effect on the flow of auto traffic in and around the Chicago Loop.

This is noteworthy because Chicago is the second largest city in the nation, and the second most densely populated. Its central business district has resisted decline. If any city is suited to rapid transit, it is Chicago. Yet, the Chicago Transit Authority has lost more than half of its passengers since World War II. And, despite the energy crunch, the last months of 1973, the CTA's passenger counts show no increase in the number of riders in 1973 over 1972. This whole trend corresponds to a flow of population and jobs out of the city of Chicago, which lost 500,000 persons and 230,000 jobs to the suburbs between 1960 and 1970.

In Boston, UMTA spent $11 million to build an extension of the MTA rapid transit system into the Quincy area south of Boston. In 1970, the Massachusetts Department of Public Works counted vehicles on the three roads running parallel to this new extension, to determine what effect the new railway had had on auto traffic. The department found no perceptible change-over by commuters from car to train.

In 1969, UMTA built a terminal and parking lot at the end of the main line Pennsylvania Railroad commuting line in New Brunswick, N.J. The terminal was supposed to lure New York-bound drivers off the highway by providing them with a place to park near a transit facility which would then carry them into the city. The Transit Authority surveyed the effect of the line on traffic flowing into the city: Results showed that the terminal kept six cars daily out of New York City and 46 out of downtown Newark.

In 1968, UMTA spent $12 million to build an extension of Cleveland's rapid transit line out to the airport. Patronage on the extension started falling off by 7 percent in 1970, and then by a whopping 31 percent in 1971. In 1973, ridership fell off two or three percent below 1972 levels, despite the energy crisis. Even though the extension could handle 30,000 passengers an hour in one direction, it was carrying only 3,600 a day in 1968 and 2,400 a day in 1971.

As with the Chicago Dan Ryan line, a Cleveland survey showed that passengers on the new line switched primarily from other forms of public transportation. And the extension adversely affected the financial operation of the airport limousines, taxis and buses and had the least impact on automobile traffic to the airport. The parking manager at the airport reported no perceptible change in the use of his facilities, but found a sharp increase in theft and vandalism against parked cars: The extension had improved access to the airport for criminals. Study also showed that more than 60 percent of the riders on the extension had family income over $15,000.

HIDDEN COSTS

This and a wealth of other evidence leads Prof. Hilton to report that the ability of a subway to reduce auto traffic is "imperceptible." But to leave matters there would be to give a far more positive picture of subways than they deserve, says Hilton. He concludes that not only is rapid transit expensive; not only does it fail to produce the desired result of reducing auto traffic; but it also is a regressive step carrying with it many hidden social costs.

First, rapid transit puts a financial drain on pre-existing, cheaper forms of public transportation and renders an area's entire system inoperable without a public dole. Transit systems usually engage in the same kind of cross-subsidizing characteristic of other regulated activities—offsetting the losses from lesser-used routes with the earnings from heavily-used routes. Rapid transit is so expensive, however, that it is profitable only on the most heavily used routes—those already served by the most profitable bus lines. The replacement of a profitable bus line with a subway which cannot hope to cover its subsidized capital costs, ends the sources of income which offset the losses of the other routes, and renders the entire system unprofitable. This helps explain why transit deficits have been increasing so rapidly.

In the Washington area, the local Metrobus system is an example of this phenomenon. The area-wide Metrobus now has run up a deficit of $63 million. If the bus lines cannot operate profitably, we can expect that the $4.5 billion subway—prohibitively more expensive to build, operate and maintain—will never operate at anything but a loss. Already Metro itself has projected this by announcing that fare collections on the new subway will not be enough to pay off even its first-stage capital investment of $1.2 billion in revenue bonds.

Second, the building of a subway in an urban area tends to have perverse effects on the quality of life in the community. Building a subway is an incentive for business to locate near it. If a business locates itself downtown when it could have been built in a suburban area, most of its employes will drive to work and only about 15 percent will take public transportation. This means more traffic to the downtown area—not less—and with it, more pollution, more congestion and more intensified rush hours. It is notable that the worst traffic congestion and most concentrated output of pollutants are on Manhattan Island, on top of the densest network of rapid transit lines in the country. Without the New York subway, Manhattan could not support its present concentration of employment and business, which attracts more automobile congestion than anything else in America.

If Federal subsidies for railbased rapid transit systems have effects other than those that were intended, so too have subsidies to bus lines.

"UPGRADING"

For example, UMTA generally stressed the conversion of private bus companies into integrated municipal systems. By upgrading equipment and service this increased patronage, but it also meant higher wages for transit-union workers, because they now were dealing with the government. The revenue gained from the passengers was not enough to offset the higher labor costs, which are 85 percent of the cost of operating buses. The net result was operating losses. In addition, higher wages meant that the companies had to carry more passengers per driver, and therefore, buy bigger buses. Big diesel buses, in order to fill up seats, must travel slower and stop more often. The result is poorer—not better—service and more pollution.

There also is a tremendous amount of waste inherent in grants to buy new equipment, since the incentive is to replace buses instead of maintaining them. In the absence of a replacement grant, the average bus in Chicago was replaced after eight years. Once a program of two-to-one matching federal grants began these buses were replaced after only three years.

Much is made of the claim that mass transit, especially buses, serves primarily the poor. But Hilton's study shows this is far from the case. Factories now frequently located in the suburbs, are among the most attractive employment opportunities for the semi-skilled poor. Yet mass transit does a particularly bad job of providing rush-hour service from the central city to the suburbs—the reverse trip of most morning commuters. Of the 15 such projects undertaken by UMTA, 12 were poorly utilized and reported losses ranging from 39 cents per passenger in Chicago to $7.40 per passenger in St. Louis. The St. Louis project sponsor eventually acknowledged that mass transit has a minimal effect on employment of the poor. Even though the poor may use mass transit to find jobs, many quickly abandon it and buy a car once they have found work.

There is formidable evidence then, that mass transit is not the bonanza or remedy that some would have us believe. It does not significantly reduce traffic. It does not serve the inner-city poor well. Instead, it provides service demanded by upper-income suburban residents for their trips to work in the city. Rapid rail transit does not relieve, but actually contributes to traffic congestion, air pollution and excessive home-to-work distances.

The building of new subways is the most backward and wasteful of all transportation policies. San Francisco's Bay Area Transit (BART) system alone cost six times as much as the entire amount of federal subsidies spent on buses from 1956-71. Moreover, rapid transit isn't especially fuel efficient, due to high speeds and rapid starts and stops.

It is more than just monopoly control of mass transit which is outdated. It is the whole concept of a transit system organized into fixed routes and schedules. The wave of the future won't be monorails or accordion-like buses, but independently operated minibuses—which pay for themselves, willing to take anyone wherever he wants to go at any time.

ALTERNATIVES

What we need now, then, is to get government out of the transit business, to be replaced by a system of competitive flexible buses along with re-legalization of jitneys and freedom of entry into the taxi business, where this is not already the case. Taxis and jitneys would also provide the poor with employment opportunities.

Jitneys are not just a fanciful anachronism from the past. They work well in the major cities of developing countries, such as Manila, Tehran, Istanbul and Sao Paulo.

And they now are being considered by the British. In the United States, illegal jitney cabs go up and down Martin Luther King Drive in Chicago, soliciting passengers while the police look the other way. They take passengers for 25 cents, well under the standard cab fare, up and down the avenue.

Instead of moving in this direction, however, Congress again has decided to opt for the same old formula of pouring more money into the bottomless hole of mass transit subsidies.

That's unfortunate, because extensive real-life research already has been done on mass transit—to wit, our $4 billion and 10 years invested under the experimental auspices of the Urban Mass Transportation Assistance program. All the results show clearly that the economics of the transit industry are not unique or peculiar, as often stated. Rather they are very ordinary—the industry simply has been failing the market test for quite a long time, beginning with World War I.

Hilton argues that free-wheeling, flexible jitney service would have put the transit monopolies out of business in all but the largest cities if they had not been outlawed. The elimination of the jitney meant that the private automobile became the next best alternative—and the result several decades later in the glut of automobiles in the United States today.

It is ironic that while the President is calling upon the public to tighten its belt and tolerate a tax increase, he and the Congress are preparing to spend money freely on a transit program which has been proved a failure. Hasn't the public heard the cry of "underfinancing" once too often as an excuse to continue government programs that don't work?

PASSAGE OF VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Ruppe) is recognized for 5 minutes.

Mr. RUPPE. Mr. Speaker, I am extremely pleased about the fact that the Congress has approved the Vietnam Era Veterans' Readjustment Assistance Act.

Although this legislation is necessarily the result of compromise, I believe that it goes a long way toward insuring that today's veterans will receive educational benefits which are on par with those afforded to previous veterans. Notably, this bill increases educational allowances by 23 percent, establishes a new low-interest educational loan program, extends the minimum educational benefit entitlement period from 36 to 45 months for baccalaureate degrees, and increases vocational rehabilitation and job training benefits by 18.2 percent. By providing these increases, this bill will give many veterans the financial means to continue their schooling and will encourage many others to seek the advanced training they need and desire.

I consequently believe that enactment of this legislation is essential to the maintenance of a strong veterans' educational assistance program, and am deeply concerned about reports that the President intends to veto this legislation on the grounds that it would be inflationary. I share his desire to reduce Federal spending, but I do not believe this reduction should be accomplished at the expense of those who have given so much to their country. Moreover, we must be mindful of the fact that the increase in veterans' skills which would result from an expanded veterans' education program would more than offset the cost of this bill.

I have therefore written to the President urging that he sign this measure into law, and hope that he will indeed do so. Those who served our country with distinction during the Vietnam era have been waiting for adequate GI benefits for far too long.

The text of the letter follows:

WASHINGTON, D.C.,
November 22, 1974.

Hon. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On behalf of the veterans in Northern Michigan, I would respectfully urge you to reconsider your position on the Vietnam Era Veterans Readjustment Assistance Act.

As you know, this legislation is the product of two conference committees, and its estimated cost has already been reduced by over $672 million. Direct tuition payments have been eliminated, its loan program has been cut from $2,000 to $600, payments for vocational rehabilitation and job training benefits have been reduced, and its 45 month educational benefit extension has been limited to undergraduate students pursuing a degree. I consequently believe this bill represents a reasonable compromise between differing points of view, and believe it will allow us to maintain a viable veterans assistance program without being fiscally irresponsible.

In particular, I feel that the 22.7% educational allowance increase is both necessary and proper. Since the last increase was enacted, the cost-of-living index has risen by 19%, and it will undoubtedly climb to 23% by the end of this year. Furthermore, the cost of tuition has risen at an even faster pace. I fear that a lower benefit increase would only discourage veterans from obtaining the educational training they need and desire.

It is important to note, too, that the unemployment rate among young veterans has been substantially higher than the unemployment rate among our population as a whole, partially because many young veterans need additional training to be considered employable. At a time when the Congress is considering increasing unemployment benefits and creating a new community improvement corps, I consequently believe it would be especially wise to revitalize the educational and job training opportunities available to veterans. It is far better to provide our veterans with adequate education and training allowances than it is to relegate many of them to unemployment lines or public service job lists. Moreover, studies have shown that previous veterans' education programs have paid for themselves two to three times over by increasing our country's productivity and tax revenues.

Finally, I support this bill because I believe that those who served this country during the Vietnam era should be afforded the same educational opportunities as those who served during previous years. I fear that the credibility of our federal government will be severely damaged if we appear to be less grateful for the sacrifices of these young Americans than we were for the sacrifices of their fathers.

I would hope, then, that you will decide to sign the Veterans Education and Rehabilitation Act into law. Those veterans who are presently receiving educational or job training desperately need an increase in their allowances, and our country as a whole stands to benefit if we give those who are currently unable to afford additional training the opportunity to receive it.

With best personal regards, I am
Sincerely yours,
PHILIP E. RUPPE.
Member of Congress.

MR. CALIFANO'S EDITORIAL ON REMARKS OF GEN. GEORGE S. BROWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Blatnik) is recognized for 5 minutes.

Mr. BLATNIK. Mr. Speaker, the recent remarks by Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, have caused consternation throughout the United States and the international community.

While the full impact of these remarks cannot be measured, their serious, even dangerous implications surely merit far more stern and responsible reaction than the slap on the wrist given the general by President Ford and Defense Secretary Schlesinger.

Joseph A. Califano, Jr., hit the mark squarely in an editorial page column in today's Washington Post.

Mr. Speaker, I insert Mr. Califano's column in the Record, and associate myself with his views. The article follows:

GENERAL BROWN AND FOREIGN POLICY

(By Joseph A. Califano, Jr.)

In the course of patently anti-Semitic remarks, Gen. George Scratchley Brown, the chairman of the Joint Chiefs of Staff, said recently that (1) the United States had "no plans" to use force in the Middle East; (2) he could conjure up a "Seven Days in May" situation where in the face of another oil embargo the American people might "get tough-minded enough to set down the Jewish influence in this country and break that lobby"; (3) when the Israelis come to us for equipment they have the Congress in their hip pocket; (4) the Jews own "the banks in this country, the newspapers, you just look at where the Jewish money is in this country"; (5) the "terrible disruption" of another oil embargo on Europe and Japan could precipitate another demand that something be done; (6) the flow of money to Middle East and Persian Gulf oil producers would put "all of the money . . . in their corner of the bank . . . seven or eight hundred billion dollars and they are going to be the world's banker"; and (7) the Arabs are taking on a role "they aren't equipped to handle." He concluded by reassuring the Arabs and Soviets that he did not "intend to go off to war in the Middle East, if that's the question."

Thus, in the context of the most explosive situation in the world today—the one situation most likely to precipitate a major war involving not only the Israeli and the Arabs but our country and the Soviet Union—the chairman of the Joint Chiefs vented his spleen on the Israelis, the Arabs, the American Jews, the Congress, and informed the world that he didn't intend to go to war in the Middle East.

Gen. Brown's audience was not limited to a handful of law students at Duke University. His audiences included the American public at large, the Israelis, the Arabs, the Soviets, the Chinese, the U.N., the President, the Secretaries of State and Defense and fellow military officers. His apology to the Jewish War Veterans may have saved his job for the moment, but it is not likely to affect the way these critical audiences read him in the future.

What is Gen. Brown's credibility with the Israelis today? A few days after publication of the general's remarks in The Post, the Pentagon disputed a report by Israel's Prime Minister Yitzhak Rabin that the Soviets had some 20 ships unloading arms in a Syrian port. The Pentagon said that number of ships was normal and that, contrary to what Rabin said, only a few of the ships were unloading arms. Who are we to believe—a JCS Chairman, who under pressure from the Secretary of Defense recanted his anti-Semitic comments, or the Prime Minister of Israel?

How do the Arabs feel knowing that the top military officer of the United States believes they are incompetent to handle the money that is flowing to them? What is the Soviet reaction to Gen. Brown's publicly stated reluctance to fight for the Israelis in the Middle East? And to his thinly veiled hope that the American people will "put down the Jewish influence in this country"?

What about Gen. Brown's credibility at home? Unquestionably, there is a powerful pro-Israel lobby in Washington. But there is also a potent oil lobby in town and the Middle East desk at the State Department has been known on Capitol Hill to lean decidedly toward the Arabs. Does anyone believe that the Congress is such a pawn—as Gen. Brown seems to think—that they can be turned off and on by the pro-Israel lobby at will? Does the general believe that collective congressional motivations are so simple-minded? Anyone who has dealt with the Congress must recognize how demeaning Gen. Brown's remarks are to Senate and House members.

Finally, there are the American Jews. Many American Jews, who initially called for fear that such action would be interpreted as confirmation of their alleged power. Perhaps—only perhaps—that is why President Ford and Secretary Schlesinger decided merely to slap Gen. Brown on the wrist. If so, they have all missed the point. That may be understandable in the case of American Jewry in view of their emotional involvement in this nasty business. It is inexcusable for the general, the Secretary and the President.

Offensive as Brown's comments about American Jews are, his grievous national security sin is that he has irreparably damaged his ability to serve effectively as chairman of the Joint Chiefs of Staff. If he testifies before the Congress or makes recommendations to the President that favor the Arabs and those recommendations are made known to the public, what credibility will he have? Indeed, is he likely, consciously or unconsciously, unduly to favor the Israelis to prove that he is not anti-Semitic? In short, Gen. Brown has no business speaking about foreign or domestic policy; his public remarks should be limited to defense matters. This should be the role for all Defense Department officers, but the Chairman of the Joint Chiefs of Staff is not just another general. He is the only military officer that truly has frequent opportunities to communicate with the President and the congressional leadership. Compare the general's remarks about the Israelis, the Arabs, the Congress, the American Jews and the dollar problem with the provision in DOD Directive 5230.13, issued by then Secretary Robert McNamara on May 31, 1961:

"In public discussions all officials of the Department (of Defense) should confine themselves to defense matters. They should particularly avoid discussion of foreign policy matters, a field which is reserved for the President and the Department of State."

That Defense Department policy, which was repealed on March 4, 1969, by then Secretary of Defense Melvin Laird, was the subject of months of controversial hearings in 1961 and 1962 by the Senate Armed Services Committee and its Preparedness Investigating Subcommittee.

In the nearly stages of those hearings, McNamara was royally roasted for issuing that directive, but by the time the hearings had ended, the committee (with Sen. Strom Thurmond dissenting) approved the directive (with some DOD hedging in recognition of the difficulty of drawing precise lines between military and foreign affairs) and the propriety of limiting public statements by military officers to defense matters.

The restriction on the subject matter of speeches by military officers began to get formalized under President Truman. Eisenhower reaffirmed Truman's policy in a Cabinet meeting on March 11, 1960, where he stated that no speech affecting foreign relations should be made by an administration official without prior clearance from the State Department. Within three weeks of assuming office, President Kennedy publicly associated his administration with the Truman-Eisenhower policy. The McNamara directive drew on these consistent presidential precedents.

In response to questions about the Brown comments, Defense spokesman William Breecher reaffirmed the prior clearance procedures for "a formal speech—written speech" but noted that the current Defense Department policy on public statements answering questions of informal or written speeches by a military officer is simply that, "He uses his discretion." When asked "whether there's any policy saying that you are discouraged or ordered not to engaged"—presumably in public discussions of foreign or domestic policy—Beecher cut the question off with a brusque "there is no such policy." He stated that there was no intention to revise or even clarify policy on military officers making public statements. This is the glaring failure of the President and the Secretary of Defense in handing the Brown incident.

The only sure way to put this matter to rest is to reinstitute the McNamara order that Laird revoked. As the Preparedness Investigating Subcommittee concluded in 1962, "one of the truly great bulwarks of our system of government is the principle of civilian control of the military through the executive branch of the government of which the military is a part." President Ford and Secretary Schlesinger should reaffirm that principle in the particulars of this case.

The personal tragedy of Gen. Brown is in failure to evidence any true appreciation of the extent to which his effectiveness is impaired. Brown should re-examine his decision to hang on as chairman of the JCS. After the riots in Panama in 1964, as Army counsel I spent about a month defending the actions of the U.S. military command there before a group of international jurists and the Organization of American States. Both bodies eventually concluded that the United States had not exerted any force beyond that necessary to protect the inhabitants of the Canal Zone and that the military commander, Gen. Andrew O'Meara, had performed just about perfectly in a singularly difficult situation. On my last night in Panama, Gen. O'Meara asked me to dinner. He knew that he would be vindicated, but he said, "When you get back to Washington, tell Secretary McNamara that he will have to move me out of this command if he wants to pursue negotiations with the Panamanians. I have become a symbol that will make fruitful negotiations impossible."

There is a lesson for Gen. Brown in that heroic incident.

THE ECONOMY IN PERIL: A CHALLENGE TO DEMOCRATS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 45 minutes.

Mr. REUSS. Mr. Speaker, as Members of the 94th Congress meet to organize for the coming year, one overwhelming problem confronts not only legislators but all Americans—the disastrous state of the economy.

All the economic indicators confirm one grim picture:

Unemployment, rising steadily, hit 6 percent in October, with 5.5 million unemployed. Administration officials predict 6.2 percent joblessness in November, and expect the figure to increase still more in the months ahead. Certain industries—automobiles, homebuilding—and certain population groups—young, blacks, women—are particularly severely hit.

Prices are going up even faster than unemployment. The Consumer Price Index has increased 12.1 percent in the past year, reducing the average worker's real purchasing power to below 1965 levels. With food production shortfalls expected, oil prices continuing volatile, and the cost of raw materials in general rising, there seems no end in sight to inflation.

As prices have risen, the real volume of retail sales has dropped. Sales are now about 5 percent below where they were a year ago.

Business, faced with a slackening market, has no plans to expand real investment in plant and equipment. After allowing for inflation, investment declined somewhat in the third quarter of 1974, and planned investment for 1975 shows no real growth. Demand for machines and equipment, once the strongest sector of the economy, is falling off.

The housing industry, sensitive as always to economic fluctuations and especially to the indiscriminate tight money policy pursued by the Federal Reserve these last 2 years, is in a full-fledged depression today. Annual housing starts dropped to 1.12 million this month, down from twice that number in early 1973.

Even worse than the cold fact of economic recession is the widespread anxiety which the state of the economy has engendered. Workers feel their grasp on the economic status quo slipping, see their savings dissipated by inflation, their plans for children's education or their own retirement vanishing, and are escalating wage demands, understandably, beyond the figure need to catch up with past inflation. In private industry, a mood of reckless and fatalistic irresponsibility seems to be pushing businessmen and bankers into high-return, quick-profit investment, corporate mergers, speculative lending, price gouging, which serve neither their own long run interests nor those of the American people. As the economic pie shrinks, competition grows sharper with disastrous results for us all.

The mandate of the new Democratic Congress is clear. The economy—not Watergate, not foreign policy—was the main issue in the November elections. Voters returned 291 Democrats to the House and 61 to the Senate—an unmistakable sign of no confidence in President Ford's economic leadership. Democrats must and will rise to the tremendous challenge facing them.

The juxtaposition of a Republican President and an overwhelmingly Democratic Congress is far from ideal, but it is a fact of life we must face. Ideally, we must now be considering a de facto bipartisan coalition on the economy manned by the best people from the administration and the legislature. This suggestion was made as early as August 10, 1974, when I wrote to the newly confirmed President Ford:

> In the present crisis, we cannot afford to be divided by traditional ideologies. Faced with uncontrolled inflation, we must all be economic conservatives; faced with the human costs of fighting inflation, we must all be social liberals.
>
> I urge you to involve Congress, and Democrats, not only in policy making but also in its implementation. Just as FDR, in World War II, enlisted Republicans like Henry L. Stimson, Frank Knox, and Robert Patterson for the special knowledge and experience which they could contribute to the war against Hitler, so might you tap the talent of the Democrats in the War against Inflation.

Again, after the elections I urged a bipartisan economic coalition, saying:

> The country will not stand for, and should not stand for, a politics-as-usual approach by a Republican President and a Democratic Congress. The old way of doing things—ill-advised Administration proposals, uncoordinated Congressional responses, multiple vetoes, mighty battles every few weeks about overriding the vetoes—is simply a formula for disaster. Instead, Democrats should go to President Ford and offer to set up with him for this upcoming Congress a bipartisan economic trusteeship. The Democrats would offer President Ford adherence to his oft-proclaimed goals of fiscal and monetary moderation. In return, the President's part in the trusteeship would be to support a program to humanize the old-time religion.

Such coalitions have worked well in the past. F.D.R. instituted such a partnership in World War II, as described above. West Germany, confronted by an economic depression in the mid-1960's, was governed from 1966 to 1969 by a grand coalition of the Christian Democratic Union and the Social Democratic Party. The coalition successfully overcame economic problems and restored Germany to a healthy pattern of growth.

Unfortunately, President Ford is not interested. He has shown clearly enough that his idea of cooperation is for the administration to propose and Congress meekly to dispose. But it would be sheer folly to enact Mr. Ford's proposals—a demand-chilling, 5-percent income surtax, new corporate tax loopholes to erode Federal revenues and increase the budget deficit, a pipsqueak, 6-month, leaf-raking public employment program. These measures could not be better tailored to deepen the current recession into a real depression without even beginning to attack inflation.

The Democratic Congress must thus assume the leadership in economic affairs, handicapped though it is by a recalcitrant Executive. Fortunately, Democrats have been working on an economic program since early summer, and subsequent events have only underlined the correctness of their position.

On June 1, at the invitation of CBS radio, I presented a Democratic alternative to President Nixon's midyear economic report. I called for "a new social contract between the Government and the majority of citizens" in which "the Government would pledge to see that there are enough jobs, improved purchasing power, and fair redistribution of the tax burden."

On July 7, in an article for the New York Times on economic policy, I called again for a Democratic economic program promising jobs, stable prices, fair credit allocation, and tax redistribution.

On July 24, the House Democratic caucus adopted a resolution on the economy drafted by the Democratic steering committee recommending:

> (1) the adoption of a balanced tax reform package, including measures to offset the harm done by inflation to the purchasing power of middle- and lower-income families, who have suffered most from inflation; (2) cutting out the waste and unnecessary expenditures wherever found; (3) improved and expanded public employment and unemployment compensation programs to combat the rising tide of joblessness and increased efforts to solve the specific problems of the marginally employable; (4) cushioning the impact of monetary restraint and bringing down high interest rates by channelling credit toward credit-starved areas of the economy, such as productive capital investment, housing, state and local governments, and small business, and away from speculative and inflationary use of credit; (5) increasing the supply of scarce materials and forestalling future shortages through advance planning and sensible import, export, subsidy and market policies; (6) consideration and implementation of new policies to place all governmental economic policy machinery on a longer-range basis, including review of government policies in such areas as agriculture, energy transportation, health, defense procurement, and antitrust policy, and development of the Congress' own new budgetary system for long-range purposes, such as the evaluation of long-range effects of changes in taxes and expenditures; (7) efforts by business, labor and government to achieve responsible wage and price behavior; (8) adequate support for badly-needed social programs, such as education, health, housing, and anti-pollution efforts through the increased federal revenues which will automatically result from a healthy economy, and that the appropriate committees of the House be urged to report legislation to implement these recommendations, where possible, in this Congress and, where not, in the 94th Congress.

On August 7, at a national town meeting session devoted to economics, I argued again for a specifically Democratic "humanization" of the Republican "old-time religion" of unrelieved fiscal and monetary austerity.

On September 28, 10 days before President Ford's economic summit, House Speaker **Carl Albert** reaffirmed the caucus economic program:

> But we deeply believe that a viable summit economic program must include three recommendations recently approved by the House Democratic Caucus, . . . public service employment, . . . a clearly defined system for channeling credit, . . . a social contract highlighted by (a) immediate income tax or social security tax relief . . . balanced by the elimination of unjustified tax subsidies . . . and (b) . . . restraint by the business sector in such matters as price behavior and executive compensation.

Speaker **Albert** also spoke strongly in support of the caucus platform at the economic summit itself.

On October 9, in response to questions by CBS radio as to the Democratic Congress response to Mr. Ford's postsummit economic proposals, I said:

> I think he [the President] blew a great opportunity . . . because I and others had gone to the Summit and said: "Mr. President, we will go along with you on fiscal austerity and budget-balancing, even though that doesn't sound much like what Democrats have traditionally thought; we will go along with you on restrictions on the money supply, though that certainly isn't a very populist point of view, if you go along with us on things like credit allocation, and a social contract with working people whereby they get a tax reduction paid for by plugging tax loopholes on the wealthy, and if you go along with us on a real public service employment program across the board which has as its goal the provision of a job for Americans able and willing to work."

Well, we got the back of his hand on all three of those things.

Other groups have endorsed this same

economic program. The Democratic Advisory Council of Elected Officials on November 16 wrote Speaker ALBERT calling for "general easing of credit," "more selective methods of supplying credit" to productive enterprises, such as housing, small businesses and municipal borrowers, enactment of a tax reform package giving relief to low- and moderate-income families to be financed by repealing tax loopholes, and establishment of a "permanent public service employment program" at a size large enough to reduce joblessness. And last Friday, November 22, the Speaker again put forward such a program as the "Democratic alternative."

That is where matters stand now. Democrats both in and out of Congress have agreed on an economic action program to begin to whip unemployment, inflation, and recession. The vast majority of Americans supported the program at the polls. Mr. Ford has repeatedly brushed off attempts by the majority party to secure his cooperation in achieving the program. Congress must now move swiftly on its own to implement these policies.

The Democratic economic program, while recognizing the need for fiscal and monetary moderation, will fight inflation and unemployment on five principal fronts:

First. Public Service Employment. Expanding public service employment into a major program will make possible a significant reduction in unemployment without adding to inflation. The Democratic public service jobs program should satisfy the following criteria:

The program must create enough new jobs to make a real dent in unemployment. With 5.5 million Americans out of work, the 170,000 public service jobs currently funded under the Comprehensive Employment and Training Act are only a drop in the bucket, compared to what is needed. To bring unemployment down to an acceptable level, we should provide from 500,000 to 1,000,000 public service jobs as soon as possible to bring unemployment down to under 5 percent.

The Federal Government should take the initiative to set up public employment where local governments prove unwilling or unable. The CETA leaves it up to local and State governments to act as prime sponsors of public service employment programs. But why should the unemployed be dependent on the whims of local governments that are often blind to the needs of those most likely to be unemployed—the poor, blacks, women, teenagers, the aged?

If local governments do not act—and many have dragged their feet in the past—then let us be sure that the Federal Government has power to take the initiative to establish public programs. We need a new "Civilian Job Corps" to make jobs available to everyone, regardless of where they live.

Every public service worker should be provided a decent living wage. The scale of compensation under some proposed public service employment programs is woefully inadequate. The Federal Reserve's proposal projects an annual wage of $4,000—barely a poverty wage. Let us be sure that the Democratic public service jobs program provides an adequate standard of living.

A public service jobs program must be a reliable source of employment as long as unemployment exists. It is a sad state of affairs that under existing law we must wait until unemployment reaches 6 percent for 3 months before the President of the United States agrees to take the problem seriously enough to release public service jobs funds. Why should we wait until 5.5 million are unemployed before we start providing public service jobs?

Any unemployment when people actively want to work, to provide their own income, is unacceptable. We should have a program that provides jobs to people when they need them, which is anytime they are unemployed.

When unemployment declines below the specified levels, job funding is automatically reduced or terminated, throwing large numbers of public service workers out of jobs or putting an unbearable fiscal burden on local government. Why not avoid these unnecessary dislocations by abandoning unemployment triggers?

The program must provide creative, innovative jobs. Public service employment should not be bureaucratic make-work, filing, jobs that provide little more than an income to those who hold them. Why not have public service workers help the policemen on the beat, especially in light of the recent increases in crime? Why not have them work in a paramedical capacity and bring down health costs? Why not smooth the roadbeds under Amtrak trains to get a decent mass transportation system going? Why not paint and repair inner city housing to help fight the current housing crunch? Such jobs would yield useful public services and at the same time provide training and incentives for upward mobility to the public service worker.

The program must provide jobs for those who would not otherwise be employable. While all unemployed must be helped, we should not repeat the experience of the Emergency Employment Act of 1971, where too much money went to rehire laid-off and highly paid city planners, engineers, and bureaucrats rather than those who really needed public jobs—the semiskilled and unskilled thrown on the mercy of a private sector which had no jobs for them.

The program must be headed by someone who really believes in it. We have only to look at the administration of wage and price controls to see what happens when nonbelievers are put in charge of a program. Let us take care to see that public service employment programs are not similarly discredited by putting the enemy in charge.

There are currently public service employment bills before the House which meet these criteria. Among them are:

H.R. 1415, which I introduced with 85 cosponsors, would put 500,000 unemployed persons in jobs providing needed public services and provide training and manpower services currently unavailable to help public service workers move into private sector and permanent public sector jobs.

H.R. 15476, sponsored by Representative HAWKINS and myself, with 60 other Members, establishes a Job Guarantee Office and Standby Job Corps under the U.S. Full Employment Service to insure paid employment to all adult Americans willing and able to work, and requires the President to develop a national full production and full employment program as part of the annual Economic Report.

H.R. 16150, introduced by Representative VANDER VEEN and cosponsors, would provide funds for 900,000 public service jobs and establish a permanent public service employment fund.

We must also pay attention to improving unemployment compensation. Currently, jobless workers receive about half their weekly wage, up to a $99 maximum, for no more than 34 weeks.

But $99 a week is just barely enough to bring a family up to a poverty level income, totally inadequate in this period of inflation. Furthermore, with unemployment rising to levels we have not seen since the Great Depression, many families—over 30,000 per week at current rates—will exhaust their benefits long before a new job is found.

Congress must act quickly to provide adequate unemployment compensation for the victims of the current recession.

Second. Price controls: With prices rising rapidly since the elimination of controls last spring, many have called—most recently Senator MANSFIELD—for Presidential standby authority to reimpose across-the-board controls on wages, prices, profits, dividends, and interest rates. Given the administration's track record in implementing controls to which it is outspokenly opposed, such a step seems unrealistic at present. Nor does the economic situation really justify across-the-board controls.

What we do need is to give the Council on Wage and Price Stability the power to impose stop orders, ceiling, and rollbacks on "administered" prices—that is, industries where a small number of powerful firms are able to set prices and price hikes unchallenged by competition from smaller firms—the automobile industry, petroleum, iron and steel, coal, chemicals, drugs, basic metals. It is in these areas that most inflationary pressure is now occurring.

I have drawn up legislation to give the Council such authority, as have many other Congressmen. Until Mr. Ford recognizes the necessity of controlling administered prices, however, there seems little use in pressing legislation which require his implementation. Democrats must continue, nonetheless, to advocate controls in the 94th Congress.

Third. Tax reform and relief: With Federal revenues some $60 billion below what they would be in the absence of tax preferences, tax reform has for too long been a major legislative priority blocked by administration opposition, and Ways and Means Committee languor. Now, as inflation, rising payroll taxes, and unemployment take their toll of moderate-income families, with real purchasing power and effective demand slackening, tax relief for low- and middle-income taxpayers is just as urgent.

The Ways and Means tax bill to be reported out this week is a good first start in both directions. Toward tax reform, the bill repeals the oil depletion allowance and imposes a modest windfall profits tax and tightens tax treatment of foreign income. Toward tax relief, the bill raises the low income allowance and increases the standard deduction for those who do not itemize. Overall, the bill will add a small amount to Federal revenues—about $750 million in 1974 rising to $1 billion in 1975 and thereafter.

The House will vote on this bill early in December. We should pass it handily. Let us hope that the Senate follows suit. Should Mr. Ford decide to veto the measure, repassage of the bill and overriding the veto should be the first order of business in the new Congress.

This bill is far from comprehensive, however. The 94th Congress must still undertake the fundamental, revenue-raising tax reform promised for the last 3 years. We need some basic loophole-plugging to get rid of such inefficient, uneconomical provisions as the following: Domestic International Sales Corporations, DISC's, which allow corporations to defer tax on half their export earnings.

This provision, passed in 1971 when the U.S. balance of payments was our overriding concern, has been made obsolete by a new reliance on floating exchange rates internationally. This blanket incentive to export, regardless of whether the commodity is in short supply at home, clearly contributes to inflation. The Ways and Means tax bill trims DISC; next year we must end DISC once and for all.

Capital gains untaxed at death, encourages wealthy holders of appreciated property to hold on to their assets to avoid tax. If an appreciated stock is sold, the owner pays a tax on the gain. If the stock is given away during life, the recipient must eventually pay tax on the donor's gain as well as on his own. But if the stock is transferred at death, neither the original owner nor the heir pays tax on the gain. With lack of investment capital for innovative, technologically-advanced enterprise a crucial bottleneck at present, such a provision is a noose around the neck of economic expansion.

Minimum tax, originally enacted in 1969 to make sure that wealthy loophole enjoyers paid at least a 10-percent "minimum" tax on income otherwise exempted from taxation, was so weakened by exemptions and deductions that the tax is effective at only 4 percent—far less than the average worker, for example, must pay on his earned income. Even the administration has admitted that the tax must be tightened. Making this tax on loophole income effective must be part of a tax reform bill next year.

Hobby farms, run by doctors and dentists hundreds of miles away for the express purpose of generating tax losses to shelter unrelated taxable income, serve only to bid up the price of land and equipment for bona fide working farmers. The 1969 Tax Reform Act attempted timidly to control these shelters. The 1975 Tax Reform Act should end them altogether.

Other tax preferences must also be reexamined: the unlimited deduction of mortgage interest, which results in a Federal subsidy to the wealthy for the purchase of $100,000 homes while the poor go homeless; the asset depreciation range system, which allows corporations to write off certain equipment up to 20 times faster than it is actually depreciating; tax-exempt interest on State and local bonds, which effectively limits the market for these instruments and provides tax bonanzas to taxpayers in the 50-percent-and-up marginal rate bracket.

The revenue raised through these reforms is urgently needed, not just to help balance the budget, but also to finance another form of tax relief—payroll tax reduction. Since 1972, the payroll tax base has risen from $9,000 to $13,200, and the rate has climbed from 5.2 to 5.85 percent. The burden of this increase is borne disproportionately by lower-middle income workers who just cannot be asked to shoulder the only general tax increase in 10 years. H.R. 13803, which I introduced with 37 cosponsors this year, would introduce into the social security tax base a low-income allowance and personal deductions like those in the income tax, phased out progressively for higher incomes. Similar proposals by other members testify to widespread concern over the harsh regressivity of the payroll tax and the urgent need to redistribute the burden. The 95th Congress must exert pressure on the Ways and Means Committee to take up payroll and income tax reform at once.

Fourth. Credit allocation: Allocating credit solely according to ability to pay sky-high interest rates has diverted credit to nonproductive and speculative uses—from empty Florida condominiums to gambling in foreign exchange—and away from uses that provide jobs and expand supplies—low- and middle-income housing and productive capital investment, for example.

On August 8, 1974, 21 Democratic members of the House Banking and Currency Committee introduced House Concurrent Resolution 590, calling for the Federal Reserve Board "to channel extensions of credit toward essential and productive capital investment, low- and middle-income housing, State and local governments, and small business, and away from loans for speculation in real estate and commodities, to finance anticompetitive acquisitions, and for other inflationary purposes."

The Credit Control Act of 1969, which provides the basic authority, gives the Federal Reserve the power to set an upper limit on the percent of any bank's loans and investments which can be used for nonpriority purposes, and allows the Fed to set maximum interest rates, maximum maturities, minimum downpayments, and the maximum amount of credit which may be extended in connection with any purchase or loan.

An alternative to direct credit controls is provided by my bill, H.R. 15709, under which the Federal Reserve would require banks to hold supplemental reserves against nonpriority loans and investments in addition to the reserves currently held against demand and time deposits. At the same time, banks would be allowed credits against these supplemental reserves when they make loans and investments that go for priority purposes. This use of the market mechanism to channel credit where it should go has won the favor of numerous economists and bankers, such as former Federal Reserve Board Governor Andrew Brimmer.

To temper the cry for credit control, however, the Federal Reserve on September 16 issued voluntary credit guidelines to its member banks, urging them to "restrict the growth in their loan portfolios by selecting carefully and responsibly the uses to which they put their loanable funds." The Fed suggested that credit should be channeled away from purely financial activities, such as corporate takeovers; loans for speculative purposes, such as excessive inventory accumulation or investing in land without well-defined plans for its use; and loans to foreigners which divert loans funds from U.S. customers, and toward homebuilding, and capital investment to improve productivity or to increase capacity with particular attention to the essentially of the borrower's product and the borrower's significance as an employer.

On October 11, the Joint Economic Committee asked the Nation's 300 largest banks for data needed to monitor the progress of this voluntary credit program—the percentages of their loans and investments as of September 1, 1974, according to the Fed's guidelines, and their lending targets as of July 1, 1975.

The majority of the 162 banks responding to the JEC's request expected that they could not comply with the Federal Reserve's voluntary program, as too vague.

Since the banks apparently cannot make head or tail of the Fed guidelines, the voluntary approach should be sidetracked in favor of congressional action on either H.R. 15709 or on the Credit Control Act of 1960.

Fifth. Emergency housing assistance: High interest rates and the rising cost of materials and labor have caused housing starts to fall from 2.30 million the the first half of 1973 to 1.12 million in October 1974—a 50-percent decline. The housing depression has had two unfortunate effects. Some 567,000 construction workers are unemployed. And thousands of families, especially young couples looking for a first house, are unable to find suitable homes.

Later this week I shall introduce an emergency housing bill to provide shallow mortgage interest subsidies to homebuyers who apply within 2 years of enactment, and meet certain criteria:

They must have an annual income no greater than 120 percent of the median income of their region, or as determined by the Secretary of HUD. Modest-income families, comprising roughly the middle one-third of American families, have suffered severely from the current economic pinch. They have been hurt most from the rising cost of basic commodities, from higher payroll taxes, from the increase in unemployment. Unlike the bottom one-third, they receive almost no Federal aid in food stamps, income assistance, and other social programs. Unlike the very rich third, they receive almost no benefit from income tax preferences.

Owning a home is a precious dream to many of these families, and, in normal times, a dream which they might surely realize. Through inflation and high interest rates, houses are now priced beyond the reach of most average-income families. The Federal Government has a responsibility to help them through this economic crisis by aiding them to buy suitable homes.

They must be willing and able to pay 6-percent interest on their mortgage. Unlike section 235 housing, my bill would provide only shallow-interest subsidies. The goal of the bill is to supplement nearly adequate financial resources, not to catapult families who really cannot affort it into homeownership. The Federal Government would assume all interest charges greater than 6 percent a year—with the average mortgage rate now 10 percent, the Government would thus pay 4 percent—leaving the buyer responsible for principal repayment and the more reasonable 6-percent interest rate.

They must be able to assume the full interest payments after 4 years. Again unlike the section 235 housing program, Emergency Middle Income Housing Act of 1974 does not entail a 20- or 30-year drain on the Federal Treasury. It is aimed primarily at young couples who look forward to financial security, but are for the moment unable to find money for the house they need. As their income naturally rises, they will be in a position to assume full responsibility for their home payments.

The house—or condominium or cooperative—must have been built with some consideration of the most efficient use of land and energy. Unlike earlier programs, my bill would stimulate new and better residential planning, an alternative to the suburban sprawl which disfigures countless landscapes and burns up scarce energy resources.

My bill would provide assistance directly to the housing industry, a far more efficient way to tackle the problem than the proposed savings account interest tax deduction reported out by the Ways and Means Committee. The tax deduction benefits the rich more than the average family, loses $2 billion a year in Federal revenues, and would provide, at best, a $3.5 billion influx of funds into new housing—and that for 1 year only! The Emergency Middle Income Housing Act, on the other hand, with an approximate average annual cost of $650 per house, will stimulate new housing, expand construction employment, and give moderate-income families a hand toward buying a decent home.

Such a Democratic program will do even more than provide jobs, reasonable price stability, fairer taxes, fairer and more efficient credit allocaton, and more housing: It will form the basis of the new social contract which is essential if we are to survive this economic crisis. Workers, seeing their interests sincerely considered by the Government, will have reason to moderate wage increase demands. Businesses, for their part, must show similar restraint in setting prices and rates of executive compensation. In this way a momentum to inflation will be halted, and a barrier to restored productivity and economic growth removed.

There are other steps towards economic recovery, of course, which should be taken.

Scarce supplies of basic commodities have exacerbated inflationary pressures. Sensible export and import policies, advance planning and marketing advice are needed to expand supplies and eliminate bottlenecks.

Government regulatory agencies must be thoroughly examined to make sure that they are fulfilling their statutory responsibilities on which the health of the economy in part depends. Is the CAB doing its best to promote competition and reasonable air fares? Is the FTC subjecting natural gas producers' price hikes to the strictest scrutiny? Reform of many of these agencies is in order.

But the Democratic program described above—public service jobs, control of administered prices, tax reduction and reform, credit allocation, an emergency housing program all leading to a social contract between workers, business, and the Government—covers the commanding heights of economic policy. If we can act promptly and unequivocally on this program—and I believe that this strongly Democratic Congress has the will, as well as the votes, to do so—we will be on the path to full employment without inflation.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR SEPTEMBER, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, I would like to submit for inclusion in the RECORD the September update of recruiting results in the All Volunteer Force. The total strength of the four military services at the end of August was about 2,153,000. The total was 99 percent of their target of 2,168,000.

ACTIVE MILITARY STRENGTHS

[Amounts in thousands]

	August 1974 (preliminary)	July 1974 (actual)	June 1975 (authorization)
Army	780	783	785
Navy	546	547	540
Marine Corps	190	189	196
Air Force	636	642	628
Total, DOD	2,153	2,161	2,149

The total of 49,200 men and women recruited in September was within 300 or 0.6 percent of the total objective of 49,500. In the first quarter of fiscal year 1975 the four military services recruited about 144,000 men and women or 98 percent of their objective of 146,800. The quarterly total of 144,000 was 30,400 or 27 percent above the 113,500 men and women recruited in the first quarter of fiscal year 1974. Increases in recruiting were obtained by each of the four military services with the largest proportionate increases occurring in the Army—plus 41 percent—and the Marine Corps—plus 29 percent. Although the Navy did not achieve its desired recruiting objective in the first quarter of this fiscal year, it did recruit 6,400 or 21 percent more men and women than in the same period last year.

ENLISTED ACCESSIONS—ALL SOURCES

[To nearest 100]

Service	September 1974 Objective	September 1974 Actual	September 1974 Percent	1st quarter Fiscal year 1975	1st quarter Fiscal year 1974	Percent change
Army	22,800	23,500	103	67,300	47,800	+41
Navy	13,800	12,700	92	36,200	29,800	+21
Marine Corps	6,100	6,100	100	18,700	14,500	+29
Air Force	6,900	6,900	100	21,900	21,500	+2
Total, DOD	49,500	49,200	99	144,000	113,500	+27

In September, as well as the entire first quarter of fiscal year 1975, 90 percent of all nonprior service enlistees were in mental categories I–III which are the average and above average mental groups. Of the September nonprior service enlistees 66 percent were high school graduates, compared to 68 percent for the entire first quarter. Women accounted for 4,100 of the new enlistees in September and 12,100 in the first quarter. Black enlistments accounted for 21 percent of the September enlistments and 22 percent of the total for the first quarter.

BLACKS AS A COMPONENT OF ENLISTMENTS AND STRENGTHS

	Percent of total enlistments for the 1st quarter of fiscal year 1974 (July–September)	Percent of total enlisted strength as of June 1974
Army	28	21
Navy	14	8
Marine Corps	20	18
Air Force	18	14
Total, DOD	22	16

The total selected reserve strengths decreased slightly during August:

SELECTED RESERVE STRENGTHS

[Amounts in thousands]

	End strengths July 1974	End strengths August 1974	End strengths June 1975 target	Average strengths Fiscal year 1975 thru August	Average strengths Fiscal year 1975 authorized
Army National Guard	397.0	395.1	405.5	396.1	400.0
Army Reserve	233.1	232.6	226.4	232.9	225.0
Naval Reserve	113.6	113.1	106.2	113.3	117.0
Marine Corps Reserve	31.1	31.2	29.2	31.1	36.7
Air National Guard	93.6	93.6	90.7	93.6	95.0
Air Force Reserve	45.4	45.2	50.2	45.3	51.3
Total, DOD	913.8	910.8	908.3	912.3	925.0

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR OCTOBER, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, so that these figures will be available for all Members of the House, I am again placing in the RECORD the Department of Defense's recruiting results for the month of October. These figures indicate that the total strength of the four military services at the end of September was about 2,155,000, or 99 percent of their September target of 2,174,000. Strengths by service are compared with their June 1975 authorizations in the table below:

ACTIVE MILITARY STRENGTH

[Thousands]

	September 1974 (preliminary)	June 1975 (authorization)
Army	784	785
Navy	545	540
Marine Corps	192	196
Air Force	634	628
Total, DOD	2,155	2,149

In October, 41,800 men and women were recruited which is about 1 percent above the total objective of 41,500:

ENLISTED ACCESSIONS—ALL SOURCES

Service	October 1974 Objective	Actual	Percent
Army	18,900	19,600	104
Navy	11,100	10,800	97
Marine Corps	5,300	5,000	97
Air Force	6,300	6,300	100
Total DOD	41,500	41,800	101

Ninety-three percent of all non-prior-service enlistees were in mental categories I–III, which are the average and above-average mental groups. This was the highest proportion of average and above-average mental category enlistees since June 1973. Approximately 64 percent of the new enlistees were high school graduates and about 9 percent, or 3,400, were women. Black enlistments accounted for 19 percent of the October enlistments compared to 21 percent in September. The services also recruited about 3,400 prior-service personnel.

The total selected reserve strengths declined slightly during September.

I include the following tables:

SELECTED RESERVE STRENGTHS

[In thousands]

	End strengths		Average strengths	
	September 1974 (preliminary)	August 1974 (actual)	Fiscal year 1975 through September	Fiscal year 1975 authorized
Army National Guard	392.2	395.1	394.8	400.0
Army Reserve	232.3	232.6	232.7	225.0
Naval Reserve	112.3	113.1	113.0	117.0
Marine Corps Reserve	31.7	31.2	31.3	36.7
Air National Guard	93.7	93.6	93.6	95.0
Air Force Reserve	45.3	45.2	45.3	51.3
Total DOD	907.5	910.8	910.7	925.0

OCTOBER RESULTS

QUANTITY

TOTAL MILITARY STRENGTHS—ACTUALS VS. OBJECTIVES

[Thousands]

	End of September 1974	Actual	
	Objective	Number	Percent of objective
Army	781	784	100
Navy	557	545	98
Marine Corps	190	192	101
Air Force	647	634	98
Total, DOD	2,174	2,155	99

ENLISTED ACCESSIONS—ALL SOURCES

	October				
	Objective	Actual	Percent	September, percent	Fiscal year 1975 to date, percent
By Service					
Army	18,900	19,600	104	103	103
Navy	11,100	10,800	97	92	91
Marine Corps	5,300	5,100	97	100	99+
Air Force	6,300	6,300	100	101	101
Total	41,500	41,800	101	99	99
By Source					
Nonprior service:					
Men	35,900	35,000	98	97	96
Women	3,000	3,400	114	126	117
Prior service	2,700	3,400	127	115	108

ENLISTED ACCESSIONS—MALE NONPRIOR SERVICE

	October				
	Objective	Actual	Percent	September, percent	Fiscal year 1975 to date, percent
By Service					
Army	15,600	15,300	98	98	99
Navy	10,000	9,600	95	90	89
Marine Corps	5,000	4,800	97	101	100
Air Force	5,300	5,300	100	101	101
Total DOD	35,900	35,000	98	97	96

ENLISTED ACCESSIONS—FEMALE NONPRIOR SERVICE

By Service					
Army	1,600	2,000	124	149	132
Navy	400	500	107	109	104
Marine Corps	100	100	103	106	103
Air Force	800	900	101	101	101
Total DOD	3,000	3,400	114	126	117

FISCAL YEAR 1975 ARMY COMBAT—ARMS ENLISTMENTS

		Fiscal year through October—actual			
	Objective	Bonus (4 yr)	Nonbonus (2-3 yr)	Total	Percent
Total	16,407	4,706	7,528	12,234	[1] 75
Blacks					
Total		1,099	1,508	2,607	
Percent		23	20	21	

[1] Shortfalls are made up by assigning enlistees not guaranteed a specialty.

TURNOVER TRENDS

	2-year term accessions as a percent of total accessions		Average length of initial term (years)		
	Fiscal year 1975	Fiscal year 1975 (July-October)	Fiscal year 1971	Fiscal year 1975 (July-October)	Percent increase
DOD overall	44	17	2.9	3.3	13
Army overall	62	24	2.4	2.9	19
Army combat arms	76	19	2.2	3.1	41

QUALITY

ENLISTED ACCESSIONS—NONPRIOR SERVICE MEN AND WOMEN

	October		September (percent)	Fiscal year 1975 to date (percent)
	Number	Percent		
High School Graduates				
Army	10,100	59	60	61
Navy	6,600	66	69	69
Marine Corps	2,500	50	57	58
Air Force	5,400	88	91	90
Total, DOD	24,600	64	66	67
Mental				
Mental Group IV				
Army	1,970	11	16	16
Navy	610	6	6	6
Marine Corps	160	3	5	5
Air Force	30	<1	1	<1
Total, DOD	2,760	7	10	10

REPRESENTATION

ENLISTED ACCESSIONS—NONPRIOR SERVICE, MEN AND WOMEN

	October		September percent	Fiscal year 1975 to date percent
	Number	Percent		
Black Enlistments				
Army	4,100	24	26	27
Navy	1,200	12	13	13
Marine Corps	1,100	22	22	21
Air Force	1,000	16	15	18
Total DOD	7,400	19	20	21

ENLISTED ACCESSIONS—NONPRIOR SERVICE WOMEN

	Number of enlistments (thousands)			
	Actual (fiscal year)			Plan, fiscal year 1975
	1971	1973	1974	
Army	5.2	8.7	15.4	18.6
Navy [1]	2.5	4.9	6.7	7.1
Marine Corps	1.1	1.1	1.2	1.3
Air Force	4.3	6.2	8.0	10.0
Total DOD	13.1	20.8	31.5	36.9
Percent of total NPS	2.4	4.7	8.2	8.4

[1] Fiscal year 1974–75 data includes, fiscal year 1971–73 data excludes, reserves entering for extended active duty periods of at least 2 yrs.

WOMEN AS A COMPONENT—OF TOTAL MILITARY STRENGTH (END OF FISCAL YEAR)

	Number in service (thousands)			
	Actual (fiscal year)			Plan, Fiscal Year 1975
	1971	1973	1974	
Army	16.9	20.8	30.7	40.7
Navy	8.8	12.3	17.0	21.6
Marine Corps	2.3	2.3	2.7	3.0
Air Force	14.8	19.7	24.2	30.4
Total DOD	42.8	55.1	74.7	95.7
Percent of total	1.6	2.4	3.5	4.5

SUPPORT OF RESEARCH AND TREATMENT FOR INFERTILITY PROBLEMS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, while we do

so much for contraception, we do relatively nothing for fertility. It is estimated that one out of seven couples—3½ million couples—are unable to have children. In addition, there are over 2½ million couples whose female partner has difficulty conceiving or carrying a child to term. Many of these married couples would like to have children and are unable to. They should be able to find medical assistance to help them have children as easily as others can to limit theirs.

Existing family planning services are primarily designed to prevent the cycle of unwanted children. The support they have offered has been contraceptive in nature including programs to distribute birth control devices or drugs, making it possible for families to space their children if they wish.

Legislation Dr. Carter, the gentleman from Kentucky, and I are introducing today would establish programs to assist research in fertility, sterility, and the reproductive process. Specialized regional treatment centers would be set up to provide infertility diagnosis and treatment for men and women, gynecological services, medical examinations, pelvic and breast examinations, pap smears, blood tests, blood pressure, urinalysis, and VD tests. Such services will also provide a major source of preventive health care for women of childbearing age.

At the present time, it is our understanding that any federally funded infertility service deals only with interconceptual care between pregnancies. These programs should give more than contraceptive care. They should provide counseling for childless couples who would like to have children and referral to specialized regional treatment centers.

In the United States last year and for the second consecutive year, birth rates as well as fertility rates fell to their lowest points in history. The population "replacement level" of 2.1 children per family dropped to 1.9. Last year births in the United States were the smallest number since 1945. The number of marriages for 1973 showed the smallest increase since 1959.

We are putting millions of dollars into limiting the size of families. But there are those childless couples—12 million people—who would like to increase their number but are unable to. The state of present medical knowledge is such that many such families can be helped. We want to help them and such research programs and treatment centers would provide the needed assistance.

The cosponsors of the bill Dr. Carter and I are introducing today are Ms. Abzug, Mr. Brown of California, Mr. Conte, Mr. Fraser, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, and Mr. Rangel.

COSTLY, DANGEROUS PRESCRIPTION DRUG MARKETING ABUSES CAN BE ENDED

(Mr. KOCH asked and was give permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Representatives James Symington, Frank Evans, and I, together with Representatives Bella Abzug, George Brown, Dante Fascell, Ken Hechler, Henry Helstoski, John Murphy, Charles Rangel, Ben Rosenthal, and Fernand St Germain today reintroduced H.R. 17299, the Drug Safety, Consumer Information, and Medical Records Act.

Recent hearings by the Senate Health Subcommittee over a 6-month period uncovered massive abuses in the advertising, marketing, and promotion of prescription drugs. Out of these hearings came legislation, S. 3441, sponsored by Senators Kennedy, Randolph, Pell, Hathaway, Stafford, and Cranston. While not identical to S. 3441, our legislation is a companion measure.

The legislation we have introduced will:

Establish a National Center for Clinical Pharmacology to improve the study of clinical pharmacology and to review problems associated with drug prescribing;

Regulate drug promotions, including the certification of manufacturers' representatives—"detailmen"—and the banning of related gifts to drugstores and doctors;

Require publication of the therapeutic equivalence of drugs;

Provide additional drug information to consumers;

Standardize the labeling of drugs; and

Give the Food and Drug Administration mandatory recall authority for adulterated or misbranded foods, drugs and cosmetics.

While the exact figure is not known, the number of American dying annually from adverse drug reactions has been estimated at 30,000, approaching the number dying on our highways. The testimony earlier this year before the Senate Health Subcommittee, chaired by Senator Kennedy, indicated that $2 billion is spent annually to cover costs associated with adverse drug reactions.

With the assistance of my coinitiating sponsors, Representative Symington, who is on the Subcommittee on Public Health, which has jurisdiction over the bill, and Representative Evans, and with the help of our other colleagues who are cosponsors, I am hopeful that there will be hearings and action on this legislation early in the next session of Congress.

Our legislation adds six provisions to its Senate counterpart—Food and Drug Administration mandatory recall authority, reporting by doctors of adverse drug findings, special grants to consumer groups, protection of confidentiality of records produced under the bill, increased criminal penalties, and access to records by appropriate congressional committees and committee members.

The bill authorizes $17 million over 2 years for the establishment and staffing of a new National Center for Clinical Pharmacology; $6 million over 2 years for the creation of a comprehensive, mandatory reporting system on adverse drug reactions; and $550,000 for a 2-year study, in cooperation with appropriate medical organizations, of prescribing practices.

This bill will not only save lives, but will keep thousands out of hospitals. I urge the support of our colleagues.

JAMES A. TUMULTY

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, on Sunday, November 24, 1974, one of the most distinguished members of the Hudson County and New Jersey Bar Associations passed away at his home in Jersey City. For more than a half century, James A. Tumulty, Jr. was one of the foremost figures in the legal profession in the State of New Jersey.

In addition to his private practice, Mr. Tumulty served in a number of public positions including the post of city clerk for the city of Jersey City, and later as head of the law department for the city. From 1963–70, Mr. Tumulty was county prosecutor for Hudson County.

Mr. Tumulty was predeceased by his wife, the former Isabelle Warmsley and he is survived by two children, a son, Terence and a daughter, Shelia Patricia Simpson, a former staff member here on Capitol Hill, and a brother, John E. Tumulty of Jersey City.

For more than 40 years James A. Tumulty and I were fellow members of the Hudson County Bar Association so his passing is a deep personal loss to me. I know that James A. Tumulty will be missed by everyone in Jersey City just as he will be missed by the Daniels family. Mrs. Daniels joins me in expressing our hope that Almighty God will shine his blessings on him and that in the days that are to come his family will find consolation from the record he left.

FEDERAL ENERGY ADMINISTRATION

(Mr. KOCH asked and was given per-permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I wish to bring to the attention of our colleagues the fact that on November 11, the Federal Energy Administration published a proposed rule which violates the spirit and the letter of the Emergency Allocation Act of 1973 under which that agency is presumably operating.

In section 4(b)(1)(F) the Emergency Allocation Act provides for:

> Equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry.

The recent proposed FEA regulations to allocate less expensive "old" domestic crude in order to equalize petroleum prices for various sectors of the economy in reality only provides equalization for certain sectors, and completely neglects others. I am especially concerned that electric utilities, which depend on expensive foreign residual oil, would receive virtually no relief under the proposed system. If this proposed regulation becomes effective, the Nation will have to live with an "old" oil allocation program that will have virtually no effect on the millions of electric utility customers who have seen their utility bills double and even triple in recent months, and who have thus been bearing a disproportionate share of the burden created by the current high price of oil.

Earlier this fall the FEA proposed five different "old" oil allocation programs. My colleagues in the Florida congressional delegation and I, along with many other Members from around the country, joined in support of alternative proposal No. 3 which would have provided fair and equitable price equalization to all sectors of the economy.

FEA has now chosen to ignore all of the alternatives it presented earlier, and has promulgated a completely new plan which provides for only partial equalization. I intend to oppose this proposed regulation, and I urge our colleagues to join me in the interest of equal treatment and fairness so clearly spelled out in the Emergency Allocation Act of 1973. I want to especially urge those members whose constituents use electricity from utilities which depend on foreign residual oil to protest this regulation which will perpetuate the enormous and inflationary fuel surcharges that have plagued millions of households in recent months.

Mr. Speaker, I would like to bring to the attention of our colleagues a letter from the Honorable William Bevis, chairman of the Florida Public Service Commission to Mr. Robert Montgomery, Jr., General Counsel, Federal Energy Administration. I think Mr. Bevis' letter speaks with great clarity on this important issue of price equalization and the deficiencies of the present FEA proposed rulemaking. I am also bringing to our colleagues' attention the letter I have written to Energy Administrator John Sawhill regarding this matter.

The article follows:

FLORIDA PUBLIC SERVICE COMMISSION,
Tallahassee, Fla., November 15, 1974.

Re Supplemental comments on allocation of old oil-ten copies.

Mr. ROBERT E. MONTGOMERY, Jr.,
General Counsel,
Federal Energy Administration,
Washington, D.C.

DEAR MR. MONTGOMERY: After review of the Federal Energy Administration's proposed amendments to Parts 211 and 212 of Chapter II, Title 10, Code of Federal Regulations we conclude that subject amendments will not eliminate or even noticably reduce "the economic distortion caused by unequal access to price-controlled domestic oil" and hence will only add "unnecessary interference with market mechanisms that would otherwise operate more effectively." In view of the above we conclude that the current proposals are not worth the effort and suggest once again, that you return to either Alternative III or IV previously published for comment by the FEA.

Our objection to the current proposal is the definition of "weighted average domestic cost" which implies that imported No. 6 residual fuel oil costs will be weighed *only* with domestic residual costs. As such little domestic residual fuel oil is produced, any weighing of costs will yield only negligible results not worth the bureaucratic effort. Our same general comments apply to kerosene, type No. 2 heating oil and diesel oil.

Instead we urge you to propose amendments which equalize import and domestic products price among all fuels; gasolines, kerosenes, residuals and other refined petroleum products as the FEA originally proposed in Alternative's III and IV.

We wish to point out that east coast electric utilities have relied heavily on imported residual oil for boiler fuel so as to maximize domestic production of gasolines. The historical economic distribution pattern was arranged by the oil companies because of the accessibility of port terminals for their ocean tanker fleet and the higher gasoline yields from domestic sweet crude oil.

If our understanding of the current FEA proposal is correct, substantial benefits would accrue to a relatively few domestic refiners and marketers while at the same time very little if any relief would be provided for the millions of electric utility rate payers who, through no fault of their own, are bearing the horrendous economic burden of imported residual oil.

Sincerely,

W. H. "BILL" BEVIS,
Chairman.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 21, 1974.

Hon. JOHN SAWHILL,
Administrator,
Federal Energy Administration,
Washington, D.C.

DEAR MR. SAWHILL: I am writing to strongly oppose the proposed Federal Energy Administration amendments to Parts 211 and 212 of Chapter II, Title 10 of the Code of Federal Regulations, as published in the November 11 Federal Register.

Section 4(b)(1)(F) of the Emergency Allocations Act provides for "equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry." I do not believe that this most recent proposed crude cost equalization program can be considered to fulfill the clear mandate of the Congress in this regard. While certain sectors of the economy and the petroleum industry would be the beneficiaries of substantial equalization relief, other sectors would receive only token relief and would thus continue to bear a disproportionate share of the burden of the present high price of domestic new, released, and stripper oil as well as foreign oil.

I am especially concerned that electric utilities which depend on expensive foreign residual oil will not be equitably treated. Specifically, my objection in this area concerns the fact that the proposal would weigh imported residual fuel oil costs only with domestic residual costs for the purpose of determining entitlements. Since little domestic residual fuel oil is produced, the result will be only negligible equalization.

I dispute FEA's contention that full equalization for imported fuels with all other fuels would necessarily result in a disincentive to reduce imports and increase domestic crude production and refinery activity. A slight disincentive to import could easily be incorporated into the equalization formula to solve this problem.

I must also contest FEA's expression of the supposed inappropriateness of shifting some of the price burden away from utilities in the eastern U.S. In so doing, I wish to point out that east coast electric utilities have relied heavily on imported residual oil for boiler fuel so as to maximize domestic productions of gasolines. The historical economic distribution patterns were arranged by the oil companies because of the accessibility of port terminals for their ocean tanker fleets and the higher gasoline yields from domestic sweet crude oil combined with more advanced refining capabilities in the U.S. as compared with a number of foreign residual oil suppliers. The existence of this traditional flow of petroleum products in no way constitutes a rationale for continuing the present unequal pricing system, especially now that the entitlements concept has made price equalization both feasible and probable.

I am completely in favor of, and highly impressed with, the concept of price equalization of petroleum products through the use of entitlements, and I commend FEA's initiative in this regard. I believe that it is a concept which if properly executed will serve to more fairly distribute the burden of high oil prices, while at the same time take an important first step toward deallocation of the petroleum market in a manner which protects consumers and independents. Unfortunately, the most recent FEA proposal does not fulfill the promise which this concept offers. I therefore request that FEA drop the present proposal, and reconsider alternatives three and four as set forth in the FEA proposed rulemaking of August 30 in order to provide for the institution of an entitlements program which provides for equitable distribution of the burden of high oil prices, as dictated by the Congress in the Emergency Allocation Act of 1973.

Sincerely,

DANTE B. FASCELL,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. HOWARD (at the request of Mr. O'NEILL), for today, on account of illness.

Mr. GUYER (at the request of Mr. RHODES), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ROGERS, for 10 minutes, at the close of business today, and to revise and extend their remarks and include extraneous material:

(The following Members (at the request of Mr. STEELMAN) to revise and extend their remarks and include extraneous material:)

Mr. FORSYTHE, for 10 minutes, today.
Mr. BAUMAN, for 5 minutes, today.
Mr. FRENZEL, for 60 minutes, today.
Mr. RUPPE, for 5 minutes, today.

(The following Members (at the request of Mr. MOAKLEY) to revise and extend their remarks and include extraneous material:)

Mr. MEZVINSKY, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. BLATNIK, for 5 minutes, today.
Mr. REUSS, for 45 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. STEELMAN) and to include extraneous matter:)

Mr. WYATT.
Mr. BAKER.
Mr. ANDERSON of Illinois in two instances.
Mr. GILMAN.
Mr. WYLIE.
Mrs. HECKLER of Massachusetts.
Mr. COLLINS of Texas.
Mr. SHUSTER.
Mr. FRENZEL.
Mr. MCCLORY.
Mr. LAGOMARSINO.
Mr. SKUBITZ.
Mr. LANDGREBE in three instances.
Mr. KETCHUM.
Mr. HOSMER.
Mr. BAFALIS in three instances.
Mr. MINSHALL of Ohio.
Mr. WHITEHURST.

(The following Members (at the request of Mr. MOAKLEY) and to include extraneous matter:)

Mr. CORMAN.
Mr. ANDERSON of California in three instances.
Mr. RARICK in three instances.
Mr. GONZALEZ in three instances
Mr. ANNUNZIO in six instances.
Mr. DE LUGO in two instances.
Mr. MOAKLEY in 10 instances.
Mr. MURTHA.
Mrs. SCHROEDER.
Mr. KARTH in two instances.
Mr. ROONEY of New York.
Mr. RONCALIO of Wyoming in 10 instances.
Mr. ICHORD.
Mr. GAYDOS.
Mr. FRASER.
Mr. SEIBERLING in 10 instances.
Mr. STOKES.
Mr. LONG of Maryland.
Mr. TEAGUE.
Mr. YATES in two instances.
Mr. DELANEY.
Mr. DRINAN in 10 instances.
Mr. LONG of Louisiana.
Mr. HELSTOSKI in two instances
Mr. VAN DEERLIN.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 600. An act to designate certain natural wildlife refuge lands as wilderness; to the Committee on Interior and Insular Affairs.

S. 3830. An act to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements; to the Committee on Rules.

S.J. Res. 224. Joint resolution to authorize and request the President to issue a proclamation designating January 1975, as "March of Dimes Birth Defects Prevention Month"; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. HAYS from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 16757. An act to extend the Emergency Petroleum Allocation Act of 1973 until August 31, 1975; and

H.R. 17434. An act to amend the National Wildlife Refuge System Administration Act of 1966 to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 386. An act to amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems;

S. 1064. An act to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification; and

S. 2299. An act to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Tuesday, November 26, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2998. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Transportation for "Operating Expenses" for fiscal year 1975 has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679 of the Revised Statutes, as amended [31 U.S.C. 665]; to the Committee on Appropriations.

2999. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period November 15, 1974, to February 15, 1975, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

3000. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting a report of the facts and the justification for the proposed closing of Frankford Arsenal, Pennsylvania, pursuant to section 613 of Public Law 89–568; to the Committee on Armed Services.

3001. A letter from the General Manager, Washington Metropolitan Area Transit Authority, transmitting three reports entitled "Six-Year Capital Obligations and Expenditures Review", "Six-Year Commodity and Labor Price Movement Review", and "Office of Program Control Quarterly Report No. 3"; to the Committee on the District of Columbia.

3002. A letter from the Chairman, National Capital Planning Commission, transmitting a copy of the quarterly review of Commission proceedings; to the Committee on the District of Columbia.

3003. A letter from the Secretary of Health, Education, and Welfare, transmitting the report of the Architectural and Transportation Barriers Compliance Board, pursuant to section 502 of the Rehabilitation Act of 1973; to the Committee on Education and Labor.

3004. A letter from the Under Secretary of Health, Education, and Welfare, transmitting notice of proposed rulemaking to issue priorities for financial assistance under the Environmental Education Act, as amended, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3005. A letter from the Under Secretary of Health, Education, and Welfare, transmitting notice of proposed regulations and guidelines governing the Library Services and Construction Act, as amended, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3006. A letter from the Chairman, National Commission for Manpower Policy, transmitting a statement on the dates by which the Commission expects to file certain reports required by law; to the Committee on Education and Labor.

3007. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the quantities and actual value of major items of excess military equipment programed during September 1974, for delivery on a grant basis, in addition to those previously reported for fiscal year 1975, pursuant to section 8(d) of Public Law 91–672 [22 U.S.C. 2321b(d)]; to the Committee on Foreign Affairs.

3008. A letter from the Director, U.S. Information Agency, transmitting the 41st semiannual report of the Agency, covering the 6 months ended December 31, 1973, pursuant to section 1008 of Public Law 80–402 [22 U.S.C. 14339]; to the Committee on Foreign Affairs.

3009. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Williams Bros. Engineering Co., Tulsa, Okla., for a research project entitled "Oil Recovery by Carbon Dioxide Injection," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

3010. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Guyan Oil Co., Inc., Huntington, W. Va., for a research project entitled "Oil Recovery by Carbon Dioxide Injection," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)] to the Committee on Interior and Insular Affairs.

3011. A letter from the Deputy Assistant Secretary of the Interior transmitting a copy of a proposed contract with Hanover Planning Co., Inc., Dallas, Tex., for a research project entitled "Oil Recovery by Thermal Methods," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

3012. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Husky Oil Co., Cody, Wyo., for a research project entitled "Oil Recovery by Thermal Methods," pursuant to section 1(d) of Public Law 89–

672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

3013. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation for the relief of John A. Townsley; to the Committee on the Judiciary.

3014. A letter from the Administrator of General Services, transmitting a prospectus proposing the acquisition of space, under a lease arrangement, in a facility to be constructed for use as a Federal Executive Institute and Managerial Training Center, Civil Service Commission, at Charlottesville, Va.; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of Nov. 21, 1974*]

[*Pursuant to the order of the House on Nov. 21, 1974, the following report was filed on Nov. 22, 1974.*]

Mr. **MILLS**: Committee on Ways and Means. H.R. 17045. A bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States (Rept. No. 93–1490). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Nov. 25, 1974*]

Mr. **DULSKI**: Committee on Post Office and Civil Service. Report on improved manpower management in the Federal Government—examples for the period January through June 1974 (Rept. 93–1491). Referred to the Committee of the Whole House on the State of the Union.

Mr. **POAGE**: Committee on Agriculture. H.R. 13022. A bill to amend the act of September 2, 1960, as amended, so as to authorize different minimum grade standards for packages of grapes and plums exported to different destinations (Rept. No. 93–1492). Referred to the Committee of the Whole House on the State of the Union.

Mr. **PERKINS**: Committee on Education and Labor. H.R. 17474. A bill to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act; with amendments (Rept. No. 93–1493). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. **BRADEMAS** (for himself, Mr. QUIE, and Mr. PERKINS):

H.R. 17503. A bill to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals; to the Committee on Education and Labor.

By Mr. **BRADEMAS** (for himself, Mr. QUIE, Mr. PERKINS, Ms. MINK, Mr. HANSEN of Idaho, Mr. THOMPSON of New Jersey, Mr. PEYSER, Mr. MEEDS, Mr. SARASIN, Ms. HANSEN of Washington, Mr. CEDERBERG, Mr. BELL, Mr. LEHMAN, and Mr. MAZZOLI):

H.R. 17504. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965 to create the American Film Institute as an independent agency; to the Committee on Education and Labor.

By Mr. **MAHON**:

H.R. 17505. A bill to rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. 93–361), October 4, 1974 (H. Doc. 93–365) and November 13, 1974 (H. Doc. 93–387), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. **STUBBLEFIELD** (for himself, Mr. JONES of North Carolina, Mr. ROSE, Mr. LITTON, Mr. MIZELL, Mr. MADIGAN, Mr. YOUNG of South Carolina, Mr. PERKINS, Mr. FUQUA, and Mr. WAMPLER):

H.R. 17506. A bill to adjust price support for tobacco under the Agriculture Act of 1949; to the Committee on Agriculture.

By Mr. **BAKER**:

H.R. 17507. A bill to amend the Commodity Futures Trading Commission Act of 1974; to the Committee on Agriculture.

By Mr. **BAUMAN**:

H.R. 17508. A bill to amend the Coastal Zone Management Act of 1972 to suspend until no later than June 30, 1976, Federal oil and gas leasing in areas seaward of State coastal zones; to the Committee on Merchant Marine and Fisheries.

By Mr. **DENT** (for himself and Mr. PERKINS):

H.R. 17509. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses; to the Committee on Ways and Means.

By Mr. **FINDLEY**:

H.R. 17510. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that act; to the Committee on Agriculture.

By Mr. **KOCH** (for himself, Mr. SYMINGTON, Mr. EVANS of Colorado, Ms. ABZUG, Mr. BROWN of California, Mr. FASCELL, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. MURPHY of New York, Mr. RANGEL, Mr. ROSENTHAL, and Mr. ST GERMAIN):

H.R. 17511. A bill to amend the Public Health Service Act to provide for a National Center for Clinical Pharmacology, to provide support for the study of clinical pharmacology and clinical pharmacy, and to provide for review of drug prescribing; and to amend the Federal Food, Drug, and Cosmetic Act to provide for additional regulation of drug promotions, to provide for recordkeeping and reporting for all drugs, to provide for certification of programs respecting manufacturers' representatives, to provide for the submission of data relating to therapeutic equivalence of drugs, to provide for the certification of certain drugs, to provide for a national drug compendium, to provide additional drug information to consumers, to establish a code system for the identification of all drugs, to provide for the recall of adulterated or misbranded foods, drugs, and cosmetics and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. **KOCH** (for himself, Mr. CARTER, Ms. ABZUG, Mr. BROWN of California, Mr. CONTE, Mr. FRASER, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, and Mr. RANGEL):

H.R. 17512. A bill to amend the Public Health Service Act to establish a program of Federal financial assistance for research programs and specialized treatment centers for the study and treatment of problems respecting human fertility and sterility and the human reproductive process, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. **LITTON** (for himself, Mr. LONG of Maryland, and Mr. MAZZOLI):

H.R. 17513. A bill to prohibit, except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which does not make reasonable and productive efforts, especially with regard to family planning, designed to alleviate the causes of the need for assistance provided under such act; to the Committee on Agriculture.

By Mr. **MELCHER** (for himself, Mr. ANDREWS of North Dakota, Ms. ABZUG, Mr. BROWN of California, Mr. DENHOLM, Mr. WRIGHT, Mr. HELSTOSKI, and Mr. LITTON):

H.R. 17514. A bill to provide for the purchase of animals and animal food products for use in foreign and domestic food relief programs, and for other puposes; to the Committee on Agriculture.

By Mr. **SYMINGTON** (for himself and Ms. SCHROEDER):

H.R. 17515. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on the Judiciary.

By Mr. **NICHOLS**:

H.R. 17516. A bill to provide that the reservoir formed by the lock and dam referred to as the Jones Bluff Lock and Dam on the Alabama River, Ala., shall hereafter be known as the R. E. "Bob" Woodruff Reservoir; to the Committee on Public Works.

By Mr. **BAUMAN**:

H. Con. Res. 687. Concurrent resolution relating to the impact of oil leasing activities on the coastal zones of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. **PATMAN** (for himself and Mr. BARRETT):

H. Con. Res. 688. Concurrent resolution to provide additional copies of Housing Compilation; to the Committee on House Administration.

By Mr. **WYLIE** (for himself and Mr. DEVINE):

H. Res. 1476. Resolution commending "Woody" Hayes and his Ohio State University football team; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

565. By the **SPEAKER**: Petition of the Library Trustees Foundation of New York State, New York, N.Y., relative to a White House Conference on Library and Information Sciences; to the Committee on Education and Labor.

566. Also, petition of the Municipal Council, Caracas, Venezuela, relative to Venezuelan petroleum policies; to the Committee on Foreign Affairs.

567. Also, petition of the California Trial Lawyers Association, Sacramento, relative to foreign trade and human rights; to the Committee on Ways and Means.

568. Also, petition of the city council, Brook Park, Ohio, relative to a guaranteed minimum income for retired persons; to the Committee on Ways and Means.

569. Also, petition of Dean Abrahamson and others affiliated with "Critical Mass '74", Washington, D.C., relative to the U.S. nuclear power program; to the Joint Committee on Atomic Energy.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

A. John Allen.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. American Better Government Organization, 2501 Q Street NW., Washington, D.C. 20007.

A. American Group Practice Association, 21 South Quaker Lane, P.O. Box 949, Alexandria, Va. 22313.

A. American League of Anglers, Inc., 810 18th Street NW., Washington, D.C. 20006.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

A. Andrea N. Anglin, 1730 M Street N.W., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Government of the Virgin Islands of the United States c/o The Honorable Verne A. Hodge, Attorney General; Box 280, St. Thomas, V.I. 00801.

A. Howard Arnett, 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.

A. The Authors League of America, Inc., 234 West 44th Street, New York, N.Y. 10036.

A. Thomas W. Bailey, 3531 Marlborough Way, College Park, Md., 20740.

A. Shelia M. Bamberger, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

A. Penelope K. Bardel, Fifth Avenue at 82d Street, New York, N.Y. 10028.
B. The Metropolitan Museum of Art, Fifth Avenue at 82d Street, New York, N.Y. 10028.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24009.
B. Applachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24009.

A. Tersh Boasberg, 1225 19th Street NW., Washington, D.C. 20036.
B. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.

A. A. Dewey Bond, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.

A. T. J. Boone, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Briger & DeLaney, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Revlon, Inc., 767 Fifth Avenue, New York, N.Y.

A. Judith Brody, 2727 29th Street NW., Washington, D.C. 20008.
B. National Council to Control Handguns, 4114 Davis Place NW., Washington, D.C. 20007.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley & Lardner (for the Dealer Bank Association), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley & Lardner (for Insurance Association of Connecticut), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Cardon Sanders & Ferrell, 1776 F Street NW., Washington, D.C. 20006.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Ceramic Tile Manufacturers of the United States, Inc., 350 Fifth Avenue, New York, N.Y.

A. Donald E. Channell, Suite 950, 1819 H Street NW., Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, Post Office Box 951, High Point, N.C. 27261.

A. Chemtex, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Barbara Clements, 3307 Belleview Avenue, Cheverly, Md. 20785.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Coalition of Independent Ophthalmic Professionals, 309 Congressional Plaza, 220 C Street SE., Washington, D.C. 20003.

A. Rhea Cohen, Sierra Club, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 324 C Street SE., Washington, D.C. 20003.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.

A. William Cole.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Eugene E. Cortright, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., Post Office Box 1537, Salisbury, Md. 21801.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Levin Computer Corp., 224 East 49th Street, New York, N.Y. 10017.

• A. Dialog, 1156 15th Street NW., Suite 900, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Hugh G. Duffy, 1730 Rhode Island Avenue NW., Suite 812, Washington, D.C. 20036.
B. Benjamin Redmond, 520 East 77th Street, New York, N.Y. 10021.

A. Jonathan W. Edwards, 429-B New Jersey Avenue, SE., Washington, D.C. 20003.
B. The Navajo Nation, Window Rock, Ariz.

A. George H. Efthemes, 2825 Kalmia Lee Court, Falls Church, Va. 22042.

A. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Barry Ensminger, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. David C. Evans, Suite 404, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Carol A. Fielders, 1030 15th Street NW., Suite 408, Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

A. Luke W. Finlay, Jr., 306 North Cherry Street, Falls Church, Va. 22046.
B. Lawyers Cooperative Publishing Co., Rochester, N.Y. 14603.

A. Peter J. Finnerty, Suite 307, 1730 K Street NW., Washington, D.C. 20006.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.

A. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Mr. and Mrs. Walter L. Laqueur, 2100 Washington Avenue, Silver Spring, Md.

A. Robert D. Fritz, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Cornelius F. Froeb, 1680 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Ronald K. Fuller, 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
B. San Diego Gas & Electric Co., 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. Affiliated Capital, Guaranty National Bank Building, 7500 Bellaire Boulevard, Houston, Tex. 77036.

A. Gailor, Burns & Elias, 700 E. Street SE., Washington, D.C. 20003.
B. D. H. Baldwin Co., 1801 Gilbert Avenue, Cincinnati, Ohio 45202.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. Blue Chip Stamps, 5801 Eastern Avenue, Los Angeles, Calif. 90040.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. First Texas Financial Corp., 6060 North Central Expressway, Dallas, Tex. 75206.

A. Gailor, Burns & Elias, 700 E Street SE, Washington, D.C. 20003.

B. ISC Industries, Inc., 3430 Broadway, Kansas City, Mo., 64141.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. National Association of State Saving Insurers, 700 E Street SE., Washington, D.C. 20003.

A. Mark J. Gallagher.

B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

A. Martin Gleason, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.

A. GM Washington Consultants, Inc., 905 16th Street NW., Suite 304, Washington, D.C.

B. William G. Simon, 2404 Wilshire Boulevard, Los Angeles, Calif. 90057.

A. Brenda J. Gore.

B. National Cable Television Assn., 918 16th Street NW., Washington, D.C.

A. Dan L. Grant, 230 Peachtree Street, Suite 2218, Atlanta, Ga., 30303.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Richard Ralph Gregory, 153 E Street SE., Washington, D.C. 20003.

B. People's Lobby, Inc., 3456 West Olympic Boulevard, Los Angeles, Calif. 90019.

A. Jerome R. Gulan, 1133 20th Street NW., Washington, D.C. 20036.

B. National Canners Assn., 1133 20th St. NW., Washington, D.C. 20036.

A. Paul R. Haerle, 111 Sutter Street, San Francisco, Calif. 94104.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

A. Howard R. Hague, Jr., 815 16th Street, NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

A. Ashton Hawkins, Fifth Avenue at 82d Street, New York, N.Y. 10028.

B. The Metropolitan Museum of Art, Fifth Avenue at 82d Street, New York, N.Y. 10028.

A. Maurice G. Herndon, 425 13th Street NW., Washington, D.C. 20004.

B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.

A. Daniel Herrick, Fifth Avenue at 82d Street, New York, N.Y. 10028.

B. The Metropolitan Museum of Art, Fifth Avenue at 82d Street, New York, N.Y. 10028.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.

B. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.

A. Lawrence S. Hoffheimer, 6849 Old Dominion Drive, McLean, Va. 22101.

B. American Group Practice Association, 20 South Quaker Lane, Post Office Box 949, Alexandria, Va. 22313.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Constructors Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Houger, Garvey, Schubert & Barnes, 1019 19th Street NW., Suite 810, Washington, D.C. 20036.

B. American Psychological Association, 1200 17th Street NW., Washington, D.C.

A. Thomas Hoving, Fifth Avenue at 82d Street, New York, N.Y. 10028.

B. The Metropolitan Museum of Art, Fifth Avenue at 82d Street, New York, N.Y. 10028.

A. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ceramic Tile Manufacturers of the United States, Inc., 350 Fifth Avenue, New York, N.Y. 10001.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.

B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. Joseph A. Jeffrey, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Paul J. Kelley.

B. AMERCO, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

A. Harold V. Kelly, 1625 K Street NW., Washington, D.C. 20006.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. James J. Kelly, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Richard P. Kleeman, 1920 L Street NW., Suite 750, Washington, D.C. 20036.

B. Association of American Publishers, Inc., 1920 L Street NW., Suite 750, Washington, D.C. 20036.

A. Charles F. Knight, 8100 Florissant, St. Louis, Mo. 63136.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Richard W. Kreutzen, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Company of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

A. Michael M. Kumpf, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corporation, P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Norman G. Kurland, 2027 Massachusetts Avenue NW., Washington, D.C.

B. Bangert & Co., Inc., 111 Pine Street, San Francisco, Cal. 94111.

A. Ernest LaBaff, R.D. 1, Norwood, N.Y. 13668.

B. Reynolds Metal Co., Massena, N.Y.

A. Edward J. Lachowicz, 4317 Brandywine Street NW., Washington, D.C. 20016.

B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.

A. R. Josh Lanier.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

A. Peter Richard Leffe, Department of Architecture, University of California, Berkeley, Calif.

A. Joseph L. Leitzinger.

B. Simpson Timber Co., 2000 Washington Building, Seattle, Wash. 98101.

A. Jonathan Lindley, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wisc.

A. Lindsey, Nohstal, Hart, Duncan, Dafoe & Krause, 1331 SW. Broadway, Portland, Oreg.

B. Helicopter Loggers-Columbia Helicoptors Inc., et al., 4747 North Channel, Portland, Oreg.

A. Nils A. Lofgren, 1909 K Street NW., Suite 300, Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

A. George V. Lucas, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Timothy MacCarthy, 1909 K Street NW., Suite 300, Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

A. Duncan Henry MacKenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.

A. Robert V. Mariani, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. James L. Martin, 8206 Leesburg Pike, McLean, Va. 22101.

B. Public Service Research Council, 8206 Leesburg Pike, McLean, Va. 22101.

A. H. Wesley McAden, 1030 15th Street NW., Suite 508, Washington, D.C. 20005.

B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.

A. Edward McDonald, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Marianne McGuire, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.

A. W. F. McKenna, McKenna, Fitting & Finch, 1156 15th Street NW., Washington, D.C. 20005.

B. First Federal Savings, Phoenix, Ariz., First Federal Savings, Tampa, Fla., City Federal Savings, Elizabeth, N.J., First Federal Wisconsin, Milwaukee, Wis.

A. James R. W. Medina, 6056 Rutland Drive, Carmichael, Calif., 95608.

B. California Rural Indian Health Board, Inc., 6056 Rutland Drive, Carmichael, Calif. 95608.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. Aris Gloves, Inc., 140 Geary Street, San Francisco, Calif. 94108.

A. Harold E. Mesirow, 1225 19th Street NW., Washington, D.C. 20036.

B. Pacific Westbound Conference, 635 Sacramento Street, San Francisco, Calif. 94104.

A. The Metropolitan Museum of Art, Fifth Avenue at 82d Street, New York, N.Y. 10028.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.

B. MEBA Political Action Fund, 17 Battery Place, New York, N.Y. 10004.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.

B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.

B. O. & C. Counties Association, Douglas County Court House, Roseburg, Oreg.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.

B. The Port of Portland, Box 3529, Portland, Oreg. 97208.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.

B. Western Forest Industries Association, 1500 Southwest Taylor Street, Portland, Oreg. 97205.

A. Joseph A. Millimet, 1833 Elm Street, Manchester, N.H. 03105.

B. CIT Financial Corp., 650 Madison Avenue, New York, N.Y.

A. John W. Morton, 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. George L. Murphy, 905 16th Street NW., Suite 304, Washington, D.C. 20006.

B. GM Washington Consultants, Inc., 905 16th Street NW., Suite 304, Washington, D.C. 20006.

A. Rosemary Griffin Murray, 1800 K Street NW., Washington, D.C. 20006.

B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.

A. Gary D. Myers, 1015 18th Street NW., Washington, D.C. 20036.

B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

A. National Association of Professional Administrators, Inc. (NAPA), 1801 K Street, NW., Suite 220, Washington, D.C. 20006.

A. National Consumer Alliance, 1922 N. High Street, Columbus, Ohio 43201.

A. National Student Alliance, 1922 N. High Street, Columbus, Ohio 43201.

A. Network, 224 D Street SE., Washington, D.C. 20003.

A. Dallin H. Oaks, Provo, Utah.

B. Brigham Young University, Provo, Utah.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. National Association of Church and Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

A. James F. O'Connell, 1119 A Street, Tacoma, Washington 98401.

B. American Plywood Association, 1119 A. Street, Tacoma, Washington 98401.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. Peabody, Rivlin, Lambert & Dennison, 1730 M Street NW., Suite 707, Washington, D.C. 20036.

B. Los Angeles Trial Lawyers Association, c/o Hill Sayble, Esq., 1730 West Olympic Boulevard, Suite 300, Los Angeles, Calif. 90015.

A. Homer B. Pettit, Room 1014 Brawner Building, 888 17th Street NW., Washington, D.C. 20006.

B. Northern Virginia Transportation Commission, Arlington Executive Building, 2009 North 14th Street, Arlington, Va. 22201.

A. Pope, Ballard & Loos, Suite 700, 888 17th Street NW., Washington, D.C. 20006.

B. Sunkist Growers, Inc., Post Office Box 7888. Valley Annex, Van Nuys, Calif. 91409.

A. Robert D. Powell, Suite 400, 734 15th Street NW., Washington, D.C. 20005.

B. National Business Aircraft Association, Inc., 425 13th Street NW., Suite 401, Washington, D.C. 20004.

A. Power & Communications Contractors Association, Early, Iowa 50535.

A. Brainard E. Prescott, 309 Congressional Plaza, 220 C Street SE., Washington, D.C. 20003.

B. Coalition of Independent Ophthalmic Professionals, 309 Congressional Plaza, 220 C Street SE., Washington, D.C. 20003.

A. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Fibreboard Corp., 55 Francisco Street, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington. D.C.

B Keystone International, Inc., Box 38, Dillon, Colo.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington. D.C.

B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005

B. Bristol-Myers Co., 345 Park Avenue, New York, New York 10022.

A. Elizabeth Reid, 620 C Street SE., Washington, D.C. 20003.

B Friends of the Earth, 620 C Street, SE., Washington, D.C. 20003.

A. John D. Ritchie, 1119 A Street, Tacoma, Wash. 98401.

B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.

A. Juan Rocha, Jr., 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

A. Nicholas Roomy, Jr., 301 Virginia Street East, Charleston, W.Va. 25301.

B. Appalachian Power Co., 301 Virginia Street East, Charleston, W.Va. 25301.

A. Joseph Ruskiewicz, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, care of Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.

A. C. Hill Rylander, 425 13th Street NW., Washington, D.C. 20004.

B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.

B. Burmah Oil & Gas Co., P.O. Box 94193, Houston, Tex. 77018.

A. William J. Schreiber, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.

B. Occidental Life Insurance Co., of California, Occidental Center, Los Angeles, Calif. 90054.

A. David C. Sharman, 1100 17th Street NW., Washington, D.C. 20036.

B. National Association of Professional Administrators (NAPA), 1801 K Street NW., Suite 220, Washington, D.C. 20006.

A. W. Ray Shockley, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.

B. American Textile Manufacturers Institute, 1501 Johnson Building, Charlotte, N.C. 28281.

A. David A. Skedgell, 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.

B. American Natural Gas Service Co., 1 Woodward Avenue, Detroit, Mich. 48226.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. Committee of American Tanker Owners, Inc., Care of Neal Mayer Esq., 1000 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steinhart, Goldberg, Feigenbaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.

B. Valley Center Municipal Water District, Valley Center, Calif. 92082.

A. Roger J. Stone, Jr., 8206 Leesburg Pike, McLean, Va. 22101.
B. Public Service Research Council, 8206 Leesburg Pike, McLean, Va. 23101

A. Michael E. Strother, 700 7th Street SW., Suite 613, Washington, D.C. 20024.
B. Power & Communications Contractors Association, Early, Iowa, 20535

A. Sunkist Growers, Inc., 14130 Riverside Drive, Sherman Oaks, Calif. 91403.

A. Paul M. Tendler, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.

A. Michael L. Tiner, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

A. Stuart G. Tipton, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.

A. John Tope, 1625 K Street NW., Washington, D.C. 20006.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Chemtex, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Henry L. Walther, 1900 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. NANA Regional Corp., Inc., Box 48 Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank, Medford, Oreg., acting for the "Remaining Members" of the Klamath Indian Tribe, Oregon.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Melanie J. Wirken, 2144 California Street NW., Washington, D.C. 20008.
B. Zero Population Growth, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

A. M. Kathryn Worley, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.

A. Cornelius T. Young, 3515 North Summit Avenue, Milwaukee, Wis. 53211.
B. Wisconsin Electric Power Co. System, 231 West Michigan Street, Milwaukee, Wis. 53201.

A. Young, Kaplan & Edelstein, 277 Park Avenue, Suite 1404, New York, N.Y. 10017.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Your Man in Washington, 2814 Pennsylvania Avenue NW., Washington, D.C. 20007.
B. Otis Elevator Co., 750 Third Avenue, New York, N.Y. 10017.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter of 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $350.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Ad Hoc Committee of Shipbuilders, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $5,224.34. (9) $25,632.34.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $8,721.60. E. (9) $8,721.60.

A. Air Traffic Control Association, Suite 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $300. E. (9) $85.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.
D. (6) $5,235. E. (9) $1,007.61.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Roger D. Allan, 1957 E Street, NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North LaSalle Street, Chicago, Ill. 60601.
D. (6) $2,625. E. (9) $135.82.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., Suite 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $7,869.45. E. (9) $7,869.45.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa., 17022.
D. (6) $39.44.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $22,898.01.

A The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,133.07. E. (9) $2,133.07.

A. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $7,500. E. (9) $7,500.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D.(6) $8,654.67. E. (9) $8,654.67.

A. American Family Corp., 1932 Wynnton Road, Columbus, Ga. 31902.
E. (9) $1,880.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; Washington offices: 425 13th Street NW., Washington, D.C. 20004.
D. (6) $50,795. E. (9) $50,795.

A. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $69,842.23.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $117,407.75 E. (9) $3,146.91.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $3,390.41. E. (9) $3,389.27.

A. The American Humane Association, 5351 South Roslyn Street, Post Office Box 1266, Englewood, Colo.
E. (9) $1,800.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $36,537.38. E. (9) $36,537.38.

A. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
D. (6) $13,488.56. E. (9) $24,068.03.

A. American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $2,198.60.

A. American Meat Institute, Post Office Box 3556, Washington, D.C.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $25,177.28.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $5,400.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $2,793.71.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $1,276.38.

A. American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y. 10017.
D. (6) $544.75. E. (9) $10,800.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $4,775. E. (9) $47,421.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $8,279.95. E. (9) $8,279.95.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $14,669.39.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,379,264.21. E. (9) $92,711.89.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Rivers Conservation Council 324 C Street SE., Washington, D.C. 20003.
D. (6) $373.09. E. (9) $557.72.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $653.77. E. (9) $653.77.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $1,670.91. E. (9) $4,330.85.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $250. E. (9) $128.84.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $20,564.53. E. (9) $20,564.53.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $46,068.18.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $114,684. E. (9) $2,835.

A. Ted E. Amick, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $500.

A. J. Lem Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Time, Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,333. E. (9) $226.13.

A. Anthony L. Anderson, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,000.

A. Donald E. Anderson.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $8,750. E. (9) $75.

A. Scott P. Anger, 1725 K Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

A. Andrea N. Anglin, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.
D. (6) $550.

A. J. Donald Annett, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100.

A. Leonard Appel, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., P.O. Box 1478, Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
D. (6) $5,760. E. (9) $115.28.

A. Arent, Fox, Kintner, Plotkin, & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Government of the Virgin Islands of the United States; c/o The Honorable Verne A. Hodge, Attorney General; Box 280, St. Thomas, V.I. 00801.
D. (6) $1,500.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
D. (6) $10.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,665. E. (9) $33.75.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Howard Arnett, 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $918. E. (9) $310.20.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $1,825. E. (9) $55.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $7,500.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Electronic Data Systems Corp., 1300 EDS Center, Exchange Park, Dallas, Tex. 75235.
E. (9) $63.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.
E. (9) $41.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $583. E. (9) $40.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera and Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.
D. (6) $1,650. E. (9) $170.29.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C., 20036.
B. Puerto Rican Government, Economic Development Administration, GPO Box 2350, San Juan, P.R. 00936.
D. (6) $750. E. (9) $65.87.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. United Mine Workers, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $16.09.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. The Associated General Contractors, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza Newark, N.J. 07102.
D. (6) $220. E. (9) $32.50.

A. Association for the Advancement of Invention & Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,250. E. (9) $2,735.23.

A. Association of American Railroads American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $10,505.46. E. (9) $10,505.46.

A. Assocation of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Fred G. Aten, Jr., 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $200.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900. E. (9) $250.

A. Richard W. Averill, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $800. E. (9) $301.

A. Donald L. Badders, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.
D. (6) $700. E. (9) $267.32.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,500. E. (9) $395.10.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washington, D.C. 20016.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $573.81.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $133.44.

A. Donald Baldwin, Donald Baldwin Associates 906/1625 Eye Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, N.Y. 10004; Pepco, 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $8,000. E. (9) $456.

A. Sheila M. Bamberger, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $79.95.

A. Arnold J. Barer, 677 Dexter Horton Building, Seattle, Wash. 98104.
B. Air Club International, 7777 Perimeter Road South, Boeing Field, Seattle, Wash. 98108.
E. (9) $40.

A. Thomas H. Barksdale, Jr., 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $8,360. E. (9) $605.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for CSR, Ltd.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Interbank Card Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Synthetic Organic Chemical Manufacturers Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Irvin L. Barney, 400 First Street NW, Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $5,166.65.

A. Robert W. Barrie, 777 14th Street NW, Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $250.

A. Fraser Barron, 1054 Potomac Street NW., Washington, D.C. 20007.
B. Havasupai Tribal Council, Supai, Ariz. 86435.
D. (6) $8,019.50. E. (9) $316.58.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW, Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $301.74.

A. Weldon Barton.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.; 1012 14th Street, NW., Washington, D.C.
D. (6) $4,953.87. E. (9) $108.88.

A. William M. Bates, 2016 Peachtree Center Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $1,800. E. (9) $398.30.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Merle D. Baumgart, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $48.76.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24009.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24009.
D. (6) $1,859.91. E. (9) $1,859.91.

A. Donald S. Beattie, Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.
B. Congress of Railway Unions.
E. (9) $1,609.70.

A. Becker, Sisk & Becker, 1819 H Street NW, Number 950, Washington, D.C.
B. Seattle Opera Association, Seattle, Wash.
D. (6) $625.

A. Daniel S. Bedell, 1125 15th Street NW., Number 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $4,879.88. E. (9) $561.89.

A. John H. Beidler, 1125 15th Street NW., Number 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich., 48214.
D. (6) $7,344.50. E. (9)$792.92.

A. Page Belcher, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
E. (9) $56.

A. Thomas S. Belford, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M. Street NW., Washington, D.C. 20036.
D. (6) $262.50.

A. Thomas P. Bennett, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue, N.W., Washington, D.C. 20006.
D. (6) $1,500.

A. E. M. Benson, Jr., 515 S. Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 S. Flower Street, Los Angeles, Calif. 90071.
D. (6) $900.

A. Berry & Gipson, Suite 670, 1700 Pennsylvania Avenue, Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York City, N.Y. 10013.
D. (6) $5,000. E. (9) $64.40.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. OEHEG, Sudtiroler Platz 8, A–6020 Insbruck, Austria, OEMOLK, P.O. Box 176, A–1013, Vienna, Austria.
D. (6) $750. E. (9) $56.71.

A. Max N. Berry, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Robert L. Bevan, 1120 Connecticut Avenue, NW., 7th Floor, Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $168.

A. Andrew J. Biemiller, 815 16th Street, NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, NW., Washington, D.C.
D. (6) $8,853. E. (9) $160.70.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue, NW., Washington, D.C. 20016.

A. Linda M. Billings, 324 C Street, SE., Washington, D.C. 20003.
B. Sierra Club, 1050 Mills Tower, 220 Bush Street, San Francisco, Calif. 94104.
D. (6) $3,250. E. (9) $130.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street, NW., Washington, D.C. 20006.
D. (6) $275.

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $240. E. (9) $240.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,500. E. (9) $124.95.

A. John W. Black, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.
D. (6) $800. E. (9) $475.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $200. E. (9) $20.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,000.

A. Becky Bogard, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $360.

A. A. Dewey Bond, Post Office Box 3556, Washington, D.C. 20007.
B. American Meat Institute, Post Office Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
E. (9) $20.

A. T. J. Boone, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Post Office 1166, Pittsburgh, Pa. 15230.
E. (9) $200.

A. Mark Borinsky, 1910 K Street NW., Washington, D.C. 20006.
B. National Council To Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Charles E. Bosley, 100 Maryland Avenue NE., Washington, D.C.
B. Council for a Livable World.
D. (6) $5,400.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,725. E. (9) $184.89.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $710.45.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $340.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
D. (6) $8,196.25. E. (9) $846.55.

A. Boyden & Kennedy, 1000 Kennecott Building, Salt Lake City, Utah 84133.
B. Hopi Indian Tribe, Oraibi, Ariz.
D. (6) $25,050. E. (9) $4,587.60.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Calif., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
E. (9) $75.

A. Gene M. Bradley, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash.
D. (6) $550. E. (9) $367.43.

A. George E. Bradley, 1341 G Street NW., Washington, D.C. 20005.
B. Organization of Professional Employees of USDA (OPEDA), 1341 G Street NW., Washington, D.C.
D. (6) $1,260. E. (9) $25.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,250. E. (9) $733.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Joseph E. Brady, 5018 East Summer Moon Lane, Phoenix, Ariz. 85044.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, Post Office Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn. 38112.
D. (6) $748.46. E. (9) $63.80.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $531.25.

A. Edward J. Brenner, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

B. Association for the Advancement of Invention & Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,749.99. E. (9) $85.64.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association.

A. Wally Briscoe.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $135. E. (9) $16.50.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.

D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.

B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D C. 20036.

D. (6) $4,500.

A. David Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $70.76.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.

D. (6) $800.

A. Michael F. Brown.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $250. E. (9) $75.

A. Brown, Vlassis & Bain, 222 North Central Avenue, Phoenix, Ariz. 85004.

B. Navajo Tribe, Window Rock, Ariz. 86515.

D. (6) $19,997.50. E. (9) $8,599.45.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council of Housing Producers, Suite 312, 9301 Wilshire Boulevard, Beverly Hills, Calif. 90210.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Massachusetts Bankers Association, Inc., 125 High Street, Boston, Mass. 02110.

A. Brownstein, Zeidman, Schomer, and Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

E. (9) $84.04.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $2,925. E. (9) $3,983.

A. Marguerite E. Bryan, 400 First Street NW,. Suite 700, Washington, D.C. 20001.

B. District No. 1 Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

D. (6) $960. E. (9) $303.94.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $2,000. E. (9) $221.08.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.

B. The B. F. Goodrich Co., Akron, Ohio 44318.

D. (6) $200.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.

B. College of American Pathologists, 230 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $3,375. E. (9) $190.41.

A. Thomas G. Burke, 1625 Eye Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 Eye Street NW., Washington, D.C. 20006.

D. (6) $437.50. E. (9) $110.

A. Burley & Dark Leaf Tob. Exp. Assn., 1100 17th Street NW., Washington, D.C.

D. (6) $12,246. E. (9) $778.39.

A. Philip Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $581.25. E. (9) $81.02.

A. George Burnham, IV, 1625 K St. NW., Washington, D.C. 20006.

B. United States Steel Corporation, 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $325. E. (9) $390.

A. Charles S. Burns, Phelps Dodge Corp., 1620 Eye Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $1,200. E. (9) $399.65.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. Busby, Rivkin, Sherman, Levy, and Rehm, 900 17th Street NW., Suite 1100, Washington, D.C. 20006.

B. Feather & Down Association, Inc., 257 West 38 Street, New York, N.Y. 10018.

D. (6) $900.

A. Richard M. Bush, Suite 501, Barr Building, Washington, D.C. 20006.

B. Pacific Northwest Power Co., Suite 501 Barr Building, Washington, D.C. 20006.

E. (9) $350.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.

D. (6) $815. E. (9) $1,376.42.

A. James J. Butera, 1709 New York Avenue NW., Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $1,325. E. (9) $111.79.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corporation), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (For The Dealer Bank Association), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut) 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue N.W., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Natomas Co.), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (For United States Steel Corp., Bethlehem Steel Co.; Freeport Minerals Co.; Hanna Mining Co. and AMAX), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La. 70601.

B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Baton Rouge, La. 70804.

D. (6) $980.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20006.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $346.15.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the U.S.A., 1615 H Street, NW., Washington, D.C. 20006.

E. (9) $280.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. National BankAmericard, Inc., 555 California Street NW., San Francisco, Calif. 94126.

D. (6) $2,500. D. (9) $2,670.06.

A. W. Dean Cannon, Jr., 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.

B. California Savings & Loan League, 1444 Wentworth Avenue, P.O. R, Pasadena, Calif. 91109.

D. (6) $1,500. E. (9) $1,078.59.

A. David L. Cantor, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $650. E. (9) $57.84.

A. Marvin Caplan.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $3,321.50. E. (9) $91.26.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Connecticut General Life Insurance Co., et al.
D. (6) $11,200. E. (9) $147.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
E. (9) $30.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Variable Annuity Life Insurance Co., 2727 Allen Parkway, P.O. Box 3206, Houston, Tex. 77001.
D. (6) $60,000. E. (9) $330.70.

A. Ronald A. Capone, Room 505, The Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association Council of European & Japanese National Shipowners, 30/32 St. Mary Axe, London, EC3A, 8ET, England.
D. (6) $5,431.12. E. (9) $661.98.

A. Cardon Sanders & Ferrell, 1776 F Street NW., Washington, D.C. 20006.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.
D. (6) $200.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union.
D. (6) $2,500. E. (9) $1,790.89.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $480. E. (9) $20.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $951.18.

A. Henry A. Carrington, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings & Loan League, 1200 17th Steet NW., Suite 500, Washington, D.C. 20036.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D.(6) $1,000.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $50,000. E. (9) $4, 053.66.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.

B. Santa Fe Natural Resources, Inc., 80 East Jackson Boulevard, Chicago, Ill.; Champlin Petroleum Co., P.O. Box 9365, Fort Worth, Tex.; Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $33,745. E. (9) $2,408.60.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $42.50.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $3,975.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $67. E. (9) $93.73.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $83.33. E. (9) $120.40.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,000. E. (9) $17,186.73.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,125.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. James W. Chapman.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,297.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $4,157.01.

A. Nancy H. Chasen, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $500.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 515 Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $117,412.66. E. (9) $43.90.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,725. E. (9) $20.79.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $89.14. E. (9) $224.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Suite 1020, Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard Chicago, Ill. 60604.

A. Joan Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,200.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $874.90.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. CSR, Ltd., 1-7 O'Connell Street, Sydney, Australia

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Oil Shale Corp., 10100 Santa Monica Building, Los Angeles, Calif. 90067.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y., 10533.
D. (6) $200. E. (9) $4.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers Inc., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 10006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $94.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
E. (9) $90.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
E. (9) $1.50.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Bessemer & Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburgh, Pa. 15230.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Railroad Passenger Corp. (Amtrak), 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. N.Y. Cocoa Exchange, Inc., 127 John Street, New York, N.Y., N.Y. Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y., Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
E. (9) $115.45.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.
D. (6) $500. E. (9) $103.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. Charles M. Clusen, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.
D. (6) $3,625. E. (9) $200.

A. Grover B. Cobb, 1200 Travis, Houston, Tex.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
D. (6) $100. E. (9) $215.62.

A. Grover C. Cobb, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $400.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $2,173.44.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,125. E. (9) $65.25.

A. Timothy A. Colcord, 1620 Eye Street NW., Suite 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $8,207.67.

A. Eleanor Cole, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $195.93.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $1,087.25.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.
E. (9) $28.49.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa.
D. (6) $3,681. E. (9) $208.06.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,060. E. (9) $53.54.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York, N.Y. 10007.
D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.
D. (6) $33,308.84. E. (9) $48,575.99.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. National Association of Food Chains, 1725 Eye Street NW., Washington, D.C.
E. (9) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
D. (6) $1,250. E. (9) $525.

A. Charles E. Collins, 1602 Rock Creek Drive, Frederick, Md. 21701.
B. Maryland Farm Bureau, 8930 Liberty Road, Randallstown, Md. 21133.
D. (6) $3,250.

A. Paul G. Collins, 111 Westminster Street, Providence, R.I. 02903.
B. Industrial National Bank of Rhode Island, 111 Westminster Street, Providence, R.I. 02903.
D. (6) $68.75.

A. Robert B. Collyer, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.
D. (6) $935. E. (9) $2,285.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $22,000. E. (9) $6,260.74.

A. Committee of Copyright Owners (CCO), 1600 Eye Street NW., Washington, D.C. 20006.
D. (6) $26,117.81. E. (9) $10,790.27.

A. Committee on Strikes in Transportation, 1100 17th Street NW., Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,425,610.33. E. (9) $480,873.88.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,651.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.
B. American Academy of Actuaries, 208 S. LaSalle Street, Chicago, Ill. 60604.
D. (6) $900. E. (9) $137.90.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $1,500. E. (9) $200.

A. Congress of Railway Unions, 400 First Street NW., Room 800, Washington, D.C. 20001.
D. (6) $8,539.39. E. (9) $8,538.99.

A. Congress Watch (Public Citizen), 133 C Street SE., Washington, D.C. 20003.
D. (6) $4,456.59. E. (9) $4,456.59.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $55.75.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

D. (6) $1,330.06. E. (9) $1,330.06.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $500. E. (9) $549.94.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

E. (9) $45.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

D. (6) $5,350.15. E. (9) $2,180.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.

B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $2,600.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,812.50.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.

B. M&I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,000. E. (9) $908.

A. James A. Cook, 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

E. (9) $250.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.

B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.

D. (6) $638.50.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street, NW., Washington, D.C. 20006.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.

B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.

D. (6) $2,500. E. (9) $660.11.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.

D. (6) $3,000. E. (9) $5.85.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $5,000. E. $14.50.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,500. E. (9) $850.

A. Darrell Coover, 1625 I Street NW., No. 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000. E. (9) $212.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $975. E. (9) $87.50.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $3,500. E. (9) $1,672.11.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.

B. Corning Glass Works, Corning, N.Y. 14830.

A. William R. Corson, 1707 H Street NW., Washington, D.C.

B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.

D. (6) $7,500. E. (9) $5,739.97.

A. David Cosson, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

D. (6) $75.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

D. (6) $141.67. E. (9) $2.

A. Robert M. Coultas, 1612 K Street NW., Suite 508, Washington, D.C. 20006.

B. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.

D. (6) $6,496.64. E. (9) $6,496.64.

A. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

D. (6) $44,969.33. E. (9) $7,785.90.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $387. E. (9) $453.39.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. American Corn Millers Federation, 1030 15th Street, NW., Washington, D.C. 20005.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Association of Bituminous Contractors, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Kohler Co., Kohler, Wis. 53004.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Linen Supply Association of America, 917 Arthur Godfrey Road, Miami, Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Roger C. Courtney, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $153.92. E. (9) $166.50.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Business Men's Assurance Co. of America, BMA Tower 1 Penn Valley Park, Kansas City, Mo. 64141.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

E. (9) $28.15.

A. Covington & Burling, 888 16th Street NW., Washingon, D.C. 20006.

B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.

E. (9) $42.50.

A. Covington & Burling, 888 16th Street NW., Washingon, D.C. 20006.

B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.

A. Covington & Burling, 888 16th Street NW., Washingon, D.C. 20006.

B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

E. (9) $213.13.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. National Federation of Independent Business, 921 Washigton Building, Washington, D.C. 20005.

D. (6) $10,000. (E) (9) $158.82.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Perdue Inc., P.O. Box 1537. Salisbury, Md. 21801.

E. (9) $36.05.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.

B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.

D. (6) $36. E. (9) $36.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.

D. (6) $2,807.51. E. (9) $13.70.

A. Robert W. Crawford, 1625 Eye Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 Eye Street NW., Washington, D.C. 20006.

D. (6) $1,066.56. E. (9) $165.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractor of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. P. H. Croft.

B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $832.50. E. (9) $1,027.74.

A. H. C. Crotty, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C.

B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.

D. (6) $1,500. E. (9) $36.

A. Barry M. Cullen.

B. International Paper Co., 1620 I Street N.W., No. 700, Washington, D.C. 20006.

D. (6) $500. E. (9) $83.47.

A. Frank Cummings, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical & Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $3,000.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.

B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.

D. (6) $9,240. E. (9) $3,561.46.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,600. E. (9) $119.05.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

D. (6) $101.70. E (9) $1.

A. Frank C. Daniel, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $8,750.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Japan Lumber Importers Association, Tokyo, Japan.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Levin Computer Corp., 224 East 49th Street, New York, N.Y. 10017.

D. (6) $5,000. E. (9) $256.37.

D. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Stephen I. Danzansky, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Philip J. Daugherty.

B. Industrial Union Department, AFL-CIO, 815 16th Street, NW., Washington, D.C. 20006.

D. (6) $3,237. E. (9) $83.75.

A. John B. Davenport, Jr., 2000 Florida Avenue, NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $118.

A. Aled P. Davies, R.R. 1, Box 160, Valparaiso, Ind. 46383.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

D. (6) $500. E. (9) $1,427.51.

A. Charles W. Davis Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. Bankers Life & Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

D. (6) $150.

A. Charles W. Davis Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

E. (9) $158.85.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. Inland Steel Co., 30 W. Monroe Street, Chicago, Ill. 60603.

E. (9) $96.23.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

D. (6) $1,675. E. (9) $10.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,500. E. (9) $365.80.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

D. (6) $200. E. (9) $54.23.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $106.23.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. Trans Union Corp., 111 West Jackson Boulevard, Chicago, Ill. 60604.

A. Charles W. Davis, Suite 5200, One First National Plaza, Chicago, Ill. 60603.

B. United Insurance Company of America, One East Wacker Drive, Chicago, Ill. 60601.

D. (6) $150.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $150.

A. George R. Davis, Suite 403, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Amalgamated Transit Union, Natl. Capt. Local Div. 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis.

B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (6) $410. E. (9) $1,170.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $750.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.

B. North Dakota Railway Lines, et al.

E. (9) $711.40.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.

D. (6) $3,750. E. (9) $387.70.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $4,500. E. (9) $1,051.81.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

D. (6) $325. E. (9) $254.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Electronic Industries Association, Consumer Electronics Group, 2001 Eye Street NW., Washington, D.C. 20006.

D. (6) $500.

A. Ronald B. Dear, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $2,500.00.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo., 1012–14th Street, NW., Washington, D.C.
D. (6) $4,000. E. (9) $87.77.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $1,550.00. E. (9) $79.08.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $650.00. E. (9) $30.72.

A. John L. Delano, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.
E. (9) $1,568.92.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.00.

A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $1,350.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,098.00. E. (9) $477.60.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corporation, P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $650.00. E. (9) $300.00.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Emergency Committee for American Trade (ECAT), 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
E. (9) $190.

A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $2,420. E. (6) $1,084.23.

A. Dialog, 1156 15th Street NW., Room 900, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Charles J. DiBona, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $8,029.28. E. (9) $195.89.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Committee for Marysville Dam, P.O. Drawer B., Marysville, Calif. 95902.
D. (6) $1,373.37. E. (9) $28.94.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,185.58. E. (9) $85.50.

A. Timothy V. A. Dillon, 1703 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Sacramento Yolo Port District, P.O. Box 815, Sacramento, Calif.
D. (6) $214.70. E. (9) $14.70.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $49,849.43. E. (9) $49,849.43.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $450. E. (9) $97.15.

A. Edward V. Donahue, 1900 L Street NW., Washington, D.C. 20036.
B. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $2,346. E. (9) $2,198.

A. Jack Donahue 1725 I Street NW., Suite 606, Washington, D.C. 20006.
B. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
D. (6) $1,374. D. (9) $332.50.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $417.90. E. (9) $112.66.

A. C. L. Dorson, Suite 529, Nunsey Building, Washington, D.C. 20004.
B. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $2,943.60. E. (9) $245.

A. Dow, Lohnes, & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Advance Schools, Inc., 5900 Northwest Highway, Chicago, Ill. 60631.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45201.

A. Harry J. Doyle, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, in care of Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $311.40. E. (9) $250.25.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,031.25.

A. Andrew Drance, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $276. E. (9) $89.13.

A. Dean W. Drulias, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, care of Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $131.56. E. (9) $170.94.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc. 1776 K Street NW., Washington, D.C. 20006.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $4,654. E. (9) $2,405.88.

A. Donald A. Duffy, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $450. E. (9) $225.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Norman Duncan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $240. E. (9) $164.05.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Natomas Co.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Oil Shale Corp.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas G. Dunn, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. J. Frederick Durr, Rural Route No. 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, care of J. Frederick Durr, Rural Route No. 2, Sheridan, Ind. 46069.
E. (9) $91.25.

A. Roy W. Easley.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $2,035.61.

A. Robert E. Ebel, 1025 Connecticut NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $17.10.

A. Arthur B. Edgeworth, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $587.50.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $417.43.

A. Macon T. Edwards, 1030-15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $375.00 E. (9) $12.73.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Harmon L. Elder, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $134.17.

A. Electronic Data Systems Corp., 1300 EDS Center, Exchange Park, Dallas, Tex. 75235.
E. (9) $63.00.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $972.51. E. (9) $1,704.53.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $31,698.76. E. (6) $29,418.14.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $215.85.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $767.80.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,950. E. (9) $333.40.

A. M. Dale Ensign, 1625 Eye Street NW., Washington, D.C.
B. Husky Oil Co., Box 380, Cody, Wyo. 82414.
E. (9) $125.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,380.00.

A. Barry Ensminger, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Glenn R. Erickson, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,700. E. (9) $275.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,364. E. (9) $28.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $27.

A. Clinton M. Fair, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,864. E. (9) $154.47.

A. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $103,556.67. E. (9) $35,735.20.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $1,933.99. E. (9) $1,933.99.

A. Federation of American Hospitals, Suite 810, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $4,500.

A. Stuart F. Feldstein.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $50.00.

A. Carol Fielders, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,045.27. E. (9) $3,045.27.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500-1055 West Hastings Street, Vancouver 1, British Columbia, Canada.
D. (6) $8,878.02. E. (9) $260.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street East, Toronto 5, Ontario, Canada.
D. (6) $1,001.00. E. (9) $120.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $5,710.45.

A. Thomas W. Fink, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $346.67.

A. Luke W. Finlay, Jr., 306 North Cherry Street, Falls Church, Va. 22046.
B. Lawyers Cooperative Publishing Co., Rochester, N.Y. 14603.
D. (6) $250.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $5,510.35. E. (9) $5,552.55.

A. Robert W. Fischer, Denver Water Department, 144 West Colfax, Denver, Colo. 80202.
B. Board of Water Commissioners (Denver Water Department), 144 West Colfax, Denver, Colo. 80202.
D. (6) $913.48. E. (9) $864.56.

A. Susan G. Flack, 1616 H. Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,300. E. (9) $130.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,976.80.

A. Carl J. Fleps, 1000 16th Street NW., Washington, D.C. 20036.
B. The Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.
D. (6) $247.50. E. (9) $59.50.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60601.
D. (6) $2,000. E. (9) $759.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp., and Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $3,530. E. (9) $143.23.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.

D. (6) $565. E. (9) $28.93.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. U.S. Steel Corp. et al.

D. (6) $10,880. E. (9) $10.21.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.

B. Minnesota Railroads Association.

D. (6) $500. E. (9) $407.45.

A. E. David Foreman, Jr., 1730 M Street, Suite 511, Washington, D.C. 20036.

B. Ogden Corp., 277 Park Avenue, New York, N.Y. 10017.

D. (6) $5,025.

A. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. James W. Foristel, 1776 K Street, NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,300. E. (9) $404.

A. John S. Forsythe, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $65.

A. David H. Foster.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $2,500. E. (9) $237.50.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.

B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.

D. (6) $2,688. E. (9) $1,612.20

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, 1200 Travis, Houston, Tex.

B. Houston Natural Gas Corp., Post Office Box 1188, Houston, Tex. 77001.

D. (6) $500. E. (9) $885.41.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.

B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.

D. (6) $805.24. E. (9) $378.76.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $480. E. (9) $12.79.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $5,375.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,375. E. (9) $9.85.

A. Mark H. Freeman, 910 17th Street NW., Suite 728, Washington, D.C. 20006.

B. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $93.21.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $3,750. E. (9) 2,328.16.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $750. E. (9) $52.35.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

D. (6) $108. E. (9) $8.18.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Mr. & Mrs. Walter L. Laqueur, 2100 Washington Avenue, Silver Spring, Md.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Navajo Tribe, Window Rock, Ariz.

E. (9) $3,971.81.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Nez Perce Tribe, Lapwai, Idaho.

D. (6) $450.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

E. (9) $256.88.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue, NW., Washington, D.C. 20037.

B. Pueblo of Laguna, Box 194, Laguna, N. Mex.

D. (6) $206.15. E. (9) $17.65.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue, NW., Washington, D.C. 20037.

B. Salt River Pima-Maricopa Community, Box 120, Route 1, Scottsdale, Ariz.

D. (6) $62.50. E. (9) $5.75.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue, NW., Washington, D.C. 20037.

B. The Seneca Nation of Indians, Box 268-A, Saylor Building, Irving, N.Y. 10481.

A. Gay H. Friedmann, 1025 Connecticut, NW., Suite 1206, Washington, D.C. 20036.

B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,000. E. (9) $136.

A. Philip P. Friedlander, Jr., 1343 L Street, NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, 1343 L Street, NW., Washington, D.C.

D. (6) $100.

A. Friends Committee on National Legislation, 245 Second Street, NE., Washington, D.C.

D. (6) $48,969. E. (9) $12,445.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue, NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.

D. (6) $600.

A. Charles H. Fritzel, 1625 I Street, NW., Suite 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,500. E. (9) $84.

A. David C. Fullarton, 2100 M Street, NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street, NW., Suite 307, Washington, D.C. 20037.

D. (6) $325.

A. James E. Gaffigan, 777 14th Street, Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $207.70. E. (9) $42.80.

A. Mark J. Gallagher.

B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $3,839.49. E. (9) $608.13.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $2,847.54.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $7,012.50.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,593.74. E. (9) $652.05.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.

B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.

D. (6) $1,312.50. E. (9) $50.90.

A. Gas Appliance Manufacturers Association, 1901 N. Fort Myer Drive, Arlington, Va. 22209.

E. (9) $870.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.

E. (9) $355.

A. Mary Condon Gereau, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

D. (6) $4,710.50. E. (9) $308.

A. Lesley Chapman Gerould, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.

D. (6) $1,000. E. (9) $5,138.

A. Llewellyn H. Gerson.

B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, Washington, D.C. 20005.

D. (6) $2,900. E. (9) $889.

A. Donald Gerrish.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, 1800 K Street NW., Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $877.50. E. (9) $244.33.

A. Joseph L. Gibson, 1660 L Street NW., Suite 1001, Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

D. (6) $12. E. (9) $150.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio 45219.

B. National Conference of Brewery & Soft Drink Workers, 300 S. Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

E. (9) $439.35.

A. Dave Givens, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

A. Don A. Goodall, 1625 Eye Street NW., Suite 614, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6) $152.50. E. (9) $92.16.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15111, Minneapolis, Minn. 55415.

B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15111, Minneapolis, Minn. 55415.

D. (6) $6,600.

A. Marvin Goodson, 10850 Wilshire Boulevard, Los Angeles, Calif. 90024.

E. (9) $325.

A. Brenda J. Gore.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

D. (6) $600. E. (9) $25.

A. Gore, Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Frederick D. Goss, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

D. (6) $1,750.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich. 48226.

A. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $14,563.17. E. (9) $5,766.97.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $115.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,331.24. E. (9) $54.78.

A. Dan L. Grant, 230 Peachtree Street, Suite 2218, Atlanta, Ga. 30303.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $50. E. (9) $60.

A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

D. (6) $2,349. E. (9) $2,198.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va.

D. (6) $657.84. E. (9) $25.

A. Robert K. Gray, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $3,120. E. (9) $484.79.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $104.25. E. (9) $18.81.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho.

B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.

E. (9) $1,712.20.

A. Richard Greenspan, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.

B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

E. (9) $2,011.84.

A. Chellis O'Neal Gregory, Jr., 151 North Carolina Avenue SE., Washington, D.C. 20003.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $5,538.42.

A. Theodore R. Groom, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Trustees of the Western Conference of Teamsters Pension Trust Fund, 2300 Eastlake Avenue, East, Seattle, Wash. 98102.

D. (6) $500.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $724.98.

A. Jerome R. Gulan, 1133 20th Street NW., Washington, D.C. 20036.

B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $275.51.

A. Samuel Gusman, 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.

B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.

D. (6) $500. E. (9) $100.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,500. E. (9) $300.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, Harker Stanton & John Coffey, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Williams Companies, National Bank of Tulsa, Tulsa, Okla.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $4,500. E. (9) $638.91.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga.

E. (9) $100.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Standard Oil Co. (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

D. (6) $4,380.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Robert N. Hampton, 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,237.50. E. (9) $14.61.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $986.25. E. (9) $52.80.

A. James E. Hanson, 121 Second St. NE., Washington, D.C. 20002.

B. Puget Sound Tug & Barge Co., 1102 Southwest Massachusetts St., Seattle, Wash. 98134.

D. (6) $240.

A. Robert B. Harding, 1801 K St. NW., Rm. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $350. E. (9) $132.86.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.

B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $452.38.

A. Bryce N. Harlow, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45203.

D. (6) $212.50. E. (9) $212.50.

A. C. Wayne Harmon, Suite 700, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $650. E. (9) $300.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $100. E. (9) $14.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

D. (6) $467.08. E. (9) $44.30.

A. Stephanie Harris, 2000 P Street NW., Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. William C. Hart, 1625 Eye Street NW., Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $3,185. E. (9) $5,079.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $6,153.60. E. (9) $138.39.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. The Havens Relief Fund Society, 289 Park Avenue South, New York, N.Y. 10010.

A. Sidney G. Hawkes.

B. The Mead Corp., 118 W. First Street, Dayton, Ohio 45402.

D. (6) $825. E. (9) $605.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.

B Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Robert T. Hayden, Suite 706, 815 16th Street NW., Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $4,359. E. (9) $881.93.

A. Patrick J. Head, Suite 1001, 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

D. (6) $140. E. (9) $150.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

D. (6) $5,164.56. E. (9) $5,164.56.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

D. (6) $501.17. E. (9) $501.17.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street, NW., Washington, D.C. 20001.

D. (6) $393.75. E. (9) $91.20.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.

B. American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y. 10017.

A. John F. Heilman, 1221 Massachusetts Avenue NW., Washington, D.C, 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $4,812.50.

A. Spencer H. Heine, 1660 L Street NW., Suite 1001, Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8839, Chicago, Ill.

D. (6) $19.25. E. (9) $150.

A. Ross E. Heller, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street, NW., Suite 307, Washington, D.C. 20037.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $225. E. (9) $250.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.

B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

D. (6) $21.60. E. (9) $10.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.

D. (6) $1,500. E. (9) $289.94

A. George F. Hennrikus, Jr.

B. The Retired Officers Association, 1625 Eye Street NW., Washington, D.C. 20006.

D. $1,292.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.

B. National Committee Against Repressive Legislation, 555 N. Western Avenue, Los Angeles, Calif. 90004.

D. (6) $370. E. (9) $433.10.

A. Andrew I. Hickey, Jr.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

D. (6) $10,625. E. (9) $1,299.09.

A. M. F. Hicklin, 720 Bankers Trust Building, Des Moines, Iowa 50309.

B. Iowa Railway Association, 720 Bankers Trust Building, Des Moines, Iowa 50309.

E. (9) $320.40

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.

B. Mellon Bank, N.A. & Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.

D. (6) $2,000. E. (9) $737.90.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

D. (6) $2,000. E. (9) $2,000.

A. James J. Hill, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue, NW., Washington, D.C. 20016.

A. Richard Hinds, 1250 Connecticut, Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton (for CSR, Ltd.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton (for Synthetic Organic Chemical Manufacturers Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,250. E. (9) $1,002.

A. Lawrence S. Hobart, 2600 Virginia Avenue, NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $510.

A. Claude E. Hobbs, 1801 K Street NW., Washington, D.C. 20006.

B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $900. E. (9) $195.

A. Glen D. Hofer, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $734. E. (9) $53.64.

A. John S. Hoff, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $800. E. (9) $25.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

D. (6) $4,915. E. (9) $515.03.

A. Dale Curtis Hogue, 1128 16th Street NW., Washington, D.C. 20036.

B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.

E. (9) $300.

A. Thomas W. Holland, Suite 370, 1 Dupont Circle, NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $6,800. E. (9) $19,324.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,750. E. (9) $16.

A. W. Dean Hopkins, 1105 East Ohio Building, Cleveland, Ohio 44114.

B. McDonald, Hopkins & Hardy Co., 1105 East Ohio Building, Cleveland, Ohio 44114.

D. (6) $151.89. E. (9) $7,066.21.

A. The Hormel Foundation, Austin, Minn. 55912.

E. (9) $6,242.61.

A. John F. Horty, 4614 Fifth Avenue, Suite 921, Pittsburgh, Pa. 15213.

B. National Protestant-Catholic Hospital Action Committee, 840, North Lake Shore Drive, Chicago, Ill., 60611.

D. (6) $1,200. E. (9) $25.

A. Houger, Garvey, Schubert & Barnes, 1019 19th Street NW., Suite 810, Washington, D.C. 20036.

B. American Psychological Association, 1200 17th Street NW., Washington, D.C.

D. (6) $1,000. E. (9) $1,056.25.

A. Houger, Garvey, Schubert & Barnes, 1019 19th Street NW., Washington, D.C. 20036.

B. States Steamship Co., 320 California Street, San Francisco, Calif. 94104.

E. (9) $13,308.30.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $4,471.88.

A. C. T. Hoversten, 209 W. 53rd St., Western Springs, Ill. 60558.
B. National Advertising Co., 6850 S. Harlem Ave., Bedford Park, Argo, Ill. 60501.

A. Thomas Howarth, 1801 K Street NW., Washington, D.C. 20006.
B. U.S. Independent Telephone Association., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,745.78. E. (9) $1,745.78.

A. Joe L. Howell, 1700 Pennsylvania Ave. NW., Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Ave. NW., Washington, D.C. 20006.
B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

A. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Ave. NW., Washington, D.C. 20006.
E. (9) $237.00.

A. Charles L. Huber, 1221 Massachusetts Ave. NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $10,312.50. E. (9) $58.79.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. American National Financial Corporation, 300 Delaware Avenue, Wilmington, Del. 19801.
E. (9) $725.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Lomas & Nettleton Financial Corporation, 2001 Bryan Tower, Dallas, Tex. 75222.
E. (9) $525.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Zale Corporation, 3000 Diamond Park Drive, Dallas, Tex. 75247.
E. (9) $525.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $10.55.

A. William J. Hull, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., Room 505, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $1,125.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $4,740.39. E. (9) $859.14.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $100. E. (9) $25.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
B. Arnold L. House, Washington, D.C., Retail Food, et al.
E. (9) $177.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
D. (6) $5.

A. Frank N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,125. E. (9) $814.

A. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,463.41. E. (9) $8,463.41.

A. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $211.39.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $11,503.39.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,934.41.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $18,506.66.

A. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 8000 E. Jefferson, Detroit, Mich. 48214.
D. (6) $132,248. E. (9) $132,248.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $1,132.50.

A. Investment Counsel Association of America, Inc., 127 E. 59th Street, New York, N.Y. 10022.
E. (9) $1,637.75.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, Saint Paul, Minn. 55101.
D. (6) $9,234.34. E. (9) $7,239.37.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association 2000 Florida Avenue, NW., Washington, D.C. 20009.
D. (6) $120.

A. Ronald A. Jacks, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $100.

A. Robert C. Jackson, American Textile Manufacturers Institute, Inc., 1150 17th Street, NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $37.39.

A. Jim Jaffe.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20045.
B. SmithKline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $610.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C.
B. The Goodyear Tire & Rubber Co., Akron, Ohio.

A. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J.

A. A. W. Jessup, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $107.04. E. (9) $35.61.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20006.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John H. Johnson, Jr.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,250. E. (9) $32.90.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $2,065. E. (9) $8.40.

A. Reuben L. Johnson.
B. The Farmers' Educational & Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo., 1012 14th Street NW., Washington, D.C.
D. (6) $5,652.88 E. (9) $227.12.

A. Stanley L. Johnson, Texaco Inc., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $25.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $5,887.66.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E (9) $575.99.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $300. E. (9) $91.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $19.38.

A. Oliver H. Jones, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW, Washington, D.C. 20005.
D. (6) $3,250. E. (9) $18,097.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) 410. E. (9) $80.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

A. Katten, Muchin, Gitles, Zavis, Pearl & Galler, 125 South Clark Street, Chicago, Ill. 60603.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $215.85.

A. Carleton R. Kear, Jr.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $196.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $105.50.

A. John G. Keller, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., USA (a Division of Exxon Corp.), P.O. Box 2180, Houston, Tex.

A. Paul J. Kelley.
B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
E. (9) $240.

A. William J. Kelley, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. John T. Kelly.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. George Kelm, One First National Plaza, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $1,675. E. (9) $10.

A. I. L. Kenen, 1341 G Street NW., Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $1,249.98.

A. Harold L. Kennedy, Marathon Oil Co., 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $487.20.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $51.65.

A. John V. Kenny.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $50.

A. Kenyon & Kenyon, Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert North Adams, et al.
E. (9) $25.

A. Thomas P. Kerester, Coopers & Lybrand, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Balcor Co., 1 Concourse Plaza, 4711 Golf Road, Skokie, Ill. 60076.
D. (6) $625. E. (9) $30.

A. James L. Kimble, 1025 Connecticut Avenue NW. (Suite 515-Blake Building), Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515-Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $75.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $64.

A. David S. King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. Syndicat des Distillateurs de Sucre de Madagascar.
E. (9) $40.

A. Susan B. King, 421 Fourth Street SE., Washington, D.C. 20003.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $5,772.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,388.20.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Ernest A. Kistler, 2 North Ninth Street, Allentown, Pa. 18101.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $551.27. E. (9) $50.

A. Ralph W. Kittle.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $650.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802 Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill., 60684.
D. (6) $2,000. E. (9) $500.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $112.52.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. Ann Kolker, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,665.99. E. (9) $1,039.98.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for the Synthetic Organic Chemical Manufacturers Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. June K. Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $148.

A. Albert H. Kramer, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $5,223.28. E. (9) $95.92.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,537.49. E. (9) $92.97.

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,125. E. (9) $2.

A. Lloyd R. Kuhn, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $7,663. E. (9) 1,064.95.

A. Michael M. Kumpf, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $500. E. (9) $200.

A. Norman G. Kurland, 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Bangert & Co., Inc., Investment Bankers, 111 Pine Street, San Francisco Calif. 94111.
D. (6) $3,075. E. (9) $1,170.85.

A. Daniel M. Kush, 1615 H Street, NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,154. E. (9) $8,920.

A. Laborers International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $15,199.93.

A. Nick Laird, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20006.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. David R. Lambert, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $750.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $150.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Ray, Calif. 90291.
D. (6) $350. E. (9) $25.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Sportsmans Paradise Homeowners Association, 10612 Dalerose Avenue, Lennox, Calif. 90304.
D. (6) $1,000. E. (9) $105.50.

A. Elizabeth Langer, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America.
D. (6) $875. E. (9) $40.

A. R. Josh Lanier.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $1,325. E. (9) $25.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $523.47.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,720. E. (9) $157.89.

A. Glenn T. Lashley, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 20042.

A. Monte Lazarus, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500. E. (9) $124.85.

A. William Lazarus, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $150.

A. League of New Community Developers, 910 17th Street NW, Suite 728, Washington, D.C. 20006.
D. (6) $6,293. E. (9) $6,947.86.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Robert W. Lee, 1028 Connecticut Avenue NW., Suite 1004, Washington, D.C. 20036.
B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $1,293.

A. Robert J. Leigh, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
D. (6) $100.

A. Joseph L. Leitzinger.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Washington 98164.
D. (6) $309. E. (9) $334.

A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., P.O. Box 3727, Spokane, Wash. 99202.
D. (6) $450.

A. Nils A. Lennartson, Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $681.24.

A. Earl T. Leonard, Jr., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $156. E. (9) $437.44.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,300. E. (9) $2,500.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW, Washington, D.C.
B. General Electric Co., Fairfield, Conn.
D. (6) $810. E. (9) $100.

A. Robert G. Lewis.
B. The Farmers' Educational & Co-Operative Union of America (National Farmers Union) P.O. Box 2251, Denver, Colo., 1012 14th Street NW., Washington, D.C.
D. (6) $1,615.38. E. (9) $75.48.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $278.20.

A. Russell B. Light, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $750. E. (9) $635.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Board of Commissioners, County of Wayne, City-County Building, Detroit, Mich. 48226.
D. (6) $6,000. E. (9) 142.05.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $6,079.04. E. (9) $471.51.

A. Charles B. Lipsen.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $11,442.34. E. (9) $400.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $553.75. E. (9) $157.28.

A. Edward J. Lord, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $4,480. E. (9) $258.71.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $750. E. (9) $401.79.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $600. E. (9) $250.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Otto Lowe, 888 17th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $1,050.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $891.29.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $300. E. (9) $131.20.

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A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.
D. (6) $500. E. (9) $10.

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A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Cooperative Bank League, 225 Franklin Street, Boston, Mass. 02110.
D. (6) $100. E. (9) $10.

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A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

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A. Christian J. Lund.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $731.25. E. (9) $9.75.

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A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

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A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $356.50. E. (9) $42.12.

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A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
D. (6) $600. E. (9) $43.50.

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A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $600.

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A. Lusk-Evans Ltd., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

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A. James H. Lynch, Jr., 1325 Massacusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $6,595.40. E. (9) $147.10.

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A. Mark H. Lynch, 133 C St. SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $500.

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A. Robert N. Lynch.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $6,073.55. E. (9) $2,156.61.

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A. Richard Lyng, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
E. (9) $18.

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A. LeRoy E. Lyon, Jr., Eleventh and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, Eleventh and L Building, Sacramento, Calif. 95814.
E. (9) $273.91.

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A. Shane MacCarthy, 1730 N. Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 N. Lynn Street, Arlington, Va. 22209.
D. (6) $1,125. E. (9) $1,610.25.

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A. James E. Mack, 1225 Nineteenth Street NW., Washington, D.C. 20036.
B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $11,250. E. (9) $2,332.67.

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A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.
B. Peanut Butter Manufacturers and Nut Salters Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $954.83.

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A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $681.38.

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A. John F. Magnotti, Jr., National Council of Professional Services Firms, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Council of Professional Services Firms.
D. (6) $120. E. (9) $10.

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A. W. Terry Maguire, National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $141.61.

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A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $575.

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A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A. (a division of Exxon Corp.), P.O. Box 2180, Houston, Tex.
E. (9) $469.92.

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A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,747.20. E. (9) $245.34.

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A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $175.

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A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, Coal Building, 1130 17th Street NW., Washington, D.C.
D. (6) $7,374.99. E. (9) $93.80.

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A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $67.47. E. (9) $67.47.

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A. ManExec, Inc., 231 East Vermijo Avenue, P.O. Box 572, Colorado Springs, Colo. 80901.
B. Red River Valley Cooperative, Inc., P.O. Box 43, Hillsboro, N. Dak. 58045.

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A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $1,190.

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A. H. Warren Mann, 1200 Travis, Houston, Tex.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

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A. D. E. Marable.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $435. E. (9) $430.

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A. J. Eugene Marans, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Natomas Co.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

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A. Ronald M. Marcus, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

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A. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.
E. (9) $7,166.88.

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A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $357.94.

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A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

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A. Ralph J. Marlatt, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
E. (9) $1,350.

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A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

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A. William J. Marschalk, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,860. E. (9) $205.

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A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.

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A. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

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A. J. Paull Marshall, 40 Ivy Street SE, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $330.98. E. (9) $319.65.

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A. Clarence E. Martin, Martin & Seibert, 119 South College Street, Martinsburg, W. Va. 25401.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

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A. Guy R. Martin, 655 C Street SE., Washington, D.C. 20003.
D. (6) $8,025. E. (9) 5,662.48.

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A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $200.

A. Steven A. Martindale, 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $1,200. E. (9) $138.

A. Richard E. Martinez, American Optometric Association, 1730 M Street NW., Suite 206, Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Porter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $381.12. E. (9) $371.75.

A. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $215.85.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. American Japanese Trade Committee, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. Association of Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.

D. (6) $500.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. Nisei Lobby, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, Masaoka-Ishikewa & Associates, Inc., 2021 L Street NW., Washington, D.C. 20036.

B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.

D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $500.

A. Jon G. Massey, Suite III, 125 C Street SE., Washington, D.C. 20003. P.O. Box 8293, Washington, D.C. 20024.

B. Oil Investment Institute.

A. P. H. Mathews, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $898.36. E. (9) $554.49.

A. Charles D. Matthews, 1100 17th Street NW., Washington, D.C. 20036.

B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $624.99. E. (9) $245.71.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.

B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

D. (6) $340.62.

A. Charles E. Mattingly, National Legislative Commission, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $4,683. E. (9) $198.39.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.

B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.

B. Joint Government Liaison Committee, 1 North LaSalle Street, Chicago, Ill.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $410. E. (9) $92.35.

A. Mayer, Brown & Platt, Suite 1955, 231 South LaSalle Street, Chicago, Ill. 60604; Suite 400, 888 17th Street NW., Washington, D.C. 20006.

B. Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60076.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.

B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.

D. (6) $6,604. E. (9) $790.

A. H. Wesley McAden, 1030 15th Street NW., Suite 508, Washington, D.C. 20005.

B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.

D. (6) $1,500.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C.

B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

D. (6) $390.00.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300 or less.

A. Robert A. McConnell, Jr., 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.

B. AMERCO, International, 2727 North Central Avenue, Phoenix, Ariz. 85004.

D. (6) $568. E. (9) $209.48.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,068.53.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (7) $615. E. (9) 65.77.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Gulf & Western Industries, Inc., One Gulf and Western Plaza, New York, N.Y. 10023.

E. (9) $57.45.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.

E. (9) $101.12.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Montgomery Coca-Cola Bottling Co., Inc., N. Perry and Jefferson Streets, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.

E. (9) $25.89.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue Suite 600, Washington, D.C. 20036.

B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

E. (9) $43.22.

A. Harry G. McComas, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association Plumbing-Heating-Cooling Contractors, 1016 20th Street, NW., Washington, D.C. 20036.

D. (6) $637.50. E. (9) $62.75.

A. E. L. McCulloch, Room 819, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.

D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $478.73. E. (9) $132.52.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

E. (9) $158.85.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 10006.

B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $106.23.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $168.96.

A. Robert McElwaine, 1129 20th Street, Washington, D.C. 20036.

B. American Imported Automobile Dealers Association, 1129 20th Street, Washington, D.C. 20036.

E. (9) $380.

A. Robert E. McGarrah, Jr., 2000 P Street, NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

D. (6) $108.15. E. (9) $7.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.

D. (6) $7,080.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $6,656. E. (9) $326.33.

A. Marshall C. McGrath.

B. International Paper Co., 1620 I Street, NW., Suite 700, Washington, D.C. 20006.

D. (6) $770. E. (9) $167.64.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, NW., Washington, D.C.

D. (6) $7,098.00. E. (9) $340.29.

A. Clarence M. McIntosh, Jr., 400 First Street, NW., Washington, D.C.

B. Railway Labor Executives' Association, 400 First Street, NW., Washington, D.C. 20001.

D. (6) $853.26.

A. William F. McKenna, National Savings and Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings and Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $60.

A. W. F. McKenna, McKenna, Fitting & Finch, 1156 15th Street NW., Washington, D.C. 20005.
B. First Federal Savings, Phoenix, Ariz., First Federal Savings, Tampa, Fla., City Federal Savings, Elizabeth, N.J., First Federal Wisconsin, Milwaukee, Wis.
D. (6) $1,931.20. E. (9) $400.

A. John S. McLees, 1615 H Street, NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.
D. (6) $150.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.
D. (6)$525. E. (9) $340.

A. Jane Pierson McMichael, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $3500. E. (9) $260.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Company, et al.
D. (6) $8,750. E. (9) $1,686.38.

A. Harry McPherson, Suite 1100, 1660 L Street NW.
B. Montgomery Ward, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $750. E. (9) $25.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $492.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $120.80. E. (9) $8.91.

A. Gerald J. Mehlman, 450 North Roxbury Drive, Beverly Hills, Calif. 90210.
B. Kaplan, Livingston, Goodwin, Berkowitz & Selvin, 450 North Roxbury Drive, Beverly Hills, Calif. 90210.
E. (9) $1,412.19.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $7,098. E. (9) $466.95.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $15.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515—Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $166.69.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $18,750. E. (9) $639.61.

A. Edward L. Merrigan; Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Sugar Distributors of Venezuela, Edif. de la Luz Electrica de Venezuela, Av. Urdaneta, 7th Floor, Caracas, Venezuela.
D. (6) $6,250.

A. Lawrence C. Merthan, The Carpet and Rug Institute, 1015 Eighteenth Street NW., Washington, D.C. 20036.
B. The Carpet and Rug Institute, Dalton, Ga. 30720.
D. (6) $250. E. (9) $75.

A. Harold E. Mesirow, 1225 19th Street NW., Washington, D.C. 20036.
B. Pacific Westbound Conference, 635 Sacramento Street, San Francisco, Calif. 94104
D. (6) $612. E. (9) $107.04.

A. George F. Meyer, Jr.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $467.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West 7th Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $266.36. E. (9) $1,327.10.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Havens Relief Fund Society, 289 Park Avenue South, New York, N.Y. 10010.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $150.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $23.55.

A. Dale Miller, 377 Mayflower Hotel, Washintgon, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $300. E. (9) $177.81.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Neb. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Neb. 68179.
D. (6) $7,050. E. (9) $2,390.95.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Northern Textile Association, The Maytag Co.
D. (6) $1,000. E. (9) $100.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. MEBA Political Action Fund, 17 Battery Place, New York, N.Y. 10004.
E. (9) $2,328.46.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C.
B. The Navajo Nation, Window Rock, Ariz. 86505.
E. (9) $549.06

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. O & C Counties Association, Douglas County Court House, Roseburg, Oreg.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. The Port of Portland, Box 3529, Portland, Oreg. 97208.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Western Forest Industries Association, 1500 Southwest Taylor Street, Portland, Oreg. 97205.
E. (9) $296.50.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $502.94.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. $1,000. E. $250.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $175.

A. John V. Moller, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $500.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1287.50. E. (9) $42.56.

A. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
E. (9) $1231.

A. G. Merrill Moody, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $112. E. (9) $281.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,195.68.

A. Clarence W. Moore, Woodward Building, Washington, D.C. 20005.
B. National Barrel and Drum Association, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,250.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Interbank Card Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for the Synthetic Organic Chemical Manufacturers Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.
B. The American Humane Association, P.O. Box 1266, Denver Colo. 80201.
D. (6) $1,800.

A. Morison, Murphy, Abrams & Haddock, 1776 Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Company, 330 Madison Avenue, New York, N.Y.

A. Gene P. Morrell, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas Tex. 75201.
D. (6) $1,500. E. (9) $1,025.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $221.45.

A. Lynn E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Karen Mulhauser, 705 G Street SE., Washington D.C. 20003.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.
D. (6) $2,500. E. (9) $2,305.57.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington D.C. 20045.
E. (9) $223.40.

A. Robert M. Mulligan, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Mfrs. & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $6,249.88. E. (9) $1,842.64.

A. John J. Murphy, National Customs Service Association, Shoreham Building, Suite 416, 806 15th Street NW., Washington, D.C. 20005.
B. National Customs Service Association.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $100. E. (9) $273.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio. 44115.
D. (6) $75. E. (9) $215.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $100. E. (9) $56.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va. 22209.
D. (6) $78. E. (9) $96.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1425 H Street NW., Washington, D.C. 20005.
D. (6) $75. E. (9) $134.

A. Rosemary G. Murray, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $133.67.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $185.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street, NW., Suite 700, Washington, D.C. 20006.
D. (6) $300.

A. Fred A. Myers, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $200.

A. J. Walter Myers, Jr., 4 Executive Park East NE., Atlanta, Ga. 30329.
B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. Kenneth D. Naden, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $3,437.49. E. (9) $144.28.

A. John J. Nangle, 1625 I Street NW., Suite 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $500.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $82.50. E. (9) $94.95.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $372.50. E. (9) $745.02.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $44. E. (9) $245.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $2,214.41. E. (9) $8,647.09.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. No. 2, Sheridan, Ind. 46069.
D. (6) $1,759.84. E. (9) $1,759.84.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300. E. (9) $300.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $6,697.31.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,217,936.92. E. (9) $42,107.79.

A. National Association of Mutual Insurance Cos., 2511 East 46th St., Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $5,843.05. E. (9) $5,843.05.

A. National Association of Plumbing, Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $3,899.36. E. (9) $3,899.36.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
E. (9) $14,096.88.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $5,737.17. E. (9) $4,818.12.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $300.

A. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $867,606.52. E. (9) $5,654.26.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $450. E. (9) $893.22.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $109,068.56. E. (9) $9,635.16.

A. National Consumer Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $780.29. E. (9) $780.29.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $13,326.67. E. (9) $13,326.67.

A. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $402.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $36,062. E. (9) $39,755.

A. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.
D. (6) $690. E. (9) $1,265.65.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Cenco Instruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $2,475. E. (9) $102.85.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $555.54. E. (9) $61.03.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Encyclopaedia Britannica Educational Corp., 425 North Michigan Avenue, Chicago, Ill.
D. (6) $666.67. E. (9) $70.72.

A. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $11,449.14.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $367,295.27. E. (9) $24,469.18.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. The National Grange, 1616 K Street NW., Washington, D.C. 20006.
D. (6) $111,633.61. E. (9) $14,125.01.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.
D. (6) $5,286.68. E. (9) $5,286.68.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $580.43. E. (9) $354.17.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,783.20. E. (9) $5,783.20.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
D. (6) $2,098. E. (9) $1,571.65.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
E. (9) $24,016.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $3,671.94.

A. National Savings and Loan League, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $4712.39. E. (9) $2520.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,562.52.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $14,106.20.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $7,096.05.

A. National Student Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $246.46. E. (9) $246.46.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D (6) $3,333.66. E. (9) $4,243.64.

A. National Telephone Cooperative Association, 2100 M Street NW., Washington, D.C. 20037.
E. (9) $2,250.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $100. E. (9) $100.

A. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $14,498.51. E. (9) $8,695.96.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,495.

A. Alan M. Nedry, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $400. E. (9) $172.97.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $300.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,761.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $750. E. (9) $500.

A. Joseph L. Nellis, Suite 640, 1819 H Street NW., Washington, D.C. 20006.
B. Independent Cosmetic Manufacturers & Distributors, Inc., 767 Fifth Avenue, New York, N.Y.
D. (6) $1,200. E. (9) $500.

A. George Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $399.66.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Ivan A. Nestingen, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.
B. American Nursing Home Association, 1200 15th Street NW., Washington, D.C. 20005.
D. (6) $1,200. E. (9) $163.70.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Jeffrey L. Nesvet, 1819 H Street NW., Suite 640, Washington, D.C. 20006.
B. Independent Cosmetic Manufacturers & Distributors, Inc., 767 Fifth Avenue, New York, N.Y.
D. (6) $800.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C., One IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $2,187.50. E. (9) $20.90.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,312.50. E. (9) $606.96.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.
D. (6) $150. E. (9) $15.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $26,250. E. (9) $19,211.

A. Richard Ney, 700 New Hampshire Avenue NW., Washington, D.C. 20037.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $6,750. E. (9) $3,419.54.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $450. E. (9) $369.15.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,225. E. (9) $582.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14h Street NW., Washington, D.C.
D. (6) $8,841.24. E. (9) $1,058.54.

A. Gail Ann Chew Nishioka, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $810.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
E. (9) $1,125.

A. Nancy A. Nord, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $100. E. (9) $5.

A. Robert D. Nordstrom, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $100.

A. Robert H. North, 1105 Barr Building, 910 17th Street NW., Washington, D.C.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, 910 17th Street NW., Washington, D.C.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $650.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alleghany Corp., New York, N.Y.
D. (6) $500. E. (9) $80.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Transit Association, 465 L'Enfant Plaza West SW., Suite 2900, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $132.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $368.91.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., 2900 IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,500. E. (9) $400.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Women's and Children's Apparel Salesman (NAWCAS), 515 Peachtree-Palisades Building, Atlanta, Ga.
D. (6) $3,000.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Federation of Independent Business, 150 West 20th Street, San Mateo, Calif. 94403.
D. (6) $7,500.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Hockey League, Two Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $4,000. E. (9) $200.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.
D. (6) $2,500. E. (9) $370.60.

A. Lawrence J. O'Connor, Jr., 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
E. (9) $745.20.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill., 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., Suite 716, Washington, D.C. 20036.
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing Workers of America, AFL–CIO, 15 Union Square, New York, N.Y. 10003.
D. (6) $4,799.98. E. (9) $888.55.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,400.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.
B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. The Ohio Railroad Association, 16 E. Broad Street, Columbus, Ohio 43215.
E. (9) $439.35.

A. Oil Investment Institute, Suite III, 125 C Street SE., Washington, D.C. 20003, P.O. Box 8293, Washington, D.C. 20024.

A. Alvin E. Oliver, 500 Folger Building, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Michael Sanders Olson, P.O. Box 2776, Raleigh, N.C. 27602.
B. Carolinas Association of Mutual Insurance Agents, Inc., P.O. Box 2776, Raleigh, N.C. 27602.
E. (9) $25.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,254.07. E. (9) $10,254.07.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,000. E. (9) $207.14.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), 1341 G Street N.W., Washington, D.C. 20005.
D. (6) $1,836.64. E. (9) $2,608.70.

A. Edward R. Osann, 2147 D Street NW., Suite 201, Washington, D.C. 20037.
B. Save the Dunes Council, Inc., P.O. Box 303, Chesterton, Ind. 36304.
D. (6) $2,102. E. (9) $741.31.

A. John L. Oshinski, 815 16th Street N.W., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,728.99. E. (9) $540.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladywine, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Norman Paige, 538 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.

A. William G. Painter, 324 C Street SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 324 C Street SE., Washington, D.C. 20003.
D. (6) $308.26.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,320.52. E. (9) $874.63.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Lew M. Paramore, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $299.71.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $1,720.23.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $4,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $380. E. (9) $30.80.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Maritime Association.

D. (6) $2675. E. (9) $30.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.

D. (6) $1146.25. E. (9) $6.63.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $4,005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.

D. (6) $1,265. E. (9) $5.88.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $535. E. (9) $59.15.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Council of State Chambers of Commerce 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.

D. (6) $50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

D. (6) $3,350. E. (9) $3.78.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.

D. (6) $500. E. (9) $4.74.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. International Snowmobile Industry Association, 5100 Edina Industrial Boulevard, Minneapolis, Minn. 55435.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

D. (6) $160.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. New Process Company, 220 Hickory Street, Warren, Pa. 16365.

D. (6) $1,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Outboard Marine Corporation, 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.

D. (6) $500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

D. (6) $187.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.

D. (6) $2,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.

D. (6) $640. E. (9) $1,664.43.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

D. (6) $3,163.75.

A. Paul, Weiss, Rifkind, Wharton, & Garrison, 345 Park Avenue, New York, N.Y. 10022.

B. Warner Communications Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.

D. (6) $16,397.95. E. (9) $926.72.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.

B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.

D. (6) $11,469. E. (9) $713.47.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,686.53.

A. Pennsylvania Power & Light Co., Two North 9th Street, Allentown, Pa. 18101.

E. (9) $643.50.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

E. (9) $12,434.61.

A. J. Carter Perkins, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.

D. (6) $1,000.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $6,364. E. (9) $655.50.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500.

A. Howard Phillips, 4220 Linden Street, Fairfax, Va. 22030.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $3,000.

A. Daphne Philos, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $975. E. (9) $8.20.

A. Sam Pickard, 1101 17th Street NW., Washington, D.C. 20036.

B. Monsanto Co., 800 North Lindberg Boulevard, St. Louis, Mo. 63166.

D. (6) $500. E. (9) $10.15.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.

B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $3,333.33. E. (9) $275.43.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock Tex. 79408.

D. (6) $11,169.02. E. (9) $1,350.

A. Kenneth B. Pomeroy, 10404 Conover Drive, Silver Spring, Md. 20902.

B. National Association of State Foresters.

D. (6) $3,000. E. (9) $1,192.91.

A. Pope, Ballard & Loos, 888 17th Street NW., Suite 700, Washington, D.C. 20006.

B. Sunkist Growers, Inc., P.O. Box 7888, Valley Annex, Van Nuys, Calif. 91409.

D. (6) $6,060.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.

B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.

D. (6) $233.31. E. (9) $58.87.

A. John Post, 888 17th Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017, 888 17th Street NW., Washington, D.C. 20006.

D. (6) $100. E. (9) $5.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $1,125. E. (9) $7.50.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

D. (6) $1,606.50. E. (9) $31.25.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Carlton H. Power, 1918 N. Parkway, Memphis, Tenn.

B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.

D. (6) $705. E. (9) $69.87.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $2,064. E. (9) $60.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. League of Savings Associations.
D. (6) $600.

A. Dan Prescott, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $54.05. E. (9) $33.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington D.C. 20005.
D. (6) $437.50.

A. Prod, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Prod, Inc.
E. (9) $93.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $386.54. E. (9) $386.54.

A. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,070.88. E. (9) $1,070.88.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,422. E. (9) $15.60.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,250.01.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005.
B. Belize Sugar Industries, Belize City, Belize (Central America).
D. (6) $3,750. E. (9) $290.95.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A. and Azucarera Nacional, S.A., Panama City, Panama.
D. (6) $4,500. E. (9) $288.76.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005.
B. Sociedad Agricola e Industrial San Carlos, S.A., Compania Azucarera Valdez, Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, C.A., Ecuador.
D. (6) $6,250. E. (9) $405.46.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005.
B. West Indies Sugar Association, Bridgetown, Barbados.
D. (6) $8,750. E. (9) $510.36.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (6) $2,306.72

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $393.12.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100. E. (9) $125.

A. Richard J. Ragan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $138.85. E. (9) $43.03.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $1,959.79. E. (9) $1,959.79.

A. Donald A. Randall, Suite 303, 910 16th Street NW., Washington, D.C. 20006.
B. Automotive Service Councils, Inc., 4001 Warren Boulevard, Hillside, Ill. 60162.
D. (6) $3,300. E. (9) $622.50.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $644.88. E. (9) $501.06.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $2,000. E. (9) $1,060.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $16.20. E. (9) $20.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $197.10. E. (9) $20.20.

A. David J. Reedy, 6S430 Huntington Circle, Naperville, Ill. 60540.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $2,600.

A. Lawrence D. Reedy, 1730 M Street NW., Suite 805, Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. J. Mitchell Reese, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P. Street NW., Washington, D.C. 20036.

A. John T. Reggitts, Jr., R.D. No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
E. (9) $1,316.37.

A. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $392.34. E.(9) $6,836.34.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $11,202.

A. William L. Reynolds, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings and Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $2,100. E. (9) $360.

A. Austin T. Rhoads, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Mfrs. & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.
E. (9) $382.10.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $1,971.67.

A. Theron J. Rice, 1130 17th Street NW., Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06905.

A. Maxwell E. Rich, 1600 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue, NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Mark Richardson, 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $270. E. (9) $250.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for CSR, Ltd.), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for Interbank Card Association), 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton (for the Synthetic Organic Chemical Manufacturers Association), 1250 Connecticut Avenue NW., Washington, D.C., 20036.

A. Paul M. Riley, 1730 M Street, NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $46.08. E. (9) $50.90.

A. Stark Ritchie, 1801 K Street, NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.

A. William Neale Roach, 1616 P Street, NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street, NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $252.83.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Clyde F. Roberts, Jr.
B. National Association of Manufacturers, 1776 F Street NW., Washington. D.C. 20006.
D. (6) $475.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $3,250.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $55.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperation Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $45.

A. Byron G. Rogers, 666 Gaylord Street, Denver, Colo., 80206; 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, Suite 793, 1801 K Street NW., Washington, D.C. 20006.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street East, Charleston, W. Va. 25301.
B. Appalachian Power Co., 301 Virginia Street East, Charleston, W. Va. 25301.
D. (6) $430.76. E. (9) $367.84.

A. Francis P. Rooney, 1909 K Street, NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Asssociation of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Christine Root, 4024 Franklin Street, Kensington, Md. 20795.
B. Washington Office on Africa, 110 Maryland Avenue, NE., Washington, D.C. 20002.
D. (6) $1,300.
E. (9) $193.41.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $250.
E. (9) $75.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. Balderas 36, Mexico, D. F. Mexico.
D. (6) $9,999.
E. (9) $2,822.70.

A. John Forney Rudy, 1800 K Street, NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,769.23.
E. (9) $206.31.

A. Wally Rustad, 2000 Florida Avenue, NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.
D. (6) $150.

A. J. T. Rutherford & Associates, Inc., 1660 L Street, NW., Suite 514, Washington, D.C.
B. The Am College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $800.
E. (9) $1,333.07.

A. J. T. Rutherford & Associates, Inc., 1660 L Street, NW., Suite 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street, NW., Washington, D.C.
D. (6) $775.
E. (9) $1,270.15.

A. J. T. Rutherford & Associates, Inc., 1660 L Street, NW., Suite 514, Washington, D.C. 20036.
B. American Trucking Association, 1616 P Street NW., Washington, D.C. 20036.
D. (6) $400.
E. (9) $755.40.

A. Millard H. Ruud, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $100. E. (9) $24.33.

A. William H. Ryan, 1300 Connecticut Avenue, NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $128.22.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,962.50. E. (9) $6,762.65.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Burmah Oil and Gas Co., Post Office Box 94193, Houston, Tex.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Companies, Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Charles E. Sandler, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A Irene Saunders.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $5,707.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.
B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $350.01.

A. Henry Schacht.
B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $885.49.

A. Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 N. Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $500. E. (9) $25.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,249.98. E.(9) $386.78.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $215.85.

A. Stephen I. Schlossberg, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,463.74. E. (9) $750.57.

A. Allan D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Robert L. Schmidt, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $2.925.

A. Mahlon Schneider, in care of Green Giant Co., Le Sueur, Minn. 56058.

B. Green Giant Co., Le Sueur, Minn. 56058.

D. (6) $1,000. E. (9) $631.03.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States.

D. (6) $2,014.05. E. (9) $38.

A. Syndee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $1,000. E. (9) $45.20.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.

B. Occidental Life Insurance Company of California, Occidental Center, Los Angeles, Calif. 90054.

E. (9) $10.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.

B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $180. E. (9) $3.75.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.

B. Estate of Bert N. Adams, et al.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20045.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.

E. (9) $323.39.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.

B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.

D. (6) $900. E. (9) $100.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $350. E. (9) $10.

A. Patricia S. Senger, 133 C street SE., Washington, D.C. 20003.

B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

D. (6) $175.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer Inc., 235 East 42d Street, New York, New York 10017.

D. (6) $625. E. (9) $395.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $215.85.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Albright Title and Trust Co., et al.

D. (6) $13,308.43. E. (9) $1,872.81.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. American National Cattlemen's Association, Denver, Colo.

D. (6) $4,000. E. (9) $30.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Cattle Feeders Tax Committee, P.O. Box 16036, Denver, Colo.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 Thirty-first Street NW., Washington, D.C. 20007.

B. Estate of Howard Allington, et al.

E. (9) $185.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.

D. (6) $1,300. E. (9) $28.05.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Independent Grocers' Alliance, et al.

D. (6) $1,223.68. E. (9) $1,693.38.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

D. (6) $17,500.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $2,600. E. (9) $88.20.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street NW., Washington, D.C. 20006.

B. Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. John J. Sheehan, 815 16th Street NW., Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $6,261.75. E. (9) $2,871.97.

A. Jowanda Shelton, 910 16th Street, NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $3,600.

A. Edward L. Shields, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $1,620.

A. Harvey A. Shipman, 1725 K Street NW., Suite 1103, Washington, D.C. 20006.

B. Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.

D. (6) $300 E (9) $1,436

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C.

B. Diamond Shamrock Chemical Co., Cleveland, Ohio.

D. (6) $125. E. (9) $50.

A. W. Ray Shockley, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.

D. (6) $762.01. E. (9) $11.01.

A. L. J. Sichel, 1730 M Street NW., Washington, D.C. 20036.

B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.

D. (6) $217.50. E. (9) $1,662.26.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Marvin Goodson, Professional Corp., 10850 Wilshire Boulevard, Los Angels, Calif. 90024.

A. James E. Simmons, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

E. (9) $259.25.

A. Gilbert Simonetti, Jr., 1620 I Street NW., Washington, D.C. 20006.

B. American Institute of CPAs, 666 Fifth Avenue, New York, N.Y. 10019.

E. (9) $600.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee.

D. (6) $1,725. E. (9) $113.59.

A. Lana H. Sims, 1003 Security Federal Building, Columbia, S.C. 29201.

B. South Carolina Railroad Association, 1003 Security Federal Building, Columbia, S.C. 29201.

D. (6) $90.10. E. (9) $54.36.

A. Julian H. Singman, 815 16th Street, NW., Room 310, Washington, D.C. 20006.

B. International Longshoremen's Association, AFL–CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.

D. (6) $5,000.

A. Jean Head Sisco, 1616 H Street, NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street, NW., Washington, D.C.

D. (6) $1,000. E. (9) $140.

A. A. Barney J. Skladany, Jr., 1100 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.

D. (6) $1,000.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street, NW., Washington, D.C. 20006.

B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue, NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue, NW., Washington, D.C. 20005.

D. (6) $1,500.

A. Smathers, Merrigan & Herlong, 888 17th Street, NW., Washington, D.C. 20006.

B. American Horse Council, Inc., 1776 K Street, N.W., Washington, D.C. 20006.

D. (6) $6,250. E. (9) $1,075.90.

A. Smathers, Merrigan & Herlong, 888 17th Street, NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street, NW., Washington, D.C. 20036.
D. (6) $6,250. E. (9) $262.14.

A. Smathers, Merrigan & Herlong, 888 17th Street, NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $8,500. E. (9) $773.94.

A. Smathers, Merrigan & Herlong, 888 17th Street, NW., Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $8,500. E. (9) $1,345.13.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $80.74.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $792.19.

A. Arthur J. Smith, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C. 20036.
B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

A. J. Kenneth Smith, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,000.

A. James R. Smith, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,250.

A. Robert Wm. Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D.(6) $588. E. (9) $369.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Mutual Insurance Cos., 2611 East 46th Street, Suite H, Indianapolis, Ind. 46205.
D. (6) $650. E. (9) $88.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20005.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,465. E. (9) $2,168.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $640.75. E. (9) $137.64.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,045.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $350.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $5,687.01. E. (9) $7,911.47.

A. Carl A. Soderblom, One East First Street, Suite 803, Reno, Nev. 89501.
B. Nevada Railroad Association, One East First Street, Suite 803, Reno, Nev. 89501.
E. (9) $563.44.

A. Charles B. Sonneborn, 1730 Pennsylvania Ave., NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $250.

A. Shelby E. Southard, 1828 L Street, NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $850.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $388.96. E. (9) $388.96.

A. Joe P. Sparks, 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.
B. Havasupai Tribe of Indians, Supai, Ariz.
D. (6) $16,124.50. E. (9) $4,771.80.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $799.16. E. (9) $2.60.

A. Frank J. Specht, 1725 DeSales Street, NW., Washington, D.C. 20036.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. William C. Spence, Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., Box 683, Houston, Tex. 77001.
D. (6) $486. E. (9) $481.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Mfg. & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $455.00. E. (9) $100.

A. Springs Mills, Inc., Fort Mill, S.C. 29715.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $176.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John M. Stackhouse, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Assn.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,562.50. E. (9) $270.77.

A. The Standard Oil Co. (Ohio), 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
E. (9) $745.20.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $190.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mt. Prospect, Ill. 60056.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $870.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.
B. Hoffman-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $650. E. (9) $150.

A. Nelson A. Stitt, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, NW., Washington, D.C. 20036.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $6,039.35. E. (9) $874.92.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. John Stringer, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,970.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $2,750.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $900.

A. Sullivan, Beauregard & Clarkson, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $25,632.34. E. (6) $15.60.

A. Roger H. Sullivan, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.
E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.
D. (6) $240. E. (9) $485.12.

A. Glenn A. Swanson, 1725 DeSales Street NW., Suite 905, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $30,528.43. E. (9) $4,523.31.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Noble J. Swearingen, Suite 61, 128 C Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,749.98.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $250. E. (9) $303.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $1,110.46. E. (9) $902.46.

A. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006.
B. Government of Bolivia, U.S. Embassy, 1145 19th Street NW., Washington, D.C.
E. (9) $82.10.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $262.50.

A. William K. Tell, Jr., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $225. E. (9) $5.06.

A. Paul Tendler, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Perishing Road, Kansas City, Mo. 64108.
D. (6) $3,760.02. E. (9) $3,760.02.

A. J. Woodrow Thomas Associates, Inc., 734 15th Street NW., Washington, D.C. 20005.
B. Hart Metals, Inc., Tamaqua, Pa.
D. (6) $2,250.

A. J. Woodrow Thomas Associates, Inc., 734 15th Street NW., Washington, D.C. 20005.
B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.
D. (6) $6,750.

A. James W. Thomas, 734 15th Street NW., Washington, D.C. 20005.
B. CATRALA, 1725 K Street NW., Washington, D.C.
D. (6) $2,500.

A. Bert M. Thompson, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,235.

A. Billy G. Thompson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Anchorage, Alaska 99510.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,432. E. (9) $43.51.

A. William D. Thompson, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,035.70.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $5,250. E. (9) $3,587.68.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $444.16.

A. Paul J. Tierney, 1101 17th Street NW., Washington, D.C. 20036.
B. Transportation Association of America.

A. Philip Tierney, 711 Princess Street, Alexandria, Va. 22313.
B. Estate of Paul T. Stone, 515 King Street, Alexandria, Va. 22314.

A. Michael L. Tiner, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $2,308.08. E. (9) $403.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufactures & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.
E. (9) $98.89.

A. Stuart G. Tipton, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $144.06.

A. Charles Richard Titus, 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $1,245.

A. Maurice B. Tobin, 1010 16th Street NW., Washington, D.C.
B. Potlatch Corp., 1 Maritime Plaza, Box 3591, San Francisco, Calif.

A. Patrick F. Tobin, 128 C Street NE., Room 66, Washington, D.C. 20002.
B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.
D. (6) $4,000.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1000. E. (9) $37.70.

A. David R. Toll, 1140 Connecticut Avenue, Room 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $531.94. E. (9) $314.21.

A. Transportation Association of America, 1100 17th Street NW., Washington D.C. 20036.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $6,500. E. (9) $203.10.

A. Francis J. Tucker, Wynnewood Plaza, Wynnewood, Pa. 19096.
B. Penn Central Co., #3 Penn Central Plaza, Room 823, Philadelphia, Pa. 19102.
D. (6) $2,375. E. (9) $274.29.

A. C. Roger Turner, 1106 Paper Mill Road, Wyndmoor, Pa., 19118.
B. Penn Central Co., Three Penn Central Plaza, Room 823, Philadelphia, Pa. 19102.
D. (6) $2,100. E. (9) $145.50.

A. St. Clair J. Tweedie, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,100. E. (9) $115.50.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $13,202.30.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $335.75.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $471.69. E. (9) $471. 69.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
E. (9) $53,804.37.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.
B. Mortgage Bankers Association of America.
D. (6) $4,000. E. (9) $12.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $591.25. E. (9) $475.88.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.
B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.
E. (9) $93.59.

A. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va. 22302.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $91.25. E. (9) $1.50.

A. Robert V. Vaughn, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $650.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Bruce E. Vogelsinger, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,700. E. (9) $75.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $187.50. E. (9) $61.10.

A. Robert J. Wager, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bankers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $312.49. E. (9) $4.50.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Chemtex, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Springs Mills, Inc., Fort Mill, S.C.

A. E. F. Waldrop, Jr., 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $425.75.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allied Chemical Corp., P.O. Box 1057R, Morriston, N.J. 07960.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $1,488.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gulf Oil Corp., Washington, D.C. 20036.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Illinois Central Industries, 111 East Wacker Drive, Chicago, Ill. 60601.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, et al.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Time, Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Bipartisan Committee on Absentee Voting, Inc., Suite 614, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $42.81.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW, Washington, D.C. 20006.
D. (6) $6,435.84.

A. Charles S. Walsh.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, 8th and Jackson Streets, Topeka, Kans. 66612.
B. Kansas Railroad Committee, 800 Merchants National Bank Building, 8th and Jackson Streets, Topeka, Kans. 66612.
E. (9) $450.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,619,70. E. (9) $606.44.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW, Washington, D.C. 20006.
D. (6) $10,333. E. (9) $206.

A. George A. Watson, Suite 800, 1612 K Street NW., 20006.
B. The Ferroalloys Association, Suite 800, 1612 K Street NW., 20006.
E. (9) $1,500.

A. George B. Watts, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusett. Avenue NW., Washington, D.C. 20005.
D. (6) $14,081.20. E. (9) $2,089.42.

A. Weisman, Celler, Speet, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. American Society of Composers, Authors and Publishers Performing Rights Society, ASCAP Building, One Lincoln Plaza, New York, N.Y. 10023.
D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin, & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. Canada-France-Hawaii Telescope Corp., Institute for Astronomy, 2840 Kolowalu Street, Honolulu, Hawaii 96822.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Frank J. Welch, 3724 Manor Rd., Chevy Chase, Md. 20015.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $2,920. E. (9) $71.42.

A. Edward O. Welles, 1910 K Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Wheeler, Van Sickle & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall and Ilsley Bank, 770 North Water Street, Wilwaukee, Wis. 53202.
E. (9) $6.72.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor Chester Road, St. Davids, Pa. 19087.
D. (6) $7,000. E. (9) $1,835.

A. Robert Y. Wheeler, Box 185, Tilden, Tex. 78072.
B. E. G. Herman, 9538 Brighton Way, Beverly Hills, Calif. 90210.

A. Thomas E. Wheeler, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $95.82. E. (9) $126.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $90.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $835.50. E. (9) $894.03.

A. John C. White, Room 1008, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. John S. White, 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $720.70.

A. Douglas Whitlock II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
B. Zale Corp., 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
D. (6) $500. E. (9) $150.

A. Leonard M. Wickliffe, Eleventh and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, Eleventh and L Building, Sacramento, Calif. 95814.
D. (6) $3,666.16. E. (9) $6,717.76.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y. 20006.
E. (9) $750.35.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $90.99.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 135 East South Temple Street, Salt Lake City, Utah.
E. (9) $160.17.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $41.57.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $2.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $345.42.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $39.16.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 48, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E. (9) $41.16.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue, NW., Washington, D.C. 20006.
B.. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $93.63.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank, Medford, Oreg.

A. William E. Wickens, 1520 33d Street NW., Washington, D.C.
B. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $167.68.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
E. (9) $120.

A. Williams, Connolly & Califano, 839 17th Street NW., Washintgon, D.C. 20006.
B. Northwest Industries, Inc., 400 West Madison Street, Chicago, Ill. 60606.
E. (9) $1.50.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y.

A. Francis G. Williams.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harding de C. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $500. E. (9) $50.

A. Harding de C. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corporation, 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $500. E. (9) $50.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $7,500. E. (9) $479.02.

A. Robert E. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $483.08.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $250.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Island 96950.
D. (6) $90. (9) $3.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. National Corp. for Housing Partnerships and The National Housing Partnership, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $1,800.

A. Wilmer, Cutler & Pickering, 1666 K Street, NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $937.50. E. (9) $347.11.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,850. E. (9) $4,300.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Gould Inc., 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $610. E. (9) $66.43.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $3,317.50. E. (9) $454.90.

A. Russell C. Wisor, 1600 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue, NW., Washington, D.C. 20036.
D. (6) $3,375. E. (9) $16.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.
B. Colorado RR Association, 702 Majestic Building, Denver, Colo.
D. (6) $935. E. (9) $2,285.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $8,308.80. E. (9) $1,001.83.

A. Kenneth D. Wollack, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,708.34.

A. David G. Wood, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,230. E. (9) $232.26.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20045.
B. The National Association of Retail Druggists, One East Wacker Drive, Chicago, Ill. 60601.
D. (6) $750. E. (9) $150.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. Burmah Oil and Gas Co., P.O. Box 94193, Houston, Texas 77018.

A. Albert Y. Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Cos. Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Perry W. Woofter, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C.
D. (6) $9,300. E. (9) $248.

A. George M. Worden, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
D. (6) $400. E. (9) $20.

A. M. Kathryn Worley, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $400. E. (9) $100.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $75.18.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Airbus Industrie, 160, Avenue de Versailles, Paris 16e, France.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94016.
D. (6) $50.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. City of Palm Springs, 3200 Tahquitz-McCallum Way, Palm Springs, Calif. 92262.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Copyright Owners Negotiating Committee, c/o Phillips, Nizer, Benjamin, Krim & Baloon, 477 Madison Avenue, New York, N.Y. 10022.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

D. (6) $250.
A. Dennis M. Yamamoto, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $729.80. E. (9) $720.35.

A. John H. Yingling, Yingling & Shay, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. First Federal Savings & Loan Association of Phoenix, 3003 North Central Avenue, Phoenix, Ariz. 85012.
D. (6) $200.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $121.03.

A. Young, Kaplan & Edelstein, 277 Park Avenue, Suite 1404, New York, N.Y. 10017.
E. (9) $1,048.57.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,202. E. (9) $397.26.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.
E. (9) $37.60.

A. Your Man in Washington, 2814 Pennsylvania Avenue NW., Washington, D.C. 20007.
B. Otis Elevator Co., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $1,200.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $722.

A. Thomas K. Zaucha, 1725 Eye Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 Eye Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $460.26.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Lummi Tribe of Indians, P.O. Box 300, Marietta, Wash. 98268.
D. (6) $184. E. (9) $189.50.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $224. E. (9) $292.29.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Northern Cheyenne Tribe, Inc., P.O. Box 128, Lame Deer, Mont. 59043.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

A. John L. Zorack, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $149.50.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $420.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $200.36.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1974 were received too late to be included in the published reports for that quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,000. E. (9) $2,680.55.

A. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $624.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $11,598.62. E. (9) $11,598.62.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $250. E. (9) $50.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North LaSalle Street, Chicago, Ill. 60601.
D. (6) $1,350. E. (9) $40.29.

A. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y. 10003.
D. (6) $18,874.42. E. (9) $18,874.42.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $274. E. (9) $10,563.29.

A. American Cancer Society, 219 East 42nd Street, New York City, N.Y.
E. (9) $6,029.04.

A. American Conservation Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $11,137.60. E. (9) $23,634.86.

A. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $7,500. E. (9) $7,500.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $4,201.57. E. (9) $4,201.57.

A. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
E. (9) $2,450.17.

A. American Maritime Association, 17 Battery Place North, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
E. (9) $1,426.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $4,779.19. E. (9) $4,779.19.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $6,487.33. E. (9) $4,845.23.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $310.

A. William C. Anderson, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500. E. (9) $55.50.

A. Robert E. Ansheles, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y. 10016.
D. (6) $572.50. E. (9) $230.88.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $16,250.

A. Arent, Fox, Kinter, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., Trianon Building, Suite 703, 20 Conshohocken State Road, Bala Cynwyd, Pa. 19004.
D. (6) $15.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C.
B. New York State Health Facilities Assn., 302 Loew Building, Syracuse, N.Y. 13202
D. (6) $76.81. E. (9) $13.90.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
D. (6) $1,148.83. E. (9) $1,006.24.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C.
D. (6) $2,500.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. United Mine Workers, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $18.30.

A. Associated Builders & Contractors, Inc., 1625 Eye Street NW., Suite 321, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $3,100.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
E. (9) $81.56.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $95. E. (9) $82.50.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $477.66.

A. Charles W. Bailey, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $25.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

Joseph Baroody, 1100 17th Street NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $150.

A. James C. Barr, 1156 15th Street NW., Washington, D.C.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300. E. (9) $192.50.

A. Kenneth C. Bass III, Reasoner, Davis & Vinson, 800 17th Street NW., Washington, D.C. 20006.
B. Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.
D. (6) $100.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $3,000. E. (9) $150.

A. E. M. Benson, Jr., 515 South Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60670.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60670.
B. Heinold Commodities, Inc., 222 S. Riverside Plaza, Chicago, Ill., 60606.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 S. Stanford Way, Whittier, Calif. 90601.
E. (9) $16.29.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.
E. (9) $4.00.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.
E. (9) $39.50.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL-CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $20.

A. Helen Bremberg, 4515 South 31st Street, Rm. 202, Arlington, Va. 22206.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $320.60.

A. Cyril F. Brickfield, 1909 K Street NW., Washington, D.C. 20036.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20036.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,749.99. E. (9) $61.37.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $48.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $20,909.89. E. (9) $20,909.89

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $2,000. E. (9) $178.94.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $800. E. (9) $10.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.

D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $3,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $700.

A. George J. Burger, 250 West 57th Street, New York City, N.Y.

B. Burger Tire Consultant Service, 250 West 57th Street, New York City, N.Y.

A. George J. Burger, 30 Clinton Place, New Rochelle, N.Y. 10801.

B. National Federation of Independent Business, 30 Clinton Place, New Rochelle, N.Y. 10801.

D. (6) $4,249.98. E. (9) $361.98.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $121.32.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. Carol Burris, 1345 G Street SE., Washington, D.C. 20003.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

D. (6) $525. E. (9) $81.28.

A. Jerald R. Butchert, 905 Parker Avenue, Falls Church, Va.

B. Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, Calif. 90054.

D. (6) $3,750. E. (9) $2,239.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.

B. Connecticut General Life Insurance Co., et al.

D. (6) $4,200. E. (9) $70.

A. Ronald A. Capone, Kirlin, Campbell & Keating, Room 505, the Farragut Building, Washington, D.C.

B. Committee of European and Japanese National Shipowners' Association, 30–32 St. Mary Axe, London, EC3A 8ET, England.

D. (6) $5,181.50. E. (9) $181.50.

A. Carnegie Endowment for International Peace, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

E. (9) $11.50.

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,579.35. E. (9) $373.99.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,413. E. (9) $458.23.

A. Henry A. Carrington, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.

D. (6) $23,043. E. (9) $9,323.85.

A. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.

E. (9) $2,983.13.

A. Carl A. S. Coan, Jr., 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $7,687.49. E. (9) $768.95.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $87,377.50. E. (9) $133.48.

A. Jerry Cohen, 470 Totten Pond Road, Waltham, Mass. 02154.

B. Ruetgerswerke Aktiengesellschaft, Frankfurt, West Germany.

E. (9) $10.

A. James F. Collins, 1000 16th Street NW., Washington, D.C. 20006.

B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.

D. (6) $500. E. (9) $125.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $5,425.02. E. (9) $2,294.42.

A. T. Neal Combs, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Sand Spring Home, % E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.

D. (6) $200.

A. Committee for Humane Legislation, Inc., 910 Sixteenth Street NW., Washington, D.C. 20036.

D. (6) $28,161.50. E. (9) $6,723.61.

A. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $17,250. E. (9) $73,673.44.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $500. E. (9) $474.70.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

D. (6) $2,413.35. E. (9) $50.

A. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., Room 606, Washington, D.C. 20006.

D. (6) $59,228.38. E. (9) $9,712.23.

A. Council of AFL–CIO Unions for Professionals Employees, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $1,250. E. (9) $1,250.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Casualty and Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Linen Supply Association of America, 975 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Kohler Co., Kohler, Wis. 53004.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Association of Bituminous Contractors, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. American Corn Millers Federation, 1030 15th Street, N.W., Washington, D.C. 20005.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. John A. Couture, 15th & M Streets, NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets, NW., Washington, D.C. 20005.

D. (6) $4,968.76 E. (9) $333.48.

A. W. J. Crawford, P.O. Box 2180, Houston, Tex. 77001.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $4,339. E. (9) $1,129.81.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street, NW., Washington, D.C. 20005.

D. (6) $581. E. (9) $1,755.

A. Robert J. Cushman, 15th and M Streets, NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $341.67.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $240. E. (9) $195.01.

A. Daniels & Houlihan, 1819 H Street, NW., Washington, D.C. 20006.
B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.
D. (6) $2,000. E. (9) $96.17.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Indian Sugar Industry Export Corp., Ltd., New Delhi, India.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $5,000. E. (9) $238.22.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2, 325. E. (9) $465.70.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $69.19.

A. John C. Datt, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $4,000. E. (9) $63.33.

A. John D. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $130.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines.
E. (9) $683.34.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.
D. (6) $18,750.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Washington, D.C. 20005.
D. (6) $3,000.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. Daniel P. Dawson, 200 E. Randolph Drive, M.C. 3101, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 E. Randolph Drive, M.C. 3101, Chicago, Ill. 60601.

A. Donald S. Dawson, Attorney-at-Law, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
E. (9) $790.

A. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60606.
E. (9) $1,470.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. Delta Group, Ltd., 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

A. Leslie E. Dennis, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $925. E. (9) $215.71.

A. C. H. DeVaney, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500.

A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif., 94106.
D. (6) $2,156. E. (9) $1,291.75.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Committee for Martins Report, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $3,125. E. (9) $129.16.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Vance Sanders & Co., Boston, Mass., Federated Investors, Inc., Pittsburgh, Pa., Fidelity Management & Research Co., Boston, Mass.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C. 20006.

A. Steven P. Doehler, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,416.37. E. (9) $101.63.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $162. E. (9) $56.22.

A. Jack Donahue, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
B. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street, NW., Suite 606, Washington, D.C. 20006.
D. (6) $1,089. E. (9) $366.71.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Richard Morgan Downey, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $200.

A. M. L. DuMars, 2000 Florida Avenue, NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.
D. (6) $60.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Safety Belt Council, Inc., New Rochelle, N.Y.
D. (6) $2,500. E. (9) $44.65.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,883.40.

A. E. Neel Edwards.
B. National Federation of Independent Business, Trade Association, 921 Washington Building, Washington, D.C. 20005.
D. (6) $2,500. E. (9) $276.43.

A. Glenn Ellefson-Brooks, 6052 Haverhill Court, Springfield, Va. 22152.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $30.80.

A. Frank Ellis Associates, Inc., Suite 400, 1730 North Lynn Street, Arlington, Va. 22209.
E. (9) $210.

A. D. A. Ellsworth, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,750. E. (9) $658.56.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. John R. Englehorn, P.O. Box 948, Stamford, Conn. 06904.
B. Texasgulf, Inc., 200 Park Avenue, New York, N.Y.
D. (6) $4,062.49. E. (9) $868.28.

A. Robert S. Esworthy, c/o Classroom Teachers of Dallas, 3816 San Jacinto, Dallas, Tex. 75204.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) 251.93. E. (9) $100.

A. Brock Evans, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.
D. (6) $6,500. E. (9) $170.

A. Leon Felix, Jr., 10600 West Higgins Road, Rosemont, Ill. 60018.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $235.45. E. (9) $75.

A. C. H. Fields, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,813. E. (9) $15.

A. Lloyd Fillion, 1750 Columbia Road NW., Washington, D.C. 20009.
B. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $1,040. E. (9) $1,345.67.

A. Frank C. Fini, 2020 Brooks Drive, Apt. 506, Suitland, Md. 20028.
B. Air Force Sergeants Association, Inc., 6101 28th Avenue SE., Suite 713, Washington, D.C. 20031.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,075. E. (9) $18.81.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Heinold Commodities, Inc., 222 S. Riverside Plaza, Chicago, Ill. 60606.

A. David H. Foerster, 1201 16th Street, NW., Washington, D.C. 20036.
B. National Education Association, Government Relations, 1201 16th Street, NW., Washington, D.C. 20036.
D. (6) $4,227.
E. (9) $41.60.

A. Tim C. Ford, Glass Container Manufacturers Institute, 1800 K Street, Washington, D.C.
E. (9) $1,401.72.

A. Carol Tucker Foreman, 1012 14th St., NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th St., NW., Washington, D.C 20005.
D. (6) $612.
E. (9) $125.

A. Alice Frandsen, 10311 Folk Street, Silver Spring, Md. 20902.
B. Women's Lobby Inc., 1345 G Street, SE., Washington, D.C. 20003.
E. (9) $17.50.

A. Ronald C. Frankis, 1730 Rhode Island Avenue, NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wisc.
D. (6) $1,233.
E. (9) $227.71.

A. Donald A. Frederick, 1129 20th Street, NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $480.
E. (9) $4.29.

A. Friends of the Regional Medical Programs, 2128 Wyoming Avenue, Washington, D.C. 20008.
D. (6) $1,410.
E. (9) $3,818.16.

A. Owen V. Frisby, 900 17th Street, NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $807.08.
E. (9) $3,242.89.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Council of Professional Services Firms, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Independent Laboratories, Inc., 1725 K Street, NW., Washington, D.C. 20036.

A. Gailor, Burns & Elias, 700 E Street, SE., Washington, D.C. 20003.
B. National Association of State Savings & Loan Supervisors, 500 12th Street, SW., Washington, D.C. 20024.
D. (6) $450.
E. (9) $60.

A. Frank R. Gailor, 700 E Street SE., Washington, D.C. 20003.
B. National Association of State Savings & Loan Supervisors, 500 12th Street SW., Suite 810, Washington, D.C. 20024.
D. (6) $300. E. (9) $40.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70003.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,041.68.

A. Leo J. Gehrig, One Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $3,629. E. (9) $362.02.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,403.48.

A. Llewellyn H. Gersen.
B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, Washington, D.C. 20005.
D. (6) $2,900. E. (9) $889.

A. The Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa.
E. (9) $6,648.57.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.
E. (9) $62.65.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $50.15.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. Actors Equity Association, 165 West 46th Street, New York, N.Y.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $115.

A. Donald E. Graham, 1129 20th Street NW., 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,894.99. E. (9) $85.21.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,965. E. (9) $438.29.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

A. Harold H. Griffin, 925 15th Street NW., Washington, D.C.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill.
D. (6) $1,875. E. (9) $124.40.

A. James M. Hacking, 1909 K Street NW., Washington, D.C. 20036.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20036.
E. (9) $95.19.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,237.50. E. (9) $46.30.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $986.25. E. (9) $114.07.

A. Andrew E. Hare, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street, NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $236.

A. Donald L. Harlow, 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, Inc., 6101 28th Avenue SE., Suite 713, Washington, D.C. 20031.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,305. E. (9) $75.

A. Kit H. Haynes, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500. E. (9) $63.88.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Assoication of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $584.80.

A. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
E. (9) $2,855.

A. Harold J. Heinold, Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

D. (6) $200. E. (9) $150.

A. Harold J. Heinold, 222 South Riverside Plaza, Chicago, Ill. 60606.

B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

D. (6) $400. E. (9) $300.

A. Lillie E. Herndon, 700 North Rush Street, Chicago, Ill. 60611.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

D. (6) $128,125.62. E. (9) $833.20.

A. Donald E. Hirsch, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,750. E. (9) $37.65.

A. Glen D. Hofer, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $550.50. E. (9) $32.64.

A. John S. Hoff, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Protestant-Catholic Hospital Action Committee, 840 N. Lake Shore Drive, Chicago, Ill. 60611.

E. (9) $25.

A. Dale Curtis Hogue, 1100 17th Street NW., Washington, D.C. 20036.

B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.

E. (9) $300.

A. Douglas C. Horstman, 1612 K Street NW., Washington, D.C. 20006.

B. Maytag Co., and Northern Textile Association.

D. (6) $2,000. E.(9) $300.

A. John F. Horty, Horty, Springer, Mattern & Symons, 4614 Fifth Avenue, Suite 921, Pittsburgh, Pa. 15213.

B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.

E. (9) $25.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.

B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.

D. (6) $230.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20036.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20036.

A. Human Life Amendment, Bellevue Hotel, 15 E Street NW., Washington, D.C.

D. (6) $4,708.07. E. (9) $4,708.07.

A. Lawrence H. Hunt, Sidley & Austin, One First National Plaza, Chicago, Ill. 60670.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Lawrence H. Hunt, Sidley & Austin, One First National Plaza, Chicago, Ill. 60670.

B. Heinold Commodities, Inc., 222 S. Riverside Plaza, Chicago, Ill. 60606.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $437.50. E. (9) $54.49.

A. INA Corp., 1600 Archer Street, Philadelphia, Pa. 19101.

A. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D .(6) $100. E. (9) $100.

A. International Union, United Automobile Aerospace & Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.

D. (6) $128,673. E. (9) $128,673.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $120.

A. Ivins, Phillips & Barker, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Rochester Tax Council, 100 Midtown Tower, Rochester, N.Y. 14604.

E. (9) $414.37.

A. Billy B. Johnson, 7724 17th Street NE., Seattle, Wash. 98115.

B. Alaska Federation of Natives, 133 Queen Anne Avenue N., Seattle, Wash. 98109.

E. (9) $661.27.

A. Charles E. Johnson.

B. Recording Industry Association of America, Inc.

E. (9) $49.12.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.

B. New York Dock Railway, 334 Furman Street, Brooklyn, N.Y.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.

B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

D. (6) $400. E. (9) $75.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.

B. Dresser Industries, Inc., 1100 Connecticut Avenue.

A. James J. Judge, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Robert E. Juliano, 1666 K Street NW., Suite 304, Washington, D.C. 20006.

B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.

D. (6) $4,999.98. E. (9) $3,212.24.

A. Sheldon Z. Kaplan, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Centro Azucarero Paraguayo, 541 Independencia Nacional, Asuncion, Paraguay.

A. George J. Kelly, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Blue Cross Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $2,000. E. (9) $950.

A. R. G. Kendall, Jr., P.O. Box 21, Montgomery, Ala. 36101.

B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James J. Kennedy, Jr., 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $6,000. E. (9) $545.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Foundation Health Plan, Inc.

D. (6) $1,125. E. (9) $1,068.75.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association.

D. (6) $1,666.87. E. (9) $1,132.89.

A. Walter A. Kischefsky, 1201 South Scott Street, No. 535, Arlington, Va. 22204.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,636.40.

A. Richard D. Kisling, 9500 Dashia Drive, Oxon Hill, Md. 20022.

B. Air Force Sergeants Association, Inc., 6101 28th Avenue, Suite 713, Washington, D.C. 20031.

A. Helen Marie M. Klein, 215 Loyola Drive, Millbrae, Calif. 94030.

B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.

D. (6) $450. E. (9) $200.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.

B. DeKalb AgResearch, Inc., Sycamore Road, Chicago, Ill. 60115.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.

B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Paul R. Knapp, 1511 K Street NW., Washington, D.C. 20005.

B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

D. (6) $875.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 31318.

D. (6) $75.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $3,000. E. (9) $450.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C., 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $132.20.

A. George W. Koch, 1425 K Street N.W., Washington, D.C. 20005.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

D. (6) $30.13.

A. June K. Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue N.W., Washington, D.C., 20009.

D. (6) $120.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmers Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,222.49. E. (9) $131.66.

A. Norman G. Kurland, 2027 Massachusetts Avenue N.W., Washington, D.C. 20036.
B. Bangert & Co., Inc., 111 Pine Street, San Francisco, Calif. 94111.
E. (9) $4,078.54.

A. Ralph D. B. Laime, 2201 Route 38, Cherry Hill, N.J. 08034.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $235.45. E. (9) $75.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Institute of Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Laurence F. Lane, 1909 K Street NW., Washington, D.C. 20006.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.
E. (9) $178.33.

A. Elizabeth Langer, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America.
D. (6) $583.32. E. (9) $25.

A. Reed E. Larson, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $58. E. (9) $5.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 N. Monroe Street, Arlington, Va. 22201.
D. (6) $3,300.

A. Corinne M. Leach, 6200 24th NE., Seattle, Wash. 98115.
B. Alaska Federation of Natives, 133 Queen Anne Avenue N., Seattle, Wash. 98109.
E. (9) $661.27.

A. League for Economic Assistance and Development, Inc., 390 Plandome Road, Manhasset, N.Y. 11030.
D. (6) $555.12. E. (9) $555.12.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Robert E. Lee, 1725 DeSales Street NW., Suite 400, Washington, D.C. 20036.
B. National Aerospace Services Association, 1725 DeSales Street NW., Suite 400, Washington, D.C. 20036.
E. (9) $312.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Joseph A. Letorney, National Education Association, New England Regional Office, 20 Ashburton Place, Boston, Mass. 02106.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $251.93. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 N. Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
D. (6) $710. E. (9) $5.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.
D. (6) $22,216.92. E. (9) $23,587.24.

A. J. Patrick Logue, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,585.12.

A. James Rowland Lowe, Jr., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
E. (9) $1,410.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,396.40.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.
D. (6) $750. E. (9) $10.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Co-operative Bank League, 225 Franklin Street, Boston, Mass. 02110.
E. (9) $10.

A. C. Lance Lujan, 1201, 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,674.40. E. (9) $137.40.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $1,350.

A. Ronald E. Madsen, 962 Wayne Avenue, Room 802, Silver Spring, Md. 20910.
B. Park Mobile, Inc., 61 Broadway, New York, N.Y. 10006.
D. (6) $4,000. E. (9) $20.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. William J. Marschalk, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,860. E. (9) $195.

A. Edwin E. Marsh, 200 C Street SE., Suite 401, Washington, D.C. 20003.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $4,885.26. E. (9) $860.04.

A. Guy R. Martin, 655 C Street SE., Washington, D.C. 20003.
D. (6) $7,925. E. (9) $6,219.86.

A. Marvin Goodston, 10850 Wilshire Boulevard, Los Angeles, Calif. 90024.
E. (9) $325.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,368. E. (9) $217.56.

A. Charles H. Mauzy, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $235.45. E. (9) $75.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $102.50. E. (9) $20.80.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.
B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $4,711.14. E. (9) $366.74.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,550. E. (9) $651.55.

A. Peter E. McGurie, 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106; Hotel & Rest. Employees & Bartenders International Union, 1666 K Street NW., Washington, D.C.
D. (6) $500. E. (9) $500.

A. William F. McKenna, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $120.68.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.
D. (6) $225. E. (9) $200.

A. Medical-Surgical Manufacturers Association, 1666 K Street NW., Suite 208, Washington, D.C. 20006.
E. (9) $2,693.87.

A. T. H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $2,281.26.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $9,375. E. (9) $248.77.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. Sugar Distributors of Venezuela, Edif. de la Luz Electrica de Venezuela, Av. Urdaneta, 7th Floor, Caracas, Venezuela.

D. (6) $7,250. E. (9) $790.07.

A. Harold E. Mesirow, 1225 19th Street NW., Washington, D.C. 20036.

B. Pacific Northwest Conference, 635 Sacramento Street, San Francisco, Calif. 94104.

D. (6) $1,951. E. (9) $99.61.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio 43601.

D. (6) $3,019. E. (9) $19.

A. Miller & Chevalier, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

D. (6) $12,918.75.

A. Clinton R. Miller, 121 Second Street NW., Suite 5, Washington, D.C.

B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.

D. (6) $5,000. E. (9) $7,219.25.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.

B. Northern Textile Association; Maytag Co.

D. (6) $1,000. E. (9) $100.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $184. E. (9) $7.

A. Clarence Mitchell, 422 First Street SE., Washington, D.C. 20003.

B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $4,000.

A. Clarence W. Moore, Woodward Building, Washington, D.C. 20005.

B. National Barrel and Drum Association, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $625.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $612.94.

A. John J. Motley.

B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, Washington, D.C. 20005.

D. (6) $3,000. E. (9) $549.39.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.

B National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $185.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,034. E. (9) $381.40.

A. Kenneth D. Naden, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,374. E. (9) $65.60.

A. Nash, Ahern & Abell, 4400 Jenifer Street NW., Washington, D.C. 20015.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $561. E. (9) $785.38.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $17,938.81. E. (9) $18,340.91.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $40,602. E. (9) $12,650.63.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C.

D. (6) $100. E. (9) $100.

A. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

D. (6) $41,141.32. E. (9) $42,308.77.

A. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $1,600. E. (9) $1,555.75.

A. National Association of Recording Merchandisers, Inc., Trianon Building, Suite 703, 20 Conshohocken State Road, Bala Cynwyd, Pa. 19004.

E. (9) $15.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $17,722.82. E. (9) $4,586.79.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.

D. (6) $22,779. E. (9) $535.53.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.

D. (6) $1,020,667.23. E. (9) $4,617.29.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $522,906.07. E. (9) $3,650.26.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $300. E. (9) 607.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

D. (6) $128,125.62. E. (9) 833.20.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $38,313. E. (9) 48,176.

A. National Council of Technical Service Industries, 888 17th Street NW., Suite 214, Washington, D.C. 20006.

D. (6) $637.52. E. (9) $429.15.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $39,568.87. E. (9) $14,931.59.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $3,461.84. E. (9) $29,839.08.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Neb. 68107.

D. (6) $9,251.67. E. (9) $9,251.67.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $4,160.80. E. (9) $496.15.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $750.

A. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.

D. (6) $5,997. E. (9) $1,734.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

D. (6) $4,590.14. E. (9) $4,590.14.

A. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $2,974. E. (9) $2,974.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

E. (9) $3,725.40.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $6,109. E. (9) $3,321.

A. National Savings and Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $8,800. E. (9) $4,010.68.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22131.

E. (9) $2,320.10.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,770.59. E. (9) $1,933.09.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $9,901. E. (9) $12,153.99.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $160.

A. Ivan A. Nestingen, 1010 16th Street NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $900. E. (9) $225.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Nancy A. Nord, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $100. E. (9) $5.

A. Robert D. Nordstrom, National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $100.

A. Julia J. Norrell, 1620 I Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America.

D. (6) $3,457.98.

A. Charles E. Olson, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,579.35. E. (9) $392.83.

A. Michael Sanders Olson, P.O. Box 2776, Raleigh, N.C. 27602.

B. Carolinas Association of Mutual Insurance Agents, P.O. Box 2776, Raleigh, N.C. 27602.

E. (9) $25.

A. James J. O'Neill, 22 Thames Street, New York, N.Y.

B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $10,999.98. E. (9) $248.10.

A. Franz M. Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C.

B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.

D. (6) $360. E. (9) $5.

A. Lew M. Paramore, P.O. Box 1160, Kansas City, Kans. 66117.

B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $198.40.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $1,268.06.

A. Ellen Pattin, 6907 Lyle Street, Lanham, Md. 20801.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $20.05.

A. Pepper, Hamilton & Scheetz, 123 South Broad Street, Philadelphia, Pa.

B. The Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa.

D. (6) $6,250. E. (9) $257.43.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corporation, 900 17th Street NW., Washington, D.C. 20006.

D. (6) $375. E. (9) $350.

A. Daphne Philos, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $975. E. (9) $30.

A. Grant C. Pinney, 730 N. Balsam, Ridgecrest, Ca. 93555.

B. Sierra Sands Unified School District, 730 North Balsam, Ridgecrest, Ca. 93555.

A. Nathaniel Polster, 2128 Wyoming Avenue, Washington, D.C. 20008.

B. American Cancer Society, et al.

D. (6) $13,750. E. (9) $2,029.04.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,563. E. (9) $105.38.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $2,440.25.

A. PROD, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.

E. (9) $45.50.

A. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio. 43694.

E. (9) $3,038.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Bermuda Department of Tourism, Hamilton, Bermuda.

D. (6) $1,666. E. (9) $7.50.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.

D. (6) $2,000. E. (9) $369.64.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.

D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. National Ski Areas Association, Inc., 99 Park Avenue, New York, N.Y.

D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.

D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.

D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Stimson Lumber Co. and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.

D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Ave NW., Washington, D.C.

D. (6) $184. E. (9) $9.

A. Clarence B. Randall, Jr., 1625 I Street NW., Suite 321, Washington, D.C. 20006.

B. Associated Builders & Contractors, Inc., 1625 I Street NW., Suite 321, Washington, D.C. 20006.

E. (9) $500.

A. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

D. (6) $250,750.71 E. (9) $42,572.71.

A. Recreational Vehicle Institute, Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.

E. (9) $13,549.20.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y.

E. (9) $2,500.

A. Reserve Officers Association of U.S., 1 Constitution Avenue NE., Washington, D.C.

D. (6) $1,326.27. E. (9) $442.55.

A. Lawrence D. Reedy, 1730 M Street NW., Suite 805, Washington, D.C. 20036.

B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $1,250. E. (9) $600.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

D. (6) $1,875. E. (9) $451.87.

A. William L. Reynolds, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $3,210. E. (9) $680.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. W. K. Kellogg Foundation, Battle Creek, Mich.

D. (6) $5,000.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $750. E. (9) $7.86.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.

B. Alton Box Board Co., Alton, Ill. 62002.

D. (6) $3,070. E. (9) $1,276.

A. Kenneth Roberson, 2 Dubonnet Road, Valley Stream, New York, N.Y. 11581.

B. Meat Importers Council of America, Inc., One Penn Plaza, New York, N.Y. 10001.

D. (6) $125. E. (9) $19.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $75.

A. Charles R. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $227.52.

A. Ronald E. Robinson, 2800 Smith Tower, Seattle, Wash. 98104.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $235.45. E. (9) $100.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,437.50. E. (9) $121.37.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $500.

A. Stuart Philip Ross, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Prince George's County Bar Association, Upper Marlboro, Md.
D. (6) $6,000.

A. Larry Rubin, 1319 F Street NW., Washington, D.C. 20004.
B. United Electrical, Radio and Machine Workers of America (UE), 11 East 51st Street, New York, N.Y. 10022.
D. (6) $2,951. E. (9) $325.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. Sand Springs Home, Sand Springs, Okla.
E. (9) $210.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Association, 3032 St. Mary Axe. London EC3A 8 ET, England.
D. (6) $11,250. E. (9) $10,133.15.

A. G. K. Sandweg, Thompson & Mitchell, 705 Olive Street, St. Louis, Mo. 63101.
B. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.
D. (6) $600. E. (9) $333.13.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $239.25.

A. Kenneth I. Schaner, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 N. Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Phyllis Schultz, 12224 Valerie Lane, Laurel, Md. 20811.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $15.50.

A. The Section 23 Leased Housing Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $175. E. (9) $25.

A. W. O. Senter, 2700 Virginia Avenue NW., Washington, D.C. 20037.
B. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.

A. Leo Seybold, Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,192.75. E. (9) $548.15.

A. David C. Sharman, Sharman Associates, Inc., 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.
B. Robert K. Lee, Chairman, Movers' Committee for Emergency Fuel Resources, P.O. Box 272, Wichita, Kans. 67201.
D. (6) $800.

A. Norman Sherlock, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $2,008.12. E. (9) $1,699.18.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $4,118.19. E. (9) $3,474.60.

A. Sidney & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. DeKalb AgResearch, Inc., Sycamore Road, Chicago, Ill. 60115.
D. (6) $700. E. (9) $310.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Heinold Commodities, Inc., 222 S. Riverside Plaza, Chicago, Ill. 60606.
D. (6) $1,300. E. (9) $540.

A. Barry M. Siegel, 22 Thames Street, New York, N.Y. 10006.
B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $7,562.46. E. (9) $558.38.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $50.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $1,150. E. (9) $29.50.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $750. E. (9) $55.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Marvin Goodson, Professional Corp., 10850 Wilshire Boulevard, Los Angeles, Calif. 90024.
E. (9) $12.35.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. MCA, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.
D. (6) $1,550. E. (9) $90.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, Fifteenth and M Streets NW., Washington, D.C. 20002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $100. E. (9) $5.50.

A. James E. Simmons, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $444.51.

A. Hall Sisson, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,421,65.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Dennis M. Small, 21930 Third Place West, Bothell, Wash., 98011.
B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.
D. (6) $450. E. (9) $200.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $250.

A. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $13,974.81. E. (9) $13,974.81.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.
B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $4,406.19. E. (9) $1,079.36.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. Springs Mills, Inc., Fort Mill, S.C. 29715.

A. J. Gilbert Stallings, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Joseph J. Standa, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, Government Relations, 1201, 16th Street NW., Washington, D.C. 20036.
D. (6) $269.56. E. (9) $75.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $184. E. (9) $7.

A. Steinhart, Goldberg, Feigenbaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $1,040. E. (9) $274.27.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $346.15

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Agway, Inc., P.O. Box 1333, Syracuse N.Y. 13201.
D. (6) $250. E. (9) $25.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Central States Health & Life Co. of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.

D. (6) $500. E. (9) $35.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01101.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Life Companies, 1365 Peachtree Street NE., Atlanta, Ga. 30309.

D. (6) $1,000. E. (9) $50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.

D. (6) $2,500. E. (9) $500.

A. Sutherland Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Travelers Insurance Cos., One Tower Square, Hartford, Conn. 06115.

D. (6) $1,000. E. (9) $50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The William K. Warren Foundation, 6465 South Yale Avenue, Suite 1000, Tulsa, Okla. 74136.

D. (6) $1,000. E. (9) $50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.

E. (9) $80.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $350. E. (9) $20.

A. Monroe Sweetland, National Education Association, West Coast Regional Office, 1705 Murchison Drive, Burlingame, Calif. 94010.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D. C. 20036.

D. (6) $308.62 E. (9) $100.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.

B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. J. P. Trainor, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $4,249.98. E. (9) $1,220.83.

A. J. Drake Turrentine, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.

D. (6) $350.

A. Joseph D. Tydings, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $135.04.

A. John D. Tyson, Room 700, 1620 I Street NW., Washington, D.C. 20016.

B. International Paper Co., 1620 I Street NW., Washington, D.C. 20016.

D. (6) $410. E. (9) $227.41.

A. R. Dick Vander Woude, 10600 West Higgins Road, Rosemont, Ill. 60018.

B. National Education Association, Government Relations, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $251.93. E. (9) $75.

A. Veterans of World War I, USA, Inc., 916 Prince Street, Alexandria, Va. 22314.

E. (9) $587.52.

A. Bruce E. Vogelsinger, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

D. (6) $1,700. E. (9) $75.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.

B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue N.W., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $872. E. (9) $145.70.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

B. The Ferroalloys Association, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

E. (9) $1,500.

A. George D. Webster, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Sand Springs Home, care of E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.

D. (6) $200.

A. Fred Wegner, 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

B. Retired Persons Services, Inc., 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

A. Janet H. Wegner, 1909 K Street NW., Washington, D.C. 20036.

B. American Association of Retired Persons/National Retired Taechers Association, 1909 K Street NW., Washington, D.C. 20036.

E. (9) $14.60.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street, NW., Washington, D.C.

D. (6) $2,920. E. (9) $236.27.

A. West Mexico Vegetable Distributors Association, Post Office Box 848, Nogales, Ariz. 85621.

E. (9) $500.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.

B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

E. (9) $25.

A. Robert Y. Wheeler, Box 185, Tilden, Tex. 78072.

B. E. G. Herman, 9538 Brighton Way, Beverly Hills, Calif. 90210.

A. Thomas E. Wheeler, 1425 K Street, NW., Washington, D.C. 20005.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

D. (6) $72.15.

A. George Wilkens, Heinold Commodities, Inc., 222 S. Riverside Plaza, Chicago, Ill. 60606.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

D. (6) $100. E. (9) $65.

A. George Wilkens, 222 S. Riverside Plaza, Chicago, Ill. 60606.

B. Heinhold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

D. (6) $200. E. (9) $115.

A. Kenneth Williamson, 2130 LeRoy Place NW., Washington, D.C. 20008.

B. Seventh-Day Adventists Hospital Association, 6840 Eastern Avenue NW., Washington, D.C. 20021.

D. (6) $1,500. E. (9) $267.36.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

D. (6) $750.

A. Curtin Winsor, Jr., 900 Seventeenth Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $104.67. E. (9) $39.78.

A. Melanie J. Wirken, 2144 California Street NW., Washington, D.C. 20008.

B. Zero Population Growth, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,700. E. (9) $100.

A. John H. Witmer, Jr., Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DeKalb AgResearch, Inc., Sycamore Road, Chicago, Ill. 60115.

A. John H. Witmer, Jr., Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Heinhold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.

D. (6) $9,478.05. E. (9) $10,208.34.

A. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

D. (6) $8,582. E. (9) $9,574.51.

A. Burton C. Wood, 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

D. (6) $5,671.89. E. (9) $441.60.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20045.

B. National Association of Retail Druggists, One East Wacker Drive, Chicago, Ill. 60601.

D. (6) $750. E. (9) $150.

A. Carol Wyrick, 5607 Greentree Road, Bethesda, Md. 20034.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $90.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Marlene Zendell, 12522 Windover Turn, Bowie, Md. 20715.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $125.15.

A. 1. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,067. E. (9) $4,278.

A. Albert H. Zinkand, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.
D. (6) $94.50. E. (9) $154.36.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.
D. (6) $232. E. (9) $152.68.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $260. E. (9) $186.85.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Northern Cheyenne Tribe, Inc., P.O. Box 128, Lame Deer, Mont. 59043.
D. (6) $36.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.
D. (6) $128. E. (9) $161.97.

A. John L. Zorack, Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,291.50. E. (9) $494.65.

A. Charles O. Zuver, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $139.66.

EXTENSIONS OF REMARKS

THE BUCK HAS STOPPED

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, November 25, 1974

Mr. HELMS. Mr. President, on a number of occasions heretofore, I have shared with my colleagues the wisdom and forthrightness of a distinguished broadcaster of my State, Mr. Jack Rider, of Kinston, N.C., who operates Stations WFTC and WRNS, the latter being an FM station.

Today, Mr. President, I submit for the consideration of all Senators and others, a broadcast editorial by Mr. Rider aired on November 7. It is my judgment that Mr. Rider spelled out an important message to the Congress of the United States. We will fail to heed it at our, and the country's peril.

I ask unanimous consent that Mr. Rider's editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EDITORIALLY SPEAKING

(By Jack Rider)

With the majorities that the Democrats now have in both houses of congress, the buck has stopped where it has belonged all the time: Squarely in the lap of Congress.

Man has a way of rising to the press of necessity; let us all hope and pray that this will be true of Congress now in its most challenging hour. For a generation it has been the custom of Congress to scream at the White House, either begging for direction or placing the blame. Now the public has been informed in no uncertain way that Congress has the power. It remains to be seen if Congress has the wit and the will.

Several years ago Senator Sam Ervin read to a Congress that neither listened nor comprehended that brief poem of Rudyard Kipling's: "The Copy Book Maxims," which says in the rich measured tones of that great Victorian poet, that man cannot ignore the rule of two and two making four. And now with all of these wild economic chickens coming home to roost because Congress has ignored those copy-book maxims, we will have to pay the high price of this neglect. But we can pay it, as individuals and as a nation; but the price will be less in the long run if Congress will shoulder the great responsibility of leadership imposed upon it by our constitution.

There are many who say Congress cannot function—that it is hamstrung by seniority, mediocrity and the bureaucracy. Now the options are clear: Congress will HAVE to function, or our system is in its gravest peril. From this congressional mandate forward, the immediate decisions will determine whether our country remains a truly free republic or moves more rapidly down the path to totalitarian state socialism. And the republic will only survive if Washington grows less and the county courthouse and city hall become more in the scales of both justice and political activity. Central government can try; but it cannot successfully be free or responsive to the best interest of the people in a large and diverse land such as ours.

TURNED THE BALL OVER TO CONGRESS

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. VAN DEERLIN. Mr. Speaker, the opinion is widespread that the recent elections have, in sporting parlance, "turned the ball over to Congress," and told the legislative branch to run with it.

The feelings of those who believe that it is up to Congress to come up with a constructive program to meet the twin problems of inflation and recession are exceedingly well-expressed in a thoughtful letter from one of my constituents in San Diego, Mr. Victor Schulman. I insert his letter in the Appendix of the RECORD:

SAN DIEGO, CALIF.,
October 25, 1974.

Hon. LIONEL VAN DEERLIN,
House of Representatives,
San Diego, Calif.

DEAR VAN: For whatever consideration you may wish to give to my views concerning our national economy I should like to present them to you. As you know, I am certainly not an economist but, at the same time, have the practical responsibility for the operation of a medium size business and its approximately 80 employees. A month or so ago I would have said 90 employees and our having to terminate about 10% of our work force is a fairly striking example of what the situation is to the extent that my business is at all representative of medium size retailing generally. Unfortunately, President Ford's position that we are not in a recession does not change the actuality of the situation nor does the seeming lack of creative leadership on the part of the Congress.

Frankly, my chief concern is not just the state of our economy but what I have to believe would be the ultimate consequence of inactivity, that being the loss of our present political system. I think that it would be naive to expect that in the event we are unable to halt our slide into a deeper recession the public of today would peacefully accept the conditions of the early thirties with bread lines, apple selling etc. Even if I were to be considered an alarmist in this regard and such possible consequences most remote, I don't see how they can be completely disregarded and, as a matter of fact, on several recent occasions I have read in the small print of our press similar concerns by those far more knowledgeable than I. Perhaps better a possible false alarm than none at all.

To return for the moment to my own business situation but not for any self serving reason, I have read reports that Mrs. Virginia Knauer has had distributed some 6,000 spot announcements to radio stations to the effect that consumers should refrain from purchasing consumer goods to the maximum extent possible and singling out automobiles, appliances and furniture. And, thanks to her department and similar admonitions by President Ford, it's working! Soon, we will have inflation replaced by a full blown depression. Another example of the old saw about the operation being a success although the patient died.

I know that I cannot be near as knowledgeable as the Administration economists but it seems to me that they are mistaken about the causes of our inflation in continuing to think in the classic terms of demand vs. supply. Undoubtedly this is true in the case of some basic commodities but, on the whole, I submit that it is in reality a cost push type of inflation which will not be too affected by a lessening of demand such as advocated by the Administration. From recent reports that I have read, our over-all production has decreased and this alone should indicate that there is ample supply potential so that it is not a matter of too many people chasing too few goods that has caused our inflation. Rather, it is the uncontrolled cost increases which cause further inflation which in turn decreases demand and eventually results in stagflation and depression.

And now, if I have not already lost you, what is the answer, if any? I would propose that Congress immediately legislate a vigorous far reaching program of controls over prices, wages, dividends and interest together with an excess profits tax. I believe that I know of the many reasons given for controls not being effective and the contention that they will not work now because they have not worked in the past, will result in black markets etc. etc. Again, I am not an economist, but I don't believe that our most recent controls were a valid test of their effectiveness. I say this for the reason that in any situation where there is a half hearted attempt to attain an objective there will usually be a corresponding lack of success. Moreover, as with any program, there has to be a strong compliance authority with teeth to do the job. I have heard that controls will require a bureaucracy costing a billion dollars a year. If so, is this not preferable to the consumers and government alike having to spend many billions more for the same products and services? Would it not be better for me as a consumer to incur an added cost of $100.00 as my share of the cost of a controls bureaucracy if I can thus save $1,000.00 on my purchases? In fact, in the absence of controls, how can our government expect to be able to afford the armaments necessary to keep us militarily strong?

Insofar as black marketing is concerned I don't consider this as a major possibility because, as previously stated, we would not have the war time situation of demand being far greater than supply. In fact, our problem now is to stimulate demand so that we can make fuller use of our productive capacity. Obviously, there would be, under any system of controls, certain inequities, spot shortages etc. but these should not invalidate the soundness of the entire program.

Quite incidentally but one of my pet piques is the lack of representation, to my knowledge, on various economic councils of businesses anywhere near our size. I read of executives of our largest corporations, labor leaders etc. But I have to wonder if the government is not missing the input from the type of person who signs 50 to 100 pay checks a week, one who has some practical knowledge of simple economics and is close enough to his business to have a firing line perspective of conditions.

I could go on but if I did so I would either be laboring points or getting into areas in which I have even less expertise. In summary, therefore, I should like to strongly advocate that there be a realistic reappraisal of our economic situation and that Congress take the initiative in instituting forceful and appropriate action rather than continuing in our present situation of the Executive Branch advocating an unrealistic palliative program and the Legislative Branch contesting the same without advancing its own constructive legislation.

Best personal regards,

Victor J. Schulman.

DONALD KING, PROMOTER EXTRAORDINAIRE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. STOKES. Mr. Speaker, the city of Cleveland is rapidly gaining the reputation of the black sports capital of the world. Just weeks ago our city made Frank Robinson the first black manager in major league baseball history. Then, on October 29, 1974, another event occurred which no doubt will be regarded as one of the greatest moments in sports history, and a black Clevelander made it happen.

Donald King was the only boxing promoter in the world capable of putting on what has been called "the fight of the century." Cleveland's own Donald King earned himself a page in the annals of the ring when he united George Foreman and Muhammad Ali for the world championship heavyweight fight in Kinshasa, Zaire.

This was the match they said would never happen. It took $11½ million and the charisma of Donald King to make it happen. Donald King, the only black big league boxing promoter in the world thus became the promoter of the biggest money fight the world has ever seen, and the first heavyweight title bout in a free African nation.

I take this opportunity to call to the attention of my colleagues a recent article about Donald King. This article appeared on the front page of the Cleveland Press on October 23, 1974. I invite the attention of my colleagues to the feats of Donald King, Cleveland's promoter extraordinaire:

From Here to Zaire—the Saga of Donald King

(By Bob Schlesinger)

"This place is just fan-tastic."

The voice, booming through the telephone from the other side of the world, sounded as though it were in the next room. That's probably due to the miracles of modern technology—communication via satellite and all that.

But for anyone who knows the speaker, Donald King, it comes as no surprise.

Donald King will be heard.

Donald King, promoter extraordinaire, a Clevelander, sounds like the head of the Growth Assn. for the nation of Zaire and the city of Kinshasa.

"This is a great country, the land of opportunity, boundless natural resources just waiting to be harvested. All kinds of investment opportunities, fortunes just waiting to be made by the bold.

"Tell my mayor, Ralph Perk and my Council president, George Forbes, that I want them to come over here. I don't want Cleveland missing out on this opportunity."

Zaire and Kinshasa, formerly the Belgian Congo and Leopoldville, are little known to most Americans, certainly to most white Americans.

That's changed considerably, however, since the sports pages carry bulletins about the upcoming "Greatest Fight Ever," the heavyweight title bout between champion George Foreman and former champion Muhammad Ali.

It will take place on Oct. 29 at 10 p.m. Cleveland time, which will be 3 a.m. on Oct. 30 in Kinshasa.

And if the readers happen also to learn that this is a massive African country—larger than Texas and Alaska combined—that it has six percent of the world's copper, more than 45% of its cobalt and industrial diamonds, that it is, in King's words "the cleanest city, with the world's friendliest people," well, that's how come the fight is going to take place there.

That, and because Clevelander Donald King happened almost single-handedly to put it there.

There are many ironies in the fact that Donald King has turned out to be the United States boxing world's personal ambassador to Zaire's President Mobutu, that King is the man who seems to be calling the shots right now for both the government of Zaire and the fighters, that he made the match that the boxing world said would never happen.

A reporter suggested about a year ago that if King strolled through an East Side ghetto with George Forbes on one arm and Arnold Pinkney on the other, the most often heard question of the residents would be, "Who are those dudes with D.K.?"

When King was sitting with a reporter in an East Side night club about six months ago, a young couple approached shyly and introduced themselves, looking at him in awe as they would if he were a popular movie star or sports hero.

"Been hearing about you for years and years. We just wanted to find out what you were really like," the young man finally explained.

King's fame, however, was not as a boxing promoter, until very recently.

A decade ago he was known as Donald (The Kid) King, rising junior executive in the policy business, known more dramatically as the numbers racket.

Rising toward the top of that business required not only a display of administrative skills and leadership, but also considerable determination, the kind that keeps a guy going after he is wounded by a close range shot gun blast, had his house bombed and his saloon torched.

In the best Horatio Alger tradition, however, King rose to the top of his chosen profession, to a point where the local police indicated that he was "one of the main men" if not "THE main man" of the local numbers game.

King does not deny his former profession. (The major debate between him and the police is that he insists he has retired and they insist he is still calling the shots, at least as kind of an absentee board chairman.)

"There's nothing immoral about the numbers game," King insists. "A large number of blacks play the numbers just the way a large number of whites bet the football pools or bet with their bookies. And the stock market is just another kind of numbers game.

"There are an awful lot of lawyers and doctors around town who got their start from proceeds from the numbers game," King says.

There are a great many stories around town about how King has been generous with his money, giving young kids, including some now-famous entertainers and politicians, a helping hand.

Also, just like the bookie, the policy man must be someone whom his clientele trusts, some one they feel sure will return to pay them off if they hit on the elusive winning number.

"That's something about which I take great pride," King says. "Even my detractors will tell you that my word is always good."

A matter about which King takes no pride is an event which occurred at the corner of E. 107th St. and Carnegie Ave. in 1967, an incident about which the facts are still in dispute.

What is certain is that King and a small-time gambler named Sam Garrett had words about a debt of $300, a fight ensued, and King landed some punches and kicks, causing wounds from which Garrett died a few days later.

"It was a clear case of self defense," King insists. "He jumped me and I defended myself. But coming about the time of the Hough incidents there was no way the jury was going to acquit a black man pictured by the prosecutor as a racketeer who drives big cars and wears flashy clothes."

The testimony of eyewitnesses largely backs up King's account. At the trial they said that Garrett was the initial aggressor and that although King was holding a gun, in one hand, which he took from his car after being attacked, he beat Garrett only with the other hand.

The jury came back with a second-degree murder verdict but Judge Hugh A. Corrigan reduced the sentence to manslaughter, explaining that the element of intent to kill mandatory for the second-degree murder conviction, was lacking.

Police who were involved with the case, however, insist to this day that the witnesses were somehow persuaded to change their testimony and that King got off too lightly.

"It's a matter about which I feel great contrition, even though, as many times as I've gone over the thing in my own mind, I don't know what I could have done besides defend myself," King says, "Still, the death of a man is always an unmitigated disaster and not something that can be taken lightly."

King spent four years at the Ohio Penitentiary, "reading and taking correspondence courses to retain my sanity". He memorized long passages of poetry from John Donne, from the bible, from the works of Shakespeare. These passages frequently appear in his conversation these days.

"Also, I decided to live within the law. Where the real villains are," he says.

It was just a few years ago that King drifted into boxing, as the manager of a string of fighters starring heavyweights Earnie Shavers and Jeff Merritt and light heavyweight Ray Anderson, as the promoter of a benefit exhibition by Ali for Forest City Hospital and finally as promoter of a full-scale professional show which drew a surprisingly large crowd.

Not coincidentally, Merritt was a self-confessed former drug addict and thief, while Anderson was a self-confessed former pimp.

"I want to give them a chance to go straight just as I have given myself the same chance," King said.

King took good care of his fighters, feeding them daily steaks, spending money on them lavishly, setting up a training headquarters for them at his Ashtabula County farm.

But they didn't do so well by him. Shavers scored a big knockout victory over former champion Jimmy Ellis at Madison Square Garden, but was destroyed by Jerry Quarry in one round at the Garden in a fight which could have earned him a title bout.

Merritt was sensational in knocking out Ron Stander at the Arena but then was KO'd by an unknown. Anderson threw recklessness to the winds, carefully being beaten without getting hurt a couple of times.

So there stood King, with two successful promotions behind him but no contenders to promote.

At about the same time, King became very unhappy with two key people in boxing. Madison Square Garden promoter Teddy Brenner upset him by refusing to give Shavers another bout at the Garden in which he might regain his lost status.

And Bob Arum, the lawyer who handled the Garden's closed circuit TV arrangements and Ali's legal affairs really angered King by holding up Shaver's purse for the Quarry fight until King paid Arum the money for the closed circuit showings here, which were promoted by King.

"He never even gave me the chance to pay him, just treated me as though I was intending to cheat him, which I never was," says King. "That really bothered me."

Thus evolved King's dramatic plan to become the first black man to promote in boxing big leagues and, at the same time to do unto Brenner and Arum worse than they had done to him.

He would put together the dream fight—Ali vs. Foreman—and it would not be staged in New York and Arum would have nothing to do with it.

At first, armed with a million-dollar letter of credit from Cleveland construction man and local auto race track magnate Carl Lombardo, King sought to bring the fight here.

But the obstacles were many.

Ali, who has convinced many people that he still is champion by merely repeating that claim enough times, remains the biggest draw in boxing. He was expected to pick up a few more easy paydays against lesser fighters before risking his reputation against the dangerous Foreman.

And that was okay with Foreman's cautious handlers, since they had the younger man and they figured that age would slow down Ali more and more each day. The inevitable showdown was delayed.

But King knew exactly what pitch to make to whom, and when to do it.

First he went to Ali's manager, Herbert Muhammad, told he had been mistreated by Arum, how Arum really didn't respect Ali, and how he, King, deserved the right to put on the fight.

When Herbert Mahammad balked and tried to defend, Arum, King frantically quoted to Herbert from the teachings of his father, the Honorable Elijah Muhammad. "He teaches that you must help the black man. If a black man can do the job, he says that you have to hire him before a white man," King insisted.

King prevailed and Herbert Muhammad soon proceeded to convince Ali that King must be given the opportunity.

So King flew off to California where Foreman said quickly, "Ali won't fight me."

"I can deliver him," King insisted. "Here's a chance to show the whole world that black men together can succeed like no one ever believed we could. This is my promotion, and you get $5 million, like Ali.

Foreman agreed.

Then came a worldwide search for backing, $11.5 million in all. Cleveland fell out of the picture. The search ended when King convinced representatives of Zaire's government to kick in $10 million for "the biggest event in the history of the world".

The meeting which clinched the deal took place in Zaire, after which that government's representative wired home, "I recommend this fight. I have found a very strong black man."

And King knew for sure he had the blessings of Zaire's president when Joseph Mobutu told him, "May you catch a great animal and ride it across the heavens."

The fight, of course, was postponed from Sept. 24 to the new date due to a cut over Foreman's eye incurred in a sparring session.

That has caused some problems, since some of the closed circuit locations were unavailable for the new date and some of the tourists and reporters who were already in the country when the postponement was announced don't intend to come back.

"Actually, the situation is well in hand. My only regret is that I miss my wife and children back home," King insisted. "We've actually made many improvements, cleaned things up and improved the electronic communications during the delay.

"Muhammad and George are determined this is going to be a success. They're each in great shape and positive they'll win," King added.

And what of the reports that the rainy season will descend upon Zaire this week, causing possible further delays?

"No truth to that. The real rainy season doesn't begin for several weeks. And we've constructed a giant canopy, which will extend over the ring and much of the crowd," King reported. "Just in case."

Certainly, the fight will take place eventually. And after that, what's next for Donald King?

"I'll be coming home to Cleveland. And we're going to put on some concerts and some fights. Tell the people there. I'm really going to make things happen in Cleveland."

Going on past performance, there's no reason to believe that he won't.

VIRGIN ISLANDS FLOODS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. DE LUGO. Mr. Speaker, I would like to take this opportunity to include in the CONGRESSIONAL RECORD an editorial from the St. Croix Avis of November 15, 1974, praising the radio broadcasters on the U.S. mainland who covered the floods which recently ravaged the Virgin Islands. I commend that editorial to the attention of my colleagues:

WELL DONE

The giants of radio broadcasting on the U.S. mainland—NBC, CBS, and ABC with their huge staffs of newscasters and technicians—could not have done a more commendable job of covering the Virgin Islands flood situation on Tuesday than three local radio stations. With the cooperation of the Virgin Islands Telephone Corporation, WSTX St. Croix, WVWI St. Thomas, and ZBVI Tortola joined in a network which for twelve hours—from six A.M. to six P.M.—did a fantastic job of reporting.

Minute by minute, with rarely a lapse, hour upon hour the newscasters on the three islands (later joined by Puerto Rico) kept up a running account of the storm's ravages, warning residents where flooding was taking place, where roads were blocked and passing on over the air vital information phoned in by residents requiring assistance. And the requests numbered hundreds.

It was truly a remarkable performance by all concerned, one which the community will long and gratefully remember. Newsmen and women aside from those involved in electronic media such as radio take their hats off to WVWI, WSTX and ZBVI for a job so well done under grueling and unusual circumstances. It was professional broadcasting at its best. And without the joint effort communications between the islands would have been hampered so severely that suffering on the part of individuals and families for lack of assistance would have reached a stage far beyond what it did. And beyond that, perhaps losses of life.

There are not strong enough superlatives to describe the service rendered.

THE U.S. NAVY: SECOND TO ONE?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LANDGREBE. Mr. Speaker, I wish to call the attention of my colleagues to an editorial that appeared in the September 1974 issue of Seapower concerning a matter that is vital to the survival of our Nation as an independent entity. "Jane's Fighting Ship," the British compendium issued annually, has some very disturbing things to say about the comparative strengths and weaknesses of the navies of the United States and the Soviet Union. I believe that this editorial, the material excerpted from "Jane's Fighting Ships," and Adm. Hyman Rickover's recent remarks about the state of the U.S. Navy ought to alarm every Member of Congress. If through our inaction we fail to provide an adequate defense for the American people, we shall be guilty of a most serious crime, for the first duty of Government is to protect and defend its citizens.

I insert the editorial, "A Desperately Heavy Burden," into the RECORD at this point, and I hope that each Member of Congress will read it carefully:

[From Sea Power magazine, September 1974]

A DESPERATELY HEAVY BURDEN

In national security matters, as in the physical world, it is often possible to see things more clearly from a distance rather than from up close.

Which is one reason, we suppose, why the yearly arrival of "Jane's Fighting Ships," the British annual long regarded as "the bible of the world's navies," arouses such interest in naval circles in this country. The view of the U.S. Navy, as seen from the other side of the Atlantic, it seems apparent, provides a more fascinating perspective than a similar view of the same Navy from the vantage point of the E-Ring.

There's another factor, of course: the supposed objectivity and credibility of the disinterested observer. If the U.S. Secretary of the Navy and the U.S. Chief of Naval Operations, in other words, tell us the Russians are coming, they're being self-serving. If the editor of "Jane's" tells us the same thing, he's merely reporting the facts.

Well, the 1974–75 edition of "Jane's"—once again edited by the admirably articulate Captain John E. Moore, Royal Navy (most capably assisted by Mr. Norman Polmar, who edited the sections on the United States, the Philippines, South Korea, South Vietnam and Taiwan)—reiterates some rather grim facts about the U.S. Navy, as well as some cheery news about the Soviet Navy. Cheery, that is, if your name happens to be Gorshkov or Brezhnev.

Looking at the Soviet Navy first, as Captain Moore does in his characteristically candid foreword to the 1974–75 edition, one finds a number of "great strengths" as well as a few, a very few, "possible weaknesses"—which, depending on circumstances, might even be "important weaknesses."

The current list of Soviet naval "weaknesses," as compiled by "Jane's," is distressingly short: "manpower and, consequently, technical maintenance, submarine silencing, anti-submarine operations, shipborne aircraft and custom-built fleet supply ships, although this last is now being remedied."

The Soviet Navy's "great strengths," however, are much more numerous and of a significantly more formidable magnitude. A few examples, of many cited:

"The Soviet Navy leads the world in seaborne missile armament, both strategic and tactical, both ship- and submarine-launched. Their shore-based air-force is second to none, they have large mine-warfare and a considerable amphibious capability."

The USSR's submarine force, already the world's largest—and probably the most powerful as well—continues to grow in quality and numbers. The new "Delta"-class ballistic missile submarine is now operational, and the "Delta-II"—"a giant amongst big submarines"—and two additional new classes are on the way. The Delta-II, incidentally, is expected to carry "at least" 16 SS–N-8 missiles, which have "a range of 4,200 nautical miles, giving them a capability of covering the whole of North America and the rest of NATO without the parent submarine leaving the Norwegian Sea."

The Soviet surface Navy, for the first time ever now outnumbers the U.S. surface Navy, is also coming into its own. Among the Soviet superstars: (1) the KRIVAK-class destroyer, which "is more than a match for any Western destroyer and, in any event, could outrun anything opposed to her"; (2) the KARA-class cruiser, possessed of "formidable power with her own helicopter and double the strength of missile-power possessed by the KRIVAKs—a single vessel of the KARA class could well engage a squadron of attacking aircraft"; and (3) the KURIL-class aircraft carrier, which, carrying both V/STOL (vertical/short takeoff and landing) aircraft and helicopters, "will provide a much-needed strengthening of the 'balance' in the Soviet fleet."

What is more ominous than present Soviet naval capabilities is the probability of even more powerful capabilities in the future. The Soviet research and development program, Moore observes, has increased "by well over half in the last five years."

Moore's commentary about "the other super-power Navy," the U.S. Navy (once known, in an expression which had become trite with usage, as a Navy "second to none"), is good writing but poor reading.

"As the predominant partner in the NATO naval forces, a partnership in which too many of the other nations are below their numerical commitments, with fleets oriented to national needs," Moore writes, "it bears a desperately heavy burden."

Part of the burden is numbers. The U.S. Navy has been cut almost in half within the past six years. The decision to scrap older vessels in order to fund the fleet of the future was a conscious one, and probably a wise one. A "calculated risk," former Chief of Naval Operations Admiral Elmo R. Zumwalt used to say, to mortgage today to pay for tomorrow. If it works, the risk will have been well worthwhile. If it works.

Another serious defect appears in U.S. technological capabilities, or lack thereof. The U.S. Navy, Moore says, is afflicted with a "serious gap" in surface-to-surface missile armament, and an "inferior balance" in nuclear submarines. Another gap, equally serious, perhaps, was "left by the disposal of the specialized anti-submarine carriers." (Illustrating the dimensions of the problem that exists when the other side gets the jump in an important area of technology is the fact that U.S. nuclear attack submarines do not even now possess the anti-ship missile capability "such as the USSR has had since the first 'Whisky' class modification some 15 years ago.")

The big problem for the U.S. Navy, however, is much more than numbers, and much more than technology. It is a matter of national will, which in our opinion translates into a matter of national education—about the need for a Navy, and the needs of the Navy. "Of those countries to whom a navy is today essential," Captain Moore writes, "the United States of America is one of the foremost, and the U.S. Navy is probably also in the van of those subjected to misinformed, illogical and irrational attacks by some of those who depend upon it most."

Amen, we say. In a democracy it is not possible to develop and maintain the strong oceanic forces necessary for national survival without the confidence and the backing of the general public, and of the public's elected representatives in Congress. But achieving that confidence, obtaining that backing, is no easy matter. It is, indeed, a desperately heavy burden.

SANTA BARBARA COUNTY FEDERATION OF REPUBLICAN WOMEN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity to pay tribute to a remarkable organization within my congressional district, the Santa Barbara County Federation of Republican Women, which this year is celebrating the 10th anniversary of its founding—a decade which has expanded the federation to include 17-unit clubs covering the entire area of Santa Barbara County. Today, the membership of this most effective group of politically active citizens exceeds 2,000.

The goals of the federation are those by which our system of government has flourished—civic awareness and responsibility; honesty and integrity; patriotism.

Beginning with its first president, Mrs. Arthur Turck, through the term of its current president, Mrs. William H. N. Bryant, the federation has consistently encouraged a well-informed membership, one prepared to ably assist and serve the community. In its decade of service, the federation has indeed benefited the community, encompassing through its many and varied works all ages and population segments, as well as all localities of Santa Barbara County. It is the dedication provided by leaders such as Mrs. Clifton Lewis Browne, Mrs. Guy Calden, Jr., Mrs. Glenn Cackley, and Mrs. Thomas Huston which has given the federation the encouragement and support attributable to its present success. However, it remains the sustaining membership, loyal to the goals of the federation, which provides the clarity of purposes and effectiveness of the organization.

In their pursuits, these Republican women have fostered community interest and participation in political affairs both local and nationwide. In addition, they have sponsored civic and educational projects, most notable being events to promote awareness of our rich national heritage. Most recently, in September of this year, the federation established a "Helen Cackley Memorial Scholarship." In memory of this outstanding president who maintained a deep and continuing interest in young people, the award will be presented to a deserving applicant pursuing a career in political science.

My relationship with the Santa Barbara County Federation of Republican Women has been highlighted by their much appreciated support for my representation in the California Legislature and here in the House of Representatives. However, it is on behalf of the residents of the 19th Congressional District that I thank them and commend them for their broad and unfailing sense of civic responsibility.

BROWN'S BLUNDER

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. DRINAN. Mr. Speaker, I attach herewith a significant editorial from the Worcester Telegram, an influential daily, read by many of the people in my congressional district.

This editorial points out the folly of the anti-Semitic remarks enunciated by General Brown, the Chairman of the Joint Chiefs of Staff. The editorial follows:

BROWN'S BLUNDER

Gen. George S. Brown, chairman of the Joint Chiefs of Staff, says that he is not anti-Semitic despite his remarks last month that "Jewish money" owns the banks and the newspapers in this country and another oil embargo might convince Americans to "get toughminded enough to set down the Jewish influence in this country and break that lobby."

The general now says that this response to a question tried to take in too much ground and "just came out too damn poorly." That is an understatement.

These are not the sort of comments so easily brushed aside. The chairman of the Joint Chiefs is too important and powerful a figure to be taking stands that will infuriate millions of Americans and cause tens of millions more to question has intellectual judgment, not to say his code of morality. It is hard to imagine a more divisive and disruptive idea than the point he seemed to be trying to make.

If the general was concerned about the undue influence being exerted on Congress by supporters of Israel, he should have phrased his thoughts more precisely. If Congress is being weak-kneed in the face of such pressures, then Congress should be blamed. Throughout American history, all sorts of groups—both foreign and native—have exerted pressures on Congress for causes both good and bad. There is nothing wrong in that.

The steady support that the United States has given Israel is not due to the "Jewish influence" in this country, in our opinion. Although most Jewish Americans naturally side with Israel, much as Irish-Americans, Italo-Americans, Polish-Americans, etc. side with their ancestral homelands on occasion, the reasons for U.S. support are far more complicated—and praiseworthy. Not only do most Americans feel a strong sense of commitment to continued Israeli existence, but our government, to be pragmatic about it, wants a strong Israel in the Middle East to counter Soviet influence in the area.

Whether Gen. Brown has seriously damaged his effectiveness as chairman of the Joint Chiefs is problematical. Both President Ford and Defense Secretary Schlesinger have criticized Brown's comments and he has made a public apology. The apology will help if it reflects a genuine understanding on Brown's part. If not, his effectiveness in his post may have to be reassessed.

LATVIAN INDEPENDENCE

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. DELANEY. Mr. Speaker, November 18, marked the 56th anniversary of the Latvian Declaration of Independence. Yet, for the last three decades Latvia has been a country in bondage. Since 1940 the Soviet Union has denied its people the personal freedoms and the most basic human rights we so often take for granted.

Latvia is a small country, but its people are proud and determined. Their loyalty and desire for freedom have more than passed the test of time. We can do no less than to stand firm in our support for their freedom and self-determination.

I join with my colleagues and scores of alert private citizens in expressing the hope and prayer that the new year brings both freedom and independence to Latvia.

MENTALLY RETARDED HURT BY STAGFLATION

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LONG of Louisiana. Mr. Speaker, our current economic problems have brought about increased cries to cut our Federal budget—and I support efforts to reduce Federal spending when it is in the best interests of the Nation. But I suggest that we must be careful not to cut Federal programs that will cause undue hardships for those who already are suffering from stagflation. And in my opinion, the people who are hurt most by stagflation often are those who are the most "invisible."

For example, the mentally handicapped already are a disadvantaged people—and if Congress should reduce spending in those programs which help the mentally retarded, I believe that we would do a great disservice to a great many Americans.

Mr. Marion P. Smith, president of the National Association for Retarded Citizens—NARC—made this point quite succinctly when he spoke to the minisummit on health, education, and welfare of the White House Conference on Inflation. I agree with Mr. Smith on this point and because of Mr. Smith's leadership as a champion of the mentally retarded—that I have inserted his remarks to the minisummit into the RECORD:

REMARKS

(By Marion P. Smith, president, National Association for Retarded Citizens, before HEW Conference on Inflation, September 19, 1974)

As a parent of a retarded child and spokesman for the National Association for Retarded Citizens and some six million retarded citizens, their families and relatives, I trust that priority preferences will not further damage those least able to defend themselves against inflation.

As a citizen, I am anxious to help fight inflation, but as a pragmatic businessman, I know that "rehabilitation doesn't cost, it pays." Every dollar expended in habilitation of an 18-year old male with retardation generates $14 in future earnings. We can reduce the incidence of retardation by 50% by utilizing present knowledge at an estimated saving of $900,000 over the lifetime of a male retarded citizen in cost of care and salary loss.

Our actions must not have a detrimental effect upon retarded citizens or the economy, for, when support services are withdrawn or cut and when income maintenance is withdrawn or cut, there is no saving in reality. Rather, the end result is an increase in welfare and human misery.

The President's Committees on Mental Retardation and on Employment of the Handicapped have prepared lists of the impact of inflation on the retarded and the handicapped respectively. These are attached to our statement as they deserve inclusion in the record.

NARC believes that high priority programs for retarded citizens need to be kept in place, not cut back or withdrawn in the sweet names of "economy" or "fighting inflation." This may sound like I favor economy for all programs except our own, but retarded citizens are among our most disadvantaged and can stand no additional damage.

Developmental disabilities services are critical and must not be endangered, nor should education for the handicapped and vocational rehabilitation be fund-reduction targets. The cost of a lifetime of institutionalizing a retarded person approximates a half million dollars. Using development disabilities, education and vocational rehabilitation services now available will produce a productive retarded citizen at a cost of no more than 10% of institutionalization in most instances.

The cost benefit ratio in human and economic terms is possibly the best in today's Federal-State program. Prevention efforts need to be preserved since research at the National Institute of Neurological Diseases and Stroke and the National Institute of Child Health and Human Development has made it possible for infants born with retardation to receive dietary and other services which arrest further damage and set the child on a course of near-normal living. Each time maternal and child services gives pre- and post-natal care, we cut down potential retardation.

Where prevention is not possible, where research and social services can not arrest retardation, income maintenance and social service programs help families to better cope. Since the incidence of retardation is seven times higher among the poor, these programs need increases, not cut backs.

We have heard of public employment programs to be triggered by increased unemployment. NARC has proven through its on-the-job training program that thousands of retarded workers can be trained when CETA (Comprehensive Employment and Training Act) prime contractors join hands with us. We suggest this is more productive than public employment per se. CETA, combined with OJT (On-the-Job Training), can decrease unemployment and increase productivity.

As a possible aid in alleviating hardships of inflation, I believe the possibility of sheltered workshops receiving more contracts for goods and services under the Wagner-O'Day Amendments should be explored. As we step up Federal purchases from sheltered workshops, we help retarded workers, provided we do no damage to workers in the private sector who also produce goods and provide services to our government.

Our volunteers and staff are in a continuing dialogue with leaders at HEW and Labor. Our best brains have long been available to government. Our presence and your invitation indicates a partnership. We want to increase and expand our input, for in serving special groups like retarded Americans, our country and the world stands taller before God.

LEGISLATIVE HISTORY OF McCARREN-FERGUSON ACT

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. CORMAN. Mr. Speaker, a letter and memorandum on the legislative history of section 3(b) of the McCarren-Ferguson Act, 59 Stat. 34 (1945). 15 U.S.C. 1013(b) were brought to my attention. Today, I would like to share them with my colleagues. Their author is the then chairman of the House Judiciary Committee and one of the great legislators of all times, the Honorable Emanuel Cellar.

The articles follow:

WEISMAN, CELLER, SPETT,
MODLIN & WERTHEIMER,
New York, N.Y., November 15, 1974.

GEORGE D. DONNAHOE, Esq.,
Hollywood, Calif.

DEAR MR. DONNAHOE: This has reference to your letter of October 22, 1974 regarding the opinion of the Ninth Circuit Court of Appeals in *Addrissi* v. *The Equitable Life Assurance Society of the United States,* No. 72-2607 (slip op., Sep. 30, 1974). That opinion—relying on *Meicler* v. *Aetna Casualty and Surety Company,* 372 F. Supp. 509 (S.D. Texas, 1974), and *Transnational Insurance* v. *Rosenlund,* 261 F. Supp. 12 (D. Oreg. 1966)—states that it is evident from an examination of the legislative history behind [15 U.S.C.] § 1013(b) [of the McCarren-Ferguson Act] [1] *that the intent of Congress was to reserve unto the reach of the Sherman Act only a narrow area of restraint of trade among those in the business of insurance, namely, antitrust acts among insurance companies and agents for the purpose of boycott or coercion among insurance companies and agents.*" [Emphasis added.] Slip. op. at 6–7.

The legislative history [behind the McCarran-Ferguson Act] shows that the boycott, coercion . . . exception, was placed in the legislation to protect insurance agents from the issuance by insurance companies of a "black-list," which would name companies or agents which were beyond the *pale*. This list, in effect, was a directive to an agent not to write insurance in the name of or for the blacklisted company; otherwise, he would be stripped of his agency and not permitted to write insurance for any of the members of the governing organization of insurance companies. 1. 91 Congressional Record, p. 1087 (79th Congress, 1st Session).

The Congressional Record reference thus cited has to do with remarks I made on the House floor in which I endeavored—successfully—to amend the House version of the McCarran-Ferguson bill to make the Sherman Act applicable not only to any act of boycott, coercion, or intimidation (as provided in the House bill), but also to any agreement to boycott, coerce, or intimidate. My entire purpose in urging this amendment was thus to *broaden* and not to restrict the applicability of the Sherman Act. By no stretch of the imagination can my remarks be construed as intended to limit the applicability of the Sherman Act to antitrust acts among insurance companies and agents for the purpose of boycott or coercion among insurance companies and agents. To the contrary, I think it crystal clear, both from my own remarks and from the legislative history of the McCarran-Ferguson Act, that § 1013(b) was intended to render the Sherman Act applicable to (i) *all* agreements to boycott, coerce or intimidate and (ii) to *all* acts of boycott, coercion or intimidation. Indeed, an examination of the entire legislative history of the McCarran-Ferguson Act shows that at no point was there even the most remote suggestion that § 1013(b) was to be limited to the antitrust acts specified by the court in *Addrissi*.

In view of the importance of this matter and since I believe the holding in *Addrissi* carves out an exemption from the Sherman Act not intended by the Congress, I have prepared the accompanying memorandum which sets forth in detail the entire legislative history of § 1013(b). This legislative history shows beyond peradventure of doubt that Congress intended in enacting § 1013(b) that the Sherman Act encompass *all* antitrust acts of boycott, coercion or intimidation by insurance companies, whether directed against policy holders, insurance agents or others—and not merely antitrust acts among insurance companies and agents for the purpose of boycott or coercion among insurance companies and agents.

Sincerely yours,

EMANUEL CELLER.

MEMORANDUM ON LEGISLATIVE HISTORY OF SECTION 3(b) OF THE MCCARRAN-FERGUSON ACT

Section 3(b) of the McCarran-Ferguson Act (15 U.S.C. § 1013(b)) provides as follows:

"(b) Nothing contained in this Act shall render the said Sherman Act inapplicable to any agreement to boycott, coerce, or intimidate, or act of boycott, coercion, or intimidation."

This provision had its origin in section 4(b) of S. 340 which provided (91 Cong. Rec. 478 (1945)):

"(b) Nothing contained in this section shall render the said Sherman Act inapplicable to any agreement or act of boycott, coercion, or intimdation." [1]

The report of the Senate Judiciary Committee on S. 340 had the following to say regarding this section (S. Rep. No. 20, 79th Cong., 1st Sess. (1945), p. 2):

"The purpose of the bill is twofold: (1) To declare that the continued regulation and taxation by the several States of the business of insurance is in the public interest; and (2) to assure a more adequate regulation of this business in the States by suspending the application of the Sherman and Clayton Acts for approximately two sessions of the State legislatures, so that the States and the Congress may consider legislation during that period. It should be noted that this bill, by the moratorium proposed therein, does not repeal the Sherman and Clayton Acts, but opportunity will have been granted for the States to permit agreements and contracts by insurance companies which otherwise might be in violation of the Sherman and Clayton Acts. *It should be noted further that no moratorium is granted from the Sherman Act relative to agreements or acts of boycott, coercion, or intimidation.*" [Emphasis added.]

In its sectional analysis of the bill, the Senate report stated (*id.* at 3):

"[Section 4] (b) provides that at no time are the prohibitions in the Sherman Act against *any* agreement or act of boycott, coercion, or intimidation suspended. These provisions of the Sherman Act remain in full force and effect." [Emphasis added.]

On the Senate floor it was emphasized in a colloquy between Senators McKellar and Ferguson, the floor manager of the bill, that section 4(b) applied to *all* agreements or acts of boycott, coercion, or intimidation. To the extent pertinent this colloquy reads as follows (91 Cong. Rec. 478 (1945):

"Mr. MCKELLAR. As I understand the bill its purpose and effect will be to establish the law as it was supposed to be prior to the rendering of the recent opinion of the Supreme Court of the United States. Is that correct?

"Mr. FERGUSON. No. I would say that subsection (b) [of section 4] * * * would allow the provisions of the Sherman Act to apply to *all* agreements or acts of boycott, coercion, or intimidation, * * *" [Emphasis added.]

Later in the course of debate, Senator Ferguson made the following additional comments that bear mention (91 Cong. Rec. 480–1):

"[*I*]*f agreements in restraint of trade or to monopolize amounted either to a boycott and/or coercion and/or intimidation, they would be absolutely void, because they would* contradict the bill which is now being considered by the Senate and which it is hoped will be passed today. But certain agreements might be permitted in the States if they did not violate the terms of this bill." [Emphasis added.]

"I think the bill is broad enough to allow a State to pass a law allowing any agreement or contract other than those inhibited in paragraph (b) of section 4. But it is not the purpose of the bill at all to foster monopoly, or to anticipate that any act will be passed permitting or even encouraging monopoly. A State law relating to taxation, a law relating to regulation, for instance, the fixing of rates, or the fixing of the terms of a contract of insurance, which might under some definitions of monopoly be monopolistic, would be permitted under the pending bill; *but if the State law undertook to authorize a boycott, a coercion, or an intimidation, or an agreement to do any one of those three things, then it would be clearly void* because Congress would have already spoken, and once Congress speaks on interstate commerce, no State can speak contrary to the congressional declaration." [Emphasis added.]

After passage by the Senate of S. 340, the bill was referred to the House Judiciary Committee which reported it out favorably with amendments. See H.R. Rep. No. 143, 79th Cong., 1st Sess. (1945). Among such amendments, section 3(b) of the Senate bill was renumbered section 4(b) by the Committee and the word "agreement" in section 3(b) of the Senate bill was deleted. Thus section 4(b) of the bill, as reported out by the House Committee, read:

"(b) Nothing contained in this section shall render the said Sherman Act inapplicable to any act of boycott, coercion, or intimidation."

With respect to section 4(b), the House Judiciary Committee report on the bill—like the report of the Senate Judiciary Committee—stated (*id.* at 3):

"It should be noted further that no moratorium is granted from the Sherman Act relative to agreements or acts of boycott, coercion, or intimation."

The report further emphasized that section 4(b)—

"provides that at no time are the prohibitions in the Sherman Act against *any* act of boycott, coercion, or intimidation suspended. These provisions of the Sherman Act remain in full force and effect." [Emphasis added.] *Id.* at 3.

When S. 340, as amended, reached the House floor, an amendment was urged by Representatives Celler and McCormack to restore the word "agreement" to section 4(b). Thus Representative Celler stated (91 Cong. Rec. 1087–8):

"Further, there has been left out of this bill that has come out of the Committee on the Judiciary a very important word. That word is 'agreement.' There is, properly, prescribed in the wording of the pending bill 'acts of boycott, coercion, or intimidation.' You will find that on page 4. lines 19 and 20 of the bill before you. The Senate version, however, had in addition to 'any act of boycott, coercion, or intimidation' the word 'agreement' to boycott, coerce, or intimidate.

"What is the danger in leaving that word out? There is a great deal of danger. These great companies can issue a blacklist. It need not be in writing, there need not be a so-called overt act, it could be an oral blacklist, and they would frighten the wits out of all these small companies. In addition there could be an 'agreement' for what is known as separation. Let me tell you something about the 'separation.' Under 'separation,' if an agent wrote insurance for an outside or marked or proscribed company, or a blacklisted company, he was immediately stripped of his privileges; that is to say, he was not permitted to write insurance for any of the members of the self-constituted governing organizations known as boards. If a member of any of the boards wrote business through that agent which represented independent or nonmember companies, such member company was subject to punishment and was compelled to give up the business.

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[1] 15 U.S.C. § 10 13(b) provides:

(b) Nothing contained in this chapter shall render the said Sherman Act inapplicable to any agreement to boycott, coerce, or intimidate * * *

[1] S. 340 as reported out by the Judiciary Committee was passed by the full Senate without amendment. See 91 Cong. Rec. 488.

"That is why I want the word 'agreement' put back into the bill. We have no opportunity to amend the bill and to put it back. For that reason, I must perforce oppose the bill, and the Attorney General for that reason is opposed to this bill."[2]

Thereafter, the following colloquy occurred between Representative Walter, the House floor manager of the bill, and Representative McCormack (*id.* at 1088):

"Mr. WALTER. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. McCormack].

"Mr. McCORMACK. Mr. Speaker, the question raised by the gentleman from New York interests me. Subsection (b) of section 4 on page 4 reads as follows:

"'Nothing contained in this section shall render the said Sherman Act inapplicable to any act of boycott, coercion, or intimidation.'

"It has been called to my attention that under that language an act of boycott, coercion, or intimidation will be illegal, but a combination, conspiracy, or compact to coerce, boycott, or intimidate will be free from legal consequences.

"It has been suggested to me by the Attorney General that if the following language is used that would be corrected: 'to any agreement to boycott, coerce, or intimidate, or act of boycott, coercion, or intimidation.'

"I would like to ask my friend in charge of the bill if this language is objectionable to him, and if not, when this bill goes to conference, if it does, if the gentleman would agree to accept that language?

"Mr. WALTER. Of course, I would. I would like to point out to the gentleman that when there is the kind of agreement he speaks about then it becomes an act and then under the very language of the law it is a violation.

"Mr. McCORMACK. I will not take issue with the gentleman on that, but will the gentleman accept that language?

"Mr. WALTER. Yes."

With this understanding, S. 340, as amended, was passed by the House.

The conference report—which was passed by the Senate and House, and enacted into law—adopted the amendment urged by Representatives Celler and McCormack; renumbered section 4(b) of the bill reported out by the House to section 3(b); and substituted the word "Act" for "section." See 91 Cong. Rec. 1357, 1489. See also 91 Cong. Rec. Appendix A 1190–1. As thus amended, section 3(b) read:

"Nothing contained in this Act shall render the said Sherman Act inapplicable to any agreement to boycott, coerce, or intimidate, or act of boycott, coercion, or intimidation."

From the foregoing, it is clear that in enacting section 3(b) (15 U.S.C. § 1013(b)) Congress intended to render the Sherman Act applicable (i) to *all* agreements to boycott, coerce, or intimidate; and (ii) to *all* acts of boycott, coercion, or intimidation.

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[2] It is evident from these remarks that in an effort to restore the word "agreement" to the bill, Representative Celler was merely setting forth examples of the *types* of agreements that would be immunized from the Sherman Act unless the word "agreement" was included. At no point in his remarks was there any suggestion that the scope of section 4(b) should be restricted.

CLEVELAND CITY SCHOOLS' YOUTH GARDEN PROGRAM

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, in face of rising prices at the supermarket and a worldwide food shortage, many people have turned to home gardening. Such human resourcefulness is to be praised and encouraged, so that interest will not die out. An example of a gardening program that has withstood the test of time is found in the Cleveland City School System.

The school gardening program originated in 1904, continued through two world wars and a depression and is now a fine example for us all during the present recession. I congratulate Peter J. Wotowiec, the supervisor of the horticulture department, and Leslie F. Beamish, the coordinator of the home garden program, for their outstanding work in the program. I also highly commend all of the young gardeners in the Cleveland City Schools for their important contribution. The following news release explains the program in more detail:

CLEVELAND CITY SCHOOLS' YOUTH GARDEN PROGRAM

Over 21,000 gardeners in the Cleveland City Schools' youth garden program have completed their harvesting for the 1974 season. Production of vegetables alone amounted to over $622,000.

The Cleveland School Garden Program, originated in 1904, includes the tracts located throughout the city where young people maintain individual garden plots. Total space devoted to tract gardens exceeds 35 acres. Those who do not wish to participate in the tract program can still maintain their "Green Thumbs" by enrolling for a home garden. Home garden kits are distributed to enrollees at the proper time for spring planting.

ECONOMIC VALUE OF CLEVELAND SCHOOL GARDENS, OCTOBER 1974

	Enrollment	Pupil investment (fees)	Value of vegetables produced
Tract gardens	5,595	$3,575.30	$199,163.08
Home gardens	15,920	11,871.75	423,048.24
Total	21,515	15,447.05	622,211.32

NOTE

The monetary figures include food only—most of the vegetable gardens above also contained flowers. Nine thousand nine hundred twenty five (9925) flower and indoor potted plant projects were grown by these youngsters in 1974. While no economic value for these beautification projects was included above, their esthetic value should not be overlooked. Finally, the educational value of gardening must be considered. Gardening remains a field laboratory for pupil development in the areas of environmental sciences, practical mathematics, social interaction and career exploration.

REFORM OF THE UNITED NATIONS GENERAL ASSEMBLY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUES OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LONG of Maryland. Mr. Speaker, the fact that the U.N. General Assembly is being increasingly used as a forum for propaganda against U.S. national interests should disturb all Americans.

I would like to submit for the perusal of my colleagues a proposal for the reform of the U.N. General Assembly prepared by Rabbi Manuel M. Poliakoff, president, Rabbinical Association of Greater Baltimore. Although readers may not agree with all aspects of this proposal, it should be useful in stimulating thinking on the future of the United Nations:

PROPOSAL FOR REFORM OF THE UNITED NATIONS

I. The United Nations as it is constituted today is a monstrosity that has become the chief demoralizing and degenerating force in the world.

II. It cannot be revived. It must be dissolved and a new organization formed that will set the world on the course of an international body that will bring peace to the world, security to the citizens within each nation and a realistic, meaningful spur to economic prosperity.

A. The voting power of each nation shall be determined upon the basis of the average standard of living of the working classes of the highly industrialized nations of the world.

B. The criteria shall be a sufficient income to assure:

1. Good adequate housing.
2. A good balanced diet for the family.
3. Proper adequate clothing for the family.
4. A reasonable number of electrical appliances.

C. Countries meeting this test shall have one vote. Those exceeding this test shall have a proportionately increased number of votes, while those countries not meeting the test will have a proportionate fraction of a vote. Size of the country's population shall have no bearing on voting strength.

D. Countries infringing upon the civil rights of its peaceful, law abiding citizens simply on account of race, religion, and/or political opinions shall be disqualified from voting until such time that these wrongs are corrected.

E. Delegates can be challenged to prove charges levelled at other countries and if these charges cannot be substantiated they must be withdrawn with apologies forthwith.

F. Any one delegate or delegation repeatedly making such unfounded charges must be warned that his, or its country's privilege to participate in discussion will be cancelled.

G. Adequate sanctions must be imposed upon any country supporting terrorist activities by word or deed whether within or beyond its own borders.

III. Results.

A. This kind of a program would accomplish two major objectives for the individual countries.

1. It would provide an incentive for all governments to reduce their population in order to raise their standards of living since that would give them more power, while the numbers would give them nothing.

2. The higher standard of living would bring in its wake a more responsible population, which in turn would bring about a more responsible government and hence more responsible delegates to an international body.

B. This too would give the international forum a position of respect and esteem, particularly with the additional regulations curbing brazen lies and wild, irresponsible charges.

OMNISCIENT GOVERNMENT

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LANDGREBE. Mr. Speaker, during the Labor Day recess the Consumer Product Safety Commission published proposed recordkeeping requirements in the Federal Register. The proposed requirements would, if made permanent in their present form, require "manufacturers, importers, private labelers, and distributors of consumer products to maintain records of all consumer product safety complaints received" for at least 5 years, and to make such records and other relevant material immediately accessible to the Commission or its agents. These proposed requirements were authorized by Congress when it passed the Consumer Product Safety Act in 1972. They are, perhaps, not remarkable, for Congress has authorized so many agencies to collect information from the American people that more requirements emanating from any one Government agency may go unnoticed.

There are, however, several things that ought to be said with regard to the question of information and the Government. The first is that this Congress has seen probably more bills introduced to safeguard "privacy" than any previous Congress. Yet I suspect that many of the bills' sponsors voted for the Consumer Product Safety Act in 1972, or any of the other innumerable acts passed by Congress that authorize Government agents to collect information from American citizens. This observation leads me to question either the sincerity of those sponsoring "privacy" bills or the bills themselves. I fear that "privacy" is becoming a cue word like "ecology" or "civil rights," a word to cover all kinds of sins.

My second observation is that once again, in this election year, some Members of Congress who have done little else than increase the control of Government over the lives of everyone, have expressed concern over the "Federal paperwork burden." This year an investigation of the paperwork burden has been proposed which has a new twist: the investigation will be conducted by the General Accounting Office. In years gone by, the investigations of the paperwork burden have usually been conducted by congressional committees or subcommittees, and sometimes by special commissions headed by former Presidents. The last such investigation, which was completed just in time for some Members of Congress to propose another investigation, was conducted by the Subcommittee on Government Regulation of the Senate Select Committee on Small Business. Issued on April 17, 1973, the Senate report comprised four volumes, 1,950 pages, of hearings and a summary report, but apparently it was not enough, for over 150 Members of the House have announced their support for a new investigation.

It should be obvious that such repetitious and redundant investigations and explorations of the same subject generate paperwork, not diminish it. It should be obvious that support of another investigation after decades of similar investigations is simply a political gimmick to win the votes of small businessmen. It should be obvious that Congress is simply unwilling to reduce the redtape and paperwork, and finds that it can give the impression of constructive activity by instructing a committee to "look into" a problem. Congress is simply unwilling to face the issue of the proper role of Government in the collection of information.

There is a very good reason for this, but it may not be quite so obvious as the motives for undertaking another investigation of the paperwork burden. The late Ludwig von Mises in his treatise on economics "Human Action" speaks of "The state, this new deity of the dawning age of statolatry, this eternal and superhuman institution beyond the reach of earthly frailties—." He writes of "the counterfeit theology of the divine state." This counterfeit theology is the reason for Congress unwillingness to restrict the authority of Government agents to collect information from private citizens. Once this Nation had a different theology; once it was a Christian nation which believed that all earthly powers are limited. Once this Nation believed that one should render unto Caesar the things that are Caesar's and unto God the things that are God's. But now that belief in Christianity has faded and belief in Caesar has grown, there is no philosophical obstacle to the growth of the power of the state. Caesar is now sovereign. Instead of praying to God for their daily bread, many people pray to Washington. Social security is Caesar's substitute for the Providence of God.

Because this counterfeit theology, this statolatry, is prevalent in America today, the attributes of God are now being transferred to the new god, the state. Among these attributes is, of course, omniscience. Here we reach the basic reason why Congress is unwilling to restrict the powers of the Federal agencies to collect information: it subscribes to the counterfeit theology of the state. If the state is God, then it is and ought to be omniscient. The annual motions Congress makes to stem the rising tide of Federal paperwork are meaningless because Congress has no intention of reducing the Government's power to collect information, and will not do so until it changes its theological position.

Someone has well said that all differences between men are ultimately theological. I might add that all differences between governments are also ultimately theological. Until we return to the view that only God is sovereign and that all earthly authorities are limited, that is, until we return to Christianity, we will be burdened with omniscient, omnipotent, and omnipresent Government.

MINNEAPOLIS RENAISSANCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. FRENZEL. Mr. Speaker, I am proud to insert a story by Wolf Von Eckardt in the Washington Post of Friday, November 22, entitled "Minneapolis Renaissance." The article is a good one, and I only hope that all of my colleagues can visit Minneapolis and meet some of the most productive people in the world. The article follows:

[From the Washington Post, Nov. 22, 1974]

MINNEAPOLIS RENAISSANCE

(By Wolf Von Eckardt)

In the last few decades, Minneapolis, like most other American cities, has junked its streetcars, bulldozed half of its freeways, lost population, and spent much of its remaining vitality on one domineering 57-story skyscraper.

But unlike Washington—and most other American cities—Minneapolis is visibly on the rebound. It has a splendid, brand new symphony hall, two lively new art museums, a children's theater that grown-ups rave about, some of the country's most provocative architecture, and a 34-year-old mayor who is civic enthusiasm personified.

Mayor Albert J. Hofstede—medium height, sideburns, an engaging openness without mannerisms—professes to find all the talk about the Minneapolis Renaissance a little embarrassing.

The talk is based not only on the avant garde architecture, but also on downtown innovations of the kind other cities show only as visionary drawings in their planning brochures. One of them is Nicollet Mall, an eight block long pedestrian shopping street designed by the San Francisco landscape architect, Lawrence Halprin. It is different from other malls because a "transitway" for buses and taxis meanders down the middle. The curving roadway on a straight and typically American gridiron street, chock-full of trees, planters, benches, kiosks, heated bus shelters and other exemplary amenities, is startling fun. Retail sales are up and Nicollet Mall is now to be extended another five or six blocks to spark a new neighborhood along Loring Park.

Across the Mall runs one of the 11 glass-enclosed bridges of the "skyway" system, a network of second-story passages that leads you across busy streets and, along corridors and arcades, right through a number of big buildings, including two hotels and a department store. Eventually, "skyways" will cover 64 downtown blocks. You will be able to walk from a parking garage to just about anywhere in the business district without getting hot, cold, wet or run over by an automobile.

At the hub of these walkways is Crystal Court, a glass covered plaza between the 57-story skyscraper and other, lower structures of the IDS Center. Unfortunately, there is more cover than plaza. The famous New York architect, Philip Johnson, expended so much exuberance on his canopy of plastic pyramids, he had only austerity left for the people it shelters. There are only photogenic but uncomfortable white cubes to sit on. But people are not easily discouraged. With three levels of bars, restaurants and shops surrounding the court, it is bustling until late at night.

All this is part of the city's "Metro '85" plan, which was adopted in 1971 and contemplates a joint city government and business effort to rebuild downtown Minneapolis by 1985. The program, in contrast to most, includes such practical essentials as legal authority for zoning changes and various financing schemes. Nor is it run by starry-eyed planners and quibbling, bureaucratic agencies. It is, in effect, run by the mayor and city council and their city coordinator, an energetic engineer named Thomas A. Thompson, who seems to have more faith in common sense than his slide rule.

But there is more to Minneapolis than downtown, and Mayor Hofstede wants to make all of it a "liveable city." The first neighborhood of the Cedar-Riverside new town-in-town is already completed. The vast railroad tracks of the Burlington Northern along the Mississippi waterfront will soon be sprouting apartment houses, a hotel and a park. Most of all, the mayor hopes to provide new housing by renovating old houses. Under what may be the most aggressive rehabilitation program in the country, the city of Minneapolis now makes renovation loans, restores houses, tears down old houses beyond repair and sells the sites for new ones and sells dilapidated houses for as little as one dollar to poor people who pledge to fix them up within a specified time.

An equally aggressive program aims at attracting industry. The city assembles, clears and markets sites for new industrial parks. It advances money, borrowed on future tax revenues, for industrial construction, and it is exploring the idea of industrial condominiums for small firms that lack the funds to build their own plants.

All this planning and building is subject to the advice and consent of neighborhood Committees on the Urban Environment, or CUE committees, made up of both officials and ordinary citizens. City plans are coordinated with those of St. Paul and the seven counties of the Twin Cities metropolitan Council has probably more teeth than any other regional planning effort in the country. It can enforce such things as the fair distribution of low cost housing because it coordinates all local applications for federal funds. A "fiscal disparities act," now in litigation, would give the Council 40 percent of all local revenues to meet such regional needs as airports or sport arenas. In short, there is method to the miracle of the Minneapolis rebound.

Mayor Hofstede, a labor man, attributes most of the miracle to the cooperative spirit of the city's business leaders. Many of them like the Pillsburys and the Daytons, represeant families who for generations helped build the place. The state legislature, too, is in a cooperative frame of mind. Minnesota is proud of its Twin Cities and so is its congressional delegation; Sen. Hubert H. Humphrey served as mayor of Minneapolis.

The spirit and the circumstances that spark it cannot be exported of course, but the example of Minneapolis ought to inspire other cities: there is much they can adopt. In any case it is at least faintly heartening to know that somewhere in this land of ours spunk and determination can make a city liveable.

A LOT DEPENDS ON WHAT THE CONGRESS DOES

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. LANDGREBE. Mr. Speaker, in a recent exclusive interview with the U.S. News & World Report, President Ford was asked for his appraisal of the 1975 and 1976 budgets. His reply ought to interest every Member of this Congress:

> A lot depends on what the Congress does. If Congress does what we are proposing for the 1975 budget, if they help us cut spending to 300 billion or less, we will have, based on anticipated revenues, including my tax proposals, about a 5 to 6-billion-dollar deficit. Revenues are now anticipated around 294 billion-dollars—in that range . . .
>
> Now, if you go to 1976, again it relates to what Congress does on deferrals, rescissions and a spending ceiling, as well as on anticipated revenues. You could have a deficit—if you just have a free, uninhibited program based on existing law, existing commitments—as high as 35 billion dollars. Or, with responsible action, you could go below 10 billion dollars. In fiscal 1976 you've got a wide range of possibilities.

President Ford has accurately pointed out that the economic future of this country lies in the hands of Congress—not the President. Congress has the ability to override the President's vetoes, and shows an alarming willingness to do so, especially on appropriations bills. Thus, it is Congress, not the President, that must bear the responsibility for the present and future economic conditions in this country. Congress can return this country's economy to a sound basis, or it can follow the advice traditionally attributed to Lenin that—

> The best way to destroy the capitalist system is to destroy the currency.

ONE MAN AND HIS ONE VOTE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. MURTHA. Mr. Speaker, we heard a great deal during recent months, Mr. Speaker, about the apathy of the American voter. First, I do not believe this apathy was as widespread as it was pictured, and I still find a very strong strain of concern and dedication in the American citizen.

Second, Mr. Speaker, we sometimes come across a situation that reminds us of the importance of each vote, and in particular, of the importance of voting itself.

One such situation involves Mr. Domenick Gasbarro of the 12th Congressional District. As the following news article shows, Mr. Gasbarro voted this month at the age of 91, after spending nearly 50 years in this country after being born and raised in Italy.

Mr. Gasbarro's concern about voting should serve as another indicator to all of us of how important each vote is, and how wonderful it is that we all have the right to exercise our choices through our vote.

Mr. Speaker, I know I speak for the entire House of Representatives in extending our best wishes to Mr. Gasbarro and wishing him many more election day votes. We also thank him for his excellent example of American patriotism in action.

I include the following article:

[From the Johnstown (Pa.) Tribune Democrat]

ONE MAN AND HIS ONE VOTE

Domenick Gasbarro walked through the rain Tuesday morning to the Am-Slo Club, and his arrival was an occasion—people cheered and called out enthusiastic greetings in Italian.

Mr. Gasbarro had come to vote, as he has for the past 45 years. Now 91, he already was approaching middle age when he came to this country from Italy 50 years ago.

Mr. Gasbarro has been a registered Democrat all his voting life, and he takes his patriotic duty seriously.

He appeared at the polls dressed in a neat blue suit, white shirt and blue tie.

Mr. Gasbarro resides with a daughter, Mrs. Anthony Kurtz, at 103 Catherine St. He is a retired shoe repairman and the father of five living children. His wife, Anna Maria, is deceased.

He has been noted for his music ability for half a century. Mr. Gasparro was a conductor and composer for the Original Italian Band in the 10th Ward.

He taught music, and many of his students have gone on in the field. His son, William, has a doctorate in music.

Even at the age of 91, Mr. Gasbarro still copies some of his old Italian music as a pastime.

SAFE DRINKING WATER

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. KETCHUM. Mr. Speaker, certainly no Member of this House could lightly vote against a bill with so fetching a title as the Safe Drinking Water Act. To do so might somehow imply that one is in favor of unsafe drinking water. But the point is that the legislation passed by the House last week is very bad indeed, and will not accomplish its stated goal of bringing clean, pure water to all Americans.

The bill will allow the EPA to adopt its own standards for water treatment facilities and then certify or refuse to certify each and every such plant in the United States. If a local facility fails to meet EPA standards, the EPA can go to court to have it shut down.

The catch in the bill is that nowhere are funds made available to assist State and local governments to meet Federal standards. The bill is thus one more instance of the Federal Government ordering local governments to develop programs without telling them where they are supposed to find the money to finance them. The National Governor's Conference estimates that this bill will increase costs to local governments by $150 million a year. EPA itself thinks that the price tag will be between $165 and $320 million. How are local governments going to come up with the money?

The practical effect of this bill is going to be the deprivation of water for many areas. If a local government has its water treatment plant closed down by EPA, and lacks the funds necessary to improve it, what are the citizens going to do for water?

Mr. Speaker, every Member of this House wants clean water. If we could get a sensible bill that will assist local communities to upgrade their plants, and provide for reasonable cooperation from the Federal Government instead of dictates, I would support it. But the bill just passed will only add to the burdens of our States and cities, and not fulfill the grandiose promises of its title.

THE TRUTH ABOUT SOCIAL SECURITY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. **GAYDOS**. Mr. Speaker, an injustice is being done, in my opinion, by the attempts of Ford administration spokesmen to categorize the millions now on social security incomes as aid recipients, sharing in the generosity of the Nation.

A recent example of this kind of misinformation peddling came when Budget Director Roy Ash told a news conference that meaningful governmental economics in the future could compel cutbacks in what he termed "income transfer programs," including social security.

I quote the Associated Press report on this meeting:

> Ash repeated that the big increase in federal spending since 1968 had been in income-transfer programs such as Social Security, while other government expenditures, including those for defense, had decreased proportionately.

Mr. Ash then added, according to the AP:

> The main role of government is no longer governing. The main role of government is now redistributing wealth, taking from some people and giving it to others.

How Mr. Ash or anyone else could get social security mixed up in this definition is beyond me. The older people drawing social security checks are not taking from others. Rather, they are getting back a return on the substantial social security investments they made in their working years.

This was the original purpose of the fund and it is working out accordingly. Present recipients are not getting something for nothing—handouts, indeed, from the others of whom Mr. Ash referred. In many cases, they are receiving less from social security than if they had paid their money into a private retirement program.

I resent this effort to make the public think of the pensioners as the takers of other peoples' money. The money they are getting is the money which first was taken from their pay envelopes or contributed in their behalf by their employers. And we need to keep our thinking clear on the latter point too. What was paid into social security by their employers was money not paid to them in wages and consequently was a fringe benefit which they earned and not something given freely in their behalf.

We are are mindful, certainly, that some now on social security—the ill, the handicapped, the survivor beneficiaries—are receiving checks out of proportion to the investments made for them. But this, too, was a part of the original social security plan with such recipients to be taken care of from the collective fund. Thus, these people are qualified social security participants and not governmental wards as such.

I hope, Mr. Speaker, as we look hard at Federal expenditures in the weeks ahead with a view to bringing them into line with income, we keep social security separate in our minds—off the list of what Mr. Ash calls "income-transfer programs." Social security is not one of these and, if it now requires a supplementation of Federal money to carry its payments load, this is not the fault of fund itself but instead of the government which, in the past, borrowed the social security funds at low interest rates and prevented social security from standing on its own.

The Ford administration's interpretation of social security cannot go unchallenged. The pensioners are getting what they have a right to get. They are taking nothing from others. They are no part of a wealth distribution program and subtle contentions otherwise by Mr. Ash or anyone else needs to be condemned as untrue and unfair to millions of fine Americans.

SPEECH BY SECRETARY OF INTERIOR ROGERS C. B. MORTON

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. WYATT. Mr. Speaker, our Secretary of Interior Rogers C. B. Morton in a speech recently before the Society of American Foresters, has very eloquently delineated the type of land use planning legislation that should be enacted into law. It is such an important message I wish to share it with my colleagues:

REMARKS OF SECRETARY ROGERS C. B. MORTON

It's a great pleasure to be back here in New York, and to have a part in this 1974 National Convention of the Society of American Foresters.

Not far from here on Rockefeller Plaza is a statue of Prometheus, who stole fire from the heavens as a gift for Man. Man's precious heritage from the original energy-giver was a torch of burning wood.

In history and geology, we have all been exposed to a great variety of "ages." The Ice Age, the Stone Age, the Bronze Age and so on—right on up to the Nuclear Age, the Space Age, and even the Age of Aquarius.

So why do we never hear of a "Wood Age?"

Probably because the Age of Wood—as an extremely versatile resource for Man—began with the dawn of human history, continues on today, and will still be going strong after all of us here have been cut down.

In short, it is always the Wood Age.

And that is indeed fortunate. Because no other material we can conceive of is so versatile and so infinitely useful. And—given the wise management which is the hallmark of professional foresters—so eternally renewable.

Modern science has been equating matter and energy at least since Einstein wrote his mass/energy equation early in this century. In fact, today's physicists are not always sure which is which. But one thing we all are sure of is that materials and energy can both run short—which is why it is so important to have renewable resources such as our great forests.

The combustion of wood for the thermal energy now accounts for something like one percent of our natural consumption of fuels—slightly less than the contribution of nuclear energy at its present stage of development. And that's a good thing, because wood and the myriad of other forest products have so many thousands of good and lasting uses besides going up in smoke.

Heat retention, for example, is obviously a matter of substantial concern these days. The way heat engineers measure insulation efficiency of a material is by the amount of heat it conducts per cubic meter per hour through a temperature difference of one degree Centigrade.

By that measure, steel conducts 50 kilocalories—which makes it a poor thermal insulator. I think anyone who has ever climbed into a car after a broiling hot day or a freezing night already knows that.

Natural stone is 20 times more efficient an insulator, concrete slightly better than that, and brickwork twice again as efficient as concrete. Glass, thickness for thickness, is even more efficient than brickwork, letting only 7/10ths of a kilocalorie through a cubic meter in an hour.

But wood far exceeds all of those materials in heat retention. It is 333 times more efficient an insulator than steel and five times better than even brickwork or glass.

Wood, as you know, also constitutes the primitive stages of almost every fossil fuel—peat, lignite, bituminous coal and anthracite. To some extent, petroleum, natural gas and the kerogen in oil shale were also wood or woody plants.

But I don't think I need to elaborate on matters in which you are the acknowledged experts. I do want to acknowledge, though, that the worth and timeless value of our forests are premised in a good deal more than the products that we take from them for our utilitarian purposes. Forests are not only tremendous natural factories; they also produce social and environmental goods of incalculable value.

The modern professional forester makes a great contribution to our society. You manage our woodlands, and their associated wastelands and water, for a number of uses—for timber, for recreation, for protection of wildlife and water resources. You raise and harvest successive crops of timber and advance the science of silviculture.

My personal inclinations and deepest convictions would certainly put me squarely on your side in these endeavors, even if they weren't part of my job description as Secretary of the Interior.

I hope that pays for this excellent lunch; so now let me turn to something that is very closely related—in fact, basic—to forestry; and to everything else. The land . . .

I don't think I have to tell you that the land use issue has a significant bearing on forestry. Simply stated, land use means deciding which lands are used for what purposes. The forestry industry utilizes an extremely large portion of the nation's land resources; an estimated 754 million acres are now considered forest lands, 500 million of them in commercial use. It follows that your industry has much at stake as land use determinations are made. It is therefore important that you understand the issue, and that you understand what we in the Federal Government propose to do about the problem—and what we propose *not* to do.

One thing, inescapably, we're all going to *have* to do. In addition to an energy conservation ethic—which to my mind is an absolute necessity—we must develop a *land use ethic* with the same degree of urgency. An ethic which recognizes that America's land resources are finite, but that the demand for land use will keep growing at an accelerated rate.

We want to preserve areas that are of transcending importance to our natural, historic and cultural heritage. Yet, at the same time we *have* to provide and allocate land for such uses as housing, recreation, transportation, energy generation, industry, agriculture and forestry, and all the rest. My deepest belief is that the prudent stewardship of America's land resources is absolutely *vital* if we are to fulfill all of these essential demands.

And they *are* demanding. Look what's been happening.

Urbanization was absorbing land at the rate of about 730,000 acres a year during the 1960s; in the 70s, it should be higher than that.

Another 130,000 acres a year were being transferred to transportation usage from other uses.

About a million acres a year have in part been going into some kind of recreational use during the last decade.

Up to now, more than 1½ million acres of land have been disturbed by strip mining of coal. But we are going to have to develop our coal resources at a much greater rate than in the past—and as much as 45 million acres of land with strippable coal deposits exist in the United States. Of course, reclamation is now a must following such activities, but both the stripping and the restoration require long periods of time.

All in all, 50,000 more acres a year are taken for surface coal mining. Every year, more than a million acres of farmland and other open space are converted to physical development. Every year, 31,000 miles are added to our road net work. And every year, right-of-way land is needed for more than 11,000 miles of high-voltage lines added to the Nation's electrical power system.

By the end of this century, in fact, it is estimated that more than 3½ million acres of additional land will be needed for new electrical generating plants and transmission lines.

But there's really no such thing as "additional land." It's going to have to be land that had been used for other purposes—open space, agriculture, forest land, or whatever.

The question, as I see it, cannot be one of whether we're going to manage our land resources in a better fashion than we've been able to devise up to now. We have no choice. The real question is how it is going to be done, and by whom?

There's just no way we can continue the helter-skelter ad hoc land use practices of the past, and hope it will all come out right in the end. It won't come out right; instead, the patterns of Man's use of the land will seriously erode the quality of life and become unmanageable—and finally ungovernable.

The use or misuse of our land is as important a determinant of our future well-being as the production of energy.

So the question of who is going to manage these land resources is a vital one that has got to be asked. And the answer had better be right.

Traditionally, in too many areas of our life, the trend has been increasingly to let "George" do it, and George almost always turns out to be your friendly Federal Government. That trend has gone too far, and it has by no means always worked out for the best.

After all, what does a Federal type, who sits in a marble monument on the banks of the Potomac, know about land use in thousands of diverse areas populated by different people with varying cultures, customs, histories and needs?

Which is not to say that the Federal Government has no proper role in land use management. There are still, after all, some 760 million acres of public domain lands under Federal ownership—about one-third of the country—out of an original holding of 1.8 billion acres.

The National Forest Service, as you know, accounts for more than 180 million acres, and 450 million more are National Resource Lands administered by the Department of the Interior for all the people of the United States.

We've also got 1¼ million square miles of the Outer Continental Shelf in our Departmental portfolio; and while we're expecting to get a lot of oil from that source within the next decade I don't think there's any chance of converting it to forest land.

Interior's Bureau of Land Management manages some four million acres of forest land in the Lower 48 on a sustained-yield, multiple-use basis. Plus another 23 million acres of woodlands used chiefly for wildlife cover, watershed management, recreation and other purposes. That's less than 30 million out of the 754 million acres of the United States that are covered by forests; and I think you will agree that this is indeed a proper Federal role.

Another logical role for your Federal Government is our Department of the Interior EROS program—for Earth Resources Observation Systems. With a periodic overview of the entire country—in fact, of the whole world—and with the use of space technology such as the Earth Resources Technology Satellites, a program of this kind would clearly be beyond the scope of any local type of government.

But aside from these kinds of things, land is the substance of the States. Traditionally, and rightly so, the States have been the property managers. They should continue to be the principal managers of our land resources. And they will—unless they ignore this very fundamental responsibility.

For, if the States fail to provide the mechanisms for workable and environmentally sound land use plans—and if they do not implement them with courage and skill—the people are going to run over them. They will bypass the States and force the Congress and the rest of the Federal Government into a role that is not rightlly ours. This is the States' baby—and it would be tragic if it fell to the central government by default.

Yet, if the misuse of the land continues, the people will soon demand that it be stopped.

So what I want—and what I think we really all want—is a land use bill that will help the States do this top-priority job. But not one designed to do their job for them.

Obviously, there must be some coordination among the States and regions of the country. There should be a general process established, and there has to be some order in the criteria and standards established by the various State governments.

And, of course, the setting aside of major areas of national significance is going to require some Federal input.

But the land patterns themselves, the shape of our cities and suburbs, the development of our small towns and rural areas—these things must be in the hands of State and local institutions.

Happily, new interest has been developing among the States in establishing decision-making mechanisms that involve all local governments and Statewide interests. Initiatives have come, among others, from Florida, Maine, Oregon, Vermont, Utah and Colorado. Others, like California and New York, have undertaken such initiatives on a selective basis.

A balanced approach to land resource management and land use planning has been increasingly endorsed at many levels of both the public and private sectors. The momentum, in other words, is building fast.

We at Interior, and other cognizant activities of the Federal Government will do our best to secure passage of a bill that will give the States every chance to do the job for themselves—but not one that will second-guess or try to do the job for them. That to me, is the most important philosophy underlying any land use bill.

As professional foresters, I know that your interest in all aspects of land use planning is profound and abiding. We would certainly welcome your support for a good and workable Land Use Act that apportions these critical responsibilities in a logical and functionally sound fashion.

And I want to assure you, in closing, that the support and facilities of the Department of the Interior are available to you for whatever help they can afford you. In these times of heavy emphasis on more coal, more oil, more gas, more minerals and more everything else, let us never forget that the great forests of America are still among our most precious resources. And, thanks to you, there is scant danger of our ever running out.

Thank you very much.

REGIONAL MEDICAL PROGRAMS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. **HELSTOSKI.** Mr. Speaker, throughout the Nation people associated with regional medical programs have made many important contributions to their communities and to the medical profession. Today, however, I would like to take a few moments to focus specifically on some of the work which is being done through the regional medical program of New Jersey.

In 1971, the program played a leading role in establishing a statewide network of hospital centers where patients could have their pacemaker battery function evaluated. Since that time, the program has been credited for playing an important role in reducing many of the costs and anxieties faced by people who must depend on pacemakers.

Furthermore, many other significant and beneficial byproducts have emerged from this program. Patients, for example, can now get together with other patients at the various regional evaluation centers, and discuss the problems and feelings which they have in common.

Mr. Speaker, an article concerning this program appeared recently in the Newark Star-Ledger, and in view of the fact that it provides additional insight into this exciting, dynamic program, I would like to share this article with my colleagues. The article follows:

Computer Keeps Pulse on Pacemakers

(By John Osterhoudt)

A computerized evaluation system was credited yesterday for reducing the number of life-threatening situations, the costs and anxieties faced by people who depend upon battery-operated pacemakers to regulate their heartbeats.

At a statewide symposium sponsored by the New Jersey Regional Medical Program, the heads of pacemaker evaluation centers in several New Jersey hospitals discussed the problems involved in monitoring pacemaker patients, and said these are outweighed by the benefits.

The pacemakers are battery-powered units which are implanted in the chests of people who suffer heartbeat rhythm irregularities. The units give off an electric stimulus which keeps the heartbeat regular.

In 1971, the New Jersey Regional Medical Program helped to establish a statewide network of hospital centers where patients could have their pacemaker battery function evaluated. Information is relayed from the centers by teletype to a computer at Newark Beth Israel Medical Center, which helps analyze the data and determine whether or not the unit is beginning to fail and needs replacing.

At yesterday's symposium, held at the Ramada Inn in East Brunswick, Dr. Victor Parsonnet, head of surgery at Newark Beth Israel Medical Center, said one patient has had a conventional pacemaker for 65 months, because the evaluation system confirmed there was no loss of power occurring in the unit.

Without the special equipment, doctors would probably have replaced the pacemaker at least once, estimating from 18 to 24 months of life for the pacemaker, and the patient would have undergone the cost, risk and anxiety of surgery which was not needed.

Several doctors said an important benefit of the regional evaluation centers is the opportunity for patients to sit down and talk with others like themselves, and share problems and concerns.

At-home telephone monitors are also used for patients when a pacemaker has been in for some time, and doctors want to keep a closer check on the unit's functioning. The patient dials his hospital, connects the monitor to his phone and places a sending device over the pacemaker. The hospital receives a signal which helps evaluate the pacemaker function.

It was pointed out that some patients become very anxious when given telephone units, and prefer to have the pacemaker replaced rather than worry about it. Also some doctors questioned the accuracy of the telephone monitor as opposed to the hospital testing.

The costs of pacemaker evaluation were also discussed. Dr. John Gregory of Overlook Hospital in Summit said the average patient in 1973 spent $310 for nine visits and 27 phone calls to the hospital evaluation center.

Dr. Warren Widman of Morristown Memorial Hospital said it has been shown that often in the long run it is cheaper to do the evaluations and replace the units when the data indicates it, rather than by guesswork.

He also said that patients who fail to keep their appointments at clinics say the reason is because of costs, but that it is really due to other problems such as a lack of transportation to the clinic or some other family matters which prevent them from coming.

The evaluation system does not pick up all impending pacemaker failures and is useless in predicting such problems as broken component parts or wires. Parsonnet also said that as the number of cases seen at the centers increases, human error becomes an important factor, and doctors must be aware of carelessness as a problem to be faced in any program attempting mass diagnosis.

PROBLEMS FOR CATTLE RAISERS

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. SKUBITZ. Mr. Speaker, on November 19, 1974, there was an editorial in the Emporia, Kans., Gazette that I would like to share with my colleagues in the House. It shows very clearly the problems that cattle raisers are facing. The editorial follows:

EDITORIAL

One of our farm friends brought in a letter this week that explains in simple terms the plight of people in agriculture.

The letter cites an "actual example" uncovered by the Farm Management Association of Kansas State University. Here is the story:

In 1973, a farmer bought 28 packages of twine to bale the hay to feed his dairy herd. The cost was $6.50 a package for a total of $182.

The farmer then sold two bull calves for $100 each. The income paid for the twine with some money left over.

This year the farmer again bought 28 bales of twine to use in putting up hay to feed his dairy herd. The cost of the twine from the same supplier was $27 per package for a total of $756.

Again the farmer took two bull calves to a local auction. The two calves together brought $36.11. In order to pay for the twine, the farmer this year must sell 43 calves.

To call attention to their predicament, livestock owners have been killing and burying cattle. Meanwhile, people in other parts of the world are starving to death. The slaughter is wasteful and has little effect on the livestock market. Instead of creating sympathy for the cattlemen, it has brought contempt and criticism.

Still, the twine-and-calves example explains why farmers have become so desperate that they are reacting irrationally.—R.C.

BUSINESS ATTITUDE ON CONTROLS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. REUSS. Mr. Speaker, a recent article from the Daily Labor Report published by the Bureau of National Affairs, Inc.—BNA—by BNA Associate Editor Ben Rathbun, provides a revealing insight into the attitude of the business community toward the Ford administration's economic policies. The article notes a sharp contrast from the almost unanimous anticontrols posture of business and the financial community at the September economic summits, and some of the private views of business leaders. Although the great majority of business leaders continue to oppose direct controls, this picture is apparently more complex than the one that merged from the summits. The article follows:

INTERVIEWS INDICATE MIXED BUSINESS ATTITUDES ABOUT RETURN OF CONTROLS

(By Ben Rathbun)

Despite a devastating redudiation last Spring at the hands of the public, the Congress, the leaders of labor and business, the economists' community, and the White House, price and wage controls continue to play the role of the uninvited guest at the nation's economic council table. Like Gloria Swanson, Wright Patman, George Blanda and Uncle Dud LeBlanc's Hadacol, controls remain one of the country's most durable phenomena.

Although the Ford Administration, business, financial, and labor leaders, and a broad spectrum of economists rejected controls with virtual unanimity during the White House economic summit conferences, controls remain an important factor in the current policy reckonings of numerous business leaders. Some are resigned to their resumption; others not only assume their return but endorse them as an essential step.

Management's preoccupation with controls is revealed by its recent nervous inquiries to its Washington representatives. For example, on the Friday before Election Day, a number of the biggest Washington law firms received calls from out-of-town clients checking on the reports that President Ford was about to announce a pre-Election Day freeze of prices and wages. Some callers even said they had heard that the physically-handicapped vendors at the newspaper and tobacco stands in Washington's federal buildings had been tipped off to get their prices up before the freeze took effect.

In addition to the rash of November 1 calls about the rumored freeze, company executives have been posing this sort of question to their Washington lawyers: "What's the latest date that I can raise prices and be grandfathered against a rollback [under any program enacted by the coming Congress]?" A lawyer target of such questions added: "December may be a very bad month" for the price indices partly because of these anticipatory price actions.

After November 5, there also is an increasing assumption among business leaders that the new Congress will take the initiative on controls. However, well-posted Congressional leaders and their advisers indicated that this is *not* what a House Banking Committee expert called "a greased chute." The Democratic leaders at the Capitol will take particular account of the unions' desires on inflation policy; such an accommodation may not be readily achieved.

In any event, neither the emphatic refusal of the Congress to renew controls last Spring nor the rebuff from the Ford summits appears to have had the withering effect such critical drubbings might be expected to have.

SUMMIT CONSENSUS AGAINST CONTROLS

However, most informed observers believe that a large business majority remains opposed to controls. On this score, they stress the picture from the summit. The box-score when the President rushed into the Washington Hilton from his wife's hospital suite for a summary summit comment was one of remarkable unanimity. It revealed the nation's business leaders united behind the President in determined opposition to controls. The almost unanimous, if less fervent, support of the labor leaders and the variegated economists for this view suggested a rare national consensus for such a controversial issue. Prof. Kenneth Galbraith, one of the few control devotees, appeared to have been cast in the role of a crank from the irrelevant past.

At the Pittsburgh and Detroit mini-summits of industrialists, there had been virtually unanimous opposition to the restoration of controls. In the banking and finance mini-summit at Washington on Septeber 30, there was no discernible sentiment for controls. Gabriel Hauge of Manhattan's Manufacturers Hanover Bank made this comment for the financial community panel at the summit: "Regarding pay-price policy, our panel showed virtually no interest in return to controls. The consensus seemed to be that if the controllers tried to build a better mouse trap, nature would breed a smarter mouse."

However, there are significant indications that the actual situation within business on these issues is more complex and mixed than the September view from the summit suggested. Furthermore, there are other countervailing signs that may influence the business and government policymakers:

In August, the Gallup Poll reported that the public had returned on the controls issue to the identical opinion pattern of midsummer 1971. Fifty percent of those polled in both 1974 and 1971 favored a return to price-wage controls; 39 percent were opposed and 11 percent were "don't knows." On election night, NBC and CBS presented new polls indicating an above 50 percent pubic support for controls; the NBC poll reported 53 percent.

Furthermore, as BNA interviews with business leaders and their counsellors, and other reports indicated, there is a marked lack of confidence among business leader in the

Ford Administration's attack on inflation. For example, in early September, the *Wall Street Journal* made editorial mention of "a crisis of competence" with the Administration on economic policy. The ENA interviews reflected a comparable worry about the Administation's capability. Even very conservative executives tended to say that their bets on an early price downturn are based largely on market forces, *not on* White House policy. There were numerous comments deploring the current "dift" or the impression that the country lacks "a rudder." Given the high seriousness of the economic problem, what is perceived as a White House tendency to rely on what a food industry executive called "hope and eu-Ford-ia" also was decried. These business reservations are said to have weakened industry's resolve to buck pro-controls initiatives.

The recent softening of industry markets also might have a further modifying effect on the industry posture vis-a-vis controls. With market demand slackening, industry will be more reluctant to raise prices. The principal exceptions would be where industry's market dominance permits protection of profit margins through price policy. Meanwhile, the rising threat of labor's "catch-up" drive, including the impact of uncapped escalator clauses, might become the No. One force on prices. Therefore, business may be inclined to regard controls with less revulsion. After all, if controls' principal thrust were to be against wages, business might not protest as loudly about controls.

THE QUESTION MARK ON CONGRESSIONAL ACTION

On the issue of Congressional action on controls, the Democratic majority is faced with what an adviser to Senator Hubert Humphrey (D-Minn.), the chairman-to-be of the Joint Economic Committee, has called the "most obstrusive" question: "Politically, how can the Democrats move on controls when their real thrust at this stage would be against labor and would be resisted aggressively by labor?"

Although labor's opposition may not be decisive in the end, it is certain to receive very respectful attention on the Hill. As a spokeman for Senator Adai E. Stevenson (D-Ill.) noted: "With more Democrats in Congress, at least initially they will feel more tied to labor money." The nature of the problem was spelled out most succinctly by one of the most important movers-and-shakers during the 1971–74 controls period:

> "Everybody who's expecting Congress to enact controls had better be forewarned that the only way they are going to get labor to cooperate is to do two difficult things: First, to write a law that says to the Administration: 'Don't lay a number on labor.' In other words, don't leave the door open to the fixing of specific wage guidelines. Second, be very stringent with business. Labor knows it got screwed under the Nixon controls. Nobody planned it that way but it sure happened."

The point was underscored, he noted, by White House adviser John Dunlop at the Brookings Institution conference in early November. At the session on the economic stabilization policies of the last five Administrations, Dunlop deposed as follows: "You can have a consensus or a [wage guideline] number but you can't have both." Dunlop and ex-Treasury Secretary George Shultz, who continues to have an important advisory relationship with Ford, have asserted that no stabilization program can work without labor's cooperation.

CALL FOR "A STOPPER"

The prime argument of the controls' proponents in business is that the economy needs a powerful circuitbreaker to arrest the inflation spiral. Several cited Consulting Economist Robert R. Nathan's comment that controls are needed to break "this severe, contagious, self-generating spiral. Gradualism, voluntarism and euphoria will not do it." Only then, Nathan warned, will the Administration have the world-wide support and the popular confidence at home to provide the "increased ability to deal with other crucial problems like oil and the like."

A Washington-Boston lawyer said this of the attitude of 75 percent of the business executives to whom he has talked: "In this situation, we can't wait for more esoteric answers." He said they called first for controls and then for vigorous attention to "the slower, longer-term policies."

A frequently-expressed expectation came from a Chicago-based lawyer-counselor to a string of manufacturing companies. He said his clients "all expect we are going to have controls. They assume the Democratic Congress is going to pass them this Spring to embarrass the Republican President."

Another business observer pointed up a frequently-cited argument by recalling an earlier commentary by Walter Hoadley, executive vice president of the Bank of America: "Everyone is so occupied with the next 30 minutes or the next 60 days, they don't see the long-range consequences. There's very little prospect of getting things back to normal in this decade." He added, ". . . we're going to be going through phases [of controls and other government experimentation] indefinitely from here on out. We're going to be trying everything. What works, we'll use until it stops working. But there won't be any enduring solutions."

BUSINESS ATTITUDES: INDIVIDUAL INTERVIEWS

The following are summaries of BNA interviews about the present attitudes of business leaders and their advisers on economic stabilization policy. Most of those interviewed have close and continuing exposure as advisers for a broad cross-section of industrial executives. Their reports tend to reflect either business resignation to the onset of new controls or varying degrees of support for controls going beyond a beefed-up Council on Wage and Price Stability. The majority case against controls will be covered in a subsequent report:

A partner with an extensive stabilization-related practice at one of Washington's largest law firms: "Contrary to what they're saying publicly, my clients' business planning is being done on the assumption that we are going to have controls." In the case of the health industry, controls are beginning to appear "almost as an attraction."

The industry is threatened with the establishment of state rate-review agencies; federal controls might be "a viable alternative" and a preferable one.

Executives in other industries have "reached the point of resigning themselves" to controls. They are concentrating on "accommodating themselves" to whatever program comes along. Of particular importance to industry is the need "to avoid being caught by the kind of whipsawing" that happened in the 1971–1974 period. "Whipsawing that results in a company's inability to recapture capital investment" is especially "disastrous" in its impact on industry as well as on stabilization policy objectives.

He gave heavy stress to the importance of a controls system favoring long-term capital investment. Business and financial leaders have now perceived that "one of the great tragedies of Phase II was that it placed a premium on using debt financing and it moved industry out of equity financing." Under Phase II, you could "expense out interest costs and get a better profit margin by going to debt financing." Business executives are now seeing this as one of the most unfortunate aspects of the Nixon controls. A better investment credit proposal (the current Ford proposal is regarded as unsatisfactory and counterproductive) would help to make the controls program more acceptable to business.

A top official of International Paper: The current modification of sharp business opposition to controls is linked to its skeptical notion about the Ford Administration's competence on stabilization. However, the presence of ex-Cost of Living Council Chairman John Dunlop as a White House adviser indicates that the policy moves down the road may be more practical and less laissez-faire in character than the current Greenspan-Simon posture suggests. "John Dunlop is a strong man" and is likely to be pushing tougher policies involving Administration intervention in major price and wage decisions.

Partner in Herrick, Smith, Donald, Farley & Ketchum, Boston, Mass.: The controls worked during Phase II and they could be made to work again.

A Washington lawyer-adviser to aircraft manufacturing, chemical, restaurant, glass manufacturing, and metal fabricating companies: This summer's wholesale price surge modified a number of his clients' attitudes. As he put it: "They have little faith in controls" but are getting to the point where they're saying, "we can't stand any more of this. Let's try the controls again."

The head of the large U.S. paper division of a multinational conglomerate: Controls are comparing. "We are prepared to cooperate in a new round of controls so long as they are administered" more fairly and effectively than the 1971–1974 controls. The paper industry was hurt by the Nixon controls because they had been applied when the industry's prices were down. Subsequent catch-up opportunities to get capital required for large-scale investment, among other purposes, were long delayed. The industry now has achieved something of a balance on prices, and could live with a better-administered set of controls.

Asked whether other business leaders are coming to a comparable view, he said too many business executives have not grappled with today's complex economic problems. They won't say anything on controls "until they've had their third drink and then they assail them as rampant socialism." Their emotional and automatic response to controls mistakenly assumes that they can never work. Furthermore, their response is unvarying whether prices are going up at four percent or twelve percent. There is a rather crucial difference.

Controls cannot be regarded as "an all-purpose" solution. Along with their administration, the timing of their application can be crucial.

A high General Electric official: At the time of the first summit meetings in September, many major business leaders, notably in autos, had not realized the degree to which their overly-optimistic projections out-of-line. There was a tendency simply to plump for the Administration's "old-time religion" and to reject measures to deal with both recession and inflation.

By late October, a number of business executives, with Lynn Townsend of Chrysler in the van, had come around to a more somber view. Combined with this recognition was the increasing view that some may have bought wage- and-fringe packages that would be very hard to live with down the road. There was also increased recognition that an Incomes Policy of some vigor, including limited White House controls authority, might be necessary.

A high officer of the Marine Midland Banks: Controls are "like the stopper" on a pitching staff. You bring them in to stop a losing streak. Used that way, when the timing is right, controls can work. President Ford really does not know what he is doing on inflation; his policy seems heavily based on hope; he should ask the new Congress for controls authority.

A negotiator for numerous companies who *is a partner in a leading Buffalo, N.Y., law firm:* "I think the removal of wage-price controls" was a mistake of "alarming dimensions." Reimposition of a controls program would be desirable.

A partner in the Washington-Boston law firm of Dickstein, Shapiro & Morin: About three fourths of the business executives whose views he knows favor controls. A "surprising" aspect of this is that the controls supporters cannot be classified on a predictable basis. Some now most emphatic for controls normally are "constitutionally opposed" to such intervention. They are saying: "In this situation, we can't wait for more esoteric answers." The President has got to clamp on controls and then go to work on "the slower, longer-term policies." Controls may not work for long but we need that kind of tough action "to turn this thing around."

A ranking vice-president, First Pennsylvania Bank, Philadelphia: Business executives "are not focused on controls or no-controls." On stabilization, their prime worry is the sufficiency of capital for investment purposes. They are not "too much opposed to controls" as a device for numbing inflationary "exceptions." However, there is business and banking industry concern about the timing, duration, and manner of imposition of controls.

Controls that shut off the capital flows indispensable to eliminating shortages and production bottlenecks would be most unfortunate. What the country needs "is a kind of five-year plan" for raising the capital to permit a large-scale expansion of "paper, steel, chemical" and other manufacturing capacity.

Like most others interviewed, he noted the marked lack of business community confidence in the Ford Administration's ability to develop and operate an effective stabilization program. This is part of the reasoning behind the gruding recognition that direct controls must come back. "People like Greenspan seem far too simplistic" in their attack on "these very complex problems." However, in business, the controls question is not "the burning question" that it is with the "Mao types like George Meany."

Formal business opposition to controls in 1975 can be assumed but this would not represent a united industry front. Given current levels of inflation, businessmen tend to regard the grid-it-out, yard-by-yard approach of the Alan Greenspans as "a policy of drift." Businessmen "hate drift." Switching metaphors, he added: Greenspan's policies seem like the doctor's saying: "The patient has pneumonia but we must treat it as we did in the old days without drugs."

J. Irwin Miller, chairman of Cummins Engine Co., Columbus, Ind., said at the Detroit mini-summit that Congress should adopt legislation authorizing the President to impose wage and price controls "at his discretion." He also supported selective price rollbacks to the levels of September 1, 1974.

A common theme in some interviews was the volatility of the business community on controls in recent years. One observer referred to this *Wall Street Journal* report of March 1974: "Three years ago [in the summer of 1971], the U.S. was suffering a 4% to 5% inflation rate, and hundreds of business executives—among others—were demanding that the Government clamp on price and wage controls. This year the country faces an inflation rate estimated at 7% to more than 10%, and businessmen say they can hardly wait for controls to end, as they are currently scheduled to do April 30."

As noted at the outset, the dominant view in Washington is that opposition to controls remains the majority stance within the business community. A Washington counselor to chief executives of major companies in autos, oil, and electrical manufacturing reported just before Election Day that he detected "little enthusiasm" for mandatory controls among his clients. On the other hand, he said they had little belief that the Ford Administration "was going to be helpful" about inflation; they are betting more on the "normal market forces." He has told his principals that he "sees nothing mandatory at least through the spring."

FIRST STEP: MORE POWER FOR WAGE-PRICE COUNCIL

There's broad agreement that one of the first moves involving wage and price policy could be to give the Council on Wage and Price Stability the power to subpoena business and union records; to require deferral of challenged price and wage decisions; and to order rollbacks in limited instances. The justification for rollbacks by the Council have been characterized as "excessive outrages" by Harvard's Otto Eckstein and as "unconscionable ripoffs" by ex-CEA Chairman Walter W. Heller. Such moves could originate either with the Congress or the White House during the coming rump session on Capitol Hill.

However, the business leaders have indicated their awareness that the election returns have raised the chances of stronger recommendations, including outright controls. Futhermore, as Paul Samuelson, the MIT Nobel Laureate in economics, put it in a review of the summit conferences: ". . . they [the participants] were aware that the more malignant the stagflation, the more likely that the nation, out of desperation will turn to controls once again."

JACL CONDEMNS GENERAL BROWN

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. YATES. Mr. Speaker, the Japanese American Citizens League is one of the great national organizations devoted to human rights and the protection of the liberties guaranteed by our Constitution. Mr. Thomas J. Hibino, its Midwest regional director, has written a thoughtful letter, dated November 15, 1974, to President Ford in which he condemns the false and highly prejudicial remarks made by Gen. George S. Brown recently at the Duke University Law School.

The letter follows:

JAPANESE AMERICAN
CITIZENS LEAGUE,
Chicago, Ill., November 15, 1974.

THE PRESIDENT,
White House,
Washington, D.C.

MR. PRESIDENT: The Japanese American Citizens League, a national human rights organization, has always been concerned with the welfare of all Americans. Towards this end we find General George S. Brown's recent remarks that Jews "own . . . the banks in this country (and) the newspapers," to be inaccurate, injudicious and, in his own words, "ineptly stated." These kinds of statements which deal in generalizations of entire ethnic groups are misleading at best and, at worse, can lead to serious ramifications.

Japanese Americans remember clearly the situation during World War II when another general, John L. DeWitt referred to all Japanese Americans by saying: "A Jap's a Jap . . . It makes no difference whether he is an American citizen." His attitude coupled with his high military position had a direct influence on the infamous decision to remove all Japanese Americans from the West Coast, regardless of their individual rights.

The continued existence of prejudice in this country in many individuals including General Brown remains an unchallenged fact. Although we can never hope to eliminate prejudice entirely, we do question the necessity of retaining a man with these publicly-stated attitudes in the nation's top military position.

We appreciate your continued attention to this matter.

Sincerely,

THOMAS J. HIBINO,
Midwest Regional Director.

INTERNATIONAL COMMISSION OF JURISTS REPORT ON HUMAN RIGHTS IN CHILE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. FRASER. Mr. Speaker, on November 19, the Subcommittees on International Organizations and Movements and on Inter-American Affairs held a joint hearing to receive a current report on the situation with respect to human rights in Chile. Since December of last year the subcommittees have held six hearings on this subject. The record of these hearings has been published.

The Department of State has indicated in recent statements that Chile "has witnessed considerable progress toward more normal conditions" during the past year. The Department asserts that the number of detained persons "has declined substantially" and is assured by the junta's promise to release many more prisoners before the year has ended. These comments by the Department are not surprising when one remembers that in June of this year, before the above subcommittees, Deputy Assistant Secretary for Inter-American Affairs, Harry W. Shlaudeman, referred to the "gratifying progress" Chile has made in observance of human rights.

Our subcommittees have a practical interest in the Department's "rose-colored" perspective on the situation in Chile. The Department is using this perspective to justify continued close relations with Chile and refusal to support United Nations measures aimed at restoring human rights in Chile.

Several weeks ago the U.N. General Assembly adopted a moderate resolution urging Chile to respect human rights. The United Kingdom and eight others of our Western allies were sponsors of the resolution, which was adopted by a large majority. The U.S. representative justified our abstention on the grounds that Chile had made considerable progress.

The Committee on Foreign Affairs has placed in the foreign aid bill now before the House a ceiling of $10 million for military assistance to Chile with the condition that, except for $800,000 in military training, none of the funds may be spent unless and until "the President reports to the Congress that the Government of Chile has made and is continuing to make fundamental improvements in the observance and enforcement of internationally recognized human rights."

The interpretations which the Department is giving to the situation in Chile appear to be laying the groundwork for emasculating the intent of the Foreign Affairs Committee. Should the above condition for continuing military assistance to Chile become law, the Congress will expect in the President's report a much more stringent standard than the Department has been applying to Chile so far. If the Department is not forthcoming, an absolute termination of military aid to Chile is inevitable.

Perhaps the most damaging of United States-junta relations was the New York Times report that Secretary Henry Kissinger rebuked our ambassador to Chile for raising human rights issues with Chilean officials. The Department has denied the story but refused to show us the documents to verify its account. The request for a meeting with the Secretary has been outstanding for 7 weeks.

The jurists' report strongly suggests that the Chilean junta continues its policy of oppression and torture. The objectivity of the Commission's report is without question. I hope that the Department of State will reevaluate its analysis of the situation in Chile in the light of the jurists' report.

The report follows:

[Statement by Mr. Niall MacDermot, Secretary-General of the International Commission of Jurists, Geneva]

CHILE AND THE RULE OF LAW

In April of this year the International Commission of Jurists sent a mission to Chile to study the legal system at present in force. One of the members of that mission, Professor Covey Oliver, has already testified about it before this Committee. As will be apparent from his testimony, we were greatly advantaged by having the benefit of his deep knowledge of Latin America and his wise counsel and judgment. The other members were Dr. Kurt Madlener of West Germany, and myself.

The final report of this mission was published on September 5 and I will, with your permission, hand in a copy, together with our press release which summarizes its findings and recommendations. The report does, I believe, contain the most detailed survey which has yet been made of the operations of the system of military justice. That system has some really disturbing features. The Chilean delegate in the Third Committee of the United Nations has sought to discredit this report. Every observation he made upon it was erroneous, and I will leave with you a copy of my letter to him exposing the errors. More striking is the very large number of serious criticisms of the legal system made in our report, which he does not try to answer or refute. This confirms us in our belief that our report is an accurate one.

Indeed, we have further confirmation of this in a copy we have received of a remarkable letter of August 31 written by Dr. Eugenio Velasco to the President of the Chilean Bar Association, or to give it its proper title, the College of Advocates. Dr. Eugenio Velasco is one of Chile's most prestigious lawyers, formerly Dean of the Law Faculty of the University of Chile, Santiago, and, I may add, a leading opponent of President Allende's government. In his letter he challenges the Council of the College of Advocates to show the same spirit and energy in defense of human rights today as it did under President Allende. He has asked it to convene an Assembly of their members to enable them to speak their minds freely about the present situation.

He describes how every lawyer who comes into contact with the system of military justice as it is operating in Chile today knows that the most brutal violations of human rights are continuing to occur; arrests and disappearance of the victims, without their families or lawyers being able to learn for weeks or months why they have been arrested, where they are being held, or what charges they will have to meet or when; physical and psychological pressures, including the most horrible tortures, assassinations and executions without trial; the existence of a "state of war" imposed by decree law so as to be able to use the most summary "time of war" procedures, when everyone knows Chile is at peace and the so-called war is a fiction; and the increasing division of the country by the systematic and infamous treatment of so-called "prisoners of war", "enemies of Chile" and "traitors to the country"; this absurd situation of a "state of war" permits and provokes excesses of every kind which have stirred up the whole world; and there no longer exists in Chile the most elementary remedy to defend the freedom and dignity of man, the writ of habeas corpus (recurso de amparo).

Copies of this remarkable document, of which I will leave you one, have been widely distributed among lawyers in Chile. It confirms from an unimpeachable source all that we said in our report. Indeed, the writer quotes it with approval, correctly describing our organization as being known for its anti-Marxist line. The Chilean government has suggested that we are in league with "the Soviet Union and its allies". Do they suggest that Dr. Eugenio Velasco also is in league with them too? Even this is possible. We have just learned that they have refused to allow him to leave the country to visit his daughter in the United States and that they have started proceedings against him as a means of trying to pressurize him into withdrawing the charges he has made against the regime in his letter.

On October 24 we published a press release entitled "Chile—the Show and the Reality", which I will also hand in. In it we made three main points: first, that contrary to the impression created by General Pinochot's speech on the anniversary of the coup, the system of military justice in time of war continues in force with all its defects; second, that again contrary to the expectations aroused by his speech, there would be no mass releases of prisoners; arrest of political suspects from May to August had totalled over 700 and the testimony of those who had been released indicated that about 50% of them had been tortured. These arrests, which are continuing, are additional to the mass arrests in the "poblaciones" amounting to 10,000–15,000 persons, allegedly to round up common law criminals; thirdly, that the military control of education had been extended from the universities to the schools, with representatives of the military supervising in the schools.

In a half-page advertisement in the Washington Post on November 9, the Chilean Embassy seek to reply to our press release. (A similar advertisement appeared in The New York Times last Sunday in the name of the Chilean Bar Association.) The Washington Post advertisement is a denial of our allegations, combined with insinuations against our organization. Their denials are no more convincing than their denials of torture. I am confident that our information is correct, and that the authors of this advertisement are misinformed. I will only comment on two points.

They say "Nobody has dared to maintain that the Code of Military Justice enforced for the past fifty years contradicts basic principles accepted as such by civilized nations." Well, our mission has said precisely that in relation to the system as now enforced, and we consider that Chile has thereby been in breach of its obligations under Article 3 of the Geneva Conventions. We have quoted from the official Commentary of the International Committee of the Red Cross in support of our argument, and this passage of our report was referred to with approval in the letter of Dr. Eugenio Velasco. And, as Dr. Eugenio Velasco himself said, the summary system of military justice in time of war is designed for a situation and an area where active hostilities are engaged, and more elaborate procedures are not possible. It is an abuse of the system to apply it under present circumstances.

Secondly, with regard to their denial of the extension to the schools of military control over educations, I would add that since the date of our press release we have further disturbing information to confirm this. We understand that a scheme is now under consideration to send to work on vast programs of afforestation and land reclamation over 600,000 children and juveniles supposedly in need of "rehabilitation." These are to include those whose family situation is thought to "bring them into conflict with the norms of the established order of society." In other words, it is proposed that children of supporters of the previous regime will be taken away from their parents and sent to rehabilitation camps. This is how the military authorities in Chile think to purify their youth.

The most serious defect in Chile's legal system, apart from its excessively summary nature, is the fact that there is no appeal system. Very serious injustices are occurring due to errors of law by the military tribunals, six of whose seven judges have no legal training.

We quote many examples in our report, including executions under illegal death sentences, retrospective application of increased penalties imposed by decree laws, decisions given where the court had no jurisdiction and convictions for offenses not charged and even for offenses not known to the law. As there is no form of appeal, there is no way of avoiding or remedying these injustices.

When we were in Chile, we raised in an interview with the then Minister of Justice the case of Professors Anjel and Silvia Contreras and ten students of the University of Chile, Osorno. They had been arrested on 11 and 12 September 1973 and were later convicted of offenses against the law of weapon control for which the maximum penalty at the time of their offense and up to their arrest was 540 days. However, they were sentenced to imprisonment, the students for three years and the professors for 15 years, under a decree promulgated ten days after their arrest. I have now received a reply from the present Minister of Justice who is, incidentally, a general of the Carabineros, the militarized police. He does not seek to deny the facts or the consequent violation of the Chilean Constitution and of all established norms of penal law concerning retroactive legislation (though the Chilean delegate to the Third Committee did seek to). The Minister does not suggest any way in which the matter can be remedied, or the sentences reduced. He merely says that the possibility will be considered of allowing them to leave the country. In other words, these two professors may be offered the choice of spending 15 years in jail under an illegal sentence or of going into voluntary exile. Perhaps the Chilean Embassy in this city will now understand why we maintain that their system of military justice contravenes the standards of civilized nations.

ANTONIA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Ms. **SCHROEDER**. Mr. Speaker, women striving for acceptance as creative individuals have faced and overcome tremendous societal barriers. It is a rare pleasure to acknowledge the collaboration of two of perhaps the greatest living women American musicians: Ms. Antonia Brico and Ms. Judy Collins, both from my district of Denver, Colo., in a new film "Antonia." Produced by Ms. Collins and Ms. Jill Godmilow, the film poignantly portrays the struggles and triumphs of the world reknown conductor, pianist, and teacher, Ms. Brico.

I would like to share with my colleagues a recent newspaper article concerning the film, "Antonia":

"ANTONIA"—JUDY COLLINS' STUDY OF A WORLD MUSICIAN

(By David Sterritt)

NEW YORK.—"Antonia: A Portrait of the Woman" is packed with out-of-the-ordinary things, not the least of which is Antonia herself. She's Antonia Brico, distinguished pianist, teacher, conductor, and—with the premiere of this new film about her life and work—potential object lesson for the women's liberation movement. A remarkable person who, through her efforts to excel in a field traditionally dominated by men, has led a long and inspiring career.

You might expect a film about Miss Brico to be unusual, and "Antonia" is. For one thing, it's only 58 minutes long—a good length for a public-TV special, but scarcely the norm for a theatrical film. What's more, it is currently having its world permiere not at a commercial movie house, but at New York's Whitney Museum of American Art, on a bill with Jordan Benson's lovely and highly experimental "Light" (though supporters hope "Antonia" will soon be a popular national phenomenon). And what's more yet, it was assembled by two novice movie directors. One, Jill Godmilow, is a film editor of considerable experience.

The other, Judy Collins, is one of the world's most celebrated folk-style singers—and it comes as some surprise that her first motion picture concerns a renowned classicst at the opposite end of the musical spectrum.

NAME TO CONJURE WITH

Antonia Brico has been a name to conjure with for more than four decades. In 1930, at the age of 28, she became the first woman to conduct the Berlin Philharmonic—just one major event during her long and hard-fought battle for recognition as a major symphony conductor. This battle has been partially successful. Its triumphs are reflected in an endless string of yellowing newspaper clips hailing the "girl genius" and "first lady of music." The defeats seem especially sad today, as the 73-year-old conductor lives what she describes as a continuing heartbreak—the heartbreak of not being able to play her instrument, the professional symphony orchestra.

Filmmakers Collins and Godmilow sought Miss Brico out at her unprepossessing home in Denver, where the still-vigorous musician now conducts her own semiprofessional Brico Symphony.

Their movie looks closely but sympathetically at her art, her career, and her personality—capturing one outburst of bitter anger at "sexist" musical society, but always conveying her warmth, her intelligence, and the humor that enables her on-screen piano playing to help delightfully from keen classicism to infectious jazz.

WARM ASSOCIATIONS

Miss Brico's memories are the main substance of "Antonia"—her friendship with Albert Schweitzer, her warm associations with Arthur Rubenstein and Jean Sibelius, her running battle with "male chauvinist" Jose Iturbi. But the present-day realities of Miss Brico's life are also pervasive elements—her projects, her ideas, and her awareness of how her current existence has been influenced by the very conception she always fought hardest: the conception that women are unsuited to conduct the great orchestras of the world.

"Antonia" works conscientiously at evoking the facts and feelings of Miss Brico's career, though its insistence on the conductor's genius is documented more through verbal and printed material than through recordings or extended shots of Miss Brico leading her current orchestra. Miss Collins and Miss Godmilow have tackled a big subject with their 58-minute movie, and make a fairly convincing job of it. If these new directors collaborate again in the future, one hopes they will avoid those distracting views of an interviewer's face, when the focus should be concentrated on the film's main character; but one also hopes they will make still further use of the poignant shot-to-shot dissolves that lend a special beauty to the film's later moments.

DE CHABERT LAND DONATION TO THE PEOPLE OF THE VIRGIN ISLANDS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. **DE LUGO**. Mr. Speaker, the De Chabert family of St. Croix, Virgin Islands, enjoys a reputation of prominence in the islands, and is well-known for its many charitable contributions to the people of the Virgin Islands. One of its most recent philanthropies was a donation of 110 acres of land on St. Croix which, I believe, is eminently representative of the De Chabert family's generosity, respect, and affection for all Virgin Islanders. The following newspaper report is commended to the attention of my colleagues:

DE CHABERTS GIVE 110 ACRES TO THE PEOPLE

The Espranza Development Corporation has donated 110 acres of land on St. Croix to the people of the Virgin Islands, Governor Melvin Evans announced Friday. The corporation is owned by the De Chabert family.

The De Chabert family gift is to be used a school in Frederiksted, subdivision for veterans homeownership and to preserve for public use ruins of two sugar estate.

A memorandum of agreement between the family firm and the government was signed late Wednesday without public notice by Governor Evans, Conservation Commissioner Hortense Rowe and Dr. Ralph De Chabert.

The first parcels of land are located in Estate Williams, St. George, Springfield, Two friends and Hope.

The Deed of Gift conveys and dedicates the property "to the Government as trustee for the people of the Virgin Islands for and in consideration of our mutual love and affection for the people of the Virgin Islands."

THE FOUNDATIONS OF EDUCATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. **ASHBROOK**. Mr. Speaker, recently Mortimer Smith retired as Executive Director of the Council for Basic Education. In the November 1974 Bulletin of the Council are excerpts of his final report as Executive Director.

I include them in the RECORD at this time as I think his views of the ends and problems of education are both timely and interesting:

HOW FIRM A FOUNDATION?

(The following excerpts are from Mortimer Smith's final report as Executive Director of CBE.)

At these meetings I usually attempt a short appraisal of the course of education during the preceding year, describing the various cross currents as we see them from the CBE office, but in this final report to the membership I would like to depart somewhat from that custom. In recent months, as the fact of my retirement has moved from a somewhat remote happening for the future to a present reality, I have found myself in spare moments thinking not about current developments but about underlying principles. As I relinquish a task which has occupied me, as far as CBE is concerned, for eighteen years, and for several years before the advent of CBE, I find some questions nagging at my conscience. In developing CBE's administrative and editorial operations, and engaging in the promotion and polemics that are involved in dealing with controversial issues, have I unwittingly lost sight of the fundamental purpose of the task? Have I, in Deweyan terms, accepted experience, change, and growth—or just existence and functioning—as worthy ends in themselves while losing sight of the all-important questions, "Growth towards what?" and "Existence for what purpose?"

I suppose that in the long run I must leave the answer to the question of fidelity to original aims to the judgment of others, but here I would like to deal with the matter briefly, to think again of the design of our house and the foundations on which it should be built. I have, of course, talked about these matters from time to time in the course of CBE's existence but I know you will indulge me in the desire, at the close of my tenure, to reaffirm some convictions that are in me, and I trust in you, too. In other words, I ask myself as I leave this post what I asked myself when I came to it: What are the purposes for which we as a group are joined together and do these purposes constitute a good useful foundation on which to build schools? Robert Hutchins once said that every time educators address themselves to the subject of education in America, "they urge one another to redouble their efforts and forget their aims." It is healthy to pause once in a while to remind ourselves of what the bustle is all about.

WHAT VIEW OF THE CHILD?

When you are concerned with schooling and education you must begin, as do all sound philosophies of education, with the recipient of schooling, the child and the youth. As in everything else in education, you run into disagreements when you talk about the nature and needs of young people. If you take the mechanistic view of B. F. Skinner that they operate like Harvard-trained pigeons, your educational task is then to devise conditioning techniques that will draw forth the proper responses. You can, of course, take a view that is almost the antithesis of Skinner's, one developed by some progressives, and neo-progressives such as A. S. Neill of Summerhill, a view that intimates that children are creatures but a little lower than the angels who will develop naturally towards grace and beauty if uncorrupted by adult restraint and adult insistence on training.

Although CBE has never drawn any hard doctrinal lines about these matters, I believe none of us could accept the child as either machine or angel or the school program as either conditioning or doing-your-own-thing. My view—and I make bold to extend that *my* to *our* view—is that two overlapping functions must be emphasized in schooling, the acquiring of basic skills and knowledge and the development of moral sensibility. The first of these functions can be organized into a program; the second is a matter not so much of program as of atmosphere.

It is difficult at times to get agreement among teachers and parents about basic skills and fundamental knowledge, but the difficulties are as nothing compared with the problem of getting people to agree about the role of the school in asserting moral and ethical standards. The reason, of course, is that moral standards are in a state of flux. In a simpler time, *your* right and wrong was apt to be your neighbor's right and wrong and there was even some sense of shared national values. All this is changing and the changed atmosphere percolates down into the schools. Some of the changes, especially on the level of personal and social behavior, may be shocking to the older generation but are themselves assertions of strong moral fervor and conviction. Our biggest problem here is not so much our disagreements but widespread indifference and cynicism about moral questions, perhaps brought on in part by disillusion with national political life during recent years. I believe that despite our disagreements in the moral realm there are some things the school can do to inculcate worthy values and in a moment I will make some suggestions. But first let me deal with what is undoubtedly the primary purpose of schooling; that is, with instruction, and what can and should be directly taught.

ESSENTIAL KNOWLEDGE

I have quoted to you before a remark of the educational historian I. L. Kandel which I consider a succinct and accurate definition of the purpose of the school. It is the place, he said, for "making the child literate in the essential fields of human knowledge." I know that learned doctors of education discuss and debate what is essential and claim there can be no agreement, and suggest that reading and writing is not everything and what about sex education, drug education, consumer education, driver education, and career education?

Fortunately, thoughtful parents and laymen and teachers, in manicured suburb or rough inner city, are less intimidated than are the educators by the complexities and sense what it is they want the schools to do for children. Certainly they don't want them to produce "The bookful blockhead ignorantly read, with loads of learned lumber in his head" (small chance of that, anyway) but they do want schools to provide for children those skills and that knowledge which enable them to handle their own self-education beyond the school. Parents and teachers do not always articulate it clearly and precisely, but the best of them do have some sense of what should be expected after twelve years of schooling.

They want children to read, not only because reading is the basis of most learning and is essential for vocation, but because it is a source of pleasure and consolation for a lifetime. They want them to learn to use the native language, in speech and writing, with at least a modicum of ease and accuracy, and they believe that many students can benefit from learning a foreign language, or languages. They hope that all of them will achieve some facility in the fundamental arithmetical operations, and that many will achieve a facility in the topics of the higher mathematics and an understanding of mathematical thinking. They hope they will learn the facts of their country's history, have a chronological picture of that history, be acquainted with the political and philosophical principles underlying the American system of government, and eventually gain similar knowledge of other countries. They want them to have some notion of geographical location and a general knowledge of the science of the earth and its life and characteristics.

They want them to have at least some understanding of the physical and natural sciences. They hope that the school will awaken interest in art as expressed in literature, music, and painting so that the student will explore the limitless possibilities of these subjects on his own and throughout his life. In short, although they may not state it in these programmatic terms, they want young people to gain knowledge for their own use and pleasure.

The curriculum I have outlined is, I think, suggested in CBE's name—we are a council for *basic education*. This is the curriculum we referred to when we said in our original statement of aims that we are an "educational organization whose primary purpose is the strengthening of the basic subjects in American schools." In stating that purpose we did not make the unrealistic assumption that all can travel the road of education at the same pace or even that all will reach the final destination. But we did imply that there is a body of knowledge needed by everyone, knowledge that can in some degree be transmitted to all save those with severe mental retardation.

In stating these aims we were talking about the content of schooling and not about methods of teaching. While we all have our individual preferences, the Council has never had any inflexible notions about how to teach. If the teacher respects knowledge and respects, students, if he or she is well prepared and has demonstrated ability to teach, it matters not if the methods are conventional and traditional or experimental and innovative. If youth and knowledge can be brought together in fruitful union it does not matter how the teacher ties the knot.

MORAL SENSIBILITY

Now let me turn to the school's role in developing moral sensibility. Moral and ethical education is, to paraphrase Robert Frost's remark about education in English, a slow process of just staying around in the right company. An atmosphere of moral affirmation is provided not by pious homilies on the part of the teacher but by the contagious example which every good teacher offers to his or her students. But this has to be an active contagion—the teacher is not merely a tractable monitor, a chaperone or moderator, whose function is to supervise young people while they operate their own trial-and-error system. We do not want teaching of morality to be indoctrination but I do think the teacher has to have some reasoned scale of values of his own, some governing purposes in his life that he tries to transmit to his students, partly through what he teaches.

And here, of course, comes the rub; here is where our raucous confrontations and bitter disagreements might suggest that many of our conflicts are irreconcilable and that the schools would do well to steer clear of moral affirmation entirely. But are the differences quite that intense? It seems to me that there are still many moral values that are widely shared throughout the civilized world and that we can find some common ground. Millions of people believe in affection, in friendship, in love of country, and millions of people want some governing purpose in their lives. Millions still believe that murder, cruelty, stealing, and dishonest dealing are wrong. It is true that there is not always agreement about these matters, but very often the disagreements arise not because we don't believe but because we think these values are being corrupted. When you enumerate them, you find that the area of agreement is large, that many things are held by many people to be intrinsically valuable or desirable and many things held to be reprehensible and undesirable.

It is true that if the teacher in the secular school attempts to inculcate his own values regarding such topics as politics, religion, and sex, he is going to disappoint and perhaps even infuriate students, to say nothing of their parents, who may have different values. Some time ago in the *Bulletin* I suggested that an answer to the dilemma of teaching values might be a modest program based on one value that most Americans probably still believe in, or at least pay lip service to—simple honesty. Let me repeat here some of the ideas I expressed in that article.

A POSSIBLE PROGRAM

There are many fraudulent or counterfeit aspects of our private and public lives that could be discussed in social studies classes. We could begin with examination of a common human frailty, the willingness of people who would not steal from each other to steal from the telephone company. We could go on to an examination of advertising and the claims made by manufacturers of cars, patent medicines, and household products—certainly an interesting classroom discussion could result from consideration of why Madison Avenue is convinced that the public will not buy good products on their merits but has to have them dressed up with preposterous and bogus claims. Another interesting discussion could center around the fraudulent practices, big and little, of television: canned applause; the re-enactment of public ceremonies for the benefit of late-arriving cameramen; the deliberate staging of events; public disturbances that are partially incited and directed by television crews seeking dramatic shots; the shameless cutting and editing of remarks to fit the format, and very often to bolster the opinions, of the producers of the show. We might also have some classroom discussion of the New Journalism; that is, of the advocacy role of some reporters and the tendency of some newspapers to move the editorial columns over to the news columns.

I suggested also in that *Bulletin* article that teachers might want to consider the Ambiguous Phrase as a device for distorting reality: "Students might be warned to be on the alert when anyone undertakes to tell them about 'the people,' what they 'do' or 'want' or 'have faith in.' They might examine such phrases in newspapers as 'some observers say,' which may only mean what the fellow in the next office said or refer to a remark made by the reporter's wife at breakfast. Another phrase worth examining is 'it is generally believed' (that is, it is the writer's passionate conviction that what he says is true)."

Students should also be taught to be wary of the unsubstantiated claim, not to accept on faith "what science says" or "what research shows us" or "it has been established." And of course a close examination of politicians' statements and promises and denials is a curriculum in itself, although here one runs into strong biases. Perhaps the safest thing to do is to limit oneself to dead politicians.

The pursuit of fraudulence and dishonesty comes easily to young people for they like nothing better than to hunt down "phoniness" although they often attach the term to such things as decent social restraint and civilized manners.

It seems to me, then, that the school does have a role in exerting moral and ethical influence and leadership, a role that involves not conscious exhortation but contagious example. But at the hands of capable teachers it can go beyond that. Those moral and ethical values that approach universal acceptance in the society can be asserted and re-enforced through the curriculum, perhaps primarily in literature and social studies.

To repeat, looking back on my days with CBE, this is the way I have conceived of my role, and our role: that it is to alert the public to the overlapping functions of schooling, to the acquiring of fundamental skills and knowledge in an atmosphere of moral affirmation.

KNOWLEDGE PLUS VISION

I think it is appropriate to close with some quotations from Alfred North Whitehead's *The Aims of Education*, a book that has provided handy quotations for educational philosophers of all shades of opinion, which is a way of saying that the great mathematician-philosopher gets a little muddled at times and talks out of both sides of his mouth. But I have always remembered two things he said that seem relevant to basic education. One is this:

"What education has to impart is an intimate sense for the power of ideas, for the beauty of ideas, and for the structure of ideas, together with a particular body of knowledge which has a peculiar reference to the life of the being possessing it."

And the other thing he said is this.

"Moral education is impossible without the habitual vision of greatness."

Quotation number one relates to the first function of education as CBE sees it; that is, it suggests that schooling and education consist of bodies of knowledge and that that knowledge has personal significance for the learner. Quotation number two relates to the moral atmosphere which I have suggested is also an essential function of schooling. It may seem rather grand and utopian to relate moral education and visions of greatness to fourth-graders or high school juniors, but it seems to me the remark can be translated to mean that the best teaching aims not only at knowledge of the head but knowledge of the heart. "The habitual vision of greatness" is not easy, for youth or adult, but who is to deny that in our mean and tawdry world it is a worthy aim for all of us and that the earlier human beings are exposed to it the better off our world will be.

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SAFE DRINKING WATER ACT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. PICKLE. Mr. Speaker, since it is not possible to put into the main body of the Record an extension that reflects a colloquy between two Members of Congress, I have met with Congressman Rogers and agreed upon some additional discussion to that he and I were having on the Safe Drinking Water Act.

Yesterday, the gentleman from Florida and I were discussing various points of this legislation, but before we could finish, my time expired. The remaining questions that I had were given to Congressman Rogers, and he has provided answers.

This dialog represents an important part of the legislative history of this act, and I insert this material in the Record at this time:

Safe Drinking Water Act

Mr. Pickle. Mr. Chairman, another section that I find troubling, is Section 1423(a)(1) p. 102. "Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3)) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement."

What are the criteria here? Is this provision meant to be used whenever the Administrator wants to get around the State agency? I note on p. 103 the bill says that the Administrator can determine that the State abused its discretion in carrying out primary enforcement responsibility for underground water sources.

Mr. Rogers. The answer to the gentleman's question appears clearly in the bill on page 103. Failure to take necessary steps to bring the system into compliance constitutes abuse of discretion.

Mr. Pickle. Are we meaning to substitute the judgment of the Administrator for that of the state, or does the Administrator have in addition the burden of proving that the state abused its discretion rather than just arbitrarily finding that it abused its discretion?

Mr. Rogers. The Environmental Protection Agency would have to determine that the state had abused its discretion by failing to take necessary steps. That finding would have to be demonstrated to the court in a civil action. Thus, the burden would fall on the Administrator.

Mr. Pickle. Mr. Chairman, I thank you for clarifying the intent of Congress with regard to the authority we are giving the Administrator, but I have one further question and that concerns section 1431, Part D. Emergency Powers. p. 107.

Here the bill provides that "notwithstanding any other provision of the title, the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system may present an imminent and substantial endangerment to the health of persons, and that appropriate State or local authorities have not acted to protect the health of such persons" he may take such action as he may deem necessary in order to protect the health of such persons and that if anyone does not comply with such he shall be punished by a fine of not more than $5,000 per day of violation.

This is a pretty broad provisions, and I think it should be explained. Is it the intent of Congress that the Administrator is to use this section sparingly, and that there in fact exists imminent and substantial endangerment to the health of persons before it is invoked?

Mr. Rogers. I would expect this provision to be used sparingly, because there are two requirements imposed on the Administrator before he can proceed. First, he must receive information that an imminent and substantial endangerment to health exists or may exist. Second, he must find that state or local authorities have not acted. However, it should be clear that if information is presented to EPA that an imminent danger to public health exists, unless the information clearly is inaccurate, he should move very quickly to determine if local efforts are sufficient. And if the local efforts do not insure protection of the public, then it is the intent of the committee that he act expeditiously.

WHOLESALERS PERTURBED OVER PRICE INDEX STATISTICS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. McCLORY. Mr. Speaker, the serious inflation combined with the declining economic situation provides fertile ground for attacks against the business community—particularly, the segments of our private enterprise system which operate on a large scale.

American wholesalers have become victims of these attacks. Their dilemma is aggravated by the monthly reports from the Department of Labor which describe the level of wholesale prices, as related to the prior month and other earlier periods.

Mr. Speaker, it has come to my attention that the description of wholesale prices by the Bureau of Labor Statistics is inaccurate. The Wholesale Price Index is based not on wholesale prices, but on manufacturers' prices. A recent feature article by Edwin Darby, financial editor of the Chicago Sun-Times explains this dilemma, and indicates the injustice to wholesalers, resulting from the description of the Wholesale Price Index by the Bureau of Labor Statistics.

I am hoping that the Department of Labor can correct this injustice. A copy of Mr. Darby's article is attached for the edification of my colleagues:

Wholesalers Riled Over That Index

(By Edwin Darby)

Maybe you find it difficult to work up any sympathy for those businessmen known as wholesalers. But the wholesalers do feel unfairly put upon.

The wholesaler has never ranked high in American mythology. That's one reason most wholesalers prefer now to call themselves distributors. More commonly they've been called middlemen, a word that to most people immediately stimulates resentment and conjures up an image of an operator who mysteriously gets his hands on a product and slaps a handsome markup on the price tag before allowing the product to reach the retail market.

The truth of the matter is that the wholesalers perform a useful and necessary function: they distribute goods. The factory turns out 10 million units. Somehow 10 units have to get to the neighborhood store and 1,000 to the big department store. They have to get there on time, as ordered, and the stock has to be replenished as needed. Many a manufacturing corporation does the job itself but the function is the same.

Wholesalers have always had to live with the adverse middleman image, There's nothing new there even though wholesalers did come in for some extra licks this past year when everybody was trying to blame everybody else for high prices.

VIEW ON INDEX

What has them, or some of them, upset now is the succession of headlines through the year proclaiming "Wholesale prices zoom again" (July) and "Wholesale prices rise only slightly" (September).

The stories of big and small increases, month after month, are all based on the Wholesale Price Index issued by the federal Bureau of Labor Statistics.

And says William Englehaupt, executive vice president of the National Electronic Distributors Assn., the Wholesale Price Index does not report on wholesale prices but on manufacturers, not on the prices charged made up of prices paid by wholesalers to manufactueres, not on the prices charged retailers by wholesalers.

The name of the BLS index is not deliberately misleading. The dictionary definition of wholesale is sales in large quanity and manufacturers do sell at wholesale, in large quantity.

The BLS handbook that describes the methods of putting the index together is clear on the point.

"Wholesale as used in the title of the index," the handbook says, "refers to sales in large quantities, not price received by wholesalers, jobbers, or distributors."

Yet, Englehaupt says, "Each month, consumer groups, labor leaders and anti-business politicians automatically point the finger of guilt at the wholesaler as the middleman who is responsible for the increase and claim he is profiteering by price gouging."

SEEK A CHANGE

The National Electronic Distributors Assn., has decided that something should be done about all this and it has started a national campaign to get the name of the index changed. Its 500 member organizations, distributors of electronic parts, components, hi-fi and television sets, have been urged to write congressmen and people in the executive branch from the President on down.

In addition, Englehaupt has enlisted support for his campaign "to get this monkey off our backs" from the National Assn. of Wholesale Distributors. That's an association of specialty associations representing some 86 product lines.

It'll take an act of Congress to change the name of the price index, Englehaupt says, because the index was first authorized by Congress. That was back in 1891. The index is the oldest continuous statistical series published by the Bureau of Labor Statistics and one of the oldest put out by the federal government. The first appeared in 1902. Originally, it was based on prices for about 250 items. Now more than 8,000 price quotations are included.

SPACE MEDICINE: LIFE SAVING SPINOFF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. TEAGUE. Mr. Speaker, the summer issue of Rendezvous magazine, which is published by the Bell Aerospace Division, printed a most interesting article about the various techniques and equipment developed for our space effort that are now being used to save lives on earth.

The accomplishments in this field are astounding. The achievements in quadriplegic aids, respiratory diseases, surgery, cataract removal and heart disorders are almost beyond belief. We are reaping enormous profits from our space investment.

I commend the article to you, my colleagues and the general public.

The article follows:

SPACE MEDICINE: LIFE SAVING SPINOFF

Techniques and equipment originally developed for the United States' space program are being used today to help save and improve the lives of people throughout the world.

Of all the important "spinoffs" generated by space exploration, the space-related advances of modern medicine are probably doing the most to be of direct benefit to mankind.

The files of the National Aeronautics and Space Administration (NASA), contain many examples of how today's medical techniques are being advanced by space technology.

Primarily because of advances in miniaturization and sophisticated electronics, the field of medicine has put more NASA-developed technology to use than perhaps any other discipline.

RESPIRATORY DISEASES

A compact, fully automatic gas analyzer is a good example of such technology.

The gas analyzer measures the composition of air breathed in and exhaled from the lungs as an aid in monitoring pulmonary and cardiovascular activity in patients.

Oxygen, carbon dioxide, nitrogen, and additional gases are measured simultaneously, on a breath-to-breath basis. It affords prompt information on human respiratory and metabolic functions, previously unavailable or too time consuming to obtain.

In hospital intensive care units, the instrument can be used to monitor the breathing of acutely ill patients, signaling the need for changes in therapy more efficiently than previous methods.

In surgeries, the anesthesiologist can monitor the patient's progress, checking inhaled concentrations of anesthetic gas.

QUADRIPLEGIC AIDS

Patients who have lost use of their arms and legs are being aided by eye-operated switches, ultra-sensitive pressure devices, and devices operated by breath controls, which enable them to control environments in specially-equipped hospital rooms.

Pioneered at the Huntsville, Alabama Hospital, NASA-developed technology was used to equip a hospital room with various switches, controls, monitors and actuators needed for an environmental control system for handicapped persons.

Using the devices, an immobile patient can open and close doors and windows, control room temperature, change channels and control volume on a television set, change radio stations, dial a telephone, adjust the position of his bed, signal a nurse at a remote station, turn pages in a book, and perform various other tasks necessary for his comfort and convenience.

SURGERY

A germ-control and dust-purging technique originally used in production of spacecraft is being used to help surgeons lower the risk of infection in surgical procedures.

The technique uses portable equipment designed for the continuous removal of dust and germs from the surgical area. Equipment includes helmets that resemble those worn by astronauts and specially treated surgical garments that bacteria cannot penetrate.

The concept is based on techniques developed by NASA and the aerospace industry for sterile spacecraft assembly and self-contained life support systems.

The equipment is used during surgical procedures—such as hip joint replacements—in which large incisions must remain open for several hours. Such surgery requires highly antiseptic conditions to protect the patient from infection.

EYE CATARACT REMOVAL

An instrument for eye surgery designed to simplify the removal of cataracts has been developed by NASA researchers working with an ophthalmologist.

The small, hand-held instrument uses a combination of high frequency vibrations with a small pumping mechanism to liquify and remove cataract and lens material. It has been tested successfully on animals.

At present, cataract surgery is a very delicate operation. It requires that a semicircular incision be made over the lens of the eye. The incision is then stitched after the cataract and lens are removed. This procedure often takes up to an hour and patient convalesence lasts as long as six to eight weeks.

The new instrument makes only a small puncture in the eye and would minimize the problem of stitching in most cases. The instrument is about the size of an electric toothbrush and is small and light enough to be held in the hand. The tool can be manipulated easily by the surgeon during an operation.

CONGENITAL HEART DISORDERS

NASA and Vanderbilt University have adapted a welding inspection system for use in rapid x-ray diagnosis of tumors and examination of cardiovascular flow. The inspection system—a real time neutron radiography unit—has been combined with image intensification, video data processing and display and kinescope photographic recording systems to be used in studies of children suffering from congenital heart disorders.

The system is designed to be used in visualizing the size of the heart defect and measuring the amount of blood flow through anamalous channels. The information gained is expected to help doctors determine which patients should have operations and at what age.

RADIO PILL

NASA has developed a small radio transmitter pill which, when swallowed, can monitor deep body temperature by means of an FM receiver and associated electronics.

The miniaturized transmitter can detect very small variations in temperature in its passage through human alimentary tracts. Localized temperature rises may often reveal the presence of infections or other disorders, aiding doctors in their diagnoses.

The pill has been used to monitor persons in an environment simulating travel in a spacecraft. The advantage of the device is that it allows monitoring of body temperature continuously over a 24-hour period on a day-by-day basis, a task difficult to accomplish by methods presently available.

The pill transmitter, about the size of a vitamin capsule, can be swallowed. It is coated so it will not dissolve while passing through the digestive tract. That trip usually takes a minimum of two days, but can be as long as one week if a low residue diet is prescribed. Its advantage is that it requires no wires attached to the body surface, nor does it require conventional inserted instrumentation such as oral or rectal thermometers or a thermistor probe.

Since the pill is small and uses a very small battery, it does not have the power to transmit signals for long distances. It is used most easily in situations where the subject is confined such as a hospital.

The pill transmitter also can be used to record and transmit other internal data in humans. The temperature sensing unit could be replaced by a monitor sensitive to stomach acidity, intestinal pressure, or to specific chemicals in the gastro-intestinal tract.

With continued technological advances in miniaturization, engineers are confident that as many as five factors can eventually be measured simultaneously by a device no bigger than an aspirin tablet.

HEART DISEASE

Doctors can watch a movie of the beating of a patient's diseased heart—identifying dead spots or scar tissue in the heart wall, aneurysms (bubble-like projections of the heart muscle) and other malfunctions—with a computer method devised by a NASA-Stanford University team.

The system is designed to improve on current complex diagnostic methods by providing a simple means of viewing the heart in action. Figuratively, it allows doctor to "walk around" the isolated beating heart, viewing it from any desired angle. They also can stop the display at any desired point of heart expansion or contraction and can play the picture back and forth for many cycles.

The system projects a three-dimensional animated cartoon-like image of any desired chamber of the patient's heart, in lines of light on a computer display screen, similar to a television screen. The display is derived from two-dimensional "x-ray movies" made by injecting x-ray contrast dye into a desired heart chamber.

It appears that the method may be a major advance for the physician to determine the patient's need for heart surgery, coronary artery grafts, and treatment of various heart conditions. Heart disease is the leading cause of death in the U.S.

HEART PACEMAKERS

Aerospace technology originally developed for rechargeable nickel-cadmium cells for spacecraft power systems is being directly applied to a NASA supported effort by the Johns Hopkins Applied Physics Laboratory to produce a rechargeable cardiac pacemaker that would elimiate the present requirement for surgical replacement of such devices when their batteries are depleted.

Currently nearly 90 per cent of the pacemakers using conventional mercury batteries must be replaced every 24 months due to battery failure. The wearer of a rechargeable unit would simply recharge his unit by donning a special vest for several hours.

The power cell is essentially a miniature version of cells used in virtually all U.S. spacecraft.

EMERGENCY CARE

Flexible electrodes based on equipment developed by NASA have been designed as significant components of emergency coronary care units which could be used by cardiac patients or emergency attendants to send electrocardiographic data gathered by the kit to physicians by telephone.

After examining the relayed EKG data, the dotcor could direct the patient or attendant to administer appropriate medication carried in the kit.

The adapted NASA electrodes are made of a conducting elastomer and shaped like golf balls. They can quickly be placed under the armpits of a heart attack patient to provide an artifact-free EKG signal that can be relayed by telephone.

Other advanced medical devices to come out of the space program include an electroencephalograph helmet, an audiometric device to assist in diagnosing hearing defects in children, a powered prothetic hand to help amputees, a portable light indicator for blind persons, an ear oximeter, a device which measures the blood's oxygen content by noting red and infrared light absorption in blood circulating through the ear, a sleep analyzer, and many others.

RESOLUTION

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. WYLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

Resolution Commending "Woody" Hayes and His Ohio State University Football Team

Whereas college football is a tradition uniting millions of Americans in enjoyment;

Whereas college football provides an outlet of athletic achievement requiring the same attributes of courage, leadership, strategy, determination and resourcefulness demanded by excellence in any field;

Whereas the Ohio State University football team, led by its head coach Wayne "Woody" Hayes has, through a successful season, earned the right to represent the Big Ten Athletic Conference in the Rose Bowl game in Pasadena, California on New Years day. Now, therefore, be it

Resolved, That Ohio State University and its football team be commended for exemplifying those qualities which have made our Nation great.

FOUNDERS DAY PROGRAM AT VMI

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. WHITEHURST. Mr. Speaker, on November 11, 1974, at the Founder's Day program at Virginia Military Institute, the Honorable Colgate W. Darden, Jr., was awarded the New Market Medal for distinguished service. Mr. Darden is a former Member of the U.S. House of Representatives, and he has also served as Governor of Virginia and president of the University of Virginia. He has had a long and distinguished career, and he is one of the few men I have ever met who could properly be termed statesman.

Following the receipt of this medal, Mr. Darden delivered a brief address. Because I believe that his words of wisdom have value for all of us, I am introducing his remarks at this point in the RECORD, so that all of my colleagues may have the benefit of his views:

Virginia Military Institute, November 11, 1974—Founders Day

(Speech following award of new market medal)

It has been ten years since I was last here. I came to take part in exercises, as are these today, celebrating the founding of the distinguished institution which has rendered such memorable service to Virginia and the nation since its founding in 1839.

Many things have happened since that visit. Conditions in the world have altered substantially and the situation, insofar as our own country is concerned, is more difficult and dangerous than it was in 1964, and it was by no means easy then. It is about the responsibility of V. M. I. in the world of which we are a part that I want to talk to you briefly.

However, at the outset let me commend the Institute on the high quality of work which obtains here. This comes as no surprise to those who respect and admire V. M. I. It is what we expect. Yet I must confess it gives me a great thrill to see, in a world where so many frightening changes are taking place, that you have not yielded one whit in your dedication to excellence. Also I wish to record my profound gratitude for the award made me this morning. To those responsible for it I give my heartfelt thanks. The New Market Medal will remain always among my most cherished possessions, for I can never forget what that name means to this institution and to the Commonwealth of Virginia. And I share with old Southampton County its pride in young James Darden who stood with the Corps at New Market and helped turn back Sigel's Veterans until twice wounded he was forced from the deadly fray.

I hope we shall never lose sight of the purpose that brought V. M. I. into being. It was organized to prepare young men to be good and useful citizens and to train them to be good soldiers in time of war, should such a misfortune befall us. No one who knows the Institute believes it has failed in either of these responsibilities. And if it remains steadfast in its adherence to the solid principles which have guided it in the past we can be sure that, in truth, "Past is Prologue" as is boldly set out on our National Archives Building, and that the brilliant light which plays upon the Institute's past will illumine and mark well the road for those who come after you.

Now a word about the responsibility to train young men to be good soldiers should war come, and concerning war itself. Edmund Burke, the noted English statesman of the eighteenth century, whose soaring genius left such a mark upon England, makes in his "A Vindication of Natural Society" such an overwhelming case against war that one wonders why the science should be taught at all or rather why an outraged human race has not abandoned such brutal and fruitless trials of strength.

One need not agree with Mr. Burke's observations concerning the deficiencies of organized or "political" governments to find himself appalled by his calculation of the fearful costs paid by innocent human beings as a result of interminable wars such as those that afflicted ancient Greece, Persia and Rome. Nor does he miss the fact, when he reads Burke's description of the religious wars of the 16th and 17th centuries, that war has changed hardly at all in its terror over two thousand years. When to these convulsions "which devoured whole cities and nations" are added "those wasting pestilences, those consuming famines and all those furies that follow in the train of war" to borrow his words, there can, I think, be no disagreement with his conclusion that war is mankind's greatest scourge. However, it was the following comment concerning the Greek wars that I found most impressive. "But these disputes ended as all such ever have done, and ever will do, in a real weakness of all parties; a momentary shadow and dream of power in someone; and the subjection of all to the yoke of a stranger who knew how to profit by their divisions."

This bleak and penetrating observation might well have been made about the first half of this century with its two world wars which were in truth civil wars that tore asunder western civilization and brought it so close to destruction. The question which haunts us all is what can we do about this threat that hangs over us? Certainly I am not wise enough to furnish an answer. However, I have reached a conclusion which may be of some value and I pass it on to you for what it is worth.

Like Mr. Burke, I regard war as the greatest scourge that has ever afflicted the human race, and with the new and terrible weapons now available I believe it has become a present and immediate threat to man's continued existence, so we must search unremittingly for some plan that will prevent these recurring catastrophes.

Along with millions of others I left our armed services some months after the cessation of hostilities in 1918. I returned to civil life an enthusiastic believer in Mr. Wilson's plan for a League of Nations that would make future wars impossible. It was to be accomplished by the powers of the world combining in the cause of peace. Most of those who were mustered out shared this belief, especially those who had seen service abroad. It seemed so sensible and so simple. The world was sick and tired of blood letting and it was hard to believe, I might say impossible to believe, that there could be any doubt about the desirability of forging a concert of powers—victors and defeated alike, dedicated to keeping the peace.

I had seen something of the terror and waste of war, and along with others I believed it was not visionary to think it possible to prevent what had in truth been a descent into barbarism. That it was a descent into barbarism I knew at first hand because I had been with the French at Verdun in 1916, having left the University of Virginia and joined them in the summer of that year. I was a witness to the merciless human slaughter there. After our entry into the conflict I came home and with the Marines returned to Europe in the summer of 1918.

I remember as though it were yesterday the boundless idealism and enthusiasm for what was thought then to be a "war to end all wars." America was to have a hand in the remaking of the world. Future generations would not be marched into an inferno. No end of songs and poems proclaimed it to be so. And yet in the end there was abject failure.

The guns had hardly fallen silent before the victors fell to quarrelling among themselves. Within a year or two the disillusionment in the United States had reached such intensity that we turned away from our own plan and refused to ratify the Covenant creating the League of Nations. Mr. Wilson, struck down in his heroic efforts to rally support for it, passed from the scene, and without his leadership we turned away from the one organization that might have prevented World War Two. However, it was not until 1936 that it was brought home to most of us who supported it that it was in truth powerless. Mussolini's brutal assault on Ethiopia went unchallenged save by empty phrases. The dictators of Europe realized that their dream of world empire might become reality. Until then I had hoped, as had countless others, that some miracle might breathe new life into the League.

At first I felt a deep sense of betrayal, but after years of observing the difficulty of concerted action among the powers of the world, and more especially after serving as a Representative of the United States to the Tenth General Assembly of the United Nations and listening for hours to futile and utterly inconsequential debates by individuals who seemed, to me at least, more interested in forging coalitions for the next war than in laying firm and secure foundations for world peace, it was with deep sadness I concluded that any hope for effective machinery which would give us world peace was at best years away from realization. The implementation of the dream requires a more mature world civilization.

Although I have not changed my mind as to the need to continue the quest for some such machinery, I know now that the solution to this awesome problem will be long deferred. It is my thought that some form of collective action offers still the best hope. I do not believe that world government can be made to work. In fact it could not be established save by world conquest which involves what we are seeking to avoid. I am afraid the United Nations offers little real hope. It has shown with its greatly enlarged membership a marked disposition to impose unreasonable burdens upon the more advanced industrial nations. It appears bogged down in petty bickering and self-serving ventures. We witness a tug of war between the undeveloped and the developed nations rather than reasonable collaboration which is essential if the pressing problems overhanging us are to be solved, or even dealt with effectively. The structure of the present organization should be re-examined and if it cannot be revamped so as to bring about a reasonable balance between the members it should be abandoned and some other plan devised. Meanwhile it is imperative that the United States remain strong militarily and resolute in its determination to protect her interests throughout the world. It is my deeply held belief that only the strong will remain free in the world in which we live. Nor, I regret to say, is this situation likely to change for many years to come.

Since I have arrived at this depressing and sad conclusion I shall close these remarks by reminding you that while you must never cease to work for some plan to insure world stability, you must not under any circumstances let slip from your hands the weapons needed to insure our survival. Consequently it is my hope that Virginia will continue to train here first rate military men just as she has done in the past. And I trust there will be no break in V.M.I.'s shining military tradition which flows in an unbroken line from "Stonewall" Jackson to the present hour. This tradition is the Institute's priceless heritage. The Corps must cherish it and guard it always.

QUESTION OF CONSTITUTIONALITY PLAGUES ISSUE OF LANDOWNER'S CONSENT

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, the Sheridan Press is carrying an indepth series on landowner consent in mining Federal coal deposits.

Because I believe the series is excellent and of sufficient importance, I am happy to enclose it, and I commend both Pat Stuart and Pete Fetsco in their efforts.

The article is as follows:

LANDOWNER'S CONSENT—CONSTITUTIONALITY QUESTION PLAGUES ISSUE

(By Pete Fetsco)

(NOTE.—The issue of landowner's consent as it relates to strip-mining legislation will be renewed to a great extent this week as a U.S. Senate-House conference committee deliberates on strip-mining legislation. The consent issue in itself has led to differences from the federal level down to the local, across party lines and on a nationwide scale. In this series, Sheridan Press reporters Pat Stuart and Pete Fetsco will attempt to present, as fairly as possible, both sides of the issue.)

If the issue of landowner's consent has done nothing else in America, it has increased the number of Supreme Court justices from nine to well up in the thousands.

In any conversation concerning the topic, perhaps one of the favorite ploys of those opposed to the concept of landowner's consent—from U.S. Congressmen on down—has been to term the concept "unconstitutional."

Basically speaking, landowner's consent, as envisioned in the current confrontation over inclusion of the provision in strip—mining legislation, stipulates that when the surface is owned privately and the coal underneath is held by the federal government, that coal cannot be strip-mined without express consent from the surface owner.

The provision would not apply in the case of deep-mining. And although the U.S. Supreme Court is historically—if not necessarily accurately—charged with ruling on the constitutionality of things, the provision has been attacked outside that court as unconstitutional.

CLASHES TAKEN TO COURTS

The Supreme Court has not, to this date, been called to issue a ruling on the controversy. However, several clashes over landowner's consent—based on differing privately-owned tracts of mineral rights and surface—have been through the mill in state courts.

And at least four decisions in this case have been hailed by proponents of landowner's consent as firm indication the provision is constitutional. Further, it is argued, these state rulings are entirely compatible with earlier legislative actions by Congress which, when the Homestead Acts and mineral separations bills were considered, envisioned only deep-mining—not any large move to strip-mines.

One of the earliest such cases was in West Virginia—the case of West Virginia and Pittsburgh Coal Co. vs. Strong.

In this ruling, "The West Virginia Court also explicitly rejected plaintiff's contention that ownership of the coal necessarily implies the right to remove it by strip-mining, even though other methods may not be feasible."

"BROAD-FORM DEED"

Part of what seemed to plague the situation for years was the "broad-form" deed. This came to be known as the Kentucky broad-form deed during a time in which Kentucky courts almost always sided with the mineral—not the surface—owner. Early in 1974 the Kentucky legislature made some movement toward recognizing surface owners, and their courts may regard what was apparently a broad, ambiguous form of deed in a somewhat different light.

A State Supreme Court decision in Pennsylvania in 1970, Stewart vs. Chernicky, attacked the question whether the coal company "had the right to remove the coal under the land involved by the strip-mining method without liability for injury to or destruction of the surface, regardless of who owned that surface, or was such removal to be limited to shaft or deep-mining?"

In a quote referring to that case, an Ohio court later noted, "Since strip-mining involves serious disruption of the surface estate, the Pennsylvania court held that the burden was upon the coal company to affirmatively show that the parties intended that the coal might be removed by methods other than deep-mining. A review of the language in the 1902 deed involved led the court to conclude that the 'right to mine and remove coal by deeds conveying land in language peculiarly applicable to underground mining does not include the right to remove such coal by strip-mining methods.' "

SKIZOLOCHI VS. EAST OHIO GAS

In the case of Skizolochi vs. East Ohio Gas Co. in 1974, the state appeals court there held that the company had not acquired the right to strip mine, but had acquired the rights for deep mining or drilling.

The court held that "Contracts are to be interpreted so as to carry out the intent of the parties, as that intent is evidenced by the contractual language; that the right to strip mine for coal is not implicit in the ownership of a severed mineral estate, and, finally, "A deed which severs a mineral estate from a surface estate and which conveys the right to use the surface incident to mining coal in language peculiarly applicable to deep-mining techniques, does not grant the right to remove coal by strip-mining methods."

It was in this case that the Ohio court turned to an earlier Colorado ruling—Barker vs. Mintz—and noted, "To construe the 'right to use' as including the right to strip-mine would be to pervert the basic purpose of a principle designed to mutually accommodate the owner of the mineral estate and the owner of the surface estate separate properties."

Ohio continued that although strip-mining is a modern, technologically-sound method to provide the mineral owner "a fuller enjoyment of his property, yet we cannot ignore the additional fact that strip-mining, although similar to deep mining insofar as both represent a means to a legitimate end, necessarily and unavoidably causes total disruption of the surface estate.

"Time-honored rules of law, meant to insure the mutual enjoyment of severed mineral and surface estates, cannot be blindly applied to resolve a question involving the right to strip-mine. This is true, not because those rules lack present vitality, but because they are dependent upon presumptions wholly irrelevant to strip-mining."

It is perhaps this last paragraph which sums up the further arguments on the part of those supporting landowner's consent. Present in most of the court rulings is the notice that the original deeds or documents involved were obviously aimed at deep-mining—which has a lesser effect on the surface than does strip-mining.

And this was, claim consent supporters, exactly the feelings of Congress when the mineral rights were originally separated from the surface ownership of homesteaded lands.

Congress knows, back at the turn of the century, that many of these homesteaded lands had coal. In 1909, during the 61st Congress in relation to HR 13907 in the House of Representatives, a report from the interior department entitled "Agricultural Entries on Coal Lands" appeared before the Committee on Public Lands.

COAL LAND CLASSIFICATION

This document, in part, attempted to classify coal lands. It is worthy of note that the references in terms of classifications dealt with depths of shafts only—deep-mining, in other words.

"The Interior Department is making classification not only to present . . . but to all coal lands, known to contain coal," said that study.

Landowner consent advocates contend, even further, that following Congresses indicated their understanding that the coal mining in question was deep-mining—and that agriculture and deep-mining could coexist—a position held by several of the organizations deploring strip-mining today.

Before the 64th Congress, again from the Committee on Public Lands in April of 1916, came this statement: "The farmer-stockman is not seeking and does not desire the minerals, his experience and efforts being in the line of stockgrazing and farming, which operations can be carried on without being materially interferred with by the reservation of minerals and the prospecting for removal of same from the land."

Included in that report is a statement speaking of allowing rights for qualified persons to prospect and enter mineral deposits "under such restrictions as will prevent the destruction or injury of permanent improvements of the patentees."

Based on these and similar precedents, those individuals and organizations seeking what they consider the protection of landowner's consent feel that such a provision is far from unconstitutional.

It represents, instead, only the original thinking of the Congress of the United States when the entire mineral-landowner situation was established. As such, they feel, it should be reaffirmed by this current Congress.

MRS. THELMA WILLIAMS' RESPONSE TO PROABORTION RECORD INSERT

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. ICHORD. Mr. Speaker, I recently received a letter from Mrs. Thelma Williams of Sunrise Beach, Mo., enclosing her response to an article on abortion which appeared in both the Congressional Record and the November 2 issue of the National Observer. Mrs. Williams took issue with the statements contained in this article and requested that I allow her the opportunity to respond by inserting her letter addressed to all Members of Congress in the Congressional Record. In response to Mrs. Williams' request, I insert her letter in the Record:

Sunrise Beach, Mo.,
November 7, 1974.

Dear Member of Congress: I write as a result of a letter printed in the Congressional Record, and the "National Observer" newspaper. The subject is abortion. I wish to state my views.

I too, don't believe most of you realize the power you hold in your hands. It is incredible that in the United States, any man or woman, whether in a position of political prestige, or medical authority could consider they have the infinite wisdom to decide who should, or should not live to be born.

R.W.A., in the letter published by the National Observer, and introduced into the Congressional Record by Rep. Dellums has said that if you deny women the right to legal abortion you will produce Richard Specks, Charles Mansons, and battered, abused children.

Legal abortion, funded by our tax dollars, and backed by the Supreme Court, has already done this in the United States. The children are battered out of life itself within their mother's womb. The Richard Specks, and Charles Mansons now wear crisp white coats, work in antiseptic surroundings, and kill daily. They have no legal retribution to fear. In truth, if proper justice was meted to these professional killers, they would be imprisoned, as other known criminals are.

Rep. Dellums has cited R.W.A.'s letter as being a logical, and compassionate look at the abortion issue. I'm moved to question his own powers of logic, if he actually believes this. Her letter is, in fact, filled with contradictions, and far more emotion than logic.

Example: She states that the majority of Americans favor abortion. No reliable poll has been taken. Questions have been misleading, or slanted toward the abortion position. Even if a vote was taken which included every adult citizen, it wouldn't be valid, at this stage because far more objective education must be done before the average person could make a sound judgment.

The quality of life in Japan was cited as proof of permissive abortion's success there. Increasing reports of child abandonment, infanticide, guilt and mental problems are coming from that country. Doctors and sociologists are puzzled at why women with easy access to abortion are killing their children in these ways: (1) throwing them from moving trains, (2) leaving them to smother in train depot lockers, and (3) abandoning them alive. Anyone who has pondered the deeper questions of life knows why. No nation can be saturated with an anti-family, anti-baby, "quality of life" mentality, and not eventually lose respect for all life. Germany's Nazi era looms as positive proof of this. Japan is not only a sad example to hold up for us to copy in the treatment of our children, born or unborn, it has enslaved, rather than freed it's women, in the matter of abortion. The salt-poisoning method was abandoned by that country only after years of proof of it's hazards to the health of their women. (America is now doing them.) The percentages of Japanese women suffering mental and physical complications hardly proves abortion to be superior to giving birth. R.W.A. says Japan has no unwanted children. Why then, is infanticide on the rise? I do not believe she has properly researched the facts.

As for Latin America, or any of the Third World countries, exploitation of the poor, by a minority of elite wealthy, has contributed more to the suffering and starvation of people than sheer numbers could do. This is also true in America. Local supermarkets discard boxes of food daily—cartons of bread browned a bit too much, produce kept at high prices until it spoils, etc. It is hardly logical to accuse the baby being born of unbalancing the universe. Greed is the culprit—not the baby.

I find very little substance in R.W.A.'s long epistle to Congress. The supposed compassion, which impressed Rep. Dellums is lacking when any person, male or female, will put a price tag on human life, and boast of the savings to taxpayers when abortions are performed. Certainly a dead baby doesn't have to be fed, given medical attention, or educated, but using this brand of compassion we can do many things. We can, as the abortionists claim, reduce mortality rates for children with defects. Naturally the child killed by abortion isn't going to die of anything else, not even a crash on the highway. Extending this "illogic", I can, if given the legal right, immediately reduce all cancer deaths in this country, by shooting the victims before they have time to die from cancer. Wouldn't this be humanitarian of me? I could save the taxpayers a great deal of money, but I submit that this is clearly unsound thinking, and far from compassionate. Yet, this is exactly the same type of rationalization applied to free-wheeling abortion.

Regarding women of poverty: If more are choosing abortion now, it is largely due to coercion. Society pressures the welfare mother to feel guilty at bearing new life. R.W.A. is a prime example, in citing the money saved for her and the rest of society when babies are aborted, rather than fed and cared for. Is this not making the poverty mother a whipped and beholden creature fearful of public censure if she bears another child? Compassion again?

Raising a child IS an awesome, though rewarding commitment. It is incredible only to those who make it so, or none of us would exist. Granted, many women do not have the maturity, maternal instinct, or lack of selfishness necessary to be a parent. But, they scarcely need to place their unwanted baby on your desk, Mr. Congressman. They have only to give it to one of the many pairs of open arms, waiting to adopt and love it.

The claim that abortion will lead to the killing of other helpless unwanted people—the old, ill, and retarded is quite valid. It is already happening, and being proposed for legalizing repeatedly in various state legislatures. R.W.A., again needs to further her research with facts, and not depend on her private prejudices and emotions.

The medical statements made by her are a hodgepodge of ignorance. Even pro-abortionists, including doctors, and biologists state clearly when conception occurs. There is no significant debate on this question. She contradicts herself by referring to the unborn as only a "potential human being" in one paragraph, then refers to it later as what it is—a child.

Her reference to the Catholic Church and it's teaching isn't worthy of comment. It is high time people who are anti-Catholic stop interpreting that faith in public. (And this includes those within it's ranks.) The term "devout" is habitually misused. R.W.A. obviously has an ignorant Catholic friend, but by no stretch of wild imagination could she properly be termed, "devout". If the two of them are sincere in seeking truth in these matters they should consult an authority in the church, such as Bishop Fulton Sheen, and stop being self-proclaimed experts.

It's interesting, though, that those who favor abortion, always get their ammunition from the same "dirty trick" bag when it comes to religion. They pull out the same arsenal each time: The Pope, and the Catholic Church. This conveniently ignores other religious denominations who have important spokesmen firmly against abortion, as well as vast numbers of laity of all faiths. In fact, only someone who is in some way ignorant of scientific fact, or has a "name only" religious commitment can favor abortion. It is irrevocably incompatible with God's Commandment "Thou Shalt Not Kill".

Another interesting thing in R.W.A.'s letter is the mention of danger in birth control methods, but no mention of dangers from legal abortion. Dr. Tom Hilgers, OB–GYN, has written a book "Induced Abortion" which could show abortion minded women the price they can expect to pay for the supposedly safe, legal abortion. There are other doctors in vast number who agree.

What about that woman who is 42, has her children grown, has launched a career, and doesn't want a new baby? Or, the athlete who may not get the silver medal in an Olympic race if she's pregnant? If either care so little for their unborn child, they are willing to kill it, they shouldn't have emotional qualms at giving it to adoptive parents. Many activities can be pursued for most of a pregnancy. Allowing a baby to be born will require a matter of weeks, at most a few months of the woman's life to be "sacrificed." When you consider how little she loses in the span of her life, while the baby is asked to forfeit all, with no option for a re-run, the scale of justice is certainly weighted at a crazy angle, when tilted toward abortion.

The ambivilence in R.W.A.'s letter to Congress makes for confusion, not logic. Maybe some people are vindictive enough to want a pregnant woman to suffer for her sexual activity, but I doubt that many do. As for "punishment"—death from abortion, by suction, which tears the baby apart; currettage, which cuts it apart; the saline method, which both poisons and burns its skin away; and the hysterotomy which brings it out alive, to die slowly in a basin, can hardly be called "tender loving care". If done to an animal, in fact, the SPCA would scream correctly "Bloody Murder!" The mother, in all these cases, along with her doctor—NOT any Congressman, or Pro-lifer is inflicting the punishment.

The unborn human can be taught in the womb. (Proven by Dr. Liley, father of fetology.) It is extremely sensitive to pain, and has all the attributes of humanity that you or I do. It needs only time and nourishment to fulfill its unique position in this universe. It's a heartless insult, as well as a scientific lie to term it a fetus "with the intelligence and sensitivity of a fly" as R.W.A. has done.

Like her, I would like to have my last point cover the personal reasons I have for objecting to permissive abortion. I, too, have nothing to gain or lose for myself.

Patriotism is one motivation. I deplore the real prospect of watching my once great country, which has a past record for defending the helpless and oppressed, compound the violence of other wars, by declaring war on the unborn. Also, I question the dangers of stripping fathers, married or single of every right over the very life or death of their offspring, and placing total control in the hands of the mother, and the hired doctor. Injustices suffered by women at the hands of men will not be made right by such brutal retribution, any more than violence by Negro and Indian against the white man will correct past mistreatment.

Unlike R.W.A., I don't question my self-worth. My life (42 years) has been brimful, with joy and sorrow. Self-worth is a product of inner character and spiritual maturity. It doesn't hinge on the treatment, good or bad, which we receive. Aleksandr Solzhenitsyn is living proof of this. I do agree with R.W.A. that human beings are too precious to be denied their freedom. This includes the unborn human's freedom to be born, rather than endure the slavery of death in the womb. I have concern too, for the medical personnel who have devoted their lives to healing and saving lives, and now contemplate ending their careers rather than become hired killers.

Mr. Congressman, I ask you to consider (Madelyn Murrays, not withstanding), that this is a nation under God. President Ford, upon being sworn in as our leader, called on us to pray for him, and all of you in government. In mentioning atheists, he said, "If there can be any, after what we've been through." The height of hypocrisy would be to pray to God for His divine guidance and protection, while plunging head on with the destruction of His little ones.

In summary, I repeat: My self-esteem is intact, because I know who I am and what I am. I am the person conceived in my Mother's womb. I am no different now than then, except that I was allowed to live, grow, and mature. This applies to all of us, including you, Mr. Congressman.

Think about that.

Thank you for reading this.

Most Respectfully,

Mrs. Thelma Williams.

DARIUS JHABVALA

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. MOAKLEY. Mr. Speaker, I wish to note, with deep sorrow, the death at 46 of Darius S. Jhabvala, Washington correspondent for the Boston Globe.

During his years with the Globe, and previously at the New York Herald Tribune, Mr. Jhabvala was one of our most able and distinguished diplomatic reporters. His passing is a serious loss to his profession and his Nation.

The Boston Globe of Wednesday, November 20, carried an obituary filed by his friends and colleagues in the paper's Washington Bureau. I wish to enter the article at this point in the Record:

[From the Boston Globe Nov. 20, 1974]

Washington.—Darius S. Jhabvala, diplomatic correspondent for The Boston Globe, died early yesterday at his home here of a heart attack. He was 46.

He was past president of the State Department Correspondents Assn. and was known among his colleagues and the diplomatic community worldwide for his wit, charm and knowledge of world affairs.

"Darius was Mr. Chips—lovable, fun to tease, but the guy we went to when we needed advice," said Richard Valeriani, NBC diplomatic correspondent. "He was easily the most popular guy in the State Dept. press corps."

In Tokyo Secretary of State Henry A. Kissinger said:

"I have just learned with shock and dismay the tragic news of the death of Darius Jhabvala.

"As past president of the State Dept. Correspondents Assn. and as one of the most regular of the regulars covering the department, I valued Darius as an outstanding journalist and as a friend.

"He will be missed not only for the highest professional standards he set for himself but also for the warmth and gentleness for which he was held in such high esteem by all of us in the Department.

"Darius was a great human being. We have all lost a unique friend."

United Nations Secretary General Kurt Waldheim issued the following statement:

"I was deeply shocked and grieved to hear of the sudden death of our friend and colleague, Darius S. Jhabvala. Over the years all of us in the United Nations, whether national representatives, Secretariat members or correspondents increasingly appreciated his exceptional gifts as a journalist, especially in the diplomatic field.

"I express my deep sympathy to his family in their cruel loss. We shall miss him greatly."

John Scali, U.S. representative to the United Nations and a former ABC diplomatic correspondent, said:

"Darius Jhabvala was one of the outstanding foreign policy reporters and analysts of our era. He was especially renowned for his ability to understand what was happening at the United Nations and skillfully relate it to the course of events in the world. His was a unique contribution. The world of journalishm and diplomacy compassionate colleague," compassionate colleague.

A native of Bombay, Mr. Jhabvala came to this country after World War II and worked in the communications section of the United Nations from 1949 to 1954. He attended the Latin American School in Chicago and received a degree in diplomacy.

From 1956 to 1960 he worked as an assistan editor at Newsweek in New York. He then covered the United Nations for the old New York Herald Tribune until 1965, when he joined the Globe.

Mr. Jhabvala "grew up" with the United Nations, from working as a clerk in the organization's early days at Lake Success, N.Y., to last week, when he covered the controversial visit of Palestinian Liberation Organization leader Yassir Arafat.

After explaining the details and nuances of the impact of the Arafat speech to the UN General Assembly, Mr. Jhabvala concluded in his final news analysis in last Sunday's Globe; "He neither produced any new formula to settle the differences between Israel and her Arab neighbors through negotiations, nor was his rhetoric that of peace."

At the United Nations and at the State Dept., where he began to work for the Globe in 1970, Mr. Jhabvala's style of work combined long hours and enduring patience.

He usually worked seven days a week, ignoring the pleas of his editors that he take more time off. Returning from his recent Kissinger 17-day trip, Mr. Jhabvala at his own insistence spent but a single day in Washington before traveling to New York to cover the Arafat speech.

To the most obstinate "no-comment" diplomat, Mr. Jhabvala would return again and again in search of conversation and clarification. In his travels, he would be remembered for his soft British-colonial accent and his propensity for self-parody, calling people "Chappy," from ambassadors to copy boys.

At the Herald Tribune and at the Globe, Mr. Jhabvala's persistence paid off with a continuing series of exclusives involving American participation in the Vietnam war and other world developments.

One of Mr. Jhabvala's reports created a sensation in this country and drew attention worldwide, Mr. Jhabvala disclosed in the Herald Tribune on Aug. 8, 1965, that Hanoi, almost a year earlier, had accepted a proposal for unconditional peace talks and the United States had rejected it.

The proposal was made by a non-Communist Asian diplomat shortly after the Gulf of Tonkin crisis.

The United States spurned the proposal because it came during the 1964 presidential campaign and Lyndon B. Johnson felt that if word of peace talks had leaked out it would have damaged the Democratic campaign, Mr. Jhabvala reported.

Mr. Jhabvala also was the first reporter in the world to break the story that South Vietnamese troops, with close-in American air support, had invaded Laos in late January, 1971. With stories about the invasion by correspondents on the scene blocked by unprecedented U.S. censorship, he pieced an account together from sources here and told Globe readers what was going on days before the invasion was officially acknowledged. In another major exclusive, he reported one month ahead of the official announcement, that Canada would establish diplomatic relations with the People's Republic of China.

Mr. Jhabvala was also the first American correspondent to detail the maneuvers of the Soviet Navy in the Indian Ocean.

At the State Department and on the several trips of Secretary of State Kissinger. Mr. Jhabvala was father confessor to his fellow correspondents, as well as journalistic adviser, travel guide, occasional pharmacist ("Doc Darius" had a traveling medicine chest and was a frequent loser in "liar's poker," a favored card game).

It was not infrequent after a press conference for other reporters to buzz around, asking "Darius, what's the lead? What's the lead?" He usually told them, and shortly thereafter wire-service tickers and network baritones would echo authoritatively what he said.

On his last ride aboard the Kissinger whirlwind, a 33-day journey to world capitals, Mr. Jhabvala returned to his native country after a 27-year absence. As the plane approached the New Delhi airport, Kissinger wandered aft to joke with reporters and said, "All right you guys, where is my arrival statement?" (US-Indian relations have not been the most harmonious of late.)

"Mr. Secretary," Darius replied for the group of reporters, "I can't provide you with a statement, but I can provide you with an accent." Kissinger growled back in his German accent,"I can provide the accent myself. What I need is an arrival statement."

Kissinger, like most world diplomats, held a fondness and a respect for Mr. Jhabvala. The Secretary once gave his traveling companion an autographed poster, signed, "To Darius Jhabvala, the real Boston Brahmin. Henry Kissinger." The poster featured a grinning portrait and the caption, "Hi, I'm Henry! Fly me to Damascus."

Mr. Jhabvala was the Boston Globe's most traveled reporter, logging a quarter million miles to witness the quest for Vietnam peace at Paris, detente at the Moscow summits and in Peking and the shuttle diplomacy in the Middle East.

On Jan. 27, 1974, after a Kissinger trip to the Middle East, Mr. Jhabvala wrote of the "grueling path of peace" as diplomacy shuttled between the capitals of Israel and the Arab nations.

"In the absence of adequate diet and sleep, the nagging fatigue is offset by adrenalin. The body can stand a lot of punishment when it makes history or is witness to it being made."

In 1974 alone, Mr. Jhabvala made five trips out of the country, including three to the Middle East with Kissinger. One trip in April, May and early June logged 24,000 miles, comprising 41 shuttle flights in the Middle East that included 13 to Damascus and 17 to Jerusalem that caused the traveling press to nickname the Kissinger airplane "The Yo Yo Express."

The rigorous schedule was not at all new for Mr. Jhabvala. In 1973, he also had made three trips to the Middle East, Japan and at one point a six-part series on the plight of war victims and refugees throughout the region. In November that year, he logged another 24,000 miles with Kissinger in the Middle East, Japan and Red China.

His travels also took him in 1972 to Moscow for a summit meeting, Austria, Poland, and Geneva. He was present in Iceland for a major US-Western Europe summit meeting and was on hand on several occasions in Paris for developments in the Vietnam peace talks. He also spent time covering former President Nixon at both Key Biscayne, Fla. and San Clemente, Calif.

Mr. Jhabvala wrote a weekly editorial page column for the Boston Globe, analyzing events that had shaped world history.

He was slight and seldom weighed more than 120 pounds, but joshed his heftier colleagues, saying "I bet you can't get your clothes at the boys' section at Brooks Brothers."

He leaves his wife, Sarica, whom he met in 1947 in New York when she worked for the Columbia University student newspapers.

He also leaves two sons, Murzban, 23, a graduate of the University of Rhode Island and Northwestern; and Jamasp, 20, a graduate of Antioch College; and two daughters, Tebmura, 18, and Kirman, 15, both students at Woodrow Wilson High School here.

THE PLIGHT OF THE FARMER

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. SHUSTER. Mr. Speaker, in light of the critical financial condition in which a great number of American farmers find themselves at present, I think the following article, entitled "The Plight of the Farmer," extracted from the November 21, 1974, edition of the Bedford County Press and written by Barb Ritchey, is both timely and appropriate:

THE PLIGHT OF THE FARMER

(By Barb Ritchey)

"There aren't many ways for the farmer to get along anymore besides increasing his agricultural debt or resorting to an off-farm income," according to Gerald Yoder, of RD 1, Woodbury.

With prices to the farmer for grain, transportation, and everything else going up the way they are while the prices he can sell his products at stay the same or go down, the farmer in Bedford County as well as in the entire United States is in trouble.

"Food is dirt cheap," Yoder, a state director of the Pennsylvania Farmers Association (PFA) and past local president of the county's chapter, said. "The people who have the problems with the price of food are the ones on a fixed income or who are retired or have a low income. Compared with teachers' salaries and those who get organized labor's wages, if food prices had gone up with wages, food would cost twice as much as it does. It's all relative."

Prices for beef have stayed the same since about 1946, while corn, for example, a necessary food for beef cattle, that had been priced at $1.50 has risen to $4.11 a bushel, according to Yoder. Farmers lose about $140 a piece for cattle over and above what they get for the sale.

Even week old calves that had sold for $80 to $100 a piece a year ago are being sold at $20 a head if the farmer is lucky, Donald Replogle, a RD 1, New Enterprise, another member of the PFA, said. Prices for the raising of these animals have doubled what they were a year ago, while the amount the farmer receives has gone down.

Only two or three years ago, a cow that was done milking could be sold for beef and the money used to buy four or five tons of soybeans to bring back for feed, according to Harry Wareham, a PFA member of RD 1, Everett. Now, however, the same cow could not even buy a ton of soybeans. The same thing has happened to fertilizer, too.

Another alternative to the farmer besides the two mentioned before is for him to go out of business. If enough of farmers did go out of business, a food shortage would result. Even the ones that do weather the storm, however, have cut their herds drastically—to the point where if the income they receive should go up now, there would still be a shortage because it takes time to rebuild a herd.

"We used to keep 265 beef cattle and then it went down to 110, and now we have only four left, and two of these have been sold," Yoder said. "I know a man in Williamsburg who hasn't kept any cattle for three years."

It is a matter of priorities, he added. If things get to the point where food is scarce at any price, then people will have trouble eating their new colored television sets. People don't mind it when prices for products like television sets go up, but let milk go up one cent in the store, and they yell.

There are different soils in Bedford County with different productivity capabilities, and the southern end has steep slopes and its the harder part of the county to make a buck in, Yoder said, so these farmers will probably be the ones to go first. The farms up further in the county, though, will start going eventually.

If the farmer borrows from the bank to keep his farm going, then when he can not meet his payments, the bank will take his farm, and he will lose it anyway. "We'll see a few farms go this fall, but more will go by springtime," Wareham said. "Some farms always go in the fall, but in the spring, the farmers that are left will need to buy more supplies to keep going, and if they haven't paid for previous purchases, they won't be able to buy more."

"We have about $400,000 in our farm like everyone else," Replogle said. "Most people have between $200,000 and $400,000 in their farms, and money is needed to keep them going."

"One solution is for the government to step in and subsidize the farmer," Replogle said. "It's all tied up in politics one way or the other anyway. I don't know how it got there, though. Now that elections are over maybe someone will do something."

If farmers start selling directly to the consumer and cut out all the middlemen, things might improve, he added. Everything that happens to the middleman affects the farmer. If sugar goes up, it costs more to make ice cream, and if transportation costs go up, the farmers have to pay more to get their goods to the buyer.

As mentioned before, off-farm income is a partial answer. Many wives of farmers work, and this brings in some money. If the farmers themselves leave their farms to work elsewhere, though, who will raise the food?

A new program for emergency loans has been set up because, in the beginning, of the beef situation. Now, however, farms with poultry and hogs besides beef have received aid. The government put out $60 million, according to Yoder, and this money went to 421 such operations throughout the country. That is approximately $142,000 per loan.

Cheap imports of beef come in and foul things up, according to Wareham. Countries like Australia are loaded with beef. There are not really enough dairy products in this country, however, but the imports of these products from countries like Holland have really hurt that market, too.

The two past administrations have been selling corn overseas and bringing dairy products in, and they just have not paid any attention to the problems of the dairy producer, he continued. They were hoping for a balance of trade, but the sad part is that in this country they have all sorts of federal and state inspectors while most of the imported products are not even touched.

This makes it even harder on the producer in the United States.

'A lot of the problems is between the customer and the producer, too," Wareham added. "They don't really understand one another's problems."

Maybe Farm-City Week, designated for November 22 through November 28, will help the two understand each other better.

HOUSE OF REPRESENTATIVES—*Tuesday, November 26, 1974*

The House met at 12 o'clock noon.

Rev. David A. Williams, assistant minister, St. John's Episcopal Church, Washington, D.C., offered the following prayer:

Almighty God, who has given into the hands of man the power to rule and govern; who has enabled men and women to create laws in human emulation of the laws you have created for the universe; grant unto us all wisdom, born of knowledge and hard won experience, to know and to do Your will. Where we find ourselves driven by self-interest, temper us with humility; where we find ourselves tortured by hard decisions that affect the lives of many people, help us to find a serenity of spirit in which to make these decisions; and where we have done well in Your service help us to feel the goodness of success and the sense that in harmony with You, we, too, can share in the continuing creation of this world. All this we ask of You, the Creator of the stars and Ruler of the universe, our Lord and our God. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 16901. An act making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 16901) entitled "An act making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McGee, Mr. McClellan, Mr. Stennis, Mr. Proxmire, Mr. Robert C. Byrd, Mr. Bayh, Mr. Talmadge, Mr. Fong, Mr. Hruska, and Mr. Young to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2938. An act to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes.

THE REVEREND DAVID A. WILLIAMS

(Mr. **MONTGOMERY** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **MONTGOMERY**. Mr. Speaker, I take this opportunity to thank the Reverend David A. Williams, who serves as assistant parish minister for St. John's Church in Lafayette Square, Washington, D.C., for the opening prayer he has just offered.

I feel that it is very fitting to have a minister from the Church of the Presidents to invoke the blessings of the Almighty before we begin today's deliberations. St. John's Church was built in 1815 and has served the community since 1816. It is known as the Church of the Presidents because every Chief Executive since James Madison has worshipped there including Gerald Ford.

Reverend Williams came to St. John's in September 1973, after completing his doctorate at Andover-Newton Theological School in Newton-Centre, Mass. He worked in psychological and clinical studies.

Mr. Speaker, I am very pleased that Reverend Williams was able to be with us today and I am certain that my colleagues in the House share in that feeling.

PERMISSION TO HAVE UNTIL MIDNIGHT, WEDNESDAY, NOVEMBER 27, 1974, TO FILE CONFERENCE REPORT ON H.R. 16900, SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. **MAHON**. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tomorrow night, Wednesday, November 27, 1974, to file a conference report on H.R. 16900, making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON H.R. 17505, RESCINDING CERTAIN BUDGET AUTHORITY RECOMMENDED IN MESSAGES OF THE PRESIDENT

Mr. **MAHON**. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report to accompany the bill H.R. 17505, a bill to rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. No. 93-361), October 4, 1974 (H. Doc. No. 93-365), and November 13, 1974 (H. Doc. No. 93-387), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974.

Mr. **CEDERBERG** reserved all points of order on the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO ADJUST PRICE SUPPORT FOR TOBACCO UNDER AGRICULTURAL ACT OF 1949

Mr. **STUBBLEFIELD**. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H.R. 17506, to adjust price support for tobacco under the Agricultural Act of 1949.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill as follows:

H.R. 17506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of the Agricultural Act of 1949 is repealed.

Sec. 2. Section 101(c) of the Agricultural Act of 1949 is amended by adding at the end thereof the following new sentence: "If acreage poundage or poundage farm marketing quotas are in effect under section 317 or 319 of the Agricultural Adjustment Act of 1938, as amended, (1) price support shall not be made available on tobacco marketed in excess of 110 per centum of the marketing quota (after adjustments) for the farm on which such tobacco was produced, and (2) for the purpose of price-support eligibility, tobacco carried over from one marketing year to another shall, when marketed, be considered tobacco of the then current crop.".

Mr. **STUBBLEFIELD**. Mr. Speaker, I move to strike the last word.

NEED FOR LEGISLATION

On February 20, 1960, the Agricultural Act of 1949 was amended so as to change the method of computing the support level for tobacco. The new method called for adjusting the support level paid for the 1959 crop according to the average index of prices paid by farmers for the 3 calendar years immediately preceding the calendar year in which the marketing year began.

Prior to the 1960 amendment, the level of support was 90 percent of the parity price.

Because of skyrocketing prices farmers are paying for the cost of their operations in the past 12 months, utilizing the 3-year average cost in determining support levels has resulted in the current support level falling to 60 percent of parity. Such a situation only spells disaster for many small farmers who look to tobacco as the only source of income. The cost of fuel, fertilizer, and equipment has increased to the point that, if support prices are allowed to continue to drop, many farmers will be facing bankruptcy. This will have a profound effect, not only in this particular area of farm activity, but on other operations of the farmer in the production of food and fiber where he is also confronted with substantial losses due to the increased prices that he must pay in the production of his crops.

The bill H.R. 17506 would simply provide for the computation of support prices for all types of tobacco according to the law in effect prior to the 1960 amendment more closely computing the support level to the actual costs incurred by the farmer in producing the crop.

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill repeals section 106 of the Agricultural Act of 1949 so as to put into effect the means of determining price supports for tobacco that were in effect prior to the 1960 amendment.

Section 2 reenacts as a part of section 101(c) of the Agricultural Act of 1949 the last sentence of section 106 which deals with price-support eligibility and limitation on price supports for tobacco on which acreage poundage or poundage farm marketing quotas are in effect under section 317 or 319.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 10701, TO AMEND THE ACT OF OCTOBER 27, 1965, RELATING TO PUBLIC WORKS ON RIVERS AND HARBORS

Mr. BREAUX. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10701) to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The **SPEAKER.** Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. JONES of Alabama, HOWARD, BREAUX, Mrs. SULLIVAN, Messrs. HARSHA, SNYDER, and DON H. CLAUSEN.

ALL THAT GLITTERS AIN'T GOLD

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, earlier this year the House in one of the instances when it has winked at the violations of its own rules of procedure, which with great fervor and breast beating, aided and abetted by the sideline reformers and purists, it periodically adopts, attached an amendment to the so-called IDA—International Development Association—fourth replenishment $1½ billion tidbit.

The House had, at the beginning of the year, led by the hardcore conservative, "damn the aid to them foreigners" advocates, defeated this self-same IDA bill. But lo and behold, prodded by the ever-present and perennial "goldbugs," and taking advantage of a disabled President who, in turn prodded by his Secretaries of State and Treasury, respectively, was prodding the House leadership on both sides of the aisle saying this was "must" legislation, that he had to have it, sold the deal that without a nongermane amendment repealing the antigold gambling provision the Nation had since 1932, there would be no chance to reverse the vote and obtain the passage of the bill.

But mirabile dictu—miracle to relate—the hardnosed liberal, the dogged conservative, the fearful administrators, the timid and ignorant leadership—all bought the deal. Do not bother to check the record and discover the "gold bugs" did not deliver the votes—they got the bill—and forgot to even discuss the implications of the irresponsible and thoughtless removal of all restraints.

So, now, unless Congress acts between now and January 1 a lot of Americans are going to be buying gilded lead bricks.

NEED TO MAINTAIN ADEQUATE PERSONNEL IN AGRICULTURAL STABILIZATION CONSERVATION SERVICE

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, at the same time that American farmers are being urged to do everything possible to increase their production of food a service of great importance to them is being drastically curtailed.

County offices of the Agricultural Stabilization and Conservation Service have been notified that they must make substantial cuts in personnel by next February. These offices have taken severe employee reductions in the past. Now they are told they must take more.

The need for the assistance they give to farmers in carrying out essential conservation practices has not decreased. Their workloads have not dwindled—certainly not in the counties of the south Texas district I represent. In one of these counties, for example, during fiscal 1974 field employees made no fewer than 1,350 onsite farm inspections and measurements to fulfill their responsibilities under the current Farm Act. This county has been directed to reduce personnel by four regular and all temporary employees. Similar notices have been received by other counties in my district.

Mr. Speaker, if this shortsighted policy is pursued it will very seriously affect the productivity of our farmers. The order for personnel reduction in the ASCS county offices should be rescinded immediately. Funds used to maintain these offices represent a wise and sound investment, one that has consistently returned heavy dividends. The investment must continue to be made in order that U.S. farmers can continue to help feed the world.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO HAVE UNTIL MIDNIGHT MONDAY, DECEMBER 2, 1974, TO FILE A REPORT ON H.R. 17481

Mr. O'HARA. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight, December 2, 1974, to file a report to accompany the bill H.R. 17481.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE NEED TO OPEN ELK HILLS PETROLEUM RESERVE

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, on numerous occasions in the last 18 months, I have urged my colleagues to press for the immediate opening of the Naval Petroleum Reserve No. 1 at Elk Hills, Calif. While the other body has passed the necessary legislation, while the House has voted for the appropriations to facilitate the opening, and while over 125 Members have cosponsored my resolution to authorize increased drilling, still this vital legislation has not reached the House floor.

At this time, the Interior Committee has before it a proposal to place the Elk Hills Reserve, indeed all of our Nation's energy supply, under the jurisdiction of the Secretary of the Interior. I welcome this initiative to place our country's oil reserves in a unified structure, and to allow the vast oil reserves at Elk Hills to be used by our citizens. Estimates are that the reserve contains 1.2 billion barrels of oil, which is desperately needed now, and which should be drilled at once. I hope that this legislation swiftly clears the Interior Committee, and receives the overwhelming support of the Congress.

AMENDING FARM LABOR CONTRACTOR REGISTRATION ACT OF 1963

Mr. FORD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3202) to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

The Clerk read the title of the Senate bill.

The **SPEAKER.** Is there objection to

the request of the gentleman from Michigan?

There was no objection.

The Clerk read the Senate bill as follows:

S. 3202

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Farm Labor Contractor Registration Act Amendment of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision the reference shall be considered to be made to a section or other provision of the Farm Labor Contractor Registration Act of 1963 (7 U.S.C. 2041 et seq.).

Sec. 2. Section 3 of the Act is amended by striking out the word "interstate" each place where it appears therein. The first sentence of section 3(b) is amended to delete therefrom the phrase "ten more" and the phrase "at any one time in any calendar year". The second sentence of section 3(b) is amended to read as follows: "Such term shall not include—

"(1) any nonprofit charitable organization, public or nonprofit private educational institution, or similar organization;

"(2) any farmer, processor, canner, ginner, packing shed operator, or nurseryman who personally engages in any such activity for the purpose of supplying migrant workers solely for his own operation;

"(3) any full-time or regular employee of any entity referred to in (1) or (2) above who engages in such activity solely for his employer on no more than an incidental basis;

"(4) any person who engages in any such activity (A) solely within a twenty-five mile intrastate radius of his permanent place of residence and (B) for not more than thirteen weeks per year;

"(5) any person who engages in any such activity for the purpose of obtaining migrant workers of any foreign nation for employment in the United States if the employment is subject to—

"(A) an agreement between the United States and such foreign nation; or

"(B) an arrangement with the government of any foreign nation under which written contracts for the employment of such workers are provided for and the enforcement thereof is provided for through the United States by an instrumentality of such foreign nation;

"(6) any full-time or regular employee of any person holding a certificate of registration under this Act; or

"(7) any common carrier or any full-time regular employee thereof engaged solely in the transportation of migrant workers."

Sec. 3. Section 3(d) of the Act is amended to read as follows:

"(d) The term 'agricultural employment' means employment in any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)), or section 3121(g) of the Internal Revenue Code of 1954 (26 U.S.C. 3121(g)) and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.".

Sec. 4. Section 4 of the Act is amended by adding at the end thereof the following new subsections:

"(c) No person shall engage the services of any farm labor contractor to supply farm laborers unless he first determines that the farm labor contractor possesses a certificate from the Secretary that is in full force and effect at the time he contracts with the farm labor contractor.

"(d) Upon determination by the Secretary that any person knowingly has engaged the services of any farm labor contractor who does not possess such certificate as required by subsection (c) of this section, the Secretary is authorized to deny such person the facilities and services authorized by the Act of June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly referred to as the Wagner-Peyser Act, for a period of up to three years.".

Sec. 5. Section 5(a) is amended by—

(1) striking the word "and" after paragraph (2),

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) adding the following new paragraphs:

"(4) has filed, under such terms as the Secretary may prescribe, a statement identifying each vehicle to be used by the applicant for the transportation of migrant workers, and all real property to be used by the applicant for the housing of migrant workers, during the period for which registration is sought, along with proof that every such vehicle and all such housing currently conform to all applicable Federal and State safety and health standards to the extent that such vehicle and all such housing are under the applicant's ownership or control; and

"(5) has consented to designation of the Secretary as the agent available to accept service of summons in any action against such farm labor contractor at any and all times during which such farm labor contractor has departed from the jurisdiction in which such action is commenced or otherwise has become unavailable to accept service, under such terms and conditions as are set by the court in which such action has been commenced.".

Sec. 6. Section 5(a)(2) is amended by striking the second sentence and inserting in lieu thereof the following: "In no event shall the amount of such insurance be less than the amount currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, or amounts offering comparable protection to persons or property from damages arising out of the applicant's ownership of, operation of, or his causing to be operated any vehicle as provided herewith: *Provided,* That the Secretary shall have the discretion to issue regulations requiring insurance in the highest amounts feasible which are less than the amounts currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, if the Secretary, after due and careful consideration, determines that the insurance coverage in such amounts is not available to farm labor contractors in the same manner and in the same amounts as such coverage is available to other carriers used to transport passengers in interstate commerce;".

Sec. 7. Section 5(b) is amended by—

(1) striking "or" at the end of paragraph (9);

(2) striking the period at the end of paragraph (10) and inserting a semicolon in lieu thereof; and

(3) adding after paragraph (10) the following new paragraphs:

"(11) is not in fact the real party in interest in any such application or certificate of registration and that the real party in interest is a person, firm, partnership, association, or corporation who previously has been denied a certificate of registration, has had a certificate of registration suspended or revoked, or who does not presently qualify for a certificate of registration; or

"(12) has used a vehicle for the transportation of migrant workers, or has used real property for the housing of migrant workers, while such vehicle or real property failed to conform to all applicable Federal and State safety and health standards, to the extent any such vehicle or real property has come within the ownership or control of such farm labor contractor."

(4) striking "or prostitution", at the end of paragraph (7) and adding in lieu thereof the following: "prostitution, or peonage; where the date of the judgment of conviction of any crime as specified herein has been entered within a period of five years preceding the action of the Secretary under this subsection";

(5) striking all after the word "utilized" in paragraph (6) and inserting in lieu thereof the following: ", with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment;".

Sec. 8. Section 5 is amended by adding at the end thereof the following new subsection:

"(d) Persons issued a certificate of registration under this section shall provide to the Secretary, a notice of each and every address change within ten days after such change. The Secretary shall maintain a public central registry of all persons issued certificates of registration under this section. Persons issued a certificate of registration under this section shall provide to the Secretary documentation required under section 5(a)(4) of the Act applicable to any vehicle which the applicant obtains for use in the transportation of migrant workers and any real property which the applicant obtains or learns will be used for the housing of migrant workers during the period for which the certificate of registration is issued, within ten days after he obtains or learns of the intended use of such vehicle or real property, to the extent that such vehicle or such real property is under the ownership or control of such persons who have been issued certificates of registration.".

Sec. 9. Section 6(a) of the Act is amended by inserting immediately before the semicolon at the end thereof the following: "and shall be denied the facilities and services authorized by the Act of June 6, 1933 (29 U.S.C. 49 et seq.), upon refusal or failure to exhibit the same".

Sec. 10. Section 6(b) of the Act is amended by striking the word "and" before paragraph (5), and by striking the semicolon at the end of paragraph (5) and adding at the end thereof the following: "(6) the period of employment, (7) the existence of a strike or other concerted stoppage, slowdown, or interruption of operations by employees at a place of contracted employment, and (8) the existence of any arrangements with any owner, proprietor, or agent of any commercial or retail establishment in the area of employment under which he is to receive a commission or any other benefit resulting from any sales provided to such commercial or retail establishment from the migrant workers whom he recruits. The disclosure required under this subsection shall be in writing in a language in which the worker is fluent, and written in a manner understandable by such workers on such forms and under such terms and conditions as the Secretary shall prescribe."

Sec. 11. (a) Section 6 is amended by—

(1) striking "and" after paragraph (d),

(2) striking the period at the end of paragraph (e) and inserting in lieu thereof a semicolon, and

(3) adding at the end thereof the following new paragraphs:

"(f) refrain from recruiting, employing, or utilizing, with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment;

"(g) promptly pay or contribute when due to the individuals entitled thereto all moneys or other things of value entrusted to the farm labor contractor by any farm operator for such purposes; and

"(h) refrain from requiring any worker to purchase any goods solely from such farm labor contractor or any other person."

(b) Section 6(e) of the Act is amended by striking "interstate" each time it appears.

(c) Section 6(e) of the Act is further amended by striking the last sentence and substituting the following: "He shall additionally provide to the person to whom any migrant worker is furnished all information and records required to be kept by such contractor under this subsection, and all information required to be provided to any migrant worker under this subsection. The Secretary may prescribe appropriate forms for the recording of information required by this subsection;".

(d) Section 2(b) of the Act is amended by striking the word "interstate" the second time it appears.

Sec. 12. Section 7 is amended by adding at the end thereof the following: "The Secretary may issue subpenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary may administer oaths and affirmations, examine witnesses, and receive evidence. For the purpose of any hearing or investigation provided for in this chapter, the provisions of sections 9 and 10 of the Federal Trade Commission Act of September 16, 1914 (15 U.S.C. 49, 50) (relating to the attendance of witnesses and the production of books, papers, and documents), are made applicable to the jurisdiction, powers, and duties of the Secretary. The Secretary shall conduct investigations in a manner which protects the confidentiality of any complainant or other party who provides information to the Secretary with respect to which the Secretary commences an investigation. The Secretary shall monitor and investigate activities of farm labor contractors in such manner as is necessary to enforce the provisions of this Act.".

Sec. 13. Section 9 of this Act is amended by inserting the subsection designation "(a)" at the beginning thereof; by striking out "or any regulation prescribed hereunder"; and by striking the period at the end thereof and adding the following: ", sentenced to a prison term not to exceed one year, or both, and upon conviction for any subsequent violation, shall be punishable by a fine not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both. The Secretary shall report on enforcement of the provisions of this Act in the annual report of the Secretary required pursuant to section 9 of the Act entitled 'An Act to create a Department of Labor', approved March 4, 1913 (37 Stat. 738, 29 U.S.C. 560). The reporting hereunder shall include, but shall not be limited to, a description of efforts to monitor and investigate the activities of farm labor contractors, the number of persons to whom certificates of registration have been issued, the number of complaints of violation received by the Secretary and their disposition, and the number and nature of any sanctions imposed.

"(b)(1) Any person who commits a violation of this Act or any regulations promulgated under this Act, may be assessed a civil money penalty of not more than $1,000 for each violation. The penalty shall be assessed by the Secretary upon written notice, under the procedures set forth herein.

"(2) The person assessed shall be afforded an opportunity for agency hearing, upon request made within thirty days after the date of issuance of the notice of assessment. In such hearing, all issues shall be determined on the record pursuant to section 554 of title 5, United States Code. The agency determination shall be made by final order subject to review only as provided in paragraph (3). If no hearing is requested as herein provided, the assessment shall constitute a final and unappealable order.

"(3) Any person against whom an order imposing civil money penalty has been entered after an agency hearing under this section may obtain review by the United States district court for any district in which he is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within thirty days from the date of such order, and simultaneously sending a copy of such notice by registered mail to the Secretary. The Secretary shall promptly certify and file in such court the record upon which the penalty was imposed. The findings of the Secretary shall be set aside if found to be unsupported by substantial evidence as provided by section 706(2)(E) of title 5, United States Code.

"(4) If any person fails to pay an assessment after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the Secretary shall refer the matter to the Attorney General, who shall recover the amount assessed by action in the appropriate United States district court. In such action the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

"(5) All penalties collected under authority of this section shall be paid into the Treasury of the United States.

"(c) Notwithstanding subsections (a) and (b) of this section, any farm labor contractor who commits a violation of subsection 6(f) of the Act or any regulations promulgated thereunder shall upon conviction be fined not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both, if the person committing such violation has failed to obtain a certificate of registration pursuant to this Act or is one whose certificate has been suspended or revoked by the Secretary."

Sec. 14. (a) The Farm Labor Contractor Registration Act of 1963 is amended by redesignating sections 12, 13, and 14 thereof as sections 15, 16, and 17, respectively, and by inserting after section 11 the following:

"CIVIL RELIEF

"Sec. 12. (a) Any person claiming to be aggrieved by the violation of any provision of this Act or any regulation prescribed hereunder may file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties and without regard to exhaustion of any alternative administrative remedies provided herein.

"(b) Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the action. If the court finds that the respondent has intentionally violated any provision of this Act or any regulation prescribed hereunder, it may award damages up to and including an amount equal to the amount of actual damages, or $500 for each violation, or other equitable relief. Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

"(c) If upon investigation the Secretary determines that the provisions of this Act have been violated, he may petition any appropriate district court of the United States for temporary or permanent injunctive relief.

"(d) Except as provided in section 518(a) of title 28, United States Code, relating to litigation before the Supreme Court, the Solicitor of Labor may appear for and represent the Secretary in any civil litigation brought under this Act but all such litigation shall be subject to the direction and control of the Attorney General.

"DISCRIMINATION PROHIBITED

"Sec. 13. (a) No person shall intimate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against any migrant worker because such worker has, with just cause, filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act or has testified or is about to testify in any such proceedings or because of the exercise, with just cause, by such worker on behalf of himself or others of any right or protection afforded by this Act.

"(b) Any worker who believes, with just cause, that he has been discriminated against by any person in violation of this section may, within one hundred eighty days after such violation occurs, file a complaint with the Secretary alleging such discrimination. Upon receipt of such complaint, the Secretary shall cause such investigation to be made as he deems appropriate. If upon such investigation, the Secretary determines that the provisions of this section have been violated, he shall bring action in any appropriate United States district court against such person. In any such action the United States district courts shall have jurisdiction, for cause shown, to restrain violation of subsection (a) and order all appropriate relief including rehiring or reinstatement of the worker, with back pay, or damages.

"RECORDKEEPING

"Sec. 14. Any person who is furnished any migrant worker by a farm labor contractor shall maintain all payroll records required to be kept by such person under Federal law, and with respect to migrant workers paid by a farm labor contractor such person shall also obtain from the contractor and maintain records containing the information required to be provided to him by the contractor under section 6(e) of the Act."

Sec. 15. The Act is amended by addition at the end thereof of the following new sections:

"WAIVER OF RIGHTS

"Sec. 18. Any agreement by an employee purporting to waive or to modify his rights hereunder shall be void as contrary to public policy, except a waiver or modification of rights or obligations hereunder in favor of the Secretary shall be valid for purposes of enforcement of the provisions of the Act.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 19. There are authorized to be appropriated to carry out the purposes of this Act such sums as may be necessary for the effective enforcement of this Act.

Sec. 16. Section 17 of the Act (as redesignated by this Act) is amended by striking "of sections 4, 5, 6, and 8".

Mr. FORD (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate bill be dispensed with and that it be considered as read and printed in the Record at this point.

The **SPEAKER**. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I ask unanimous consent to dispense with the reading and ask that it be considered read and printed in the RECORD.

Mr. Speaker, S. 3202 is identical to H.R. 17474 which was reported to the House yesterday by the Committee on Education and Labor (House Rept. No. 93–1493).

At the outset, Mr. Speaker, I want to comment on the cooperative, bipartisan spirit which has been present throughout the drafting and processing of this legislation. My distinguished colleague from Indiana (Mr. LANDGREBE) has demonstrated from the beginning a determination to correct the deficiencies in the existing law, and this bill is the result of compromises, negotiations, and true bipartisanship.

This legislation is before us today because its precursor was vetoed by the President on October 29. The section to which the President objected, an amendment to the Longshoremen's and Harbor Workers' Compensation Act, has been removed. However, he did express support of the provisions of the legislation, which remain basically the same, designed to strengthen the protections of the migrant farmworkers under the existing law, and there is every reason to believe that S. 3202 can be promptly signed into law, once adopted by this body.

On two separate occasions, the House has approved similar legislation; once by initial passage of the H.R. 13342 on May 7, and again by accepting a Senate-passed version with an amendment on October 11. On neither occasion was there an objection to this effort to protect migrant workers further from the all too frequent abuses of contractors or "crew leaders."

In addition to removing the section mentioned, S. 3202 and H.R. 17474 as reported make several minor changes in the legislation as passed earlier.

Language has been added to this legislation in an attempt to allay concerns that it would unintentionally interfere with a long-standing, traditional relationship which has developed over the years between growers and students and between growers and adults in the hand-harvesting of certain crops in the Pacific Northwest regions.

Because of the interest of my colleague from the State of Washington (Mr. MEEDS), language was also added in the House report to stress that the Committee in no way feels that the relationship between growers and the students and the adults, who are permanent residents of the area, constitutes a farm labor contractor relationship as defined by the act.

A major goal of this legislation is to include in the definition of farm labor contractor those who previously had been excluded by an exemption for intrastate operations and for operations involving fewer than 10 workers. However, it is clear that neither the existing law nor this legislation in any way disturbs or affects the operations about which my colleague from Washington (Mr. MEEDS) is concerned.

The vetoed bill required that a grower observe a registration certificate in the possession of a contractor. To allow for better enforcement, the bill before us requires a determination by the grower of possession of a certificate. This determination is to be an affirmative duty of the grower and not one fulfilled by merely posing the question to a contractor.

While criminal penalties are provided only for violation of statutory language, civil penalties are made available for violation of provisions of the act as well as regulations promulgated thereunder.

A worker who believes he has been discriminated against because of his exercise of a right secured under the act has 180 days in which to file a complaint with the Secretary of Labor and the district courts are granted jurisdiction to restrain violation and order appropriate relief, including his rehiring or reinstatement with back pay, or damages.

Mr. Speaker, in view of the obvious bipartisan approval of this legislation as evidenced in subcommittee efforts, in the Committee on Education and Labor and in the previous passage by the House, I move the adoption of S. 3202.

Mr. FORD. Mr. Speaker, I yield now to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. I thank the gentleman for yielding.

Mr. Speaker, I have had the pleasure of working very closely with the gentleman from Michigan on the whole process that this bill has gone through, and I personally am convinced that it is in better shape now than it has ever been. I want to thank the gentleman from Michigan again for his spirit of cooperation and determination in yielding to the points made by the minority side of the House.

Mr. Speaker, the amendment to the Farm Labor Contractor Registration Act being offered today in H.R. 17474 is actually a better bill than we had before the House in H.R. 13342, which the President vetoed because it contained a nongermane amendment. H.R. 17474 is similar to H.R. 13342 except in respect to the following:

First. It deletes the section which amended the Longshoremen's and Harbor Workers' Compensation Act, which caused the veto of the original bill;

Second. It reinserts an exemption for contractors—housewives, teachers, et cetera—operating within a 25-mile radius of their home and for no more than 13 weeks a year. The 25-mile radius was thought to exempt those "berry picking" operations in the Northwest, as well as other temporary, short-haul help. In some areas of our country, it is traditional for students and families to assist in picking or harvesting crops. We just do not want a mother or father or teacher required to register where these traditions still exist;

Third. It requires a grower to "first determine" that a crew leader possesses a certificate of registration before dealing with him, rather than just "observing" a certificate. As this was original intent, the technical language change is acceptable since it will provide more easily for regulation;

Fourth. It will now provide for both civil and criminal proceedings for violations of the act, but still only civil proceedings for violation of regulations. We expect the Secretary to follow only one avenue of enforcement and not engage in undue harassment of respondents and we believe, in practice, the Secretary will only pursue one means of enforcement. However, there are exceptional cases where the Secretary may need alternative approaches and, since we are attempting to strengthen the enforcement of the act, we felt the Secretary should be allowed to use discretion; and

Fifth. H.R. 17474, in the nondiscrimination clause, extends the time for filing a complaint to 180 days, similar to the provision of the NLRA. The bill also allows for back pay, in addition to rehiring or reinstatement, with procedural safeguards and the right of appeal. Also we had originally limited damages, but as damages may, in many instances, exceed backpay or exceed a $1,000 limit, we thought it best to remove the limitation. Again, the rights of appeal are insured, so no abuses will take place.

However, in regard to the "with just cause" phrase, in the nondiscrimination clause, it was my intention, in writing that phrase, for it to mean just what it says. It means the employee must have just cause to file a complaint, and that the Secretary shall have just cause for bringing any action. The burden of proof does not rest with the respondent, but it does rest with the party bringing the allegation.

Besides those slight changes from our original bill, we have provided report language: explaining the "berry picking" exemption; clarifying the question of foremen who work permanently and full time for an employer; and clarifying the present regulations under the FLCRA regarding passage of title to crops. Unless the interpretation of the regulations is corrected, processors would have been required to register as contractors if they acquired title to any of the crops handled by them at the time of delivery or at the time of harvest rather than prior to harvest.

Again, I want to thank Chairman FORD for his bipartisan approach to this legislation and congratulate him and his capable staff for a very professional job. I urge my colleagues to support these amendments.

Mr. FORD. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. I thank the gentleman for yielding.

Mr. Speaker, the amendments which we are considering to the Farm Labor Contractor Registration Act of 1963 deserve the support of the House, and the President has already indicated he will sign them into law. Again, the Representative from Michigan (Mr. Ford) and the Representative from Indiana (Mr. Landgrebe) deserve to be complimented for their continued support of these amendments and their bipartisan approach.

Let me just clarify my understanding of a few of the provisions. We have imposed on those with whom a crew leader deals the obligation to first determine that the crew leader possesses a certificate and to keep records. These are not unduly burdensome requirements and will assist in enforcement. Although these growers and processors may be held liable for their failures to observe those two requirements, it is my understanding that there is no residual responsibility in them for the crew leaders' abuses and failures.

Additionally, these amendments now allow the Secretary of Labor to proceed either criminally or civilly for violations of the act itself. That raised some question in my mind that undue harassment may take place and I originally felt we should have the Secretary of Labor elect which avenue of enforcement he would take. However, I now feel that no election is necessary since in practical application, the Secretary will probably take only one avenue to enforcement. To allow the Secretary the discretion of proceeding by the civil route makes enforcement less difficult and possibly more equitable. However, there are those exceptional cases where farm workers have been held in virtual slavery for long periods of time, and other such unusual cases, and in such circumstances, we should allow the Secretary to proceed in the manner he sees fit. Our report, similar to the report in the Senate, states that it is the intention of the committee that the availability of both civil and criminal sanctions will not result in undue harassment or abuse of process.

One other comment—as the originator of the nondiscrimination clause, Representative Landgrebe acted to create a new right under the act. It would seem that his interpretation of that particular clause should be given great weight. I supported him in his effort and it is our intention that discrimination claims must be carefully scrutinized before proceedings are brought, so as to discourage frivolous discriminatory complaints. We would expect the language of the discrimination section to be read as written, and that would require the Secretary to prove a prima facie case before the burden of proof shifts to the respondent or the person claimed to be in violation. This intent is reemphasized by the elimination of the presumption of retaliatory action from the original Senate bill.

With these clarifying statements, I support the bill, H.R. 17474, and urge my colleagues to do likewise.

Mr. FORD. Mr. Speaker, I move the previous question on the Senate bill.

The previous question was ordered.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE A REPORT ON H.R. 16994, TO AMEND THE INTERNAL REVENUE CODE OF 1954

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Tuesday, November 26, 1974, to file a report on the bill, H.R. 16994, to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer, along with any minority, dissenting, or separate views, if any.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CONFERENCE REPORT ON H.R. 15580, MAKING APPROPRIATIONS FOR DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE

Mr. FLOOD. Mr. Speaker, I call up the conference report on the bill (H.R. 15580) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 21, 1974.)

Mr. FLOOD (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, the conference agreement which is before us today provides appropriations totaling $33,045,856,000 for the programs administered by the Departments of Labor, and Health, Education, and Welfare and related agencies.

The amount recommended by the conferees is $485,239,000 below the budget estimates, $110,685,000 below the House bill, and $65,286,000 below the Senate bill.

Now $33 billion is a lot of money, but, as I have pointed out on many occasions, it is only a small portion of the annual spending for the agencies covered by this bill. If you add in the trust funds, plus the appropriations which will be carried in supplemental appropriations bills for fiscal year 1975, you will get a spending figure in the neighborhood of $126 billion for the agencies covered by this bill.

This has been a long and difficult conference. There were 98 amendments in disagreement, and within many of these amendments there were often 8 or 10 individual items of difference which had to be discussed and resolved.

This conference agreement is the result of a very conscientious effort on the part of all of the conferees to do justice to the tremendous demand for more spending for labor, health, education, and welfare programs on the one hand, and our desire to combat inflation and hold down the Federal deficit, on the other. This is not an easy task—it is like walking a tightrope—but I believe that the conferees have done their job well, and that this conference report merits your support.

DEPARTMENT OF LABOR

The bill includes $3,356,057,000 for the Department of Labor. This is $356,869,000 more than the budget request, $47,660,000 under the House bill, and $64,850,000 over the Senate bill.

The program which accounts for most of the dollars spent by the Labor Department is comprehensive manpower assistance. These are the funds to carry out the new Comprehensive Employment and Training Act—CETA. The bill includes $2,400,000,000 for these programs, which is an increase of $350,000,000 over the budget request. The Senate cut $125,000,000 from the amount recommended by the House for these programs, and we were able to restore $75,000,000 of that in conference. I should point out that I have within the past few days received a letter from the Secretary of Labor stating that the administration now supports the amount agreed to by the conferees, which means that we really have not exceeded the budget request for this program. Mr. Speaker, with unanimous consent I insert the Secretary of Labor's letter in the Record at this point:

U.S. Department of Labor,
Washington, D.C., November 21, 1974.

Hon. Daniel J. Flood,
Chairman, Subcommittee on Appropriations for Labor-Health, Education and Welfare, Washington, D.C.

Dear Mr. Chairman: I am writing to you to indicate the Administration's support for the 1975 Comprehensive Manpower Assistance (CMA) appropriation level of $2,400 million, which we understand is presently pending Conference Committee action and also for the pending supplemental requests for the Pension program and Employment Standards Administration. We recognize that unemployment is substantially higher now than when the President submitted his request to the Congress last January for a $2,050 million appropriation, and that the level of funding provided to many cities and localities would fall short of their expectations based on their previous years' allocations. At the $2,400 million level, we will be able to assure that all Title I prime sponsors will receive at least 90 percent of their 1974 allocations. However, I wish to emphasize that this policy applies to the present economic situation. As such, this policy must not be construed as a commitment to hold Title I prime sponsors harmless at 90 percent in Fiscal Year 1976.

I would like to reaffirm the Administration's support of the supplemental request for $9,650,000 to administer the new pension reform program authorized under the recently enacted Employee Retirement Income Security Act. This is one of the most important programs initiated in the history of this Nation. The request represents a modest estimate of the minimum effort needed to get this program started. Without timely authorization, we will not be able to meet the provisions of this important new law.

We also strongly support the requested budget amendments to provide additional funds for the Employment Standards Administration to cover new and expanded programs and responsibilities. This request called for no additional funds to the Department since we proposed that increases for the Employment Standards Administration be offset by reductions in other Department appropriations.

I deeply appreciate the efforts you and other Committee members have made to assure adequate preparations in the Congress for dealing with our problems.

Sincerely,

PETER J. BRENNAN,
Secretary of Labor.

There has been a great deal of interest in public service employment in recent months, for obvious reasons. The $2.4 billion recommended by the conferees for comprehensive manpower assistance includes $400,000,000 for public service employment programs under title II of the Comprehensive Employment and Training Act, and at least $280,000,000 for public service employment programs under title I of the act.

Adding to that the funds provided in the supplemental appropriation bill in late June of this year means we have appropriated $1.3 billion for public service employment within the past 6 months.

The standing of the Bureau of Apprenticeship and Training in the Labor Department has aroused a great deal of interest. The conferees agreed that the apprenticeship training programs must be strengthened, and we have provided 75 additional positions for this purpose.

We have also provided an increase of $83,500,000 over the budget to support the State unemployment insurance and employment service offices. We know that, with unemployment on the rise, this will probably not be enough for the administration of unemployment insurance for the whole year, but we want to be sure that at least $18,500,000 provided by the conferees is used for employment services to prevent any cutback in these services, when they are so badly needed.

Of course, we could not pass over the Department of Labor without discussing OSHA—the Occupational Safety and Health Act. First, on the subject of Federal inspectors, we have agreed to an amount necessary to support a compliance inspection staff of 1,100—180 more than the House bill and 320 fewer than the Senate bill. Second, both the House and Senate bills provide $5,000,000 for consultation with small employers who need assistance in complying with the act. Third, we recommend inclusion in the bill of a provision exempting firms employing 10 or fewer persons from the reporting and record-keeping requirements. This should help to relieve small firms of a great deal of burdensome paperwork. The Senate conferees were adamant in their refusal to agree to exempt any firms, regardless of size, from the inspection provisions of the act.

The provision recommended by the conferees includes express language making its terms subject to the Department of Labor's existing regulations in 29 CFR 1904.15. Those regulations presently exempt employers with seven or fewer employees from the OSHA recordkeeping and reporting requirements generally. They also require those employers to keep records and reports for a given calendar year, if BLS notifies them that they have been selected to participate in the BLS annual sample survey of occupational injuries and illnesses. I want to make it clear that for purposes of the BLS sample survey for 1974, employers with 8, 9, or 10 employees are to be treated on the same basis as the employers with 7 or fewer employees. Therefore, when those employers with only 8, 9, or 10 employees receive notice in March 1975 that they must report to BLS on the basis of OSHA records they kept during calendar year 1974, it is clear that those employers will be required to report to BLS.

HEALTH PROGRAMS

We are recommending a total of $3,629,151,000 for the "health" portion of HEW—what used to be known as the Public Health Service. This is $342,017,000 more than the budget request, $331,062,000 more than the House bill, and $136,688,000 below the Senate bill. Both the House and the Senate felt that the budget for the National Institutes of Health was too restrictive, and that, if approved, it would have an adverse effect on the Nation's health research efforts. The conferees recommend a total of $2,090,418,000 for the NIH, an increase of $255,634,000 over the budget request, $303,090,000 over the House bill, and $102,932,000 less than the Senate bill. $252,000,000, or most of the increase over the House bill, is the amount budgeted for research contracts, which was not considered in the House because the authorizing legislation had not been extended at the time the House acted.

Within the NIH totals, the National Cancer Institute deserves special mention. This year's budget estimate for the National Cancer Institute was $600,000,000. The conference report provides $691,666,000, an increase of $91,666,000 over the budget, and $164,180,000 or 31 percent over the 1974 level. We believe that the Congress and the American people wish to continue to place a very high priority on the conquest of this terrible disease.

Furthermore, we expect that a substantial portion of the funds we are appropriating for the National Cancer Institute will be used to support basic research which will help in the prevention and cure of other diseases. Besides the National Cancer Institute, all of the other research institutes will receive increases over the budget and over last year's level. A good part of this increase is necessary to support the continuation of research training programs, which the budget proposed to phase out. This Congress has enacted new legislation to govern the support of research training. We expect the new research training awards which will be possible under this appropriation bill to be made in accordance with the terms and conditions of the new Research Training Act.

Although the NIH accounts for the largest increase in health appropriations, there is a long list of other health programs for which we are providing increases over the budget. These include the following:

Program:	*Increase over budget*
Maternal and child health	+$27,000,000
PHS hospitals	+3,500,000
Emergency medical services	+10,000,000
Venereal Disease	+3,200,000
National Institute of Occupational Safety and Health	+6,138,000
Mental Health	+40,700,000
Drug abuse	+3,284,000
Alcoholism	+46,049,000
Assistance for medical and dental schools in the District of Columbia	+7,500,000

The two major decreases from the budget for health programs are $40,000,000 for health maintenance organizations, and $20,900,000 for professional standards review organizations. It was our considered judgment that these funds could be better used elsewhere in the health budget.

EDUCATION PROGRAMS

For education programs, the conference agreement includes $3,240,379,000, which is $32,824,000 more than the budget, $30,554,000 below the House bill, and $28,072,000 above the Senate bill. Members should keep in mind that most of the funds for elementary and secondary education programs are not in this bill.

The supplemenal appropriation bill, which is now in conference contains over $3 billion for education programs. The education funds in the bill which we are considering here are primarily for higher education and for vocational education. The result of our negotiations with the Senate conferees on the education items is that we came out quite close to the House bill. We agreed to increases over the House bill for basic opportunity grants, State student incentive grants, language training and area studies, public libraries, and undergraduate instructional equipment, and decreases from the amounts provided in the House bill for direct student loans, developing institutions, salaries and expenses, and the National Institute of Education.

The major increases over the budget for education programs will be as follows:

Follow Through	+$18,000,000
Broadcasting facilities	+5,000,000
Vocational education	+20,100,000
Supplemental education opportunity grants	+240,300,000
College work-study	+50,000,000
Direct student loans	+321,000,000
State student incentive grants	+20,000,000
Language training and area studies	+4,000,000
Land grant colleges	+9,500,000
State postsecondary commissions	+3,000,000
University community services	+14,250,000
Veterans cost of instruction payments	+23,750,000
Public libraries	+24,155,000
College libraries	+9,975,000
Undergraduate instructional equipment	+7,500,000

The major decreases from the budget request for education programs are $640,000,000 for basic opportunity grants, $10,000,000 for developing institutions, $60,000,000 for the National Institute of Education, $12,884,000 for salaries and expenses of the Office of Education, and $4,864,000 for the Assistant Secretary for Education.

The key point here is that, for the third consecutive year, the Congress has rejected the administration's proposal to provide a large increase in basic opportunity grants at the expense of the supplementary educational opportunity grants and the direct student loans. I hope that someone at the other end of Pennsylvania Avenue is listening so that we do not have to go through this routine again next year.

OTHER PROGRAMS

Other significant changes from the House bill are increases of $3,220,000 for vocational rehabilitation, $9,000,000 for programs for the aging, $4,000,000 for ACTION, and $2,000,000 for the Corporation for Public Broadcasting; and decreases of $291,133,000 for Public Assistance, $70,000,000 for work incentives, $8,201,000 for salaries and expenses of the Social and Rehabilitation Service, and $11,248,000 for "Departmental Management" in HEW.

The major departures from the budget for programs other than labor, health, and education are increases of $33,920,000 for vocational rehabilitation, $17,000,000 for programs for the aging, and $2,000,000 for the Corporation for Public Broadcasting, and decreases of $70,000,000 for work incentives, $9,684,000 for salaries and expenses of the Social and Rehabilitation Service, $15,208,000 for HEW departmental management, $2,344,000 for ACTION, and $1,169,039,000 for Public Assistance. I shall return to this last reduction in a moment.

To sum up, Mr. Speaker, the conferees are recommending total appropriations for 1975 of $33,045,856,000, which is an increase of $3,937,519,000 over the 1974 appropriations, and a decrease of $485,239,000 from the budget request, $110,685,000 below the House bill, and $65,286,000 below the Senate bill.

POSSIBLE VETO

Mr. Speaker, during the conference on this bill we have received at least two written messages from the President stating that the bill was in danger of being vetoed.

I received a letter from the President which I shall insert in the RECORD at this point:

> THE WHITE HOUSE,
> *Washington, D.C., September 25, 1974.*
>
> Hon. DANIEL J. FLOOD,
> *Chairman, Subcommittee on Labor, Health, Education and Welfare, Washington, D.C.*
>
> DEAR MR. CHAIRMAN: I am writing to express my deep concern over the Labor, Health, Education and Welfare Appropriations Bill as the members of the Conference Committee meet to consider their action on the bill.
>
> As the bill now stands, it would add to inflationary pressures by providing budget authority increases over the 1975 Budget of $750 million in programs for which increases are discretionary. To offset this *real* increase, an *illusory* cut in budget authority for Public Assistance has been made by both Houses. We believe that the combination of the real increases and the illusory cuts will be to produce between $300 and $450 million in net added spending from the Treasury in fiscal year 1975 because when the States present their bills for public assistance payments they have made, I will be forced to request a supplemental and the Congress will have no choice but to enact it. Furthermore the additions proposed in the bill would add to Federal spending commitments for fiscal year 1976, when the need for restraint will be at least as great as it is now.
>
> I recognize that there have been serious efforts by both the House and the Senate to reduce certain discretionary programs. However, the net effect of the House and Senate action is excessive and inflationary, and I urge the Conferees to do everything they can to hold the total bill within the overall spending amounts proposed in the 1975 Budget.
>
> Without such action, I shall have to withhold my approval from this bill.
>
> Sincerely,
>
> GERALD R. FORD.

And, again, just last week, in his message to Congress of November 18, the President said:

> The Labor-HEW and Related Agencies Appropriations Bill is currently in conference. Unfortunately, the totals are excessive. Unless the Congress reduces funding in both the House and Senate versions, I will have no choice but to veto this measure.

Now, since the totals of both the House and Senate bills are below the budget request, one may wonder why the President finds them excessive. The reason is that the President's advisers have told him that the reductions from the budget estimates for public assistance which were made in both House and Senate are not supported by the facts. If the President's advisers are correct in their contention that the full amount of the budget estimate for public assistance will ultimately be required, then the House bill was really $771,450,000 in excess of the budget estimate, and the Senate bill exceeded the budget by $749,086,000. Under the same assumption, budget authority in the conference agreement would exceed the amount in the original budget request by $683,800,000. Taking into account the increase of $350,000,000 in the budget estimate for comprehensive manpower assistance contained in the Secretary of Labor's letter to me of last week, the conference agreement would exceed the budget estimate by a maximum of $333,800,000.

PUBLIC ASSISTANCE ESTIMATES

Mr. Speaker, the background to this year's action by Congress with respect to public assistance is this: For years, the budget estimates for public assistance have been very inaccurate. Year after year, it has been necessary to enact supplemental appropriations for public assistance amounting to as much as a billion dollars because the original budget estimate was so far short of the amount actually required. The chief reason for this seems to have been the sharp increase in numbers of AFDC recipients. Then, beginning with fiscal year 1973, we began to experience another form of inaccuracy, when the administration requested, and Congress approved, a supplemental appropriation of $614,000,000 for public assistance which turned out not to be necessary.

Unfortunately, Congress did not become aware of this fact until after the supplemental appropriation was enacted. For fiscal year 1974, Congress again approved the full budget request for public assistance, but later found out that the budget estimate exceeded actual requirements by $1,188,000,000, and rescinded this amount in the second supplemental appropriation bill for fiscal year 1974. As a result of their experience with the 1973 and 1974 estimates, the staff of the Appropriations Committee sought the assistance of the Congressional Research Service of the Library of Congress in making an analysis of the 1975 estimates. Based on the Congressional Research Service analysis, the House committee made a reduction of $877,906,000 in its action on the 1975 appropriation for public assistance. The Senate made a further reduction of $291,133,000, which was agreed to by the conferees.

The fact is, that as of the present moment no one knows how much will be required for public assistance in fiscal year 1975. In fact, the actual expenditures for 1974 are still not known. On the other hand, no one that I know wants to go through the agony of another veto of the Labor-HEW appropriation bill with the prospect of having to operate these programs under a continuing resolution for the remainder of the year.

The gentleman from Illinois, my distinguished colleague, the ranking minority member of the Labor-HEW subcommittee, deserves the credit for helping us find a way out of this dilemma. As a result of his efforts we have included in the statement of the managers some language calling for a report by the Comptroller General on the public assistance estimates, and committing ourselves to give serious consideration to rescissions and deferrals as the President may propose in accordance with the Budget Control Act. We understand that, in the context of this statement, the bill will be acceptable to the President. I think we are all in debt to my distinguished colleague from Illinois (Mr. MICHEL) for having taken the initiative which brought about this result.

BARTLETT AMENDMENT

Finally, Mr. Speaker, we come to a subject which I wish I did not find it necessary to discuss. As all of the Members of the House must know by now, the other body adopted an amendment to the bill which prohibited the funds in the bill from being used to pay for abortions. I have received thousands of letters from all parts of the United States on the subject of this amendment. Most of them urged support of the amendment. It is obvious that the writers of these letters are speaking from deeply held moral convictions. I, too, am opposed to abortion, except under very special circumstances, and I am opposed to the use of public funds to pay for abortions.

Nevertheless, Mr. Speaker, the conferees were of the opinion that an annual appropriation bill is not the proper place to deal with this question. You will recall that a similar provision was rejected by this House in a recorded vote last June. Certainly, Congress should deal with this subject in a careful and deliberate manner. I strongly urge the appropriate legislative committees to schedule hearings on this subject and to settle this issue once and for all.

Mr. Speaker, I urge the adoption of the conference report and of the motions which I shall offer in connection with the amendments which are reported in disagreement, and I shall insert in the RECORD at this point a detailed table showing the amounts provided in the conference agreement for each appropriation in the bill, together with the appropriate comparisons.

The table follows:

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1975 (H.R. 15580) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY

Agency and item	1974 appropriation	1974 operating level ¹	1975 Budget estimate	1975 House bill	1975 Senate bill	1975 Conference agreement	Conference agreement compared with— 1974 operating level ¹	Conference agreement compared with— Budget 1975	Conference agreement compared with— House	Conference agreement compared with— Senate
TITLE I—DEPARTMENT OF LABOR										
MANPOWER ADMINISTRATION										
Program administration	$71,762,000	$71,762,000	$67,763,000	$67,759,000	$68,259,000	$68,009,000	−$3,753,000	+$246,000	+$250,000	−$250,000
Trust fund transfer	(26,766,000)	(26,766,000)	(28,165,000)	(28,155,000)	(28,165,000)	(28,165,000)	(+1,399,000)			
Comprehensive manpower assistance	2,265,584,000	2,265,584,000	2,050,000,000	2,450,000,000	2,325,000,000	2,400,000,000	+134,416,000	+350,000,000	−50,000,000	+75,000,000
Community service employment for older Americans	10,000,000	10,000,000		10,000,000	20,000,000	12,000,000	+2,000,000	+12,000,000	+2,000,000	−8,000,000
Federal unemployment benefits and allowances	365,000,000	365,000,000	365,000,000	365,000,000	365,000,000	365,000,000				
Grants to States for unemployment insurance and employment services	64,400,000	64,400,000	64,400,000	64,400,000	64,400,000	64,400,000				
Trust fund transfer	(898,400,000)	(840,700,000)	(845,400,000)	(845,400,000)	(975,400,000)	(928,900,000)	(+88,200,000)	(+83,500,000)	(+83,500,000)	(−46,500,000)
Total, Manpower Administration	2,776,746,000	2,776,746,000	2,547,163,000	2,957,159,000	2,842,659,000	2,909,409,000	+132,663,000	+362,246,000	−47,750,000	+66,750,000
LABOR-MANAGEMENT SERVICES ADMINISTRATION										
Salaries and expenses	24,398,000	24,398,000	29,600,000	27,890,000	27,745,000	27,745,000	+3,347,000	−1,855,000	−145,000	
EMPLOYMENT STANDARDS ADMINISTRATION										
Salaries and expenses	57,428,000	57,428,000	69,775,000	69,362,000	69,150,000	69,150,000	+11,722,000	−625,000	−212,000	
Special benefits	138,450,000	138,450,000	165,000,000	165,000,000	165,000,000	165,000,000	+26,550,000			
Total, Employment Standards Administration	195,878,000	195,878,000	234,775,000	234,362,000	234,150,000	234,150,000	+38,272,000	−625,000	−212,000	
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION										
Salaries and expenses	70,408,000	70,408,000	102,500,000	100,816,000	105,206,000	102,006,000	+31,598,000	−494,000	+1,190,000	−3,200,000
BUREAU OF LABOR STATISTICS										
Salaries and expenses	48,635,000	48,635,000	53,250,000	53,000,000	52,872,000	52,872,000	+4,237,000	−378,000	−128,000	
DEPARTMENTAL MANAGEMENT										
Salaries and expenses	24,571,000	24,571,000	31,700,000	30,290,000	28,375,000	29,675,000	+5,104,000	−2,025,000	−615,000	+1,300,000
Trust fund transfer	(797,000)	(797,000)	(820,000)	(820,000)	(820,000)	(820,000)	(+23,000)			
Special foreign currency program			200,000	200,000	200,000	200,000	+200,000			
Total, Departmental Management	24,571,000	24,571,000	31,900,000	30,490,000	28,575,000	29,875,000	+5,304,000	−2,025,000	−615,000	+1,300,000
Total, new budget (obligational) authority, Department of Labor	3,140,636,000	3,140,636,000	2,999,188,000	3,403,717,000	3,291,207,000	3,356,057,000	+215,421,000	+356,869,000	−47,660,000	+64,850,000
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE										
HEALTH SERVICES ADMINISTRATION										
Health services	485,856,000	485,856,000	493,413,000	481,860,000	508,455,000	493,455,000	+7,599,000	+42,000	+11,595,000	−15,000,000
Trust fund transfer	(5,419,000)	(5,419,000)	(5,774,000)	(5,774,000)	(5,774,000)	(5,774,000)	(+355,000)			
Buildings and facilities	9,500,000	9,500,000					−9,500,000			
Total, Health Services Administration	495,356,000	495,356,000	493,413,000	481,860,000	508,455,000	493,455,000	−1,901,000	+42,000	+11,595,000	−15,000,000
CENTER FOR DISEASE CONTROL										
Preventive health services	125,854,000	125,854,000	124,714,000	134,910,000	140,443,000	136,443,000	+10,859,000	+11,729,000	+1,533,000	+4,000,000
NATIONAL INSTITUTES OF HEALTH										
National Cancer Institute	551,191,500	527,486,000	600,000,000	479,506,000	755,000,000	691,666,000	+164,180,000	+91,666,000	+212,160,000	−63,334,000
National Heart and Lung Institute	302,915,000	289,550,000	309,299,000	321,196,000	330,000,000	324,130,000	+34,580,000	+14,831,000	+2,934,000	−5,870,000
National Institute of Dental Research	45,565,500	43,959,000	43,959,000	44,388,000	51,000,000	49,864,000	+5,905,000	+5,905,000	+5,476,000	−1,136,000
National Institute of Arthritis, Metabolism, and Digestive Diseases	159,447,000	152,961,000	152,961,000	162,207,000	178,000,000	173,121,000	+20,160,000	+20,160,000	+10,914,000	−4,879,000
National Institute of Neurological Diseases and Stroke	125,000,000	119,958,000	119,958,000	131,960,000	144,000,000	142,498,000	+22,540,000	+22,540,000	+10,538,000	−1,502,000
National Institute of Allergy and Infectious Diseases	114,000,000	110,404,000	110,404,000	105,843,000	122,000,000	119,452,000	+9,048,000	+9,048,000	+13,609,000	−2,548,000
National Institute of General Medical Sciences	176,778,000	168,329,000	168,329,000	178,108,000	198,000,000	187,400,000	+19,071,000	+19,071,000	+9,292,000	−10,600,000
National Institute of Child Health and Human Development	130,254,000	124,897,000	124,897,000	120,232,000	145,000,000	141,966,000	+17,069,000	+17,069,000	+21,734,000	−3,034,000
National Eye Institute	41,631,000	39,947,000	39,947,000	38,873,000	50,000,000	44,133,000	+4,186,000	+4,186,000	+5,255,000	−5,867,000
National Institute of Environmental Health Sciences	28,879,000	28,397,000	28,684,000	32,594,000	35,000,000	34,949,000	+6,552,000	+6,265,000	+2,355,000	−51,000
Research resources	132,111,000	126,941,000	82,700,000	124,370,000	130,000,000	127,200,000	+259,000	+44,500,000	+2,830,000	−2,800,000

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1975 (H.R. 15580) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY—Continued

Agency and item	1974 appropriation	1974 operating level [1]	1975				Conference agreement compared with—			
			Budget estimate	House bill	Senate bill	Conference agreement	1974 operating level [1]	Budget 1975	House	Senate
John E. Fogarty International Center for Advanced Study in Health Sciences	$4,767,000	$4,767,000	$4,784,000	$5,384,000	$6,000,000	$5,589,000	+$822,000	+$805,000	+$205,000	−$411,000
Subtotal, NIH research institutes	1,812,539,000	1,737,596,000	1,785,922,000	1,744,666,000	2,144,000,000	2,041,968,000	+304,372,000	+256,046,000	+297,302,000	−102,032,000
National Library of Medicine	26,329,000	26,329,000	27,738,000	21,768,000	29,350,000	28,450,000	+2,121,000	+712,000	+6,682,000	−900,000
Buildings and facilities	8,000,000	8,000,000	3,000,000	3,000,000	3,000,000	3,000,000	−5,000,000			
Officer of the Director	12,903,000	12,903,000	18,124,000	17,894,000	17,000,000	17,000,000	+4,097,000	−1,124,000	−894,000	
Total, National Institutes of Health	1,859,771,000	1,784,828,000	1,834,784,000	1,787,328,000	2,193,350,000	2,090,418,000	+305,590,000	+255,634,000	+303,090,000	−102,932,000
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION										
Alcohol, drug abuse, and mental health	802,781,000	793,214,000	692,162,000	761,601,000	811,114,000	781,358,000	−11,856,000	+89,196,000	+19,757,000	−29,756,000
St. Elizabeth's Hospital (indefinite)	41,784,000	41,784,000	42,340,000	42,340,000	42,340,000	42,340,000	+556,000			
Total, Alcohol, Drug Abuse, and Mental Health Administration	844,565,000	834,998,000	734,502,000	803,941,000	853,454,000	823,698,000	−11,300,000	+89,196,000	+19,757,000	−29,756,000
HEALTH RESOURCES ADMINISTRATION										
Health resources	5,000,000	5,000,000			7,500,000	7,500,000	+2,500,000	+7,500,000	+7,500,000	
Payment of sales insufficiencies and interest losses	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000				
Total, Health Resources Administration	9,000,000	9,000,000	4,000,000	4,000,000	11,500,000	11,500,000	+2,500,000	+7,500,000	+7,500,000	
ASSISTANT SECRETARY FOR HEALTH										
Assistant secretary for health	12,945,000	12,945,000	52,299,000	42,628,000	23,215,000	30,215,000	+17,270,000	−22,084,000	−12,413,000	+7,000,000
Trust fund transfer	( )	( )	(27,000,000)	(27,000,000)	(27,000,000)	(27,000,000)	(+27,000,000)	( )	( )	( )
Retirement pay and medical benefits for commissioned officers (indefinite)	34,103,000	34,103,000	43,422,000	43,422,000	43,422,000	43,422,000	+9,319,000			
Scientific activities overseas (special foreign currency program)	1,912,000	1,912,000					−1,912,000			
Total, Assistant Secretary for Health	48,960,000	48,960,000	95,721,000	86,050,000	66,637,000	73,637,000	+24,677,000	−22,084,000	−12,413,000	+7,000,000
EDUCATION DIVISION										
OFFICE OF EDUCATION										
Elementary and secondary education	53,000,000	53,000,000	84,600,000	105,600,000	113,100,000	107,600,000	+54,600,000	+23,000,000	+2,000,000	−5,500,000
Occupational, vocational and adult education	548,603,000	525,064,000	592,276,000	622,892,000	634,851,000	612,376,000	+87,312,000	+20,100,000	−10,516,000	−22,475,000
Higher education	1,889,664,000	1,860,497,000	2,110,023,000	2,145,271,000	2,117,591,000	2,131,271,000	+270,774,000	+21,248,000	−14,000,000	+13,680,000
Library resources	74,385,000	75,447,000	25,000,000	63,724,000	99,857,000	72,224,000	−3,223,000	+47,224,000	+8,500,000	−27,633,000
Educational development	148,670,000	144,408,000					−144,408,000			
Educational activities overseas (special foreign currency program)	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	1,000,000		−1,000,000		
Salaries and expenses	88,641,000	88,548,000	127,284,000	120,808,000	114,400,000	114,400,000	+25,852,000	−12,884,000	−6,408,000	
Student loan insurance fund	88,668,000	88,668,000	115,000,000	115,000,000	115,000,000	115,000,000	+26,332,000			
Higher education facilities loan and insurance fund	2,948,000	2,948,000	2,701,000	2,701,000	2,701,000	2,701,000	−247,000			
Subtotal, Office of Education	2,895,579,000	2,839,580,000	3,058,884,000	3,176,996,000	3,198,500,000	3,156,572,000	+316,992,000	+97,688,000	−20,424,000	−41,928,000
NATIONAL INSTITUTE OF EDUCATION										
National Institute of Education	75,700,000	75,700,000	130,000,000	80,000,000		70,000,000	−5,700,000	−60,000,000	−10,000,000	+70,000,000
OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION										
Salaries and expenses	1,846,000	1,846,000	3,671,000	2,437,000	2,307,000	2,307,000	+461,000	−1,364,000	−130,000	
Improvement of postsecondary education	10,000,000	10,000,000	15,000,000	11,500,000	11,500,000	11,500,000	+1,500,000	−3,500,000		
Subtotal, Assistant Secretary for Education	11,846,000	11,846,000	18,671,000	13,937,000	13,807,000	13,807,000	+1,961,000	−4,864,000	−130,000	
Total, Education Division	2,983,125,000	2,927,126,000	3,207,555,000	3,270,933,000	3,212,307,000	3,240,379,000	+313,253,000	+32,824,000	−30,554,000	+28,072,000
SOCIAL AND REHABILITATION SERVICE										
Public assistance	11,665,279,000	11,662,779,000	13,280,770,000	12,402,864,000	12,111,731,000	12,111,731,000	+448,952,000	−1,169,039,000	−291,133,000	
Work incentives	340,443,000	340,443,000	280,000,000	280,000,000	210,000,000	210,000,000	−130,443,000	−70,000,000	−70,000,000	
Rehabilitation services	888,035,000	887,085,000	737,900,000	768,600,000	784,120,000	771,820,000	−115,265,000	+33,920,000	+3,220,000	−12,300,000)
Salaries and expenses	72,200,000	72,200,000	73,503,000	72,020,000	63,819,000	63,819,000	−8,381,000	−9,684,000	−8,201,000	
Trust fund transfer	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	( )	( )	( )	( )
Total, Social and Rehabilitation Service	12,965,957,000	12,962,507,000	14,372,173,000	13,523,484,000	13,169,670,000	13,157,370,000	+194,863,000	−1,214,803,000	−366,114,000	−12,300,000

See footnotes at end of table.

SOCIAL SECURITY ADMINISTRATION										
Payments to social security trust funds	$3,110,181,000	$3,110,181.000	$3,345,323,000	$3,345,323,000	$3,345,323,00	$3,345,323,000	+$235,142,000			
Special benefits for disabled coal miners	1,013,925,000	1,013,925,000	876,089,000	876,089,000	876,089,000	876,089,000	−137,836,000			
Supplemental security income program	2,211,636,000	2,211,636,000	4,774,000,000	4,774,000,000	4,774,000,000	4,774,000,000	+2,562,364,000			
Limitation on salaries and expenses	(1,887,898,000)	(1,887,898,000)	(2,035,571,000)	(1,992,107,000)	(2,004,729,000)	(2,004,729,000)	(+116,831,000)	(−$30,842,000)	(+$12,622,000)	( )
Limitation on construction	( )	( )	(8,232,000)	(8,232,000)	(8,232,000)	(8,232,000)	(+8,232,000)	( )	( )	( )
Total, Social Security Administration	6,335,742,000	6,335,742,000	8,995,412,000	8,995,412,000	8,995,412,000	8,995,412,000	+2,659,670,000			
SPECIAL INSTITUTIONS										
American Printing House for the Blind	1,817,000	1,817,000	1,967,000	1,967,000	1,967,000	1,967,000	+150,000			
National Technical Institute for the Deaf	6,487,000	6,487,000	9,819,000	9,819,000	9,819,000	9,819,000	+3,332,000			
Model Secondary School for the Deaf	3,975,000	3,975,000					−3,975,000			
Gallaudet College	11,037,000	11,037,000	27,543,000	27,476,000	27,543,000	27,543,000	+16,506,000		+67,000	
Howard University	62,146,000	62,146,000	79,650,000	79,194,000	79,650,000	79,650,000	+17,504,000		+456,000	
Total, Special Institutions	85,462,000	85,462,000	118,979,000	118,456,000	118,979,000	118,979,000	+33,517,000		+523,000	
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT										
Human development	25,020,000	25,020,000	162,700,000	170,530,000	179,950,000	177,950,000	+152,930,000	+15,250,000	+7,420,000	−$2,000,000
OFFICE OF THE SECRETARY										
Office for Civil Rights	19,245,000	19,245,000	22,861,000	22,321,000	22,207,000	22,207,000	+2,962,000	−654,000	−114,000	
Trust fund transfer	(1,253,000)	(1,253,000)	(1,466,000)	(1,466,000)	(1,466,000)	(1,466,000)	(+213,000)	( )	( )	( )
Departmental management	61,134,000	61,134,000	97,930,000	93,970,000	78,754,000	82,722,000	+21,588,000	−15,208,000	−11,248,000	+3,968,000
Trust fund transfer	(7,890,000)	(7,890,000)	(8,255,000)	(8,255,000)	(8,255,000)	(8,255,000)	(+365,000)	( )	( )	( )
Total, Office of the Secretary	80,379,000	80,379,000	120,791,000	116,291,000	100,961,000	104,929,000	+24,550,000	−15,862,000	−11,362,000	+3,968,000
Total, new budget (obligational) authority, Department of Health, Education, and Welfare	25,859,191,000	25,715,232,000	30,264,744,000	29,493,195,000	29,551,118,000	29,424,170,000	+3,708,938,000	−840,574,000	−69,025,000	−126,948,000
Consisting of—										
Definite appropriations	25,783,304,000	25,639,345,000	30,178,982,000	29,407,433,000	29,465,356,000	29,338,408,000	+3,699,063,000	−840,574,000	−69,025,000	−126,948,000
Indefinite appropriations	75,887,000	75,887,000	85,762,000	85,762,000	85,762,000	85,762,000	+9,875,000			
TITLE III—RELATED AGENCIES										
Action (domestic programs)	91,760,000	91,760,000	102,344,000	96,000,000	100,000,000	100,000,000	+8,240,000	−2,344,000	+4,000,000	
Corporation for Public Broadcasting	[2] 50,000,000	[2] 47,750,000	[2] 60,000,000	[2] 60,000,000	[2] 65,000,000	[2] 62,000,000	+14,250,000	+2,000,000	+2,000,000	−3,000,000
Federal Mediation and Conciliation Service	11,900,000	11,900,000	15,970,000	15,521,000	15,521,000	15,521,000	+3,621,000	−449,000		
National Commission on Libraries and Information Science	406,000	406,000	502,000	409,000	409,000	409,000	+3,000	−93,000		
National Labor Relations Board	56,057,000	56,057,000	61,400,000	60,980,000	60,980,000	60,980,000	+4,923,000	−420,000		
National Mediation Board	2,930,000	2,930,000	3,206,000	3,186,000	3,186,000	3,186,000	+256,000	−20,000		
Occupational Safety and Health Review Commission	4,890,000	4,890,000	5,720,000	5,512,000	5,700,000	5,512,000	+622,000	−208,000		−188,000
Railroad Retirement Board:										
Payments for military service credits	22,478,000	22,478,000	3,516,000	3,516,000	3,516,000	3,516,000	−18,962,000			
Limitation on salaries and expenses	(22,717,000)	(22,717,000)	(26,061,000)	(24,336,000)	(24,336,000)	(24,336,000)	(+1,619,000)	(−1,725,000)	( )	( )
Soldiers' and Airmen's Home (trust fund appropriation):										
Operation and maintenance	13,842,000	13,842,000	14,505,000	14,505,000	14,505,000	14,505,000	+663,000			
Capital outlay	456,000	456,000					−456,000			
Total, new budget (obligational) authority, related agencies	254,719,000	252,469,000	267,163,000	259,629,000	268,817,000	265,629,000	+13,160,000	−1,534,000	+6,000,000	−3,188,000
Grand total, new budget (obligational) authority	29,254,546,000	29,108,337,000	33,531,095,000	33,156,541,000	33,111,142,000	33,045,856,000	+3,937,519,000	−485,239,000	−110,685,000	−65,286,000
Consisting of—										
Definite appropriations	29,173,659,000	29,027,450,000	33,440,333,000	33,065,779,000	33,020,380,000	32,955,094,000	+3,927,644,000	−485,239,000	−110,685,000	−65,286,000
Indefinite appropriations	80,887,000	80,887,000	90,762,000	90,762,000	90,762,000	90,762,000	+9,875,000			

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[1] The enacting clause of the Departments of Labor, Health, Education, and Welfare, and Related Agencies Appropriation Act, 1974 (Public Law 93–192) contained a proviso which permitted, but did not require, the President to withhold from obligation and expenditure not to exceed $400,000,000 of the amount contained in the Act. It was further provided that in so doing, the President could not reduce any appropriation in the Act, or any activity, program, or project within an appropriation, by more than 5 percent.

[2] Includes $5,00,000,000 indefinite appropriation.

Note: Consideration of budget requests for several appropriations, as well as portions of requests for other appropriations, was deferred in this bill because authorizing legislation for them for fiscal year 1975 either was not enacted in time or still has not been enacted. The deferred items are shown in the following table:

Item	Amount
Department of Health, Education, and Welfare:	
Health services (portion of request)	$429,992,000
Preventive health services (portion or request)	13,100,000
Health resources	456,880,000
Elementary and secondary education (portion of request)	2,136,218,000
School assistance in federally affected areas	340,300,000
Emergency school aid	75,000,000
Education for the handicapped	147,109,000
Occupational, vocational, and adult education (portion of request)	67,286,000
Library resources (portion of request)	90,250,000
Rehabilitation services (portion of request)	41,125,000
Human development (portion of request)	576,600,000
Department management (portion of request)	20,810,000
Related agencies: Cabinet Committee on Opportunities for Spanish-Speaking People	1,048,000
Total, budget request not considered	4,395,718,000

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentlewoman from New York.

Ms. ABZUG. I am pleased to see that the conference report has eliminated that provision that the other body proposed, and I wish to emphasize that a substantially identical amendment was overwhelmingly defeated in this body last June, with most of the House conferees voting against such a provision. It is encouraging to see the will of this body reflected in the conference report.

Beyond that, I would like to say that it is encouraging to see some recognition of the constitutional principles laid down by the U.S. Supreme Court almost 2 years ago in Roe against Wade and Doe against Bolton. But, although the conference report cites the challenged constitutionality of the Bartlett amendment as one reason for striking it, it also contains a recommendation that early consideration be given to legislation dealing with abortion.

It would seem to me that the law is well settled by now. Numerous lower Federal court decisions interpreting the Supreme Court's rulings in the above-mentioned cases have reinforced the constitutionally protected right of a woman to determine what happens to her own body and the proscription against Federal or State action limiting this right except in unusual, compelling circumstances. Any remaining doubts should have been dispelled by the legal analysis recently prepared by the Library of Congress on this very issue, which I would like to insert in the RECORD at this point:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., October 4, 1974.

CONSTITUTIONALITY OF BARTLETT AMENDMENT BANNING USE OF DHEW AND DOL FISCAL YEAR 1975 FUNDS FOR ABORTIONS

(By Morton Rosenberg, legislative attorney, American Law Division)

This is in response to your request for an analysis of the constitutionality of the Bartlett Amendment (#1859) to the Department of Labor, Department of Health, Education and Welfare appropriations bill (H.R. 15580) which would impose a ban on the use of funds alloted to DOL and DHEW "to pay for or encourage" abortion. The amendment was adopted on September 17. The bill passed the Senate on September 18 and is now in conference.[1] The amendment reads as follows:

"No part of the funds appropriated under this Act shall be used in any manner directly or indirectly to pay or encourage the performances of abortion except such abortions as are necessary to save the life of the mother."

In view of recent court decisions involving the attempts of states to similarly withhold funds for abortions, and other decisions in closely related areas, it would appear that the constitutionality of the Bartlett amendment is open to serious question.

In its landmark abortion decisions, *Roe* v. *Wade,* 410 U.S. 113 (1973) and *Doe* v. *Bolton,* 410 U.S. 179 (1973) the Supreme Court ruled that states may not categorically proscribe abortions by making their performance a crime, and that they may not make abortions unnecessarily difficult to obtain by prescribing elaborate procedural guidelines. The constitutional basis for the *Roe* decision rested upon the conclusion that the Fourteenth Amendment right of personal privacy "is broad enough to encompass a woman's decision whether or not to terminate her pregnancy." Since the right of personal privacy is a fundamental right, only compelling state interests can justify its limitation by a state. While the Court recognized the legitimacy of the state interest in protecting maternal health and preserving the life of the fetus, it held these interests insufficient to justify an absolute ban on abortions. Instead, the Court emphasized the durational nature of pregnancy and held the state's interest to be sufficiently compelling to permit curtailment or prohibition of abortion only during specified stages of pregnancy. The Court concluded that until the end of the first trimester an abortion is no more dangerous to maternal health than child birth itself, and found that:

"[w]ith respect to the state's important and legitimate interest in the health of the mother, the "compelling" point, in light of present medical knowledge, is at approximately the end of the first trimester."

Only after the first trimester does the states' interest in protecting maternal health provide a sufficient basis to justify state regulation of abortion, and then only to the extent to protect this interest.

Doe, which struck down state requirements that abortions be performed in licensed hospitals, reiterates the holding of *Roe* that the basic decision of when an abortion is proper rests with the pregnant woman and her doctor, but extended *Roe* by warning that just as states may not prevent abortions by making their performance a crime, they may not make abortions unreasonably difficult to obtain by prescribing elaborate procedural barriers.

The Supreme Court's decisions have fostered hostile reactions in many states and has resulted in enactments or agency actions that overtly conflict with those rulings. Often these state actions have taken the form of indirect deterrence through influencing considerations thought to be related to a woman's decision to abort. One of the most important of these is lack of money. Thus, some states have attempted to deter abortions by limiting the scope of Medicaid coverage. Thusfar, all such actions have been struck down by federal courts which have had occasion to deal with them.

The earliest litigation on the scope of Medicaid coverage arose in New York after that state's liberalized abortion law went into effect in 1970. For nine months the program paid for all abortions. Then, the New York Commissioner of Social Services issued a directive allowing compensation only for those abortions that were medically required. The New York Court of Appeals, reversing the lower courts, sustained the validity of the directive. But in a challenge brought in a federal court, in *Klein* v. *Nassau County Medical Center,* 347 F. Supp. 496 (E.D. N.Y. 1972), a three judge district court found that the directive, and the New York Medicaid statute if interpreted as mandating the directive, deprived indigents of equal protection of the laws. The court reasoned that all pregnant women have the right to decide whether or not to bear children; the state medicaid program, by paying for childbirth, but not elective abortions, deprived indigent women of this right and forced them to carry their children to term for economic reasons. The *Klein* case reached the Supreme Court after *Roe* and *Doe* were decided. The Court vacated the district court decision and remanded for further consideration in light of those decisions. *Commissioner of Social Service* v. *Klein,* 412 U.S. 925 (1973). It would not appear, however, that any negative implication may be drawn from the remand since the Court has summarily disposed of, or denied certiorari in, all subsequent cases that might have involved reassessing or expanding its decisions in *Roe* and *Doe.*

Court decisions since *Roe* and *Doe* have interpreted them as forbidding unduly restrictive requirements for Medicaid sponsored abortions. In *Doe* v. *Rampton,* 366 F. Supp. 189 (D. Utah, 1973), a three judge district court held unconstitutional Utah statutes which would have limited payments for therapeutic abortions. Judge Ritter, writing for the court, emphasized that the legislatively imposed Medicaid restrictions were unconstitutional because they limited the "exercise of the right to an abortion by the poor in all trimesters, for reasons having no apparent connection to the health of the mother or child."

In another Utah case, the Tenth Circuit Court of Appeals overruled an attempt to limit the use of Medicaid funds for abortions, this time under the guise of requirements issued by the states welfare agency. *Doe* v. *Rose,* 499 F. 2d 1112 (10th Cir., 1974). In that case the policy of the Executive Director of the Utah State Department of Social Services was that indigent pregnant women entitled to medical services and care for pregnancy under its Medicaid program were not entitled to an abortion at the expense of Medicaid unless an application for it was approved by him as being a therapeutic abortion. He defined therapeutic abortions as one necessary to save the life of the expectant mother or to prevent serious and permanent impairment to her physical health, and none other. In holding the informal policy of the Executive Director unconstitutional under the Fourteenth amendment, the Court concluded that his "broad abortion policy is intended to limit abortion on moral grounds. Under the authorities above cited, (among others, the Court cited *Klein, Rampton, Hathaway* v. *Worcester City Hospital,* and *Roe* v. *Wohlgemuth,* the latter two of which are discussed below), such policy constitutes invidious discrimination and cannot be upheld under constitutional challenge."

A similar result obtained in *Doe* v. *Wohlgemuth,* 376 F. Supp. 173 (D.C.W.D. Pa. 1974), an action challenging the state's refusal to provide reimbursement for the cost of abortions under its medical assistance program. In holding the state's restrictive regulations violative of the Fourteenth Amendment's Equal Protection Clause, the Court stated:

"Under traditional Equal Protection standards, once the State chooses to pay for medical services rendered in connection with the pregnancies of women, it cannot refuse to pay for the medical services rendered in connection with the pregnancies of other indigent women electing abortion, unless the disparate treatment supports a legitimate State interest."

The Court rejected arguments that the fiscal integrity of the state was a legitimate interest (the Court in fact found that abortions would cost the state less than full term pregnancies), that the restrictive regulations were approved by doctors and that denying indigent women abortions would help discourage abortions. The Court concluded:

"We hold that the state's decision to limit coverage to 'Medically indicated' abortions, as arbitrarily determined by it, is a limitation which promotes no valid state interest. In the PMAP, the state has instituted a program to provide benefits to the poor; the state has excluded certain of the poor from the program; the exclusion denies medical assistance benefits to otherwise eligible applicants solely because they have elected to have an abortion, and the state has been unable to show that the exclusion of such persons promotes a compelling state interest."

"The Regulations and/or Procedure of the Pennsylvania Medical Assistance Program are unconstitutional because they are in violation of the Equal Protection Clause since they create an unlawful distinction between indigent women who choose to carry their pregnancies to birth, and indigent women who choose to terminate their pregnancies by abortion."

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[1] A similar amendment was defeated in the House on June 28 by a vote of 247-123.

Finally, we would note the similar application of Equal Protection principles in a case in a closely related area. In *Hathaway* v. *Worcester City*, 475 F. 2d 701 (1st Cir., 1973), the question was raised whether a municipal hospital could constitutionally refuse to allow other non-therapeutic procedures involving similar medical risk. Relying primarily on *Roe* and *Doe*, the Court ruled the refusal an impermissible denial of equal protection under the Fourteenth Amendment:

But it seems clear, after *Roe* and *Doe*, that a fundamental interest is involved, requiring a compelling rationale to justify permitting some hospital surgical procedures and banning another involving no greater risk or demand on staff and facilities. While *Roe* and *Doe* dealt with a woman's decision whether or not to terminate a particular pregnancy, a decision to terminate the possibility of any future pregnancy would seem to embrace all of the factors deemed important by the Court in *Roe* in finding a fundamental interest, 410 U.S. at 155, 93 S.Ct. 705 but in magnified form, particularly so in this case given the demonstrated danger to appellant's life and the eight existing children.

The state interests, recognized by *Roe* as legitimate, are far less compelling in this context. Whatever interest the state might assert in preserving the possibility of future fetuses cannot rival its interest in preserving an actual fetus, which was found sufficiently compelling to outweigh the woman's interest only at the point of viability. The state maintains of course a significant interest in protecting the health and life of the mother who, as here, cares for others whom the state might otherwise be compelled to provide for. Yet whatever health regulations might be appropriate to vindicate that interest, and on the present record we need not decide the issues, it is clear under *Roe* and *Doe* that a complete ban in a surgical procedure relating to the fundamental interest in the pregnancy decision is far too broad when other comparable surgical procedures are performed.

Doe is particularly apposite in this regard. The Court there struck down the Georgia requirements of advance approval of an abortion by a hospital committee of three staff members and the additional concurrence of two doctors other than the patient's attending physician, primarily on the ground that "We are not cited to any other surgical procedure made subject to committee approval" and "no other voluntary medical or surgical procedure for which Georgia requires confirmation by two other physicians has been cited to us." 410 U.S. at 199, 93 S.Ct. at 751. Here we are cited to no other surgical procedure which is prohibited outright and are told that other procedures of equal risk are performed and that non-therapeutic procedures are also permitted. *Doe* therefore requires that we hold the hospital's unique ban on sterilization operations violative of the Equal Protection Clause of the Fourteenth Amendment.

The concept of equal protection, of course, is applicable to the Federal government. *Bolling* v. *Sharpe*, 347 U.S. 497, 499–500 (1954). As the Court stated in *Bolling*, "it would be unthinkable that the same Constitution would impose a lesser duty on the Federal Government." In view of the cases discussed above, it may be strongly argued that the Bartlett Amendment would result in a form of invidious discrimination against indigent women who seek and are denied abortions.

Under Title XIX of the Social Security Act, 42 U.S.C. Sec. 1396 *et seq.*, the Federal government makes substantial funds available to those states desiring to participate in the program to provide medical care to individuals and families "whose income and resources are insufficient to meet the cost of necessary medical services." Under the Act participating states are required to provide medical services to individuals and families who are eligible for cash grant assistance under any of the Federal categories of assistance such as Aid to a Blind, Aid to the Permanently and Totally Disabled, Old Age Assistance, and Aid to Families with Dependent Children. 42 U.S.C. 1396 (a)(13). These individuals and families are considered the "categorically needy." 45 C.F.R. 249.10 (a)(1).

A second group of individuals termed "medically needy" may also benefit under this Act, and is composed of those persons whose income is too great to qualify for cash assistance as "categorically needy," and yet insufficient to meet the costs of medical care. 42 U.S.C. 1396 (a)(1)(13). This group also consists of individuals benefiting from Federal money available to meet the cost of administration of Medical Assistance Program, or others who do not come under one of the Federal categories. 45 C.F.R. 248.10(d)(1).

A statutory requirement for participating states is that they must provide certain minimal medical services under the program. For "categorically needy," persons, the state must provide: (1) inpatient hospital services; (2) outpatient hospital services; (3) other laboratory and X-ray services; (4) skilled nursing facilities, screening and diagnosis of children, family planning services and supplies furnished to individuals of child bearing age; and (5) physicians services furnished by a physician whether in office, patient's home, hospital, or elsewhere. 42 U.S.C. 1396 (a)(13)(B). For "medically needy" persons, the state has the option of providing from among the above five services.

It would appear that by eliminating abortion as one of the medical services that may be rendered indigent women under the Act, while at the same time continuing to allow medical services for pregnant women, the Bartlett Amendment creates an invidious classification which restricts the fundamental right of women in that class to decide whether or not to terminate their pregnancies. On its face, therefore, the amendment conflicts with the decisions in *Roe* and *Doe* and the lower court rulings interpreting those cases, and would violate the equal protection and due process protections of the Fifth and Fourteenth Amendments.

Ms. ABZUG. I recognize that there are Members of this body who, for religious, conscientious, or other reasons, find the concept of abortion abhorrent. We are all entitled to our own views. Those who are personally opposed to abortion are free to model their own lives on that precept, to express their own views, and to seek to persuade others of the rightness of their position. But they have no right to impose their concepts on others in such a way as to deprive those others of their established rights. The fact is—and the courts have so held—that women do have the constitutionally protected right to make this determination for themselves. To deprive them of this right, by an outright prohibition or by cutting off funds for this purpose, is beyond the power of this body. Therefore, the suggestion that this body consider legislation to limit the right to an abortion is inappropriate.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. FLOOD. Yes, I yield to the gentleman from Maryland.

Mr. BAUMAN. I would just like to ask the distinguished gentleman from Pennsylvania a question regarding the statement just made by the gentlewoman from New York (Ms. ABZUG).

The antiabortion amendment which was not adopted earlier this year, offered by the gentleman from New York (Mr. RONCALLO), was far different in substance from the Bartlett amendment which the Senate adopted; is that not correct? Therefore, to tell the House today that the issue was the same is not exactly a correct statement.

Ms. ABZUG. Mr. Speaker, will the gentleman yield further?

Mr. FLOOD. Yes, I yield to the gentlewoman from New York.

Ms. ABZUG. I wish to point out that there were several substitutions to the amendment, one of which was almost identical to the amendment of the other body; and it was turned down by this House. The record will so show.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, for the last several years, I guess, we have come to this floor with the conference report on HEW, with a great deal of apprehension as to whether or not we had the kind of agreement that would be signed into law by the President. I had some grave misgivings about this bill when it originally passed the House, particularly with respect to the increases that we had in the bill, offset, of course, by that dramatic decrease in the public assistance item; that item which is in controversy.

The conference report, as the chairman, the gentleman from Pennsylvania (Mr. FLOOD) so ably pointed out in his very comprehensive statement here, is $485 million below the President's budget. But as I indicated, and as the chairman so well pointed out, this comes about, as you know, because of the huge reduction in public assistance made in both the House and the Senate. The House cut the budget on public assistance, as the Members may recall, by $877 million, and then the Senate brought the total reduction to nearly $1.2 billion below the budget. A large part of this cut is offset by increases over the budget in such items as the National Institutes of Health of $256 million; nearly $90 million for the Alcohol, Drug Abuse, and Mental Health Administration; nearly $100 million over for the Office of Education; $12 million for Preventive Health Services, $15 million for the Assistant Secretary for Human Development; $34 million over for rehabilitation services, and $7.5 million for health resources.

If the Congress and the administration agreed with HEW for public assistance, then this bill would be considerably above the budget.

That was the point I was making when we were originally considering the bill in the House, and one of the reasons I had to vote against the bill as it left this particular body.

That was troubling me a great deal because we have gone over the traces several times with vetoed bills, and to try to operate this department, or these Departments of HEW and Labor under a continuing resolution in these troubled times just seems to me totally unacceptable, so we tried to work for some kind of compromise.

In the conference report we have provided a means of settling those disputed matters to induce the President to sign the bill.

In this connection I call the attention of the Members to the language appearing on page 21 of the conference report, which basically says that the conferees will leave it to the Comptroller General to take a look at the public assistance estimates, and see who is closer, the Congress or the President, then, depending upon what he finds, we refer it to the President to use the options given to him should the estimates prove to exceed the budget request.

Mr. Speaker, in view of the very thorough dissertation given by the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. Flood) I would simply revise and extend my remarks at this point in the Record, making one further point on the item of the National Institute on Education, where we have $80 million in the House bill, and the Senate had nothing. After days and days of arguing over that figure we agreed upon $70 million for the National Institute on Education.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I thank my friend, the gentleman from Illinois, for yielding to me.

I listened attentively to the gentleman from Pennsylvania (Mr. Flood), but could not keep track, of course, of all the spending figures that the gentleman gave to the House with respect to this conference report calling for more than $33 billion.

I would ask the gentleman from Illinois for the figure with respect to spending for the past year for the same general purposes?

Mr. MICHEL. This past year was, roughly, about $4 billion over what we have in total in this whole bill——

Mr. GROSS. Is the gentleman saying that——

Mr. MICHEL (continuing). But, bear in mind that the Office of Management and Budget came up to us with significant increases, increases mandated by congressional enactments since last year. Then, of course, inflation has ballooned those figures, and we have several new programs.

Mr. GROSS. So it is below the current fiscal year, I mean fiscal year 1974?

Mr. MICHEL. No. This budget for fiscal 1975 is above last year, 1974, by some $4 billion.

Mr. GROSS. Then this figure in the report of $3,791,310,000 above the spending in the 1974 fiscal year is correct?

Mr. MICHEL. Yes; that is correct, but very well outlined in the budget are a number of built-in increases. That is one of the reasons why the budget this year came to us at $33.5 billion rather than something in the neighborhood of $29.3 billion.

Mr. GROSS. The telling figure is not the budget, because budgets, like political platforms, are meant to be broken and ignored. The important figure is how much more will be spent in the oncoming fiscal year than was spent in the preceding fiscal year? This conference report and the gentleman's statement makes it clear that Congress will be spending $3,791,000,000-plus above fiscal year 1974, and that does not include additional funds which apparently will be included in a supplemental appropriation bill soon to be considered.

Mr. MICHEL. There are very significant increases; there is no question about it. In the Cancer Institute alone we are going to be up nearly $165 million, so we have some very vital programs that have some significant increases. But I think it is in keeping, in part, with what the general American public is demanding these days.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

I have been deluged with mail from members of fraternities and sororities of Ohio State University, as well as representatives of Girl Scout and Boy Scout groups with reference to a rule adopted pursuant to a statute which we passed I think in 1972 suggesting that sororities, fraternities, Boy Scouts and Girl Scouts could not practice sex discrimination.

I understand there is language in this conference report which would apply to that situation. Will the gentleman elucidate?

Mr. MICHEL. The gentlewoman from Oregon (Mrs. Green) is the specialist in this particular field, having served on the Committee on Education and Labor before she came to our committee. She has made a good point any number of times in our deliberations with respect to some of these ridiculous rulings by the Department of HEW, and I think her report language has corrected and clarified this situation. I should be happy to yield to the gentlewoman from Oregon, who is so conversant with her own report language, rather than just read it to the gentleman.

Mrs. GREEN of Oregon. I thank the gentleman very much for yielding.

I feel very strongly on ending discrimination on the basis of sex; title IX was intended to end discrimination in terms of admission policies at the undergraduate level and the graduate level—so that a higher grade point average could not be required for women for admission; so that the quota system would be ended at medical schools, at law schools, and so forth. Title IX was designed to provide the same salaries for women faculty members as for male faculty members if they had the same professional qualifications, the same experience. Title IX was designed to end "the old boy network"—so that women faculty members get word of new openings, new positions being created, so that women faculty members would get an even break on promotions, et cetera. It was never designed for the purpose of having the Federal Government intrude on private organizations and to force by Government fiat the integration of such groups as Boy Scouts, Girl Scouts, Campfire Girls, YMCA, YWCA, the Boys Club, the Girls Club, and all sororities and fraternities. It was never designed to have the Federal Government say to a sorority or fraternity, whether it be social or professional, "You have to do this or we are going to withhold all the funds from the university."

The gentleman from Texas has just called to my attention that one of the proposed regulations was that all physical education classes had to be integrated. Title IX was never designed to have the Federal Government get into the internal operation of how to run the classes in each and every school in the country school. Let me give an example of another kind of class that proposed Health, Education and Welfare regulations would affect.

I have a grandson in his first year of high school taking home economics. He likes out-door cooking. However, in junior and senior high school years, there is a difference in maturity of both boys and girls at a given age; there is a difference in personality development, in physical development and strength. One student might do much better in an all-boys class or in an all-girls class. Maybe another will do better in a integrated class with both boys and girls. I happen to know, in the case of my grandson, he would never take a home economics class if it were composed of 20 girls and 5 boys.

He is in an all-boys home economic class. I think it ought to be left up to the local school district to decide and to make those determinations and we should not have the Federal Government in Washington dictating from Washington that each and every class must be integrated under the provisions of title IX. This was never the congressional intent.

That language is on page 17 of the conference report.

Mr. WYLIE. The language in the conference report has the approval of the gentlewoman from Oregon. It would leave this question for determination to the local school district or sorority or fraternity involved.

Mrs. GREEN of Oregon. That is correct.

Mr. WYLIE. I thank the gentleman from Illinois for yielding the time and I thank the gentlewoman from Oregon for her very excellent explanation.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I appreciate the gentleman from Illinois (Mr. Michel) position regarding this conference report. However, I must strongly disagree with the conferees' decision to delete section 412 which would have forbidden the use of funds appropriated under this act to pay for or encourage the performance of abortions except when necessary to save the life of the mother. This was the so-called Bartlett amendment sponsored in the other body by the Senator from Oklahoma, and it should have remained in the bill.

In a memorandum which was prepared by HEW for use in the conference on this bill, it was admitted that currently Federal funds are being used to finance from 220,000 to 280,000 abortions each year. Quite obviously, a Federal Government which should be protecting the lives of hundreds of thousands of unborn children.

Each Member of Congress must decide for himself whether or not permitting the use of Federal funds for abortions aids in the taking of human life. I believe that it does. Indeed it is unconscionable that money should be taken in taxes from citizens who oppose abortions to be used for this purpose.

This issue was extensively debated in the other body on September 17, 1974, and at that time the other body refused to defeat this amendment by a vote of 50 to 34. Unfortunately, today I will be prevented by the parliamentary situation from offering a motion to recommit the conference report with instructions to the conferees to insist on the language of the Bartlett amendment. Since any member of the Appropriations Committee on the minority side has the right to offer such a motion in precedence to my own motion, I suspect I will indeed be precluded from forcing the House to face this issue.

It is no comfort to me or the millions of Americans opposed to abortion that the conferees in their report consider an appropriations bill an inappropriate legislative vehicle to which to attach such an amendment. Many of us in the Congress have repeatedly tried to push for enactment of a constitutional amendment or other legislation designed to protect the right to life. We have been repeatedly refused a forum in the House Judiciary Committee despite the important and fundamental nature of this legislation.

This House has gone on record repeatedly against abortion and so long as I and others remain it will again have to address this issue. The right to life is too important to be buried by parliamentary maneuvers, and I regret that this is what is happening today.

Mr. MICHEL. Mr. Speaker, in commenting on the remarks of the gentleman, I would like to say his point is well taken. As we recall, we did have several amendments bearing on that subject matter which were soundly defeated in the House. The conferees agonized and argued not only for hours but for a number of days on this subject and others and adjourned without coming to any kind of agreement. I would have to simply subscribe to the statement made by my subcommittee chairman. On a subject so wide and so bright and so sweeping and so complex as this, I do not think an appropriation bill is the way to meet this kind of problem. It is too complex to be simply handled on a dollar-and-cents basis. I cannot in good conscience try to legislate on a matter of this complexity in an appropriation bill where, frankly, we shun legislative language and in many cases throw it out on a point of order because it has no business in a money bill.

Mr. CASEY of Texas. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. CASEY of Texas. Mr. Speaker, I wish to caution the gentleman on his use of the word in the Record saying that we have had many similar proposals proposed and defeated in the House. We have had many similar proposals approved, too, in the House. I do not want the Record to reflect that this House has completely defeated any amendments prohibiting abortion.

Mr. MICHEL. I thank the gentleman.

Mr. CASEY of Texas. This was a Senate amendment and the Senators did not feel inclined to push this amendment; so, after all, although we tried to persuade them to draft their language so as to be more acceptable, the conferees wound up with this solution to put before the House.

Mr. ROBINSON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Virginia.

Mr. ROBINSON of Virginia. Mr. Speaker, while the gentlewoman from Oregon is still with us, I would like to ask her as the author of the title 9 provisions a question with respect to its application to intercollegiate athletics. I have had an inquiry from the director of the University of Virginia to the effect that they feel the regulations that are under consideration for promulgation by HEW might affect gate receipts from intercollegiate athletic events. I would like her to make any observations she would care to with respect to this matter.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Virginia. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, again title 9 was not designed to terminate intercollegiate athletics. As I said a moment ago in terms of the integrated physical education classes which were being proposed in some of the regulations, I think that is utter nonsense. In talking with one of the people about enforcement of this provision, I found they said they were following the same rules as title 6 of the Civil Rights, ending discrimination on account of race.

Let me repeat: I suggested to them that there was a big difference between integration or segregation of classes based on the pigmentation of the skin and that based on basic biological differences.

Title IX was intended to say that if you have an athletic budget in a college or university of $500,000 and you have roughly the same number of women and men enrolled and that $500,000 comes from tuitions and fees and or from tax dollars, then the students, men and women, ought to be given equal opportunity. We also want to end this nonsense that athletic scholarships shall only be given to men and that no woman is entitled to an athletic scholarship. Title IX was intended to end that kind of discrimination. There may be many Billie Jean Kings or other star women athletes. Athletic scholarships ought to go to women as well as men.

When funds for athletic departments come out of tuitions, fees, or tax dollars, let me repeat, women students are to have equal opportunity with the men. This does not mean, however, that football teams or basketball teams or any other phys ed class shall be forced, by the Federal Government, to have both men and women on the same team.

But intercollegiate sports financed by gate receipts, is an entirely different matter and was not covered by title IX.

Mr. Speaker, if the gentleman will yield further. I am also concerned about the manner in which affirmative action plans are being interpreted by some in both the Department of Labor and the Department of HEW. I am unalterably opposed to reverse discrimination.

For years I have participated in the great national struggle against discrimination—both discrimination on the basis of race and discrimination on the basis of sex.

One of the ugliest aspects of discrimination was always the "quota system"—quotas limiting women, blacks, Jews, persons of Irish descent—and on and on.

As I watched it over the years, quotas represented the crudest form of mindless inequality, because that meant that an important decision was being made not on merit—but on some blantantly unfair, irrelevant criterion.

I find it hard to understand the reasoning that now leads well-intentioned people, in simplistic zeal, to institute reverse quotas. Do they believe that one injustice deserves another, Is the basis of judgment to be "merit" or some strict ethnic or sex formula?

Will we need to parcel out all opportunities to so many people aged 20 to 30, so many aged 30 to 40, et cetera, so many Protestants, so many Catholics, so many Jews—and so on without end? Is this what democracy has come to mean? Can there be opportunity or hope in such a rigid system? Often people argue that this is the only way to redress evils that have lasted hundreds of years. Because my grandmother was considered as chattel and she was—because my grandmother did not have the educational opportunities her brothers had—because she could not own nor sell property—even property she inherited—because she was never allowed to vote—am I, her granddaughter to be given preferential treatment to supposedly redress the grievances of the past? I think not.

During my life—I would only have liked equal treatment. I do not believe it is just, nor fair, nor indeed wise for this generation to try to design a social system based on the mistakes—the injustices practiced by our forefathers. I do not believe this is the best way to launch a more just world of the future.

I have never believed that race, sex, religion, or national origin are valid criteria for either favorable or unfavorable treatment. This is one reason why I have been opposed to programs which give an advantage in job consideration and promotion to members of those groups who have suffered historic discrimination.

As a woman I am a member of one of those groups and keenly aware of the injustices which exist—and I could recite by chapter and verse personal experiences to document the case.

Nevertheless, I reject the thesis that reverse discrimination is therefore justified. One of the most damaging things about prejudice, in my view, is that it gives primary value to a group characteristic rather than recognizing the unique individuality of each human being. It does not matter whether this discrimination works in the person's favor or against him. What he or she still loses is the irreplaceable privilege of being looked upon as an individual rather than an anonymous face in the crowd.

As I see it—only genuinely equal opportunity—containing neither advantage nor disadvantage can provide this.

Title IX was designed to do exactly that—provide equal opportunity.

Ms. ABZUG. Mr. Speaker, in June 1972 this Congress enacted the historic title IX of the education amendments to prohibit sex discrimination in all federally assisted education programs. Now more than 2 years later, and in a different session of Congress, the conference committee on the HEW Appropriations Act is attempting to rewrite substantive legislative history of title IX by inserting a language into the appropriations conference report, supposedly to clarify the intent of the Congress. This is clearly not appropriate.

Let me talk about the specific issues involved: Many persons have raised concerns about how title IX would affect sororities and fraternities and organizations such as the Boy Scouts and Girl Scouts. In general, the current proposed regulations did not affect these groups unless they were receiving substantial assistance from the educational institutions. The conference report, in trying to exempt such organizations under all circumstances is possibly saying that the language of the statute does not indeed mean what it says. Indeed, the committee seems to be saying that although the language of title IX is identical in its enabling clause to that of title VI which forbids race discrimination in federally assisted programs, that the language means something different when sex discrimination is involved than when race discrimination is involved. Thus, fraternities which cannot ban blacks because of title VI can indeed ban women under title IX. A black woman can be discriminated against on the basis of her sex although she is protected on the basis of her race. Social groups limited to one sex actually hamper women both educationally and professionally by denying them the opportunity to develop friendships with future leaders and contributors to society; they effectively exclude women from the "old boy" network.

Such single sex groups are incompatible with the educational objectives of most institutions in terms of providing students with a wide variety of experiences. It is important to note that prohibiting such organizations from receiving support from federally assisted programs in no way forbids the organization existing off the schoolgrounds. Any organization not receiving support from federally assisted programs is still free under title IX to restrict its membership in any way whatsoever.

The issue of physical education is one that concerns all of us. The conference report attempts to forbid HEW from requiring coeducational physical education classes. Such a provision could be used to exclude girls and women from specific classes; certain classes might be limited to boys simply because there were not enough girls who were interested to fill up a class of females. Thus women might be excluded from a hockey coaching class—as they now are in some institutions—because "women are not allowed to take the course with men" and "there aren't enough women to start a second class." The same thing could happen with elementary and secondary school children. Girls could be denied the opportunity to learn certain sports such as track because of a school's refusal to allow them to participate with boys, with the school then using limited participation and interest as an excuse to justify no classes for girls. That is not the intention of title IX. Such an interpretation would perpetuate the status quo and allow institutions to continue offering certain physical education classes to boys and not to girls.

Many professional groups are struggling with the issue of integrated physical education classes and there are no easy answers. HEW has the power by regulation to explore different ways of dealing with the problem and I note that this is indeed the approach taken by various groups. For example, the American Alliance of Health, Physical Education and Recreation, which is deeply concerned about this issue, has asked that HEW handle it in its regulations.

The conference report, which is an appropriation bill that cannot and should not be allowed to change substantive legislation, thus attempts to set a standard for women that is even less strict than the long discredited "separate but equal concept." The conference report language attempts to allow programs to be separate and unequal.

As my colleague Mrs. GREEN agrees, title IX stands for the proposition that educational institutions provide the same benefits and advantages to girls that it provides to boys, making a differentiation as to the source of funds could result in unequal benefits. Thus a man's basketball team which brought in substantial revenues could continue to travel in first-class planes while the women's basketball team bringing in substantially less revenue would have to sell cookies to pay for their transportation. This is indeed the problem that exists on many campuses now. I am not saying that you have integrated basketball teams but the benefits and facilities and other conditions of support should be equal.

Mr. MICHEL. Mr. Speaker, I am happy to yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), a member of the subcommittee.

Mr. OBEY. Mr. Speaker, I want to thank the gentleman for making the time available to me. As he has indicated, there is a debate in this bill about the accuracy of public assistance estimates. It is those estimates that have enabled the committee to come in $480 million below the President's budget. Therefore, the committee says in the statement of the managers that the conferees have "no intention of approving new budget authority which will ultimately result in spending in excess of total budget estimates in the bill" and it pledges that the committee expects to look at the President's rescission recommendations in light of the Comptroller General's report on public assistance and "expects the President to propose rescissions and deferrals of that portion of the budget authority for programs in this bill"—I emphasize those words "for programs in this bill, which would otherwise cause total obligations and expenditures to exceed the amounts proposed in the President's budget."

I would like to get a couple things straight in that regard. Whether the welfare estimates are correct or not, and I happen to believe they are not, I do not and will not feel bound to accept reductions in this bill in the form of deferrals or rescissions in areas such as research training, or public service jobs, or other areas, in order to bring the total amount in this bill down to the President's request, as implied in the language of this statement.

I say that because the budget requested by President Nixon contained phony cuts in the budget which he knew full well would be restored by the Congress. I will always look at any rescission, but I will look at it in relation to the entire picture of Federal spending throughout the entire budget and not just in relation to the Labor-HEW budget.

I would hope that the factor given great weight by this House when we consider any rescission sent down or any deferral sent down would be the general economic condition of the country at the time they are considered, because I would expect that with increases in unemployment, we might well decide that more definite action in the area covered in this bill, rather than less, would be the proper economic medicine at this time. I simply do not want someone to say in 60 days that this House has to support specific rescissions because we said in November that we would if added welfare rolls pushed up the obligations under this bill.

That could be the wrong economic medicine at the wrong time, at least in this Member's eyes and I think in the eyes of a number of other Members of this House who feel the same way. I just wanted to make that clear.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, I want to raise a point of clarity on the interpretation of the language in the conference report. I fully understand that some people feel that this language was necessary to get the bill signed, and the President assured us at the leaders' meeting at the White House that he would sign the bill. But, I think it should be made clear that we will be guided by the phrase on page 21, and I quote:

> The conferees agree to give full consideration to any such recisions and deferrals in light of general economic conditions.

I understand that this is the agreement that was made between our side of the House and the Senate in order to get the approval of the President that the bill would be signed. But, if the economy deteriorates and unemployment increases substantially, we may not want to accept all the rescissions the President recommends. We will look hard at the recommendations in light of the general economic situation to see if these budget cuts are really warranted.

So I think we ought to point out at this particular time, while we support the reductions in the conference report, we may find in the months ahead that we need to stimulate the economy to increase employment and production. Not only that, we will make the final decisions ourselves instead of being actually bound by the negotiations that took place in the conference committee with authorization, apparently, and approval from the White House.

Mr. OBEY. Mr. Speaker, I agree with the gentleman from Massachusetts, and I thank him for his comments. Also, I thank the gentleman from Illinois for making this time available to me.

Mr. MICHEL. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding to me.

I, of course, regret the action of the conferees in agreeing to the deletion of the amendment I sponsored which was approved by this body under which the enforcement of OSHA standards against employing 25 persons or less would be suspended for this fiscal year. That deletion, of course, is a settled matter and there is no way to retrace the steps and put that back into the bill that is now at conference stage.

Mr. Speaker, I asked for this time to explain once more my motivation in offering this amendment, and I think the motivation of many people who supported it. It was not an antihealth amendment; not an antisafety amendment. We all believe in advancing the health and safety of employees. Instead, it was a pro-fairplay amendment; fairplay to the employer.

I think the worst feature of the OSHA law is that provision which prohibits inspectors from entering premises to give advice and counsel to employers. Under the present law, inspectors can enter these premises only to issue a citation. I think that is unfair. I think it is an abomination. It is one of the reasons why adequate funding under the inspection of OSHA law has not been forthcoming. If this fairplay provision were to be established by a revision of the basic OSHA law, we would find a greater degree of funding for OSHA inspectors.

My purpose in offering the amendment was to bring pressure on the Congress to amend the basic law to correct this unjust provision.

Mr. MICHEL. Mr. Speaker, I just want to say, in conclusion, that as our chairman has pointed out, we worked long and hard, on many, many days extending over many weeks. We have an agreement here all the way around, a conference report which I urge the Members to support.

I feel confident it will be enacted into law.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I would just like to compliment the gentleman from Illinois for his work on this report. The language we agreed to, which we hoped would bring about the signature by the President, is largely because of his initiative and understanding of the problems. We are greatly indebted to him for what he did.

Mr. MICHEL. Mr. Speaker, I thank the chairman for his remarks.

Mr. PEPPER. Mr. Speaker, I rise in support of the conference report on H.R. 15580, Labor-HEW appropriations for fiscal year 1975, and I am most particularly pleased to support a provision for $293 million for maternal and child health programs under title V of the Social Security Act, to fund general maternal and child health and crippled children's programs, and special projects.

On July 1, 1974, the authority for special projects shifted from Federal to State authority with the requirement that each State was to have at least one of five different special projects: Maternal and infant care; children and youth; dental; family planning; and neonatal intensive care. In addition, the funding shifted from a 50-percent formula for maternal and child health and 40-percent special projects fund to a 90-percent formula, with the requirement that the States would have to have at least one of each of the five programs.

Prior to this change, the State of Florida had five maternal and infant care projects and two for children and youth. Beginning July 1 of this year, Florida had to begin three new special projects. This formula for special projects resulted in some States getting more money and some States getting less, and Florida had a 22-percent reduction.

The June 1973 amendments to the Social Security Act carried out the congressional intent that during fiscal year 1975, no State would receive less money than it had received previously. Florida is currently receiving $6,715,000 and in fiscal year 1973, Florida received $8,103,700. The appropriation in H.R. 15580 provides that Florida will receive $1,388,100 additional allocation, and may receive more based on the population formula after the States make up their shortfall which resulted in fiscal year 1974.

As a result of the decreased allocation in 1974, Florida had to reduce maternal and child health care operations because funds had not been appropriated. In my congressional district there are two children and youth and one maternal and infant care program, under the aegis of the University of Miami, which had to cut their budgets by 25 percent.

I had the pleasure recently of visiting with the outstanding Director of the University of Miami Comprehensive Health Care Services, Dr. Fred Seligman, and to observe the programs and meet the patients. This center serves 7,600 infants, children, and teenagers from low-income families. Beginning July 1 of this year, the funding level for this program was reduced from $765,000 to $571,000. This center was compelled to lay off 15 health workers, which hampered the effectiveness of service, and more than 500 of these needy children had to be placed on the waiting list. However, the program was maintained by partial deficit spending in the anticipation of the passage of this appropriation bill. When this bill is enacted the full budget level of $765,000 will be restored.

I was very impressed during my visit to observe the complete range of services this program provides in a one site, comprehensive, multidisciplinary, nonepisodic, preventive manner. Specifically, medical, dental, nursing, psychology, psychiatry, social services, nutrition, audiology, vision and speech, family planning, and home health services all are available. Each child is assigned his own physician, nurse, and family health worker, and none of these children is ever seen by a health worker who is a stranger.

Prevention is emphasized throughout the program; therefore, the dollar-for-dollar cost for each program is minimized. Dr. Seligman informed me that health care costs for a child in the University of Miami comprehensive health care programs are approximately 60 percent lower than the average national percentage for health care costs for all children under 19 years of age. Human suffering and costs of hospitalization are drastically reduced by these preventive services which keep children out of the hospital. These same averages, I understand, apply nationally.

After a child has been in this program for 1 year, his average rate of hospitalization is less than 30 per 1,000 compared with a national average of 63 per 1,000 for all children; and an estimated 100 per 1,000 for other low-income children.

Mr. Speaker, in addition to the health advantages which these programs provide to recipients, these programs have essential significant linkages to other Federal health and social service programs. For example, the maternal and child health services are extended to Head Start children in the geographical area, and through funds allocated by the Department of Agriculture women, infants, and children program, complete supplemental foods are provided to 1,600 infants and children below age 4 years, and to pregnant and lactating mothers.

The comprehensive health care services program, too, has provided summer job experiences to 200 teenagers and has provided necessary supporting and counseling services to make this work experience for these low-income youths meaningful. Some of these teenagers are given work assignments to assist professionals in the health-related field, and these advantages can optimize ambition to become doctors, nurses, and other health professionals.

I am gratified that the conference report strengthens these vital programs.

Mr. RANDALL. Mr. Speaker, I oppose H.R. 15580, the Labor-HEW appropriations conference report. Because of the importance of this bill it becomes necessary to state my reasons therefor:

There would never be any doubt of my support for education. This has been demonstrated by my support of all authorizations as well as my support for the original appropriation bill as it passed the House.

It goes without saying I am for the Comprehensive Employment and Training Act. On the health side, I have always enthusiastically supported the maternal and child health appropriations. I have strongly supported the mental health and alcoholism programs. I have always been in support of all higher education programs. I do not need to demonstrate my credentials in support of all programs for the aged. For 2 years I served as chairman of the subcommittee that made substantial contributions to the administration of the aging and proposed amendments to the Older Americans Act.

There were some good things accomplished by this report. I was glad to see the conferees agree that existing prohibition on sex discrimination in education were not to apply to physical education classes, or to sororities and fraternities, and similar organizations.

Mr. Speaker, my vote against this conference report is in protest to two provisions of the conference agreement. First, the conferees thwarted the will of the House as to the Occupational Safety and Health Act of 1970—OSHA. We passed the provision that the act should not apply to small businessmen who have fewer than 25 employees. The conference report instead made no exemptions, not even those who had but two or three employees. Instead the report simply provided that recordkeeping should not be required for those having 10 or fewer employees. This is a drastic departure from the action of the House. It is a departure with which I cannot concur because of the effect on our small businessmen and farmers who are having enough difficulties and beset with enough troubles at the present time.

Finally, Mr. Speaker, the conference committee deleted the Senate provision which would have prohibited the use of Federal funds for abortion. The House had attempted this kind of prohibition in the past. To vote for this conference report after the conferees have knocked out the good efforts of the Senate is to imply that one is in favor of the use of Federal funds for abortion.

It is not enough for the conferees to say an appropriation bill is "an improper vehicle" for such a "controversial and far-reaching decision." I agree with the conferees that we should consider the enactment of a basic law in dealing with abortion. But until that time applies I cannot be a party to voting for an appropriation bill that contains Federal funds which may be used for abortion.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this conference report under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. WYATT

Mr. WYATT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. WYATT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WYATT moves to recommit the conference report on the bill H.R. 15580 to the committee of conference.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 25, answered "present" 1, not voting 56, as follows:

[Roll No. 645]

YEAS—352

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Holifield
Holt
Holtzman
Horton
Hosmer
Huber
Hungate
Hunt
Hutchinson
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kyros
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—25

Archer
Ashbrook
Baker
Bauman
Beard
Blackburn
Burke, Mass.
Camp
Collins, Tex.
Conlan
Crane
Gross
Grover
Hogan
Jarman
Lagomarsino
Landgrebe
Mathis, Ga.
Moakley
Randall
Schneebeli
Sullivan
Symms
Ware
Wyatt

ANSWERED "PRESENT"—1

Andrews, N.C.

NOT VOTING—56

Armstrong
Brasco
Breckinridge
Brinkley
Broyhill, Va.
Burke, Calif.
Carey, N.Y.
Chisholm
Collier
Conable
Culver
Eshleman
Evans, Colo.
Giaimo
Goodling
Griffiths
Gubser
Hanna
Hansen, Idaho
Hansen, Wash.
Hébert
Hillis
Howard
Hudnut
Ichord
Jones, Ala.
Jones, N.C.
Kluczynski
Kuykendall
Landrum
Litton
Luken
Maraziti
Mills
Minshall, Ohio
Mosher
Pettis
Poage
Podell
Powell, Ohio
Rarick
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rousselot
Roybal
Scherle
Sebelius
Steele
Steiger, Wis.
Stephens
Traxler
Wilson, Charles, Tex.
Wyman
Yates
Young, Ga.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Culver.

Mr. Rooney of New York with Mrs. Griffiths.

Mr. Carey of New York with Mrs. Hansen of Washington.

Mr. Howard with Mr. Luken.

Mr. Giaimo with Mr. Rarick.

Mr. Landrum with Mr. Steele.

Mr. Kluczynski with Mr. Wyman.

Mr. Jones of Alabama with Mr. Kuykendall.

Mrs. Burke of California with Mr. Goodling.

Mr. Evans of Colorado with Mr. Broyhill of Virginia.

Mrs. Chisholm with Mr. Hanna.

Mr. Mills with Mr. Collier.

Mr. Stephens with Mr. Hansen of Idaho.

Mr. Yates with Mr. Hudnut.

Mr. Young of Georgia with Mr. Gubser.

Mr. Roybal with Mr. Conable.

Mr. Riegle with Mr. Maraziti.

Mr. Trexler with Mr. Hillis.

Mr. Ichord with Mr. Eshleman.

Mr. Jones of North Carolina with Mr. Minshall of Ohio.

Mr. Litton with Mr. Mosher.

Mr. Brinkley with Mr. Pettis.

Mr. Breckinridge with Mr. Powell of Ohio.

Mr. Charles Wilson of Texas with Mr. Roncallo of New York.

Mr. Steiger of Wisconsin with Mr. Rousselot.

Mr. Sebelius with Mr. Scherle.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENTS IN DISAGREEMENT

The **SPEAKER**. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 6, strike out lines 20 through 24.

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "None of the funds appropriated in this Act shall be used to require recordkeeping and reporting under the Occupational Safety and Health Act of 1970 from employers of ten or fewer employees, and such exclusion shall be governed by the current rules and regulations in CFR, title 29, chapter XVII, part 1904.15."

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 18, line 1, strike out "$622,892,000" and insert in lieu thereof "$634,851,000".

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert the following: "$612,376,000".

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: Page 19, line 1, insert the following: "of which $673,500,000 shall remain available through June 30, 1976,".

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert: "$648,500,000".

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: Page 20, strike out lines 6, 7 and 8 through "prior to April 1, 1973" and insert "students who were enrolled at institutions of higher education prior to April 1, 1973 or for part-time students enrolled at such institutions after April 1, 1973".

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 58 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "students who were enrolled at institutions of higher education prior to April 1, 1973."

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: Page 21, Strike lines 12 through 16.

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"NATIONAL INSTITUTE OF EDUCATION

"For carrying out section 405 of the General Education Provisions Act, including rental of conference rooms in the District of Columbia, $70,000,000: *Provided*, That none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee of said laboratory, center, or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education."

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 82: Page 30, line 7, insert the following: "which sum shall be available for expenditure to enforce any order, with respect to the desegregation of schools of a local educational agency, requiring the transportation of students from one school to another school only under the same circumstances and in the same manner whether the residence of the students of such school or the principal office of such local educational agency is situated in the northern, eastern, western, or southern part of the United States."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 94: Page 41, line 15, insert the following: "*Provided further*, That notwithstanding any other provision in law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j))."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 95: Page 44, line 20, insert the following:

"Sec. 411. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under titles I and II, respectively, for official reception and representation expenses."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 98: Page 45, after line 5, insert the following:

"Sec. 414. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or his parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 98, and concur therein with an amendment, as follows: Change the section number from "414" to "412".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

ACCEPTING GIFT OF PORTRAIT OF CHARLES ABRAHAM HALLECK

Mr. BRAY. Mr. Speaker, I offer a resolution (H. Res. 1477) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the House of Representatives accept the gift of a portrait of Charles Abraham Halleck of the State of Indiana who served as a Republican Member of the House of Representatives from January 1935 to January 1969 and was elected as the majority leader in the 80th and 83d Congresses and as minority leader in the 86th, 87th, and 88th Congresses. The portrait shall be displayed in a location in the United States Capitol subject to the approval of the Speaker.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HONORING 100TH ANNIVERSARY OF BIRTH OF WINSTON CHURCHILL

Mr. VANIK. Mr. Speaker, I offer a resolution (H. Res. 1478) and ask unanimous consent fór its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1478

Whereas November 30, 1974, is the 100th anniversary of the birth of the Honorable Winston S. Churchill, the late Prime Minister of Great Britain.

Whereas the Honorable Winston S. Churchill was the only leader of another nation to have been singularly honored by the Congress and the American people by having been conferred the status of Honorary Citizen of the United States of America.

Whereas the Honorable Winston S. Churchill had a long and distinguished relationship with the United States having been born of an American mother, and through a close affinity with the people of the United States through his leadership during World War II.

Whereas throughout his long and distinguished career of public service in diplomacy, literature, statesmanship, government and politics, the Honorable Winston S. Churchill contributed to the betterment of all mankind through his unparalleled skill as an articulate, persuasive leader of the citizens of Great Britain and the whole Free World.

Whereas the legacy of courage, fortitude, brilliance which the Honorable Winston S. Churchill has left for generations yet to come will serve as the greatest monument which can be built to honor this giant figure in the history of the world.

Resolved, That the House of Representatives hereby commemorate and honor the memory of the Honorable Winston S. Churchill, Honorary Citizen of the United States of America and Citizen of the World on the One Hundredth Anniversary of his Birth.

Resolved, That the Clerk of the House of Representatives communicate this resolution to the Senate, Baroness Churchill and to His Excellency the Ambassador from Great Britain to the United States, the Honorable Peter Ramsbotham.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESOLUTION IN HONOR OF THE 100TH ANNIVERSARY OF THE BIRTH OF WINSTON CHURCHILL

(Mr. VANIK asked and was given permission to extend his remarks at this point in the Record).

Mr. VANIK. Mr. Speaker, this Saturday marks the 100th anniversary of the birth of Winston Churchill, citizen of the United Kingdom, the United States, and brother to free men everywhere.

There is before the House today a resolution to commemorate and honor the memory of this most outstanding parliamentary warrior. It is proper that we consider and approve this resolution. Only two persons have ever been granted honorary American citizenship. Lafayette was honored by our Founding Fathers for his guidance in our own struggle for liberty. Sir Winston was honored by the Congress and the American people for keeping the spark of liberty alive through the darkest days of World War II.

The remembrance of the life of this man who resisted tyranny and aggression when the odds seemed utterly hopeless and who went on to rally the democracies to victory should give us new courage and new resolve to face the crises of our times. As in Sir Winston's time, there appear to be gathering storms which threaten our alliances, our economies, and our liberties.

There may well be trying times ahead. Sacrifices may be required. These trials can be overcome, these obstacles can be surmounted. As in Sir Winston's times, I believe that with sound and courageous leadership, the world can move into the broad, sunlit uplands of peace and prosperity for all men. As the life of Sir Winston reminds, this struggle will never be easy. There will always be tragedies with the triumphs—but the inspiration of Winston Churchill's life is proof that man can overcome against the most impossible obstacles.

I am pleased to introduce this resolution on behalf of Mr. Bingham, Mr. Bell, and Mr. Edwards of California, Mr. Thompson of New Jersey, Mr. Symington, Mr. J. William Stanton of Ohio, Mr. Steelman, Mr. Brademas, Mr. Cohen, Mr. Reid, Mr. Findley, Mr. Rees, Mrs. Schroeder, Mr. Seiberling, Mr. Whalen, Mr. Reuss, Mr. Dellenback, and Mr. Mosher.

ADJOURNMENT OF HOUSE FROM TUESDAY, NOVEMBER 26 TO DECEMBER 3, 1974

Mr. O'NEILL. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 689) and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. Con. Res. 689

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Tuesday, November 26, 1974, it stand adjourned until 12 o'clock meridian Tuesday, December 3, 1974.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 3341, RELATING TO PER DIEM AND MILEAGE EXPENSES OF EMPLOYEES TRAVELING ON OFFICIAL BUSINESS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3341) to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Holifield, Brooks, and James V. Stanton, Mrs. Collins of Illinois, and Messrs. Horton, Buchanan, and Hanrahan.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1975

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1469 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1469

Resolved, That during the consideration of the bill (H.R. 17468) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, the provisions of clause 2, rule XXI are hereby waived with respect to any appropriation contained in the bill.

The **SPEAKER.** The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen), pending which I yield myself such time as I may consume.

Mr. Speaker, this is an unusual rule in an unusual circumstance. The House has passed a military construction authorization bill and the Senate has passed a military construction authorization bill. Those two bills are in conference and they are, as best I know, in a conference the conclusion of which we cannot determine. Consequently this is a method of bringing before the House the appropriation bill, the final stage of the matter, before the authorization bill has become law. Thus the rule waives the point of order that would lie against such a matter unless the rule were adopted.

I have not run into any serious controversy on this matter. It seems to me the desire of both sides of the Appropriations Committee and as far as I can make out of both sides of the aisle that we proceed in this fashion. Therefore I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from Missouri (Mr. Bolling) has explained the provisions and the reasons for the rule. The reasons are valid. Therefore, Mr. Speaker, I urge adoption of the resolution.

I have no requests for time, but I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SIKES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17468) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time be equally divided and controlled by the gentleman from New York (Mr. McEwen) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Florida.

The motion was agreed to.

The SPEAKER. The Chair designates the gentleman from Michigan (Mr. Nedzi) as Chairman of the Committee of the Whole and requests the gentleman from Texas (Mr. Brooks) to assume the chair temporarily.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17468) with Mr. Brooks (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the unanimous consent agreement, the gentleman from Florida (Mr. Sikes) will be recognized for 1 hour and the gentleman from New York (Mr. McEwen) will be recognized for 1 hour.

The Chair now recognizes the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me state initially there is no money in this bill for Southeast Asia; there is no money in the bill for Safeguard. There are substantial funds for Trident. This I will discuss later. The bill has been pared to the lowest level which I can conscientiously recommend. It probably shows a larger reduction from the budget request than any other appropriations bill which has been brought to the floor. Some of this is due to the action of the legislative committees; some to withdrawals by the Department of Defense; and the remainder to the actions of the committee.

The bill comes to you under a rule waiving points of order only because work on the authorization bill has not been completed. There remains one item in disagreement. It is language on Diego Garcia where refueling facilities are planned at the communications station we have in the Indian Ocean. We seek a refueling capability there because U.S. commercial and military interests in the Indian Ocean and Persian Gulf areas require that we be able to support U.S. naval vessels in the area. During the October war last year, no one would sell us fuel in that part of the world and our ships had to be supplied from the Philippines, 4,000 miles away. This is an expensive and inefficient procedure which could produce serious problems in the event of another conflict. We know very well that another conflict may erupt there at any time.

Mr. Chairman, the report which is before you is comprehensive and I believe it gives a good accounting of the committee's actions and the reasons for our recommendations.

Again let me express my very great appreciation to the members of the subcommittee. It has been a great pleasure to work with this group. They are able, dedicated, and their knowledge in the field of military construction is broad and thorough. I must single out Bob McEwen, for his very capable work in his first year as the ranking minority member of the subcommittee. Clarence Long has made a singular and important contribution in his comments on security. I want to thank the staff members for all of the detailed and effective work which they have done. Bob Nicholas is truly one of the ablest and hardest working members of the Appropriations Committee staff.

Due to the lateness of the year, we must proceed with consideration of the military construction appropriations bill or we will have no hope of completing it before the end of the calendar year. To halt or unnecessarily delay the military construction and family housing construction programs in general at this time would be extremely unwise from the standpoint of national need. There are many vital projects which are contained in this bill—projects which are needed to support military operational requirements; projects which are needed to house military personnel and their families; projects which provide military, industrial, and repair and training activities with a better capability to get the job done and to get it done more economically. Furthermore, a cessation of the construction portion of this request would be a severe blow to the construction industry which is already staggering under the disproportionate impact that tight money and escalating materials costs have had on that sector of our economy. We want to avoid any appearance of a freeze. Further delays would give the appearance of a freeze. The committee has had ample experience with construction freezes in the past. They always increase costs, disrupt orderly programs, and cause additional unemployment. This situation should not be inflicted on the economy or on the military budget at this time.

The committee has developed a bill which is in keeping with current trends in the economy and in particular in the military construction and family housing programs. As stated in the report, inflation has had a major impact on this program and this has been taken into account to the degree possible in this bill. The administration's original request for military construction for fiscal year 1975 was $3,383,000,000. The total of NOA provided by the bill is $3,058,767,000. The authorization action and the subcommittee's recommendations on the bill reduce the amount of appropriations required by $324,233,000, a net reduction of 9.6 percent. However, the net reduction to the fiscal year 1975 program is actually 12.4 percent, or $417,951,000. The difference, $93,718,000, has been in additional cuts in budgeted items in order to provide money to cover funding deficiencies in prior-year programs. These were not anticipated at the time the fiscal year 1975 program was formulated. It has become apparent through experience with recent bids received that, due to inflation, amounts authorized and appropriated for projects approved in prior-year programs are inadequate to carry out these programs.

The authorizing committees have taken action to provide additional authorization in many cases where the services were able to quickly identify deficiencies. Furthermore, provisions agreed to at this point in the authorizing bill will allow up to 10 percent additional flexibility in authorizing limits set in previous years' acts. The Committee has done what it could this year to provide adequate funding to overcome deficits for the high priority projects which have been approved in prior years. Nevertheless, it is to be anticipated that an even larger amount of funding to cover deficiences will be requested in fiscal year 1976 as inflation escalates.

Attempts to fully fund prior programs and, at the same time, obtain meaningful reductions in spending levels have meant that significant reductions were made in the fiscal year 1975 program, possibly more than should have been made. But we are all under pressure to hold down costs.

Emphasis is being given to the construction of a new generation of aircraft shelters and protective facilities in Europe. The Air Force has requested $62 million in fiscal year 1975 which has been approved as a first increment to this program. This will provide protection for U.S. aircraft designated to be shifted to Europe in the early days of a contingency situation to prevent their being easily destroyed on the ground by air attack. It is amazing how fast they can be deployed. For instance, from mid-America, fighter aircraft can be deployed with crews and all essential operational equipment to Europe and be operational in 20 hours. They fly nonstop with refuelings in flight.

The Middle East wars have demonstrated both the vulnerability of unprotected aircraft and the difficuity of gaining air advantage by attacking properly protected aircraft. In the 1967 war, the Israelis destroyed most of the Egyptian Air Force on the ground. By 1973, Arab aircraft were fully protected in shelters and attackers were driven off or destroyed, in most cases by ground fire. The sheltered aircraft seldom were damaged.

These shelters will be designed to accommodate our newest aircraft. We have insisted they are to be properly designed and tested beforehand so as to avoid some of the problems experienced in earlier shelter programs.

Our bill will continue programs to provide proper barracks and family housing to support the all-volunteer military program. It has been a long fight to get the troops out of open-bay barracks and into modern, comfortable facilities in which the occupants have pride, but it is being accomplished and this committee fully supports the program.

We have provided $100 million for the second increment of a phased program at Bangor, Wash., in support of the essential Trident program. These facilities will represent an integral part of the operational support for the Trident submarines and the two generations of Trident missiles which are planned. Funding for these projects is necessary at this time in order to avoid the possibility of costly crash construction at a later date. Trident, because of superior performance capabilities, will be one of the most important weapons in our inventory in the next decade.

In order to conserve fuel and to hold down operating expenses, the military services have requested this year extensive programs for simulator training. Some of the equipment procurement and facilities construction schedules were out of phase, and this allowed some projects to be deferred. However, the committee basically has supported this effort and has funded many of the requested facilities in this bill. Simulators are effective and are much less costly to operate than flying training with aircraft and other modern weapons.

The committee has also approved $15 million for construction of an initial training facility for the use of the Uniformed Services University of the Health Sciences. We are hopeful that this facility, to be built at Bethesda, will allow the military to train and keep a sufficient number of dedicated, capable military medical personnel to carry on their essential medical programs. It is increasingly difficult to retain sufficient doctors, dentists, and other needed personnel in the military programs.

I am glad to call attention to the fact that the military is now getting into the matter of providing housing for the families of lower grade enlisted personnel in a much more realistic way. For a long time, these families were neglected. This resulted in a very discouraging situation for the younger servicemen with families and it caused many of them to get out of the service as soon as they could. Retention is, of course, very important. Experience is needed and qualified, experienced personnel are at a premium in the uniformed services. Helping the younger servicemen with families to lead a normal and happy life is contributing significantly to the success of the all-volunteer program. We still have far to go in this area, but progress is being made.

The effect of the recently announced base closures on this bill is minimal. We are updating the new base alinement construction picture in order to insure that there will be no unnecessary construction. Your committee is alert to this situation.

It is hard for the average person to realize that, despite the large expenditures which have been made for military construction through the years, there still are many antiquated structures, some of them temporary facilities dating from World War II, which still must be utilized. These are costly to maintain and generally unsatisfactory to live in or to work in. It will be a long time before we have completely modern facilities for all military personnel, even at today's projected lower peacetime force levels. It would be well if we could speed up replacement and modernization, but the Department of Defense is always confronted with a tight money situation, and military construction has never received an overgenerous share of the Defense dollar. The bill before you is one which should not be controversial in any sense and should have your full support.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I will be happy to yield to the gentleman from New York.

Mr. PIKE. Mr. Chairman, first of all, I wish to say to the gentleman from Florida that I appreciate the problem confronted by the Committee on Appropriations relative to the fact that there was no authorization bill. I also appreciate both the candor and the cooperation of the gentleman from Florida in telling me precisely what he proposed to do on this subject. And as the gentleman, I assume, noticed, there was no opposition to the rule.

I would simply like the assurance of the distinguished chairman that by bringing up this military construction appropriations bill under a rule waiving points of order against the lack of authorization, this is in no way an attempt to bypass the authorization process.

Mr. SIKES. Mr. Chairman, let me say to my distinguished friend that I appreciate his cooperation in this matter and his helpfulness in bringing this bill to the floor so that we can complete action as soon as possible on both the authorization and the appropriation processes.

To give a specific answer to the gentleman's question, this is not an attempt to bypass the authorization process.

Mr. Chairman, it is my understanding that authorization is necessary in any instance. I would bring to the gentleman's attention the language contained on page 2, line 4, of our bill under "Military Construction Army": "as currently authorized in military public works or military construction Acts." This clearly makes the use of these appropriations for new projects dependent upon enactment of annual authorizing legislation. There are similar provisions in each of the other appropriating paragraphs in the bill before us. There are in each of these paragraphs small amounts of funds for items such as planning and minor construction which are authorized under permanent law, but these amount generally to only 10 to 15 percent of the total amount appropriated for each of the services. So the authorizing bill is vitally needed in order to carry on the bulk of the military construction program even though appropriations have been made.

Mr. PIKE. Mr. Chairman, I thank the gentleman very much.

I would just like to reassure myself that as far as both new projects and current limitations on size and expense are concerned, that will require an authorization bill as far as an increase is concerned?

Mr SIKES. Mr. Chairman, that is the answer I have just given.

Mr. PIKE. I thank the gentleman.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I wish to express my gratitude to the gentleman from Florida and to the Subcommittee on Military Construction Appropriations for the favorable and generous consideration given to the request of the Army and the Air Force for military construction projects, including family housing, for military installations in the State of Georgia.

I particularly wish to refer—and perhaps this will make some legislative history—to the construction of new, permanent facilities at Fort Stewart/Hunter Army Airfield, Ga.

As the committee's report shows, the Army's long-range plans for Fort Stewart/Hunter Army Airfield are ambitious plans. There is every reason to believe that by the end of the fiscal year 1979 the total personnel strength to be stationed at Fort Stewart/Hunter may well be in excess of 24,000 military and civilian personnel.

As the distinguished gentleman in the well knows, this is a strength nearly equal to or possibly in excess of the base population to support a full Army division.

The Army plans, as presented to the subcommittee and to the committee, call for new and permanent construction to house and care for a division, minus one brigade.

It is my understanding that the committee, in its wisdom, decided that for the fiscal year 1975 appropriation bill for military construction, the new permanent construction plan would be geared to the approximate strength of a reenforced brigade.

It is my hope, in the event that the Department of Defense's budget request for fiscal year 1976 renews the request for new and permanent construction for a division, minus one brigade, that the Subcommittee on Military Construction Appropriations will see fit to augment the amount appropriated in this year's bill to provide new and permanent military construction to take care of a division, minus one brigade, as opposed to a reenforced brigade. It is for this reason that I asked the chairman of the subcommittee, the distinguished gentleman from Florida, to yield to me.

At this time, Mr. Chairman, I would also like to express the appreciation of my colleagues, as well as myself, for the inclusion of an appropriation for 400 family-housing units to be located at Fort Stewart/Hunter Army Airfield.

I thank the gentleman for yielding.

Mr. SIKES. Mr. Chairman, I think the gentleman has made a very interesting and worthwhile statement.

Let me say to the distinguished gentleman that we will give every consideration to this situation next year.

The gentleman knows well that the committee has had to wrestle with this request to be certain that all of the facilities which are requested are going to be required. A lot of new construction has been requested in a great number of places; and, of course, we would like the Army and the other services to have new construction wherever they need it, and for whatever purpose, if it can be justified. We want to be sure that it is going to be required.

We have gone a considerable part of the distance this year on the program on which the gentleman commented. We will take a good look at it next year and see what the facts are at that time.

Mr. FLYNT. Mr. Chairman, I thank the gentleman from Florida.

Mr. SIKES. Before I relinquish the floor, Mr. Chairman, I want to take just a moment or two to express my personal appreciation to the distinguished gentleman from Wisconsin (Mr. DAVIS), who has served as a ranking member of this subcommittee and who still is a very effective member of this committee. I do not know anyone who has contributed more to sound military construction programs. He has always insisted that projects be sufficiently justified so that expenditures would be properly made and that there be a requirement for the money appropriated.

It has truly been a privilege for me to work with the distinguished gentleman. I regret very much that he is not going to be with us next year to continue his important work. He has been a most able and effective Member of Congress.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. The gentleman's comments are quite a diversion from the purpose for which I had intended to ask him to yield. I did want to remark on the comments of our colleague from New York, a member of the Committee on Armed Services, relating to bringing this bill here under these circumstances. I believe that the members of our committee, and particularly the chairman who now is addressing the House from the well, had at least as much reluctance about bringing this bill here without the authorization process having been completed as did the gentleman from New York and other members of the Committee on Armed Services.

The gentleman from Florida prepared this bill for bringing it to the floor of the House several months ago. We have finally brought it here today because of requests that came from some of the highest authorities here in the House, and only after we had assurances that what we are recommending here today is well below the recommendation resulting from the two authorization bills that had been passed by the House and the Senate.

Mr. SIKES. That is correct.

Mr. DAVIS of Wisconsin. I thank the gentleman.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I want to commend the gentleman from Florida (Mr. SIKES) for his aggressiveness and for bringing this bill to the floor at this time, with the particular problems that we have had with the authorization bills.

Second, I want to commend the gentleman from Florida for the reductions that have been effected in the bill and, knowing the gentleman's incisiveness on the committee, I am sure that most of the reductions are in order. Although we do have one project down in the west which is not in my district, but in a neighboring district, by reducing the plating shop in an area like the Sacramento Army Depot by $2.99 million. And it is indicated that if this project, this work, can be done at a nearby air base, then it ought to be done there. I am not going to offer any evidence here today, I would just hope that when this bill gets over to the Senate if we can make out a case that the work cannot be done at that particular location where the committee indicates it might be done, then I do hope that the committee would take another thorough look at this item. And I do not ask the gentleman to comment on that.

Mr. SIKES. I would be very glad to comment on that. I think the gentleman from California should be commended for calling this to the attention of the committee. We are always willing, if a strong case, or a stronger case, can be made in the other body, to take a very careful look at it in the conference committee.

Mr. LEGGETT. I appreciate that very much.

Then there is a second item, and that is referring to page 18, where there you talk about the problem we are having in providing medical care around the country, and you talk about the deficiency, and that we have an obligation and the fact that we have spent $100 million over the past 3 or 4 years at Walter Reed, and similar facilities, at least that we are upgrading some of the facilities and hybridizing some of the facilities in various sections in an effort to bring down construction costs. It is indicated that we have talked with the Assistant Secretary of Defense for Health and Environment, and he has talked about some of the plans he has for regionalization of hospitals, and it is indicated that some of those hospitals may amount to several hundred millions of dollars, perhaps not individually, but cumulatively. I would hope that when hospitals of that type are brought to the committee that the committee would very broadly look at the needs of the country and the needs of the areas, and that hopefully we can get some of these projects going at an early date.

I appreciate the action of your committee in not opting for the remedy we used some years ago when we were in fiscal extremis in this country, and that is freezing military construction as a method of solving the problems of the country, because we did not solve the problems of the country some years ago when we got into that kind of a situation by freezing military construction, and I would hope that the committee would stay away from any solution like that for this bill, and hopefully for the next several years.

Mr. SIKES. The gentleman from California is certainly correct on the matter of freezing military construction. This has occurred on several previous occasions, as the gentleman has said, and this has definitely not resulted in lowering the cost but in increasing the cost for the same facilities. It also has not lessened the requirements for the facilities. It is an unsound practice and this committee is vigorously opposed to it.

On the matter of decentralization and regionalization of facilities as far as the military is concerned, this committee has urged for years additional decentralization of activities outside of the Washington area, but it seems as though everybody wants to be close to the throne, and they want to be close to the Capitol.

We have fought in every way we could to bring about decentralization. We try now to stress regionalization, and, of course, that applies to medical facilities as well, and we intend to continue to do so.

Mr. McEWEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I fully support the committee's bill. It represents an excellent job by the chairman and the other members of the subcommittee who grappled with the problems we have in the construction program this year. I want to compliment the chairman once again on the way he runs the Military Construction Subcommittee, which makes it a real pleasure to participate not only in the rather extensive hearings we have with the military services but in all aspects of marking up and presenting this bill to the House.

As you can see from our committee report, we have reduced the budget request by $324,233,000, approximately 9½ percent, which is a substantial cut. We had to do this because we realize that the competition for dollars in the Federal budget is very sharp and that with rising fuel costs, inflation, and all the many other demands upon us, only the most essential requests should be approved. Our 9½ percent reduction does not tell the whole story, however, because the 1975 bill has been shaped to deal with the effects of inflation in the construction industry and the consequent cost increases to military construction projects which had been approved in fiscal year 1974 and previous years. Therefore, the 1975 bill before us contains substantial amounts to complete fiscal year 1974 and previous years' programs. The authorizing committees in their action on the request added $12.5 million for the Navy and $22.3 million for the Air Force to meet increased costs for specific projects which the services had identified at the time the authorizing bills were completing consideration. Our committee added an additional $22.4 million for the Army, $25 million for the Navy, and $11.5 million for the Air Force to cover the increased costs of these earlier programs. The total carried in the bill for these purposes is $93.7 million, and I do not expect that even this will fully fund these earlier programs.

Our report speaks of an 8-percent inflation rate between the fiscal year 1974 and 1975 program periods and of an additional cost of $160 million resulting therefrom. Actually the inflation rate in recent months has been nearer 12 percent in the construction industry so that, on an annual basis, this inflation would cost approximately a quarter of a billion dollars in our bill. I do feel we have done the right thing by trying to concentrate on funding these earlier programs even if it is done by deferring valid projects which were requested in fiscal year 1975.

I would like to point out that the bulk of the bill which has been approved goes directly to the benefit of men and women in uniform and their families. Of the total appropriation requested this year, some $2,059,000,000 was for such personnel support items as hospital and medical facilities; bachelor housing and community support projects; and for the construction, operation, maintenance, and indebtedness payments for family housing and for homeowners assistance. This was nearly 60 percent of the request. Of the amounts we have approved, some $1,864,000,000 is for these personnel support items which, again, is nearly 60 percent of our total bill. Obviously it is in our interests as overseers of the military's operations to insure that a prudent, continuing program for providing adequate facilities for military personnel is carried out. Furthermore, just from the personal standpoint, we should be concerned with the well-being of men and women who are serving their country and with the welfare of their families. And that is what the greater portion of this bill provides.

I have had some personal experience in my district with regard to the unhappy effect of substandard military family housing on the families of military personnel assigned there. Fortunately, with the chairman's help, much of this has been corrected. One of the things I have noticed in my own area is the need to provide housing for lower rank military personnel since they are the people who really have the hardest time getting housing on the local market. I would hope that in future years Congress would see its way clear to providing adequate family housing for these people as I feel there is an urgent need.

The rest of the program supports vital items such as $100 million for the second increment of the Trident support facility at Bangor, Wash. We had very extensive hearings on these construction plans, and our report probably contains more information on the need, program scheduling, distribution of repair workload, and so forth, than most people will be interested in knowing. I should point out that this is a very tightly phased program to meet the operational date for the first Trident submarine, which is scheduled for operation at Bangor in late 1978. Facilities such as the missile assembly and checkout facilities, crew training facilities, and security facilities which are funded in this bill must be available well before that time to meet the operational deadlines. We have had excellent support in this area by the General Accounting Office, and I think it is fair to state that we picked over this program carefully to insure that we are not providing anything which is not required in this year's bill.

I feel the committee's bill meets the need and I urge its speedy approval.

Mr. Chairman, I yield to the gentleman from South Dakota (Mr. Abdnor) such time as he may consume.

Mr. ABDNOR. Mr. Chairman, today we are considering the military construction appropriations bill without first having the benefit of the authorizing law. I realize that the Armed Services conferees have been deadlocked over certain sections of the authorization bill. However, I would prefer to know what the committee desires to authorize first and then allow the full body to consider and debate the authorization before we decide to appropriate funds.

By this procedure necessary and important projects can be overlooked. Such a situation has occurred in South Dakota at Ellsworth Air Force Base. The House Armed Services Committee realized the importance of the improvement of hospital facilities at Ellsworth and included $7,996,000 for this facility in their request. We all know that Congressman Otis Pike has a reputation for being very thorough in questioning and investigating the necessity for military expenditures, and his subcommittee recommended the alterations at Ellsworth. The whole House also realized this need when we passed the military construction bill on August 9, 1974.

However, when the bill reached the Senate, the medical facilities were completely eliminated. Since the conference committee is deadlocked, we have no official accounting of the conferees' report or views on the facilities at Ellsworth. The Appropriations Committee, however, in this instance has taken the Senate version of the military construction bill which deletes these hospital improvements.

Obviously, the House Appropriations Committee is unable to fund this project until it is included in the authorization bill. The military and House Armed Services Committee recognized this need and the impact on our air base. Senator McGovern and myself are contacting the Senate conferees in hopes that the Senate conferees will reconsider their action. It is our hope that by the time the appropriation comes before the Senate we will have been successful in making the Senators realize the necessities of the medical facilities at Ellsworth. We do not intend to try to hold up the appropriations bill now, but we do have plans of achieving Senate support for authorization and then appropriation in both houses. Therefore, I feel it incumbent upon me to explain the dire need for these funds.

The existing composite medical facility is grossly deficient in space and consists of one 18-year-old complex. The dental and some medical facilities occupy two other buildings on base, one of which is an over 20-year-old World War II temporary wooden building about 1 mile from the hospital; the other is a former bomb storage structure. Not only do the delapidated buildings present poor medical conditions, but the facility does not meet fire and safety codes or even some of the regulations of the U.S. Public Health Service.

There is an undesirable mingling of pediatrics, obstetrics, and surgical clinic operations and patients. Tightly cramped areas are allocated to laboratory facilities, radiology, and pharmacy functions. In addition, there is a shortage of 14 physicians' work stations. The current emergency power capabilities in the hospital do not meet U.S. Public Health Service requirements or Air Force criteria. Furthermore, one-half of the bed space involves open wards and centralized community bathrooms, and less than one-half of the existing hospital is air conditioned. Also desperately needed are the intensive and cardiac care units. Therefore, this project is very essential and worthwhile.

The nearest Department of Defense hospital is 250 miles away, and there is no Veterans' Administration hospital nearby. This USAF hospital also provides essential inpatient and outpatient services to the Indian population.

This is the only medical facility in the Air Force which was dropped by the Senate from the House authorized bill. It will be necessary to make these changes in the very near future if for no other reason but to comply with public health and fire and safety requirements.

The Pentagon has also assured me that the personnel population at Ellsworth has stabilized and will remain relatively stable, making it a sound long-term investment. By deferring this project, we not only aggravate and prolong the necessary improvements, but we will be dollar foolish to defer this construction until construction costs increase even higher.

Therefore, for the sake of the health service to the Air Force personnel, retired personnel, dependents, and Indian population who also depend upon this facility, I request that we restore the necessary funds for restoration of the hospital at Ellsworth.

Mr. McEWEN. Mr. Chairman, I have no further request for time.

Mr. SIKES. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. Nichols).

Mr. NICHOLS. Mr. Chairman, I thank the chairman for yielding.

I want to add my compliments to the others who appeared before me for the very excellent job the chairman has done. I expect to support this bill.

I was especially moved by one statement the chairman made relating to the old World War II barracks-type buildings we continue to use in installations throughout the country. I would like to call to the attention of the chairman that his committee has included, and I am very grateful for this, a line item in this bill in the amount of more than $2 million for a new headquarters and administration building at the Anniston Army Depot. As the chairman knows, this is the tank repair capital of the entire free world. I have been in this outmoded building. It is very dilapidated. The accommodations are not at all adequate.

I would like to have assurance from the chairman, if he would care to give it to me, that the conferees on the House side would make every effort to retain this item in the bill in the event some measure might be taken on the Senate side to delete it.

Mr. SIKES. Mr. Chairman, if the gentleman will yield, I appreciate my distinguished friend's comments. I congratulate the gentleman on his able and effective work for the people of his district and for the State of Alabama and for his constant support of military programs.

This committee fully recognizes the need for adequate administrative facilities of the type the gentleman has discussed. We have had some problem in providing them because of the scarcity of money, and yet I know this type of program is one of the most important in this area and one of the most important to the Army. These programs are moving ahead after some serious delays. Obviously improved facilities are going to be required at all levels. I can assure the gentleman that the problem which he has discussed will have my sympathetic consideration at any time I have the opportunity to be helpful.

Mr. NICHOLS. I thank the distinguished chairman of the committee.

Mrs. HOLT. Mr. Chairman, I arise to commend the committee for excellent work on the military construction bill, but I must add my strong warning to this House on an extravagance that the committee may not have foreseen.

I refer to the proposed transfer of the Naval Oceanographic Laboratory from Suitland, Md., to sites in Mississippi and Louisiana.

Mr. Chairman, the planned move would cost at least $15 million and would serve no purpose except to use some vacant facilities in Mississippi and Louisiana.

At a time of severe inflation caused by deficit Federal spending on a monstrous scale, we should be ever watchful for ways to cut expenditures.

We should limit spending to essentials, and the proposed transfer of the Naval Oceanographic Laboratory cannot be deemed essential to national defense or the research effort.

There is nothing in this legislation that would specifically provide funds for that transfer, Mr. Chairman. You could search this bill in vain for even a hint of the move.

Therefore, I am voting for the legislation with the understanding that it does not provide funds to move the Naval Oceanographic Laboratory.

We will soon be receiving a feasibility report on the proposed move from the Navy Department, and I have asked the General Accounting Office to conduct an independent study as soon as the Navy report is available.

The proposed transfer would waste millions of taxpayers dollars, Mr. Chairman, and this House should be watchful for such boondoggles.

Mr. VANIK. Mr. Chairman, although I have in the past voted for passage of the military construction bill, I intend today to cast a "no" vote in protest of what I believe to be excessive spending and the unwise commitment of resources to the Diego Garcia facility.

The Appropriations Committee has, Mr. Chairman, made numerous cuts and deferrals in their consideration of this bill. But given the usual, exaggerated Department of Defense budgets, even these committee alterations have not been able to reduce appreciably the final appropriation in H.R. 17468. In this case, as in most other cases of Department of Defense budgets, we unfortunately have started with the amount of last year's spending. There is no real ground zero where all programs must justify themselves.

Specifically, I object to the huge amount of unobligated moneys from last fiscal year that will be carried forward in this appropriation. While today's legislation calls for "only" $3.4 billion in new authority, $1.3 billion in unobligated funds from last year will increase today's bill to a real obligational authority of $4.7 billion.

I cannot understand, Mr. Chairman, why the Department of Defense so often has these huge amounts of leftover money. It is particularly puzzling given the annual Department of Defense cries of barebones spending levels, "unilateral" cuts, and U.S. defense inferiority.

Second, Mr. Chairman, I continue to object to expenditures of money for the Diego Garcia "communications center" that the Navy and Air Force are building in the Indian Ocean. I am not at all convinced that our presence in that area of the world is necessary or productive. It appears, instead, that the "communications center" is nothing but a foot in the door for the Department of Defense, with larger and more costly improvements to come.

I am further opposed to Diego Garcia by the committee's report language that seems to imply that India's new nuclear capability somehow threatens our country. After an offhand reference to India as a "third rank military power," the report goes on to say:

> However, India's unseemly rush to acquire atomic weapons combined with her increasingly controversial approach toward other states in the area raises a legitimate question on Indian statements of peaceful intent and *possibly sheds new light on her protests with regard to the presence of United States forces in the region* (emphasis added).

I am at a loss as to what this gratuitously insulting language is meant to imply. In any event, it is hardly a justification for U.S. incursion in Indian Ocean waters.

Lastly, I am astounded by the committee's report that the Air Force has continued to construct aircraft shelters for U.S. NATO-support aircraft that are actually too small for today's newest fighters. This absolute lack of foresight is what helps make our defense budget the monster that it is—the Department of Defense and its agencies make the mistakes then we ratify them by appropriating money to correct their poor planning.

Because of the Air Force's poor planning, additional money will have to be spent to alter these "Tab Vee" program shelters so that the new generation F-15 and A-10 aircraft can fit in them—and then only at what I assume is considerable expense and structural inefficiency.

Following the discussion of this aircraft protection debacle, the committee report states that—

> The Committee is also anxious to avoid the problems of the earlier shelter program. Design of shelters should be completed in all respect before construction begins.

How long, Mr. Chairman, must the Congress remind the agencies to do the obvious? At a certain point, you stop telling a child to look both ways when he crosses the street, because you assume that he has learned for himself. Yet here we are in the year 1974, asking the Department of Defense to figure out what kind of hangars and shelters it wants before it starts to build them.

Mr. Chairman, this type of military waste cannot be allowed to go on escalating forever.

Mr. VAN DEERLIN. Mr. Chairman, I am normally an unqualified supporter of our annual military construction appropriation bill. My district includes most of the San Diego harbor front, a center of naval activity. I have naturally appreciated the very real and positive contributions which this legislation makes, not only to America's national defense, but to the community which I represent.

This time, however, I find an item in the bill which seems so questionable that I would feel remiss in my responsibilities if I allowed it to pass without comment. This item permits the Government to pay private developers a tenfold profit in buying back land which it sold as surplus just 11 years ago.

The item seems innocent enough on the surface: $3.843 million, enabling the Navy to acquire 102.25 acres of land in the Murphy Canyon area of San Diego.

Originally, the Navy indicated it wanted the acreage for a new hospital. But, as the Appropriations Committee notes in its report on this very bill, the need for that new hospital costing "several hundred million dollars" has not been fully established.

Nevertheless, the committee continues, "the land can be acquired now and used for family housing in the event medical center plans do not materialize."

Unfortunately, there is some doubt that any new housing for that location could be funded in the foreseeable future. The overall Navy housing program has been cut from 3,500 to 1,300 units a year, due to inflationary cost increases and shrinking budgets. San Diego, feeling the pinch, is not scheduled to receive any additional money for housing for at least 2 years—and no one can say when or whether there will be anything after that.

It happens that the transaction we are asked to approve this afternoon would be highly profitable to a private developer while conferring no discernible benefits on the service, or the taxpaying public.

The firm standing to profit so handsomely if this deal is allowed to go through is the American Housing Guild, holding 77.25 of the acres in question.

The company bought its land from the Government as part of the surplus sale of Camp Elliott, in 1963. Since then, the parcel has changed hands seven times—each time at a higher figure and each time involving the parent American Housing Guild or one of its subsidiaries.

Now the Navy proposes to pay up to $3.4 million to get this same acreage back. And after getting it back, the Navy apparently intends to let the land stand idle awhile longer.

All this, while appropriations for other urgently needed projects are being deferred—in my community and elsewhere.

I must point out further that officials at the Western Division Naval Facilities, Calif., have been less than frank in discussing this matter with my staff. At first, it was reported that American Housing Guild's share of the proposed $3.843 million appropriation would be just $2 million.

Later, in the face of evidence to the contrary, it was conceded that the payment to this company could run as righ as $3,427,750. Included in this amount, and in the proposed appropriation now before us, is $650,000 for "contingencies" in the Navy's dealings with American Housing Guild.

The city of San Diego, which owns the remaining 25 acres in the parcel, would have to settle for a measly $238,050, under Navy plans. The city's share of the land was part of the same package declared surplus in 1963. Since the land was initially purchased by the city for park use at half the market value, it would go back to the Navy at half the appraised value. I have no quarrel with this arrangement, although in retrospect one can again question the Navy's judgment in letting go this land which it now says it must have back.

But the intended repurchase from the private developer is something else. It would seem justified only if the Navy could specify a use for the land—not just vague hopes for the future—and if circumstances of the arrangements for this purchase were not so curious.

A pertinent article published last Thursday, November 21, in the San Diego Union, follows:

DOUBT VOICED ON HOSPITAL

WASHINGTON.—Even though the House Appropriations Committee supports purchase of 103 acres in Murphy Canyon Heights for $3.8 million, it said it was not favoring the acquisition just so a replacement hospital for the 60-year-old Naval Hospital could be built.

In a report issued yesterday, the committee said the land could be used for family housing should plans for building the $200 million hospital fall through.

"The committee is concerned that the Navy has not properly studied the need, size or location for the proposed medical facility," the report states. "As plans have evolved, according to testimony, the scope of the project has diminished. Even so, present plans do not seem to properly take into account the existence of surplus beds in other military medical facilities and a VA hospital in the area.

"Nor do they adequately consider continued use of recently constructed permanent surgical hospital and clinic facilities at the present site" in Balboa Park.

The committee said the proposed facility would require construction of an entirely new hospital, school and supporting facilities. It said it felt the present hospital is "more easily accessible to the military population in San Diego."

"This entire proposal should be reevaluated and further planning for the proposed site should be held in abeyance until a full study of requirements and alternate sites has been completed," the report said.

Mr. SIKES. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

SEC. 110. None of the funds appropriated in this Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts: *Provided*, That funds in this Act may be available for family housing in accordance with section 502 of the Military Construction Authorization Act, 1975, excluding the costs of design and supervision, inspection and overhead.

AMENDMENT OFFERED BY MR. STARK

Mr. STARK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STARK: On page 9, after line 2, insert the following section:

"SEC. 111. Notwithstanding any other provision of law, funds available to the Department of Defense during the current fiscal year for the construction of family housing units may be used to purchase sole interest in privately owned and Federal Housing Commissioner held family housing units if the Secretary of Defense determines it is in the best interests of the Government to do so: *Provided*, That family housing units so purchased do not exceed annual Military Construction Authorization Act limitations on unit cost and numbers and are at the locations authorized: *Provided, further*, That housing units so purchased are within the size limitations of title 10, United States Code, section 2684."

POINT OF ORDER

Mr. DAVIS of Wisconsin. Mr. Chairman, I make a point of order against the amendment, but I ask that I might reserve that point of order for the moment.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order.

Mr. STARK. Mr. Chairman, I rise to offer this amendment which, in the long run, could result in tremendous savings to the Government in housing costs for military personnel, and indeed provide a quicker arrangement for housing such personnel. In addition, in certain areas of the country this could have a relieving effect on the impact of the many foreclosed and now Government-owned units.

This was brought to my attention initially by a situation that exists in my district, wherein there were just completed 30 new housing units on the Oak Knoll Naval Hospital grounds, which is surrounded by the city of Oakland, at a cost of three-quarters of a million dollars. At the same time, within 10 blocks of that installation, there were over four hundred homes currently owned by the Government, either through FHA foreclosure or HUD programs.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank my distinguished friend from California for yielding to me. A year ago, when I sat in a chair during the discussions on this bill, I think he had the same amendment. Does the same situation still exist in the gentleman's district a year later? He made the same speech a year ago.

Mr. STARK. The gentleman's memory is excellent. I made the same speech about this situation in Oakland some time ago.

Mr. ANNUNZIO. Nothing has happened? Nothing has been corrected? And the gentleman was still reelected?

Mr. STARK. If the gentleman would yield, since that time through the cooperation of the distinguished gentleman from Florida (Mr. SIKES) and the ranking minority member of the subcommittee, and through the cooperation of members of the Armed Services Committee; through the cooperation of HUD; through the cooperation of the Department of Defense; an amendment has been suggested which may correct this in my district and in the districts around Chicago, for example, where the same problem may exist.

The amendment, very simply, provides that authority to the Department of Defense which they do not have now. It is not mandatory. It gives the Secretary of Defense authority to purchase these houses if he determines that it is in the best interests of the Government to do so, but the purchase cannot exceed limitations set down in the authorization bill; and indeed cannot exceed any limitations which are in the appropriations bill.

The amendment answers the need for fiscal responsibility and tighter Government spending. Over the course of the years, it could save many millions of dollars by taking out of inventory the unsold houses which are a problem in the communities where they exist.

Mr. Chairman, this amendment has the support of the Department of Housing and Urban Development; it has the support of the Department of Defense.

Mr. Chairman, I would like at this point to include in the RECORD some correspondence I received from the Assistant Secretary of Housing and Urban Development, Mr. Crawford, which will attest to that department's interest:

AUGUST 27, 1974.

H. R. CRAWFORD,
Assistant Secretary for Housing Management, Department of Housing and Urban Development, Washington, D.C.

DEAR MR. CRAWFORD: It was a pleasure to meet you at the White House signing ceremony.

You may recall that we discussed briefly the question of HUD-owned properties and your disposition procedures for these houses. I called your attention to a glaring lack of coordination between HUD and the Defense Department about housing.

There are new residential units being constructed at the Oak Knoll military hospital when, within a few blocks, perfectly adequate HUD-owned properties are simply awaiting new ownership. Many of these houses are of even better quality than the new apartment units. It would seem that DOD could easily arrange with HUD to purchase some of these houses—thereby saving the government the cost of the new housing.

I wonder if you might be able to offer your support for this concept. If HUD indeed has no objection to developing some procedures for a demonstration program of such transfers, I would like to help initiate coordination with the DOD. Your active support is naturally critical to such action, and any assistance would be appreciated.

Enclosed for your further information is some background material on the abovementioned Oakland properties.

I look forward to hearing from you.

Sincerely,

Fortney H. Stark, Jr.,
Member of Congress.

Department of Housing and
Urban Development,
Washington, D.C., September 19, 1974.
Hon. Fortney H. Stark, Jr.,
House of Representatives,
Washington, D.C.

Dear Mr. Stark: This is in reply to your letter of August 27, 1974, regarding HUD and Department of Defense coordination in the disposition of HUD-owned properties.

Normally acquired properties, except for multiple unit structures, are held vacant to effect prompt sale and occupancy by purchasers. However, when conditions are such that satisfactory sale will involve delay to an extent which warrants seeking rental income, or whenever occupancy is essential to prevent vandalism or rapid deterioration, such properties may be rented.

I certainly agree that many of our properties are suitable for use by military personnel. Therefore, I have requested a member of my staff Mr. W. K. Cameron, Director, Office of Property Disposition to explore with the Department of Defense, their authority and the availability of funds to purchase HUD-owned properties located in the vicinity of the military base.

If it is determined that such authority and funds are available to DOD, we will request Mr. James H. Price, Area Director of our San Francisco, Area Office to actively pursue such an arrangement in connection with the HUD-owned properties in the Oakland area.

Your interest in our properties is greatly appreciated.

Sincerely,

H. R. Crawford,
Assistant Secretary.

Department of Housing and
Urban Development,
Washington, D.C., October 29, 1974.
Hon. Fortney H. Stark, Jr.,
House of Representatives,
Washington, D.C.

Dear Mr. Stark: This is in further reply to your letter of August 27, 1974, and my response of September 19, 1974, regarding HUD and Department of Defense coordination in the dispositon of HUD-owned properties.

As I indicated in my earlier letter, the Department of Defense was contacted with respect to whether DOD had the necessary legislative authority to enable them to purchase properties owned by HUD. They have advised us that they do not presently have such legislative authority but that they are very much interested in pursuing the idea of purchasing HUD-owned properties and possibly drafting legislation to accomplish this. We anticipate hearing from DOD within the very near future to discuss this matter further.

I hope this information will be helpful and appreciate your interest in our program.

Sincerely,

H. R. Crawford,
Assistant Secretary.

I will be glad to yield to questions on the point of order raised by the distinguished gentleman from Wisconsin at this time.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I would like to ask, just where are these houses the gentleman is talking about?

Mr. STARK. In my district, they are within several blocks of the Oakland Naval Hospital. They are in Campton, Calif. They are in various parts of the country.

Generally, in urban areas where there are military installations, there are unfortunately quite a few foreclosed houses. Of course, in some parts of the country this would not apply, because that problem does not exist.

Mr. HUNT. Is it not true that in other major cities throughout the United States where we have these foreclosed properties, that they are being put up for sale under the Homestead Act for the residents of the city? Is it not true that in the gentleman's city similar circumstances exist at the present time?

Mr. STARK. The gentleman is absolutely correct. I might add, however, that in my city the Navy needed but 30 units, and we have 500 existing units available, so we would have had more than enough.

At the same time, it would attract perhaps even additional Navy personnel. We like to have them. They are good people. We like to have them buy their groceries in our community as they do not have a commissary at the naval base.

Mr. HUNT. I can understand the gentleman's predicament, but by the same token, perhaps the Navy does not want to be there. No. 2, the reason why the houses are vacant; and No. 3, we have the homesteading situation going on at the present time. I would suggest at this time next year those houses will be sold.

Mr. STARK. My hope would be that if the Navy felt that way, they would not take advantage of this language. It is purely permissive. The Department of Defense felt that in some instances it would be helpful in meeting their housing needs, and this would make it legal for them to do that if they wish.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Stark was allowed to proceed for 2 additional minutes.)

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield on a point of order at this time?

Mr. STARK. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I simply want to ask a question here.

One of the things that we do have problems with is the ever increasing cost of maintenance of our military housing. I do not know the particular circumstances of the area of which the gentleman speaks, but I am wondering if we are going to get ourselves into a situation of having scattered Government-owned housing units in the vicinity of these military installations which will cause the services some rather serious maintenance problems.

Mr. STARK. The Department of Defense is aware of this—which was part of our discussion—and this is why they wanted complete control to make these decisions. That was one of the very technical points of the decision.

In many areas, we have condominiums or developments where maintenance can be easily carried out, and in many other instances there is housing close by. This question has been raised by the Department of Defense, and again, this is why they wanted to be able to make these decisions. I am sure this is one of the facts they would take into consideration in weighing whether it would be proper to acquire surrounding property, or to build additional units on the base.

Mr. DAVIS of Wisconsin. Mr. Chairman, I am not going to be on this subcommittee a year hence, so I suppose I am not the one to worry about the problems that will be created here. This is the first day I have seen this amendment. I would like to ask the gentlemen of the subcommittee and ranking member of it, if they have had an opportunity to study the implications of this proposed amendment and whether they see any substantial opposition to it.

The CHAIRMAN. The time of the gentleman from California (Mr. Stark) has expired.

(On request of Mr. Sikes and by unanimous consent, Mr. Stark was allowed to proceed for 3 additional minutes.)

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Florida.

Mr. SIKES. May I state, in response, that I have had opportunity within the last few hours to study this material. I, of course, am generally familiar with what has been proposed.

This is not the first time this has been discussed or considered within the committee. I do not think there is any doubt that this is legislation on an appropriation bill, and if anyone insists on a point of order, the Chair will very probably rule that the amendment is out of order. Nevertheless, I personally feel the amendment offered by the distinguished gentleman from California is a constructive contribution. I think it would be useful to the military housing program.

We have not felt that this was within the jurisdiction of our subcommittee, so we have not considered it seriously for adoption by the subcommittee; but, frankly, I think it would be helpful to have in the law, whether it is accepted here or placed in a legislative bill.

The objective, of course, of this committee is to provide military housing which will be adequate for all ranks of military personnel. If we can obtain adequate housing for our military personnel at less cost by purchasing existing housing, then I think it would be advantageous to do so. We have no desire to construct additional houses if there is housing available in a good location, a sufficient number of satisfactory units that can be acquired and operated by the military at a saving to the Government.

I believe that I am correct in stating that the Office of the Secretary of Defense supports this objective.

Mr. McEWEN. Mr. Chairman, will the gentleman yield?

Mr. STARK. I will be glad to yield to the gentleman from New York.

Mr. McEWEN. Mr. Chairman, I wish to respond to what has been said by my colleague, the gentleman from Wisconsin (Mr. Davis). May I say also to the chairman of the subcommittee that I was just consulted in the last few hours by the gentleman from California (Mr. Stark).

I can see no objection to this amendment, other than, of course, as the chairman of the subcommittee has pointed out, a point of order would lie against the amendment if any Member wished to make it. I think a similar amendment might be helpful as far as medical facilities are concerned, particularly hospitals, when we look at what is available off base to meet the needs. We must consider that when we consider the building of hospitals on base.

I think if there is housing suitable for military family housing needs off base, this amendment might provide a useful desirable method of obtaining housing.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield further?

Mr. STARK. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Mr. Chairman, if the chairman of the subcommittee would undertake to have individual reports and discussions with the Defense Department housing people with respect to each project that might be acquired under this proposed amendment, I would then assume that each case would be considered on its merits, as to whether the possible problems of maintenance, and so on, and the cost to the Government of using this method as compared to the construction of new facilities were taken properly into account.

The CHAIRMAN. The time of the gentleman from California (Mr. Stark) has again expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. Davis).

Mr. DAVIS of Wisconsin. Mr. Chairman, if that would then be the result, I would not be the one to insist upon my point of order. If the chairman of the subcommittee does feel this can be handled by his subcommittee in that fashion as these individual projects are proposed, I will not insist upon my point of order.

Mr. SIKES. Mr. Chairman, will my distinguished friend yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I, of course, would request that the subcommittee be kept fully informed of any actions taken under this provision, and that we have an opportunity to ascertain the suitability, the maintenance costs, the savings, and any other pertinent facts relating to such unit before actual acquisitions or purchases were consummated.

Mr. DAVIS of Wisconsin. Upon that assurance, Mr. Chairman, I withdraw my reservation, I withdraw my point of order, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Stark).

The question was taken; and on a division (demanded by Mr. Sikes) there were—ayes 36, noes 4.

So the amendment was agreed to.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to make it clear that I do not support the funds contained in this bill for expansion of facilities on the island of Diego Garcia in the Indian Ocean.

When funds for Diego Garcia were first discussed by the Military Construction Subcommittee of the Appropriations Committee last spring, I expressed my disagreement with the expenditure of those funds. It seemed to me that the Congress had not had a thorough discussion of what the implications of expanding facilities on that island would mean. We still have not. There is disagreement as to just why the Soviets are doing whatever they are doing in Somalia and elsewhere in the region. And there is a real question of whether other nations will interpret our expansion of facilities at Diego Garcia as more than a super filling station in the middle of the Indian Ocean.

Many questions about our facilities at Diego Garcia still remain unanswered, in my mind at least. I realize, however, that a majority of the members of the Appropriations Committee do not share my views, nor, I suspect, do a majority of the Members of the House. There are not enough votes in this House to stop the expenditure of funds for this purpose. I wish there were, because the implications of what we are doing here are more widespread than most of us realize.

Mr. PRICE of Illinois. Mr. Chairman, I ask unanimous consent to return to page 2, line 18 through 25, for the purpose of offering an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. PRICE OF ILLINOIS

Mr. PRICE of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Price of Illinois: On page 2, line 24, strike out "$453,460,000" and insert in lieu thereof "$456,801,000."

The portion of the bill to which the amendment refers is as follows:

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, $453,460,000, to remain available until expended.

Mr. PRICE of Illinois. Mr. Chairman, my amendment simply puts back in the bill two projects which I feel were inadvertently left out in the Appropriation Committee's consideration of this important legislation. They are a 2,000-foot extension of the runway at a cost of $3,000,000 plus necessary land acquisition costing $341,000. Both of these projects have been approved by the House and Senate Armed Services Committees. These projects which were requested by the Department of Defense and the Air Force in their fiscal year 1975 military construction program and have not been favorably reported out by the House Appropriations Committee. I feel this is an oversight which should be corrected. Scott AFB, which is the headquarters of the Military Airlift Command and is located in the heart of the United States at Belleville, Ill., is one of the most important installations that we have. A runway of sufficient length at the base is an absolute necessity to permit unrestricted operation of large transport aircraft.

Because of the short runway, aircraft must operate with reduced loads, thus sacrificing either cargo capacity or operating ranges or both. As a result of these restrictions, efficient use of military airlift capability cannot be fully realized. Further, the inherent hazards of this situation are intensified during times of reduced visibility and diminished braking actions associated with adverse weather conditions. This is especially critical to the medical evacuation aircraft stationed at Scott AFB. The C–9 aeromedical evacuation aircraft use this base as a key staging location in the nationwide aeromedical evacuation service for the entire Department of Defense.

Therefore, in view of the marginal airfield conditions that currently exist, I feel that it is imperative that we approve the runway extension and land acquisition requested by the Air Force. I feel that it is absolutely necessary that these important projects be approved in the fiscal year 1975 military construction bill, and I urge the approval of my amendment.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Florida.

Mr. SIKES. The committee recognizes that this is a short and inadequately configured runway and that there are problems associated with it. Nevertheless, we have felt that it could provide, on a minimal basis, for the operations which were planned for Scott at the time the committee marked up its bill.

Subsequently, there have been some realinements in the base structure, just in the last few days. There will be additional flying units shifted to Scott. Also, I understand that the Senate Appropriations Committee has deleted this project. In order to be sure that we can provide what is needed it should be reinstated so that we can consider it in the conference. On that basis, Mr. Chairman, I will not object to the amendment.

Mr. PRICE of Illinois. Mr. Chairman, I thank the gentleman.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the bill before us, H.R. 17468, but in some sympathy because of the problems mentioned by my colleague, the gentleman from Illinois (Mr. PRICE).

I, too, have a project that had been requested in this legislation, the military construction bill, which was included in the military authorization bill but deleted by the Committee on Appropriations.

The request was for $5,135,000 for the construction of a new building at Wright-Patterson Air Force Base, located at Fairborn, Ohio, to house the Air Force Logistics Command Headquarters.

In its report, page 29, the committee argues against the approval of funds on two grounds: First, that the ongoing reduction in the size of military headquarters activities reduces the need for such a building, and second, that the reconstruction of the devastated community of Xenia, Ohio, several miles away, which was struck by a tornado on April 3 this year, could apparently have adverse effects on the cost of construction of facilities at Wright-Patterson.

On the first point, I want to note that the proposed building takes into effect the reductions that are taking place in the size of military command headquarters space needs. The current facilities housing the headquarters total 164,000 square feet in size, compared with the proposed building size of 125,000 square feet. The current facilities housing this command were originally constructed as World War II open-bay structures, with a life expectancy of 10 years. They have deteriorated beyond economical repair; they have become structurally unsound; they lack proper environmental controls and constitute a serious fire hazard. Furthermore, the three buildings currently housing the command's headquarters staff are separated from each other, adding to the inefficiency that a new building may overcome.

Someday, it is a certainty that the facilities are going to have to be replaced. With inflation going up, that cost is sure to be higher in the future. And the longer the delay, the greater the losses in taxpayer funds to pay for the higher costs of heating and cooling the building, meeting safety standards and the costs of increased maintenance. Those costs are all going to keep going up. Waiting, therefore, might well cost the taxpayers money, instead of saving money.

On the second point, regarding the potential impact on the construction of such a facility because of the increased construction needs in Xenia, I believe the committee has raised an invalid objection. I would point out that following the Xenia tornado the low bid for a project at the same base—the second increment of construction of the new foreign technology division facility—was more than $1⅓ million less than the original estimate of $11 million. While the destruction of the city of Xenia was extensive, much of it was to homes and smaller buildings, which require entirely different construction work in rebuilding than this new office building would require. There is no evidence that this facility's construction would be hampered.

The Dayton Building Trades Council, the associated general contractors in the area and the base commander at Wright-Patterson Air Force Base have all assured me that there is no shortage of construction manpower or contractors to do the work in the Wright-Patterson area.

Therefore, Mr. Chairman, I will support the bill before us, but I hope that if a conference with the Senate is required to resolve differences and the headquarters facility is included in the Senate bill, it will be agreed to by the House conferees. It is my understanding that the Senate Military Construction Appropriations Subcommittee has included the facility in the draft bill now before it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. PRICE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to pay tribute to the chairman of the subcommittee, the gentleman from Florida (Mr. SIKES), at this time for his interest in a very important problem which is raised in my additional views: the problem of security of our atomic weapons located at bases throughout the world. I pointed out in the committee report in my additional views—and this has also been confirmed by the Defense Department and other sources—that the United States has stationed in various locations worldwide nuclear weapons which have extremely inadequate security. I fear those weapons could either be stolen, vandalized, or even destroyed by terrorist groups.

I point out in the report that the Defense Department, while recognizing this problem, has asked for woefully inadequate funds, less than $5 million, whereas the problem would take about $90 million to remedy, according to Pentagon estimates. This has been confirmed by Gen. Michael Davidson, head of the U.S. Army in Europe, who has pointed out that lack of funds is the problem yet the Pentagon has had this matter under serious consideration since the 1972 Munich terrorism.

The chairman of the subcommittee and Mr. Nicholas, the chief clerk of the staff, gave tremendous cooperation to me and my staff in developing the facts on this problem, in demonstrating that it exists, and in asking for the investigative staff of the full committee to look into it further. I am pleased to report the full committee investigation is well underway at this time, and promises to be as thorough a study of U.S. nuclear weapons as any committee has ever done.

I want to thank the chairman, the gentleman from Florida (Mr. SIKES), for his interest in this aspect of our national security, just as the gentleman has always expressed such an interest in so many other ways in the past.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Florida.

Mr. SIKES. I thank the gentleman for yielding.

As I stated earlier, Mr. Chairman, I am impressed by the effective work done by the distinguished gentleman from Maryland on the question of security. I think he has made a significant contribution. I believe our report is better by virtue of the language which he has added to the report.

Mr. LONG of Maryland. I thank the Chairman.

Mr. SIKES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NEDZI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17468) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. JOHNSON of Colorado. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 341, nays 33, not voting 60, as follows:

[Roll No. 646]

YEAS—341

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gray
Green, Oreg.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hays
Heinz
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Lagomarsino
Landgrebe
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vander Veen
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—33

Abzug
Archer
Badillo
Bingham
Burton, John
Conyers
Dellums
Drinan
Edwards, Calif.
Fraser
Frenzel
Green, Pa.
Gross
Harrington
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Kastenmeier
Koch
Mitchell, Md.
Moakley
Pritchard
Rangel
Rees
Rosenthal
Ryan
Schroeder
Stokes
Studds
Symms
Vanik
Waldie

NOT VOTING—60

Armstrong
Aspin
Brasco
Breckinridge
Brinkley
Broyhill, Va.
Burke, Calif.
Carey, N.Y.
Chisholm
Collier
Conable
Eilberg
Eshleman
Evans, Colo.
Giaimo
Goodling
Grasso
Gubser
Hanna
Hansen, Wash.
Hébert
Hillis
Howard
Hudnut
Jones, Ala.
Jones, N.C.
Kluczynski
Landrum
Litton
Luken
Maraziti
Metcalfe
Mills
Mitchell, N.Y.
Mosher
Passman
Pettis
Poage
Podell
Powell, Ohio
Rarick
Reid
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rousselot
Roybal
Scherle
Schneebeli
Sebelius
Shoup
Steele
Steiger, Wis.
Stephens
Traxler
Van Deerlin
Veysey
Wilson, Charles, Tex.
Wyman
Young, Ga.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Steele.
Mr. Rooney of New York with Mr. Rarick.
Mr. Giaimo with Mr. Scherle.
Mr. Carey of New York with Mr. Gubser.
Mr. Eilberg with Mr. Collier.
Mr. Landrum with Mr. Broyhill of Virginia.
Mr. Roybal with Mr. Hillis.
Mrs. Chisholm with Mrs. Grasso.
Mr. Breckinridge with Mr. Powell of Ohio.
Mr. Evans of Colorado with Mr. Goodling.
Mr. Passman with Mr. Roncallo of New York.
Mr. Metcalfe with Mr. Luken.
Mr. Jones of Alabama with Mr. Rousselot.
Mr. Howard with Mr. Hudnut.
Mr. Brinkley with Mr. Conable.
Mrs. Burke of California with Mr. Maraziti.
Mr. Jones of North Carolina with Mr. Veysey.
Mr. Kluczynski with Mr. Mitchell of New York.
Mr. Litton with Mr. Shoup.
Mr. Mills with Mr. Eshleman.
Mr. Riegle with Mr. Schneebeli.
Mr. Stephens with Mr. Mosher.
Mr. Van Deerlin with Mr. Wyman.
Mr. Traxler with Mr. Sebelius.
Mr. Young of Georgia with Mrs. Hansen of Washington.
Mr. Charles Wilson of Texas with Mr. Hanna.
Mr. Steiger of Wisconsin with Mr. Pettis.
Mr. Aspin with Mr. Reid.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their own remarks on the bill just passed, and to include extraneous material.

The **SPEAKER.** Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO FILE PRIVILEGED REPORTS

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tonight to file two privileged reports.

The **SPEAKER.** Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO HAVE UNTIL MIDNIGHT, NOVEMBER 27, 1974, TO FILE REPORT ON S. 4016

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight, November 27, 1974, to file its report on S. 4016, to protect and preserve the tape recordings of conversations involving former President Richard M. Nixon and for other purposes.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

REHABILITATION ACT AMENDMENTS OF 1974

Mr. PERKINS. Mr. Speaker, by direction of the Committee on Education and Labor, I call up the bill (H.R. 17503) to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Service Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the Blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the distinguished gentleman will explain the necessity for this extraordinary procedure.

Mr. PERKINS. Mr. Speaker, I would be delighted to explain to the gentleman. Mr. Speaker, H.R. 17503 is identical to H.R. 14225, the conference report for which was approved in the House on October 16 by a vote of 334 to 0. Subsequently, on October 29, the President vetoed this measure.

On November 20, the House overrode the Presidential veto by a vote of 398 to 7, and on November 21, the Senate also overrode the veto by a vote of 90 to 1.

Mr. Speaker, the administration has taken the position that the October 29 veto is a pocket veto. In other words, the administration at this point does not recognize the overwhelming action taken by the House and the Senate and the respective votes to override in each body.

If the Congress takes no further action, the resolution of this matter will have to take place in the courts.

I am confident, Mr. Speaker, that the Congress will prevail in the courts. At the same time, Mr. Speaker, we do not feel that handicapped Americans and the rehabilitation program should be subjected to what might be a very lengthy court proceeding. Moreover, we are advised that the President will allow a new measure identical to the one vetoed to become law.

For that reason we are bringing before the House today this identical measure.

I would point out to my colleagues that the Committee on Education and Labor met this morning and ordered this measure reported for House consideration. My colleagues should also know that the Senate is proceeding with an identical bill and is ready to act on a House-passed measure.

Mr. Speaker, the real reason for taking this speedy course of action is because of the necessity for State legislatures to know before January 1 the amount of money that is authorized and what they are entitled to so they can plan accordingly at the State level. Federal-State matching for the rehabilitation program is on an 80–20 basis. It is most important that we take this action today and I therefore strongly urge approval of this bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill, as follows:

H.R. 17503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SHORT TITLE

Sec. 100. This title shall be known as the "Rehabilitation Act Amendments of 1974".

REHABILITATION SERVICES ADMINISTRATION

Sec. 101. (a) Section 3(a) of the Rehabilitation Act of 1973 is amended to read as follows:

"(a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the 'Commissioner') appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Commissioner.".

(b) The amendment made by subsection (a) of this section shall be effective sixty days after the date of enactment of this Act.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES

Sec. 102. (a) Section 100(b) of such Act is amended by—

(1) striking out "and" after "1974," in paragraph (1) and inserting before the period at the end of such paragraph a comma and "and $720,000,000 for the fiscal year ending June 30, 1976"; and

(2) striking out "and" after "1974," in the first sentence of paragraph (2) and inserting after "1975," in such sentence "and $42,000,000 for the fiscal year ending June 30, 1976;".

(b) Section 112(a) of such Act is amended by striking out "and" after "1974," and by inserting "and up to $2,500,000 but no less than $1,000,000 for the fiscal year ending June 30, 1976," after "1975,".

(c) Section 121(b) of such Act is amended by striking out "1976" and inserting in lieu thereof "1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND TRAINING

Sec. 103. Section 201(a) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence of paragraph (1) and inserting after "1975" in such sentence a comma and "and $32,000,000 for the fiscal year ending June 30, 1976";

(2) striking out the comma after "20 per centum" in the second sentence of paragraph (1) and inserting after "respectively," in such sentence "and 25 per centum of the amounts appropriated in each succeeding fiscal year"; and

(3) striking out "there is authorized to be appropriated" in paragraph (2) and inserting after "1975" in such paragraph a comma and "and $32,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

Sec. 104. Section 301(a) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence and inserting before the period at the end of such sentence a comma and "and June 30, 1976"; and

(2) striking out "1977" in the last sentence and inserting in lieu thereof "1978".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

Sec. 105. Section 302(a) of such Act is amended by striking out "and" after "1974," and by inserting after "1975" a comma and "and June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL PROJECTS AND DEMONSTRATIONS

Sec. 106. Section 304(a)(1) of such Act is amended by striking out "and" after "1974," and by inserting after "1975" a comma and "and $20,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

Sec. 107. Section 305(a) of such Act is amended by striking out "and" after "1974," and by inserting after "1975" a comma and "and June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR PROGRAM AND PROJECT EVALUATION

Sec. 108. Section 403 of such Act is amended by striking out "and" after "1974," and by inserting after "1975," the following: "and June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SECRETARIAL RESPONSIBILITIES

Sec. 109. Section 405(d) of such Act is amended by inserting before the period a comma and "and $600,000 for the fiscal year ending June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Sec. 110. Section 502(h) of such Act is amended by inserting before the period at the end thereof a comma and "and $1,500,000 for the fiscal year ending June 30, 1976".

MISCELLANEOUS AMENDMENTS

Sec. 111. (a) Section 7(6) of such Act is amended by adding at the end thereof the following new sentence: "For the purposes of titles IV and V of this Act, such term means any person who (A) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (B) has a record of such an impairment, or (C) is regarded as having an impairment.".

(b) Section 101(a)(6) of such Act is amended by adding at the end thereof before the semicolon "(including a requirement that the State agency facilities in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, section 503)".

(c) Section 101(a)(9)(C) of such Act is amended by adding at the end thereof before the semicolon "in such detail as required by the Secretary in order for him to analyze and evaluate annually the reasons for and numbers of such ineligibility determinations as part of his responsibilities under section 401, and that the State agency will at least annually categorize and analyze such reasons and numbers and report this information to the Secretary and will not later than twelve months after each such determination, review each such ineligibility determination in accordance with the criteria set forth in section 102".

(d) Section 101(a)(15) of such Act is amended by inserting after "facilities" at the end of the parenthetical "and review of the efficacy of the criteria employed with respect to ineligibility determinations described in subclause (C) of clause (9) of this subsection".

(e) Section 102 of such Act is amended by—

(1) inserting in subsection (a) after "program" where it first appears in the first sentence a comma and "or the specification of reasons for a determination of ineligibility prior to initiation of such program based on preliminary diagnosis,", and inserting at the end of the second sentence of such subsection before the period a comma and "and, as appropriate, such specification of reasons for such an ineligibility determination shall set forth the rights and remedies, including recourse to the process set forth in subsection (b)(5) of this section, available to the individual in question";

(2) striking out in subsection (c) all of clause (1) from "in" the first time it appears through "primary" and inserting in lieu

thereof "in making any determination of ineligibility referred to in subsection (a) of this section, or in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual,";

(3) striking out in clause (2) of subsection (c) "program, that the evaluation of rehabilitation potential" and inserting in lieu thereof "program, or as a part of the specification of reasons for an ineligibility determination, as appropriate, that the preliminary diagnosis or evaluation of rehabilitation potential, as appropriate,"; and

(4) inserting in clause (3) of subsection (c) a comma and "as an amendment to such written program," after "decision".

(f) Section 112(a) is amended by—

(1) striking out "an amount equal to the amount obligated for expenditure for carrying out such projects and demonstrations for appropriations under the Vocational Rehabilitation Act in the fiscal year ending June 30, 1973," and inserting in lieu thereof "$11,860,000"; and

(2) adding at the end thereof a new sentence as follows: "In the event that funds so appropriated under section 304 do not exceed $11,860,000 in any fiscal year, the Secretary is authorized to utilize such funds to carry out this section.".

(g) Section 130(b) of such Act is amended by striking out "February 1, 1975" and inserting in lieu thereof "June 30, 1975".

(h) Section 202(a) of such Act is amended by striking out "and analyses" in the penultimate clause and inserting in lieu thereof a comma and "analyses, and demonstrations".

(i) Section 304(b) of such Act is amended by—

(1) striking out "and" before "(2)" in the first sentence, and inserting at the end of such sentence before the period a comma and "and (3) for operating programs (including renovation and construction of facilities, where appropriate) to demonstrate methods of making recreational activities fully accessible to handicapped individuals"; and

(2) striking out "for" the third time it appears in the parenthetical in clause (2) in the first sentence and inserting in lieu thereof "or".

(j) Section 304(c) of such Act is amended by inserting after "Labor," in the first sentence "who".

(k) Section 304(e)(1) of such Act is amended by inserting after "(B)" the following: "with the concurrence of the Board established by section 502,".

(l)(1) Section 306(b) of such Act is amended by inserting after "project" a comma and "or for a project which involves construction,".

(2) Section 306(b)(4) of such Act is amended by inserting after "specifications" the following: "which have been approved by the Board established by section 502,".

(m) Section 405(c) of such Act is amended by—

(1) striking out "the Handicapped" and inserting in lieu thereof "Handicapped Individuals"; and

(2) by adding at the end thereof the following new sentence: "In no event shall any functions under this section be further delegated to any persons with operational responsibilities for carrying out functions authorized under any other section of this Act or under any other provision of law designed to benefit handicapped individuals."

(n)(1) Section 502(a) of such Act is amended by redesignating clauses (6), (7), and (8) thereof as clauses (7), (8), and (9), respectively, and by inserting immediately after clause (5) the following new clause:

"(6) Department of Defense;".

(2) Section 502(a) of such Act is further amended by adding at the end thereof the following new sentence: "The Secretary of Health, Education, and Welfare shall be the Chairman of the Board and the Board shall appoint, upon recommendation of the Secretary, a Consumer Advisory Panel, a majority of the members of which shall be handicapped individuals, to provide guidance, advice and recommendations to the Board in carrying out its functions.".

(o)(1) Section 502(d) of such Act is amended by striking out "section, the Board" in the first sentence and inserting in lieu thereof "Act, the Board shall, directly or through grants to or contracts with public or private nonprofit organizations, carry out its functions under subsections (b) and (c) of this section, and".

(2) Section 502(d) of such Act is further amended by adding at the end thereof the following new sentences: "Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building found not to be in compliance with standards prescribed pursuant to the Acts cited in subsection (b) of this section.".

(p) Section 502(e) of such Act is amended by adding before the first sentence the following new first sentence: "There shall be appointed by the Board an executive director and such other professional and clerical personnel as are necessary to carry out its functions under this Act.".

(q) Section 502(g) of such Act is amended by striking out the penultimate sentence "prior to January 1" and inserting in lieu thereof "not later than September 30".

TITLE II—RANDOLPH-SHEPPARD ACT AMENDMENTS

SHORT TITLE

SEC. 200. This title may be cited as the "Randolph-Sheppard Act Amendments of 1974".

FINDINGS

SEC. 201. The Congress finds—

(1) after review of the operation of the blind vending stand program authorized under the Randolph-Sheppard Act of June 20, 1936, that the program has not developed, and has not been sustained, in the manner and spirit in which the Congress intended at the time of its enactment, and that, in fact, the growth of the program has been inhibited by a number of external forces;

(2) that the potential exists for doubling the number of blind operators on Federal and other property under the Randolph-Sheppard program within the next five years, provided the obstacles to growth are removed, that legislative and administrative means exist to remove such obstacles, and that Congress should adopt legislation to that end; and

(3) that at a minimum the following actions must be taken to insure the continued vitality and expansion of the Randolph-Sheppard program—

(A) establish uniformity of treatment of blind vendors by all Federal departments, agencies, and instrumentalities,

(B) establish guidelines for the operation of the program by State licensing agencies,

(C) require coordination among the several entities with responsibility for the program,

(D) establish a priority for vending facilities operated by blind vendors on Federal property,

(E) establish administrative and judicial procedures under which fair treatment of blind vendors, State licensing agencies, and the Federal Government is assured.

(F) require stronger administration and oversight functions in the Federal office carrying out the program, and

(G) accomplish other legislative and administrative objectives which will permit the Randolph-Sheppard program to flourish.

OPERATION OF VENDING FACILITIES ON FEDERAL PROPERTY

SEC. 202. The first section of the Act entitled "An Act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes" (hereafter referred to in this title as the "Randolph-Sheppard Act"), approved June 20, 1936, as amended (20 U.S.C. 107), is amended by striking out all after the enacting clause and inserting in lieu thereof the following:

"That (a) for the purposes of providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting, blind persons licensed under the provisions of this Act shall be authorized to operate vending facilities on any Federal property.

"(b) In authorizing the operation of vending facilities on Federal property, priority shall be given to blind persons licensed by a State agency as provided in this Act; and the Secretary, through the Commissioner, shall, after consultation with the Administrator of General Services and other heads of departments, agencies, or instrumentalities of the United States in control of the maintenance, operation, and protection of Federal property, prescribe regulations designed to assure that—

"(1) the priority under this subsection is given to such licensed blind persons (including assignment of vending machine income pursuant to section 7 of this Act to achieve and protect such priority), and

"(2) wherever feasible, one or more vending facilities are established on all Federal property to the extent that any such faciltiy or facilities would not adversely affect the interests of the United States.

Any limitation on the placement or operation of a vending facility based on a finding that such placement or operation would adversely affect the interests of the United States shall be fully justified in writing to the Secretary, who shall determine whether such limitation is justified. A determination made by the Secretary pursuant to this provision shall be binding on any department, agency, or instrumentality of the United States affected by such determination. The Secretary shall publish such determination, along with supporting documentation, in the Federal Register.".

FEDERAL AND STATE RESPONSIBILITIES

SEC. 203. (a)(1) Section 2(a) of the Randolph-Sheppard Act is amended by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively, and by inserting the following new paragraph (1):

"(1) Insure that the Rehabilitation Services Administration is the principal agency for carrying out this Act; and the Commissioner shall, within one hundred and eighty days after enactment of the Randolph-Sheppard Act Amendments of 1974, establish requirements for the uniform application of this Act by each State agency designated under paragraph (5) of this subsection, including appropriate accounting procedures, policies on the selection and establishment of new vending facilities, distribution of income to blind vendors, and the use and control of set-aside funds under section 3(3) of this Act;".

(2) Section 2(a)(2) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

"(2) Through the Commissioner, make annual surveys of concession vending opportunities for blind persons on Federal and other property in the United States, particularly with respect to Federal property under the control of the General Services Administration, the Department of Defense, and the United States Postal Service;".

(3) Section 2(a)(5) of such Act, as redesignated by paragraph (1) of this subsection, is amended—

(A) by striking out "commission" each place it appears and inserting in lieu thereof "agency",

(B) by striking out "and at least twenty-one years of age",

(C) by striking out "articles dispensed automatically or in containers or wrapping in which they are placed before receipt by the vending stand, and such other articles as may be approved for each property by the department or agency in control of the maintenance, operation, and protection thereof and the State licensing agency in accordance with the regulations prescribed pursuant to the first section" and inserting in lieu thereof the following: "foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State".

(D) by striking out "stands" and "stand" and inserting in lieu thereof "facilities" and "facility", respectively, and

(E) by striking out the colon and all matter following the colon, and inserting in lieu thereof "; and".

(4) Section 2(a)(6) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

"(6) Through the Commission, (A) conduct periodic evaluations of the program authorized by this Act, including upward mobility and other training required by section 8, and annually submit to the appropriate committees of Congress a report based on such evaluations, and (B) take such other steps, including the issuance of such rules and regulations, as may be necessary or desirable in carrying out the provisions of this Act."

(b) Section 2(b) of such Act is amended—

(1) by striking out "stand" the first time it appears in the first sentence and where it appears in the second sentence and inserting in lieu thereof "facility";

(2) by striking out "and have resided for at least one year in the State in which such stand is located"; and

(3) by striking out "but are able, in spite of such infirmity, to operate such stands".

(c) Section 2(c) of such Act is amended by striking out "stand" in each place in which it appears and inserting in lieu thereof "facility".

(d) Section 2 of such Act is further amended by adding at the end thereof the following new subsections:

"(d)(1) After January 1, 1975, no department, agency, or instrumentality of the United States shall undertake to acquire by ownership rent, lease, or to otherwise occupy, in whole or in part, any building unless, after consultation with the head of such department, agency, or instrumentality and the State licensing agency, it is determined by the Secretary that (A) such building includes a satisfactory site or sites for the location and operation of a vending facility by a blind person, or (B) if a building is to be constructed, substantially altered, or renovated, or in the case of a building that is already occupied on such date by such department, agency, or instrumentality, is to be substantially altered or renovated for use by such department, agency or instrumentality, the design for such construction, substantial alteration, or renovation includes a satisfactory site or sites for the location and operation of a vending facility by a blind person. Each such department, agency, or instrumentality shall provide notice to the appropriate State licensing agency of its plans for occupation, acquisition, renovation, or relocation of a building adequate to permit such State agency to determine whether such building includes a satisfactory site or sites for a vending facility.

"(2) The provisions of paragraph (1) shall not apply (A) when the Secretary and the State licensing agency determine that the number of people using the property is or will be insufficient to support a vending facility, or (B) to any privately owned building, any part of which is leased by any department, agency, or instrumentality of the United States and in which, (i) prior to the execution of such lease, the lessor or any of his tenants had in operation a restaurant or other food facility in a part of the building not included in such lease, and (ii) the operation of such a vending facility by a blind person would be in proximate and substantial direct competition with such restaurant or other food facility except that each such department, agency, and instrumentality shall make every effort to lease property in privately owned buildings capable of accommodating a vending facility.

"(3) For the purpose of this section, the term 'satisfactory site' means an area determined by the Secretary to have sufficient space, electrical and plumbing outlets, and such other facilities as the Secretary may by regulation prescribe, for the location and operation of a vending facility by a blind person.

"(e) In any State having an approved plan for vocational rehabilitation pursuant to the Vocational Rehabilitation Act or the Rehabilitation Act of 1973 (Public Law 93–112), the State licensing agency designated under paragraph (5) of subsection (a) of this section shall be the State agency designated under section 101(a)(1)(A) of such Rehabilitation Act of 1973.".

DUTIES OF STATE LICENSING AGENCIES AND ARBITRATION

SEC. 204. (a) Section 3 of the Randolph-Sheppard Act is amended—

(1) by striking out "commission" and inserting in lieu thereof "agency";

(2) by striking out in paragraphs (2) and (3) "stand" and inserting in lieu thereof "facility", and by inserting in lieu thereof "facility" and "facilities", respectively; and

(3) by striking out in paragraph (6) the word "stand" and inserting in lieu thereof "facility", and by inserting immediately before the period the following: ", and to agree to submit the grievances of any blind licensee not otherwise resolved by such hearing to arbitration as provided in section 5 of this Act".

(b) Section 3(3) of such Act is further amended by striking out "and" immediately before subparagraph (D) and by inserting immediately before the colon at the end of such subparagraph the following "; and (E) retirement or pension funds, health insurance contributions, and provision for paid sick leave and vacation time, if it is determined by a majority vote of blind licensees licensed by such State agency, after such agency provides to each such licensee full information on all matters relevant to such proposed program, that funds under this paragraph shall be set aside for such purposes".

(c) Section 3(3) of such Act is further amended by inserting before the word "proceeds" in both places it appears, the word "net".

REPEALS

SEC. 205. Sections 4 and 7 of the Randolph-Sheppard Act are repealed.

ARBITRATION; VENDING MACHINE INCOME; PERSONNEL; TRAINING

SEC. 206. The Randolph-Sheppard Act is further amended by redesignating sections 5, 6, and 8, as sections 4, 9, and 10, respectively, and by inserting immediately after section 4, as redesignated, the following new sections:

"SEC. 5. (a) Any blind licensee who is dissatisfied with any action arising from the operation or administration of the vending facility program may submit to a State licensing agency a request for a full evidentiary hearing, which shall be provided by such agency in accordance with section 3(6) of this Act. If such blind licensee is dissatisfied with any action taken or decision rendered as a result of such hearing, he may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act.

"(b) Whenever any State licensing agency determines that any department, agency, or instrumentality of the United States that has control of the maintenance, operation, and protection of Federal property is failing to comply with the provisions of this Act or any regulation issued thereunder (including a limitation on the placement or operation of a vending facility as described in section 1(b) of this Act and the Secretary's determination thereon) such licensing agency may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act.

"SEC. 6. (a) Upon receipt of a complaint filed under section 5 of this Act, the Secretary shall convene an ad hoc arbitration panel as provided in subsection (b). Such panel shall, in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, give notice, conduct a hearing, and render its decision which shall be subject to appeal and review as a final agency action for purposes of chapter 7 of such title 5.

"(b)(1) The arbitration panel convened by the Secretary to hear grievances of blind licensees shall be composed of three members appointed as follows:

"(A) one individual designated by the State licensing agency;

"(B) one individual designated by the blind licensee; and

"(C) one individual, not employed by the State licensing agency or, where appropriate, its parent agency, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (1) (A), (B), or (C), the Secretary shall designate such member on behalf of such party.

"(2) The arbitration panel convened by the Secretary to hear complaints filed by a State licensing agency shall be composed of three members appointed as follows:

"(A) one individual, designated by the State licensing agency;

"(B) one individual, designated by the head of the Federal department, agency, or instrumentality controlling the Federal property over which the dispute arose; and

"(C) one individual, not employed by the Federal department, agency, or instrumentality controlling the Federal property over which the dispute arose, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (2) (A), (B), (C), the Secretary shall designate such member on behalf of such party. If the panel appointed pursuant to paragraph (2) finds that the acts or practices of any such department, agency, or instrumentality are in violation of this Act, or any regulation issued thereunder, the head of any such department, agency, or instrumentality shall cause such acts or practices to be terminated promptly and shall take such other action as may be necessary to carry out the decision of the panel.

"(c) The decisions of a panel convened by the Secretary pursuant to this section shall be matters of public record and shall be published in the Federal Register.

"(d) The Secretary shall pay all reasonable costs of arbitration under this section in accordance with a schedule of fees and expenses he shall publish in the Federal Register.

"SEC. 7. (a) In accordance with the provisions of subsection (b) of this section, vending machine income obtained from the operation of vending machines on Federal property shall accrue (1) to the blind licensee operating a vending facility on such property, or (2) in the event there is no blind licensee operating such facility on such property, to the State agency in whose State the Federal property is located, for the uses designated in subsection (c) of this section, except that with respect to income which accrues under clause (1) of this subsection, the Commissioner may prescribe regulations imposing a ceiling on income from such vending machines for an individual blind licensee. In the event such a ceiling is imposed, no blind licensee shall receive less vending machine income under such ceiling than he was receiving on January 1, 1974. No limitation shall be imposed on income from vending machines, combined to create a vending facility, which are maintained, serviced, or operated by a blind licensee. Any amounts received by a blind licensee that are in excess of the amount permitted to accrue to him under any ceiling imposed by the Commissioner shall be disbursed to the appropriate State agency under clause (2) of this subsection and shall be used by such agency in accordance with subsection (c) of this section.

"(b)(1) After January 1, 1975, 100 per centum of all vending machine income from vending machines on Federal property which are in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section. 'Direct competition' as used in this section means the existence of any vending machines or facilities operated on the same premises as a blind vending facility except that vending machines or facilities operated in areas serving employees the majority of whom normally do not have direct access to the blind vending facility shall not be considered in direct competition with the blind vending facility. After January 1, 1975, 50 per centum of all vending machine income from vending machines on Federal property which are not in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section, except that with respect to Federal property at which at least 50 per centum of the total hours worked on the premises occurs during periods other than normal working hours, 30 per centum of such income shall so accrue.

"(2) The head of each department, agency, and instrumentality of the United States shall insure compliance with this section with respect to buildings, installations, and facilities under his control, and shall be responsible for collection of, and accounting for, such vending machine income.

"(c) All vending machine income which accrues to a State licensing agency pursuant to subsection (a) of this section shall be used to establish retirement or pension plans, for health insurance contributions, and for provision of paid sick leave and vacation time for blind licensees in such State, subject to a vote of blind licensees as provided under section 3(3)(E) of this Act. Any vending machine income remaining after application of the first sentence of this subsection shall be used for the purposes specified in section 3(3) (A), (B), (C), and (D) of this Act, and any assessment charged to blind licensees by a State licensing agency shall be reduced pro rata in an amount equal to the total of such remaining vending machine income.

"(d) Subsections (a) and (b)(1) of this section shall not apply to income from vending machines within retail sales outlets under the control of exchange or ships' stores systems authorized by title 10, United States Code, or to income from vending machines operated by the Veterans Canteen Service, or to income from vending machines not in direct competition with a blind vending facility at individual locations, installations or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed $3,000 annually.

"(e) The Secretary, through the Commissioner, shall prescribe regulations to establish a priority for the operation of cafeterias on Federal property by blind licensees when he determines, on an individual basis and after consultation with the head of the appropriate installation, that such operation can be provided at a reasonable cost with food of a high quality comparable to that currently provided to employees, whether by contract or otherwise.

"(f) This section shall not operate to preclude preexisting or future arrangements, or regulations of departments, agencies, or instrumentalities of the United States, under which blind licensees (1) receive a greater percentage or amount of vending machine income than that specified in subsection (b)(1) of this section, or (2) receive vendng machine income from individual locations, installations, or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed $3,000 annually.

"(g) The Secretary shall take such action and promulgate such regulations as he deems necessary to assure compliance with this section.

"SEC. 8. The Commissioner shall insure, through promulgation of appropriate regulations, that uniform and effective training programs, including on-the-job training, are provided for blind individuals, through services under the Rehabilitation Act of 1973 (Public Law 93–112). He shall further insure that State agencies provide programs for upward mobility (including further education and additional training or retraining for improved work opportunities) for all trainees under this Act, and that follow-along services are provided to such trainees to assure that their maximum vocational potential is achieved.".

DEFINITIONS

SEC. 207. Section 9 of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended to read as follows:

"SEC. 9. As used in this Act—

"(1) 'blind person' means a person whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity, if better than 20/200, is accompanied by a limit to the field of vision in the better eye to such a degree that its widest diameter subtends an angle of no greater than twenty degrees. In determining whether an individual is blind, there shall be an examination by a physician skilled in diseases of the eye, or by an optometrist, whichever the individual shall select:

"(2) 'Commissioner' means the Commissioner of the Rehabilitation Services Administration;

"(3) 'Federal property' means any building, land, or other real property owned, leased, or occupied by any department, agency, or instrumentality of the United States (including the Department of Defense and the United States Postal Service); or any other instrumentality wholly owned by the United States, or by any department or agency of the District of Columbia or any territory or possession of the United States;

"(4) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(5) 'State' means a State, territory, possession, Puerto Rico, or the District of Columbia;

"(6) 'United States' includes the several States, territories, and possessions of the United States, Puerto Rico, and the District of Columbia;

"(7) 'vending facility' means automatic vending machines, cafeterias, snack bars, cart service, shelters, counters, and such other appropriate auxiliary equipment as the Secretary may by regulation prescribe as being necessary for the sale of the articles or services described in section 2(a)(5) of this Act and which may be operated by blind licensees; and

"(8) 'vending machine income' means receipts (other than those of a blind licensee) from vending machine operations on Federal property, after cost of goods sold (including reasonable service and maintenance costs), where the machines are operated, serviced, or maintained by, or with the approval of, a department, agency, or instrumentality of the United States, or commissions paid (other than to a blind licensee) by a commercial vending concern which operates, services, and maintains vending machines on Federal property for, or with the approval of, a department, agency, or instrumentality of the United States.".

PERSONNEL

SEC. 208. (a) The Secretary of Health, Education, and Welfare is directed to assign to the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration of the Department of Health, Education, and Welfare ten additional full-time personnel (or their equivalent), five of whom shall be supportive personnel to carry out duties related to the administration of the Randolph-Sheppard Act.

(b) Section 5108(c) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (11) the following new paragraph:

"(12) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place one additional position in the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration in GS–16, GS–17, or GS–18.".

(c) In selecting personnel to fill any position under this section, the Secretary of Health, Education, and Welfare shall give preference to blind individuals.

(d) Section 4(b) of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended by striking out ", and at least 50 per centum of such additional personnel shall be blind persons".

ADDITIONAL STAFF RESPONSIBILITIES

SEC. 209. In addition to other requirements imposed in this title and in the Randolph-Sheppard Act upon State licensing agencies, such agencies shall—

(1) provide to each blind licensee access to all relevant financial data, including quarterly and annual financial reports, on the operation of the State vending facility program;

(2) conduct the biennial election of a Committee of Blind Vendors who shall be fully representative of all blind licensees in the State program, and

(3) insure that such committee's responsibilities include (A) participation, with the State agency, in major administrative decisions and policy and program development, (B) receiving grievances of blind licensees and serving as advocates for such licensees, (C) participation, with the State agency, in the development and administration of a transfer and promotion system for blind licensees, (D) participation, with the State agency, in developing training and retrain-

ing programs, and (E) sponsorship, with the assistance of the State agency, of meetings and instructional conferences for blind licensees.

STANDARDS, STUDIES, AND REPORTS

SEC. 210. (a) The Secretary, through the Commissioner, after a period of study not to exceed six months following the date of enactment of this title, and after full consultation with, and full consideration of the views of, blind vendors and State licensing agencies, shall promulgate national standards for funds set aside pursuant to section 3(8) of the Randolph-Sheppard Act which include maximum and minimum amounts for such funds, and appropriate contributions, if any, to such funds by blind vendors.

(b)(1) The Secretary shall study the feasibility and desirability of establishing a nationally administered retirement, pension, and health insurance system for blind licensees, and such study shall include, but not be limited to, consideration of eligibility standards, amounts and sources of contributions, number of potential participants, total costs, and alternative forms of administration, including trust funds and revolving funds.

(2) The Secretary shall, within one year following the date of enactment of this title, complete the study required by paragraph (1) of this subsection and report his findings, together with any recommendations, to the President and the Congress.

(c) The Secretary shall, not later than September 30, 1975, complete an evaluation of the method of assigning vending machine income under section 7(b)(1) of the Randolph-Sheppard Act, including its effect on the growth of the program authorized by the Act, and on the operation of nonappropriated fund activities, and within thirty days thereafter he shall report his findings, together with any recommendations, to the appropriate committees of the Congress.

(d) Each State licensing agency shall, within one year following the date of enactment of this title, submit to the Secretary a report, with appropriate supporting documentation, which shows the actions taken by such agency to meet the requirements of section 2(a)(1) of the Randolph-Sheppard Act.

AUDIT

SEC. 211. The Comptroller General is authorized to conduct regular and periodic audits of all nonappropriated fund activities which receive income from vending machines on Federal property, under such rules and regulations as he may prescribe. In the conduct of such audits he and his duly authorized representatives shall have access to any relevant books, documents, papers, accounts, and records of such activities as he deems necessary.

TITLE III—WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

SHORT TITLE

SEC. 300. This title may be cited as the "White House Conference on Handicapped Individuals Act".

FINDINGS AND POLICY

SEC. 301. The Congress finds that—

(1) the United States has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population;

(2) the benefits and fundamental rights of this society are often denied those individuals with mental and physical handicaps;

(3) there are seven million children and at least twenty-eight million adults with mental and physical handicaps;

(4) it is of critical importance to this Nation that equality of opportunity, equal access to all aspects of society and equal rights guaranteed by the Constitution of the United States be provided to all individuals with handicaps;

(5) the primary responsibility for meeting the challenge and problems of individuals with handicaps has often fallen on the individual or his family;

(6) it is essential that recommendations be made to assure that all individuals with handicaps are able to live their lives independently and with dignity, and that the complete integration of all individuals with handicaps into normal community living, working, and service patterns be held as the final objective; and

(7) all levels of government must necessarily share responsibility for developing opportunities for individuals with handicaps;

and it is therefore the policy of the Congress that the Federal Government work jointly with the States and their citizens to develop recommendations and plans for action in solving the multifold problems facing individuals with handicaps.

AUTHORITY OF PRESIDENT, COUNCIL, AND SECRETARY

SEC. 302. (a) The President is authorized to call a White House Conference on Handicapped Individuals not later than two years after the date of enactment of this title in order to develop recommendations and stimulate a national assessment of problems, and solutions to such problems, facing individuals with handicaps. Such a conference shall be planned and conducted under the direction of the National Planning and Advisory Council, established pursuant to subsection (b) of this section, and the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") and each Federal department and agency shall provide such cooperation and assistance to the Council, including the assignment of personnel, as may reasonably be required by the Secretary.

(b)(1) There is established a National Planning and Advisory Council (in this title referred to as the "Council"), appointed by the Secretary, composed of twenty-eight members of whom not less than ten shall be individuals with handicaps appointed to represent all individuals with handicaps, and five shall be parents of individuals with handicaps appointed to represent all such parents and individuals. The Council shall provide guidance and planning for the Conference.

(2) Any member of the Council who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment.

(3) Members of the Council, other than those referred to in paragraph (1), shall receive compensation at rates not to exceed the daily rate prescribed for GS–18 under section 5332, title 5, United States Code, for each day they are engaged in the performance of their duties (including traveltime); and, while so serving away from their homes or regular places of business, they shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703, title 5, United States Code, for persons in Government service employed intermittently.

(4) Such Council shall cease to exist one hundred and twenty days after the submission of the final report required by section 302(e).

(c) For the purpose of ascertaining facts and making recommendations concerning the utilization of skills, experience, and energies, and the improvement of the conditions of individuals with handicaps, the Conference shall bring together individuals with handicaps and members of their families and representatives of Federal, State, and local governments, professional experts, and members of the general public recognized by individuals with handicaps as being knowledgeable about problems affecting their lives.

(d) Participants in the White House Conference, and in conferences and other activities leading up to the White House Conference at the local and State level are authorized to consider all matters related to the purposes of the Conference set forth in subsection (a), but shall give special consideration to recommendations for:

(1) providing education, health, and diagnostic services for all children early in life so that handicapping conditions may be discovered and treated;

(2) assuring that every individual with a handicap receives appropriately designed benefits of the educational system;

(3) assuring that individuals with handicaps have available to them all special services and assistance which will enable them to live their lives as fully and independently as possible;

(4) enabling individuals with handicaps to have access to usable communication services and devices at costs comparable to other members of the population;

(5) assuring that individuals with handicaps will have maximum mobility to participate in all aspects of society, including access to all publicly assisted transportation at comparable cost;

(6) improving utilization and adaptation of modern engineering and other technology to ameliorate the impact of handicapping conditions on the lives of individuals and especially on their access to housing and other structures;

(7) assuring individuals with handicaps of equal opportunity with others to engage in gainful employment;

(8) enabling individuals with handicaps to have incomes sufficient for health and for participation in family and community life as self-respecting citizens;

(9) increasing research relating to all aspects of handicapping conditions, stressing the elimination of causes of handicapping conditions and the amelioration of the effects of such conditions;

(10) assuring close attention and assessment of all aspects of diagnosis and evaluation of individuals with handicaps;

(11) assuring review and evaluation of all governmental programs in areas affecting individuals with handicaps, and a close examination of the public role in order to plan for the future;

(12) resolving the special problems of veterans with handicaps;

(13) resolving the problems of public awareness and attitudes that restrict individuals with handicaps from participating in society to their fullest extent;

(14) resolving the special problems of individuals with handicaps who are homebound or institutionalized;

(15) resolving the special problems of individuals with handicaps who have limited English-speaking ability;

(16) alloting funds for basic vocational rehabilitation services under part B of title I of the Rehabilitation Act of 1973 in a fair and equitable manner in consideration of the factors set forth in section 407(a) of such Act; and

(17) promoting other related matters for individuals with handicaps.

(e) A final report of the White House Conference on Handicapped Individuals shall be submitted by the Council to the President not later than one hundred and twenty days following the date on which the conference is called, and the findings and recommendations included therein shall be immediately made available to the public. The Council and the Secretary shall, within ninety days after the submission of such final report, transmit to the President and the Congress their recommendations for administrative action and legislation necessary to implement the recommendations contained in such report.

RESPONSIBILITIES OF COUNCIL AND SECRETARY

SEC. 303. (a) In carrying out the provisions of this title, the Council and the Secretary shall—

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate, including Federal advisory bodies having responsibilities in areas affecting individuals with handicaps;

(2) render all reasonable assistance, including financial assistance, to the States in enabling them to organize and conduct conferences on handicapped individuals prior to the White House Conference on Handicapped Individuals;

(3) prepare and make available necessary background materials for the use of delegates to the White House Conference on Handicapped Individuals;

(4) prepare and distribute such interim reports of the White House Conference on Handicapped Individuals as may be appropriate; and

(5) engage such individuals with handicaps and additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates of pay not to exceed the rate prescribed for GS–18 under section 5332 of such title.

(b) In carrying out the provisions of this title, the Secretary shall employ individuals with handicaps.

DEFINITION

SEC. 304. For the purpose of this title, the term "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

STATE PARTICIPATION

SEC. 305. (a) From the sums appropriated pursuant to section 306 the Secretary is authorized to make a grant to each State, upon application of the chief executive thereof, in order to assist in meeting the costs of that State's participation in the Conference program, including the conduct of at least one conference within each such State.

(b) Grants made pursuant to subsection (a) shall be made only with the approval of the Council.

(c) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Secretary in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than $25,000 nor less than $10,000.

AUTHORIZATION OF APPROPRIATIONS

SEC. 306. There are authorized to be appropriated, without fiscal year limitations, $2,000,000 to carry out the provisions of this title and such additional sums as may be necessary to carry out section 305. Sums so appropriated shall remain available for expenditures until June 30, 1977.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL MIDNIGHT, WEDNESDAY, NOVEMBER 27, 1974, TO FILE A REPORT ON H.R. 12690

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight, Wednesday, November 27, 1974, to file a report on H.R. 12690, a bill to amend Lower St. Croix Act of 1972.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOSMER. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the gentleman for further clarification as to what the nature of the request is and what the bill is.

Mr. Speaker, I yield to the gentleman for that purpose.

Mr. TAYLOR of North Carolina. Mr. Speaker, I will state that this is a bill which has been approved by the subcommittee of the Committee on Interior and Insular Affairs. The bill increases the authorization in connection with the St. Croix River.

I will also state that the bill was introduced by the gentleman's colleague, the gentleman from Wisconsin, Mr. VERNON THOMSON.

Mr. HOSMER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT, WEDNESDAY, NOVEMBER 27, 1974, TO FILE A REPORT ON H.R. 9468

Mr. BERGLAND. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight, Wednesday, November 27, 1974, to file a report to accompany the bill H.R. 9468, a bill to authorize the Secretary of Agriculture to distribute seeds and plants for use in home gardens.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

LEGISLATIVE PROGRAM FOR THE WEEK OF DECEMBER 2, 1974

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I have asked for this time to inquire of the distinguished majority leader what the program is for next week, and I will yield to the gentleman from Massachusetts for that purpose.

Mr. O'NEILL. Mr. Speaker, I thank the gentleman for yielding.

I wish to take this opportunity to wish the distinguished minority leader, the Speaker, and all the Members of the House a happy Thanksgiving. We will see them all here on Monday next, at which time we on this side of the aisle will have a caucus, and I know that the Members on the other side of the aisle will also have a caucus.

I will announce the program at this time for the week of December 2. It is as follows:

On Monday, we will be in recess. That recess, of course, means that both the Democrats and Republicans will be meeting in the caucuses that are required by the Bolling bill which was passed earlier in the year.

The program for Tuesday, Wednesday, and Thursday is as follows:

We will call the Consent Calendar and the Private Calendar.

Then we will consider H.R. 12628, veterans' education and rehabilitation amendments, vote on veto override.

There are 15 bills which will be considered under suspension of the rules, as follows:

H.R. 17481, Harry S. Truman Memorial Scholarship program;

H.R. 15818, National Historical Publication and Records Commission;

H.R. 15972, Coast Guard officer candidates' subsistence allowance;

H.R. 13791, icebreaking operations in foreign waters;

S. 1353, deduction from gross tonnage;

S. 2201, flood damage;

S. 3906, nonpilots commanding flying units;

H.R. 10745, social services amendments;

H.R. 16994, tax treatment of interest on savings;

S. 4016, preserving tape and materials of the Nixon Presidency;

H.R. 5773, Holland, Fla., National Seashore;

S. 4040, veterans and survivors pension adjustment;

S. 2363, veterans' and servicemen's automobile and adaptive equipment amendments;

H.R. 17084, health manpower; and

H.R. 17085, nurse training.

Votes on suspensions will be postponed until the end of the legislative day.

Then, H.R. 16204, health policy, planning and resources development, under an open rule, with 1 hour of debate;

H.R. 5385, surface transportation, subject to a rule being granted;

H.R. 14266, international air transportation fair competitive practices, subject to a rule being granted; and

H.R. 11666, Asian Development Bank, under an open rule, with 1 hour of debate, under a rule previously adopted.

Conference reports may be brought up at any time. Any further program will be announced later.

May I say also that the gentleman is aware of the conversation that took place between the leadership of the House and on both sides of the aisle and the leadership of the Senate this morning concerning the latter part of the session.

We anticipate that we will be getting through either December 19 or 20 or thereabouts. When we adjourn at that time, instead of coming back on January 3, we expect to come back on Tuesday, January 14. That would be the day on which the new Members of Congress would be sworn in and it would be the opening day of the 94th session.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Massachusetts.

I would like to ask the gentleman a few questions concerning the bill, H.R. 5385, surface transportation. I understand that the Committee on Rules did not decide to grant that bill a rule.

Is it the position of the leadership to renew the request for a rule or can we strike this from the calendar?

Mr. O'NEILL. It is true that the Committee on Rules did not grant a rule this morning, but there is a possibility that they may yet grant a rule. For that reason, we have not placed it from the schedule.

Mr. RHODES. Further, I wonder whether the distinguished majority leader would enlighten us as to the probabilities of an early adjournment on Thursday due to the necessity of some Members leaving for the Democratic miniconvention.

Mr. O'NEILL. I thank the gentleman for bringing that up.

I am aware of the fact that the Democratic Party is having a miniconvention in Kansas City. Some 160 incumbent Democratic Members have decided to be present at that convention. Consequently, the plan is to leave at about 3 o'clock Thursday for Kansas City.

We know that we will cooperate with the other side. We possibly would be able to come in at 10 o'clock Thursday morning or otherwise adjourn on Wednesday. That is something that we will have to take up and discuss with the other side earlier in the week.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Iowa.

Mr. GROSS. If a sine die adjournment is taken until January 14, would that mean the retirees and retreads will be on the payroll until that day?

Mr. O'NEILL. I am sure that the gentleman knows the answer, but I am happy to answer the question.

Under the Constitution, the 93d Congress will expire at noontime on January 3, and all retirees from the Congress, of course, will, as of that moment, become former Members of Congress.

There is also, I understand, another situation that the gentleman is aware of, the fact that there are certain Members who would, I presume, for pension reasons, be resigning before the end of this year. I understand that anyone who desires to retire—I believe the date is sometime around the 30th or the 31st of December—is entitled to the retiree's 7.4 percent, at least.

I did not know whether the gentleman was aware of that or not.

Mr. GROSS. But if there are no new Members sworn in, who will be available to conduct the people's business?

Mr. O'NEILL. Automatically, the new Members, as of noon January 3, have all the privileges of Members of the House.

In the event that there is an emergency, of course, a meeting would be called forthwith, and they would immediately be sworn in. So, may I repeat that they are Members-elect, and I want to thank the gentleman from Iowa for raising his question.

Mr. GROSS. I appreciate the gentleman's answer.

PERMISSION FOR SPEAKER TO DECLARE A RECESS AT ANY TIME TODAY

Mr. O'NEILL. Mr. Speaker, if the gentleman from Iowa will permit me, while the gentleman is still on his feet, I would ask unanimous consent that it may be in order at any time today for the Speaker of the House to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I believe we ought to have a little explanation of this.

Mr. O'NEILL. Mr. Speaker, I certainly had intended to explain the request, and that is why I had asked the gentleman from Iowa to remain on his feet while I made that request.

Mr. Speaker, we are awaiting the veto message of the President of the United States concerning veterans' education and rehabilitation amendments. It was our understanding from the President this morning that he was going to veto this, and that it would be up here by 3 o'clock today. It is for that reason that I have asked unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair, in order that we may await that veto message.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, may I also say to the gentleman from Iowa that we are also waiting for the recess resolution which we passed earlier, and which has gone to the Senate, and which has to be returned to the House.

Mr. RHODES. Mr. Speaker, before I yield back the balance of my time, I wish to take this opportunity to wish the Speaker of the House, the majority leader, and all Members of the Congress on both sides of the aisle a most happy Thanksgiving, and for a happy few days off. I think we all deserve it.

Mr. O'NEILL. I thank the gentleman from Arizona.

MAKING IN ORDER CONSENT CALENDAR ON TUESDAY, DECEMBER 3, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that on Tuesday, December 3, 1974, it shall be in order to consider business under clause 4, rule 13, the Consent Calendar rule.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, DECEMBER 4, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday on December 4, 1974, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, do I understand the gentleman from Massachusetts correctly that there will be a sort of a pro forma session on January 3, and that then we will come back on January 14?

Mr. O'NEILL. The answer to that is no. That had been an earlier plan, but after a meeting of the leadership on both sides of the aisle in both the House and the Senate, the leadership came to the agreement that during the week of December 16 there will be an agreement that a resolution will be passed, the usual type of resolution that says that the House and the Senate will return on January 14, 1975. In other words, the new Members of the Congress will be sworn in on Tuesday, January 14.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield for a further question?

Mr. O'NEILL. I yield.

Mr. BROWN of Michigan. Mr. Speaker, if this Congress can set a different date than January 3 for the convening of the new Congress why cannot this Congress set a convening day of August 15, or even December 31 of 1975, since the Constitution stipulates that the Congress meet once each year?

Mr. O'NEILL. I suppose we could do that if we wanted to do it. I know that the 90th Congress convened on January 19. So we are following the will of the House and the Senate.

Mr. BROWN of Michigan. I know that there has been a precedent established by the Congress of passing a bill and being signed by the President, so, in the terms of the Constitution a new date for convening has been set by the Congress, but, may I ask, has that issue ever been contested, and judicially determined, so that the procedure can properly be called a precedent?

Mr. O'NEILL. I would have to say to the gentleman from Michigan that the gentleman would have to ask the Speaker that question as a parliamentary inquiry, or perhaps the Parliamentarian.

Mr. BROWN of Michigan. If the gentleman will yield still further, and I do not intend to be difficult on this issue, because I recognize that that could make me persona non grata, but I have pursued this subject and raised this issue before. I frankly do not believe that this Congress can set a different date for the convening of the House and the Senate other than the day set by the Constitution, and that is January 3.

The SPEAKER. The gentleman is not stating a parliamentary inquiry, but if he wants the constitutional citation, the Chair is prepared to give it.

Mr. BROWN of Michigan. I would appreciate if the Chair would.

The SPEAKER. Clause 2, section II of the 20th amendment:

> The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

Mr. BROWN of Michigan. Mr. Speaker, that language appertains to that Congress. The logic is there and clear. This Congress, accordingly, can say to the next Congress, "You cannot meet until

December 31, 1975." Obviously, that is not a logical objective of Congress.

The **SPEAKER**. This has been the congressional interpretation of that provision of the Constitution. The Chair does not want to get involved in this, but the Chair thinks if the Constitution meant something else, it would state "meet every other year."

Mr. **BROWN** of Michigan. Mr. Speaker, I wish the Speaker would cite other precedents than his own precedents.

I thank the Speaker.

Mr. **O'NEILL**. We thank the gentleman for his views.

ORDER OF BUSINESS

The **SPEAKER**. The Chair is ready to take unanimous-consent requests and begin special orders, subject to the right of the Chair to declare a recess subject to the call of the Chair.

THE CATACLYSMIC ILLEGAL ALIEN PROBLEM IN THE UNITED STATES

(Mr. **BIAGGI** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BIAGGI**. Mr. Speaker, I have introduced legislation today which I hope can begin to control the cataclysmic illegal alien problem in this Nation.

It is reliably estimated that there are between 7 and 8 million illegal aliens in the United States. Not only are these individuals in violation of the Immigration and Naturalization Act, they are also contributing heavily to a number of acute social and economic problems.

My legislation is twofold in purpose. It is designed to both curb the influx of illegal aliens by increasing immigration and naturalization enforcement personnel by 2,500; and return more than 1 million jobs which are occupied by illegal aliens back to American workers by making it a felony for an employer to knowingly hire illegal aliens.

If we are to control this grave national problem our first step must be to concentrate our efforts at preventing the initial entrance of these individuals onto our soil. The present numbers of INS personnel stationed at our borders and alien inspection stations is totally inadequate to deal with the problem and helps to explain why only 800,000 illegal immigrants were able to be apprehended last year. According to Attorney General William Saxbe the shortage of personnel at the 2,000-mile Mexican border where more than 88 percent of all illegal aliens come from is so acute that, and I quote,

> We are barely able to respond to one third of the alarms set off by illegal aliens going past electronic sensors.

Further examples of the problem are seen in the fact that almost 30 percent of all illegal aliens apprehended are repeaters. By beefing up the INS enforcement branch by 2,500 personnel we may at long last be able to muster an effective battle plan to buck the tide of illegal aliens.

We must slap new and harsher fines on the employer who continues to insist on filling his jobs from the ranks of the illegitimate. We, in this Nation, are enduring a very high rate of unemployment, and if we can effectively prevent future employment of illegal aliens, we could free as many as 1 million new jobs which are desperately needed by American workers.

The advantages to passing this legislation are obvious. We will be protecting the American worker and his rights to employment. We can also reduce our public assistance rolls by removing not only hundreds of thousands of illegal aliens but certain Americans who through unemployment were forced to seek such assistance.

The concept of America being the great melting pot is today being abused. Our Nation grew strong and owes a great deal to the millions of immigrants who came over in a time of need and worked for the betterment of our Nation.

Today we are dealing with a new and entirely different entity, the alien who has illegally entered this country has weakened rather than strengthened it.

TRIBUTE TO PRESIDENT ERSKINE CHILDERS

(Mr. **BURKE** of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **BURKE** of Massachusetts. Mr. Speaker, it is a great honor to join the citizens and friends of Ireland to pay tribute to former President Erskine Childers of Ireland.

I submit for the RECORD, Mr. Speaker, the following article from the memorial notes spoken at the services for Erskine Hamilton Childers, fourth President of Ireland.

MEMORIAL NOTES

(Memorial Notes Spoken at the Service for Erskine Hamilton Childers, Fourth President of Ireland, November 21, 1974, by the Rev. Canon C. Leslie Glenn, Sub-Dean of Washington Cathedral.)

Erskine Hamilton Childers was the son of a man who gave his life for Irish freedom; he himself spent all his life in the service of Ireland. Both father and son were Englishmen, a reminder to us of the noble souls from every country who rally to the cause of liberty; like Lord Byron in the last century fighting for Greek independence, and like the many who came from other lands to help the American colonies in their struggle.

Both Childers, father and son, married American women; the man we honor at this service was the son of an American mother and the husband of an American wife. He was born in England in 1905 and educated at an English public school, Gresham in Norfolk, and at Trinity College, Cambridge.

His father, Robert Erskine Childers, was a noted sailor, a novelist, an enlisted man in the Boer War and a major in World War I until he became a comrade-in-arms of Eamon de Valera because of an intellectual conviction that Ireland ought to be free. He ran guns with his yacht for the Irish rebellion of 1916.

After 1916, the elder Childers, by them an Irish citizen, fought in the Civil War that engulfed Ireland. He was on the side of complete independence for Ireland, and was captured and executed by the Free State forces. It was the horror of fellow countrymen killing each other, an experience many nations, including England and America, have had to endure before their freedom was established.

The man we remember today had every reason to be disillusioned by his father's death, but he was not. As a lad of 17, he was allowed to see his father briefly in prison the day before he was shot and the father asked him to promise that he would never be bitter. "That promise," said President Childers, "I have tried to keep."

His father shook hands with each of the riflemen who were assigned to his execution.

It is an extraordinary inheritance of love for an adopted country passed on from father to son. Erskine Childers said coming to Ireland was "like entering heaven." He became a naturalized citizen in 1938 and that year joined de Valera's political party and was elected to the Parliament in Dublin. He served for 35 years and was a member when he was elected President in 1973. During his years in Parliament he also served in many sub-cabinet and cabinet posts. An enthusiastic gardener, he said the one post he wanted and never got was to be Minister of Agriculture. His cabinet post before becoming President was Minister of Health, and the last speech of his life Saturday night was on health; given at a dinner of the Royal College of Psychiatrists in Dublin, and delivered with the intense earnestness and passion that were evidence of his deep caring for people. The subject was what could be done for mental health; the climax was what each person could do for himself. With his characteristic humor, he made up amusing words for his advice on inner calm. One word was self-becalming (becalming is one of the worst things that can happen to a sailor but self-becalming is good for a nervous person). Relaxology was another word invention—the knowledge of how to relax—relaxology.

At the end of his address, he sat down exhausted and collapsed at the table, dying a few hours later of heart failure in the hospital.

This dear and good man had not taken his own advice. Only the night before his last speech, he had been at another public dinner and when he came home he worked until 5 o'clock in the morning on his speech to the psychiatrists and was up again at 8 a.m. to work in his garden.

He died for Ireland as his father had before him, a noble public servant, worn out with overwork. He had brought a new depth to the Irish Presidency taking it closer to the people by wide travels through the country.

President Childers, like his father, was a Protestant, which fascinates foreigners more than it does the Irish. Many of the great heroes of Irish freedom have been Protestants like the almost legendary Wolf Tone, and Robert Emmet whose statue is on Massachusetts Avenue at 24th Street. Of the four Presidents of Ireland, two have been Catholic and two Protestant. This does not surprise the Irish.

President Childers said he hoped his election would dispel "the vestigal impressions of some" that Ireland was a sectarian state.

He abhorred any forceful reunification of Ireland and Protestant-dominated Northern Ireland and often mused that his office might be a useful setting for the first stages of reconciliation between the two bitter religious communities in Ulster.

Something of his keen sense of tact and masterly oratory were blended the day he began his seven-year term as President only

17 months ago. He memorized his oath of office in Gaelic, Ireland's "first official language" and recited it at an ecumenical dedication service in St. Patrick's Cathedral, Dublin, which is affiliated with the Anglican Church, the Protestant Episcopal Church in this country. The service was attended by the republic's highest ranking Roman Catholic and Protestant clergymen. President Childers offered a moving prayer for guidance, ending it with the 15th century supplication:

God be in my head, And in my understanding;
God be in my eyes, And in my looking;
God be in my mouth, And in my speaking;
God be in my heart, And in my thinking;
God be at mind end, And at my departing.

LOSS OF AMERICAN JOBS BY IMPORTATION OF FOREIGN-PRODUCED AUTOMOBILES

(Mr. DENT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DENT. Mr. Speaker, today, along with my distinguished colleagues, Mr. Rooney of Pennsylvania, Mr. Murtha, and Mr. Dominick Daniels, I have sponsored a resolution that will provide for an investigation of the displacement of American jobs in the automobile industry by the importation of foreign produced automobiles, be they produced by foreign or domestic manufacturers. We have introduced this resolution for a very good reason, because we are tired of seeing the wheels of commerce turn so freely in other countries, while here at home a severe recession has thrown a friction in the works.

Last week Chrysler stunned a lot of assembly line personnel with the announcement that they were laying off 43,900 workers until after New Years, bringing to 70,500 the total of idled Chrysler employees. Add to this Ford's estimates of 54,000 for the same period, and GM possibilities of 83,000 idled and we have got the makings of a real depression.

I have long warned this Congress of the impact that imports have on employment in domestic industries, but I have been long outshouted by the free-traders in our midst. I hope that there are more of the membership that can now see the inherent consequences if we continue to follow our misguided, out moded trade policies.

There is no way—and this recession proves it—that an American product can compete in the marketplace with similar products produced overseas, and especially by American companies operating abroad.

I am firmly convinced that our utter disregard for the impact of runaway industry and foreign financed production is the greatest contributor to our present economic depression. It is also responsible for a greater part of our high interest rates and runaway inflation.

When a nation becomes wholly or partly dependent upon foreign trade it is headed for serious trouble since it then becomes necessary to provide goods and services for too many people who can no longer provide for themselves because the provision facilities are absent.

In our lifetime we have seen almost every nation become more distressed and depressed with each succeeding decade. This is no accident. The whole philosophy of free trade has been twisted and turned into a weapon of destruction rather than the boon and blessing that it could and should be. Trade for the sake of trade is not a healthy economic situation. Trade for greed instead of need can and will destroy any nation that allows private corporate gains to supersede the common good of the nation itself. Trace the history of Great Britain as an example of dependency upon trade to the point of trouble. When its neighbors became industrialized through the surpluses of the empire it spelled the doom of the empire. Somebody once said that "the sun never sets on the British empire" but I am inclined to state that the British Empire has been moonlighting for quite some time.

While the case of the importation of automobiles is only one in point it is an acute case, and unless recognition of the seriousness of the end products of imports—unemployment and recession—are taken into account by Congress and the people we may find ourselves in a position as exporters of raw materials, agricultural products and high cost technical products, and importers of our daily needs.

No industrial nation can survive on distribution and consumption as an economic base. The auto predicament we are in proves that without a doubt. Without a selling American product of the moment we still have distribution and consumption, which further digs our economic grave. No other nation on this Earth will allow such a situation. Even the British have learned that bitter lesson. Even Canada has found the error in its ways of following the U.S. economic lead. They are closing us out of their businesses, something that I applaud as necessary and farsighted, and something that I recommend we do post haste.

Our biggest problem now is to start initiating our thinking in the opposite direction of what it has been. I am hoping to hold hearings as soon as possible on the rampant unemployment that auto imports are causing. If I am wrong I will admit it, but I do not think I am wrong. If I am right, and I am sure of that, then I hope that the proper legislation can be arrived upon so that we might effectively begin to mend our economic ways.

H. Res. 1480

Resolved, Whereas the Congress recognizes that unemployment in the United States is reaching alarming proportions;

Whereas the automobile manufacturing industry is particularly in economic distress and the employees of such industry are and may continue to suffer severe unemployment effects by reason of the industry's economic adversity;

Whereas economic effects of the automobile manufacturing industry impact throughout the United States and directly affect supplying industries such as steel, coal, component parts, as well as fuel, transportation, and allied industries;

Whereas the manifestations of adverse disruptions in the automobile manufacturing industry pose a serious threat to the entire economy of the United States;

Whereas production segments of the domestic automobile manufacturing industry are now being suspended;

Whereas production facilities of the domestic and foreign automobile manufacturing industry located abroad continue to manufacture and export automobiles to the United States, and employees of such facilities enjoy employment in such facilities while their counterparts in the United States suffer unemployment effects: Now, therefore, be it resolved that effective on the date of this resolution, that the Committee on Education and Labor may initiate an investigation designed to evaluate the impact of those major vehicles, produced in part or in whole in a manufacturing facility outside of the United States, upon unemployment, in the motor vehicle manufacturing industry in the United States, and upon unemployment generally in the United States.

A BILL TO ABOLISH THE COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

(Mr. SHRIVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHRIVER. Mr. Speaker, I am today submitting legislation to abolish the Commission on Executive, Legislative and Judicial Salaries. Congress should never have established the Commission, nor should it have been given the power to prescribe pay raises for top government officials.

All of us have just returned from tough reelection campaigns; for some it was their last campaign for this office. Each of us, regardless of political party affiliation, are well aware of the mood of the voters in this country toward their elected officials. We know how they feel about inflation, and who they blame for it. The events of the past months have led to a growing sense of suspicion and mistrust toward elected officials.

I am quite sure that not one of the Members of this House campaigned for reelection on a promise of voting himself or herself a pay raise. In fact, I would guess that if the question came up in the campaign, the overwhelming response by the candidates was negative.

So what did the people read and hear in the media immediately after the votes were counted—that congressional pay raises were being prepared by a committee of the U.S. House of Representatives. No wonder we have a credibility gap.

I thought the Senate buried that pay raise question last March. I know I supported an effort to bury it here in the House. Now we have a new, even larger raise being drafted by the staff of the Post Office and Civil Service Committee. Such raises would be based on recommendations of the Commission on Executive, Legislative and Judicial Salaries.

Congress created this Commission back in 1967 and gave to it the responsibility to recommend top-level Government pay increases to the President. The

President was then to transmit the proposals he accepted to the Congress every 4 years. The role of Congress in all of this was limited to veto power—if a vote could be obtained on a resolution of disapproval.

I voted against the establishment of this procedure in 1967. I still think it was an irresponsible action, and the bill I have introduced today would correct that action.

My bill would, in effect, abolish the Commission and restore to the Congress its constitutional responsibilities in setting Government pay scales, especially its own salaries. It would also freeze current pay levels unless and until Congress took specific legislative steps to change those levels.

Mr. Speaker, whatever the mandate the people gave to Congress in this recent election, it was clearly not to increase congressional, judicial, and Government salaries. We are told that raises are needed to attract more and better public servants, but I have never noticed a shortage of applicants for Federal jobs or for Federal judgeships or, for that matter, for these jobs we hold. Anyone who is primarily interested in money should not be in this business anyway.

It would be irresponsible, unconscionable, and just plain stupid to set an example of allowing our own salaries to be raised by nearly 25 percent at the same time we are asking the citizens of this country to cut back, to tighten their belts. These proposals must be immediately shelved, and the procedure under which they are being drafted should be eliminated. I urge all Members of this House to indicate their support for my bill. We must not tumble further into credibility canyon.

CONSIDERATION OF WITHDRAWAL FROM U.N. GENERAL ASSEMBLY

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, the United Nations at this time can be compared to the League of Nations in 1937—a discredited, weakened and immoral organization. The mechanical majority heretofore composed of Arab, African, and Soviet bloc states has been joined by craven Western countries which, for different reasons are willing to cast immoral automatic votes against Israel. The African states are now the client states of Arab masters. Their governments, which are devoid of parliamentary democracy and in every case governed by single parties and despotic administrations, find no problem philosophically in identifying with like functioning Arab states. The Soviet bloc bent on the ultimate destruction of political freedom, which is the corner stone of democracy, will use any avenue to subvert democracy wherever it functions, as for example, in Israel.

Notwithstanding the economic oil extortion to which the Western nations are being subjected, it is most distressing that despite their heritage, these countries have succumbed to Arab dictates at the United Nations.

The recent terrorist action in Beit Shean by the PLO is the direct result of U.N. endorsement of that terrorist organization. The latest hijacking of a British airliner by Arab terrorists and their cold-blooded murder on the plane of a West German banker are traceable to the U.N. actions condoning terrorism.

The terrorists freed in Egypt and Holland, who themselves had killed innocent people, are now free to kill more. Each innocent life heretofore taken by them and those yet to be taken, must be laid at the door of the U.N. Those countries whose delegates stood on their feet and applauded Yasir Arafat, who by wearing a gun on the U.N. platform, demonstrated his contempt for any sense of morality, must bear the burden for those deaths.

I believe that the United States must now give consideration to withdrawal from the United Nations General Assembly. No purpose can be served by continuing our membership therein. It has been suggested that at the very least, the United States withdraw from all activity in the U.N. General Assembly this year. The General Assembly has violated its own statutes and will continue and perhaps even escalate those violations. The expulsion of South Africa, a country with repressive racial policies deplored by everyone, was the signal.

If South Africa is to be expelled for racial repression then does it make sense that Uganda, which is engaged in comparable, if not more gross violations of human rights against its Asian citizens, remain? Should the Soviet Union, which has exterminated many of its own citizens and continues to engage in repression and cultural genocide of its captive peoples, for example, Ukrainians, Lithuanians, Latvians, Estonians, and Jews just to name a few, be permitted to remain? Should a state like Syria which segregates its Jewish citizens in ghettos and subjects them to inhuman Nazi-Nuremberg laws, be able to cast votes to expell another member state?

Solely for pragmatic purposes and so as to deny any Assembly action the imprimatur of ultimate legality and execution, the United States should retain its Security Council seat and veto.

I believe in a just and compassionate God. But I also believe that we cannot wait until God's judgment prevails. We here in the United States cannot simply sit by while the simple right of the State of Israel to exist is placed in question by marauding nations and frightened countries unwilling to oppose terrorism. The United States is apparently the only major country left willing to resist terrorism and to speak out against the injustices perpetrated within the U.N. Speaking out has failed to accomplish justice and we must now consider withdrawal from the General Assembly.

CAUSES OF ESCALATION OF FOOD PRICES MUST BE MADE KNOWN

(Mr. ROBINSON of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBINSON of Virginia. Mr. Speaker, there is great concern in the country about inflation, and all of us here know that this is a complex problem.

The families of our Nation—and, in particular, the homemakers who go to market to buy the food for these families—cannot understand the escalation of food prices on the shelves of stores, when they are being told that the producers—the farmers—are not receiving the proceeds of these price increases.

I believe it to be most important that the people—and I mean all the people—of this country are given the true facts as to where the increased costs they are being required to pay are concentrated.

Everyone handling food obviously has been subjected to increasing costs for materials and services, but the producer, in most cases, has not been able to pass on these increased costs—whether they be for feed, equipment, or labor.

In Virginia, beef cattle producers and poultry producers continue to be in distress, even though consumers are paying relatively high prices for their products. There is something wrong here, and I believe this Congress will be derelict in its responsibility to the people if it does not get to the bottom of the matter.

My hope is that the committees of this House with jurisdiction will maintain a continuing inquiry into the price escalation of food products, at every level of the distribution chain, with a view to determining where—if anywhere—there is profiteering against the overall public interest.

We owe the people no less than this.

For my own part, I intend to initiate inquiries of all Federal agencies having competence in the gathering of information in this area, with a view to pulling together the available data on price trends in foods.

I do believe that the consumer is being ripped off, and that, in many cases, the original producer of food products, particularly in beef and poultry, is being ripped off, and I want to know who is doing the ripping.

CARIBBEAN DANGER ZONE: MOSCOW-HAVANA-PANAMA AXIS

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, the Panama Canal about which I have addressed this body many times, is an exhaustible subject. The latest significant development was submission to the President of the United States on October 29, 1974, of a report on "The Americas in a Changing World" by the privately financed Commission on United States-Latin American Relations, headed by Hon. Sol M.

Linowitz, former U.S. Representative to the Organization of American States.

This commission was launched on May 14, 1974, at the Center for Inter-American Relations in New York. It was financed by the Clark and Ford Foundations and the Rockefeller Brothers Fund—Congressional Record, May 20, 1974, pages S8564 to S8565. Initially, the group was composed of 23 members of whom some 17 were members of the Council on Foreign Relations—CFR. The ultimate objective of the Council is the manipulation of U.S. foreign policy: creation of a "one-world socialist system" and making the United States "an official part of it"—Dan Smoot, "The Invisible Government," Boston: Western Islands, 1962, page 5.

The 54-page report of the privately financed commission has 33 recommendations. As we foreseen at the time of its formation, two crucial points in them concern Cuba, which has the U.S. Naval Base at Guantanamo, and the strategic Panama Canal. Just as predicted, that report calls for a more normal relationship with Red Cuba and the signing of a new Panama Canal Treaty.

As regards Cuba, the Organization of American States on November 12, 1974, in Quito, Ecuador, in a bitter session failed to lift the embargo on Cuba with the representatives of Panama voting in favor and of the United States abstaining.

Concerning the Panama Canal, the commission's two recommendations are quoted:

> 6. We strongly support the signing and ratification of a new Panama Canal Treaty based on the Statement of Principles accepted by both countries on February 6, 1974. Any arrangement should in fairness take into account the interest of U.S. citizens in the Canal Zone.
>
> 7. Consistent with the Statement of Principles and the interests of efficiency and economy, the President should now take appropriate measures to reduce U.S. Government personnel and operations which are not clearly essential to the Canal's operations and defense. In this connection the United States Armed Forces Southern Command should be transferred from the Canal Zone to the continental United States.

Mr. Speaker, the proposal of the indicated commission to surrender U.S. sovereign control over the Canal Zone is utterly incomprehensible to anyone thoroughly familiar with Isthmian history and the actual problems of the Panama Canal, including its maintenance, operation, sanitation, and protection. As far as can be ascertained, not one member of the commission has ever borne the burden of actual responsibility in connection with what should be viewed as a sacred trust and not as a diplomatic plaything. For essential facts as to the canal problem and their solutions, attention is invited to my August 1, 1974, address before the International Platform Association in Washington, D.C., as quoted in the Congressional Record of August 7, 1974, pages 27276–27280, under the title "Panama Canal: Jugular Vein of Interoceanic Commerce and Hemispheric Security." The Linowitz commission's report does not meet the challenges presented in that address and they must be met if our course is to be wise and hemispheric security safeguarded.

To be more specific, the present crisis regarding the canal dates from February 7, 1974, when U.S. Secretary of State Henry A. Kissinger and Panamanian Foreign Minister Juan A. Tack signed an "agreement on principles" to govern the negotiation of a new Panama Canal Treaty. Divested of its contradictions, ambiguities, and sophistries, this agreement, arrived at without authorization of the Congress, was a supine acceptance by the Secretary of State of longstanding radical Panamanian demands for surrender of U.S. sovereign control over the U.S. Canal Zone territory. As such it represents one of the most disgraceful diplomatic episodes in North American history and should be so recognized.

As I have often stated the real issue involved is not U.S. control versus Panamanian but continued U.S. sovereignty over the Canal Zone versus U.S.S.R. domination; and these are the realistic questions that must be understood by the Congress and the mass news media.

In this connection, our responsible State Department officials cannot plead ignorance as to views of the Congress for, prior to February 7, the U.S. chief negotiator, Ambassador Ellsworth Bunker, was specifically warned by informed Members of both the Senate and House on separate occasions that the Congress is strongly opposed to the surrender of U.S. sovereignty over the Canal Zone. As evidence of this opposition, in the Senate some 35 Senators, including influential chairmen and minority leaders of major committees, cosponsored Senate Resolution 301, 93d Congress, opposing such surrender; in the House, more than 100 Members introduced some 30 resolutions identical with Senate Resolutions 301, which are languishing in the files of the Committee on Foreign Affairs.

In addition, since the February 7, 1974, Kissinger-Tack imbroglio, I have received, in the way of letters and petitions, the views of 5,949 Americans from 49 States in opposition to the projected surrender but only 11 in support of it. Could there be any more conclusive evidence as to how our people stand on the vital Canal Zone sovereignty question, and this notwithstanding blatant propaganda for surrender from State Department sources. Moreover, the legislatures of our sovereign States have expressed their opposition in resolutions, among them, Virginia, South Carolina, and Maryland. Also, major patriotic, fraternal, and civic organizations have done likewise, for example, the American Legion, Veterans of Foreign Wars, Sons of the American Revolution, Daughters of the American Revolution, and many others.

Historically, the Caribbean has long been recognized as the danger zone of the Americas. In 1959, Cuba became a Soviet satellite and today forms a part of an international system of so-called socialist republics. Information from dependable sources is that Soviet missile bases are already firmly established on that island. In 1968, the constitutional government of Panama was deposed in a military coup d'etat with the result that it is now governed by a pro-Red military regime operating in close collaboration with Cuba and the U.S.S.R., forming what amounts to a Moscow-Havana-Panama axis.

Red agents come and go to and from Panama unobserved by using the former U.S. Air Base at Rio Hato, which is now under Panamanian jurisdiction, and some are serving in responsible government positions and engaging in training guerrillas in that area. Their influence is also revealed by the frequent use on the part of Panamanian officials of Communist terminology and slogans in public statements and increasing hostility toward the United States. The resulting situation is not one that can be handled by accommodation or appeasement but must be met forthrightly with but one end in view—the best interests of the United States, the Western Hemisphere, and interoceanic commerce.

As to these, it is appropriate to quote the late John Bassett Moore's memorandum of August 2, 1903, before the acquisition of the Canal Zone and Canal:

> The United States in constructing the canal would own it; and, after constructing it, would have the right to operate it. The ownership and control would be in their nature perpetual.—Theodore Roosevelt Papers, Letter Book XI.

Recently I read two news stories on the current Panama situation, one by Guillermo Martinez Marquez in Latin American newspapers and the other by James Foster in the Scripps-Howard newspaper of the United States.

The Martinez story warns that if the United States does not act quickly to protect its sovereign rights, power, and authority over the U.S. Canal Zone that an international campaign against "U.S. permanency in Panama is sure to start soon"; and that following this there will be another one aimed at forcing the United States out of the Naval Base, Guantanamo, Cuba.

In the Foster article, it summarizes an interview with Dr. Carlos Alfredo Lopez Guevara, Panamanian Chief Treaty Negotiator, with Foreign Minister Tack. Replete with Communist terms, the statement of Dr. Lopez stresses that only the "Panama flag, not the U.S. flag, should be flying today over the Canal Zone as a symbol of sovereignty."

The way to meet this latest challenge is to prohibit the formal flying of any flag in the U.S. Canal Zone other than that of the United States, for the canal cannot continue to operate under two flags.

Mr. Speaker, as I have stated on previous occasions there are only two major interoceanic canal issues: First, continued undiluted U.S. sovereignty over the U.S.-owned Canal Zone territory; second, the major increase of capacity and operational improvement of the existing canal. Of these two questions, that of sovereignty is the crucial one for history has shown that the Congress will not appropriate large sums for a vast canal construction project unless on territory controlled by the United States.

The congressional actions required are prompt adoption of the pending Senate and House Canal Zone sovereignty resolutions and passage by the Congress of the current bills for the major modernization of the existing Panama Canal. These actions will remove the cloud of uncertainty that has been allowed to hover over the canal question, provide urgently required increase of canal capacity and operational improvements of the strategic waterway for future needs, and greatly benefit the entire isthmus, including the Republic of Panama. Moreover, such major modernization is authorized under existing treaty and does not require the negotiation of a new treaty. This fact invites the question of why should the executive branch of our Government be negotiating for powers it already possesses?

As there has been so much loose thinking on various proposals for internationalizing the Panama Canal, which have a long history dating back to the 1917 Communist Revolution in Russia, I shall quote what former President Theodore Roosevelt on December 2, 1918, said about that idea shortly after it was first proposed:

> The Panama Canal must not be internationalized. It is our canal; we built it, we fortified it, and we will protect it, and we will not permit our enemies to use it in war. In time of peace, all nations shall use it alike but in time of war our interest at once becomes dominant. (Ho. Doc. No. 474, 84th Congress, p. 388.)

This blunt statement by ex-President Theodore Roosevelt, followed during two great wars, is more applicable today than when it was made in 1918. It is the way that our highest leaders in Government should be speaking now, for the time of diplomatic sophistry or any other form of evasiveness is over.

Because the two news stories cited contain much of significance, I quote both as parts of my remarks and commend them for reading by all Members of the Congress interested in protecting U.S. treaty interests in the strategic Canal Zone and Panama Canal. In so doing, I would stress that continued U.S. sovereignty over them is not negotiable any more than that over the Gadsden or Alaska Purchases.

As the treatment of the canal problem in the commission's report is highly superficial as well as misleading, I shall also quote the 1973 memorial to the Congress by the Committee for Continued U.S. Control of the Panama Canal, which in contrast reflects both knowledge and understanding of its subject.

The two indicated news stories and memorial follow:

The Dangerous Panama-Havana Axis

(By Guillermo Martinez Marquez)

The restoration of the diplomatic relations Panama-Cuba announced officially by the government of Torrijos, is not even news. For a long time, the two dictators were having cordial relations and exchanges of every kind. They were brought together by their Marxist ideology in one hand, and the common hate to the United States in another. In good logic it is possible to understand that the Russians gave them a helping hand to this understanding. At the end, they may be the ones who can benefit the most with what can be known as the Panama-Havana Axis.

For a long time, the men that study the geopolitics of this hemisphere have been worried about the aggressive campaign of the Panamanian regime, supported, of course by the allied to Moscow as well as the demagogs from South America and the "liberals" from the North. The call to a meeting of the Security Council of the United Nations, which could and should have been vetoed by Washington, did not open the public opinion eyes in this country, almost completely absorbed by the Watergate scandal. But that meeting, and the position stated in it, had the characteristics of a frontal challenge to the North Americans.

The "joint declaration" signed February 7th of this year by the dynamic Secretary of State Henry Kissinger and the Panamanian Chancellor, only produced a short pause in the contest, and the pause only was prolonged, officially during the meetings at Tlatelolco, Washington and Atlanta.

It was clear since then, that Panama was going to insist in the demands and that at each meeting was going to adopt a harder position to the point of threats. And it was easy to realize that even if Kissinger would have wanted, it would have been impossible for him to concede to the demands of Torrijos, because any understanding even in principles, would have to be approved by the United States Senate. And the U.S. Senate, with the leading of Senator Strom Thurmond, was decided to maintain, at least the military protection of the Canal Zone, because of the unquestionable strategic importance for the United States.

While the attention of the North American people was distracted by the proceedings towards the destitution of Nixon internally, and by the dangerous tensions externally, specially in the Middle East and later in Chipre, the Panamanian government continued with its plan, with the cooperation of the "Anti-Yankis Governments of the Continent," which are increasing in number every day and seem to be more decided against their "rich and powerful neighbor".

The business of Torrijos and his family were extended to Costa Rica and Honduras. A campaign, similar to the Arabian Oil, was planned with the bananas from Central America. The ties and promises of help were strengthened between Havana and Panama.

Nobody paid attention to Senator Thurmond when he emphatically expressed that the sovereignty of the Panama Canal should never be released by the United States and that the control and operation of the canal were essential to the defense of this country.

His colleague, Gale W. McGee, was of the opinion that it was possible to reach a mutually agreeable treaty and that proof of good will was necessary for the negotiations.

Now everything is clear. The conversations and joint resolutions of February of this year, were only movements by the Panamanians, in order to gain the time needed by them, to reach other agreements more important for them, with the traditional U.S. enemies.

The offerings from Havana to help Panama in its fight with United Brands Co. is more important than what has been reported. Cuba will sign some time soon, a treaty of "mutual help" with Panama. This Cuban help will not be limited to buying bananas, which Cubans don't need, but also to the export of modern arms, planes, rockets, etc.

The Panamanians will then state, that they don't need North American help to protect the Canal, because the Cubans have given them what is needed for self-defense.

And following the Cubans, it is logical to imagine, the "technicians and strategists" from Russia, will be there!

Those are the dangers—dangers that right now, can be seen very clearly—from the Panama-Havana Axis Proposition.

If Washington doesn't act fast and with energy, an International campaign against the U.S. permanency in Panama is sure to start soon.

And following the Panama Canal, the Naval Base in Guantanamo, Cuba will be next.

And, like in the Nixon case, there will be many of the "so called" friends of Washington that will, one by one, join their adversaries.

These will be the ones, who will assure that the solution of the problem is the recognition of the Cuban regime! . . . Open doors to the O.E.A. and let them infiltrate the Universities, the Art medias, the News media, and the minorities in this country!

This way will be the opening of a dramatic chapter about the most dramatic capitulation of the democracy in our times.

Summary of Interview With Dr. Carlos Alfredo Lopez Guevara

(By James Foster, Scripps-Howard staff writer)

PANAMA CITY, Oct. 11—Panama's top treaty negotiators said here today that by the end of the century—25 years away—the United States must have completed turning over the Panama Canal to the Panamians.

In an interview with Scripps-Howard newspapers, and later in a speech before a private luncheon group, Dr. Carlos Alfredo Lopez Guevara, who along with Foreign Minister Juan Antonio Tack heads this country's negotiating effort, also said the United States should stop using the Canal Zone as a military facility in violation of neutrality clauses of the present agreement.

"Perhaps," Lopez declared, "a means to attain this objective is a treaty ratified by all the permanent members of the United Nations Security Council whereby they undertake to respect and guarantee the neutrality of the canal that the Republic of Panama would declare."

This hard Panamanian line is slowing progress in the negotiations aimed at replacing the original 1903 Panama Canal Treaty. The next session, with Ambassador at Large Ellsworth Bunker representing the United States, will resume here in a few weeks.

Panama's tough line also has raised doubts that any treaty giving total control of the canal to Panama would be acceptable to the U.S. Senate, which is empowered to ratify treaties. Many Members of Congress, in fact, insist the "in perpetuity" clause in the present treaty is valid basis for refusing to consider a new contract at all.

"The term 'perpetuity' does not belong in the human language," Lopez commented. "That concept is moldering under the new international morality which abhors colonial servitude."

"It is a matter of education. We also have people who will be unhappy with any treaty. To them even a year (to get control of the canal) would be too long. So there must be a mid-term compromise and education on both sides."

Lopez said he could not predict when a draft treaty might be forthcoming.

He said neutrality of the canal and the U.S. military presence here are the two knottiest problems in U.S.-Panamanian relations. He suggested it is time for detente between the two countries that in recent years have seen growing ill feelings over the canal questions.

Lopez cited repeated violations of the present treaty by the United States during both World Wars and the Vietnam War. The treaty prohibits any belligerent from embarking or disembarking troops, munitions or warlike materials in the canal. He also said the United States is in violation by using the Canal Zone as a training ground for military personnel from Latin American countries. The treaty provides only for a "protective military presence," he said, and that logically doesn't include raw, untrained soldiers.

He also charged the United States with keeping shipping tolls low in favor of world trade and at the expense of Panama. He flatly rejected the U.S. offer made during recent negotiating sessions that Panama's annual annuity be raised from $20 million to $25 million. He said that between 1960 and 1969 ships using the canal saved $5.4 billion by not having to go the additional 8,000 miles around Cape Horn.

"This offer is out of proportion with the contribution of Panama to the operation and protection of the canal and with the acknowledged right to exploit its natural resources for the betterment of its people," Lopez said.

Lopez, who holds a doctorate in international law from Harvard, detailed the legal basis for Panama's contention that the canal and the 10-mile-wide Canal Zone that splits this country in two are actually Panamanian property.

He further noted that in the joint statement of principles signed Feb. 7, 1974, by Foreign Minister Tack and Secretary of State Henry A. Kissinger, there are three specific references to "the Panamanian territory."

Lopez suggested, in fact, that on the basis of "treaty text and official United States utterances," the Panama flag, not the U.S. flag, should be flying today over the Canal Zone as a symbol of sovereignty.

The Panamanian view, Lopez explained, is that a new treaty should give the United States specific rights to administer, operate and defend the canal, but with increasing participation of Panama. This would guarantee a smooth transition toward the designated target of total Panamanian control by the end of the century.

U.S. officials here, appraised of Dr. Lopez's comments, said only that obviously they had an entirely different interpretation of the present treaty.

PANAMA CANAL: SOVEREIGNTY AND MODERNIZATION—MEMORIAL TO THE CONGRESS, 1973

(Committee for Continued U.S. Control of the Panama Canal)

Honorable Members of the Congress of the United States:

The undersigned, who have studied various aspects of interoceanic canal history and problems, wish to express their views:

1) The report of the interoceanic canal inquiry, authorized under Public Law 88-609, headed by Robert B. Anderson, recommending construction of a new canal of so-called sea level design in the Republic of Panama, was submitted to the President on December 1, 1970. The proposed canal, *initially* estimated to cost $2,880,000,000 exclusive of the costs of right of way inevitable indemnity to Panama, would be 10 miles West of the existing Canal. This recommendation, which hinges upon the surrender of Panama by the United States of all sovereign control over the U.S.-owned Canal Zone, has rendered the entire canal situation so acute and confused as to require rigorous clarification.

2) An important new angle developed in the course of the sea level inquiry is that of the Panamic biota (fauna and flora), on which subject, a symposium of recognized scientists was held on March 4, 1971 at the Smithsonian Institution. That gathering was overwhelmingly opposed to any sea level project because of the biological dangers to marine life incident to the removal of the fresh water barrier between the Oceans, now provided by Gatun Lake, including in such dangers the infestation of the Caribbean Sea and Atlantic Ocean with the poisonous yellow-bellied Pacific sea snake and the crown of thorns starfish.

3) The construction by the United States of the Panama Canal (1904-1914) was the greatest industrial enterprise in history. Undertaken as a long-range commitment by the United States, in fulfillment of solemn treaty obligations (Hay-Pauncefote Treaty of 1901) as a "mandate for civilization" in an area notorious as the pest hole of the world and as a land of endemic revolution, endless intrigue and governmental instability (Flood, "Panama: Land of Endemic Revolution . . ." C.R., August 7, 1969), the task was accomplished in spite of physical and health conditions that seemed insuperable. Its subsequent efficient management and operation on terms of "entire equality" with tolls that are "just and equitable" have won the praise of the world, particularly countries that use the Canal.

4) Full sovereign rights, power and authority of the United States over the Canal Zone territory and Canal were acquired by treaty grant in perpetuity from Panama (Hay-Bunau-Varilla Treaty of 1903). In addition to the indemnity paid by the United States to Panama for the grant in perpetuity of the indispensably necessary sovereignty and jurisdiction, all privately owned land and property in the Zone were purchased by the United States from individual owners; and Columbia, the sovereign of the Isthmus before Panama's independence, has recognized the title to the Panama Canal and Railroad as vested "entirely and absolutely' in the United States (Thomson-Urrutia Treaty of 1914-22). The cost of acquiring the Canal Zone, as of March 31, 1964, totalled $144,568,571, making it the most expensive territorial extension in the history of the United States. Because of the vast protective obligations of the United States, the perpetuity provisions in the 1930 Treaty assure that Panama will remain a free and independent country in perpetuity, for these provisions bind the United States as well as Panama.

5) The net total investment by the taxpayers of our country in the Panama Canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000; which, if converted into 1971 dollars, would be far greater. Except for the grant by Panama of full sovereign powers over the Zone territory, our Government would never have assumed the grave responsibilities involved in the construction of the Canal and its later operation, maintenance, sanitation, protection and defense.

6) In 1939, prior to the start of World War II, the Congress authorized, at a cost not to exceed $277,000,000, the construction of a third set of locks known as the Third Locks Project, then hailed as "the largest single current engineering work in the world." This Project was suspended in May 1942 because of more urgent war needs, and the total expenditures thereon were $76,357,405, mostly on lock site excavations at Gatun and Miraflores, which are still usable. Fortunately, no excavation was started at Pedro Miguel. The program for the enlargement of Gaillard Cut and correlated channel improvements, started in 1959, was completed in 1970 at a cost of $95,000,000. These two works together represent an expenditure of more than $171,000,000 toward the major modernization of the existing Panama Canal. Under current treaty provisions Panama has proclaimed that the word "maintenance" in the treaty permits "expansion and new construction" for the existing Canal (C.R., July 24, 1939).

7) As the result of canal operations in the crucial period of World War II, there was developed in the Panama Canal organization the first comprehensive proposal for the major operational improvement and increase of capacity of the Canal as derived from actual marine experience, known as the Terminal Lake—Third Locks Plan. This conception included provisions for the following:

(1) Elimination of the bottleneck Pedro Miguel Locks.

(2) Consolidation of all Pacific Locks South of Miraflores.

(3) Raising the Gatun Lake water level to its optimum height (about 92')

(4) Construction of one set of larger locks.

(5) Creation at the Pacific end of the Canal of a summit-level terminal lake anchorage for use as a traffic reservoir to correspond with the layout at the Atlantic end, which would improve marine operations by eliminating lockage surges in Gaillard Cut, mitigate the effect of fog on Canal capacity, reduce transit time, diminish the number of accidents, and simplify the management of the Canal.

8) Competent, experienced engineers have officially reported that all "engineering considerations which are associated with the plan are favorable to it." Moreover, such a solution:

(1) Enables the maximum utilization of all work so far accomplished on the Panama Canal, including that on the suspended Third Locks Project.

(2) Avoids the danger of disastrous slides.

(3) Provides the best operational canal practicable of achievement with the certainty of success.

(4) Preserves and increases the existing economy of Panama.

(5) Avoids inevitable Panamanian demands for damages that would be involved in the proposed sea level project.

(6) Averts the danger of a potential biological catastrophe with international repercussions that recognized scientists fear might be caused by constructing a salt water channel between the Oceans.

(7) Can be constructed at "comparatively low cost" and being "an enlargement of existing facilities" without requiring additional "lands and waters" avoids the necessity for a new canal treaty with Panama.

9) All of these facts are elemental considerations from both U.S. national and international viewpoints and cannot be ignored, especially the diplomatic and treaty aspects. In connection with the latter, it should be noted that the original Third Locks Project, being only a modification of the existing Canal, and wholly within the Canal Zone, did not require a new treaty with Panama. Nor, as previously stated, would the Terminal Lake—Third Locks Plan require a new treaty. These are paramount factors in the overall equation.

10) In contrast, the persistently advocated and strenuously propagandized Sea-Level Project at Panama, initially estimated in 1970 to cost $2,880,00,000, exclusive of the costs of right of way and indemnity to Panama, has long been a "hardy perennial," according to former Governor Jay J. Morrow. It seems that no matter how often the impossibility of realizing any such proposal within practicable limits of cost and time is demonstrated, there will always be someone to argue for it; and this, despite the

economic, engineering, operational, marine biological and navigational superiority of the Terminal Lake solution. Moreover, any sea-level project, whether in the U.S. Canal Zone territory or elsewhere, will require a new treaty or treaties with the countries involved in order to fix the specific conditions for its construction; and this would involve a huge indemnity and a greatly increased annuity that would have to be added to the cost of construction and reflected in tolls, *or* be wholly borne by the taxpayers of the United States.

11) Starting with the 1936–39 Treaty with Panama, there has been a sustained erosion of United States rights, power, and authority on the Isthmus, culminating in the re-opening in 1971 of negotiations for a proposed new canal treaty or treaties that would:

(1) Surrender United States sovereignty over the Canal Zone to Panama;

(2) Make that weak, technologically primitive and unstable country a senior partner in the management and defense of the Canal;

(3) Ultimately give to Panama not only the existing Canal, but also any new one constructed in Panama to replace it, all without any compensation whatever and all in derogation of Article IV, Section 3, Clause 2 of the U.S. Constitution. This Clause vests the power to dispose of territory and other property of the United States in the entire Congress (House *and* Senate) and not in the treaty-making power of our Government (President *and* Senate)—a Constitutional provision observed in the 1955 Treaty with Panama.

12) It is clear from the conduct of our Panama Canal policy over many years that policy-making elements within the Department of State, in direct violation of the indicated Constitutional provision, have been, and are yet, engaged in efforts which will have the effect of diluting or even repudiating entirely the sovereign rights, power and authority of the United States with respect to the Canal and of dissipating the vast investment of the United States in the Panama Canal project. Such actions would eventually and inevitably permit the domination of this strategic waterway by a potentially hostile power that now indirectly controls the Suez Canal. That Canal, under such domination, ceased to operate in 1967 with vast consequences of evil to world trade.

13) Extensive debates in the Congress over the past decade have clarified and narrowed the key canal issues to the following:

(1) Retention by the United States of its undiluted and indispensable sovereign rights, power and authority over the Canal Zone territory and Canal as provided by existing treaties;

(2) The *major* modernization of the existing Panama Canal as provided for in the Terminal Lake—Third Locks Plan.

Unfortunately, these efforts have been complicated by the agitation of Panamanian extremists, aided and abetted by irresponsible elements in the United States, aiming at ceding to Panama complete sovereignty over the Canal Zone and eventually, the ownership of the existing Canal and any future canal in the Zone or in Panama that might be built by the United States to replace it.

14) In the 1st Session of the 93rd Congress identical bills were introduced in both House and Senate to provide for the major increase of capacity and operational improvement of the existing Panama Canal by modifying the authorized Third Locks Project to embody the principles of the previously mentioned Terminal Lake solution, which competent authorities consider would supply the best operational canal practicable of achievement, and at least cost without treaty involvement.

15) Starting in January 1973, many Members of Congress sponsored resolutions expressing the sense of the House of Representatives that the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal enterprise, including the Canal Zone, and not surrender any of its powers to any other nation or to any international organization in derogation of present treaty provisions.

16) The Panama Canal is a priceless asset of the United States, essential for interoceanic commerce and Hemispheric security. The recent efforts to wrest its control from the United States trace back to the 1917 Communist Revolution and conform to long range Soviet policy of gaining domination over key water routes as in Cuba, which flanks the Atlantic approach to the Panama Canal, and as was accomplished in the case of the Suez Canal, which the Soviet Union now wishes opened in connection with its naval buildup in the Eastern Mediterranean and Indian Ocean. Thus, the real issue at Panama, dramatized by the Communist take over of strategically located Cuba and Chile, is not United States control versus Panamanian but continued United States sovereignty versus Soviet control. This is the issue that should be debated in Congress, especially in the Senate. Panama is a small, weak country occupying a strategic geographical position that is the objective of predatory power, requiring the presence of the United States on the Isthmus in the interest of Hemispheric security and international order.

17) In view of all the foregoing, the undersigned urge prompt action as follows:

(1) Adoption by the House of Representatives of pending Canal Zone sovereignty resolutions and,

(2) Enactment by the Congress of pending measures for the major modernization of the existing Panama Canal.

To these ends, we respectfully urge that hearings be promptly held on the indicated measures and that Congressional policy thereon be determined for early prosecution of the vital work of modernizing the Panama Canal, now approaching saturation of capacity.

Dr. Karl Brandt, Palo Alto, Calif., Economist, Hoover Institute, Stanford. Former Chairman, President's Council of Economic Advisors.

Comdr. Homer Brett, Jr., Chevy Chase, Md., former Intelligence Officer, Caribbean area.

Hon. Ellis O. Briggs, Hanover, N.H., U.S. Ambassador (retired) and Author.

Dr. John C. Briggs, Tampa, Fla., Professor of Biology, University of South Florida.

William B. Collier, Santa Barbara, Calif., Business Executive with Engineering and Naval Experience.

Lt. Gen. Pedro A. del Valle, Annapolis, Md., Intelligence Analyst, former Commanding General, 1st Marine Div.

Herman H. Dinsmore, New York, N.Y., former Associate Foreign Editor, *New York Times,* Editorialist.

Dr. Lev E. Dobriansky, Alexandria, Va., Professor of Economics, Georgetown Univ.

Dr. Donald Dozer, Santa Barbara, Calif., Historian, University of California, Santa Barbara, Authority on Latin America.

Lt. Gen. Ira C. Eaker, Washington, D.C., former Commander-in-Chief, Allied Air Forces, Mediterranean, Analyst and Commentator on National Security Questions.

K. V. Hoffman, Richmond, Va., Editor and Author.

Dr. Walter D. Jacobs, College Park, Md., Professor of Government and Politics University of Maryland.

William R. Joyce, Jr., J.D., Washington, D.C., Lawyer.

Maj. Gen. Thomas A. Lane, MacLean, Va., Engineer and Author.

Edwin J. B. Lewis, Washington, D.C., Professor of Accounting, George Washington University, Past President, Panama Canal Society of Washington, D.C.

Dr. Leonard B. Loeb, Berkeley, Calif., Professor of Physics (Emeritus), University of California.

William Loeb, Manchester, N.H., Publisher and Author.

Lt. Col. Matthew P. McKeon, Springfield, Va., Intelligence Analyst, Editor and Author.

Dr. Howard A. Meyerhoff, Tulsa, Okla., Consulting Geologist, Formerly Head of Department of Geology, University of Pennsylvania.

Richard B. O'Keeffe, Fairfax, Va., Asst. Dir. of Library, George Mason University, Research Consultant on Panama Canal, The American Legion.

Capt. C. H. Schildhauer, Owings Mills, Md., Aviation Executive.

V. Adm. T. G. W. Settle, Washington, D.C., Former Commander, Amphibious Forces, Pacific.

Jon P. Speller, New York, N.Y., Author and Editor.

Harold Lord Varney, New York, N.Y., President, Committee on Pan American Policy, New York, Authority on Latin American Policy, Editor.

Capt. Franz O. Willenbucher, Bethesda, Md., Lawyer and Executive.

Dr. Francis G. Wilson, Washintgon, D.C., Professor of Political Science (Emeritus), University of Illinois, Author and Editor.

Institutions are listed for identification purposes only.

Mr. SIKES. Mr. Speaker, the eloquent address delivered by our distinguished colleague from Pennsylvania, Mr. Flood, is a significant contribution to the understanding of the problems facing the United States with regard to the Panama Canal.

It should be clear to all who study Mr. Flood's remarks that commonsense dictates we stick to the present policy of maintaining control over this vital waterway.

As he has said, the Panama Canal is the key to sea transportation between the two great oceans. Without this sea lane, the United States and the free world will have lost one of the last remaining important avenues of sea transportation. Our vulnerability to potential enemies would be significantly increased. There is no gain to the United States in providing a quitclaim deed to those who, regardless of motivation, are demanding that we relinquish control of the Canal Zone.

I agree completely with Mr. Flood's analysis of the situation. When he says the issue is whether we or the U.S.S.R. will have control, he is speaking the truth. More and more, the important sea lanes of the world are susceptible to or under Russian control. I support wholeheartedly the efforts of those who would have us keep our hold on what has been termed as the "jugular vein of hemispheric security."

We want the friendship and support of the Panamanian Government and its people. We want them to recognize the fact that it has been the friendship of the United States which has insured the construction and the profitable operation of the canal and brought about the

relative prosperity which Panama and its people have enjoyed.

Our attitude toward the Panamanians through the years should insure for us their enthusiastic support for a continuation of the present status of the canal. Unfortunately, this is not the case. The canal is a constant whipping boy for those who agitate anti-Americanism and demand Panamanian ownership and operation of the canal. Their country has been infiltrated by pro-Communist agents and there are those who insist that guerrillas are being trained there to act against American interests in Panama and elsewhere. If the United States were to relinquish its control over the Canal Zone, the result would be Soviet involvement in the internal affairs of Panama and an attempt to take over control of that country's Government. This is not a time for yielding. It is a time for firmness. The interests of both the United States and Panama will be best served by a continuation of the status quo.

We should heed the words of warning which have been spoken here today. We should act at once to provide for modernization of the existing canal and we should quickly adopt the pending Canal Zone sovereignty resolution.

I commend, in particular, my distinguished colleague, Mr. FLOOD, for his work in this vital area and for sharing with the Congress and the American people the true facts of this situation.

Mr. MILLER. Mr. Speaker, I am pleased to have this opportunity to join my colleagues in speaking out on Western Hemisphere security and the importance to this country of holding on to the Panama Canal. I have addressed this body several times on the strategic importance of the canal to the United States and, indeed, to all of the Americas. One only has to look at a map of this hemisphere to see that the Panama Canal is the key to all oceangoing travel, whether commercial or military. To entrust this vital passageway to an unstable nationalistic government such as now exists in Panama would be pure folly. By a 1903 treaty the United States acquired permanent rights to the Canal Zone. We have always administered the canal in an equitable manner for all nations. There is absolutely no reason why it should be turned over to Panama or any other nation.

Mr. Speaker, there are a good number of reasons why the United States should maintain sovereignty over the Panama Canal. Perhaps the most important reason is the role that the canal plays, along with Guantanamo Bay, in protecting the hemisphere from Communist expansion from Cuba. A recent article in the Navy Times points out this interrelationship and I wish to share it with my colleagues:

[From Navy Times, Nov. 20, 1974]

GUANTANAMO BAY—CASTRO'S CONSTANT TARGET

(By Brig. Gen. J. D. Hittle, USMC, (ret.))

When Senators Javits and Pell were on their recent question-provoking visit to Cuba, press reports said the Castro government did not raise the issue of Guantanamo Bay.

It must have been conspicuous by its absence. U.S. control over Guantanamo Bay isn't something Castro has forgotten.

In a subsequent televised interview for U.S. audiences, Castro generously indicated that the return of Guantanamo wasn't a required "concession" to get rapprochement talks started with the United States.

Surrender of Guantanamo Bay might not be a prerequisite to U.S.-Castro talks, but it's a sure bet the issue will be brought up, one way or another, whenever Castro thinks the timing is right.

The ouster of the U.S. from Guantanamo Bay is part of the Castro litany of Red imperialism in the western hemisphere.

Before we go an inch further toward rapprochement with Castro, we had better review some of the basic facts about Guantanamo Bay and why we are there.

Guantanamo Bay isn't some sleepy tropical coaling station that time and technology have passed by. It's one of the most strategic bases in the Western Hemisphere.

Located on the southeastern tip of Cuba, Guantanamo is intrinsic to the protection and control of the Atlantic approaches to the Panama Canal.

Guantanamo Bay is within view of the southern end of the Windward Passage, the thin ribbon of deep water that separates Cuba from Haiti and serves as a funnel for much of the north-south shipping between the Atlantic and the Caribbean.

The sea-control relationship of Guantanamo Bay to the Windward Passage isn't abstract strategic theory. Its reality is underlined by the deadly toll of Allied shipping exacted by Nazi wolf-pack subs in World War II. German U-boat strategies studied the sea lanes and the Atlantic-Carribean geography. And they stationed their subs at the Windward Passage approaches.

What the torpedo toll would have been without a U.S. Naval base at Guantanamo is, even in hindsight, frightening.

Another important point: All of Castro's propaganda about Guantanamo Bay being under U.S. control through an "archaic treaty" just is not true. This historical record is clear. The U.S. obtained its rights to Guantanamo Bay by treaty following the Spanish-American war. But that treaty was renegotiated by the U.S. and Cuba in 1935. That isn't "archaic" by any sensible standard.

The Castro propaganda line, however, has a deep and real relationship to the long-range Communist imperialist goals in Latin America. The bombast from Havana employs exactly the same language used by those who are trying to get the United States out of the Panama Canal Zone. Castro's propaganda has already linked the Guantanamo and Panama Canal treaties, labeling them both "archaic" and calling for their termination.

The Reds are trying to set a semantic trap. If the United States for one moment concedes there is any validity in Castro's attack on the Guantanamo treaty, we will have pulled the strategic rug out from under ourselves in the Panama Canal.

But Castro and the Kremlin—that backs his regime at a cost of a million dollars a day—have another higher card to play, when and if we decide to renegotiate a rapprochement with Havana.

This high card is the fortification system surrounding the U.S. base at Guantanamo Bay. It may surprise many Americans, but this huge, modern fortification isn't ours. It's Castro's.

These fortifications are not the result of some amateur ground-scratching exercise by some poorly trained back-country Cuban militia. Far from it. The use of terrain, the shape of the firing positions, and the deeply-imbedded trench system bear the stamp of skilled Soviet design and supervision.

The fortifications consist basically of a series of gun positions. One highly organized strong point boasted more than 20 firing positions. All are skillfully placed to be mutually supporting.

Connecting the firing positions are well-located trenches. These run generally parallel to the base boundary. They also extend to the rear, providing covered routes of approach for personnel and supplies.

Each Cuban gun position is constructed of prefabricated concrete, estimated to vary from three to six inches thick. Only the gunport and a low rounded roof extend above the surface of the ground. The trenches are of concrete—floors, sides, and roofs. With glasses, I could clearly see the prefabricated concrete slabs being put in place. Each was covered with poured concrete and earth.

On a visit a few years later, much of the fortification system could not be seen. Fast growing tropical vegetation provided natural camouflage.

The sheer immensity of the fortification system can be realized from the fact that it runs among much of the high ground overlooking the 15-mile land boundary of the base. Soviet military engineers did a good job.

U.S. engineers estimated that the construction alone—not counting the armament it could accommodate—came to $15 million.

It doesn't take any crystal ball to visualize how these expensive fortifications could fit into U.S.-Castro negotiations.

Castro could quickly cook-up a shooting incident along the boundary of the Gantanamo base, snowballing it into a crisis. Then he could loudly proclaim that the crisis was endangering U.S.-Cuban relations.

In no time he would be beating the drums at the United Nations to get the U.S. out of Guantanamo Bay. To give him "creditability," he'd have his Russian-equipped troops manning the fortifications. They would be looking down Russian-made gun barrels pointed at U.S. targets.

Soviet worldwide propaganda would go all out with the line that U.S. use of Guantanamo Bay threatened to destroy the peace and tranquility of the Caribbean.

And, of course, too many Americans who should know better would take the bait and join in the cry.

If the U.S. ever fell for such a Red scenario, our departure from Guantanamo Bay would be one of the greatest strategic disasters of modern times.

The plain fact that we need it for the defense of U.S. and friendly interests is reason enough to hold Guantanamo Bay. Guantanamo, Panama, and Roosevelt Roads in Puerto Rico form a triad of bases indispensible to the security of the United States and of the Americas.

Should Guantanamo go by default, our strategic setback would be compounded by the certain knowledge that Russian fleet units would get what we had given up.

With such a base in the strategic heart of the Americas, Soviet sub commanders would enjoy operational advantages undreamed of by Nazi undersea skippers 30 years ago.

Availability of Guantanamo Bay would mean a quantum jump in Russian naval operating effectiveness.

It is imperative that the U.S. stand firm on the Guantanamo treaty. If we don't we can be sure of one thing: the day the last U.S. ship sails out of Guantanamo Bay, Russian ships will set course to sail in.

Mr. COLLIER. Mr. Speaker, the United States must not surrender the Panama Canal.

Before the canal was constructed, a

ship had to travel more than 13,000 miles, over half the Earth's circumference, in order to go from one of our coasts to the other. When war with Spain became imminent in 1898, it was necessary for the battleship *Oregon*, which was then at San Francisco, to proceed to the Gulf of Mexico. It took 71 days for it to make the voyage down the Pacific coast, around Cape Horn, and up the Atlantic coast.

Utilization of the canal cuts the distance from New York to San Francisco from over 13,000 miles to about 5,200. Surrender of the Panama Canal would, indeed, be going back to the days of McKinley.

The Republic of Panama, which wants us to give it the canal, owes its independence, its very existence, to the United States of America. When an uprising occurred in Panama on November 3, 1903, when it was part of Colombia, the presence of the warship *Nashville* at Colon, where it had arrived the day before, prevented Colombian troops from crossing the Isthmus of Panama to put down the rebellion. The United States was the first nation to recognize the resulting independence of Panama.

The Hay-Bunau-Varilla Treaty of November 18, 1903, gave the United States exclusive use, occupation, and control of the Canal Zone in perpetuity. The United States could exercise all sovereign powers to the entire exclusion of the exercise of such powers by the Republic of Panama. Panama was to receive $10,000,000 in cash and an annuity that would begin 9 years after ratification of the treaty.

To implement the treaty, the United States proceeded to acquire outright ownership of all land and other property in the Canal Zone by purchases from the individual owners. The rights that we exercise in the zone are thus derived from both the grant from the Republic of Panama and purchases from the individual property owners. The United States would never have undertaken to construct, maintain, and operate the waterway if it had not been granted complete and perpetual control by the treaty.

In 1885 the English Historian James Anthony Froude had written:

> In all the world there is not perhaps now concentrated in any single spot so much . . . foul disease, such a hideous dung-heap of physical and moral abomination. The Isthmus is a damp, tropical jungle, intensely hot, swarming with mosquitoes . . .; the home . . . of yellow fever, typhus, and dysentery.

Due to the efforts of the U.S. Government, the Canal Zone underwent a metamorphosis from one of the worst pestholes on Earth to the healthiest spot in all the Tropics. This transformation was necessary before American engineers could succeed where French engineers had failed.

The fundamental question in the proposed surrender of our sovereignty over the Canal Zone is not whether the United States rather than Panama shall control this strategic area, but whether the United States rather than the forces of international communism shall control it. If Western civilization is to be able to defend itself against Communist aggression, it is absolutely imperative that the United States continue to control, maintain, operate, and protect the Panama Canal. If we relinquish full sovereignty over this strategic waterway, all of the nations of Latin America will inevitably and swiftly go the way of Cuba.

Surrender of the Panama Canal will encourage the overthrow of constitutional governments by Communist revolutionists throughout Latin America. It will also have a calamitous impact on such other crucially important strategic places as Gibraltar, the Suez Canal, the Red Sea, the Indian Ocean, Southeast Asia, and southern Africa.

All the international problems that have confronted us during the post-World War II period have been exacerbated by the energy crisis. The energy crisis of the past year would be minor compared to the crisis that would result from relinquishment of the Canal Zone by the United States.

Perhaps some of my listeners are wondering why a Member of the National House of Representatives should be so concerned about an event that could not occur unless the other body ratified a treaty effecting the surrender of the canal. While it is true that, under the Constitution of the United States, "the President shall have power, by and with the advice and consent of the Senate, to make treaties," I do not interpret this to mean that Members of this body, a coequal branch of the Congress, should remain silent on such an important matter as a treaty which would lead to the surrender of the Panama Canal.

Such a colossal giveaway could not be effected constitutionally without the consent of both Houses of Congress, inasmuch as the House of Representatives has as much to say in the matter as the other body. The second clause of section 3 of article IV of the Constitution reads as follows:

> The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, of any particular State.

Note that the words that I have read say "Congress," which, of course, includes both the House and the Senate.

Mr. Speaker, the United States must not surrender the Panama Canal.

Mr. RARICK. Mr. Speaker, there has been a great deal of propagandizing recently by powerful interests, dedicated to the surrender of U.S. sovereignty over the Canal Zone. I wish to thank the gentleman from Pennsylvania (Mr. FLOOD) for arranging this colloquy so that our colleagues and the American people can have the benefit of additional points of view on this important issue in light of the one-sided presentation currently being made in the press.

The public is being told that we must surrender this vital waterway to the unstable Panamanian dictatorship as a gesture of appeasement to our Latin American neighbors. What they are not being made aware of is the fact that U.S. presence and control over the canal has many more ramifications upon the security of this Nation than the much publicized Middle East situation.

In February of this year, Dr. Kissinger committed one of the most blatant examples of total disregard for the legislative branch of Government. Without prior authorization from this Congress, and against the will of this body as expressed in many resolutions over the years, he signed "a statement of principles" to serve as a guideline for a new canal treaty with Panama's Foreign Minister, Juan A. Tack.

In his address on that occasion, Secretary Kissinger made this significant assertion:

> In the President's name, I hereby commit the United States to complete this (treaty) negotiation successfully and as quickly as possible.

And that—

> We are now fully committed to a major effort to build a vital Western Hemisphere community.

The principles to which he agreed call for the abrogation of the 1903 Canal Treaty and the eventful surrender of the U.S. sovereignty and ownership of the Canal Zone and the Panama Canal to the Republic of Panama, an unstable country of endemic revolution which, since 1904, has had 59 Presidents, some of them serving only a few days.

Mr. Speaker, I would again invite attention to the fact that the Canal Zone and the Panama Canal are U.S. territory and property acquired through grant and purchase by the United States, pursuant to a treaty authorized by the Congress. Under the U.S. Constitution only the Congress is vested with the power to dispose of territory and other property of the United States. It should be remembered, despite Mr. Kissinger's "personal" agreement with Tack, the Congress has not authorized the surrender of either the zone territory or the canal.

Mr. Kissinger is obviously well aware of the battle he faces in the House if he continues on his course of giving away the multibillion-dollar Canal Zone complex. Both Houses of Congress must vote on any move to dispose of "surplus Government property."

This unwarranted action at Panama City by the Secretary is not only irresponsible, but also constitutes an outrageous assault on the U.S. authority over the Canal Zone. It is a challenge to this Congress. It raised questions as to the process of reasoning by which this public servant was led to this attempt at usurpation.

Moreover, his action ignores U.S. treaty obligations to Great Britain and Colombia, as well as the interests of the major users of the canal, such as Japan and Norway.

Mr. Speaker, as Mr. FLOOD correctly pointed out, many patriotic organizations have gone on record opposing surrender of the canal. The American Legion is but one of the many groups which refuse to be cowed by irresponsible State Department actions.

At the Legion's 56th national convention held this past August a significant resolution was passed following hearings before the Legion's committee on foreign relations. In an address to that committee, Arthur L. Denchfield, Jr., a longtime resident of Latin America who had made an extensive study of the canal situation, pointed out some truths that the executive branch and the State Department seem to have forgotten.

I include Mr. Denchfield's speech and the American Legion's Resolution No. 85, the Panama Canal, following my remarks:

Lease, Schmeash—That Canal Is Ours

(By Arthur L. Denchfield, Jr.)

The *Miami Herald* of August 13, 1974, reports that Secretary Kissinger has informed Panama "that the change in the U.S. Presidency will not affect the negotiations for a new Panama Canal treaty."

The matter we are discussing here is precisely the negotiations with regard to a proposed new canal treaty, agreed upon in principle, February 7, this year, in Panama on behalf of the United States by Secretary Kissinger despite his prior knowledge that the Senate of the U.S. had already voiced its disapproval, confirmed on March 29, a few weeks later, by a vote of 35 Senators; despite previous sense of the House resolutions warning the State Department of such a foolish move; despite the consensus throughout our land against such a foolhardy and unstatesmanlike stupidity. Why is it "that none dare call it treason" when in this case that is precisely the name of the game? Let us pause and ask ourselves a few questions.

On January 16, 1964, Nixon stated in Philadelphia that "Washington's policy in the Canal Zone should be one of 'no give' where basic rights are concerned." Yet in February of this year, only ten years later, Secretary Kissinger is sent to Panama to negotiate the eventual giveaway of our canal which has cost the American taxpayers to date over $6 billion in acquisition, maintenance, improvements, and financing. Whose policy is this, anyway? Is it part of the so-called Nixon policy or is it the Kissinger policy?

Let us ask ourselves another important question: In the wake of President Nixon's resignation Secretary Kissinger is quoted as follows: "The point I want to make in behalf of cabinet members involved with foreign policy is: that the foreign policy of the United States has been always conducted and will continue to be conducted on a bipartisan basis, in the national interest, and in the interest of world peace."

Where in the record is it that both parties have agreed to give away our Panama Canal, a property which we own and over which we have undeniable sovereignty? Is it the desire of both parties, representing the American people, taxpayers if you will, to keep on paying Panama a so-called "annuity" for the use of the land and water in which we built our canal and which we already own? Is it the will of both parties to increase this fictitious "annuity" from $2,095,000.00 to $25 million yearly until kingdom come and until we might just someday have a stupid pro-Communist Congress in Washington to agree to a "giveaway treaty" such as we are discussing?

Now I ask you in all fairness: Is this the Nixon or the Kissinger policy, conducted on a bipartisan basis, that President Ford will be asked to follow?

What we are seeing here, my compatriots, is Captain Ford taking over the helm of our ship of state which previous captains, mates, and sundry pilots have already steered on a collision course. Why? President Ford, more than most recent Presidents, has a real sense of what both parties in the Congress feel and his first confrontation with the Congress will be, mark my words, whether he will confirm the disastrous commitments made in Panama by Secretary Kissinger without prior consent or approval of Congress or whether he will uphold the constitutional oath of office he has just taken to protect, preserve, and defend the Constitution and the best interests of our nation as Commander in Chief of the Armed Forces of this country?

There is still the prevalent and mistaken notion that we do not own our own canal but that we rent or lease the land and waters in which we spent hundreds of millions of American taxpayers' funds to build perhaps the greatest engineering feat of all time. Where did this false information, which has poisoned the minds of millions of Americans, and foreign students as well, come from? It is only logical that the writers for reference books consult the State Department in the course of their research. If you want to know what our own State Department has told them, all you have to do is to ask your congressman to send you a copy of the House document of February 20, 1973, entitled "Hearing Before the Subcommittee of Foreign Affairs in the House of Representatives," Subtitle "U.S. Relations With Panama."

You will suddenly get the sickening feeling that the State Department does not believe that we own our own Panama Canal at all! "That we have no sovereignty over our canal," "That the 1903 treaty is antiquated," "That we maintain a foreign enclave within another country," that "for the U.S. to have a 10-mile-wide swath of land through the middle of another country, where our laws reign, where people in that country have to submit themselves to our laws and our courts and our police. . . . Is an anachronism," "That the 1903 treaty should be abolished" . . . . ad nauseam. This, my compatriots, is the stated position and opinion of our State Department.

There are dozens of documents and books containing more than ample evidence beyond a shadow of a doubt we are the rightful owners and sovereigns of our Canal Zone and all that's in it.

I have read the treaty of 1903 some 30 times, line by line, word for word, and I can tell you this: There are 3,078 words in the English version of that treaty between Panama and the U.S.A. and whereas the word "grant" or "granted" is used 18 times, the word "lease" is used only once and then only in the penultimate article number XXV where the Republic of Panama states that "It would sell or lease to the U.S. such additional lands adequate and necessary for coaling stations in other parts of Panama as might be required." Therefore, we know that back in 1903 the word "lease" was known and used and if the treaty intended a lease relationship between Panama and the U.S.A., it would have clearly said so.

As a matter of fact, in the very same year, 1903, additional arrangements were made to defend the northern approaches to the Canal Zone by making a lease agreement for the coaling and naval station areas of Guantanamo with the Republic of Cuba and the word "lease" was used many times but never the word "grant," as in the treaty with Panama.

Then, there is the practical and logical consideration which should be obvious to us all: In the Western world most members of the legislature are lawyers, in democratic and semi-democratic bodies of government and this was equally so back in 1902–1903. The careful Senator from Wisconsin, a lawyer named Spooner, author of the Spooner amendment, took pains to make it very clear to the President at that time, Teddy Roosevelt, that the U.S. Senate gave him the necessary authorization to take the required steps to build an interoceanic canal provided he could secure the proper title, rights, and ownership of all the land and water needed for the construction of such a momentous and expensive undertaking.

Is there anyone, anywhere, in any nation, friend or foe, who would think that we Americans were so stupid as to engage in the construction of such a colossal engineering enterprise, costing hundreds of millions of dollars, such as an interoceanic canal, without having the proper titles to the land and water required for such a venture? Furthermore, fresh in their minds was the disastrous French attempt under de Lesseps to build a canal in the same isthmus and at the same time in history, where hundreds of millions of dollars went down the drain. It is not natural to presume that the U.S. Congress was not about to give President Roosevelt, or any other President, a blank check to build an expensive canal on land and water which was only leased? To think otherwise is, indeed, naive and an evidence of abysmal ignorance.

As if the considerations I have just mentioned were not enough, we have the learned opinion of the U.S. Supreme Court which in the case of *Wilson* vs. *Shaw* in 1907, recognized the validity of the title of the U.S. to the Canal Zone. Ten years later, 1914, the Thomson-Urrutia Treaty between Colombia and U.S.A. was signed by which Colombia, in exchange for $25 million and certain transit rights in the Canal, recognized the title to both the Canal and the Panama Railroad, with its valuable monopoly-franchise, as vested "entirely and absolutely" in the U.S. It will be recalled that Panama was a province of Colombia prior to November, 1903, the date of her independence. At this juncture we wish to dispell some vicious rumors which our Communist friends insist on propagating throughout the world to the effect that the U.S. arranged, financed, and promoted the Panama revolt from Colombia in order to force a unilateral and one-sided treaty upon Panama; nothing could be further from the truth which is that at that time the U.S. had the option to build a canal through Nicaragua, where plans and surveys had already begun. It was the inducement to provide the U.S. with clear title and ownership to the land and waters needed for the building of the canal which was in effect granted to the U.S. in perpetuity which caused the U.S. to choose the Panama site rather than that of Nicaragua.

Our troubles began when F.D.R. recognized Soviet Russia "in order to help our foreign trade and bring about peace in the world."

Where have we heard that song before?

In 1939 the secretly-arranged Hull-Alfaro Treaty started the erosion of our treaty rights. Then came his appointment of Alger Hiss as chief of the State Department's Office of Political Affairs. This doubtful patriot, in his report, by-passing his chief, Assistant Secretary Braden, designated to the newly-founded United Nations that our canal zone was an "occupied territory," thus lending credence to the false theory that our canal really belonged to Panama.

In 1958 Ike's brother Milton, accompanied to Panama by one Roy Rubottom (who later with William Wieland helped Castro achieve power in Cuba) performed one of the worst precedents imaginable in arranging for the flying of the Panamanian flag on U.S. territory: this in the minds of most Latin Americans is tantamount to our recognizing Panama's sovereignty and is just one of the many dangerous unilateral acts promoted by our State Department in an effort to preserve what is called "good relations with Panama." Then came Kennedy, Johnson, and Nixon, each contributing his share of further erosion of our treaty rights by unilateral action without the prior consent of Congress.

If you will now fasten your seatbelts and pay close attention, I shall [quote] one of the most diabolical, stupid, and embarrassing documents ever to appear on any diplomatic front. Some call these eight articles signed in Panama the "kiss of death" to our so-called influential leadership in Latin America; some see nothing wrong with our throwing away our sovereignty of such a strategic asset which, of course, will be picked up by our Soviet friends: After all, it only cost the U.S. taxpayers a little more than $6 billion and what is that? In Foggy Bottom the difference between a million and a billion is only a few zeros after all, so why get alarmed?

I call your particular attention to the clever way in which the word "grant" is used in this State Department document: In 1903 the word "grant" meant to give, to cede, disown, deliver and convey ownership but in 1974 in the text prepared by our State Department it is given the connotation of "to loan," "to lend," or "cede temporarily" without transfer of ownership!

Let us now quote from the news release from Foggy Bottom dated February 7th, 1974, entitled: "U.S.-Panama agree on Principles for Canal Negotiations," the eight articles as agreed upon by Secretary Kissinger and Foreign Minister Juan Tack in Panama: (1) The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty. (2) The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date. (3) Termination of U.S. jurisdiction over Panama territory shall take place promptly in accordance with the terms specified in the treaty. (4) The Panamanian territory in which the Canal is situated shall be returned to the jurisdiction of the R. of Panama. The R. of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new Interoceanic Canal Treaty and in accordance with what the treaty states, the right of the use of the lands, waters, and airspace which may be necessary for the operation, maintenance, protection, and defense of the Canal and the transit of ships. (5) The R. of Panama shall have a just and equitable share of the benefits derived from the operation of the Canal in its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the R. of Panama. (6) The R. of Panama shall participate in the administration of the Canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the Canal upon termination of the treaty. The R. of Panama shall grant to the U.S.A. the rights necessary to regulate the transit of ships through the Canal, to operate, maintain, protect, and defend the Canal, and to undertake any other specific activity related to those ends. (7) The R. of Panama shall participate with the U.S.A. in the protection and defense of the Canal in accordance with what is agreed in the new treaty. (8) The U.S.A. and the R. of Panama, recognizing the important service rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present Canal could become inadequate for said traffic, shall bilaterally agree on provisions for the new projects which will enlarge Canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in Article No. 2 (the cancellation of the concept of perpetuity).

[Fifty-sixth National Convention of the American Legion]

RESOLUTION NO. 85—THE PANAMA CANAL

Whereas, Under the 1903 Treaty with Panama, the United States obtained the grant in perpetuity of the use, occupation and control of the Canal Zone territory with all sovereign rights, power and authority to the entire exclusion of the exercise by Panama of any such sovereign rights, power, or authority as well as the ownership of all privately held land and property in the Zone by purchase from individual owners; and

Whereas, The United States has an overriding national security interest in maintaining undiluted control over the Canal Zone and its treaties with Great Britain and Colombia for the efficient operation of the Canal; and

Whereas, The United States Government is currently engaged in negotiations with the Government of Panama both in the Canal Zone and with respect to the Canal itself without authorization of the Congress, which will diminish, if not absolutely abrogate, the present United States treaty-based sovereignty and ownership of the Zone; and

Whereas, These negotiations are being utilized by the United States Government in an effort to persuade Panama to grant an option for the construction of a "sea-level" canal eventually to replace the present canal, and by the Panamanian government in an attempt to gain sovereign control and jurisdiction over the Canal Zone and effective control over the operation of the Canal itself; and

Whereas, Similar concessional negotiations by the United States in 1967 resulted in three draft treaties that were frustrated by the will of the Congress of the United States because they would have gravely weakened United States control over the Canal and the Canal Zone; and

Whereas, The American people have consistently opposed further concessions to any Panamanian government that would further weaken United States control over either the Canal Zone or Canal; and

Whereas, Many scientists have demonstrated the probability that the removal of natural ecological barriers between the Pacific and Atlantic oceans entailed in the opening of a sea-level canal could lead to ecological hazards which the advocates of the sea-level canal have ignored in their plans; and

Whereas, The American Legion believes that treaties are solemn obligations binding on the parties and has consistently opposed the abrogation, modification, or weakening of the Treaty of 1903; now, therefore, be it

Resolved by the American Legion in National Convention assembled in Miami Beach, Florida, August 20, 21, 22, 1974, that the United States must be vigilant against all efforts to surrender or erode any of the U.S. sovereignty or jurisdiction in the Panama Canal Zone or over the Panama Canal obtained under the 1903 Treaty with the Republic of Panama, as amended and revised in 1936, and 1955; and be it further

Resolved, That The American Legion reaffirm and reiterate its traditional opposition to any new treaties or executive agreements with Panama that would in any way reduce our indispensable control over the U.S.-owned Canal or Canal Zone.

GENERAL LEAVE

Mr. ROSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the special order today of the gentleman from Pennsylvania (Mr. FLOOD).

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONGRESSMAN JACK KEMP INTRODUCES LEGISLATION TO MAKE ESSENTIAL REFORMS IN THE NATION'S PUBLIC SERVICE EMPLOYMENT PROGRAM

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I have today introduced legislation to clarify and amend the provisions of the Nation's public service employment program.

The bill would change the Comprehensive Employment and Training Act of 1973—CETA—the act which authorizes the Nation's manpower training and public service employment programs—in six ways.

First, priority shall be given to the training, including on-the-job training, of those persons whose jobs are being funded under the act in either major category—manpower training or public service employment—for jobs which are actually available in the private sector of the economy within the immediate geographical area.

Second, such training, while under the ultimate supervision of the public sector prime sponsor, should, whenever possible, be carried out by the private sector itself.

Third, those most likely to be effectively and rapidly returned to full-time, permanent employment within the private sector—through the training and assistance received under this act—instead of those least likely to be so helped—should be given priority in selection.

Fourth, the program should not result in the displacement or replacement of civil servants.

Fifth, a civil penalty provision would be established, levying a fine of up to $1,000 for each violation, when any person with responsibilities in the operation of any program receiving financial assistance under the Act discriminates with respect to any program participant or any applicant because of political affiliation, a measure necessary to put teeth into the prohibition against the use of the program for patronage in local areas.

And, lastly, the actual construction of new buildings or structures would be permitted under the public service jobs program when it is determined that such facilities will provide significant revenues to the units of government in the area.

CETA'S EFFECTIVENESS MUST BE INCREASED

During recent weeks, there has been much discussion of significantly expanding this program, as a means of counteracting some of the rising unemployment in the Nation, unemployment created principally by double-digit-level inflation. The President called for an expansion of this type of program in his address to the joint session of Congress if unemployment reaches a trigger level. Many municipal leaders have made similar calls since then.

We should be cautious about massive extensions of this program, for—like all other government programs—funds to sustain it must come from the taxpayers. In a well-meaning attempt to put people back to work and to put take-home pay in their pockets, we must not overlook the fact that such government-provided take-home pay comes out of the taxes collected from the people.

The most effective, long term solution to our Nation's economic problems is a substantial infusion of capital into the expansion of industry. This is true for several reasons.

First of all, inflation is created when increases in the money stock exceed increases in national productivity; therefore, by increasing such productivity, we lessen the differential, thereby lessening inflation. Second, industrial expansion means more jobs in the private sector, meaning the generation of more tax revenues and the commensurate lessening of unemployment burdens in workmen's compensation funds. Third, it means less need for public service employment programing, thus reducing the demands on the Federal treasury which have produced the deficits which have been overcome through inflation-producing increases in money supply.

During the course of the recent congressional elections, poll after poll showed—no matter who won in the end—that the people overwhelmingly support reductions in Federal expenditures and the more efficient use of tax dollars by Government. As the projected deficit for this fiscal year continues to climb—some now say it could reach $30 billion, instead of the $10 billion once forecast—it is, therefore, incumbent upon all of us—Congressmen and Senators—to make every attempt to insure the most efficient use of taxpayers dollars.

When the Committee on Education and Labor, on which I serve, considers the proposals which will be offered to expand this program, I do hope that the majority of its Members will be of a mind to look at the substantive nature of what it is we ought to be doing with the funds authorized by that act.

It does little good to spend taxpayers dollars, if such expenditures are counterproductive or, at best, only marginally beneficial.

It is within this spirit that I have addressed myself to necessary reforms in the public service jobs program.

TRAINING AND CONSTRUCTION

My area of principal concern about the present structure of the program—both under the act and the regulations promulgated by the Department of Labor on June 4—is twofold:

First, the prime sponsors' public service employment programs do not adequately provide for training—training essential to enhance job skills and thereby lessen dependency on tax-supported assistance in general and public service jobs in particular. Stated another way, these programs are contributing little to lessening dependency on the programs themselves.

Second, the kinds of construction projects on which public service employees funded by this act are to work are now limited to modifications, additions, and restorations of buildings and structures, with the departments regulations specifically proscribing new capital construction no matter how worthwhile. There appears to be no statutory basis for this particular regulation—section 94.4(g).

Running through both these concerns is a common thread: Much, if not most, of what these jobs are funding today has the character of "make work" with little genuine concern over long range benefits both to the community and to the person employed under the act. That is misleading to the community and the taxpayers, and outright cruel to the person employed and his or her family.

Unless these people are given sufficient training in skills relating to jobs available within the private sector, there will be the greatest danger of them falling back into unemployment or underemployment at the end of the program. This, in turn, simply creates more pressures on the Congress to continue the program beyond its present termination date.

Unless something is done to break this cycle of dependency, this "temporary" program could become like too many others—permanent.

Even though I voted for the act when it passed the House last session, and even though I support some type of a modest public service training and employment program in highly depressed areas as a temporary measure for a period of high unemployment, I have approached this matter from perspectives that, first, public service jobs ought to be oriented toward creating a more permanent employability of the recipient—in other words, as a result of the program, the worker will be better able to find and to keep a permanent job, becoming a tax generator instead of a tax consumer—and, second, that capital construction projects, leaving permanent, tax-generating benefits to the community, are preferred.

Creating a higher level of employability among each person who is given a job under this program is essential. This can be most effectively accomplished through on-the-job training within the private sector, in an effort to enhance job skills, improve motivation, and lessen dependency on Government-sponsored employment. That employability of the person in the future ought to be the principal focus of our concern and of a redrafting of the basic act. Those types of public service jobs which have no, or little, private sector comparability are inherently incapable of assuring a higher degree of employability. They give to the person little skill improvement and do not lessen his dependency.

I am reminded of the old Chinese proverb:

> Give a man a fish and you have taken care of him for today. But teach a man how to fish, and you have taken care of him for a lifetime.

Make-work, dead-end jobs give a man or woman that proverbial fish. They take care of today's needs, but do nothing about tomorrow's. Only when we teach him new skills with which to better assure his own chances of gaining private sector employment—earning a living without it being at the taxpayers' expense—do we do him the service we owe to our fellow man.

Additionally, we must assure ourselves that the jobs funded are devoted, to the maximum degree possible, to creating permanent improvements for our communities. This ought to be a side benefit to which the act and its administrators pay greater attention.

Capital construction projects have a greater multiplier effect within the local economy, dollar for dollar. Building a new facility—sewage treatment plants, mass transit, housing, and so forth—creates many more secondary jobs than those associated with maintenance kinds of work. Permanent, new facilities whose construction is aided by work performed under this program help foster additional growth, continue to serve the community and serve as income and tax-producing entities in the local economy. These kinds of projects, if the administrators are so disposed, can also be done through a minimum of bureaucracy. Finally, the more permanent the character of benefits derived from public service work, the stronger the economy of the area, thus the lesser the dependency on outside—usually Federal—dollars.

I do not believe these dual factors—enhancing employability and making permanent improvements in the community—have been considered adequately by many, if not most, of the prime sponsors in the formulation of their respective public service plans. When one reads that the funds are being used to create or fill positions, like "dog census enumerators," much weight is given to that observation. Too often the positions, I believe, appear more as ways to justify the expenditure of Federal funds received by the prime sponsors rather than ways to genuinely help either the workers or the community.

I am convinced, after a thorough review of the act and its legislative history, that there is much latitude for providing training. The act allows it in instance after instance. Unfortunately, not enough emphasis has been put on that fact by the Federal administrators in working with the units of local government. In my opinion, the Federal administrators ought to actually require—to insist—that training be given top priority before they approve the project plans submitted from the prime sponsors. The amendments contained in the bill I introduced today reflect that.

OTHER AMENDMENTS PROPOSED

Instances have come to my attention that reductions-in-force within the career, merit system personnel structures of local governments are now being circumvented by hiring CETA-funded employees to carry out the work previously done by these civil servants. CETA-funded employees—by being designated as temporary appointments—are either displacing career employees or are being used to replace them by being treated as some other form of exemption from civil service coverage. This clearly circumvents the spirit of our civil service laws and regulations and is, in practice, a way in which to shift the cost of paying Government personnel salaries from the local tax funds to the Federal Treasury. Section 4 of the bill I introduced today would proscribe this within a 180-day period.

News stories have also appeared in recent weeks about the possible use of these funds for political patronage. Giving a person a job because of his political registration, affiliation, or association—or denying him one on the same basis—is repugnant, and while the existing act—section 610, prohibition against political activity—and section 612, nondiscrimination—could be construed to prohibit such practices, there is no penalty provision. The act says do not do this, but then it provides for no penalties if someone does do it. Section 5 of the amendments introduced today would remedy this.

Section 205(c)(7) of the existing act makes it clear that the hardest core unemployed—those least likely to find work—are to be recipients of assistance under the act. To me, this seems exactly reverse of what it should be. The marginally unemployed people are more likely to receive, through an increase in their job skills, permanent employment within the private sector, moving off the tax dependency payrolls. On the other hand, the hardest core unemployed are that way for reasons closely associated with an almost total lack of job skills. At a time when we absolutely must assure ourselves that every Federal dollar spent obtains the maximum benefit, our dollars ought to be spent most effectively and efficiently, and that means on those who can be most effectively and rapidly put back into private sector jobs. The proposed amendments would remedy this problem, too.

TEXT OF THE BILL

The text of the bill which I introduced today, the proposed Comprehensive Employment and Training Act Amendments of 1974, follows:

H.R. 17526

A bill to amend the Comprehensive Employment and Training Act of 1973 to clarify the training goals of such Act, to permit private organizations to train employees for jobs funded under such Act, to assure that such employees receive an opportunity for employment in the private sector of the economy, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Comprehensive Employment and Training Act Amendments of 1974".

TRAINING PROGRAMS

Sec. 2. (a)(1) Section 2 of the Comprehensive Employment and Training Act of 1973 (Public Law 93-203; 87 Stat. 839) (hereinafter in this Act referred to as the "Act") is amended to read as follows:

"STATEMENT OF PURPOSES

"Sec. 2. It is the principal purpose of this Act to provide job training for economically disadvantaged, unemployed, and underemployed persons. It also is the purpose of this Act to provide employment opportunities for such persons, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible and decentralized system of Federal, State, and local programs.".

(2) Section 201 of the Act is amended to read as follows:

"STATEMENT OF PURPOSES

"Sec. 201. It is the principal purpose of this title to provide unemployed and underemployed persons with training and manpower services to enable such persons to move into employment or training not supported under this title. It also is the purpose of this title to provide such persons with transitional employment in jobs providing needed public services in areas of substantial unemployment.".

(b)(1) Section 105(a) of the Act is amended by redesignating paragraph (7) as paragraph (8) and by inserting immediately after paragraph (6) the following new paragraph:

"(7) provides that the prime sponsor will provide private organizations and associations with an opportunity to train persons to be hired to fill jobs created under this title, except that such training shall be conducted under the supervision of the prime sponsor;".

(2) Section 205(c) of the Act is amended by redesignating paragraphs (10) through (26) as paragraphs (11) through (27), respectively, and by inserting immediately after paragraph (9) the following new paragraph:

"(10) assurances that the applicant will provide private organizations and associations with an opportunity to train persons to be hired to fill jobs created under this title, except that such training shall be conducted under the supervision of the applicant;".

(c) Section 603(9) of the Act is amended to read as follows:

"(9) training and related services under any such program are intended to provide employment which is comparable to employment opportunities in the private sector of the economy in the geographical area involved, and are designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling participants to become economically self-sufficient;".

DISTRIBUTION OF ASSISTANCE

Sec. 3. Section 205(c)(7) of the Act is amended by striking out "severely disadvantaged" and all that follows through "without assistance" and inserting in lieu thereof the following: "likely to receive immediate benefits from such program and who will be able to obtain permanent employment in the private sector of the economy within a reasonable period of time as a result of assistance they receive".

DISPLACEMENT OF CIVIL SERVICE EMPLOYEES; CAPITAL CONSTRUCTION

Sec. 4. Section 603 of the Act is amended by striking out "and" at the end of paragraph (14), by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraphs:

"(16) the program will not result in the hiring of persons for the performance of functions which were performed, at any time during the 180-day period immediately before the date on which such hiring would occur, by persons employed under applicable civil service laws of the State or unit of general local government involved; and

"(17) the program permits modification, addition, or restoration of an existing building or structure, if such modification, addition, or restoration increases the usefulness, productivity, or servicable life of such building or structure, and the program permits construction of a building or structure if the prime sponsor, governmental unit, or other person responsible for administering the program determines that operation of such building or structure will provide significant revenues to the governmental unit within the jurisdiction of which such building or structure is constructed.".

CIVIL PENALTY FOR CERTAIN VIOLATIONS

Sec. 5. The Act is amended by redesignating sections 614 and 615 as sections 615 and 616, respectively, and by inserting immediately after section 613 the following new section:

"CIVIL PENALTY FOR CERTAIN VIOLATIONS

"Sec. 614. Any person with responsibilities in the operation of any program receiving financial assistance under this Act who discriminates with respect to any program participant or any applicant for participation in such program because of political affiliation, shall forfeit and pay to the United States a civil penalty of not more than $1,000 for each such act of discrimination. Such penalty shall accrue to the United States and may be recovered in a civil action brought by the Attorney General of the United States in any appropriate court of the United States.".

CALL FOR CONSIDERATION

Mr. Speaker, I feel strongly that these amendments ought to be enacted as soon as possible. Even if an expansion or extension of the program is not enacted this session, these amendments ought to become law to govern the existing program. I believe the Committee on Education and Labor would be well served to insure the enactment of these reforms.

UNEMPLOYMENT

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. Whalen) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, the word "inflation" has dominated the headlines in recent months. President Ford declared it "Public Enemy No. 1." Economists have debated about how to curb it. Individual citizens have confronted it on every trip to the grocery store.

Now vying with inflation for the headlines, however, is another severe economic problem: Unemployment. Each day brings new reports of lay-offs and cut-backs.

In a speech on this floor last October 7, I outlined my views on inflation and at the same time noted the problem of unemployment looming on the horizon. I said:

> As the disparity between price levels and spendable income grows, the more precipitous the decline in economic activity. In fact, by late 1975, it is my belief that unemployment (which should reach 7 percent) will replace inflation as "Public Enemy No. 1."

For the growing number of citizens out of work, of course, unemployment already is "Public Enemy No. 1."

I believe that Congress should act now to extend unemployment benefits so that those who lose their jobs will have a greater measure of protection. Therefore, today I am introducing the Special Unemployment Compensation Act of 1974.

The bill would extend unemployment insurance benefits for an additional 13 weeks for those eligible to participate in regular State or extended Federal-State programs. A full 26 weeks would be provided for those not covered by regular unemployment insurance.

The extension would be triggered if, for the most recent three consecutive calendar months: First, the rate of national unemployment—seasonally adjusted—averaged 6 percent or more, and second, the rate of unemployment in the area averaged 6 percent or more.

An "area" is determined by the Secretary of Labor and must have a population of at least 250,000.

Fortunately, the rate of unemployment in Dayton is much lower than in many other American cities, and the "trigger" rate of 6 percent has not been reached.

However, reports of lay-offs at Dayton plants of General Motors and Chrysler have concerned me. Therefore, I believe that preparations should be made to extend unemployment insurance if the employment rate does rise significantly. Such an extension, for an additional 13 weeks, would serve three purposes.

First, since it is difficult to find jobs in a period of growing unemployment, the extension will provide additional time for job-hunting.

Second, the extended benefits will better enable those families affected to meet their needs while the breadwinner is out of work.

Third, the extended benefits will stabilize the economy by providing purchasing power that will prevent the recession from growing more intense.

If this bill, which was originally introduced by Congressman MARVIN ESCH, of Michigan, is enacted into law, its provisions will combine with the 26 weeks of unemployment benefits provided under the Ohio program and the 13 weeks of benefits under the State-Federal emergency program, to result in a total of 52 weeks of benefits for the unemployed.

The program will be financed from Federal general revenues.

TRIBUTE TO PAUL BRYAN

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, some citizens in an area contribute so much to community life that it is befitting that we recognize those individuals. One such beloved man is Paul W. Bryan. The Daily Commercial, Lessburg, Fla., printed the following editorial about him:

> Many good men have served on Lake County School Board, and will continue to serve, but it will never be quite the same without Paul Bryan.
>
> No matter how busy the season, or how great the pressures of his business life, Paul Bryan was not only there when the school board met, but devoted many other hours to the school business.
>
> For 26 years he has served the schools not only of his own district, but of the county at large. The people sent him back into office almost automatically. His record and his personality did his campaigning for him.
>
> For more than 20 years he has served as chairman of the school board, and he has seen some stormy times and heard bitter words during that tenure.
>
> His dry wit has knocked down rising tempers, his unflappable good humor and hard common sense pricked balloons of heated rhetoric. And when necessary, he has put a foot down hard on foolishness.
>
> When he first came on the school board, there were less than 100 teachers in the Lake County school system. He has seen that number rise to right at 1,000.
>
> Not a single school principal working when Bryan began his service now remains in the school system. He has seen superintendents and board members come and go, but Paul Bryan has been on duty, steady as a rock for others to lean on—or butt a head against.
>
> When a citizen said, "I don't know how they will get along without you," he said cheerfully, "Oh, they'll get along fine. And I'm going to be around, ready to help any way I can."
>
> We believe this. Paul Bryan is retiring this year from his seat on the school board, but he will never give up his interest and concern for Lake County schools. He wouldn't know how.

This is a fine tribute to a most deserving man. Paul Bryan, and the many like him across this Nation, are the cement that holds our democracy together. Mr. Speaker, I know our colleagues here in the Congress join me in this tribute to a great American.

LEGISLATION TO UPGRADE THE SUPPLEMENTARY SECURITY INCOME PROGRAM

The SPEAKER. Under a previous order of the House, the gentleman from New York, (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, the supplementary security income program—SSI—which provides assistance to the needy aged, blind, and disabled, has been in existence for almost 1 full year. Many of us in Congress, as well as on the State level, are painfully aware of the inadequacies in SSI and believe that a thorough reexamination of the program is needed.

Early this session, I, along with several members of the New York delegation, introduced a legislative package designed to correct the most glaring of the inequities in SSI. I took the opportunity over the recess to discuss this legislation with various individuals and groups on the State level who are involved with SSI to determine how the bill might be expanded or improved. One of the greatest problems with SSI is its lack of flexibility in responding to individual needs, a shortcoming which retards the overall quality of assistance provided to our needy aged, blind, and disabled. From the discussions I held in New York, I felt that legislation now in the hopper could be improved, with a view toward introducing a greated degree of flexibility to SSI.

I am introducing legislation today which builds upon our earlier efforts to upgrade SSI. This bill adds several new provisions which I would like to discuss. First, the bill requires financial assistance, within 24 hours, to individuals who face emergency hardship as a result of:

Their SSI check being lost, stolen, or undelivered or money from a cashed SSI check being lost or stolen; and

Their furniture or clothing being stolen or their furniture, clothing, and fuel being destroyed or damaged in a fire or flood.

Unfortunately, in many areas, robberies and fires are not an uncommon occurrence. When an SSI recipient is the victim, he has very little recourse for assistance to replace his losses, and he may in fact go for an entire month without life-supporting funds or necessities, like fuel and clothing. Emergency assistance is essential.

Second, my bill would provide for "transitional assistance" to a recipient who is moving from a protective environment to a setting which requires greater independence. It is simply common sense that a needy individual who is moving from, say, a hospital to a foster home, or from a foster home to an apartment, will need certain items like clothing or furniture. At present, SSI does not have the flexibility to help provide to individuals in this transition state necessities they lack. We cannot expect a needy disabled citizen or older American to have the resources to acquire from scratch clothing or furniture or other items he needs when he moves to a completely new environment when his regular SSI check covers only the barest of essentials. Special allowances to individuals in this transition period are needed.

Third, this legislation would provide special assistance to recipients who require special diets for medical reasons. Many of our elderly, in particular, require special diets to combat diseases like diabetes or arteriosclerosis; the ability to afford a special diet is, in many cases, a life or death matter. The monthly SSI payment has not kept pace with skyrocketing food costs; SSI recipients in the five "cash-out" States do not receive food stamps. For SSI recipients who must rely on special, and often more costly, foods, the inadequacies of SSI can spell disaster. Special allowances for these individuals must be provided.

Fourth, this legislation would insure "pocket money" for all SSI recipients who reside in proprietary homes. At present, only those recipients who were "grandfathered" into SSI, who live in proprietary homes, receive a special allowance for personal needs, like razor blades, cigarettes or clothing.

Those residents of proprietary homes who were not formerly on the State's public assistance program, but who are now eligible for SSI, do not receive any type of pocket money. The inequity is obvious and the hardship it creates is simply unnecessary. Reasonable personal allowances must be provided to all SSI recipients.

Mr. Speaker, these are the new features of my legislation, which are designed to create greater flexibility in the SSI program. In addition to these provisions, my bill includes the following provisions from the earliest legislation:

It mandates cost-of-living increases in SSI similar to those available to social security recipients.

It prohibits a reduction in SSI payments when social security increases take effect.

It provides home relief payments to disabled applicants in the period before determination of their disability is made.

It eliminates the third party payee in the case of drug addicts and alcoholics if benefits paid directly to these individuals will aid in their rehabilitation.

It restores food stamp eligibility to all SSI recipients.

I will be asking for cosponsors of this legislation; I hope that many of my colleagues will recognize the responsibility we have to provide an adequate level of assistance to those who stand most in need of our help.

CONGRESSMAN ROBERT F. DRINAN OPPOSES WEAPONS TESTING, VOICES CONCERN OVER NUCLEAR POWER

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, I feel it is necessary to register my opposition to the supplemental authorization for the Atomic Energy Commission, H.R. 16609. This bill appears to me to be a perfect example of legislation which is misguided and inconsistent with the national priorities which this Congress has attempted to establish in recent years. Where grave questions exist concerning the safety and continued feasibility of nuclear fission as a means of producing energy, we authorize and subsequently appropriate a very limited amount of money. But where the defense budget and arms proliferation are concerned, there seems to be no limit to our generosity.

I would first like to address myself to the largest authorization contained within this bill, the $57.5 million which is designated for weapons testing. I feel that this provision is a sad commentary on our country's good faith in international dealings and treatymaking. The legislation authorizes a stepped-up program of testing for 150-kiloton-yield weapons for the purpose of avoiding America's treaty commitments. Under the provisions of the Threshold Test Ban Treaty, testing of high yield weapons over 150 kilotons is expressly forbidden after March 31, 1976. In making such an agreement with the Soviet Union, the United States was serving notice to the world that we were concerned with this runaway arms race and that we no longer intended to let it continue. But rather than complying with the spirit of this test ban, the pending legislation is in effect saying, let us take advantage of the remaining loopholes under the treaty.

The passage of this AEC authorization seems to fly in the face of the breakthrough which has recently been reached in the arms negotiation with the Soviet Union. On the very same day that Secretary Kissinger announced that basic agreements have been arrived at in "putting a cap on the arms race," the Congress is acting to beat deadlines imposed by existing treaties. If the United States conducts itself in this manner, how can we expect others to honor agreements in this very vital area of arms control? Approval of this legislation will only serve to make the United States look two-faced to the international community.

A second objection which I have to the supplemental AEC authorization concerns the limited amount of money which the Congress has seen fit to earmark for safeguarding nuclear powerplant operations. In this bill a mere $23 million is spent to improve the transportation security of nuclear materials and to safeguard such materials from diversion from their intended use. I do not mean to imply that this is all the Congress has authorized to insure the safety of nuclear power plants, but it is indicative of our laxity in this field. I am especially concerned about nuclear power because Massachusetts and the Northeast in general are increasingly becoming prime areas for nuclear plant expansion. Numerous nuclear plants are presently in operation in New England, and forecasts for the future demonstrate that others will be mushrooming throughout the six-State region in the next 25 years. Indeed, of the 1,000 nuclear plants now being planned for construction in the United States by the year 2000, 200 of them will be located in New England.

I do not claim to be an expert in assessing the risks of nuclear power, but I am impressed by the number of concerned scientists, engineers, members of the public, and even former AEC employees who have spoken out against the dangers of the commercial fission processes. In reading and studying the voluminous literature in this field, I have found that all is not well in a number of sub-areas of nuclear power. While this is not a complete listing of possible trouble spots, I have noted that radioactive waste disposal, emergency core cooling, low-level radiation, sabotage and terrorism, and the possibility of accidents all pose significant hazards for nuclear powerplants.

The disposal of radioactive wastes has become an increasingly thorny problem in recent years for the Atomic Energy Commission and the nuclear community as more and more plants go "on the line" and begin producing highly dangerous waste byproducts. The standard AEC solution for waste disposal has been disputed by both the experts and the facts of late, as no easy solution has presented itself. Currently, millions and millions of gallons of high-level radioactive waste derived from nuclear weapons production, research and powerplant operations are being stored in a number of waste disposal sites.

However, the technology used has shown itself to be unfit for the task at hand, with the result that numerous radioactive leaks have occurred in the last few years. In June of 1973 for example, massive leaks occurred at the Hanford reservation in Washington State, where these wastes are stored. Science magazine reported that before the leaks were stopped, 115,000 gallons of liquid containing cesium, strontium, plutonium and smaller amounts of assorted fission byproducts were released into the Hanford soil. Other examples of radioactive leaks could also be mentioned, pointing out that serious problems remain in the waste disposal area.

The emergency core cooling system—ECCS—is another cause of major concern with respect to nuclear powerplants. The core cooling system is designed as a plant's "emergency brake," to cool the hot and highly radioactive reactor core if normal cooling water is lost through an accident. Although the concept of the ECCS is persuasive, tests performed to check the operations of the system have shown that it has not performed as expected. Even some of the AEC's own staff have noted the inadequacies of the ECCS, indicating by way of memoranda that the criteria for the ECCS is not conservative enough and that accident condition factors have not been sufficiently allowed for or investigated.

Mr. C. George Lawson, one of Oak Ridge National Laboratory's authorities on the ECCS, summarized the unfortunate state of cooling technology in March of 1972. Mr. Lawson reported:

> Any conclusion with respect to the effectiveness of emergency core cooling systems is speculative.

I for one am not tremendously encouraged by the state of the nuclear art when statements such as these are made by genuinely knowledgeable men in the field.

Low-level radiation emissions for nuclear powerplants are a third area of concern for me. While the emissions are genuinely low level, their release safety criteria is based on "natural" radiation levels, on the theory that the risks presented by nuclear plants are justified if substantially more radiation is not added to the environment.

While this theory has been the standard AEC dogma over the past 20 years, scientists are presently unable to demonstrate how much or how little exposure to low levels of radioactivity can cause actual damage. Cancer and premature aging are the two most significant forms of damage which may result from exposure to even the lowest levels, but perhaps most significantly, exposure to low levels of radioactivity may have profound genetic consequences. Yet even if these emission criteria were proven to be safe, we would still face possible danger from the "concentration effect," the tendency of radioactive materials to concentrate selectively in specific organisms. Studies have shown by way of illustration that duck egg yolks have exhibited 40,000 times the radiation level of the water in which they lived while bluegill bones showed a concentration 8,720 times that of their environment. This concentration is especially worrisome, as mankind can be eventually affected through the food chain by radiation which may have been originally generated through low level emissions.

The possibility of sabotage and terrorism against nuclear materials or installations is a fourth danger which must be considered. Until just recently very little thought was given to this matter, but the increased level of terrorist activity has shown that real threats may lurk here. These dangers raise the foreseeable threat of future terrorists seizing nuclear power installations in an effort to advance particular causes, or nuclear materials could be seized in transit. I think it is fortunate that part of the money authorized in the supplemental authorization will go to safeguarding nuclear transportation security, but it is obvious that many shortfalls still exist. This was highlighted by a 1973 General Accounting Office report, which declared that security regulations guarding against theft or sabotage in nuclear installations were extremely lax.

Neither is it happenstance that an eminent international group of scientists representing both the United States and the Soviet Union recently specified sabotage and waste disposal as the most distressing problems facing future nuclear power production. I fear that grave consequences could result in this sabotage and terrorism area, and unfortunately, nuclear power installations seem to present an ideal target for such activities.

Finally, while the nuclear industry has maintained a commendable safety record up to the present, I am not persuaded that the possibility of nuclear accidents is as remote as some would like to have us believe. In the highly regarded Rasmussen Report it states that the chances of a disastrous nuclear accident occurring are extremely small, but the stakes are so high and the possible outcome so incredible that we cannot just accept these assurances at face value. Already, noted nuclear scientists have questioned both the report's data and conclusions, and secret AEC task force studies have concluded that it has not been established that accidents are that remote. Moreover, neither the AEC nor the Rasmussen report can provide validated numbers on accident probability because of the scarcity of required data. In short, bland assurances will not do—the possible consequences of a nuclear disaster are just too great.

Mr. Speaker, the passage of this supplemental AEC authorization is indeed disheartening to me. First, we are trying to avoid the spirit of our treaty commitments by stepping up our nuclear weapons testing in order to beat specified deadlines. And second, we are not doing enough to insure the safety of commercial nuclear power plant operations. As I originally stated, I feel that this legislation is just one further illustration of this country's misguided priorities. I am not optimistic for the future if such short-sighted decisions continue to characterize the U.S. actions in these two vital areas.

UNMERRY CHRISTMAS

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, the latest reports from Detroit indicate that it will be an unmerry Christmas for a very substantial number of auto workers. And it may be that further layoffs are in the offing. So desperate is the plight of the automobile manufacturers, that Mr. R. C. Gerstenberg, chairman of General Motors, placed signed ads in the November 20 and 26, 1974, editions of the Wall Street Journal pleading with the American motorist to buy a new car. The message of the ads was simple and direct, buy a new car, prevent unemployment, and preserve the economy.

One's immediate reaction to this ad is indeed favorable. We must stop the escalating unemployment, and improved automobile sales would certainly help reverse the current trend in the auto industry and its related supply industries.

The irony of this ad, however, comes to light when we review the intensive advertising campaign that has been waged by the automobile manufacturers up to now.

My attention was drawn to an Oldsmobile ad which appeared in the Wall Street Journal of October 30, 1974. Included in the ad was a chart comparing the fuel consumption of various Oldsmobile models, which used test results of the Environmental Protection Agency, rather than the conventional self-serving data of the auto manufacturers.

Using information from the ad along with data on vehicle weight, supplied by a local dealer, resulted in the following:

Model	Weight (pounds)	Mileage	
		City	Highway
A. 2-Door model comparably equipped with 250/L6 engine:			
Omega	3,425	16	21
Cutlass	3,773	16	21
B. 2-door model, comparably equipped with 350/V8 engine:			
Omega	3,525	14	19
Cutlass	3,873	15	20
Delta 88	4,483	14	18

While the Omega weighs 348 pounds less than the Cutlass it provided no better mileage.

While the 250/L6 engine is not available in a Delta 88, the 350/V8 is available in all three models. When we compare the mileage on models equipped with this engine, we note that the Cutlass gets better mileage than the lighter Omega and that the Delta 88, which is 958 pounds heavier than the Omega got the same mileage as the Omega for city driving, 14 miles per gallon.

While a basic principle of physics holds that the lighter the weight of an object, the less energy required to move it, the Oldsmobile division of General Motors has evidently taken exception to such principle and provides the American motorist with two different models almost 1,000 pounds different in weight but which provide the same mileage.

The message of all of this from Oldsmobile is very simple, there is no fuel-economy in our small Omega model, so why not buy the bigger Cutlass or Delta 88?

It was rather fortuitous that on the same day I noticed this ad in the Wall Street Journal, that newspaper carried a report to the effect that Transportation Secretary Brinegar indicated that DOT was reconsidering its bumper safety requirement because the additional weight of the shock resistant bumper caused poorer mileage. I suggest that Secretary Brinegar cannot prove his case by relying on Oldsmobiles.

Mr. Speaker, I could go on and recite the various advertising schemes of the other automobile manufacturers, but the message is the same; namely, buy a full-size car, because the fuel savings of the American compact cars is either minuscule or nonexistent when compared with full-size models.

I submit that the American motorist is a lot more intelligent than Detroit realizes and that not only does the motorist see through the sham advertising, but he refuses to buy anything Detroit offers.

I am convinced that the overwhelming majority of Americans are seriously interested in conserving energy, but Detroit offers them no assistance. Instead, it offers the American motorist the "Hobson's choice" of either purchasing the standard gas guzzlers or purchasing fuel-conserving foreign imports which already cause unemployment for American auto workers as well as contribute to our worsening trade deficit.

The American automobile manufacturers with their consumer-conditioning advertising have held hostage the American motorist far too long. The message now from the car-buying public is direct and clear, give us fuel economy vehicles at reasonable prices. The onus is on Detroit to respond to consumer wishes, rather than to continue producing the conventional gas guzzlers they are now beseeching the American public to buy. Unlike other sectors of the American economy, where shortages have led to price increases, there is a surfeit of automobiles at Detroit. But the American motorist has indicated he does not want them.

The hour is at hand for Detroit to respond to the wishes of the energy-conscious motorist. Only the auto industry can take action to restore the confidence of the consumer.

The material referred to follows:

[From the Wall Street Journal, Nov. 20, 1974]

CARS, JOBS AND PROGRESS

Economic progress is like a wheel. When it loses speed it wobbles, and when it stops it falls. Kerplunk.

To keep our economy rolling, Americans must not be afraid to buy what they want and need. Demand means production; more production means more jobs, stronger businesses, and more revenues for our towns and cities, our states and the nation. It adds up to prosperity, and everybody gains.

The automobile is basic to America's economy. It accounts for one-sixth of our Gross National Product. Thirteen million jobs—one in every six—and 800,000 businesses, from steel companies to the corner service station, depend on the automobile.

Right now is the time to buy a new car. Used car values are high. Operating costs on our 1975 cars are reduced, and less scheduled maintenance is required. New cars are a good buy—and buying keeps the wheel of progress rolling.

R. C. GERSTENBERG,
Chairman, General Motors Corp.

General Motors: See your Chevrolet, Pontiac, Oldsmobile, Buick or Cadillac dealer today.

[From the Wall Street Journal, Nov. 26, 1974]

WHEN FEARS SPEAK LOUDER THAN FACTS

America is a strong country, the richest and the strongest in the world. Buying the goods free enterprise produces—whether cars or clothing or houses—is the lifeblood of American business. Buying trims down idle inventories, steps up production, increases the number of jobs, and generates tax revenues. Buying keeps America's economy humming.

Consider these facts: (1) our new cars, on the whole, deliver better mileage than in previous years, even as they emit less pollution; (2) they require less scheduled maintenance, so they cost less to run and to keep up; (3) used car values have never been higher.

In short, a new car is a good investment. Right now is the time to buy a new car. And that's a fact.

R. C. GERSTENBERG,
Chairman, General Motors Corp.

General Motors: See your Chevrolet, Pontiac, Oldsmobile, Buick or Cadillac dealer today.

INTRODUCING BILL TO PROVIDE FOR APPOINTMENT OF SPECIAL COUNSEL TO REPRESENT UNITED STATES IN ANY LITIGATION INVOLVING TAPE RECORDINGS AND OTHER PRESIDENTIAL MATERIALS OF RICHARD NIXON

The SPEAKER. Under a previous order of the House the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Speaker, I am today introducing a bill which will provide for the appointment of a special counsel to represent the United States in any litigation involving the tape recordings and other Presidential materials of Richard Nixon.

An agreement signed by Richard Nixon and Arthur F. Sampson on September 7, 1974, gives custody and control to Mr. Nixon of all Presidential materials generated during his administration. Ever since the agreement was announced by President Ford, it has been a source of deep concern to the public and to the Members of Congress. The Senate has passed a bill, now pending in the House, which would abrogate that agreement and place custody of Mr. Nixon's Presidential materials in the United States.

Whether or not this bill is passed, another, equally serious problem, will remain. In any litigation involving these Presidential materials—whether the issue is one of ownership, fair compensation, the validity of the Nixon-Sampson agreement, or public access to these materials—the interests of the United States would ordinarily be represented by the Justice Department.

The problem is that the Justice Department, in a memorandum from Attorney General Saxbe to President Ford, has already taken the position that all tapes and documents created by or in the files of former President Nixon belong to him. The Justice Department has also stated that it intends to represent Richard Nixon in certain civil litigations arising out of charges of misconduct in office. Richard Nixon has accepted this offer.

It is difficult to see how the Justice Department can adequately represent the interests of the U.S. taxpayers when it has already conceded the central issue by saying the tapes and papers belong to Richard Nixon. Also, it would be difficult to envision how the Justice Department could vigorously litigate against someone it is defending as a client in other proceedings.

To remedy this situation, my bill provides for the appointment, by the President with advice and consent of the Senate, of a special counsel to represent the interests of the United States in any litigation involving the Presidential materials of Richard Nixon. The special counsel would be independent of the Justice Department and the Attorney General.

If the courts are to decide the complex and important questions of ownership and custody of, and access to, Presidential materials, the United States is entitled to representation by counsel who has not committed himself publicly to the position of his adversary—Richard Nixon. My legislation will see to it that such counsel is provided.

NUCLEAR ARMS ACCORD RAISES UNANSWERABLE QUESTIONS

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, on Monday, President Ford and Leonid Brezhnev signed a nuclear arms agreement in Vladivostok which I hope will prove of major importance. Secretary of State Henry Kissinger has already referred to the agreement as a "breakthrough" which will mean "a cap has been put on the arms race for a period of 10 years." And, Presidential Press Secretary Ron Nessen has described the agreement as "one of the most significant agreements since World War II."

Unfortunately, the critical details of this agreement are at present largely unknown. And, the agreement is far from complete. Months of difficult negotiation remain before it can be effectuated.

Yet, this bare skeleton of an agreement is being treated as a cause of great celebration and is the inspiration of much political hyperbole. Perhaps, when all the evidence is in some months from now, the agreement will live up to its billing. What concerns me now is that once again expectations of genuine progress toward arms control will be raised in the public, only to be proven false by subsequent events.

Traditionally, strategic arms questions have been reserved to a narrow slice of government bureaucracy and academia—the so-called arms control community. Essentially, the public is excluded from the intricate and fine spun debates—or worse, manipulated through demagogery or technological sleight-of-hand. Yet, I cannot help but doubt that the public has been paid too little attention in the arms debate, for it seems to me that no strategic arms agreement can be successful, even if technically sound, unless its tangible elements are understood by the public, and, unless it gains the public confidence.

There is a real danger that the expectations raised by the current pronouncements about the Vladivostok accords will be shattered, either by the possible difficulties in remaining negotiations, or by evidence that the agreement, when fleshed out, will not so much reduce the momentum of the arms race but rechannel it. Ultimately, I think Government officials have a duty to look beyond the somewhat unreal world of arms experts to the interests of the public. And, in the performance of this duty, Government must recognize that a disbelieving public can do great harm to the cause of arms control, and that on the record of the last few years, there is little cause for the American public to have much confidence in this agreement.

I cannot help but recall what followed the strategic arms agreements signed in Moscow in May of 1972. Expectations were raised that international arms tensions would be reduced; that the momentum of the strategic arms race would be checked, and that the tremendous cost of strategic arms programs would be cut.

The ink was hardly dry on the Moscow agreements when the Pentagon began its assault on Congress for more money. We needed "bargaining chips" and "hedges" and to retain our "technological superiority." A review of developments in strategic arms since SALT–I show conclusively that the 1972 agreements failed in achieving measurable arms limitation. Instead, both the United States and the Soviet Union have accelerated their strategic arms programs. The U.S. defense budget has grown to record levels, and both the United States and the Soviet Union, to greater or lesser degrees, appear to have aggressively sought to exploit the loopholes in the 1972 agreements. The arms race was not slowed; it merely changed directions.

This conflict between the appearance and the reality of arms control agreements is hardly unique to SALT–I and the Interim Agreement on Offensive Arms. Just yesterday the House passed a supplemental authorization for the Atomic Energy Commission, making available an additional $57.5 million to accelerate nuclear weapons development and testing—so as to get in under the wire of the July 1974 agreement setting a 150-kiloton threshold on underground nuclear tests, which goes into effect on March 31, 1976. One wonders, in view of U.S. efforts to beat the 1976 deadline, what is being "saved" or what is being "reduced" by such a transparently weak agreement.

Despite the glowing characterizations of the new Vladivostock agreement, little is presently known as to what exactly the agreement purports to do. Negotiation of strategic arms questions is hardly an area where ambiguities and uncertainties, in the actual terms of the agreements, are of minimal significance. To the contrary, the value or danger of the Vladivostok agreement cannot be determined at all on the basis of what is now known. Depending on how the facts—some of which will require 8 to 10 months of further negotiations—fit into the broad generalities now available, the agreement could be a great step forward, or, the start of another dangerous new round of arms competition.

The public now knows that the agreement encompasses an aggregate ceiling on the number of strategic delivery vehicles, including bombers. Multiple warheads—MIRV's—on reentry vehicles are to be included in the ceiling, and both the Soviet Union and the United States will have the freedom to mix various types of offensive systems within the ceiling. The Soviets are reported to have forsaken their previous demand that so-called forward-based system—such as fighter bombers with tactical nuclear weapons that are based in Europe or on aircraft carriers—be included in any overall strategic arms agreement. Perhaps in trade, the Soviet Union is said to have agreed to forsake some of its current numerical superiority in delivery systems for greater equivalence in the area of current U.S. superiority—multiple warheads. Apparently to reach the equivalent aggregate ceilings, the Soviet Union may have to reduce its overall force structure from current levels, while it is not expected that the United States will have to reduce. Finally, we know that the term of the agreement yet to be negotiated is for 10 years, to 1985, and negotiations are to begin in 1980–81 for a further agreement beyond 1985.

What we now know, in sum, represents only the skeleton of what is inevitably going to be an extremely complex agreement. Specifically, we do not now know enough to say with reassurance that this new agreement will in fact and reduce strategic arms. We do not know whether this agreement will succeed in its avowed purpose, or whether like its immediate predecessors it will be more promise than performance.

This agreement could fail for not restricting the explosive growth of offensive strategic arms technology—particularly in the key areas of refinements in the accuracy and yield of MIRV warheads. It could fail for an absence of provisions regulating development of followon weapons to replace those currently deployed. It could fail, if the force levels to be allowed each side are so high as to be meaningless. And, it could fail if neither the Soviet Union nor the United States can confidently verify each other's compliance with the agreement's terms. Verification is a critical element of a successful strategic arms agreement. Yet, it is my understanding, despite the apparent technical and political difficulties in monitoring compliance with limitations on multiple warheads and the persistent reports of contemporary Soviet efforts to camouflage silo and submarine construction—in apparent contradiction with existing accords—that the difficult verification provisions of the new agreement have not yet been negotiated. Perhaps in the months before Mr. Brezhnev's expected visit to the United States next June these complex issues will be successfully resolved. If not, we could find, 1 year from today, despite all present claims of success, that we have no agreement at all.

It is not my intention to criticize the efforts of U.S. negotiators in Vladivostok and Geneva. But, in the midst of this diplomacy by press release, it seems to me that caution, restraint, and honesty are in order.

We can do without statements such as that of Press Secretary Nessen that the Ford administration in 3 months has done what the Nixon administration failed to do in 5 years. Arms control is an evolutionary process, in which a myriad of complex issues must be carefully analyzed, then integrated with policies and negotiating strategies, and finally bargained out over time. The real credit for what success there has been in these negotiations can hardly go to one fledgling administration.

Let us not confuse summit atmospherics for real progress. I genuinely hope that the Vladivostok accord is the foundation for a successful SALT agreement. But I also hope that, this time unlike 1972, the Congress will very carefully review the specific provisions of the final agreement, withhold judgment until those details are all available, and extend approval only if the agreement does, in fact, accomplish measurable gains in the limitation, control, and reduction of the costs and dangers of the strategic arms race. If this is going to be another diplomatic shell game, with the American taxpayer as the fall guy, I honestly think we need no part of it. The cause of arms control is too important to be obscured by cosmetic agreements, or to be sidetracked by measures which have no real effect other than to refocus the weapons race.

AVIATION AIDS ECONOMY

The **SPEAKER.** Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. **FUQUA.** Mr. Speaker, it is by this time well known to the citizens of our great Nation the enormous contribution that aviation has made to the economic vitality of our country. I think that it is reasonable to state that aviation, as much as any single factor, has contributed to our enjoyment of the highest standard of living of any nation in the history of mankind. That is why I wish to comment upon an appropriations item which appears in the Senate version of H.R. 16900, the fiscal year 1975 supplemental appropriations bill, but not in the House-passed measure. This item represents $50 million in funds previously appropriated on December 26, 1969, that were to remain available until obligated.

I believe now is the time to obligate these funds and I urge our colleagues on the conference committee to accede to the Senate provision. No one is more aware than I that it is particularly important at this time in our national life to work diligently to control Federal spending and to allocate scarce Federal funds to those activities which will produce the greatest secondary effects in terms of increased economic development and greater employment in the private sector. One of the most effective ways in which this can be done is by the steady development of civilian aviation both in our urban and rural areas. It is important to understand also that we are not just concerned with economic development and the smooth flow of goods and services but with the safety of the millions of our citizens, including aviation personnel, who travel by air each year.

The dedicated officials of the Federal Aviation Agency have been doing an outstanding job over the years but I have been informed that more than $138 million of the present $310 million ceiling of the Airport Development Fund in fiscal year 1975 has been absorbed by prior year commitments. That is over 45 percent of the funds available this fiscal year. This indicates to me that the vitality of our citizens' aviation industry is being choked off to a very substantial degree.

In closing, Mr. Speaker, I would again urge the adoption of the item which would permit the obligation of these previously appropriated funds.

RECESS

The **SPEAKER.** Pursuant to the authority previously granted, the Chair declares a recess subject to the call of the Chair.

Bells will be rung approximately 15 minutes prior to the reconvening of the House.

Accordingly (at 3 o'clock and 41 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 20 minutes p.m.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following titles:

H. Con. Res. 689. Concurrent resolution providing for an adjournment of the House from November 26, 1974, to December 3, 1974.

The message also announced that the Senate agrees to the amendments of the House, with an amendment to a bill of the Senate of the following title:

S. 433. An act to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 260. Joint resolution relative to the convening of the first session of the 94th Congress.

ADJOURNMENT OF CONGRESS OVER THANKSGIVING HOLIDAY

The SPEAKER laid before the House the concurrent resolution (H. Con. Res. 689) providing for an adjournment of the House from November 26, 1974, to December 3, 1974, together with the Senate amendments thereto.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "1974." and insert: "1974, and that when the Senate adjourns on Tuesday, November 26, 1974, it stand adjourned until 12 o'clock noon on Monday, December 2, 1974."

Page 1, after line 4, insert:

SEC. 2. Ordered, That during the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be authorized to receive messages, including veto messages, from the President of the United States.

Amend the title so as to read: "Concurrent resolution providing for an adjournment of the two Houses over the Thanksgiving Holiday, 1974."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

VETERANS' EDUCATION AND REHABILITATION AMENDMENTS OF 1974—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-396)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning today without my approval H.R. 12628, a bill which would provide what I consider an excessive increase and liberalization of veterans' education and training benefits.

Instead, I urge the Congress to send me a veterans' education bill along the lines that I have proposed. By doing so, we can avoid adding another half billion dollar load to the already overburdened taxpayer. Failure to do so will mean that the Congress will in the aggregate—Federal pay deferral, Railroad Retirement and Veterans Education—add over one and a half billion dollars to the Federal deficit in 1975.

This bill which I am returning to the Congress provides benefits that are greater than those granted to World War II and Korea veterans. It would cost the taxpayers half a billion dollars more in fiscal year 1975 than is appropriate in view of the country's current economic circumstances.

The decision not to sign this bill has not been an easy one. But it is necessary if all of us are to operate with essential budgetary restraint. The Nation must reduce Federal spending if we are to stop the inflation spiral.

I have asked the Congress on previous occasions to join with me to hold down Federal spending and help whip inflation. In two important instances, the Federal pay deferral plan and the Railroad Retirement bill, the Congress refused to join with me and the result has added an additional one billion dollars to the Federal taxpayers' burden.

Veterans' benefits should—and can—be improved. I continue to support a responsible increase in education benefits for veterans. I again urge the Congress, as I have on many occasions, to enact a GI Bill providing for an 18.2 percent benefit increase rather than the 23 percent in this bill. Such action would be in keeping with the need for fiscal responsibility while recognizing the Nation's special debt to our veterans.

Since the Vietnam-era GI bill first went into effect in 1966, the total of veterans' benefit increases enacted through 1972 have substantially exceeded the rise in cost of living. Not including the provisions of this bill, the basic monthly education allowance has increased by a $120 per month or 120 percent since 1966. This compares with an actual rise of 55 percent in the Consumer Price Index.

In addition to the 23 percent benefit increase, this bill extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. I believe the present entitlement of four academic years is sufficient time to permit a veteran to obtain his baccalaureate degree and to enable him to adjust to civilian life.

In addition, the bill contains other objectionable features despite my urging that they be eliminated. It establishes a new direct loan program for veteran students which departs from the sound objective of providing student aid through one department—Health, Education and Welfare—rather than through various Federal agencies. A direct loan program is also inefficient compared to available guaranteed loan programs, which provide substantially more assistance to the veteran at less cost to the Federal taxpayer.

I am returning this bill with reluctance, but it is my earnest hope that the Congress will demonstrate its willingness to join the executive branch in taking the difficult actions needed to hold down spending by the Federal Government while being equitable with our veterans.

GERALD R. FORD.

THE WHITE HOUSE, *November 26, 1974.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

MOTION OFFERED BY MR. DORN

Mr. DORN. Mr. Speaker, I move that further consideration of the bill and veto message from the President be postponed until Tuesday, December 3, 1974.

The motion was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE TARIFF SCHEDULES OF THE UNITED STATES TO PROVIDE THAT CERTAIN FORMS OF ZINC BE ADMITTED FREE OF DUTY—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-397)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H.R. 6191, "To amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty, and for other purposes."

This bill would suspend until June 30, 1977, the present duties on zinc ores and concentrates and zinc-bearing materials.

Unfortunately, the Congress attached to this desirable provision unacceptable tax riders which would grant windfall benefits to individuals already compensated for property losses resulting from certain disasters in 1972. Moreover, the most costly of these riders was added by the conference committee; and the significance of this rider was not explored during adoption of the conference report by the two Houses.

Under current tax law, individuals are generally permitted to deduct casualty losses not otherwise compensated for by insurance, tort compensation, loan forgiveness, or other means. If individuals choose to deduct these losses, however, and are subsequently reimbursed, the reimbursement must be included as income in subsequent tax returns. Otherwise, the individual could receive a tax break for a loss that had not cost him anything.

H.R. 6191 would provide unwarranted and costly exceptions to the present law by allowing certain taxpayers who have already deducted their casualty losses to also exclude from taxable income any amounts received from tort compensation or Federal loan cancellations based on those loans. The cost of these benefits to the Government in terms of revenue loss would be about $130 million.

This would result in favored treatment for a select group of taxpayers relative to others with identical or even larger casualty losses. The individuals benefiting from this bill have already been treated more generously by the Federal Government than the present, more equitable law would allow. Finally, this special tax consideration resulting in a windfall to a limited group of taxpayers would be a very undesirable precedent.

If the Congress were to reenact this bill without the undesirable tax riders, I would be glad to approve it.

GERALD R. FORD.

THE WHITE HOUSE, *November 26, 1974.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent that further consideration of the veto message of the President on H.R. 6191 be postponed until Tuesday, December 3, 1974.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORT ON REVIEW AND RECOMMENDATIONS FOR REDUCING FEDERAL OUTLAYS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

Last month I sent a 31-point economic program to the Congress. That program was a balanced one, both dealing with the forces of inflation and anticipating the possibility of recessionary pressures. It was, and remains, my particular concern to help those hardest hit by inflation and by the slack that has developed in some sectors of the economy.

Responsible restraint of government spending is an integral part of my economic program. The Congress has publicly proclaimed its support of restraint. In June the Senate voted 74–12 in favor of legislation to hold Federal spending to $295 billion. In September the Joint Economic Committee unanimously recommended holding spending to $300 billion. Last month the House voted 329–20 for a budget target of the same level.

Soon after I took office I asked the heads of Federal agencies to undertake a thorough review of 1975 expenditures. In my October 8 Message to the Congress, I pledged to forward a package of proposed actions to reduce the 1975 budget. Today I am reporting on the results of this review and presenting my specific recommendations for reducing Federal outlays.

First, it is important to understand what has been happening to the budget. When the current fiscal year began last July 1, budget outlays for the year were estimated at $305.4 billion.

Interest costs for Federal borrowing are now expected to be $1.5 billion more than the estimate last June.

The Congress has also added to 1975 budget pressures. Congressional reductions in some programs have been more than offset by actions it has taken to increase spending in others. Particularly disappointing was the Congressional unwillingness to join with me in deferring for three months a Federal pay raise. This cost the taxpayers $700 million. Equally discouraging was the passage by Congress over my veto of the Railroad Retirement bill costing $285 million this year and $7 billion over the next 25 years.

There have been some reductions in expected spending levels. The Environmental Protection Agency will spend less than planned because anticipated schedules for sewage treatment construction have not been met.

However, the most significant change is the increased aid to the jobless—including the National Employment Assistance Act I proposed last month—that added $2.7 billion to the budget. This increase is necessary to ease the burden on those who are most affected by current economic stress.

Taking these developments into account, my present recommendations for $4.6 billion of budget reductions will result in a budget total of $299.5 billion before considering $2.7 billion increased spending for aid to the unemployed. These recommendations represent a major effort at budgetary restraint. It would be unwise, in my view, to add additional dollar reductions for each dollar of increased aid to the unemployed.

The fiscal year 1975 budget actions by the Executive and the Congress since July 1, including those I now propose, are summarized and compared to last year's actual expenditures as follows:

CHANGES IN BUDGET SPENDING

[Fiscal years; dollar amounts in billions]

	Defense[1]	Interest on the public debt	Payments for individuals[2]	Other	Total
Actual 1974 expenditures	$78.4	$29.3	$110.1	$50.5	$268.4
1975 budget (July 1 estimates)	85.8	31.5	130.5	57.6	305.4
Changes (including those proposed)	−2.6	+1.5	+1.0	−3.2	−3.3
Presently proposed levels for 1975	83.2	33.0	131.5	54.4	302.2
1975: Percent change—					
Since July 1	−3.0	+4.8	+.7	−5.5	−1.1
Over 1974	+6.1	+12.6	+19.4	+7.8	+12.6

[1] Department of Defense, military and military assistance.

[2] Nondefense.

The 1975 outlay estimates can be affected significantly by variations in income from oil lease sales on the Outer Continental Shelf. This income is treated in the budget as an offset to spending. If the current schedule of lease sales is not met, for environmental or other reasons, or if the bids are significantly less than anticipated, outlays could further increase—possibly by $3 billion or more.

The reductions I propose to the Congress will require a number of changes in basic legislation and in pending appropriations. I am also transmitting proposed rescissions and deferrals, as required by the Congressional Budget and Impoundment Control Act, to reduce programs for which funds have already been appropriated. The rescissions would result in decreased outlays of over $200 million in 1975. Deferrals would reduce 1975 outlays by over $300 million.

Normally, funds are already being withheld when reports on rescissions and deferrals are transmitted to the Congress. Recognizing that these rescissions and deferrals are an integral part of a more far reaching and comprehensive proposal, I will not begin to withhold funds for the affected programs until December 16 although the law permits me to do so immediately.

The reductions I propose focus on programs that have grown rapidly in recent years or that have been increased substantially over budget proposals. In most cases, the level of 1975 outlays will be materially above actual spending last year. Even after the proposed cutbacks, Federal benefit payments to individuals are estimated to be $131.5 billion. This is $1.0 billion above the July estimate, and $21.4 billion, or 19%, above actual spending last year.

While I am recommending further cuts in defense spending, I have taken into account the substantial reductions already made by the Congress. My current expectation for defense spending is $83.2 billion, $2.6 billion below the June estimate. I believe that further cuts in defense spending would be exceedingly unwise, particularly at this time.

In determining which budget programs should be reduced, I have tried to eliminate the less essential and to overcome inequities. I have tried to avoid actions that would unduly add to unemployment or adversely affect those hurt most by inflation.

The $4.6 billion budget outlay reduction I now propose is not large when compared with total Federal spending. Nevertheless, the Congress may find it difficult to agree with all my proposals. I strongly urge the Congress to accept them and join with me in this belt tightening. The reductions are essential to demonstrate to the American people that the Federal Government is working seriously to restrain its spending. They are also a start toward the imperative of gaining control over budgets in the future.

GERALD R. FORD.

THE WHITE HOUSE, *November 26, 1974.*

AUTHORIZING CLERK TO RECEIVE MESSAGES AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Tuesday, December 3, 1974, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until December 3, 1974, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The **SPEAKER.** Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR MEMBERS TO EXTEND AND REVISE REMARKS IN CONGRESSIONAL RECORD NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until December 3, 1974, all Members of the House shall have the privilege to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and also to include therein such short quotations as may be necessary to explain or complete such extension of remarks, but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of the House.

The **SPEAKER.** Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE REMARKS OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF OF THE UNITED STATES

(Mr. PEPPER asked and was given permission to address the House for 1 minute.)

Mr. PEPPER. Mr. Speaker, not only were the people of the Jewish faith of this country very deeply shocked and offended recently by the remarks of the Chairman of the Joint Chiefs of Staff of the United States, General Brown, but so were, I believe, the Members of Congress and the citizens of our country. That so distinguished a military leader, a man of such great attributes in the military field, should have found it possible to express, should have found it possible to give expression to such untrue and such offensive statements as General Brown uttered at Duke University in the conversation with students of the law school there is almost unbelievable.

It has done untold damage to the General's great prestige. It has undermined the public faith in his competence as Chairman of the Joint Chiefs of Staff, in the objectivity of his judgment in making critical decisions.

The Chairman of the Joint Chiefs of Staff has, I am sure, many times regretted that he has uttered such remarks. I hope he keenly regrets that he ever entertained the sentiment of those utterances.

The Chairman of the Joint Chiefs of Staff has already been rebuked by the President. The distinguished general deserves the rebuke of Congress and of the country.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT, SATURDAY, NOVEMBER 30, 1974, TO FILE REPORTS ON H.R. 17084 AND H.R. 17085

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight, this coming Saturday, November 30, 1974, to file reports on the bills H.R. 17084, the health manpower bill, and H.R. 17085, nurse training bill.

The **SPEAKER.** Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL MIDNIGHT, FRIDAY, NOVEMBER 29, 1974, TO FILE CERTAIN REPORTS ON H.R. 17409, THE SPEEDY TRIAL ACT

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight, Friday, November 29, 1974, to file certain reports on H.R. 17409, the Speedy Trial Act.

The **SPEAKER.** Is there objection to the request of the gentleman from Louisiana?

There was no objection.

A CRUEL AND HEARTLESS VETO

The **SPEAKER.** Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 10 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, earlier today, President Ford vetoed H.R. 6191, a zinc import bill which also provides for tax relief for those who suffered in the Buffalo Creek and Hurricane Agnes disasters.

I deeply regret that the President has seen fit to veto this legislation sponsored by my colleague from Massachusetts, Representative JAMES BURKE, and a number of colleagues from Pennsylvania. It seems to me that this veto is a cruel and heartless one which does not take into consideration the terrible human suffering which these unfortunate people experienced.

The Buffalo Creek disaster occurred on February 27, 1972. An old slag heap from coal mining operations had been used by the Pittston Co. for washing and cleaning coal, and water had backed up behind the slag pile. During a period of heavy rains, this poorly engineered "dam" burst, sending walls of sludge and water down the 17-mile Buffalo Creek valley, snuffing out the lives of 125 men, women and children. Over 4,000 people in the Buffalo Creek Valley were left homeless.

Following the disaster, the Internal Revenue Service came down to tell the people that they could write off their flood losses against their tax returns. This they did, which did not fully replace their losses. Subsequently, the Pittston Co. compensated some of these people for their losses, frequently below their actual losses. Then the Internal Revenue Service under the law came back and demanded that these people refund in cash the amount they had written off as their losses.

I regret that the President has wrongly characterized the legislation to relieve these victims of Buffalo Creek of the necessity of repaying what they have deducted as casualty losses. The veto message repeatedly refers to "windfalls," and "unwarranted and costly exceptions to the present law," "favored treatment," and "special tax consideration." These phrases are not applied to oil millionaires, to sugar refiners, to middlemen who are profiteering from the inflation crisis, or to those who utilize the big loopholes in our tax law through high-priced lawyers and accountants. They are applied to low-income victims of a major disaster.

As a matter of fact, the legislation specifically places limits on the amounts which these low-income taxpayers can receive in deducting casualty losses. Surely a $5,000 limit cannot serve to enrich an individual taxpayer, but can mean the difference in whether a small taxpayer can make both ends meet.

I hope that the House and the other body in their wisdom will have the good sense and good conscience to override this outrageous veto when the veto is considered next week.

THE ABILITY OF CONGRESS TO FUNCTION

The **SPEAKER.** Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 15 minutes.

Mr. ALEXANDER. Mr. Speaker, during the 200th anniversary ceremonies of the First Continental Congress, Alistair Cooke noted:

> For the first time since the fifteenth century our cities are threatened by the success of violence. For the first time since the 1920's our countries are threatened by an unstoppable inflation. And for the first time in human history our planet is threatened by an unstopped nuclear arms race.

Mr. Cooke went on to say:

> It seems to me a happy thing that 200 years after the First Congress met as a team of watchdogs eager to corner a tyrannical executive, this House should have made it possible for us to say, without complacency and with some legitimate pride: "I have seen the past and it works."

Mr. Speaker, there are some who question the future of this body as demonstrated by a letter I received from Mrs. Beverly Yarwood of Blytheville, Ark., in the First Congressional District, who doubts the ability of Congress to function and who fears the emergence of a police state in our society. I seriously commend her remarks to my colleagues for their consideration:

DEAR MR. ALEXANDER: I am writing to share with you some views I have on some of the problems facing our country. First I am not in favor of the confirmation of Nelson Rockefeller as Vice President. I am very concerned over the growing influence and power the CFR has in the affairs of this country.

Next it is very frightening to reflect back and realize that 3 times in a short period of time the top offices of our country have been filled by men not voted there by the people.

Also I am not in favor of any kind of amnesty for those who are deserters and draft dodgers.

I feel very keenly the loss of pure freedom in many areas of my American heritage. One area that grieves me the most is as a parent. The law says my children must go to school. To be honest with you Mr. Congressman if I could I would take my children out of the public schools. I fear for their safety in spiritual and moral areas as well as their physical safety. The possibility of a private education grows each year, even though it means a cost that would take heavily from our already much strained income.

Finally I would like to see our Congress take a firm grip in the affairs of our country's needs. As I watched the Watergate hearings I was, at first, encouraged to see that so many were willing to take a stand and make the decisions needed. However, as the days went by I became discouraged as I felt growing lack of firmness to follow through! The waste of so much time was really shocking to see.

I'm confused over some feelings I have about the inability of my Congress to lead, yet they are there and are growing. I would like to see our Congress to be the instrument used to deal with our nations problems. Opposed to this we see a police state facing us.

Thank you for serving and I pray this will help in some way to let you know what the people want.

Sincerely,

MRS. BEVERLY YARWOOD.

DON TRETZEL, GOOD FRIEND OF JAMAICA, RETIRES

(Mr. DELLUMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. DELLUMS. Mr. Speaker, fellow Members of the House, I want to call to your attention the special contributions which one of our fellow Americans has made to the country of Jamaica. On December 31, 1974, Mr. Donald C. Tretzel will retire as vice president and resident manager of Kaiser Bauxite Co., a wholly owned Jamaican subsidiary of Kaiser Aluminum & Chemical Corp., based in Oakland, Calif. Mr. Tretzel has served Kaiser Aluminum for 44 years and will retire as the employee with the second most number of service years with Kaiser. He has directed the Kaiser bauxite operation in Jamaica for 23 years.

I wish at this time to call special attention to Mr. Tretzel because Jamaica's Prime Minister Michael Manley, members of Kaiser Aluminum's Oakland management, fellow employees, and Jamaican friends will honor him on December 4 at Discovery Bay, Jamaica, for his numerous services and accomplishments.

Through almost a quarter of a century in Jamaica, Don Tretzel ran an efficient operation. Kaiser Bauxite was singled out last year as the most outstanding plant of the whole Kaiser Aluminum network. Under Mr. Tretzel's leadership, Kaiser Bauxite has provided a steady and quality source of raw materials to feed Kaiser Aluminum's plants and metal facilities throughout the United States. Mr. Tretzel and Kaiser Bauxite have contributed, in a real way, to the industrial fiber of our Nation.

When Mr. Tretzel concludes his final year he will have been the only American citizen on the Kaiser Bauxite payroll. The employees and management of Kaiser Bauxite are Jamaican because Mr. Tretzel believed that the company should be an integral part of the country and an economic resource for Jamaican craftsmen and professionals. He instituted comprehensive vocational training programs and adult education classes, and these were extended to local communities. He introduced modern medical facilities and treatment for employees, and these too have been made available to Kaiser Bauxite neighbors. Kaiser Bauxite has provided the best in education and support services for its employees and the community at large has benefitted.

Mr. Tretzel's story does not end here. He identified himself in the life and culture of Jamaica. He has given to educational, social, and agricultural programs in the country so that his neighbors could live better. He served on hospital boards and built and staffed new hospital facilities; he built schools and new curricula; he supported nationwide education programs; he preserved the artifacts and culture of the island in a special historical park. Last year the Jamaican Red Cross gave Mr. Tretzel a special award for his service to that organization. But that organization was but one of hundreds of community groups Mr. Tretzel has served on as an individual.

At a national level, he came to the aid of the Jamaican Government 15 years ago when trouble arose with the country's railroad; and since that time has served as chairman of the board of directors of the Jamaican Railroad Corporation.

Jamaica took note of Mr. Tretzel's record. In 1973 he was the first American in the history of Jamaica to be named an honorary commander of the Order of Distinction in that country. Mr. Tretzel's first recognition read:

> Honorary (because he is a U.S. citizen) award under the Order is given to Donald C. Tretzel, an American, who is head of Kaiser Bauxite and who has identified himself with every aspect of Jamaican life.

At the time of the award announcement, one of the Jamaican newspapers noted in its editorial:

> Don Tretzel is a non-Jamaican by birth, but a true Jamaican in heart and in thoughts, words and deeds for this country.

Don Tretzel is the best kind of American the United States could want in a foreign country. On behalf of the House, I wish to send our congratulations to Mr. Tretzel for his fine career of service, and particularly for his sensitivity to the ways and needs of our friends in Jamaica. He has done a superior job for Kaiser Aluminum, for his adopted country, and for his native country.

RELEVANCE OF THE SCIENTIFIC LEGACY OF CHAIM WEIZMANN

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, as the world is confronted by the specter of starvation and an economic downthrust resulting from the revolutionary oil crisis, the life of Chaim Weizmann, the 100th anniversary of whose birth occurs on November 27, is a striking and imperative reminder of the universal scope of science, its potency and relevance for resolving major problems of society.

More than three and one-half decades ago, Dr. Weizmann anticipated the dangers arising from the monopolistic control of oil; the need for "production of cheap, but digestable nutritive products" within the reach of the poorest populations of the world; and foresaw the capacity of science to resolve both problems.

The scientific methods to achieve both results were outlined and tested by him during his lifetime; a task he did not complete.

The resurgence of his ideas on both subjects, including the fermentation of agricultural products as an alternative source of oil may yet prove a boon for the world.

Dr. Weizmann believed that the constructive sources of science were the basis of human achievement. He regarded science, security, and education as the three pillars on which the State of Israel should rest.

At a time when Zionism, of which Dr. Weizmann was a principal exponent, is charged with being racist and imperialistic, his philosophy as expressed in 1949 in his inaugural address before the Knesset after his election as the first President of Israel, gives challenge to that provocative canard:

> We have finally won the right to toil and labor in order to give expression to our distinct national identity, and to make our contributions to the spiritual treasure of the world.
>
> First, let us strive to strengthen our constructive resources of science and research which are the basis of human achievement. Yet, for all the decisive importance of science, it is not by science alone that we shall win through. Let us build a new bridge between science and the spirit of man. "Where there is no vision the people perish." We have seen what scientific progress leads to when it is not inspired by moral vision—the atomic bomb threatening to destroy the entire planet. All my life I have labored to make science and research the basis of our national endeavor. But I have always known full well that there are values higher than science. The only values that offer healing for the ills of humanity and the supreme values of justice and righteousness, peace and love.

To the end of his days, national morality, the universal scope of science and its application to the welfare of mankind were his abiding concern.

For Israel, of which he was the Founding Father and its first President, he set up a great scientific purpose and goal. His richest legacy to that country is the

Weizmann Institute of Science at Rehovot, Israel.

Created 30 years ago by a group of prescient Americans, to honor Dr. Weizmann on his 70th birthday, who formed the American Committee for the Weizmann Institute of Science for this purpose, the Weizmann Institute of Science now occupies a recognized position in the forefront of the international scientific community.

Nobel Laureate, Dr. Arthur Kornberg of Stanford University Medical School says:

> In the past three decades, The Weizmann Institute has been phenomenally successful in research in basic science. It is the brightest jewel in the crown of Israel's remarkable science enterprise. The Institute has been preeminent in basic research and in graduate teaching. It has set standards, not only for Israel itself, but for all research institutions, in nations large and small, throughout the world . . . Weizmann scientists . . . have attained worldwide stature as highly original investigators and brilliant expositors of their work. They have made the Institute one of the top ten research institutions in the world.

OIL AND FOOD

Dr. Weizmann described his views on oil and food in his autobiography, "Trial and Error," published in 1949, thus:

> The question of oil, for instance, which hovers over the Zionist problem, as it does, indeed, over the entire world problem, is a scientific one. It is part of the general question of raw materials, which has been a preoccupation with me for decades, both as a scientist and a Zionist; and it had always been my view that Palestine could be made a center of the new scientific development which would get the world past the conflict arising from the monopolistic position of oil.
>
> During my last and longest war visit to America the struggle between oil and other interests had again been made abundantly manifest. The same problems, in other forms, confronted England. I referred . . . to a friendly meeting with Mr. Ernest Bevin—one in which he sought my services. It occurred in the midst of the war, when the British government sent out to West Africa a small commission to investigate the short and long-range possibilities of new sources of raw material, with fuel chiefly in view. Walter Elliot and Creech-Jones were on the commission, and I had several subsequent meetings with them.
>
> I suggested that they try to determine whether various types of starches could not be grown easily in West Africa. It is known that Central or tropical Africa produces a great many root starches, like manioc and tapioca; also cane sugar. I was of the opinion that if one could grow abundant supplies of these commodities, one could introduce a fermentation industry into that part of the world, with a large yield of ordinary alcohol, both for power and for the production of butyl alcohol and acetone. These three materials, in large quantities and at a low price, could form the basis of two or three great industries, among them high octane fuel, and would make the British Empire independent of oil wells.
>
> The commission went out for a survey, and so far nothing has come of it. I am still of the opinion that the plan is feasible. Its most attractive feature is, perhaps, that it is not tied to a geographic point, like an oil supply, but is applicable wherever the substances I have mentioned can be grown.

FOOD

As far back as 1935, Dr. Weizmann was concerned "with the production of cheap, but digestible and valuable nutritive products"—described by him as "the attempt to upgrade materials which are used as cattle food converting those into human food." In "Trial and Error," he writes:

> The materials are peanuts or peanut cake—after the oil has been extracted—soya beans and similar substances. This product has been tested in many hospitals as nutrition for patients, and for people with ulcerated stomachs, and it has proved very beneficial. It is, moreover, cheaply produced, and is within reach of the poorest populations of India or China. It is entirely of a vegetable nature, is highly nutritive, and without containing a particle of meat has a meaty taste. It should be of particular benefit to those eastern countries in which meat is either too expensive or is prohibited for religious reasons.

Behind these proposals lay the authority of a world scientific reputation achieved through fundamental contributions by him to the field of chemistry.

The first such contribution was the discovery of a bacterium that converted carbohydrates—sugar or starch—into acetone and butyl alcohol. That discovery enabled the Allies to win World War I.

Dr. Weizmann's discovery of bacterium conversion changed butyl from a rare to a common chemical and made possible bacterium for large-scale production of industrial chemicals and industrial commodities.

The second was a method of producing synthetic rubber during World War II.

Scientific appraisals of Dr. Weizmann's contributions state that the whole of carbohydrate technology benefited from his discoveries in bacteriological metabolism. His discoveries have also led to some substantive contributions basic to the study of cancer.

From Dr. Weizmann, the Weizmann Institute of Science, of which he was the president from 1944 to 1952, inherited the guidelines for excellence by the best standards of the scientific world and an interchange with scientists abroad.

The links between the Weizmann Institute and this country are many.

The Feinberg Graduate School of the Weizmann Institute is accredited as an American school abroad, by charter from the Regents of the University of the State of New York, granting Ph. D and M.S. degrees, and creating a self-replenishing source of scientific manpower.

In their efforts to enlarge Israel's limited resources, Weizmann Institute scientists are also providing a scientific basis for the development of the underdeveloped world in a number of important areas.

TAKE FOOD

In their search for self-sufficiency for food in Israel, Weizmann Institute scientists have produced high yield, drought-resistant varieties of wheat, equally valid for other semiarid countries. They have also developed methods for improving livestock fertility and preventing some types of livestock disease. Studies of photosynthesis, where they hold a lead position, are targeted for better production of food.

WATER

In the research for enlarging Israel's limited water resources, Weizmann Institute scientists have developed: techniques for finding new water; protection against self-pollution; membranes to purify brackish water, water polluted by industrial effluents, and for desalination. Their methods and knowledge are being sought elsewhere in the world as water shortages and pollution make rapid strides.

CONQUEST OF DISEASE

In the conquest of disease, Weizmann scientists play a commanding role in such fields as, for example; cancer, where they have proved experimentally that the cancer process is reversible, discovered methods of preventing recurrence of cancer; possible treatment or prevention of incurable diseases such as Tay-Sachs and multiple sclerosis.

In research on: Plant products that can curb drug addiction.

Probing the secrets of matter—with relevance to better reactors, better nuclear fuel.

METHODS FOR BIRTH CONTROL

More universally suitable for the areas of the world where it is needed most urgently.

Nobel laureate Dr. Gerald M. Edelman, of the Rockefeller University says of Dr. Weizmann:

> Chaim Weizmann was in many ways the ideal embodiment of the hopes of our modern age, for he combined the deepest comprehension of the scientific world view with the genius and the greatness of true political vision. He foresaw many of the dilemmas we now face, but even greater than his remarkable vision was his personal example. His whole life testified to the fact that ideas, if they are to have value, must be put forth by individuals imbued with belief and concerned with their authenticity.

INTERNATIONAL SPONSORING COMMITTEE FOR CENTENARY

The measure of Dr. Weizmann's stature and the quality of the scientific legacy he has left in the Weizmann Institute are reflected in the International Sponsoring Committee to mark his 100th anniversary.

Some 400 notables in science, education, the arts, business, and public affairs, among the 67 Nobel laureates, and 26 heads of American colleges and universities, have joined the International Sponsoring Committee.

Fourteen countries are represented among the sponsors, in addition to our own.

Serving as cochairman of the Sponsoring Committee are: Dr. Christian B. Anfinsen, chief of the Laboratory of Chemical Biology, National Institutes of Health; Dr. Felix Bloch, 1953 Nobel laureate, physics, professor of physics, Stanford University; Dr. Gerald M. Edelman, 1972 Nobel laureate, physiology or medicine, Vincent Astor, distinguished professor, the Rockefeller University; Dr. Robert Hofstadter, 1961, Nobel laureate, physics, Max H. Stein professor of physics, Stanford University; Dr. Charles Huggins, 1966 Nobel laureate, physiology or medicine, William B. Ogden distinguished service professor, University of Chicago; Dr. Arthur Kornberg, 1959 Nobel laureate, physiology or medicine, Emma Pfeiffer Merner, professor of biochemistry, Stanford University Medical School; Dr. Joshua Lederberg, 1958 Nobel laureate, physiology or medicine, professor of genetics, Stanford University School of Medicine; Dr. Jerome B. Wiesner, president, Massachusetts Institute of Technology.

Among the distinguished members of the sponsoring committee are: Dr. Philip Handler, President of the National Academy of Sciences; Sir Alan Cottrell, chief scientific adviser to the British Government; Lord King Norton, president of the Royal Institution; Dr. Robert Good, president, Sloan-Kettering Institute; Dr. Jonas Salk, director of the Salk Institute; Dr. Eklund Sigvard, Director-General of the International Atomic Energy Agency; Dr. Robert S. Stone, Director of the National Institutes of Health; William S. Paley, chairman of the board of CBS; Baron Guy de Rothschild; Leonard Bernstein, conductor laureate, the New York Philharmonic; Yehudi Menuhin, violinist; Jan Peerce, operatic artist; Gregor Piatigorsgy, cellist; Andre Malraux, writer; William L. Shirer, author.

The Weizman Institute of Science is the key to Israel's development, it is also a science resource for the world.

The nation which produced the Weizmann Institute of Science has proved its commitment to the progress of its own people, and of humanity at large.

No new nation exists in the world today which can match either that commitment or the visible implementation of such goals—an achievement made the more remarkable in that it has been accomplished against the background of a 27-year war against its survival—and the inevitable defense that this entailed.

Israel has proved worthy of our support which it should continue to have without interruption.

HOUSE HEARINGS ON THE DAIRY CRISIS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, earlier today the Dairy and Poultry Subcommittee of the House Committee on Agriculture conducted hearings on the severe cost-price squeeze that is forcing many U.S. dairy farmers into bankruptcy.

In view of the administration's do-nothing policy, it is encouraging to see that our House Agriculture Committee is working to determine the extent of this emergency and to develop corrective legislation. The testimony of affected dairymen and of USDA officials will be helpful in formulating new dairy policies.

Mr. Speaker, milk is health, and we cannot afford to let our dairy farmers go under because of circumstances entirely beyond their control. It is unthinkable that we would let conditions deteriorate to the point that American families would be dependent upon foreign nations for milk. Dairy farmers are hard-working, independent businessmen and all they ask is a fair chance to compete. Given this opportunity, they will continue to provide the United States with the abundance of wholesome milk that we have too long taken for granted. Clearly, it is in the long-range interest of consumers as well as of dairy farmers to preserve our domestic dairy industry. An economic catastrophe in this important sector of U.S. agriculture would lead to a tragic milk shortage and price jumps like those resulting from the recent energy shortage. Action is overdue and I hope my colleagues will give this matter careful attention.

Among the bills under consideration this morning were two introduced by me. My statement to the subcommittee follows:

STATEMENT OF REPRESENTATIVE WRIGHT PATMAN IN SUPPORT OF LEGISLATION TO ASSIST U.S. DAIRY PRODUCERS, H.R. 16249 AND H.R. 17106

Mr. Chairman, I deeply appreciate the opportunity to address this Subcommittee on the emergency situation facing dairymen in East Texas and throughout the nation and to speak in support of measures to help relieve the recent crisis.

Like all other segments of agriculture, dairy production is not only hard and demanding work—it is a high-cost, high-risk business that is greatly influenced by weather and other forces of nature. Our government has long moved in to assist in the face of natural disaster since we realize that such forces depend purely upon chance and are totally beyond the control of farm operators.

The current dairy emergency is more the product of human than natural forces, but the problems are just as real and just as great as if a nationwide flood or drought had struck America's dairy farms. Our dairymen are hard-working, prudent and highly efficient, but many have already gone under because of a combination of policies of the Federal Government which dairymen could not have predicted and which they cannot long endure.

Mr. Chairman, consider what has happened in recent months: we have continued to pursue tragic high interest, tight money policies engineered by the Federal Reserve; we have encouraged massive exports of U.S. grains driving up the cost of feedgrains to our livestock producers; and we have at the same time permitted the importation of huge quantities of foreign dairy products, heavily subsidized by foreign governments, pushing down the price of milk. This triple punch has had disastrous consequences for dairymen and the response of the U.S. Department of Agriculture has been to do nothing. Earlier this year, I led a delegation of East Texas cattlemen and dairymen visiting Secretary Butz where we found out for sure that while he personally sympathizes with American darlymen and livestock producers, they can expect no help from the U.S. Department of Agriculture in this emergency. He did indicate that favorable weather would help, but that lingering hope died in the early freeze that hit the Mid-West earlier this year.

My position on this matter is quite simple. Since we have long extended assistance during natural disasters, we should also do our best to be of assistance during this economic disaster. Our duty to help seems especially great since the policies that have hit dairymen the hardest were originated and implemented by the Federal Government. It is, therefore, wonderful that this Subcommittee is giving consideration to various measures to help dairy farmers.

In support of my two bills which you have under study, I believe that H.R. 16249 to increase milk price supports to 90% of parity should be enacted immediately. In fact, since introducing this bill, I have come to believe that the 90% parity figure is too low and that we should substitute a figure of 95% or 100%. This would not be unreasonable in any way. At the start of this marketing year, an 81% parity figure was determined by USDA and in the months since, rising production costs have lowered the price farmers receive for their milk to about 71% in October. At the same time, our grain export policies which have hurt cattlemen and dairymen have helped grain producers—in October, market prices for soybeans were at a level of 132% of parity, corn was at 126% of parity, and wheat at 117% of parity. It seems only fair that the Government make sure that its policies to benefit one segment of American agriculture not be allowed to eradicate another segment of our farm economy, namely dairy and livestock production.

The second bill I have offered, H.R. 17106, is an attempt to reduce costs for dairy farmers by lowering the cost of feedgrain. The bill proposes to expand the existing Emergency Feed Grain Program to provide low-cost feed for dairymen during economic as well as natural disasters. I believe that this is an innovative proposal and hope you will give it your careful consideration.

Mr. Chairman, there is nothing at all complicated about these measures because, when you boil it all down, the problem is quite simple. Dairy farmers have seen production costs skyrocket while prices of milk have not advanced at anything like a comparable rate. It seems to me, therefore, that action is needed either to reduce production costs or to increase the price that dairymen receive for their product. Quite frankly, I will support any reasonable measure aimed at helping dairymen through this crisis and hope other witnesses here today will bring forward other suggestions and that the Members of this Subcommittee, with your expertise in this area, will develop additional proposals. The important thing is that we take effective action rather than sitting by while an essential segment of U.S. agriculture goes bankrupt.

I respectfully urge this Committee to reverse the do-nothing policy of the Administration. It would be unconscionable if our national government turned its back on an industry that is suffering because of the government's own policies.

Thank you, again, Mr. Chairman for holding these hearings today and for giving me an opportunity to express my views. I have with me today several East Texans who have firsthand knowledge of the situation and if I may, I would like to introduce them to you at this time: Mr. Larry Gamblin of Como, Texas; Mr. John Folmer, also of Como; Mr. Lynn Chapman, of Sulphur Springs; Mr. Gary Jones, of Sulphur Springs; and Mr. Tommy Washington, of Sulphur Springs.

It is appropriate that we thank the very able gentlemen whose duty it is to protect the dairy and poultry industries—the Members of the Subcommittee on Dairy and Poultry of the House Agriculture Committee: Representative Ed Jones of Tennessee, Chairman; Representative Frank Stubblefield of Kentucky; Representative Bob Bergland of Minnesota; Representative George Brown of California; Representative David Bowen of Mississippi; Representative William Wampler of Virginia; Representative John Zwach of Minnesota; Representative Paul Findley of Illinois; and Representative Charles Thone of Nebraska.

In addition, I would very much like to thank my fellow Texan, the Honorable W. R. (Bob) Poage of the Committee on Agriculture of the House of Representatives, for his splendid cooperation in scheduling these very important hearings.

AGRICULTURE COMMITTEE EXAMINES PROBLEMS OF CATTLEMEN

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, it should be no surprise by now that U.S. cattlemen are in dire straits due to the faulty policies of our National Government: high interest, tight money policies, reckless grain export policies, and disregard of traditional meat import quotas.

These policies have pushed beef production costs through the roof while forcing the farm price of beef down into the cellar. At a time when millions of people in the world are starving and desperately in need of protein, we in America have a record surplus of protein-rich beef—a glut that will continue to burden cattlemen unless action is taken.

In an effort to do something about this ironic situation, I introduce a bill, H.R. 17207, to reduce U.S. surpluses while at the same time helping famine-stricken nations such as Honduras. Since introducing this measure, similar proposals have been introduced in the House and Senate.

To evaluate these proposals, the House Agriculture Subcommittee on Departmental Operations is conducting hearings this afternoon receiving testimony from cattlemen and others interested in such a humanitarian program. It was my pleasure to testify earlier in support of H.R. 17207 and similar measures, and for the convenience of my colleagues, I include the text of my statement to be printed at this point in the RECORD:

STATEMENT OF CONGRESSMAN WRIGHT PATMAN ON LEGISLATION TO ASSIST OUR BEEF AND DAIRY PRODUCERS, H.R. 17207

Mr. PATMAN. I thank you for arranging this hearing and for being here today. We all know that our Nation is experiencing the worst economic disaster since the Great Depression. Ever-increasing prices for almost all commodities and huge lay-offs are causing wide-spread human suffering. Behind the statistics are people, who through no fault of their own, are being forced into bankruptcy. Our economy, dominated by the Federal Government and massive corporations, wreaks havoc on those individuals and families who try to maintain the virtues of small enterprises in our Nation. Today we are pleased to have before us representatives of these independent producers—dairymen and cattlemen who do not belong to large cooperatives or who have not sold out to agricultural corporations. Because of government policies designed to kill off small business, to sacrifice independents in the name of free trade, improved foreign relations, and higher profits for corporations, these men and women are facing extinction as productive forces in our economy.

The fate of these people depends upon what we do here today and in the days ahead. Our Nation is on the verge of accepting a new principle in its handling of criminal acts. We have all heard about families out for a stroll on a city street. From nowhere a bullet strikes the father leaving him dead or disabled for life. Society may soon accept the responsibilities for helping that family maintain itself. These livestockmen are in a similar situation—a bullet has struck and the families are suffering. Everything that these producers do in their business is economically sound—they use the best equipment and apply the right technology; they work harder than most laborers and corporation managers. Now they reap not the profit that should come from wise economic decisions but massive financial losses, possible foreclosure or bankruptcy, and declining income with which to feed and cloth their families. The government officials are in large part responsible for this situation.

Ill-conceived and often inconsistent Administration policies have driven production costs sky high, forced unfair competition with subsidized foreign beef and dairy products, and depressed the prices received for products. Our economy and our government appear to have minds of their own. The Federal Reserve System, which controls the flow of money in our economy, is a case in point. Policies which imposed excessively high interest rates threaten the fabric of our society. This agency represents what happens when agencies lack effective public control exercised through elected representatives of the people. My hope is that this Subcommittee will recognize the gravity of the crisis affecting these independent agricultural producers and work to re-impose public responsibility on those who carry-out our farm programs through the enactment of legislation like that I have introduced.

My bill, H.R. 17207, would not hinder our nation's foreign policy—in fact, it would expand our humanitarian efforts through the Public Law 480 programs. Why not use our over-abundance of beef and dairy products to help people suffering from malnutrition and starvation? We need our grain here. Grain shipped to other lands is often wasted or spoils before it gets to the people. Beef and dairy products could meet the protein needs of many people without crippling segments of our domestic agricultural market.

In this connection, Mr. Chairman, it has been suggested by Commissioner John White of our Texas Agriculture Department that it would be worthwhile to extend such a program to include pork and poultry.

In conclusion, I want to thank you again for your time today and turn the floor over to those who have the best information concerning the plight of livestock producers. It is my privilege to introduce the following men who have traveled up from East Texas for these hearings:

Mr. R. L. Moore, President, Independent Beef Producers of America, from Clarksville, Texas;

Mr. Lee Perkins, Vice Prsident of the IBPA and a major beef producer from Clarksville;

Mr. Larry Gamblin of Como, Texas;

Mr. Lynn Chapman of Sulphur Springs, Texas;

Mr. C. R. (Bill) Turner of Athens, Texas;

Mr. Tommy Washington of Sulphur Springs, Texas;

Mr. Billy Joe Davis of Mineola, Texas;

Mr. John W. Folmar of Como, Texas; and

Mr. Gary R. Jones of Sulphur Springs, Texas.

It is appropriate that we thank the very able gentlemen—the Members of the Subcommittee on Departmental Operations of the House Agricultural Committee—who are as follows:

The Honorable E. de la Garza of Texas, Chairman;

The Honorable Ed Jones of Tennessee;

The Honorable Spark Matsunaga of Hawaii;

The Honorable Frank Denholm of South Dakota;

The Honorable Jerry Litton of Missouri;

The Honorable Robert Price of Texas;

The Honorable Robert Mathias of California;

The Honorable Keith Sebelius of Kansas; and

The Honorable Wiley Mayne of Iowa.

In addition, I would also like to thank my good friend from Texas, the Honorable W. R. (Bob) Poage of the Committee on Agriculture of the House of Representatives, for his splendid assistance in scheduling these important hearings.

Thank you.

UNFAIR USE OF HOUSE FACILITIES

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ICHORD. Mr. Speaker, I rise to protest what I consider to have been the abuse and misuse of the facilities of this House by dedicated Marxist adherents who oppose the Government of the United States and most of its policies.

On Wednesday, November 13, 1974, when the Congress was still in recess and most of us were out of the city, the gentle Congressperson from New York (Ms. ABZUG), arranged for the widow of the late Marxist President of Chile, Salvador Allende, to appear in the caucus room of the Cannon Building and address a crowd of some 150-to-200 admirers. Mrs. Allende spent most of her time denouncing the United States, the Central Intelligence Agency and the Committee on Internal Security which I have the honor to chair.

She was preceded on the program by one Saul Irwin Landau, an associate fellow of the Washington based Institute for Policy Studies. Landau harangued the audience with heaps of praise for the Allende regime which, in seeking to impose Marxist socialism on the people of that country, virtually wrecked it economically and threatened to subvert it politically. And for every heap of praise for Allende, Landau rhetorically offered a passel of bitter indictments against the Government of the United States.

Landau deplores the fact that we are reluctant in the United States to accept thousands of Allende's Communist supporters as refugees. He simply cannot understand why the American people do not want any more Communist "foxes in the henhouse."

And who is Mr. Landau? My colleagues have every right to know. In his writings, he has claimed he embraced Marxism while still a sophomore at the University of Wisconsin in the late 1950's. He was a leader of and editor for the Fair Play for Cuba Committee—the same organization that gave us Lee Harvey Oswald, the assassin of the late President Kennedy.

Landau was a collaborator with the late C. Wright Mills in writing pro-Castro propaganda and, as a journalist of the left, Landau visited Cuba in the early 1960's. He was outspoken in his support for Cuban communism and spent a substantial amount of time in Chile while the Allende regime was in power.

An eyewitness account of Mrs. Allende's participation in the caucus room session notes that though she arrived 45 minutes behind schedule, she was welcomed with due ceremony and considerable awe by the mostly partisan audience.

In the questioning that followed, Mrs. Allende spoke through an interpreter, carefully avoided answering the one or two critical questions about her Leftist leanings and verbally attacked the United States. She was also visibly upset by copies of the Internal Security Committee's 1974 hearings on Chile, charging that the testimony given by a number of prominent Chilean citizens totally misrepresented the facts regarding her late husband's administration and efforts to create a Marxist state in the once democratic country of Chile. She was especially upset by the references in the hearings of her own activities and travels since Allende was overthrown. She applauded the United Nations for demanding the release of political prisoners in Chile, ignoring the Chilean Government's announced intention of doing just that in the hope that the Soviet Union and Cuba would release a like number incarcerated for political reasons.

She also praised the U.N. for its recent decision to suspend South Africa from further U.N. participation.

And despite the record that shows she was the first person to confirm her husband's suicide at the height of the coup, she roundly denied that he had taken his own life. Allende, she insisted was clearly assassinated—a claim that flies in the face of overwhelming evidence to the contrary.

I do not challenge Mrs. Allende's right to free speech. In fact, to be consistent with my principles, I endorse her freedom of expression. What I object to, Mr. Speaker, is that House facilities were made available to provide a forum for someone from another country to attack the very Government of these United States which permits her to deliver her message of hate.

WHO IS LOOKING AFTER DEFENDING OUR NATION?

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, the rumors are coming so thick and fast that there must be substance to them.

These are the rumors that the administration is going to ask Congress to eliminate funds for the construction and purchase of the F-111 and A-7D aircraft, even though the Congress previously has appropriated funds for these aircraft.

When the message asking for these cuts finally reaches Congress, it will appear to be a bullet-biting budget cut saving the American taxpayers millions of dollars on unnecessary military hardware. Appearances can fool you.

Over the long run, these same American taxpayers may wind up paying literally billions of dollars more for an adequate defense as a result of this so-called money-saving gesture.

I believe the American taxpayers are about to be the losers in a very expensive game. It is called the new weapons systems game.

The FB-111 is, without question, the finest offensive air weapon ever built, and it has even further potential which has not been developed.

So why the rush to close down production of this aircraft? Could it be that it is not only a threat to potential foreign enemies of the United States, but also to those in the administration who are determined that this Nation build a new manned bomber—the B-1.

And why stop production of the highly effective, low cost, multi-service attack bomber and ground support aircraft, the A-7D? Could it be that the A-7D is a serious threat to the development and construction of a new single-purpose ground support aircraft, the A-10?

There are some cold facts and figures which point out dramatically just how costly it is going to be to the American people if the new-weapons-system group wins this round.

The FB-111 is currently being built at the rate of one per month at a cost per aircraft of about $14 million. If we stop production today, we will show a saving of less than $180 million for the remainder of fiscal year 1975.

The proposed B-1 bomber currently figures to cost about $76 million per airplane, and more realistic estimates put the eventual cost, if the plane proves out, at closer to $100 million per airplane.

If the primary purpose is to have a superior offensive weapon on the line and flying, I certainly would opt for the dozen FB-111's for which Congress has appropriated funds, than gamble our national security and the same amount of dollars on two airplanes which may or may not work.

I fully agree with the need for a manned bomber. Our present fleet of B-52 bombers should have been turned over to the Confederate Air Force Flying Museum years ago. I contend that the Nation would be placed in jeopardy if our only existing super-sonic bomber production line is closed down.

Whatever decision is made concerning the B-1, production of that airplane is years away. I would strongly urge my colleagues to keep our only manned bomber production line open until we know the full story about the B-1.

The situation in the case of the A-7D is similar. This aircraft costs about $2.6 million to build, and it is proven in combat operations. Its weapons delivery system is so good that even this old pilot was able to score more than one bulls eye in a demonstration flight.

Why trade it in for some unknown to be produced in the future?

And, if the rumors are correct, why curtail production in order to build more F-14's at nearly $18 million per airplane, when sometime next year we will have a new lightweight fighter—at much lower cost—in our weapons arsenal.

Mr. Speaker, I certainly would be one of the last to oppose any change for the better in our national defense. But I do strongly oppose abandoning proven superiority in favor of unproven and expensive weapons which may be workable sometime in the future.

This whole concept of savings is a deceit.

Is it a real savings to pare $180 million from the fiscal 1975 budget and shut down the FB-111 assembly line—only to find out later that if we have made a mistake, it will cost some $200 million to $300 million to put the line back into operation? And that startup money will not buy a single airplane.

Mr. Speaker, I believe defense is the last area where we should be playing fiscal games. So far, the Congress has shown the most foresight and understanding of this simple fact: If you have an aircraft that is outstanding, you keep it, and keep using it, until you can put another one on the operations line and in the air which is better than the one you are scrapping.

I would feel better if I felt that the administration were looking at national defense in this same light, instead of chopping at random in order to get some headlines about dollars saved.

AVIATION TAX—RUINOUS

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I have received word that the almighty OMB is just about ready to come out with another of its Rube Goldberg plans. This time aviation is the victim.

The Office of Management and Budget has always argued that where the Federal Government provides a service to benefit individual recipients, rather than the public at large, a charge should be imposed.

I do not disagree with that argument. In the case of aviation, fees are already charged for such things as issuing pilots certificates, registering airplanes, title fees, and other individual services.

However, OMB is now in the process of applying a Rube Goldberg logic by trying to say that all costs of the Federal Aviation Administration should be levied against aviation users. In other words, the OMB is saying that all FAA services are strictly for the benefit of aviation, rather than for the public.

Obviously, Mr. Ash and his bureaucratic bunch know little or nothing about either the FAA or the aviation industry.

I have been a professional pilot for over 20 years with over 6,000 logged hours of flying time prior to coming to Congress. Therefore, I feel that I know at least a little about this industry.

The Federal Aviation Administration exists primarily for the protection of the public, not the aviation industry. Only a small percentage of the FAA costs are directly for the benefit of aviation.

At this moment, there are 170,800 airplanes registered in this Nation. There are 56,894 employees of the Federal Aviation Administration. That means that for every FAA employee, there are three planes. These people are not needed to operate the aircraft. It requires only a pilot.

The real victim of these proposed user charges will be general aviation. At the same time, general aviation, on a per capita basis, is the minor user of FAA services.

For example, OMB is proposing a departure fee of $10 at airports providing FAA radar service and $5 for departures from tower-equipped fields. They would exempt commercial airliners, air taxi, and air commuter flights from these fees.

Yet, these towers and radar facilities were installed primarily for the protection of the passenger public. Well over 90 percent of the fields, used by general aviation, could and would be used without benefit of either tower or radar facilities. The general aviation pilot does not need them, they are for the protection of the public.

Thousands of employees in FAA are involved in testing and certifying aircraft and aircraft parts. Millions of FAA man-hours are spent each year in working with aircraft manufacturers making safety checks. These checks and efforts do not benefit aviation manufacturers, but do benefit the public.

Mr. Speaker, I must insist that the Federal Aviation Administration exists as a protector of the public and not as a direct benefit to aviation. Therefore, most of the costs of this agency should be paid through general revenues, rather than taxes levied against the general aviation segment of that industry.

I would point out to my colleagues in the Congress that our largest export item is aviation products. Over 85 percent of the worlds' aircraft are built in the United States. A healthy aviation industry means a healthy economy in this country. General aviation is the backbone of the airplane industry. Destroy or cripple this segment and you will damage the entire aviation industry.

Mr. Speaker, this Congress has already, very wisely, turned down the proposition of user charges levied against general aviation. I would urge all Members to keep this stance.

COST CUTTING MESSAGE

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, before the OMB came out swinging with its latest punch to the general aviation industry, Mr. George E. Haddaway, publisher of Flight Magazine in Dallas had written an editorial.

I would recommend its reading to my colleagues in the Congress to further brief them on the aviation industry. Mr. Haddaway's article appears in the December 1974, issue of the magazine.

How To Cut Costs

We learned long ago that there are not many experts anywhere, especially in the field of economics. There are many scholars, but few experts.

So it is that nobody seems to come up with a way to curb inflation although all sorts of proposals are being bandied about. There appears to be some substance in the claim that we have a conspiracy going on to bring about a recession in order to eliminate the monster.

We have been pondering what can be done to reduce the cost of owning and flying airplanes as the inflationary crunch steadily grows rougher.

General aviation has been making recent significant progress in working together as exemplified by the call to action last year during the fuel crisis. If the industry—both trade and consumer groups—can get together in another coalition and form an economic task force, they might just discover some cures for escalating costs, both short term and long term.

A good place to start would be in reducing the costs of government agencies dealing with aviation matters—Federal, State, and municipal. The proliferation of the bureaucracies in recent years is a major financial burden to every airman, beginning with local municipal governments and extending on up through costly State aviation commissions and on to the largest bureaucracy of all, the Federal Aviation Administration—the tail that wags the dog in the U.S. Department of Transportation.

Someone ought to be working on the costs of this proliferation and what can be done to reduce them. We must especially figure out a way to avoid future expensive cost allocation studies and to eliminate nonessential local, State, and Federal activities, ultimately charged against the consumer.

In other words, instead of governments proliferating more activities and doing cost allocation studies on increasing flying costs, let us do cost allocation studies of their operations and lower the boom on them.

CONFERENCE REPORT ON HR. 16900

Mr. MAHON submitted the following conference report and statement on the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes:

Conference Report (H. Rept. No. 93–1503)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16900) "making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 6, 9, 10, 14, 24, 36, 47, and 78.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 7, 8, 16, 20, 21, 22, 25, 41, 42, 46, 50, 52, 56, 57, 58, 60, 64, 67, 68, 69, 70, 72, 75, 76, 77, 80, and 81, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,722,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$299,609,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$62,750,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$3,502,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

FEDERAL RAILROAD ADMINISTRATION

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation", $70,000,000, to remain available until expended.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,000,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$500,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,814,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 11, 12, 13, 17, 18, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 43, 44, 45, 51, 53, 59, 61, 62, 65, 66, 71, 73, 79, 82, 83, 84 and 85.

George Mahon,
Jamie L. Whitten,
Joe L. Evins,
Edward P. Boland,
Daniel J. Flood,
Tom Steed,
John M. Slack,
John J. McFall,
Bob Casey,
E. A. Cederberg,
Robert H. Michel,
Howard W. Robison
(except for amendments 43 and 55),
Garner E. Shriver,
Joseph M. McDade,
Burt L. Talcott,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John C. Stennis,
John O. Pastore,
Alan Bible,
Robert C. Byrd,
William Proxmire,
Joseph M. Montoya,
Ernest F. Hollings,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Ted Stevens,
Henry Bellmon,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee on Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I

CHAPTER I

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 1: Appropriates $2,125,000,000 for community development grants as proposed by the Senate instead of $2,129,625,000 as proposed by the House.

Amendment No. 2: Appropriates $50,000,000 for transition funds for community development as proposed by the House instead of $10,000,000 as proposed by the Senate.

Amendment No. 3: Deletes language proposed by the Senate mandating use of funds for certain housing programs. The committee of conference has deleted the Senate language without prejudice. The committee agrees that the Section 235 and Section 236 programs should be used to provide alternate programs to Section 8 should the latter program not meet adequately the housing needs of lower income families.

The conferees are agreed as to the clarifying intent of the language in the Senate report relating to the utilization of operating subsidies for Section 236 projects.

Amendment No. 4: Deletes language proposed by the Senate to appropriate $25,000,000 for rehabilitation loans.

Amendment No. 5: Establishes a limitation on the aggregate loans that may be made for housing for the elderly or handicapped at $100,000,000 in addition to the amount of the unobligated balance heretofore appropriated, instead of establishing a limitation at the amount of the unobligated balance estimated at $115,000,000 as proposed by the House and $200,000,000 in addition to the unobligated balance as proposed by the Senate.

Amendment No. 6: Deletes language proposed by the Senate to appropriate $25,000,000 for grants to State housing finance and development agencies.

VETERANS ADMINISTRATION

Amendment No. 7: Appropriates $10,000,000 for assistance for health manpower training institutions as proposed by the Senate.

CHAPTER II

DEPARTMENT OF LABOR

Amendment No. 8: Inserts heading as proposed by the Senate.

Manpower Administration

Amendment No. 9: Deletes language proposed by the Senate providing for a reduction of $1,500,000 for "Manpower Administration, program administration".

Amendment No. 10: Deletes language proposed by the Senate providing for a reduction of $5,600,000 for "Comprehensive manpower assistance", to be transferred to the Employment Standards Administration, Salaries and expenses.

Labor-Management Services Administration

Amendment No. 11: Reported in technical disagreement.

The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide $8,150,000 for "Salaries and expenses", of which $1,500,000 shall be derived by transfer from "Manpower Administration, program administration", instead of an appropriation of $6,150,000, as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Employment Standards Administration

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides $6,080,000 for "Employment Standards Administration, Salaries and expenses", including $5,600,000 to be derived by transfer from Comprehensive Manpower Assistance.

Bureau of Labor Statistics

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides $300,000 for the Bureau of Labor Statistics, to be derived by a transfer from the Departmental Management, Salaries and Expenses appropriation.

The conferees are in agreement with the proposal to develop a broader consumer price index for urban households, with the understanding that the existing urban wage earners and clerical workers index will be continued, and that the revision of the latter index will continue to have first claim on available resources.

Departmental Management

Amendment No. 14: Deletes language proposed by the Senate which would have reduced the appropriation for "Departmental Management, Salaries and Expenses" by $300,000.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Services Administration

Amendment No. 15: Appropriates $2,722,000 for "Health services" instead of $3,722,000 as proposed by the House and $1,722,000 as proposed by the Senate.

Health Resources Administration

Amendment No. 16: Appropriates $147,933,000 for "Health resources" as proposed by the Senate, instead of $149,133,000 as proposed by the House.

OFFICE OF EDUCATION

Amendment No. 17: Reported in technical disagreement. The Managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will have the effect of appropriating $4,358,293,000 for "Elementary and secondary education" instead of $4,264,643,000 as proposed by the House, and $4,351,043,000, as proposed by the Senate, including for fiscal year 1975, $1,824,000,000 for grants under part A of Title I of the Elementary and Secondary Education Act, instead of $1,848,000,000 as proposed by the House, and $1,800,000,000 as proposed by the Senate; $14,000,000 for grants under part B of Title I instead of $28,000,000 as proposed by the Senate; $38,000,000 for grants under part C of Title I instead of $28,000,000 as proposed by the House and $48,000,000 as proposed by the Senate; $120,000,000 for grants under Title III of the Elementary and Secondary Education Act as proposed by the Senate, instead of $125,000,000 as proposed by the House; $21,750,000 for grants under Title III–A of the National Defense Education Act instead of $15,000,000 as proposed by the House and $28,500,000 as proposed by the Senate; $85,000,000 for grants under Title VII of the Elementary and Secondary Education Act instead of $70,000,000 as proposed by the House and $90,000,000 as proposed by the Senate; and $900,000 for nutrition and health programs, instead of $1,900,000 proposed by the Senate. The amendment will also appropriate $172,888,000 for fiscal year 1976 for grants under part C of Title IV of the Elementary and Secondary Education Act, as proposed by the House, instead of $152,888,000 as proposed by the Senate, will delete language proposed by the Senate which would have prohibited the use of funds to carry out section 821 of Public Law 93-380, will earmark $200,000 for carrying out section 823 of Public Law 93–380 as proposed by the Senate, will restore language proposed by the House to permit the use of funds to carry out section 822 of Public Law 93–380 and section 417(a) (2) of the General Education Provisions Act, will provide that State agency grants to Puerto Rico for 1975 shall not be less than such grants for fiscal year 1974, as proposed by the Senate, will authorize use of bilingual education funds for vocational training, as proposed by the Senate, and will partially restore House language deleted by the Senate in order to provide that none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits to classify teachers or students by race, religion, sex, or national origin, or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which provides a separate appropriation for "School assistance in federally affected areas" instead of merging the appropriation with "Elementary and secondary education", as proposed by the House.

Amendment No. 19: Inserts separate paragraph appropriating $299,609,000 for "Education for the handicapped" instead of $284,609,000 as proposed by the House and $324,609,000 as proposed by the Senate.

Amendment No. 20: Deletes language proposed by the House which would have prohibited use of appropriations for "Occupational, vocational, and adult education" for carrying out section 309A of the Adult Education Act of 1966.

Amendment No. 21: Appropriates $136,800,000 for "Occupational, vocational, and adult education" as proposed by the Senate, instead of $126,638,000 as proposed by the House, and inserts citation of section 907 of the Elementary and Secondary Education Act of 1965, as proposed by the Senate.

Amendment No. 22: Provides that $67,500,000 of the appropriation for "Occupational, vocational, and adult education" shall become available in fiscal year 1976, as proposed by the Senate, instead of $63,319,000 as proposed by the House.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment, which provides that funds appropriated under "Occupational, vocational, and adult education" in the Departments of Labor, and Health, Education, and Welfare Appropriations Act for 1975 for carrying out career education under the Cooperative Research Act shall be available only to carry out the provisions of section 406 of Public Law 93–380.

Amendment No. 24: Deletes appropriation of $750,000 for "Salaries and expenses" proposed by the Senate.

Assistant Secretary for Human Development

Amendment No. 25: Appropriates $135,000,000 for "Human development" as proposed by the Senate, instead of $125,000,000 as proposed by the House, and inserts legal citations, as proposed by the Senate.

It is the intent of the conferees that the Department of Health, Education, and Welfare utilize carryover funds to build the program operating level for the nutrition program authorized by Title VII of the Older Americans Act to at least $150,000,000 for Fiscal Year 1975.

CHAPTER III

LEGISLATIVE BRANCH

Senate

Amendments Nos. 26 through 34: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accord with long practice, under which each body concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments Nos. 26 through 34.

House of Representatives

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making certain provisions of House Resolutions 988, 1299, and 1309, all of the Ninety-third Congress, permanent law as provided by the Senate at the request of the House.

Architect of the Capitol

Amendment No. 36: Appropriates $3,200 for "Capitol Buildings", $3,600 for "Senate Office Buildings", and $6,600 for "House Office Buildings" and provides for the allocation of positions of registered nurses to grade 10 of the General Schedule at the same steps in such grade currently in effect for their present grades as proposed by the House and stricken by the Senate. This action will raise the salaries of the Registered Nurses to comparable levels. At a later date it is the intention of the Committees on Appropriations to consider a permanent scale of pay for all these positions, to be accomplished through attrition.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that effective January 1, 1975 nursing positions in the Capitol, and Senate and House Office Buildings be occupied by a registered nurse, but not applicable to the present incumbents of such positions.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $16,322,000 for "Construction of an Extension to the New Senate Office Building".

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment authorizing the Architect of the Capitol to utilize personnel paid from appropriations under his control for the performance of administrative and clerical duties in connection with the maintenance and operation of the United States Botanic Garden. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

GOVERNMENT PRINTING OFFICE

Environmental Impact Study on the Relocation of the Government Printing Office

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $300,000 for an environmental impact study on the relocation of the Government Printing Office. The Committee of Conference is agreed that the appropriation of these funds is not to be construed as an endorsement of the project.

CHAPTER IV

Amendment No. 41: Changes Chapter Number.

Amendment No. 42: Inserts Agency Name (Atomic Energy Commission).

ATOMIC ENERGY COMMISSION

Operating Expenses

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide $25,500,000 for operating expenses, instead of $59,700,000 as proposed by the Senate, to remain available until expended which will be available only upon enactment of authorizing legislation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Conferees recommend $20,000,000 for advanced research and development, laboratories, and weapons testing technology. The Committees on Appropriations will give full consideration to any additional needs at an early date.

The Conferees also recommend $5,500,000 for the safeguards program.

Plant and Capital Equipment

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $9,150,000 for Plant and capital equipment, instead of $18,300,000 as proposed by the Senate, to remain available until expended and which will become available only upon enactment of authorizing legislation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers are agreed that $6,900,000 is provided for the safeguards program and $2,250,000 is provided for the weapons testing program.

DEPARTMENT OF THE INTERIOR

Amendment No. 45: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate as follows:

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

Operation and Maintenance

Notwithstanding the last proviso under this head in the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act, 1975 (Public Law 93-393), the Secretary of the Interior, following the entry of a final order by the United States District Court for the District of Nevada in the case designated as "Truckee-Carson Irrigation District v. Secretary of the Interior", Civil Action No. R-74-34, BRT, filed March 18, 1974, now pending in said court, determining that the Secretary may assume control of the Newlands Reclamation Project, Nevada, may utilize not to exceed $1,000,000 of the funds appropriated under such head for the operation of the Newlands Reclamation Project, Nevada.

CHAPTER V

Amendment No. 46: Changes chapter number.

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Amendment No. 47: Deletes proposal of the Senate to appropriate $705,000 for restoring northern border activities.

The managers on the part of the House and the Senate direct the Immigration and Naturalization Service to maintain along the northern border the same level of activities, including personnel, as that in effect on June 30, 1974.

DEPARTMENT OF COMMERCE

Economic Development Administration

Economic Development Assistance Programs

Amendment No. 48: Appropriates $62,750,000 instead of $51,500,000 as proposed by the House and $74,000,000 as proposed by the Senate.

The funds appropriated under this heading are to be distributed as follows:

Industrial loans and guarantees	$2,000,000
Section 302 State planning	5,500,000
Section 302 sub-State planning	[1] 3,500,000
Section 304 grants to States	13,000,000
Title IX economic adjustment assistance	38,750,000
Total	62,750,000

REGIONAL ACTION PLANNING COMMISSIONS

Regional Development Programs

Amendment No. 49: Appropriates $3,502,000 instead of $7,005,000 as proposed by the Senate.

THE JUDICIARY

Commission on Revision of the Federal Court Appellate System of the United States

Salaries and Expenses

Amendment No. 50: Appropriates $351,000 as proposed by the Senate.

RELATED AGENCIES

Small Business Administration

Surety Bond Guarantees Fund

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing $20,000,000 for the Surety Bond Guarantees Fund, to be derived by transfer from the Business Loan and Investment Fund.

CHAPTER VI

Amendment No. 52: Changes chapter number.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which will increase the limitation on grants-in-aid for airport development contained in Section 302 of Public Law 93-391 by $25,000,000 instead of $50,000,000 as proposed by the Senate. The conferees intend that these additional funds should be obligated by the Secretary of Transportation as discretionary funds for airport development grants. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Federal Railroad Administration

Amendment No. 54: Appropriates $70,000,000 for grants to the National Railroad Passenger Corporation instead of $75,000,000 as proposed by the Senate. The Senate language making the funds available only upon enactment into law of authorizing legislation is deleted. The conferees expect that these funds plus the previously appropriated funds should be adequate to operate the Corporation for the balance of the current fiscal year.

RELATED AGENCIES

United States Railway Association

Amendment No. 55: Appropriates $7,000,000 for administrative expenses instead of $4,000,000 as proposed by the House and $8,000,000 as proposed by the Senate.

CHAPTER VII

Amendment No. 56. Changes chapter number.

DEPARTMENT OF THE TREASURY

Amendment No. 57. Inserts new center heading.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

Eisenhower College Grants

Amendment No. 58. Appropriates $9,000,000 to the Bureau of Government Financial Operations for payment to the Eisenhower College as proposed by the Senate.

General Provision

Amendment No. 59. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would provide for the removal of the general purchase price limitation on motor vehicles for police type use by the Treasury Department.

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[1] This amount when added to $9,200,000 for sub-State planning, technical assistance and research included in the regular 1975 appropriation bill and $7,800,000 available in 1975 for obligation for sub-State planning from prior year appropriations, will provide a total of $20,500,000 for sub-State planning, technical assistance, and research.

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Management and Budget

Amendment No. 60. Inserts new center heading.

Council on Wage and Price Stability

Amendment No. 61. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would insert language to provide for the compensation for the Deputy Director at a rate not to exceed the rate for level V of the Executive Schedule.

National Commission on Supplies and Shortages

Amendment No. 62. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $287,500 to carry out the provisions of Public Law 93-426 and to provide authority for personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service.

National Commission on Electronic Fund Transfers

Salaries and Expenses

Amendment No. 63: Appropriates $500,000 for necessary expenses of the Commission instead of $2,000,000 as proposed by the Senate.

Advisory Commission on Intergovernmental Relations

Full Deposit Insurance Study

Amendment No. 64. Appropriates $87,000 to Advisory Commission on Intergovernmental Relations as proposed by the Senate.

General Services Administration

Federal Buildings Fund

Limitation on Availability of Revenue

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate.

This amendment increases the amount of funds available from the Federal Buildings Fund for the rental of space by $14,000,000, making the total limitation $364,000,000. It reduces the amount available for purchase contract payments by $10,000,000 and the amount available for real property operations by $3,000,000. It raises the total limitation on the Federal Buildings Fund by $1,000,000.

The conferees also agree that the Social Security Administration shall not use trust funds to pay the General Services Administration more than the actual cost of the space actually occupied by the Social Security Administration. They agree that the General Services Administration shall not accept trust funds from Social Security Administration in excess of that amount.

The conferees further agree that requests to the General Services Administration for space by the Social Security Administration shall not be prejudiced by this limitation and that the Social Security Administration shall be allocated space on the same basis as all other Government agencies.

Expenses, Presidential Transition

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by the Senate, insert the following: ": *Provided, That the aggregate salaries of all employees detailed on a nonreimbursable basis under the authority of the Presidential Transition Act of 1963, during the period beginning with the enactment of this Act, and ending February 9, 1975, shall not exceed $70,000.*"

The managers on the part of the Senate will move to concur with the amendment of the House to the amendment of the Senate.

It is the intention of the Committee of Conference that the $70,000 limitation concerning personnel detailed to former President Nixon apply solely to those persons who have been detailed to the former President pursuant to the provisions of the Presidential Transition Act of 1963 and are responsible solely to him for the performance of their duties pursuant to that Act. The Committee of Conference is agreed that the limitation not apply to Secret Service personnel performing their protective assignment nor to personnel of other agencies in direct support of the Secret Service. In addition, the Committee of Conference is agreed that the limitation does not apply to personnel of other government agencies who are performing duties of their respective agencies in connection with identifying, protecting, and reclaiming government-owned property and who remain responsible solely to their respective agencies for the performance of their duties.

CHAPTER VIII

Amendment No. 67: Changes chapter number.

CLAIMS AND JUDGMENTS

Amendments Nos. 68 and 69: Insert Senate Document number and appropriate an additional $903,211 for claims and judgments pursuant to a further budget estimate transmitted to the Senate.

CHAPTER IX

Amendment No. 70: Changes Chapter number as proposed by the Senate.

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $12,400,000 for management of lands and resources, to be derived by transfer from the Office of Coal Research.

The managers on the part of the House and the Senate are in agreement that the additional funds provided for both the Bureau of Land Management and the Geological Survey are solely for the acquisition of baseline environmental and other socioeconomic data and for geological and geophysical information. They are not for the conduct of lease sales.

The revised Outer Continental Shelf leasing plan which was recently announced by the Department of the Interior retreats from the original ten million acre leasing target and focuses instead on a schedule which will provide leasing in a maximum number of new "frontier" areas in calendar-year 1975. However, there are concerns which were expressed in the House report on the Department of the Interior and Related Agencies Appropriations Bill, 1975 (H. Rept. 93-1209) and concurred in by the Senate Report (S. Rept. 93-1069). Environmental protection is only one of the factors which concerns the Committees. There is also concern about equipment and personnel shortages, expeditious exploration and development, fair market value from lease sales, availability of capital, and others. The Department has not yet presented persuasive evidence that these concerns have been satisfied, yet it is proceeding with major lease proposals. The Committee is pleased that these questions are currently being explored, in part or in whole, by the General Accounting Office and by the Congressional Office of Technology Assessment. It is essential that before these leases are made, sufficient knowledge is available to assure that adequate environmental safeguards are maintainted. For these reasons, the conferees have agreed to the budget proposal which was included in the Senate amendment.

The conferees are in agreement that before a "notice of sale" is made for a lease sale in any frontier area in calendar year 1975, the Department of the Interior shall consult the Interior Appropriations Subcommittees of the House and the Senate to assure that the concerns outlined in H. Rept. 93-1209 have been satisfactorily addressed. In the meantime, studies can be initiated for leasing in frontier areas with funds provided in this Supplemental Appropriations Bill.

Office of the Saline Water

Amendment No. 72: Appropriates $2,900,000 for saline water conversion as proposed by the Senate.

Geological Survey

Amendment No. 73: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $2,600,000 for surveys, investigations, and research, to be derived by transfer from the Office of Coal Research.

Bureau of Indian Affairs

Amendment No. 74: Appropriates $2,814,000 for operation of Indian programs instead of $2,214,000 as proposed by the House and $5,294,000 as proposed by the Senate. The increase above the amount proposed by the House includes $600,000 for renewal of Indian Action Team contracts, including $265,000 for the Kenai Native Association, and $335,000 for other expiring contracts of high priority.

Amendment No. 75: Provides language as proposed by the Senate which provides $1,975,000 for implementation of the Menominee Restoration Act.

Amendment No. 76: Inserts the word "and" as proposed by the Senate.

Amendment No. 77: Inserts the heading "construction" as proposed by the Senate.

Amendment No. 78: Deletes language as proposed by the Senate which provided $100,000 to assist The Starr Community School, Blackfeet Reservation, Montana, to initiate construction of school facilities.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that $425,000 shall be available to assist the Tuba City High School Public School District, Arizona, in the construction of facilities for joint use with the Grey Hills Indian High School.

RELATED AGENCIES

Federal Energy Administration

Amendment No. 80. Appropriates $8,000,000 for salaries and expenses as proposed by the Senate.

Amendment No. 81: Deletes language as proposed by the Senate.

TITLE II

GENERAL PROVISIONS

Amendment No. 82. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would provide that this provision be made applicable to all appropriations.

Amendment No. 83. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would conform the language in the provision to the actual wording contained in pending legislation.

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will permit funds which would otherwise expire on June 30 in fiscal years beginning with 1976 to remain available until September 30 of each of those years. The amendment is necessary to facilitate the change of the fiscal year as required by the

Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344.

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Sec. 205. None of the funds appropriated by this or any other Act which are available during the fiscal year 1975 for travel expenses, including subsistence allowances, of Government officers and employees may be obligated after the date of the enactment of this Act, at a rate for the balance of the fiscal year which exceeds 90 per centum of the budget estimates for fiscal year 1975 for such expenses which were submitted for appropriations or otherwise provided by law: Provided, That none of the limitations on travel included in the regular appropriations for fiscal year 1975 shall be exceeded.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are in sympathy with the objective of curtailing all unnecessary Government travel and thereby reducing expenditures and conserving scarce energy resources. Accordingly, it is the intent of the conferees that this provision apply to all Government officers and employees in the Executive, Legislative and Judicial branches of the Government. In addition, it is the intent of the conferees that the Appropriations Subcommittees conduct a continuing review of Government travel costs of individual departments and agencies with a view toward achieving further economies and reductions where practicable.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1975 recommended by the Committee of Conference, with comparisons to the budget estimates, the House and Senate bills follow:

Budget estimates considered by House	$8,128,761,162
House passed bill	8,359,751,562
Budget estimates considered by Senate	8,286,641,178
Senate passed bill	8,755,226,678
Conference agreement	8,659,352,078
Conference compared with:	
Budget estimates	+372,710,900
House bill	+299,600,516
Senate bill	−95,874,600

George Mahon,
Jamie L. Whitten,
Joe L. Evins,
Edward P. Boland,
Daniel J. Flood,
Tom Steed,
John M. Slack,
John J. McFall,
Bob Casey,
E. A. Cederberg,
Robert H. Michel,
Howard W. Robison (except for amendments 43 and 55),
Garner E. Shriver,
Joseph M. McDade,
Burt L. Talcott,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John C. Stennis,
John O. Pastore,
Alan Bible,
Robert C. Byrd,
William Proxmire,
Joseph M. Montoya,
Ernest F. Hollings,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Ted Stevens,
Henry Bellmon,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Young of Illinois (at the request of Mr. Anderson of Illinois), for December 3 and 4, 1974, on account of official business.

Mr. Jones of North Carolina (at the request of Mr. O'Neill), for November 25 and 26, 1974, on account of illness.

Mr. Howard (at the request of Mr. O'Neill) for today through December 5, 1974, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Hechler of West Virginia, for 10 minutes, today.

(The following Members (at the request of Mr. Steelman), to revise and extend their remarks, and to include extraneous matter:)

Mr. Kemp, for 15 minutes, today.

Mr. Miller, for 5 minutes, today.

Mr. Whalen, for 5 minutes, today.

Mr. Bell, for 30 minutes on December 3, 1974.

(The following Members (at the request of Mr. Rose), to revise and extend their remarks, and to include extraneous matter:)

Mr. Chappell, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

Mr. Melcher, for 30 minutes, today.

Mr. Gaydos, for 30 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Harrington, for 5 minutes, today.

Mr. Fuqua, for 5 minutes, today.

(The following Member (at the request of Mr. Breaux) to revise and extend his remarks and include extraneous material:)

Mr. Alexander, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Roncalio of Wyoming, and to include extraneous matter in the Record today.

Ms. Abzug prior to remarks of Mr. Obey.

Mr. Hechler of West Virginia, to extend his remarks, and include extraneous material.

Mr. Sikes, and to include extraneous material and tabulations in the Committee of the Whole today during consideration of H.R. 17468.

(The following Members (at the request of Mr. Steelman, and to include extraneous matter:)

Mr. Kemp in two instances.

Mr. Robison of New York.

Mr. Landgrebe in four instances.

Mr. Hosmer in two instances.

Mr. Blackburn.

Mr. Ashbrook in four instances.

Mr. Baker.

Mr. Hanrahan.

Mr. McClory in two instances.

Mr. Gilman in three instances.

Mr. Young of Illinois in two instances.

Mr. Hunt.

Mr. Young of Florida in two instances.

Mrs. Holt in two instances.

Mr. Huber in four instances.

Mr. Bray in two instances.

Mr. Guyer.

Mr. Symms in two instances.

Mr. Crane in five instances.

Mr. du Pont.

Mr. Skubitz in two instances.

Mr. Derwinski in three instances.

Mr. O'Brien in two instances.

Mr. Gude.

(The following Members (at the request of Mr. Rose), and to include extraneous matter:)

Mr. Chappell.

Mr. Moorhead of Pennsylvania in two instances.

Mr. Karth.

Mr. Anderson of California in three instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Mazzoli in seven instances.

Mr. Evins of Tennessee in two instances.

Mr. James V. Stanton in three instances.

Mr. Leggett.

Mr. Rooney of New York.

Mr. Gaydos in two instances.

Mr. Teague in two instances.

Mr. Hamilton.

Mr. Matsunaga.

Mr. John L. Burton in two instances.

Mr. Flood.

Mr. Milford in three instances.

Mr. Denholm in two instances.

Mr. McFall.

Mr. Hanna in two instances.

Mr. de Lugo.

Mr. Rogers.

Mr. Drinan in four instances.

Mr. Dorn in two instances.

(The following Members (at the request of Mr. Breaux) and to include extraneous matter:)

Mr. Nedzi in two instances.

Mr. Alexander in two instances.

Mr. Fulton.

Mr. Harrington.

Mr. Fisher in four instances.

Mr. Stark in 10 instances.

Mr. James V. Stanton in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2938. An act to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 3802. An act to provide available nuclear information to committees and Members of Congress; and

S.J. Res. 248. A joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on November 25, 1974, present to the President, for his approval, bills of the House of the following titles:

H.R. 16757. An act to extend the Emergency Petroleum Allocation Act of 1973 until August 31, 1975; and

H.R. 17434. An act to amend the National Wildlife Refuge System Administration Act of 1966 to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, and for other purposes.

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with House Concurrent Resolution 689, the Chair declares the House adjourned until 12 o'clock noon, Tuesday, December 3, 1974.

Thereupon (at 4 o'clock and 40 minutes p.m.), pursuant to House Concurrent Resolution 689, the House adjourned until Tuesday, December 3, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3015. A letter from the Director, Selective Service System, transmitting his semiannual report covering the period ended June 30, 1974, pursuant to section 10(g) of the Military Selective Service Act; to the Committee on Armed Services.

3016. A letter from the president of the District of Columbia Bar, transmitting their selections for members of the Law Revision Commission, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93-379); to the Committee on the District of Columbia.

3017. A letter from the Under Secretary of Health, Education, and Welfare, transmitting notice of proposed regulations relating to disbursement of payments for the basic educational opportunity grant program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3018. A letter from the Under Secretary of Health, Education, and Welfare, transmitting a copy of the final regulations for the program of demonstration projects to improve school health and nutrition services for children from low-income families, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3019. A letter from the Under Secretary of Health, Education, and Welfare, transmitting notice of proposed amendments to regulations governing support for improvement of postsecondary education, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3020. A letter from the Under Secretary of Health, Education, and Welfare, transmitting notice of proposed regulations and guidelines governing special programs for students from disadvantaged backgrounds, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3021. A letter from the President, Overseas Private Investment Corporation, transmitting the annual report of the Corporation for fiscal year 1974, pursuant to section 240A(a) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2200a(a)]; to the Committee on Foreign Affairs.

3022. A letter from the Acting Assistant Administrator of General Services, transmitting a draft of proposed legislation to amend chapter 33 of title 44, United States Code, to require mandatory application of the General Records Schedules to all Federal agencies; to the Committee on House Administration.

3023. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the act entitled "To increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes"; to the Committee on Banking and Currency.

Received From the Comptroller General

3024. A letter from the Comptroller General of the United States, transmitting a report on progress and problems in grants to improve bus transit systems; to the Committee on Government Operations.

3025. A letter from the Comptroller General of the United States, transmitting a report that low-income groups are not helped by the Agency for International Development's Housing Investment Guaranty program; to the Committee on Government Operations.

3026. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements pertaining to the insurance operations of the Federal Housing Administration, Department of Housing and Urban Development, for fiscal year 1973, pursuant to 31 U.S.C. 851 (H. Doc. No. 93-399); to the Committee on Government Operations and ordered to be printed.

3027. A letter from the Acting Comptroller General of the United States, transmitting a report of claims for payment for newspaper advertising, pursuant to 31 U.S.C. 236, and a draft of proposed legislation providing for settlement of the claims; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DORN: Committee on Veterans' Affairs. S. 2363. An act to amend chapter 39 of title 38, United States Code, relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces (Rept. No. 93-1494). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 1400. Resolution to provide funds for the Committee on the Judiciary (Rept. No. 93-1495). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 1406. Resolution providing funds for the Committee on Rules (Rept. No. 93-1496). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5773. A bill to establish the Spessard L. Holland National Seashore in the State of Florida, and for other purposes; with amendment (Rept. No. 93-1497). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7515. A bill to amend the act of June 15, 1912, to permit an exchange of lands in the State of California; with amendment (Rept. No. 93-1498). Referred to the Committee of the Whole House on the State of the Union.

Mr. DORN: Committee on Veterans' Affairs. S. 4040. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension and dependency and indemnity compensation, to increase income limitations, and for other purposes; with amendment (Rept. No. 93-1499). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 16994. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 or interest on savings in the case of an individual taxpayer (Rept. No. 93-1500). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. H.R. 17505. A bill to rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. 93-361), October 4, 1974 (H. Doc. 93-365), and November 13, 1974 (H. Doc. 93-387), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974; with amendment (Rept. No. 93-1501). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on Nov. 21, 1974, the following report was filed on Nov. 26, 1974.]

Mr. MILLS: Committee on Ways and Means. H.R. 17488. A bill to provide a windfall profits tax on oil, to phase out percentage depletion on oil and natural gas, to increase the low-income allowance, to make changes in the treatment of foreign income, and to make certain other adjustments in the tax laws (Rept. No. 93-1502). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee of conference. Conference report on H.R. 16900 (Rept. No. 93-1503). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 17517. A bill to amend the Coastal Zone Management Act of 1972, to provide for Federal-State cooperation in activities which may affect the coastal zone of a State prior to final approval of a State's coastal zone management program; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI:

H.R. 17518. A bill to amend the Immigration and Nationality Act to provide penalties for certain persons who employ, or who refer for employment, aliens who are in the United States illegally, and for other purposes; to the Committee on the Judiciary.

By Mr. CHAPPELL (for himself and Mr. Bevill):

H.R. 17519. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 17520. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain psychologists' services under the supplementary medical insurance benefits program established by part B of such title; to the Committee on Ways and Means.

By Mr. DENNIS:

H.R. 17521. A bill relating to executive privilege; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 17522. A bill to broaden the income tax base, provide equity among taxpayers, and to otherwise reform the income tax provisions; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 17523. A bill to amend section 524 of title 28, United States Code, to provide that appropriations for the Department of Justice shall be authorized by the Congress on an annual basis, and for other purposes; to the Committee on the Judiciary.

By Ms. HOLTZMAN:

H.R. 17524. A bill to provide for a Special Counsel to represent the United States in all litigation pertaining to Presidential materials of Richard Nixon; to the Committee on the Judiciary.

By Mr. ICHORD (for himself, Mr. Dent, Mr. Taylor of Missouri, Mr. Brinkley, Mr. Wright, Mr. Hechler of West Virginia, Mr. Melcher, Mr. Price of Illinois, and Mr. Eilberg):

H.R. 17525. A bill to amend the Credit Control Act of 1969 (83 Stat. 376; 12 U.S.C. 1901 et seq.) to fix maximum interest charges in connection with credit transactions, and for other purposes; to the Committee on Banking and Currency.

By Mr. KEMP:

H.R. 17526. A bill to amend the Comprehensive Employment and Training Act of 1973 to clarify the training goals of such act, to permit private organizations to train employees for jobs funded under such act, to assure that such employees receive an opportunity for employment in the private sector of the economy, and for other purposes; to the Committee on Education and Labor.

By Mr. MATSUNAGA:

H.R. 17527. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment; to the Committee on Education and Labor.

By Mr. MILLER:

H.R. 17528. A bill to authorize the construction of such facilities as deemed necessary by the Secretary of the Army (acting through the Chief of Engineers) in the vicinity of Logan and Nelsonville, Ohio, for the purpose of providing adequate flood protection to this area; to the Committee on Public Works.

By Mr. NEDZI:

H.R. 17529. A bill to authorize the erection of a statue to commemorate the founding of the Marine Barracks, Washington, D.C. by President Thomas Jefferson; to the Committee on House Administration.

By Mr. RODINO:

H.R. 17530. A bill to amend chapter 40, title 18, United States Code, to authorize the destruction of explosive materials subject to seizure and forfeiture where it is impractical or unsafe to remove the materials to a place of storage or where such materials cannot be safely stored; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.R. 17531. A bill to amend the Postal Revenue and Federal Salary Act tof 1967 to abolish the Commission on Executive, Legislative and Judicial Salaries; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H.R. 17532. A bill to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1974 and 1975, and to impose a duty on imported shrimp; to the Committee on Ways and Means.

By Mr. JAMES V. STANTON:

H.R. 17533. A bill to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the George Washington Square; to the Committee on Public Works.

By Mr. SYMINGTON (for himself, Mr. Bell, Mr. Brown of California, Mr. Cotter, Mr. Davis of Georgia, Mr. Downing, Mr. Esch, Mr. Flowers, Mr. Fuqua, Mr. Gunter, Mr. Hechler of West Virginia, Mr. Milford, Mr. McCormack, Mr. Mosher, Mr. Pickle, Mr. Roe, and Mr. Winn):

H.R. 17534. A bill to increase the effectiveness and promote the use of earth resources technology satellites; to the Committee on Science and Astronautics.

By Mr. THONE:

H.R. 17535. A bill to extend the time for using funds appropriated to carry out the 1973 Rural Environmental Assistance Program and the 1974 Rural Environmental Conservation Program; to the Committee on Agriculture.

By Mr. WHITE:

H.R. 17536. A bill to amend title 10 of the United States Code to eliminate the reduction made to retired or retainer pay, for purposes of providing a surviving spouse with an annuity under the Survivor Benefit Plan, during periods when the person entitled to such pay is unmarried; to the Committee on Armed Services.

By Mr. WOLFF:

H.R. 17537. A bill to amend title XVI of the Social Security Act to provide for the payment of certain emergency assistance grants and special allowances to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third party payee) in certain cases, and to restore to recipients of such benefits their right to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. HANNA:

H.R. 17538. A bill to expand and accelerate the domestic and international development and use of thermonuclear energy through the establishment of certain advisory committees; to the Joint Committee on Atomic Energy.

By Mr. WHALEN:

H.R. 17539. A bill to extend and improve the Nation's unemployment programs and for other purposes; to the Committee on Ways and Means.

By Mr. ROSENTHAL:

H.J. Res. 1170. Joint resolution designating April 17, 1975, as National Food Day; to the Committee on the Judiciary.

By Mr. SMITH of New York:

H.J. Res. 1171. Joint resolution to provide for the designation of December 15, 1974, as Honor Thy Parents Day; to the Committee on the Judiciary.

By Mr. STEIGER of Arizona:

H.J. Res. 1172. Joint resolution to declare November 24 to December 1, 1974, "National Bible Week; to the Committee on the Judiciary.

By Mr. BRAY (for himself, Mr. Madden, Mr. Landgrebe, Mr. Brademas, Mr. Roush, Mr. Hillis, Mr. Myers, Mr. Zion, Mr. Hamilton, Mr. Dennis, Mr. Hudnut, Mr. O'Neill, Mr. McFall, Mr. Rhodes, and Mr. Arends):

H. Res. 1477. Resolution accepting a portrait of Charles Abraham Halleck of the State of Indiana; considered and agreed to.

By Mr. VANIK (for himself, Mr. Rhodes, Mr. Arends, Mr. Bingham, Mr. Bell, Mr. Rodino, Mr. Hutchinson, Mr. Edwards of California, Mr. Wiggins, Mr. Morgan, Mr. Thompson of New Jersey, Mr. J. William Stanton, Mr. Steelman, Mr. Brademas, Mr. Cohen, Mr. Reid, Mr. Findley, Mr. Rees, Mrs. Schroeder, Mr. Seiberling, Mr. Whalen, Mr. Reuss, Mr. Dellenback, Mr. Flynt, and Mr. Yates):

H. Res. 1478. Resolution to commemorate the 100th anniversary of the birth of the Honorable Winston S. Churchill; considered and agreed to.

By Mr. VANIK (for himself, Mr. Shipley, Mr. McClory, Mr. Danielson, Mr. Mosher, and Mr. Zablocki:

H. Res. 1479. Resolution to commemorate the 100 anniversary of the birth of the Honorable Winston S. Churchill; to the Committee on the Judiciary.

By Mr. DENT (for himself, Mr. Murtha, Mr. Rooney of Pennsylvania, and Mr. Dominick V. Daniels):

H. Res. 1480. Resolution, impact of imports on unemployment investigation; to the Committee on Education and Labor.

By Mr. LAGOMARSINO (for himself and Mr. Goldwater):

H. Res. 1481. Resolution to provide that the allowance for stationery for Members of the House of Representatives may not be withdrawn in cash, and for other purposes; to the Committee on House Administration.

By Mr. THONE:

H. Res. 1482. Resolution to require approval by the House of Representatives with respect to the fixing or adjustment of certain allowances for Members of the House; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DELLUMS:

H.R. 17540. A bill for the relief of Phiroze J. Nagarvala; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 17541. A bill for the relief of T. Sgt. Elmo M. Miller, U.S. Air Force; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 17542. A bill for the relief of Thomas Harry Harford; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 17543. A bill for the relief of Liwang Ameng Garcia and Nelson Ameng Montoya; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

570. By the SPEAKER: Petition of Green Brook Country Club, North Caldwell, N.J., relative to removal of Gen. George S. Brown, Chairman of the Joints Chief of Staff; to the Committee on Armed Services.

571. Also, petition of city council, Philadelphia, Pa., relative to inflation; to the Committee on Banking and Currency.

572. Also, petition of the Committee on Roads and Highways of the Oklahoma State Legislative Council, Oklahoma City, relative to the impoundment of Federal Aid Highway Trust Fund moneys; to the Committee on Public Works.

573. Also, petition of the city council, Warrensville Heights, Ohio, relative to general revenue sharing; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6708. A bill to amend the Food Stamp Act of 1964; or to an amendment in the nature of a substitute to H.R. 6708; or to a substitute amendment to H.R. 6708.

By Mr. DICKINSON:

Page 2, line 2—change "and" to "or".

SENATE—*Tuesday, November 26, 1974*

The Senate met at 11:30 a.m. and was called to order by Hon. Harold E. Hughes, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Lord God of our fathers and our God, by whom our Nation has been established in freedom and preserved in union, we thank Thee for Thy faithfulness from generation to generation; for the rich land given us for our inheritance, for the durability of our institutions, for an honorable place among the nations, for the opportunity of increasing service to the world, for the absence of war and the promise of peace, for perseverance in correcting the wrong and strengthening the right, and for a pervading sense of Thy presence and power.

At the coming Festival of Thanksgiving for Thy bounty in this land, make us mindful of the needs of others. Forgive all extravagence, gluttony, and waste. Grant to us the generous heart, the disciplined demeanor, and the compassionate will to share life's blessings with others.

We beseech Thee to keep this Nation ever under Thy care and guide its leaders according to Thy will.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., November 26, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Harold E. Hughes, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 25, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. GRIFFIN. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE RECENT TRIP OF PRESIDENT FORD TO JAPAN, KOREA, AND RUSSIA

Mr. GRIFFIN. Mr. President, this morning the bipartisan leadership of the Senate and House met with the President of the United States and listened with great interest as he reported on his trip to Japan, to Korea, and to the Soviet Union.

Without question, a very important, historic interim agreement has been reached between the President and the representative of the Soviet Union, Mr. Brezhnev—an understanding setting forth guidelines, important limitations, within which negotiators can proceed to negotiate a final arms limitation agreement. The understanding achieved puts a realistic and meaningful cap or limitation on the arms race.

This morning, President Ford briefed the leadership in considerable detail. It is my understanding that the detail and numbers will be more widely available within the week.

Before these facts and details are even available, I hope we will not witness an effort to pick apart and undermine the important further negotiations that still must take place.

My concern is this: I hope that the effort which has gone so well, so far, will not be jeopardized—that we will not throw away the chance to finalize this very important opportunity to provide, over the decade ahead, a meaningful cap or limit on the arms race.

As I sensed the situation, the interim agreement reached is a development that was welcomed by the leadership of both political parties. It is a development about which the leaders, the Congress, and the people are eager to hear more.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Oregon (Mr. Hatfield) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, with the agreement of the Senator from Oregon, who has the time, I ask unanimous consent that 5 minutes, 10 minutes——

Mr. GOLDWATER. Five minutes will be enough.

Mr. GRIFFIN. Five minutes be yielded to the Senator from Arizona.

The ACTING PRESIDENT pro tempore. Five minutes from the time of the Senator from Oregon?

Mr. GRIFFIN. Yes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GOLDWATER. I thank my good friend, the Senator from Oregon, and my equally good friend, the Senator from Michigan.

THE PRESIDENT'S TRIP ABROAD

Mr. GOLDWATER. Mr. President, I merely want to rise to comment on the remarks which have just been made by the distinguished Senator from Michigan relative to some information on what the President feels he has accomplished in his talks with Brezhnev.

Mr. President, nobody in this world wants peace more than I. No one in this world would like to see multilateral disarmament more than I. But the thing that disturbs me at the present moment is the fact that to the rest of the world we seem to be willing to give anything, willing to do anything, just to make the Soviets happy.

Mr. President, I cannot comment too deeply on this until I understand completely what it is that President Ford has agreed to do in respect to the SALT talks with the Russians, but I am deeply disturbed by the way that we are losing friends all over this world.

We see in the United Nations only three or four countries that stand behind the United States and 20 years ago they all stood behind us.

In our efforts, seemingly to placate the Communists anyplace in the world, we are causing our friends in Europe and our friends in South America and our friends in Asia to wonder just how far we are going to go.

Now, we can go too far, Mr. President. We can give away everything we fought for for nearly 200 years in this country, and I am not convinced that it is yet within the hearts and minds of the Soviets to sit in a peaceful world with us.

I think it would be to our advantage, I think it would be to theirs, and I do not want to see efforts stopped to achieve that, but I think we have to look at this very realistically. We have to realize that we have given away to the Soviets superiority; that in spite of what some people say they now have a stronger navy than we have; they have more submarines capable of delivering missiles than we have, and they can continue to build them and we cannot. They have more aircraft than we have, even though we may outnumber her in heavy bombers.

Mr. President, I am deeply concerned lest the President, in his understanding effort to promote peace, will continue to go down this blissful road with the seeming rainbow at the end and the rainbow will disappear and this country could wind up not a second class nation, but a third or fourth or fifth class nation. This world cannot stand that. This world has to have the leadership of the United States, and no other country.

So I am very interested in seeing the complete details of what President Ford feels he achieved in Vladivostok and I look forward to reading the entire text.

I could not retain my seat, Mr. President, in view of the subject because I spoke to it yesterday and I shall continue to speak to it.

I thank my friend from Oregon for yielding.

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized. The Senator from Oregon has 12 minutes remaining.

SENATE RESOLUTION 437—WORLD HUNGER AND FASTING

Mr. HATFIELD. Mr. President, I submit a resolution and I ask for its immediate consideration. I have checked with the leadership on both sides of the aisle and the measure does not meet any objection for immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 437) relating to world hunger and fasting.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HATFIELD. Mr. President, recently I received a can of cat food from a hungry person in my home State of Oregon challenging me to try it as a regular diet, as this person was doing. Just as this tragic example of hunger exists here in the United States, so do millions of worse examples of hunger, starvation, and malnutrition exist in so many areas of the world.

Last year I came face to face with starving people as I visited a saintly woman known as Mother Theresa, whose ministry is among the poor and undernourished of Calcutta, India. It is an experience I will never forget. Among other things, it has changed my own eating habits and focused my attention on problems of hunger and malnutrition around the world.

In light of the world food situation, I would like to introduce a resolution into the Senate calling on all Americans, beginning with the leadership of our Nation, to voluntarily fast, expressing concern for the poor, undernourished, and starving here and abroad.

During and after World War I the United States was able to relieve suffering and fed the hungry in Europe, because of the grassroots food conservation of the American people.

Under the leadership of President Wilson and the Director of his food relief program, Herbert Hoover, Americans responded voluntarily by cutting their food consumption. The effort began after the crops were planted in 1917, so production could not be stepped up to meet the needs of our Allies in Europe. Hoover appealed for all citizens to eat less, and they did. That year, Mr. President, this voluntary cutback resulted in freeing 5.4 million tons of food to send overseas. I would note as a footnote that this 5.4 million tons of aid in 1917 is more by a substantial degree than we are planning to provide this present year. The important thing here is that the people of this country altered their eating habits and consumed less, so that food would be available to send to those in need.

To fight the famine that ravages so many millions of minds and bodies throughout this globe, the U.S. Government should do everything it can to alleviate this problem. As a delegate to the U.N. World Food Conference, I will continue to fight for such efforts.

At the foundation of this country, however, it is the individual and his or her response that counts. Our country's real strength is in the hands of the individual.

I have received many letters from people, both in Oregon and from around the country, asking how they can help fight world hunger. It will take a multifaceted effort. At the individual level, however, the practice of fasting is a meaningful step by an individual. It represents a personal commitment, and is a sacrifice. As a person fasts, he or she can think how wasteful food consumption patterns can be changed.

Mr. President, I am not calling for any revolutionary step. I am calling for every American to examine his eating habits to see how wasteful habits of overconsumption can be changed to those of food conservation. Certainly, there are Americans who are starving today, in this country of plenty. As a part of the program of personal awareness that people should be encouraged to undertake, efforts should be made to find hungry people in the local area, and undertake steps to provide some nourishing relief.

The resolution I am submitting today ties in with a program organized to increase public awareness of world hunger and to try and help the suffering from global hunger. This program, known as Project FAST—fight against starvation today—is directed by World Vision, International. The driving force in this organization is its president, Dr. Stanley Mooneyham. He spearheads their efforts to fight hunger and other human problems in many areas of the world. I will describe World Vision in greater detail later in these remarks.

Mr. President, there are many private voluntary organizations as well as World Vision, but the resolution today calls for special attention to be given to assisting the world's hungry people during the year from Thanksgiving Day this year—this next Thursday—to Thanksgiving Day 1975. In this year, I believe people should take every effort possible to help alleviate hunger throughout the world. One way this can be done is through changes in our consumption habits.

The second part of the resolution calls for a national day of fasting to be held 1 year from yesterday—on the Monday of Thanksgiving week 1975—to culminate this year of public awareness and concern. In addition, World Vision is developing plans for statewide fasts in various States on the first Monday of various months to generate support for the national recognition of November 24, 1975. They also are planning telethons, a film documentary, and other steps to involve people individually in this endeavor.

As we enter a holiday season, I urge all Americans to refrain from the self-indulgence of overeating and food wasting. Instead, we should utilize this holiday season to really express "thankful giving" and to help the voluntary organizations throughout this country that are dedicated to fighting hunger around the world. I know one family that plans to observe a holiday meal with a fast, and instead, members of the family will come to the table and put moneys in a bowl, and donate the funds to fight world hunger. Numerous other ways exist to make a personal commitment.

By observing a fast on the Monday of Thanksgiving week in 1975, perhaps it will help focus each person's attention on what that person really should be thankful for, and the need to bring hope to those less fortunate than ourselves.

Mr. President, I want to call particular attention to the organization that is organizing Project FAST. World Vision International is a group I am proud to have become acquainted with as a member of its board of directors. World Vision is spearheaded by Dr. Stanley Mooneyham, and the adjective "dynamic" does not even do justice to his abilities and many talents.

World Vision International is a nonprofit Christian humanitarian organization providing worldwide emergency relief, child care services, and economic development aid. It will celebrate its 25th anniversary during 1975.

Based in Monrovia, Calif., the voluntary agency initially began helping children in response to the Korean war. Since then, it has expanded its work to include a wide range of projects in 30 countries, primarily in Asia and Africa. In its 25 years, World Vision has contributed millions of dollars in direct international aid. Included in its activities is the care of more than 66,000 children in 30 countries; building and supporting medical facilities such as a new hospital in Phnom Penh, Cambodia, said to be the most modern and well-equipped medical facility in the Khmer Republic; and initiating medium-range agricultural, educational, and economic self-help development projects which have provided millions of dollars in relief assistance to victims of war, earthquakes, and other disasters.

This year, the organization has dedicated its anniversary as a "year for a hungry world" and the awakening of the American public to the needs of starving people in the Sahel region of Africa, Ethiopia, Bangladesh, India, and launching Project FAST—fight against starvation today, a public awareness campaign I mentioned earlier.

Mr. President, approximately 80 percent of World Vision's annual budget is spent in direct aid, while only 20 percent is absorbed in fundraising and administration. This gratifying ratio is the result of field operations based on avoiding a duplication of efforts.

Working closely with other voluntary organizations as well as with indigenous churches, World Vision directly funds existing or proposed programs which it feels are well-run and meaningful. The agency sets up its own programs only in those areas where no similar ones exist. As much as possible, World Vision works through nationals in each country. Its overseas staff includes fewer than 20 Americans. But some 2,000 nationals. At present, there are World Vision field offices in Vietnam, Bangladesh, Korea, Cambodia, Hong Kong, Kenya, the Philippines, India, Indonesia, Thailand, Brazil, and Laos.

The success of World Vision's efforts is very evident in its birthplace. Korean programs once devoted to saving children from death and disease now operate to train healthy, educated children for college and jobs. The World Vision Korean Children's Choir is an example of the agency's vocational training programs in Korea today. There are also embroidery, dressmaking, and other vocational training courses for girls; scholarships for gifted students; community development projects; leprosy treatment and research and other programs.

Other World Vision "success" stories involve long-range development projects which are now self-supporting. Fishing cooperatives have been developed in Vietnam and the Philippines; Moslem refugees on Mindanao, the Philippines, have been relocated and rehabilitated; people in India have been provided with food-for-work and materials to dig needed deep wells; and Africans have been helped to improve their health, education, and economic standards.

Mr. President, World Vision is funded by voluntary contributions from individuals and groups in the United States, Canada, Australia, South Africa, and New Zealand. Sponsors of children contribute $12 monthly and funds for relief and other projects are raised by special appeal mailings. Donations of foodstuffs and medicines are received from various industries throughout the country. As a validated voluntary agency, World Vision relief also works closely with the U.S. Agency for International Development—USAID—and other international and governmental agencies.

World Vision is headed by Dr. W. Stanley Mooneyham, formerly vice president of international relations for the Billy Graham Evangelistic Association. He is a persistent and effective advocate of humanitarian action as a cornerstone of christian convictions. Members of the board include Dr. Richard Halverson, chairman, Washington, D.C.; Claude Edwards, vice chairman, Whittier, Calif.; Dr. F. Carlton Both, secretary-treasurer, Pasadena, Calif.; Dr. Stanley Mooneyham, president, Arcadia, Calif.; Dr. Ted W. Engstrom, executive vice president, Arcadia, Calif.; Dr. Paul S. Rees, vice president at large, Minneapolis, Minn.; Herbert Hawkins, Arcadia, Calif.; Coleman Perry, Fresno, Calif.; William Newell, Willowdale, Ontario, Canada; Winston Weaver, Harrisonburg, Va.; Bruce Ogden, Warwick Farm, Australia. As I mentioned I am also a member of the board of directors.

Mr. President, I call to World Vision because it is the spirit of volunteerism that pervades this organization that allows it to touch the spirit of all people with whom the organization comes in contact.

Other fine voluntary organizations also provide support for hungry people throughout the world. The important aspect is not whether it is World Vision that is meeting this need, but that these needs are being met by voluntary means.

In closing, Mr. President, I urge the Congress to approve this resolution as an indication of support for this personal and voluntary effort of self-commitment by all Americans.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 437) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 437

Whereas the United Nations World Food Conference has focused the attention of the world on the plight of those people throughout the world suffering from starvation and malnutrition; and

Whereas efforts to alleviate world hunger require not only increased food production and better distribution throughout the world, but also changes in food consumption patterns among developed nations; and

Whereas the people of the United States historically have demonstrated a generous humanitarian response to those in need: Now, therefore be it

Resolved, That it is the sense of the Senate that

(1) beginning with Thanksgiving Day, 1974, and concluding with Thanksgiving Day, 1975, this nation embark upon a spirit of identification with the hungry people of the world, with self sacrifice, and with sharing through the practice of fasting;

(2) the Monday of Thanksgiving Week, November 24, 1975, be recognized as a National Day of Fasting;

(3) the practice of fasting be encouraged in connection with holiday and religious periods when the temptation is greatest to spend in excess on foods, gifts, and many non-essential items;

(4) the people of the United States individually and as a nation reevaluate their own life styles and during this year seek to change their habits from those of overconsumption to those of conservation; and

(5) individuals are encouraged to share such saved monies sacrifically with the starving millions of the world and not to spend such monies on more articles which increase the gap between the have and have-not peoples of the world.

ORDER OF BUSINESS

Mr. HATFIELD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 5 minutes remaining.

Mr. HATFIELD. I would like to yield my remaining 5 minutes to my distinguished colleague and friend from Idaho (Mr. McClure).

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Idaho is recognized for 5 minutes.

A QUESTION OF DÉTENTE

Mr. McCLURE. Mr. President, I thank the Senator from Oregon for yielding this time to me.

I commend the Senator from Michigan (Mr. Griffin), and the Senator from Arizona (Mr. Goldwater) for the remarks they have already addressed to the Senate today on this subject.

Mr. President, I would like to know when the coverup is going to stop. And I am not talking about Watergate. The American citizen has a right to know the basic facts related to his country's defense. In Washington we are getting a stream of information of three kinds.

First, long-range predictions of our country's strength as opposed to that of the Soviet Union are very, very pessimistic.

Second, violations by Russia of the SALT I agreements have been alleged and not satisfactorily rebutted by the Government.

Third, there is every indication that SALT II will be a resumption of an agreement-making process which favors a clear strategic advantage to the U.S.S.R.

The reason for the last seems to be bound up in the fact that officials responsible for these SALT talks are more concerned with making points on the short-run diplomatic scoreboard, than achieving a lasting peace built on parity. The thinking seems to be that détente, whatever it means, is good. Allegations of violations would certainly disturb détente. Strategic inferiority is the inevitable outcome. There is little we can do about a runaway diplomatic bureaucracy except recall it. For some reason it is very difficult to bring this discussion before the public. The New York Times devoted 5 column-inches of a Reuters dispatch on an inside page to Senator Buckley's strong statement on the subject and the Washington Post informs us:

> A State Department official, who declined use of his name, reiterated . . . that there is "no evidence" that the Soviet Union has violated the SALT accord.

Nothing more. No explanation at all.

Does anyone remember the Cuban missile crisis? The Miami Herald and Senator Kenneth Keating of New York were dismissed as virtually hysterical when they insisted day after day that the Soviet Union had placed in Cuba intermediate range ballistic missiles capable of knocking out U.S. cities?

Are we to have a replay of this situation? Is it really impossible to learn from history? Does a public and a press which must remember that eventually the Soviet Union admitted the presence of its Cuban missiles really want the whole question buried by routine denials of some State Department official who will not even give his name?

What is the meaning of détente? Is there an accepted definition? It does not appear in the Oxford-English Dictionary. "Fowler's English Usage" lists it, but refers you to French words. By the sixties "Webster's" included it, deciding that it meant "a lessening of tension or hostilities, especially between nations."

The imprecision of this definition hardly lends itself to international agreements on whose structure will rest the safety of the world.

A lessening of hostilities, or the capability to be hostile, must be mutual and equal or else it would have another name—surrender. What the United States apparently has to learn, is something the rest of the world has known for years. In dealing with the Soviet Union, we play by the written rules and they play by the Kremlin's. Even when they have been exceedingly transparent, the United States has been naive. In 1958 the U.S.S.R. had just finished a series of tests and had its nuclear house nicely in order, whereupon it invited the United States to join it in a bombing moratorium shortly before our own tests were scheduled to begin. On August of that year, the United States and United Kingdom agreed to suspend tests and begin negotiations. Thereafter the Soviets violated the moratorium with atmospheric testing in Siberia. The Soviets tested again in 1961 and eventually decided not to renew the moratorium. Eventually they signed the limited test ban treaty after their tests of multimegaton weapons were complete.

They went into the SALT I talks with even a greater ambition and when the rhetorical dust had settled, went home with an agreement which allowed them 950 ballistic missile launchers on submarines, to 710 for the United States. They won 62 modern ballistic missile submarines, to 44 for the United States.

There were other potential balances written into SALT I but they depended upon two things. First, U.S. commitment to developing and maintaining forces and systems permitted, and, second, Russian compliance with restrictions placed on their forces and systems.

Mr. President, have we forgotten already the debate which stirred the country and divided this body? The Russians refused to permit on-site inspection so our Government placed our future safety on the less sure foundation of surveillance coupled with an agreement by the Soviet's agreement not to obstruct this information collection. We now see clear evidence of violation of this agreement. But even on-site inspection would be of little help if our Government has grown incapable of the limitations on weapons written into the agreement. And there is clear evidence that the Soviet Union is violating the treaty.

Now, with SALT II on the agenda, Americans have reason to wonder what their Government will do next. That Government seems to be disinterested in the fact that Russia is developing a land-mobile ABM in violation of the treaty. It is ignoring the fact that the Soviets are increasing their interference with our satellite monitors in violation of the same treaty. But what is far more disturbing, our own Government is not giving us the facts. And it is not telling us how the United States is preparing to cope with the situation, or if there is a plan at all. What does emerge in the press is weak denials by "State Department spokesmen" that violations have occurred, fuzzy statements about détente, and occasional Communist rhetoric written in language which would surely give the show away to any careful reader.

Lest I be accused of seeing Communist where there are none, I cite the article in the Washington Star News on Sunday, November 10, by Genrik Trofimenko, whom the Star identifies as chief of the military-political affairs department of Moscow's Institute of U.S. Studies. The hyphenated department name is significant by itself. The rhetoric includes such phrases as the "incredible scares" which Mr. Laird "stirred up," which were the "figment of his imagination." He says that as soon as the Pentagon dismisses one threat, "they invent another." He continues:

> Nor will the past attempts of some Americans to impose a decision of the other side, one which is in keeping with U.S. military and technical policy but greatly as variance with the traditions and principles of Soviet military and technical policy, lead to positive results.

The only surprise here is that Americans were not labeled "the running dogs of imperialism." It may surprise Mr. Trofimenko but the American public is not in any mood to be governed by the traditions and principles of the Soviet military and technical policy, particularly as the institute in Moscow has so conveniently explained the "military-political" relationship.

What worries the American people however is the mood of their leaders. Insidious enough is the suggestion that "offsetting asymmetries" may prevail in the weapons treaties. Technical experts, even those on the same side cannot agree on what would be considered offsetting in the way of asymmetries. Mr. Trofimenko's suggestion that this classically absurd mix of apples and oranges be extended to "factors of an economic, geographic, demographic, military, and technical nature" is frightening in the light of American concessions in SALT I. One possibility on the horizon is that Americans will be given a chance to deal away more than weapons superiority or even equivalence. Geographic advantages for political ones would be impossible to calculate, as geography is stable and politics anything but.

Mandated demography is something most Americans would object to as a purely internal matter, to say nothing of including it as part of a package deal with the USSR. No such change in the historical thinking of this country should be contemplated without a full public discussion and public support.

Such a discussion should be placed in the context of world events as they evolve today. The United States has weakened itself militarily to such a degree that Israel spokesmen have felt it necessary to warn us about the need to maintain our nonnuclear military strength. As NATO fails, we see the end of air bases in the Azores and possible losses of bases in Turkey. Pressures to give up the Panama Canal and get out of Micronesia could further weaken the United States. OAS came dangerously close to recognition of Cuba which would have strengthened the Communist base in this hemisphere. Italy has suffered an economic collapse and has a strong Communist Party eager to take over. Saddest of all is the condition of our once mighty ally, England.

The summit talks in Vladivostok have given us superficially comforting words like "optimism," "breakthrough," and phrases like "cap on the arms race." We have heard none of the substantially assuring words like "onsite inspection," or references to past violations. The world situation simply does not allow us to be lulled by pleasing generalities. How can we possibly enter into any further treaties which must depend upon Soviet compliance in the face of the clear evidence of violation of past treaty commitments? They will not permit onsite inspection, and they then violate the very provisions which were to be our assurance of compliance without onsite inspection. Instead of demanding that they conform, the President and Secretary of State assure them of our continued good will—settling again for the blind faith which presumes equal good will on the part of the Soviets. Taken in this context, recent revelations that there have been serious violations of SALT I must not be ignored.

As I said on the Senate floor last week, I have learned from reliable sources that the Soviets are upgrading the antiaircraft SA5 system into a land mobile ABM. Furthermore, in the absence of onsite inspections, they have frustrated our attempts to monitor the situation in accordance with SALT I. Any effort to determine "equivalance" in the political sphere cannot ignore the increasing de facto imbalance of world power. And any treaties or protocols effected by SALT II should take such facts into consideration.

Mr. President, if the administration fails to acknowledge this, and if a new international plan with respect to U.S. strengths and weaknesses, allies and opponents is not made public, the United States has no business participating in SALT II.

Mr. President, it is a whole new ball game. Our Government ought to recognize this. We should not be negotiating on presumptions of alliances that might have been valid 5 years ago. The changes that have occurred throughout the world since SALT I have not strengthened our hand at the bargaining table. At a time when we should be exercising extreme caution, we seem to be embarking upon diplomatic initiatives in a state of blind euphoria.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from Mississippi (Mr. STENNIS) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the remaining time of the majority leader.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. BAYH). Without objection, it is so ordered.

SENATE JOINT RESOLUTION 260—CONVENING OF THE 1ST SESSION OF THE 94TH CONGRESS

Mr. MANSFIELD. Mr. President, on behalf of the joint leadership of the Senate, I send to the desk a joint resolution and ask unanimous consent for its immediate consideration.

The **PRESIDING OFFICER.** The joint resolution will be stated by title.

The legislative clerk read as follows:

> A joint resolution relative to the convening of the 1st session of the 94th Congress.

The **PRESIDING OFFICER.** Without objection, the Senate will proceed to its immediate consideration; and, without objection, the joint resolution will be considered to have been read the second time at length.

The joint resolution (S.J. Res. 260) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first regular session of the 94th Congress shall begin at 12 o'clock noon on Tuesday, January 14, 1975.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. STENNIS. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER.** Under the previous order, the distinguished Senator from Mississippi (Mr. STENNIS) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. If the Senator needs more time, he can have part of my time.

Mr. STENNIS. I thank the Senator.

Mr. President, I am sorry I was not in the Chamber at 11:45. We were discussing a matter in the Committee on Appropriations and were coming to a decision.

GETTING THE FACTS ON THE ECONOMY

Mr. STENNIS. Mr. President, the American people are deeply worried about the inflation that has taken place in the economy. They are perplexed as to what has happened and why it occurred. They want very much to know the facts, and they are entitled to know them, to the very best extent that the facts can be established.

In my judgment, the people have the right to expect that Congress will find out the facts and see that the people are informed. If this is not done, I believe that the people will lose confidence in the Congress.

On Thursday, November 21, the Democratic Caucus unanimously approved a sense of the caucus resolution which I proposed, and which is worded as follows:

> We urge the joint partisan leadership for the Congress to join in steps to obtain an in-depth evaluation of major aspects of the present state of the economy by competent persons, hold subsequent hearings on the facts, and that the Executive Branch be invited to participate in the evaluations and hearings on a cooperative basis.

What I have proposed in this resolution is an all-out, vigorous investigation and development of the facts as to what has happened in the economy, with special emphasis on inflation and on the real reasons for the spread between the raw materials and the retail prices paid by consumers. This large disparity in prices is the least understood and most disturbing and exasperating aspect of inflation, so far as the American household is concerned.

This will have to be a very thorough investigation, if it is to serve its purpose. I think that Congress should undertake it through a joint committee of the House and Senate, with a very able and outstanding staff of people that are well versed in many fields of our economy, with the avowed purpose that no stone will be left unturned. The intent would not be to punish, nor to spare from blame, but to get the facts—all the facts.

I have not attempted to address the matter of assignment of this investigation to a committee, as this is, of course, a matter for the leadership to determine.

I strongly suggest that the executive branch be invited to participate on a cooperative basis in this endeavor. Then the legislative branch and the executive branch each would be armed with the facts, and I believe that there can be substantial agreement as to those facts. This establishes a sound basis for both branches to share in the legislative and administrative remedies that would follow the investigation.

On October 9, President Ford said in his economic message to Congress that he would seek vigorous enforcement of antitrust laws, and the Attorney General has subsequently confirmed that this is an objective of the Justice Department.

I think a part of the investigation that I am proposing should be to look carefully into whether conspiracy has played any part in the tremendous escalation of prices of some common items in the marketplace. I do not charge that such conspiracies have existed. I say only that this is a question that exists in the public mind, to which Congress should respond with the facts, whatever they may prove to be.

I think that another aspect of the economy about which there is common public question, suspicion, or misunderstanding is in matters of foreign trade. The investigation I propose should give a thorough airing to such matters as the effects of import and export policies on domestic prices, commodity trading, and the effects of foreign participation therein, the international grain market, and the operations of multinational corporations. This is not to charge that there are unconscionable windfall profits; it is simply to cite the need for public knowledge of the facts.

The first and foremost reason, however, for a thorough congressional probe of the economy should be to track down the real reasons for the great disparity between the cost of the raw product and the final retail price paid by the housewife. I do not single out nor omit any particular item, as the facts should be established across the board.

However, beef is a good example. All are familiar with the fact that recently some farmers have gone so far as to destroy numbers of calves as a means of drawing attention to the trouble cattle producers are facing. This month a Mississippi cattleman with a relatively small operation told me that he has on hand $10,000 worth of feed, some of which he raised and some he purchased. This will feed his young cattle until April 1. At the present price of beef on the hoof, he will be unable on that date to recover the full $10,000 if he sells the cattle. His dilemma is apparent.

The Department of Agriculture definition of the farm-retail spread compares the farm value of the poundage the farmer's cattle will produce, less the value of byproducts, with the retail price. In the last few months that spread has been as high as 56 cents a pound. If the farmer does not start getting a part of that spread, he is going to be out of business, and the public is going to be out of beef. Both the farmer and the public want to know what causes this untenable economic situation.

The farmer will tell you that this is just part of his problem. Last year nitrogen fertilizer was $103 a ton. Now it is $247. Baling wire was $14 a hundred-pound box last year, and it is $37 now. Baling twine went from $9 to $31 for a 40-pound bale, and barbed wire went from $14.70 to $25.70 for a quarter-mile spool.

Sugar, like beef, is another item drawing public attention. The Department of Agriculture says that as of October, the wholesale price of raw cane sugar has gone to $38.83 a hundred pounds, up from $11.15 a year ago. Refined granulated sugar went from $13.95 a hundred pounds to $39.95. Here the farm-retail spread remained relatively constant, and the producer's share went up. However, in the public eye, the fact remains that a 5-pound sack of sugar went from 90 cents to $2.83 in a year, and the public wants to know why.

Another source of public discontent is the repricing of items already on the retail shelves. The papers carry stories of housewives peeling off as many as five or six successive stickers with progressively increasing prices. Various explanations are heard as to the averaging of stocks on hand with new shipments in setting new prices, but there is no doubt that the subject is a source of public contention and the facts need airing.

Our economy is in a recession, unemployment is rising rapidly, and inflation is decimating the take-home pay of American families. People come to me and say, "What are the facts?" If I cannot tell them the facts they look at me in disbelief, and I do not blame them, for they are undergoing personal hardships.

If Congress does not develop the facts, and place them before the people, then Congress is going to fall into disbelief in the public confidence.

I urge very strongly the prompt initiation of a vigorous, in-depth factfinding investigation of the economy by a joint committee, with special initial priority to the disparity between production and retail prices. I consider it absolutely essential that Congress lead the way in establishing the facts so that remedies can be established.

Valuable studies and hearings have already been made and held by various committees and subcommittees of both the House and the Senate. Studies have been made by the Ford administration.

I point out, though, that facts and conditions are changing very rapidly. It is, therefore, necessary to update all recent developments. Further, the changing conditions invade many segments of our economy; the problems extend across the jurisdictions of many of our legislative committees.

To get the entire picture and the problems presented, a single, broad, in-depth hearing must be held. This hearing must be preceded by weeks of intense study by highly competent economists and other competent experts in many phases of our economic problems. I judge that this study alone could require 3 to 4 months before hearings could be started. But this is an estimate only, and I mention it only to emphasize the need to start now.

Even though the legislative branch of the Federal Government has many highly capable staff members, to really cope with these developing problems in our economy, the Congress should employ for a year at least, and perhaps some of them on a permanent basis, a number of highly competent economists and other experts in this field.

We must get together the relevant and controlling facts to the extent that both the executive and legislative branches of our Government feel like acting in reliance on these factual findings.

This shows the need for a joint and cooperative venture. Neither branch of the Federal Government can cope with these economic problems in a unilateral way. The President and the Congress must join in their efforts at some point if these problems are to be met.

Should President Ford for any reason not see fit to join Congress in this joint venture, then Congress should nevertheless move, and move promptly. Time is running out. Policies and laws can be adopted to first stop, and then perhaps reduce this runaway inflation that is destroying our values, especially the buying power of those who work at a trade or at a job or a profession for a living.

For an illustration, I believe that more can be done as to our complex energy problems. I believe that more can be done to make it less likely that we slip into a depression. It seems to me that we can avoid a depression, but if we sit by without getting the full facts and attempting to apply remedies, we may thus let our country slip into a depression.

To be specific, I have already mentioned the illustration of hearings to attempt to definitely determine the extent and the reasons for the wide spread between the price of beef on the hoof and the price at the retail meat counter. This is true as to many other items, of course, and we need the full facts as to many segments of our economy. I feel, too, that this indepth study and hearings will disclose at least the probability of some antitrust violations, or conspiracies in violation of free trade. Certainly, an indepth study and hearings should be held as to conditions that create monopolies, whether there is a conspiracy or not.

Before we are flooded with further unemployment, we should probe the depths as to the causes of this unemployment, and expectations of what is thought to be developments in the future in this field, as well as to what choice we have as to remedies.

Let me emphasize that I am not calling for a new committee, and I seek no place on any committee. I am already fully engaged. I hope the congressional leadership will press this point and put it up to President Ford directly on his return as to whether or not he joins with us. He may have reasons that are good reasons for not making it a joint venture, but that will not excuse us one bit. In fact, it will reemphasize our need to proceed with haste.

Mr. President, what time do I have remaining?

The PRESIDING OFFICER. The Senator from Mississippi has 2 minutes remaining on his own order.

Mr. STENNIS. I shall take that 2 minutes to refer again to our Joint Economic Committee. The Senator from Wisconsin (Mr. Proxmire) has been holding some valuable hearings. I know of others that have been held. I think the multinational corporation hearings conducted by the Senator from Idaho have been valuable. I know that the Senator from Michigan has held some hearings that I am familiar with.

Referring again to the joint committee, I am anticipating a report that they are in the process now of putting together that will be out before the end of the calendar year. I am shooting here at a more comprehensive hearing to add to the ones that have already been held, and particularly an effort to bring the executive branch of the Government in so that we may have this solid venture and a set of facts to stand on that we can act on in confidence as to the facts and render such decision in the end as we may see fit.

I thank the President for the time allotted to me.

PRIVILEGE OF THE FLOOR—H.R. 10337

Mr. METCALF. Mr. President, I ask unanimous consent that during the consideration of H.R. 10337, the Hopi and Navajo bill, Mr. Steven Quarles, Mr. Forrest Gerard, and Miss Ella Mae Horse of the committee staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. Bayh). Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 10 minutes, with statements therein limited to 2 minutes each.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time which was allotted to the Senator from Arizona (Mr. Goldwater) on the conference report under the agreement previously entered into be transferred to the control of the Senator from Montana (Mr. Metcalf).

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

APPROVAL OF BILL

A message from the President of the United States stated that on November 26, 1974, he had approved and signed the bill (S. 386) to amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems.

SUPPLEMENT TO THE MESSAGE ON BUDGET RESTRAINT—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate a message from the President of the United States transmitting a supplement to his message on budget restraint and also proposed rescissions and deferrals. The message reads as follows:

To the Congress of the United States:

Last month I sent a 31-point economic program to the Congress. That program was a balanced one, both dealing with the forces of inflation and anticipating the possibility of recessionary pressures. It was, and remains, my particular concern to help those hardest hit by inflation and by the slack that has developed in some sectors of the economy.

Responsible restraint of government spending is an integral part of my economic program. The Congress has publicly proclaimed its support of restraint. In June the Senate voted 74-12 in favor of legislation to hold Federal spending to $295 billion. In September the Joint Economic Committee unanimously recommended holding spending to $300 billion. Last month the House voted 329-20 for a budget target of the same level.

Soon after I took office I asked the heads of Federal agencies to undertake a thorough review of 1975 expenditures. In my October 8 Message to the Congress, I pledged to forward a package of proposed actions to reduce the 1975 budget. Today I am reporting on the results of this review and presenting my specific recommendations for reducing Federal outlays.

First, it is important to understand what has been happening to the budget. When the current fiscal year began last July 1, budget outlays for the year were estimated at $305.4 billion.

Interest costs for Federal borrowing are now expected to be $1.5 billion more than the estimate last June.

The Congress has also added to 1975 budget pressures. Congressional reductions in some programs have been more than offset by actions it has taken to increase spending in others. Particularly disappointing was the congressional unwillingness to join with me in deferring for three months a Federal pay raise. This cost the taxpayers $700 million. Equally discouraging was the passage by Congress over my veto of the Railroad Retirement bill costing $285 million this year and $7 billion over the next 25 years.

There have been some reductions in expected spending levels. The Environmental Protection Agency will spend less than planned because anticipated schedules for sewage treatment construction have not been met.

However, the most significant change is the increased aid to the jobless—including the National Employment Assistance Act I proposed last month—that added $2.7 billion to the budget. This increase is necessary to ease the burden on those who are most affected by current economic stress.

Taking these developments into account, my present recommendations for $4.6 billion of budget reductions will result in a budget total of $299.5 billion before considering $2.7 billion increased spending for aid to the unemployed. These recommendations represent a major effort at budgetary restraint. It would be unwise, in my view, to add additional dollar reductions for each dollar of increased aid to the unemployed.

The fiscal year 1975 budget actions by the Executive and the Congress since July 1, including those I now propose, are summarized and compared to last year's actual expenditures as follows:

CHANGES IN BUDGET SPENDING

[Fiscal years; dollar amounts in billions]

	Defense [1]	Interest on the public debt	Payments for individuals [2]	Other	Total
Actual 1974 expenditures	$78.4	$29.3	$110.1	$50.5	$268.4
1975 budget (July 1 estimates)	85.8	31.5	130.5	57.6	305.4
Changes (including those proposed)	−2.6	+1.5	+1.0	−3.2	−3.3
Presently proposed levels for 1975	83.2	33.0	131.5	54.4	302.2
1975: Percent change—					
Since July 1	−3.0	+4.8	+.7	−5.5	−1.1
Over 1974	+6.1	+12.6	+19.4	+7.8	+12.6

[1] Department of Defense, military and military assistance.

[2] Nondefense.

The 1975 outlay estimates can be affected significantly by variations in income from oil lease sales on the Outer Continental Shelf. This income is treated in the budget as an offset to spending. If the current schedule of lease sales is not met, for environmental or other reasons, or if the bids are significantly less than anticipated, outlays could further increase—possibly by $3 billion or more.

The reductions I propose to the Congress will require a number of changes in basic legislation and in pending appropriations. I am also transmitting proposed rescissions and deferrals, as required by the Congressional Budget and Impoundment Control Act, to reduce programs for which funds have already been appropriated. The rescissions would result in decreased outlays of over $200 million in 1975. Deferrals would reduce 1975 outlays by over $300 million.

Normally, funds are already being withheld when reports on rescissions and deferrals are transmitted to the Congress. Recognizing that these rescissions and deferrals are an integral part of a more far reaching and comprehensive proposal, I will not begin to withhold funds for the affected programs until December 16 although the law permits me to do so immediately.

The reductions I propose focus on programs that have grown rapidly in recent years or that have been increased substantially over budget proposals. In most cases, the level of 1975 outlays will be materially above actual spending last year. Even after the proposed cutbacks, Federal benefit payments to individuals are estimated to be $131.5 billion. This is $1.0 billion above the July estimate, and $21.4 billion, or 19%, above actual spending last year.

While I am recommending further cuts in defense spending, I have taken into account the substantial reductions already made by the Congress. My current expectation for defense spending is $83.2 billion, $2.6 billion below the June estimate. I believe that further cuts in defense spending would be exceedingly unwise, particularly at this time.

In determining which budget programs should be reduced, I have tried to eliminate the less essential and to overcome inequities. I have tried to avoid actions that would unduly add to unemployment or adversely affect those hurt most by inflation.

The $4.6 billion budget outlay reduction I now propose is not large when compared with total Federal spending. Nevertheless, the Congress may find it difficult to agree with all my proposals. I strongly urge the Congress to accept them and join with me in this belt tightening. The reductions are essential to demonstrate to the American people that the Federal Government is working seriously to restrain its spending. They are also a start toward the imperative of gaining control over budgets in the future.

GERALD R. FORD.

THE WHITE HOUSE, *November 26, 1974.*

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a message from the President of the United States on budget rescissions and deferrals be temporarily held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 11:33 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 16609. An act to amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; and

H.R. 17450. An act to provide a People's Counsel for the Public Service Commission in the District of Columbia, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 3802. An act to provide available nuclear information to committees and Members of Congress; and

S.J. Res. 248. A joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a U.S. warship.

The enrolled bill and joint resolution were subsequently signed by the Acting President pro tempore (Mr. HUGHES).

At 2:26 p.m., a message from the House of Representatives by Mr. Hackney announced that the House had passed without amendment the bill (S. 3202) to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

The message also announced that the House insists upon its amendment to the bill (S. 3341) to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. HOLIFIELD, Mr. BROOKS, Mr. JAMES V. STANTON, Mrs. COLLINS of Illinois, Mr. HORTON, Mr. BUCHANAN, and Mr. HANRAHAN were appointed managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 10701) to amend the Act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. JONES of Alabama, Mr. HOWARD, Mr. BREAUX, Mrs. SULLIVAN, Mr. HARSHA, Mr. SNYDER, and Mr. DON H. CLAUSEN were appointed managers of the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15580) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 82, 94, and 95 to the bill and concurs therein; and that the House recedes from its disagreement to the amendments of the Senate numbered 9, 53, 57, 58, 66, and 98 to the bill and concurs therein, each with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House has agreed to the concurrent resolution (H. Con. Res. 689) providing for an adjournment of the House from November 26, 1974, to December 3, 1974, in which it requests the concurrence of the Senate.

At 4:05 p.m., a message from the House of Representatives by Mr. Hackney announced that the House has passed the bill (H.R. 17503) to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Service Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals, in which it requests the concurrence of the Senate.

At 4:40 p.m., a message from the House of Representatives by Mr. Hackney announced that the House agrees to the amendments of the Senate to the concurrent resolution (H. Con. Res. 689) providing for an adjournment of the House from November 26, 1974, to December 3, 1974.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HUGHES) laid before the Senate the following letters, which were referred as indicated:

APPROVAL OF LOAN BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator of Rural Electrification transmitting, pursuant to law, a report on the approval by the Administration of a loan to East Kentucky Power Cooperative, Inc., of Winchester, Ky., to finance construction of certain transmission facilities (with accompanying papers). Referred to the Committee on Appropriations.

PROSPECTUS OF THE GENERAL SERVICES ADMINISTRATION

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus relating to the acquisition of space, under a lease arrangement, in a facility to be constructed for use as a Federal Executive Institute and Managerial Training Center, Civil Service Commission, at Charlottesville, Va. (with accompanying papers). Referred to the Commitee on Public Works.

AMENDED BUDGET REQUEST FOR THE DEPARTMENT OF AGRICULTURE (S. DOC. 93-129)

A communication from the President of the United States transmitting an amendment to the request for appropriations for fiscal year 1975 amounting to $2,473,000 for the Department of Agriculture (with accompanying papers). Referred to the Committee on Appropriations and ordered to be printed.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HUGHES):

A resolution adopted by the City Council of Warrensville Heights, Ohio, urging the continuance of general revenue sharing. Referred to the Committee on Finance.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that he presented to the President of the United States the following enrolled bills:

On November 25, 1974:

S. 386. An act to amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems.

S. 1064. An act to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification.

S. 2299. An act to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes.

On November 26, 1974:

S. 3802. An act to provide available nuclear information to committees and Members of Congress.

S.J. Res. 248. A joint resolution assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a United States warship.

HOUSE BILLS REFERRED

The following House bills were read twice by their titles and referred as indicated:

H.R. 16609. An act to amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

H.R. 17450. An act to provide a People's Counsel for the Public Service Commission in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

S. 4194. An original bill to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the Blind to strengthen the programs authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals. (Rept. No. 93-1297).

By Mr. LONG, from the Committee on Finance, with amendments:

H.R. 10710. An act to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes (together with additional views) (Rept. No. 93-1298).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Frank C. Carlucci, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal;

Theodore R. Britton, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados and to the State of Grenada; and

Charles W. Robinson, of California, to be Under Secretary of State for Economic Affairs.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. SPARKMAN. Mr. President, as in executive session, I also report favorably sundry nominations in the Diplomatic and Foreign Service which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of November 18, 1974, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGHES:

S. 4190. A bill to amend chapter 41 of title 10, United States Code, to require that retired members of the armed forces recalled to active duty and appointed to positions of importance and responsibility be appointed by and with the advice and consent of the Senate. Referred to the Committee on Armed Services.

By Mr. BENTSEN:

S. 4191. A bill to amend the Internal Revenue Code of 1954 to prevent political misuse of the Internal Revenue Service, to restrict the access of Federal and State agencies to confidential tax information, and for other purposes. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 4192. A bill for the relief of Dr. Nur Badshah. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 4193. A bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified, or were nonrecoverable. Referred to the Committee on Veterans' Affairs.

By Mr. WILLIAMS:

S. 4194. An original bill to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the Blind to strengthen the programs authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals. Placed on the Calendar.

By Mr. HUMPHREY (for himself, Mr. DOMENICI, and Mr. BENTSEN):

S. 4195. A bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare economic impact statements in connection with legislation reported by congressional committees and in connection with rules and regulations proposed by Federal agencies. Referred to the Committee on Government Operations.

By Mr. KENNEDY (for himself and Mr. HUGH SCOTT):

S. 4196. A bill to provide public financing of primary and general elections for the Senate and House of Representatives. Referred jointly to the Committee on Rules and Administration and the Committee on Finance.

By Mr. MANSFIELD (for himself and Mr. HUGH SCOTT):

S.J. Res. 260. A joint resolution relative to the convening of the first session of the Ninety-fourth Congress. Considered and passed.

By Mr. CLARK:

S.J. Res. 261. A joint resolution designating April 17, 1975, as "National Food Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGHES:

S. 4190. A bill to amend chapter 41 of title 10, United States Code, to require that retired members of the Armed Forces recalled to active duty and appointed to positions of importance and responsibility be appointed by and with the advice and consent of the Senate. Referred to the Committee on Armed Services.

Mr. HUGHES. Mr. President, I am today introducing legislation which, I hope, will clarify an anomaly in current law.

The Constitution requires the advice and consent of the Senate to Presidential appointments of "Officers of the United States," and that requirement has been construed to apply to all promotions in rank of commissioned officers of the Armed Forces. Thus, each year the Armed Services Committee considers and recommends to the Senate the names of thousands of officers, from second lieutenants and ensigns to four star generals and admirals. We also act on promotions on the retired list.

For wartime flexibility, however, the Congress has allowed the President to recall retired officers to active duty. And in the past, the Senate has not insisted on a right to advise and consent to such appointments.

This discrepancy between constitutional provisions and past practice came to light most recently in the President's designation of Gen. Alexander Haig as commander of NATO and U.S. forces in Europe. Although these are four-star posts, recognized as positions "of importance and responsibility," General Haig's name was not submitted to the Senate for confirmation.

I asked the Comptroller General for a legal opinion on this question, since it seemed to me that a recall from retirement constituted a promotion which should be considered by the Senate.

The Comptroller General's opinion refused to call the Haig appointment improper, noting "the absence of other statutory language which may be considered to resolve the issues presented."

Mr. President, I believe that this anomaly should be corrected, so that the Senate will be able to confirm nominations of officers recalled from retirement and given positions of "importance and responsibility." This phrase, in current law, means those positions requiring officers of three-star and four-star rank.

The bill I offer today would make Senate confirmation an explicit requirement for officers recalled to active duty from retirement and appointed to positions of importance and responsibility. In this way, I believe, the Senate's confirmation power will be clarified and strengthened.

By Mr. BENTSEN:

S. 4191. A bill to amend the Internal Revenue Code of 1954 to prevent political misuse of the Internal Revenue Service, to restrict the access of Federal and State agencies to confidential tax information, and for other purposes. Referred to the Committee on Finance.

INTERNAL REVENUE SERVICE REFORM AND TAXPAYER PRIVACY ACT

Mr. BENTSEN. Mr. President, the need for prompt passage of legislation to prevent political abuses of the Internal Revenue Service and to safeguard the confidentiality of Federal tax returns has been vividly demonstrated by the House Judiciary Committee's impeachment inquiry, the final report of the Senate Watergate Committee as well as the revelations of the political activities of the IRS Special Services Staff which operated between July 1969 and August 1973.

The prompt enactment of legislation to insulate the Internal Revenue Service from partisan politics and to protect the privacy of tax returns will greatly bolster public confidence in our system of Government.

Such legislation will demonstrate to the American people that their leaders in Washington can respond to the tragic lessons of Watergate with strong and constructive political reform legislation.

Last March I introduced the first bill in the Senate to provide increased statutory protection for the confidentiality of Federal tax returns. Today I am introducing an expanded version of that legislation. My new proposal will reform our system of Federal tax administration and Federal tax enforcement to help insure that political misuse of the IRS does not occur in the future. This bill includes six major items:

First, criminal penalties would be imposed against the use or attempted use of the IRS for the purpose of political harassment. In addition, the General Accounting Office, which is an arm of the Congress, would be directed to audit the operations of the IRS and report annually to the Senate Finance Committee and the House Ways and Means Committee.

Second, strict procedural safeguards would be established to prevent the President and the White House staff from misusing confidential tax information.

Third, increased criminal penalties would be imposed against anyone who knowingly and without authorization discloses confidential tax information.

Fourth, a taxpayer would be allowed to file suit for damages against any person who knowingly and without authorization discloses the taxpayer's confidential tax information.

Fifth, clear limitations would be established on the access of Federal and State agencies to confidential tax information.

And sixth, the General Accounting Office would be authorized to audit the use of confidential tax information by any Federal or State agency.

As a member of the Senate Finance Committee, which has jurisdiction over our tax laws, I will be actively working to secure early Senate approval of this legislation.

The new law I propose will carefully restrict the existing practice whereby confidential tax returns and tax information are often distributed to a large number of Federal, State, and local governmental agencies which play no role whatsoever in the enforcement of our Federal tax laws. Unrestricted dissemination of confidential tax information throughout all levels of Government poses a grave threat to our right to privacy. Since the American Revolution we have cherished this very fundamental human value. The right of privacy was included twice in the Bill of Rights—in the fourth amendment which protects all Americans against unreasonable searches and seizures and in the fifth amendment which guarantees the privilege against self-incrimination. Congress must continually make every effort to prevent any abuse of this precious right.

My proposed legislation will also help prevent political misuse of the Internal Revenue Service which seriously undermines public confidence in the enforcement of our Federal tax laws. This bill will help insure that our tax laws are administered fairly and impartially.

Several examples of misuse of the Internal Revenue Service were described in the final impeachment report of the House Committee on the Judiciary.

In 1970 the White House obtained tax information on Gov. George Wallace of Alabama and leaked this to the press.

In 1972 the White House demanded an IRS investigation of Democratic National Committee Chairman Lawrence O'Brien.

On September 11, 1972, White House Counsel John Dean personally gave the Commissioner of Internal Revenue a list of 575 names of staff members and contributors to Senator McGOVERN's Presidential campaign. John Dean asked that the IRS investigate or develop information about the people on the list.

All these were indefensible attempts to misuse the IRS. Under my proposal all would be specifically outlawed and subject to stiff criminal penalties.

The Second Article of Impeachment adopted by the House Judiciary Committee last July charges this specific misuse of the IRS by former President Nixon:

> He has, acting personally and through his subordinates and agents, endeavored to obtain from the Internal Revenue Service, in violation of the Constitutional rights of citizens, confidential information contained in income tax returns for purposes not authorized by law, and to cause, in violation of the Constitutional rights of citizens, income tax audits or other income tax investigations to be initiated or conducted in a discriminatory manner.

The Report of the House Judiciary Committee continues:

> The Committee finds clear and convincing evidence that a course of conduct was carried out by Richard M. Nixon's close subordinates, with his knowledge, approval, and encouragement, to violate the Constitutional rights of citizens—their rights to privacy with respect to the use of confidential information acquired by the Internal Revenue Service; their right to have the tax laws of the United States applied with an even hand; and their right to engage in political activity in opposition to the President. This conduct involved an attempt to interfere with the lawful administration of the Internal Revenue Service and the proper conduct of tax inquiries by misusing confidential IRS information and the powers of investigation of the IRS for the political benefit of the President. In approving and encouraging this activity, he failed to take care that the laws be faithfully executed and violated his Constitutional oath faithfully to execute the Office of President and to preserve, protect and defend the Constitution.

These grave abuses of our tax system clearly demonstrate the need for prompt passage of remedial legislation.

The Washington Post has stated:

> Of all the abuses of power which took place during the Nixon years, the most alarming to many citizens were the attempts by White House aides to use the Internal Revenue Service to help political friends, to punish people regarded as enemies—or simply to collect intelligence on the opposition.

The New York Times pointed out:

> Of all of the Watergate lessons, the one that seemed to strike the members of the House Judiciary Committee hardest was the potential for political abuse and victimization of individuals through the Internal Revenue Service.

However, it must be emphasized that even if the tragic events of Watergate had never occurred, other incidents in which our Federal tax system has been flagrantly abused by Federal, State, and local officials would still dictate the need to enact my legislative proposals.

Most Americans are unaware of just how many agencies of the Federal Government have access to individual tax returns. For example, according to IRS statistics, during 1973 the following Federal agencies requested and received tax returns from the Internal Revenue Service:

Civil Aeronautics Board;
Department of Agriculture;
Department of Commerce;
Department of Health, Education, and Welfare;
Department of Justice;
U.S. attorneys;
Federal Deposit Insurance Corporation;
Federal Home Loan Bank Board;
Federal Trade Commission;
Interstate Commerce Commission;
Renegotiation Board;
Securities and Exchange Commission;
Small Business Administration;
U.S. Postal Service; and
Veterans' Administration.

That is 15 different Federal agencies.

In addition, practically all State governments and many local governments receive Federal tax returns.

Such widespread distribution of confidential tax information is clearly open to serious abuse and, in fact, there have been abuses.

Employees of Federal agencies have acquired confidential tax returns for their personal use.

Officials of State and local governments have given confidential tax information to private credit agencies.

In addition, there have been well publicized efforts to authorize the Department of Agriculture to inspect the Federal tax returns of our Nation's farmers.

The legislation that I am introducing today will help prevent abuses of this kind in the future.

Mr. President, I would now like to explain the provisions of my bill in some detail:

1. PROHIBITION AGAINST ATTEMPTS TO USE THE INTERNAL REVENUE SERVICE FOR POLITICAL PURPOSES

First, my proposal would specifically prohibit anyone from initiating or attempting to initiate any tax audit or any other tax investigation in a discriminatory manner for such purposes as the harassment of political enemies. In addition, this proposal would prohibit anyone from using the Internal Revenue Service for personal reasons.

Violations of this provision would constitute a felony and would be punishable by a fine of not more than $10,000 or imprisonment of not more than 5 years, or both.

The use of our tax system to punish or harass political opponents is indefensible. All Americans have a right to have their tax laws applied with an even hand.

Our system of tax collection, based upon voluntary self-compliance, has been very successful in raising Federal revenues. Indeed, our success is the envy of all other nations around the world. In many nations the failure to pay taxes seems to be the rule rather than the exception. However, we cannot maintain this public confidence in our tax system unless Americans are convinced that Government officials cannot utilize tax returns for political purposes. The attempt by John Dean to initiate an IRS investigation of McGovern supporters was indefensible. Under my legislation this kind of abuse would constitute a felony.

In addition, the General Accounting Office, which is an arm of the Congress, would be directed to audit the operations of the Internal Revenue Service and report annually to the Senate Finance Committee and the House Ways and Means Committee. This will provide increased congressional oversight of IRS activities and prevent misuse of our Federal tax collection system for political purposes.

2. STRICT STATUTORY LIMITS ON WHITE HOUSE ACCESS TO CONFIDENTIAL TAX RETURNS

Second, my bill would establish strict safeguards on White House access to confidential tax returns and, in addition, would provide congressional oversight of such access.

The evidence revealed during the House impeachment inquiry clearly demonstrates that unlimited White House access to tax returns is open to serious abuse.

Under my proposal, the President of the United States could receive a tax return only upon his personal written request to the Commissioner of Internal Revenue explaining the specific need for such return. Any request would have to specify in writing any member of the White House staff who is also authorized to see the returns. Furthermore, the Commissioner of Internal Revenue would be required to submit a semiannual report to the Joint Committee on Internal Revenue Taxation listing all returns furnished to the President. The joint committee would have the authority to publicize any portion of those reports it believed to be in the public interest. This congressional oversight would serve as a strong deterrent to any future attempts by the White House to misuse its access to tax returns.

3. INCREASED PENALTIES FOR THE UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL TAX INFORMATION

Third, this legislation would increase the existing penalties for unauthorized disclosures of confidential tax information.

A growing number of States and counties have agreements with the Internal Revenue Service to receive Federal tax returns such as the form 1040. There have been instances in which State and local officials have given confidential tax information to private credit agencies, for example.

Under my proposal, the individual who knowingly discloses confidential tax information without authorization would be subject to a stiff penalty. This would help prevent such outrageous and indefensible abuses of our tax system as the dissemination of confidential tax information to private detectives and credit services.

4. PRIVATE REMEDY FOR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL TAX INFORMATION

Fourth, a taxpayer would be allowed to file suit for up to $20,000 in damages against any person who knowingly and without authorization discloses confidential tax information about that individual.

This private legal remedy will help deter anyone from misusing confidential tax information.

5. CONFIDENTIALITY OF FEDERAL TAX RETURNS

Fifth, my proposal would limit the access of Federal and State agencies to confidential tax information.

As I noted earlier, a surprisingly large number of agencies of the Federal Government have wide access to confidential tax returns. The practice is open to abuse and invasions of personal privacy. My legislation will explicitly make tax returns confidential. There would be no governmental access to these returns except under carefully limited circumstances.

One of the best illustrations of the inadequacies of existing law in protecting the confidentiality of tax returns involves the tax returns of our Nation's farmers.

On January 17, 1973, President Nixon issued Executive Order 11679 authorizing the Department of Agriculture to inspect income tax returns filed by persons having farming operations. The stated purpose for the order was to allow the Department of Agriculture to obtain data from farm operations for statistical purposes only. The order did not indicate specific data to be gathered. On January 23, new Internal Revenue Service regulations went into effect to implement the Executive order.

Neither the Executive order nor the IRS regulations limited the type or amount of information that could be released to the Department of Agriculture. The January 23 IRS regulation states:

> The Secretary of the Treasury, or any officer or employee of the Department of the Treasury with the approval of the Secretary, may furnish the Department of Agriculture (for the purpose of obtaining data as to the farm operations of such persons) with the names, addresses, taxpayer identification numbers, or any other data on such returns or may make the returns available for inspection and the taking of such data as the Secretary of Agriculture may designate.

The President issued a revised Executive Order 11709, on March 27, 1973. This permitted the Department of Agriculture to inspect farmers' tax returns in accordance with amended IRS regulations, which limited the scope of the data which could be obtained. The new regulations provided that only "names, addresses, taxpayer identification numbers, type of farm activity, and one or more measures of size of farm operations such as gross income from farming or gross sales of farm products," would be furnished the Agriculture Department.

In the original Executive Order 11679, any employee of the USDA might gain the authority to examine any tax returns of citizens showing farm income or expenses as long as they could claim it was for statistical purposes. But, even when the President substituted a new, modified Executive order, farmers' tax returns were still potentially an open book. USDA employees could still examine any farmers' tax returns and obtain any piece of information that might be construed to mean a measure of size of the farming operation of the taxpayer. Close examination of a farmer's tax returns will clearly show that almost any piece of information on the return could be so construed.

It is very significant to note that these Executive orders were formulated as a model or prototype for future Executive orders opening tax returns for similar statistical uses by other Federal agencies. In response to a Congressional inquiry last year, the Justice Department said:

> The original order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders.

Although President Nixon revoked these Executive orders last March, these are several reasons why Congress must now provide greater statutory protection to the confidentiality of tax returns.

First, since the American Revolution, we have cherished our right of privacy and Congress must continually make every effort to protect this very fundamental human value.

Second, the events of Watergate illustrate that easy access to confidential tax returns by Federal employees creates a potential for abuse. We must not give Federal officials easy access to tax returns so that unprincipled employees of an executive department can engage in a "fishing expedition" to investigate taxpayers. For example, if we were to allow Agriculture Department officials to inspect at random the tax returns of all farmers, soon the Commerce Department would be scrutinizing the returns of businessmen, HEW would be auditing doctors' returns and HUD would be reviewing the tax returns of large numbers of homeowners. This potential for abuse must be prevented by clear statutory restrictions.

Third, every effort must be made to safeguard the integrity of the Internal Revenue Service and to prevent its "politicization." We can help protect IRS from political pressure by protecting the confidentiality of tax returns.

My proposal explicitly states that all tax returns are confidential except in carefully limited circumstances. Under my proposal tax returns would be available only to the following individuals:

First, the taxpayer or his attorney.

Second, officers and employees of the Internal Revenue Service, the Treasury Department and the Justice Department for the exclusive purpose of tax administration and tax enforcement.

Third, employees of the Department of Justice, U.S. attorneys and employees of other Federal agencies who are engaged in Federal criminal investigations and prosecutions but only if a Federal district judge issues a court order which authorizes the IRS to release a particular return. A Federal judge could issue such a court order only if there is probable cause to believe that information contained in a particular taxpayer's return is reasonably necessary to enforce a Federal statute with criminal penalties and no alternative source for this information is reasonably available.

This procedure would enable the Justice Department, for example, to obtain tax returns that may be needed to prosecute a narcotics case while establishing a judicial mechanism to prevent misuse of confidential tax information. Many of the most serious crimes—for example, narcotics violations, gambling, loansharking embezzlement and political corruption—involve violations of our tax laws—failure to report income—as well as violations of criminal laws. Due to the interrelationship of nontax offenses with tax offenses, it takes the coordinated and cooperative efforts of the IRS and other Federal law enforcement agencies to achieve effective law enforcement.

For example, according to the Justice Department, the successful prosecutions against former Circuit Judge Kerner, Alderman Keane, Congressman Podell, many political contribution cases, recent cases involving frauds upon the Small Business Administration and the Department of Housing and Urban Development, and the corruption and fraud cases in Illinois, Maryland, and New Jersey could not have been made without tax returns and tax information.

Fourth, the President of the United States, upon his personal written request to the Commissioner of Internal Revenue explaining the specific need for such return and designating the member of the White House staff who is authorized to see the return.

Fifth, State tax officials, but exclusively for the purposes of State tax administration and State tax enforcement and only upon the written request of the chief tax official of that State.

Sixth, the Senate Committee on Finance, the House Ways and Means Committee and the Joint Committee on Internal Revenue Taxation. Access to tax returns by other congressional committees would require a resolution of the appropriate House of Congress. In addition, tax information would only be furnished in closed executive session. It is essential that the Senate Finance Committee, the House Ways and Means Committee and the Joint Committee on Internal Revenue Taxation continue to have access to tax returns to enable the tax writing committees of Congress to effectively evaluate the impact of existing Federal tax provisions and to effectively evaluate various proposals to amend the Internal Revenue Code.

Seventh, income, estate, gift, unemployment, and certain excise tax returns would be open to the filing taxpayer, the beneficiary of a trust, a trustee in bankruptcy and a member of a partnership. Income tax returns of a deceased taxpayer would be open to the representative of his estate and, along with estate and gift tax returns, to certain other persons upon a satisfactory showing of a material interest.

In addition, under my proposal statistical information can be compiled from tax returns by the IRS for the use of any Federal or State agency so long as the information furnished does not disclose the identity of any taxpayer or any return.

Furthermore, under my proposal, the Commissioner of Internal Revenue would be required to submit to the Joint Committee on Interal Revenue Taxation, a semiannual report listing—with the reasons why—all returns furnished to the President, State tax officials, U.S. attorneys, Department of Justice and other Federal agencies. This congressional oversight would serve as a strong deterrent to prevent misuse of confidential tax information.

6. GENERAL ACCOUNTING OFFICE OVERSIGHT OF THE IRS

Under the sixth section of my bill, the General Accounting Office, which is an arm of the U.S. Congress, would be authorized to audit the use of confidential tax information by Federal or State agencies.

This GAO oversight will help deter misuse of confidential tax information.

CONCLUSION

In conclusion, I believe that the tragic events of Watergate demonstrate that we must take prompt steps to help insulate the Internal Revenue Service from political pressures and that we must take prompt steps to help preserve the confidentiality of tax returns. The Internal Revenue Service Reform and Taxpayer Privacy Act which I am introducing today will help achieve these goals.

By Mr. INOUYE:

S. 4193. A bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified, or were nonrecoverable. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, on October 16, 1974, I introduced S. 4147, for myself and Mr. CRANSTON. This bill would permit the placing of plaques in **national cemeteries in memory of those members of the armed services who donate their bodies for medical research or training. Since that time, I have realized that the scope of this bill is quite limited, because former members of the Armed Forces are excluded.**

I am now introducing a bill to amend section 1003 of title 38, United States Code. If passed into law, it will permit the placing of plaques to honor the memory of deceased veterans whose remains were donated for use in medical research or training.

I wish to have my previous floor statement printed in the CONGRESSIONAL RECORD at this time, because everything that was said in support of S. 4147 is applicable to the bill which is now being introduced. Again, I hope my colleagues will realize that this bill is in the well-established tradition of honoring those men and women who have served our Nation, and that they will act to pass this bill into law.

Mr. President, it has long been our tradition to honor those who have served our Nation in time of war. We now have many cemeteries throughout the world where many of these men and women now lie in rest. For those whose bodies were never recovered, we have required that all national cemeteries have special plaques to honor the memory of these gallant men and women.

It has recently come to my attention, however, that there is a class of persons who deserve to be honored with other veterans, but who are presently excluded. **These are those persons who wish to continue to serve the people of our country after their death. I am referring to those** veterans who are otherwise eligible for burial in a national cemetery, but who have donated their bodies for use in medical research or training. **I believe that we should give these men and women the recognition they deserve. I am, therefore, introducing at this time, a bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified or were not recoverable.**

I hope my colleagues will recognize the justice in such a bill, and will act with favor upon it.

By Mr. HUMPHREY (for himself, Mr. DOMENICI, and Mr. BENTSEN):

S. 4195. A bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare economic impact statements in connection with legislation reported by congressional committees and in connection with rules and regulations proposed by Federal agencies. Referred to the Committee on Government Operations.

ECONOMIC IMPACT ACT OF 1974

Mr. HUMPHREY. Mr. President, we do not need any further evidence that our economy is facing a rapidly darkening future. Unemployment is now projected to top 7.5 percent next year with little hope for a serious reduction in this rate on the horizon anywhere. The cost of goods and services, of producer goods and of consumer and household products, continues to climb despite the growing recession which we were all told was guaranteed to put an end to inflation. There is little confidence in the administration's ability to lead us out of our economic morass. More than one-half of those polled now feel we cannot avoid a gigantic economic depression similar to the 1930's.

In the coming weeks, I and other **Members of Congress will be proposing specific steps which the Government should and must take to reduce both unemployment and the rate of inflation.** But, at the same time, **we must give serious attention to fundamental, structural changes in the methods Congress and the Federal agencies use in making decisions affecting the economy. For two centuries, Congress and the Federal regulatory agencies have made far-reaching decisions largely within an economic impact vacuum. In evaluating proposed legislation, or rules and regulations, attention has been given, in most cases, only to the likely impact on short-run Government costs, on the budget, and on the industry or sector directly affected.** We frequently have had situations **in which the probable impact on prices, of import controls or of regulations governing** transportation rates, for example, **was ignored. Or, the fact was ignored that our petroleum import policies,** which depleted domestic reserves, **might leave us vulnerable to Arab oil blackmail.**

The fact is that Congress and the Federal regulatory agencies must have a professional, sound, comprehensive evaluation of the likely economic impact of all of their significant decisions. The regulatory authorities now receive economic evaluations pertaining largely, if not only, to the specific industry involved. **Likewise, Congress is now and** will be receiving sound but limited economic information on legislation from the standing committees and the Budget Committees that have just been established. They will provide some economic information to Congress, but not enough. We and the regulatory agencies must know, to the extent possible, the long-run, net costs, and benefits of all our decisions well in advance of making them. Too many decisions over the years were based on a pennywise but pound-foolish economic rationale, decisions like those restricting the antitrust budget in the Justice Department or the Federal Trade Commission. **Because Government has** not spent a modest additional amount in **those areas in the past, consumers today** are paying an estimated $80 billion in price overcharges due to anticompetitive business practices.

To rectify this gap in the decision-making process of Congress and the regulatory agencies, I and several like-minded Senators, representing a broad spectrum of political opinion, have proposed that for the first time ever, the Congress adopt a formal procedure requiring economic impact statements for legislation that is reported to the floor and for rules and regulations of Federal

agencies. Today, we are introducing that proposal, "The Economic Impact Act of 1974." It requires, in regard to legislation, that the Congressional Budget Office prepare an impact statement for each bill, joint resolution, and amendment reported or offered on the floor of either body of Congress. Members of Congress will receive a copy of each statement. These statements will include an analysis of the direct and indirect short- and long-term effects of the legislation, including its impact on production, employment, inflation, and real income. Also, they will evaluate potential savings or direct budgetary costs and shall cover the first year and the 5 succeeding years following enactment of the legislation.

This legislation will also enable the Congress to gain a firmer grip over the Federal regulatory agencies it has established. Included in the Economic Impact Act of 1974 is a provision that the Congressional Budget Office evaluate the rules and regulations of these agencies before they are promulgated—something Congress has not done in the entire history of these agencies. At least 30 days before a proposed rule or regulation becomes effective, this Office must distribute an impact statement to all Congressmen which, in addition to those items already noted, must contain an analysis of the rule or regulation's impact on the fiscal integrity of State and local governments, on major industrial sectors of the economy, on employment by industry, trade sectors, and regions, on the availability of goods and services, on low- and middle-income families, on competition, and on small business.

This is quite an undertaking, but the Budget Office will be given some discretion in the depth of the analysis it will undertake. It will, incidentally, be able to call upon any Federal agency or department for assistance in preparing these economic impact statements.

Most important, in my view, is the requirement that proposed legislation, Federal rules and regulations must be evaluated in terms of whether they further the objectives set forth by the Employment Act of 1946. This act, as you know, proclaimed as a continuing policy of the Federal Government the promotion of maximum employment, production, and purchasing power. We are failing to do so today. But with the aid of the Economic Impact Act of 1974, the Congress will be in better position in the future to see that we meet this obligation, this duty to promote full employment.

Mr. President, I ask unanimous consent that the Economic Impact Act of 1974 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4195

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Impact Act of 1974".

SEC. 2. The Congress finds that—

(1) Federal legislation has a direct impact on the levels of employment, production, and inflation;

(2) rules and regulations promulgated by Federal agencies, under authority granted by Congress, have a direct impact on the levels of employment, production, and inflation;

(3) the Congress declared in the Employment Act of 1946 that it is the continuing policy of the Federal Government to promote "maximum employment, production, and purchasing power", yet Americans are facing severe unemployment, falling production, and severe inflation simultaneously; and

(4) it is imperative that the Congress be informed in advance of the economic impact on employment, production, and prices, and on real purchasing power, of any program or policy which comes before it for consideration or for consideration by any Federal agency so that the total economic impact can be evaluated in relation to the objectives set forth in the Employment Act of 1946.

SEC. 3. Section 403 of the Congressional Budget Act of 1974 (Public Law 93-344) is amended—

(1) by inserting "(a)" after "Sec. 403."; and

(2) by adding at the end thereof the following new subsections:

"(b) The Director of the Congressional Budget Office shall, to the extent practicable, prepare an economic impact statement for each bill or joint resolution which has been reported in the Senate or House of Representatives, for each amendment proposed on the floor of the Senate or the House of Representatives, and for each rule or regulation proposed by any Federal agency. Such statements shall—

"(1) be appended as a part of each such bill, joint resolution, or amendment, when it is printed;

"(2) be appended as a part of each such proposed rule or regulation, and distributed to each Member of the Congress;

"(3) contain an analysis of the direct and indirect short- and long-term effects of the bill, joint resolution, amendment, or proposed rule or regulation on employment, production, and the rate of inflation, including its impact on real income;

"(4) contain an analysis of the direct and indirect costs likely to be incurred, or the direct and indirect savings likely to be achieved, in the Budget in carrying out the bill, joint resolution, amendment, or proposed rule or regulation; and

"(5) cover the fiscal year in which it is reported or proposed and each of the five fiscal years following such fiscal year (or for the authorized duration of any program or policy authorized by the bill, joint resolution, amendment, or proposed rule or regulation, if less than five years).

"(c) In carrying out the provisions of subsection (b) as they apply to a proposed rule or regulation of a Federal agency, the Director shall, to the greatest extent practicable, insure that the economic impact statement includes an analysis of the effect on—

"(1) the fiscal integrity of State and local governments;

"(2) major industrial sectors of the economy;

"(3) employment, by industrial and trade sectors, as well as on a regional, State, and local basis;

"(4) the overall economic viability of regional, State, and local areas;

"(5) the availability of consumer goods and services;

"(6) low and middle income families, as defined by the Bureau of Labor Statistics;

"(7) competition in all sectors of industry and commerce; and

"(8) small business.

Such economic impact statement shall be distributed as soon as possible after such rule or regulation is proposed, and not later than 30 days before it is to become effective.

"(d) Each Federal agency shall provide all necessary assistance to the Director of the Congressional Budget Office to enable him to carry out his functions and duties under subsections (b) and (c). For purposes of this subsection and subsections (b) and (c), the term 'Federal agency' means an agency as defined in section 551(1) of title 5, United States Code."

SEC. 4. The provisions of section 904 of the Congressional Budget Act of 1974 shall apply to subsections (b) and (c) of section 403 of such Act (as added by this Act) in the same manner as if such subsections were included in such section 403 at the time of its enactment.

Mr. DOMENICI. Mr. President, it is a pleasure to cosponsor with Senator HUMPHREY this amendment to the Congressional Budget Act of 1974.

The concept of requiring impact analysis is not new. We have seen the environmental impact statement become a prerequisite to many items of Government spending. The bill we introduce today creates procedures for what is, in effect, an inflation impact statement. Yet it goes further than this by requiring not only inflationary analysis, but a study of all potential effects of a bill or regulation on all segments of the economy.

There will, of course, be difficulties in implementing this legislation. Inflationary effect of regulations or bills is most difficult to quantify. But we have assigned the task to those with the most experience in this area, and we have directed that their efforts be maintained only "to the extent practicable."

Our amendment is but one part of the inflation action program in which Congress now must participate. However, it is a positive and dynamic approach to fiscal responsibility which I urge my colleagues to support.

By Mr. KENNEDY (for himself and Mr. HUGH SCOTT):

S. 4196. A bill to provide public financing of primary and general elections for the Senate and House of Representatives. Referred jointly to the Committee on Rules and Administration and the Committee on Finance.

PUBLIC FINANCING OF CONGRESSIONAL ELECTIONS

Mr. KENNEDY. Mr. President, on behalf of Senator SCOTT of Pennsylvania and myself, I send to the desk a bill to provide public financing of primary and general elections for the Senate and the House of Representatives.

Mr. President, I ask unanimous consent that a joint statement by Senator SCOTT and myself explaining the bill and the text of the bill may be printed in the RECORD.

There being no objection, the statement and bill were ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF SENATORS EDWARD M. KENNEDY AND HUGH SCOTT URGING PUBLIC FINANCING OF CONGRESSIONAL ELECTIONS

We are introducing legislation in the Senate today calling for comprehensive public financing of primaries and general elections for the Senate and House of Representatives.

In submitting this proposal, we intend to work together for its enactment in the next Congress. If prompt action is forthcoming, we believe the measure can take effect in time for the 1976 Congressional elections.

UMI

Under the recently enacted Federal Election Campaign Act Amendments of 1974, signed into law by President Ford on October 15, comprehensive public financing will be available for Presidential elections and primaries in 1976.

The legislation we are proposing today would adopt essentially the same public financing provisions for Senate and House elections. The bill contains four principal features:

First, full public funding would be available for candidates of major parties in general elections for the Senate and the House of Representatives. Each candidate would receive public funds equal to the amount of his spending ceiling under current law. In general, for Senate elections, the amount would be 14.4c per eligible voter in the State, or $130,000, whichever is greater. For House elections, the amount would be $84,000.

Second, partial public financing would be available for minor party candidates in general elections, based on the party's showing in the preceding election.

Third, a system of matching grants of public funds would be established for Senate and House primary elections. Candidates who raise a threshold sum—20% of the spending limit for Senate races and $10,000 for House races—would be eligible to receive matching grants of public funds for each private contribution of $100 or less.

Fourth, to pay the cost of the Congressional public financing provisions, estimated at about $70 million a year, the amount of the dollar checkoff under existing law would be increased from $1 to $2 ($4 on joint returns).

We believe that Congress should waste no time next year in doing for Congressional elections what it has already done this year for Presidential elections. The law we passed in October was a major victory, but we cannot afford to rest on our laurels.

In our view, the time has come for full public financing of all elections to Federal office. To stop after achieving reform for Presidential elections would leave the job half-done.

The abuses of big private contributions and special interest influence that led to Watergate and to the corruption of the Presidential election process are abuses that infect Congressional elections as well. If we fail to act, then we will be inviting future scandals of our own and future Watergates in Congressional campaign financing.

In fact, in light of the recent reform of Presidential campaign financing, the need for action is especially urgent for Congressional elections. The new law lifted the Presidential election process above the mire of special interest money and massive private contributions, but all the money and influence are still there, looking for new fields to taint.

The obvious targets for this corrosive and corrupting power are Senate and House elections. That is why we believe public financing for Congressional elections is even more urgent now than it was before. The danger is that, without reform, the 1976 Congressional elections will be swamped with special interest money, as big contributors and organized interest groups vie with one another to gain new footholds and increase their already powerful sway over Congress and its work.

The debate is well known and familiar to us all. The issue is whether elections belong to all the people or just the special interests. In October, we adopted a blatant double standard in existing law and we cannot let it stand. If public financing is right for Presidential elections, it is right for Senate and House elections, too. And the sooner we accept that fact, the sooner we shall have a Congress responsive to the people, and the better our democracy will be.

A summary of the proposed legislation is attached.

Summary of Kennedy-Scott Bill on Public Financing for Congressional Elections

PURPOSE

1. The measure builds on existing law, which already provides public financing for Presidential general elections and Presidential primaries. The bill would enact similar provisions for Senate and House general elections and primaries.

EXISTING LAW

2. The existing law is the dollar checkoff under the Internal Revenue Code, as amended by P.L. 93-443 (S. 3044), the Federal Election Campaign Act Amendments of 1974, which were signed into law by President Ford on October 15, 1974. The provisions for public financing of Presidential elections will go into effect for the 1976 election. Under the law, taxpayers are authorized to designate that $1 of their taxes ($2 on joint returns) shall be available for an election campaign fund established on the books of the Treasury. Under an automatic appropriation, the amounts designated by taxpayers are transferred into the fund, from which they will be apportioned among eligible candidates in the Presidential primaries and election. Public funds will also be made available for the Presidential nominating conventions. The existing program is administered by the newly-created Federal Election Commission.

PUBLIC FINANCING OF SENATE AND HOUSE GENERAL ELECTIONS

3. Except as noted, the provisions applicable to general elections for the Senate and House are essentially identical to those now applicable to Presidential general elections under existing law. In effect, the bill simply extends the existing law to include Senate and House elections.

4. Under existing law, public financing is available as an alternative to private financing for Presidential elections. Candidates have the option of public or private financing, but candidates electing public financing may not also use private financing, except in cases where the available public funds are insufficient to meet the candidate's full entitlement.

Under the bill, a Senate or House candidate has the option of accepting full public financing, or full private financing, or a combination of the two. Thus, a candidate eligible for full public financing may choose to accept only part of the public funds to which he is entitled, and may finance the rest of his campaign through private contributions. Such private contributions will be subject to the contribution limits and other provisions of existing law applicable to private financing.

5. The bill follows the basic formula in existing law for allocating public funds among candidates of major and minor parties and independent candidates.

A "major" party is a party that received 25% or more of the total number of popular votes received by all candidates for the office in the preceding election, or the party with the next highest percentage of the votes in an election where only one party would otherwise qualify as a major party.

A "minor" party is a party that received more than 5%, but less than 25%, of the popular vote in the preceding election.

6. In Senate elections and statewide Congressional elections, a candidate of a major party is entitled to public funds in the amount of 14.4¢ per voter or $180,000, whichever is greater. In House elections in States with more than one Representative, the entitlement of a major party candidate is $84,000. These figures represent the expenditure levels in existing law, adjusted to include the so-called 20% fund-raising supplement. The levels will be adjusted for future increases in the cost of living.

7. A candidate of a minor party is entitled to receive public funds in proportion to his party's share of the vote in the preceding election. The candidate may increase his entitlement on the basis of his performance in the current election, and may obtain retroactive reimbursement for the increase after the election.

8. A candidate of a new party is entitled to receive public funds in proportion to his share of the popular vote in the current election, on a retroactive reimbursement basis, if he receives more than 5% of the vote in the election.

9. A candidate of a minor party or a new party is also eligible for matching grants on the same basis as if the election were a primary.

10. An independent candidate is entitled to public funds on the same basis as if he were the candidate of a party.

PRIMARY ELECTIONS

11. To qualify for public funds, candidates must accumulate the following threshold amounts of private funds raised by small private contributions:

Senate: 20% of the spending ceiling or $125,000 (whichever is less) in contributions of $100 or less.

House: $10,000 in contributions of $100 or less.

12. Once the threshold is reached, a candidate is eligible for public funds matching the threshold amount. He is also eligible for additional public funds matching each additional private contribution of $100 or less. Matching is on a 50-50 (dollar for dollar) basis.

GENERAL PROVISIONS

13. The bill increases the amount of the dollar checkoff from the existing level of $1 ($2 on a joint return) to $2 ($4 on a joint return).

14. The bill authorizes Congress to appropriate additional funds to make up deficits in the fund after the operation of the dollar checkoff.

15. Priority in public funds goes to Presidential elections. Public funds will not be available for Congressional elections until the needs of the Presidential election are met.

16. As in the case of Presidential elections, the program will be administered by the new Federal Election Commission. The Commission will certify a candidate's eligibility for payments, and be responsible for conducting detailed post-election audits and obtaining repayments when necessary.

17. There are heavy criminal penalties for exceeding the spending limits, and for unlawful use of payments, false statements to the Commission and kickbacks and illegal payments.

18. The cost of the public financing provisions for the biennial Congressional elections is estimated at $134 million. Thus, the average annual cost of the program is about $70 million a year. The estimates for Senate and House elections are as follows:

Senate	*Million*
Primaries	$10
General elections	24
Total	34

House	*Million*
Primaries	$31
General elections	69
Total	100

S. 4196

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Election Financing Act of 1974".

Sec. 2. The Federal Election Campaign Act of 1971, as amended, is amended by inserting at the end thereof the following new title:

"TITLE V—PUBLIC FINANCING OF CONGRESSIONAL ELECTIONS

"DEFINITIONS

"SEC. 501. For purposes of this title, the term—

"(1) 'candidate', 'Commission', 'contribution', 'expenditure', 'political committee', 'political party', or 'State' has the meaning given it in section 301 of this Act;

"(2) 'authorized committee" means the principal campaign committee of a candidate under section 302 of this Act or any political committee authorized in writing by that candidate to make or receive contributions or to make expenditures on his behalf;

"(3) 'Representative' means a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegate from the District of Columbia;

"(4) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to the office of Senator or Representative;

"(5) 'primary election' means (A) an election, including a runoff election, held for the nomination by a political party of a candidate for election to the office of Senator or Representative, or (B) a convention or caucus of a political party held for the nomination of such candidate;

"(6) 'eligible candidate' means a candidate who is eligible, under section 502, for payments under this title;

"(7) 'major party' means, with respect to an election for the office of Senator or Representative—

"(A) a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, 25 percent or more of the total number of votes cast in that election for all candidates for that office, or

"(B) if only one political party qualifies as a major party under the provisions of subparagraph (A), the political party whose candidate for election to that office in that election received, as the candidate of that party, the second greatest number of votes cast in that election for all candidates for that office (if such number is equal to 15 percent or more of the total number of votes cast in that election for all candidates for that office); and

"(8) 'minor party' means, with respect to an election for the office of Senator or Representative, a political party whose candidate for election to that office in the preceding general election for that office received, as the candidate of that party, at least 5 percent but less than 25 percent of the total number of votes cast in that election for all candidates for that office.

"ELIGIBILITY FOR PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title, a candidate for the office of Senator or Representative shall agree—

"(1) to obtain and to furnish to the Commission any evidence it may request about his campaign expenditures and contributions;

"(2) to keep and to furnish to the Commission any records, books, and other information it may request;

"(3) to permit an audit and examination by the Commission under section 506 and to pay any amounts required under section 506; and

"(4) to furnish statements of campaign expenditures and proposed campaign expenses required under section 507.

"(b) Every such candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not make campaign expenditures greater than the applicable amount specified in subsection (c) of section 608, title 18, United States Code; and

"(2) no contributions will be accepted by the candidate or his authorized committees in violation of section 608 (h) of title 18, United States Code.

"(c)(1) To be eligible to receive any payments under section 505 for use in connection with a primary election campaign, a candidate shall certify to the Commission that—

"(A) he is seeking nomination by a political party for election to the office of Representative and he and his authorized committees have received contributions for that campaign of $10,000 or more; or

"(B) he is seeking nomination by a political party for election to the office of Senator and he and his authorized committees have received contributions for that campaign equal in amount to the lesser of—

"(i) 20 percent of the maximum amount he may spend in connection with his primary election campaign as specified in subsection (c) of section 608 of title 18, United States Code; or

"(ii) $125,000.

"(2) To be eligible to receive any payments under section 505 for use in connection with a primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination by a political party for election to the office of Senator or Representative, and that he is a candidate for such nomination in a runoff primary election. Such a candidate is not required to receive any minimum amount of contributions before receiving payments under this title.

"(d) To be eligible to receive any payments under section 505 for use in connection with a general election campaign, a candidate shall certify to the Commission that—

"(1) he is the nominee of a major or minor party for election to the office of Senator or Representative; or

"(2) in the case of any other candidate, he is seeking election to such office and he and his authorized committees have received contributions for that campaign in a total amount of not less than the campaign fund required under subsection (c) of a candidate for nomination for election to that office, determined in accordance with the provisions of subsection (e).

"(e) In determining the amount of contributions received by a candidate and his authorized committees for purposes of subsection (c)(1) or subsection (d)(2).

"(1) no contribution received by the candidate or any of his authorized committees as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account; and

"(2) no contribution from any person shall be taken into account to the extent that it exceds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his campaign.

"(f) In the case of a candidate for election to the House of Representatives from a district which has been established, or the boundaries of which have been altered, since the preceding general election for such office, the determination of whether the candidate is a major party candidate or a minor party candidate or is otherwise entitled to payments under this title shall be made by the Commission based upon the number of votes cast in the preceding general election for such office by voters residing within the area encompassed in the new or altered district."

"(g) Agreements and certifications under this section shall be filed with the Commission at the time required by the Commission.

"ENTITLEMENT TO PAYMENTS

"SEC. 503(a)(1) Every eligible candidate for the office of Senator or Representative is entitled to payments in connection with his primary election campaign in an amount which is equal to the amount of contributions he accepts for that campaign.

"(2) For purposes of paragraph (1), no contribution from any person shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election campaign.

"(b)(1) Every eligible candidate for the office of Senator or Representative who is nominated by a major party is entitled to payments for use in his general election campaign in an amount which is equal to the amount specified for that campaign in subsection (c) of section 608 of title 18, United States Code (relating to limitations on expenditures).

"(2) Every eligible candidate for the office of Senator or Representative who is nominated by a minor party is entitled to payments for use in his general election campaign in an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election.

"(3)(A) A candidate who is eligible under section 502(d)(2) to receive payments under section 505 is entitled to payments for use in his general election campaign in an amount equal to the amount determined under subparagraph (B).

"(B) If a candidate whose entitlement is determined under this paragraph received, in the preceding general election held for the office to which he seeks election, 5 percent or more of the total number of votes cast for all candidates for that office, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable amount under subsection (c) of section 608 of title 18, United States Code) equal to an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate for that office in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election. The entitlement of a candidate who, in the preceding general election held for that office, was the candidate of a major or minor party shall not be determined under this paragraph.

"(4) An eligible candidate who is the nominee of a minor party or whose entitlement is determined under section 502 (d) (2) and who receives 5 percent or more of the total number of votes cast in the current election is entitled to payments under section 505 after the election for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable amount under subsection (c) of section 608 of title 18, United States Code) equal to—

"(A) an amount which bears the same ratio to the amount of the payment under section 505 to which the nominee of a major party was or would have been entitled for use in his campaign for election to that office as the number of votes received by the candidate in that election bears to the average number of votes received by all major party candidates for that office in that election, reduced by

"(B) any amount paid to the candidate under section 505 before the election.

"(c) Notwithstanding the provisions of subsections (a) and (b), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of contributions received by him and his authorized committees and any other payments made to him under this title for his primary or general election campaign, exceeds the amount of the expenditure limitation applicable to him for that campaign as specified under subsection (c) of section 608 of title 18, United States Code.

"(d) For purposes of this section, the amounts specified in subsection (c) of section 608 of title 18, United States Code, shall be increased by 20 percent.

"CERTIFICATIONS BY COMMISSION

"SEC. 504. (a) On the basis of the evidence, books, records, and information furnished by each candidate eligible to receive payments under section 505, and prior to examination and audit under section 506, the Commission shall certify from time to time to the Secretary of the Treasury for payment to each candidate the amount to which that candidate is entitled.

"(b) Initial certifications by the Commission under subsection (a), and all determinations made by it under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 506 and judicial review under section 315 of this Act.

"PAYMENTS TO ELIGIBLE CANDIDATES; CONGRESSIONAL ELECTION ACCOUNT

"SEC. 505. (a) The Secretary of the Treasury shall maintain in the Presidential Election Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1954, in addition to any other account which he maintains under such section, a separate account to be known as the Congressional Election Account. The Secretary shall deposit into the account, for use by the candidate of any political party who is eligible to receive payments under section 502 and this section, the amount available after the Secretary determines that amounts for payments for Presidential elections and Presidential nominating conventions under subtitle H of such code are available for such payments. In addition to the amounts appropriated to the fund under section 9006 (a) of such code, there are authorized to be appropriated to the fund such additional amounts as may be necessary to carry out the provisions of this title and subtitle H of such code.

"(b) Upon receipt of a certification from the Commission under section 504, the Secretary of the Treasury shall pay the amount certified by the Commission to the candidate to whom the certification relates.

"(c) If the Secretary of the Treasury determines that the moneys in the account are not, or may not be, sufficient to pay the full amount of entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled in accord with the procedures established under subtitle H of the Internal Revenue Code of 1954 for Presidential elections.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 506. (a) After each election for the office of Senator or Representative, the Commission shall conduct a thorough examination and audit of the campaign expenditures of all candidates for such office who received payments under this title for use in campaigns relating to that election.

"(b)(1) If the Commission determines that any portion of the payments made to an eligible candidate under section 505 was in excess of the aggregate amount of the payments to which the candidate was entitled, it shall so notify that candidate, and he shall pay to the Secretary of the Treasury an amount equal to the excess amount. If the Commission determines that any portion of the payments made to a candidate under section 505 for use in his primary election campaign or his general election campaign was not used to make expenditures in connection with that campaign, the Commission shall so notify the candidate and he shall pay an amount equal to the amount of the unexpended portion to the Secretary. In making its determination under the preceding sentence, the Commission shall consider all amounts received as contributions to have been expended before any amounts received under this title are expended.

"(2) If the Commission determines that any amount of any payment made to a candidate under section 505 was used for any purpose other than—

"(A) to defray campaign expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray campaign expenditures which were received and expended) which were used, to defray campaign expenditures,

it shall notify the candidate of the amount so used, and the candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) No payment shall be required from a candidate under this subsection in excess of the total amount of all payments received by the candidate under section 505 in connection with the campaign with respect to which the event occurred which caused the candidate to have to make a payment under this subsection.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a campaign more than eighteen months after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the fund.

"INFORMATION ON EXPENDITURES AND PROPOSED EXPENDITURES

"SEC. 507. (a) Every candidate shall, from time to time as the Commission requires, furnish to the Commission a detailed statement, in the form the Commission prescribes, of—

"(1) the campaign expenditures incurred by him and his authorized committees prior to the date of the statement (whether or not evidence of campaign expenditures has been furnished for purposes of section 504), and

"(2) the campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

"(b) The Commission shall, as soon as possible after it receives a statement under subsection (a), prepare and make available for public inspection and copying summary of the statement, together with any other data or information which it deems advisable.

"REPORTS TO THE CONGRESS

"SEC. 508. (a) The Commission shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each candidate, and his authorized committees, who received any payment under section 505 in connection with an election;

"(2) the amounts certified by it under section 504 for payment to that candidate; and

"(3) the amount of payments, if any, required from that candidate under section 506, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to conduct examinations and audits (in addition to the examinations and audits under sections 504 and 506, to conduct investigations, and to require the keeping and submission of any books, records, or other information necessary to carry out the functions and duties imposed on it by this title.

"PENALTY FOR VIOLATIONS

"SEC. 509. Violation of any provision of this title is punishable by a fine of not more than $50,000, or imprisonment for not more than five years, or both.

"DESIGNATION OF INCOME TAX PAYMENTS TO PRESIDENTIAL ELECTION CAMPAIGN FUND

"SEC. 510. Effective with respect to taxable years ending on or after December 31, 1974, section 6096 (a) (relating to designation of income tax payments to the Presidential Election Campaign Fund) is amended to read as follows:

" '§ 6096. Designation by individuals.

" '(a) In general. Every individual (other than a nonresident alien) whose income tax liability for any taxable year is $2 or more may designate that $2 shall be paid over to the Presidential Election Campaign Fund in accordance with the provisions of section 9006 (a). In the case of a joint return of husband and wife having an income tax liability of $4 or more, each spouse may designate that $2 shall be paid to the fund.' ".

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a bill introduced earlier by the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Pennsylvania (Mr. HUGH SCOTT) urging public financing of congressional elections be referred jointly to the Committees on Rules and Administration and Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1326

At the request of Mr. WILLIAMS, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1326, the Hemophilia Act of 1973.

S. 3305

At the request of Mr. CLARK, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 3305, the National Huntington's Disease Control Act.

S. 3839

At the request of Mr. JOHNSTON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 3839, a bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish the National Historic Preservation Fund, and for other purposes.

S. 4006

At the request of Mr. STEVENSON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 4006, a bill to name the new Federal office building in Chicago for Senator Paul H. Douglas.

S. 4153

At the request of Mr. NUNN, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of S. 4153, the Judicial Tenure Act of 1974.

S. 4159

At the request of Mr. TALMADGE, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 4159, a bill to provide that the sex discrimination guidelines prescribed under title IX of the Education Amendments of 1972 do not apply to fraternities and sororities.

S. 4164

At the request of Mr. DOLE, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 4164, a bill to amend title XVI of the Social Security Act so as to provide for the referral, for appropriate services provided by other State agencies, of blind or disabled children who are receiving supplemental security income benefits.

SENATE CONCURRENT RESOLUTION 123—SUBMISSION OF A CONCURRENT RESOLUTION ESTABLISHING A JOINT CONGRESSIONAL COMMITTEE ON ENERGY

(Referred to the Committee on Interior and Insular Affairs.)

Mr. HART. Mr. President, this year, with a good deal of self-congratulation, Congress passed a bill to reform the way it handles the budget.

While the new process is yet to be tested, the principle of forcing Congress to consider the budget as an entity rather than as 13 or more separate parts is sound. That is a principle which ought to be applied to at least two other areas of critical concern—energy and the economy.

At the risk of sounding parochial, I would suggest that both of those concerns come together at the automobile, and I believe we need to take a comprehensive look at the car as the basis for a large part of our economy, as a source of pollution, as a major user of energy, as a key part of our transportation system, and as a participant in accidents causing death and injuries.

Let me explain what I have in mind.

We start with certain hard facts and responsibilities.

First. Foreign policy goals, international financial problems and domestic economic needs require that we conserve on the use of energy, particularly on energy created from oil.

Second. Unless we are prepared to leave future generations with dangerously polluted air, we must not renege on our commitment to clean the air.

Third. A compassionate society, if for no other reasons than the high costs of medical care and physical disability, should not ignore sensible safety requirements to reduce a major source of death and injuries.

Four. The automobile, directly and indirectly, also is, and no less importantly, a major source of jobs and income for our economy. When the automobile industry suffers an economic downturn, the effects spread throughout the economy.

That, of course, is what is happening today. Suggested cures range from calls to restructure the industry to moratoriums on existing and new Government requirements dealing with pollution, safety, and fuel economy standards to increases in consumer credit and public job and unemployment programs.

Those of us who feel a commitment to the health of future generations as well as to the economic and energy needs of today face some tough choices.

Which of the various safety and emission control standards already enacted are cost effective?

Would a moratorium on such standards really help boost car sales?

What is the best way to conserve on fuel used by motor vehicles? A miles-per-gallon standard for new cars will have little or no immediate effect, while gas rationing would. And if gas rationing were effective, would it not encourage the purchase of fuel-efficient cars?

Is increased production of mass transit equipment a viable alternate source of employment for workers now empolyed by the automobile industry?

Those are just a few of the questions we face, and I do not believe that Congress has the information or the mechanism to make those choices as wisely as we should.

Returning to my opening remarks about Congress and the budget, we have decided that as long as the budget was considered in piecemeal fashion we could not act as wisely as we should on determining spending priorities. Further, we decided that in order to act wisely on spending questions, we needed additional information from a professional, independent source. To meet that need, we created the Congressional Budget Office.

Those same needs exist in relation to the Nation's energy-pollution-safety-economic-transportation questions.

According to the Library of Congress, 17 subcommittees from 12 different full committees have handled legislation affecting the auto industry, and the list does not include the committees handling tax legislation affecting the area. For those familiar with the ways of Congress, it is obvious there has been little coordination among those subcommittees.

And until recently, Congress had no independent source of information on which to judge the competing technical data offered by various interest groups.

Fortunately, in the Office of Technology Assessment—OTA—we do have an agency created to supply that kind of information to Congress.

Last month, I asked OTA to review all Government-mandated standards and requirements relating to the automobile and to determine which were cost effective. That request applies to standards already in effect and those which are mandated by law to come into effect at some future date.

We should have that information before we decide to rescind, revamp, or suspend any or all such standards.

Similarly, OTA should be asked to determine the cost-benefit ratio of any new legislation in this area, and if possible, relate those findings to existing standards.

So I recommend, for example, that a proposal to set gallon-per-mile standards now before the Senate Commerce Committee be referred to OTA if the office agrees to take on the study I requested. And given the importance of the questions involved in that study—questions of health, safety, energy and jobs—I repeat my urgent request that OTA give a top priority to this area of concern.

And finally, I hope that the members of the Senate and House will consider the need to create a procedure in Congress whereby proposals affecting this area and now considered separately by various subcommittees can be reviewed as a total program. For some time I have felt Congress should create a Joint Legislative Committee on Energy as one possible way to meet this need. I have introduced today a concurrent resolution to create such a committee. I ask unanimous consent that the text of the resolution and a list of congressional subcommittees affecting the auto industry be printed at the conclusion of my remarks.

In passing the Budget Reform Act, Congress demonstrated that it could vote changes which affect the influence of individual Members. I hope that the same concern which encouraged us to put aside individual interests in that case will allow us to do the same when it comes to considering the important questions of energy, pollution, the economy, and, in fact, the future of the country.

There being no objection, the concurrent resolution and list were ordered to be printed in the RECORD, as follows:

S. CON. RES. 123

Resolved by the Senate (the House of Representatives concurring), That (a) there is hereby created a Joint Legislative Committee on Energy (hereafter referred to as the "joint committee").

(b) The joint committee shall be composed of eighteen members as follows:

(1) Nine Members of the Senate, appointed by the President pro tempore of the Senate; and

(2) Nine Members of the House of Representatives, appointed by the Speaker of the House. Not more than five of the members appointed from each House of Congress shall be members of the same political party.

(3) To the extent practicable the membership of the committee shall be drawn from the standing committees of the House and Senate having substantial jurisdiction over legislation dealing with energy matters.

(c) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as in the case of the original appointment.

(d) The joint committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. The chairmanship and vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the joint committee from among their number and the chairman during each odd-numbered Congress shall be selected by the Members of the Senate on the joint committee from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a Member.

SEC. 2. (a) The joint committee shall make a continuing investigation and study of the problems related to the development, use, and control of all forms of energy other than energy which is released in the course of nuclear fission or nuclear transformation and is primarily related to military use. The joint committee shall, from time to time, report to the Senate and House of Representatives (but not less frequently than once each Congress) the results of its investigation and study together with its recommendations.

(b) All bills, resolutions, and other matters relating primarily to the development, use, or control of the forms of energy referred to in subsection (a) of this section shall be referred to the joint committee within 90 days of their initial referral to the appropriate standing committee, unless the joint committee otherwise provides by a majority vote of all members of the committee. The joint committee shall make a recommendation or report on each resolution, bill, or other matter to the floor of each House of Congress together with the report or recommendation, if any, of the standing committee or committees to which the bill, resolution or other matter was initially referred.

(c) The members of the joint committee who are Members of the Senate shall, each session, report to the Senate, and the members of the joint committee who are Members of the House of Representatives shall, from time to time, report to the House, by report or otherwise, their recommendations with respect to matters within the jurisdiction of the joint committee.

SEC. 3. The joint committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths and affirmations, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable. The joint committee may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the joint committee unless a majority of the joint committee assent. Subpenas may be issued over the signature of the chairman of the joint committee or of any member designated by him or by the joint committee, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the joint committee or any member thereof may administer oaths or affirmations to witnesses.

SEC. 4. (a) In carrying out its functions, the joint committee is authorized, by record vote of a majority of the members of the joint committee—

(1) to appoint, on a permanent basis, without regard to a political affiliation and solely on the basis of fitness to perform their duties, such professional and clerical staff members as the joint committee deems appropriate;

(2) to prescribe their duties and responsibilities;

(3) to fix their pay at respective per annum gross rates not in excess of the highest rate of basic pay, as in effect from time to time, of the General Schedule of section 5332(a) of title 5, United States Code; and

(4) to terminate their employment as the joint committee may deem appropriate.

(b) In carrying out any of its functions, the joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and to procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary traveltime.

SEC. 5. The expenses of the joint committee shall be paid from the contingent fund of the House and Senate, upon vouchers approved by the chairman, from funds appropriated for the joint committee by a concurrent resolution of each house.

SENATE AND HOUSE COMMITTEES AFFECTING AUTO INDUSTRY

SENATE

Banking, Housing and Urban Affairs

Subcommittee on Production and Stabilization.

Commerce

Subcommittee on Environment.

Subcommittee on Foreign Commerce and Tourism.

Subcommittee on Surface Transportation.

Foreign Relations

Subcommittee on Multinational Corporations.

Government Operations

Subcommittee on Permanent Investigations (Jackson—fuel).

Interior

Subcommittee on Minerals, Materials, and Fuels.

Judiciary

Subcommittee on Antitrust and Monopoly.

Public Works

Subcommittee on Roads.

Subcommittee on Air and Water Pollution.

HOUSE

Banking and Currency

Subcommittee on Domestic Finance.

Subcommittee on Urban Mass Transportation.

Interior

Subcommittee on Environment.

Interstate and Foreign Commerce

Subcommittee on Commerce and Finance.

Subcommittee on Transportation and Aeronautics.

Judiciary—Subcommittee on Monopolies and Commercial Law.

Public Works—Subcommittee on Transportation.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Peter C. Dorsey, of Connecticut, to be U.S. attorney for the district of Connecticut for the term of 4 years, vice Stewart H. Jones, resigned.

Jose A. Lopez, of Puerto Rico, to be U.S. marshal for the district of Puerto Rico for the term of 4 years (reappointment).

Marshall F. Rousseau, of Texas, to be U.S. marshal for the southern district of Texas for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, December 3, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON NOMINATION

Mr. HRUSKA. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, December 4, 1974, at 9 a.m., in room 2228 Dirksen Senate Office Building, on the following nomination:

Marjorie W. Lynch, of Washington, to be Deputy Administrator of the American Revolution Bicentennial Administration. (New position.)

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file, in writing, with the committee a request to be heard and a statement of their testimony.

The Subcommittee on Federal Charters, Holidays, and Celebrations consists of the Senator from Nebraska (Mr. HRUSKA) chairman, and the Senator from Arkansas (Mr. MCCLELLAN).

ADDITIONAL STATEMENTS

EXPLANATION OF VOTE

Mr. STENNIS. Mr. President, on Wednesday, November 20, the Senate passed the Supplementary Appropriations bill for fiscal year 1975. I was one of the 18 Senators who was compelled to vote against the bill.

I serve as a member on the Appropriations Committee and speak with great deference to the chairman and other committee members when I say that there is just too much money in this bill.

To begin with, the bill reported by the committee provided appropriations in the amount of $385,601,500 over and above what was requested. Then $106,984,000 was added by way of amendments during Senate floor action without the recommendation of the Appropriations Committee, making a grand total of nearly $500,000,000. There was no real justification for the added amount. The amount of this increase over and above that requested with budget approval was just exorbitant.

I wonder, Mr. President, what has become of our resolve to balance the budget? Before the election recess most everyone desired a balanced budget. Now, in the first week of our return here we pass an appropriations bill which provides for things we can do without.

We have to learn to say no to these requests for more money. As trustees of the taxpayers' money, we are going to have to do a better job when it comes to spending. We have to be selective in our spending.

We just have to get back to the policy of spending no more than we have and making a determination as to where the money is coming from that we are appropriating. There were many worthwhile programs in the bill, but on the whole it was loaded down with too many unnecessary add-ons, making the total supplemental appropriation exorbitant. Therefore, I was compelled to vote against it.

IN MEMORIAM—U THANT

Mr. JAVITS. Mr. President, today men and women of good will everywhere will mourn the death of Mr. U Thant, former Secretary General of the United Nations, who served that organization for 10 strife-ridden years.

In his profound dedication to world peace he strived to cooperate with all groups within the U.N. Indeed, he personified our ideal of what the United Nations was conceived to accomplish through deliberate, calm negotiations based on reason and law and not on force.

U Thant's tenure as Secretary General witnessed a decade of worldwide conflict, including the grim cold war between the Soviet Union and the United States, war in Vietnam, war in the Middle East and near war during the Cuban Missile Crisis of 1962.

U Thant also helped in the development of those United Nations organs and agencies whose principal aims are to make the world fit to live in, through better health, better education, an adequate diet and a higher level of culture for all people. He believed in peace and justice and felt that the respective individual needs of the peoples were more important than the political and military struggles of our time.

Mr. President, U Thant's personal life was quiet, deeply religious and generally lacked only the time he needed to express his full devotion to his family. He will be remembered for his statesmanship, for his quiet resolution and for his optimistic belief that there is always a chance for improvement in the human condition, and his dedication to his role as a world mediator.

BEHAVIOR MODIFICATION REPORT PUBLISHED

Mr. ERVIN. Mr. President, the staff of the Judiciary Subcommittee on Constitutional Rights has devoted a substantial portion of its energies over the last 3 years to a study of Federal involvement in programs designed to alter a person's personality and behavior.

I can think of few fields of governmental endeavor which have such a drastic and permanent impact on the individual. Since such programs are aimed at controlling or eliminating undesirable behavior, they strike at the very core of one's personal autonomy. It is, after all, the essence of personal freedom that one be allowed to think for himself.

I am pleased to announce that today the subcommittee is releasing a staff report entitled "Individual Rights and the Federal Role in Behavior Modification," which summarizes and contains the work it has done in this critical area.

The report focuses on the role of Federal agencies in the development of behavioral control technology in the United States. It also attempts to summarize pertinent developments in the courts and in the private sector.

I think the report is significant in that it identifies a number of Federal agencies involved in funding or operating projects which seek to alter human behavior. It concludes that these agencies, for the most part, do not have adequate controls to protect the rights of those subject to such experimentation.

I hope this staff report will eventually lead to the adoption of such controls on a Government-wide basis. I am aware that the 93d Congress, in passing Public Law 93-348, has created a National Commission for the Protection of Human Subjects of Biomedical and Behavioral Experimentation, which has a statutory responsibility to conduct a study of the implications of behavioral research for individual rights. In fact, one of the primary reasons we have gone ahead with the publication of this staff report is to make the materials we have accumulated available to the Commission for its forthcoming study.

The report does not purport to be a complete or comprehensive treatment of the subject. It does, however, represent a substantial inquiry on the part of the staff, the results of which can be built upon by others. It is valuable not only as an indication of the problems which behavior modification poses, but also as an indication of the extent to which such programs are already operating. The appendix also contains a wealth of source materials for anyone engaged in studying these issues.

The report may be obtained by contacting the Senate Subcommittee on Constitutional Rights, room 102-B, Russell Office Building, or it may be purchased at the Government Printing Office at a cost of $5.35.

INFLATION

Mr. HUGH SCOTT. Mr. President, several weeks ago President Ford approached the Congress and the American people for their united support against our No. 1 enemy—inflation. During the address the President said our efforts can only be effective if there is a tremendous ground swell of voluntary cooperation from individuals, businesses, and local governments.

Mr. George L. Morrison who is the president of the Commonwealth National Bank in Harrisburg, Pa., is one citizen who is actively promoting the WIN campaign. During the recess I received a letter from Mr. Morrison in which he outlined his fight against inflation.

For over a week Mr. Morrison has run full page ads in the local papers stating the guidelines which President Ford recommended in his economy speech. 50,000 WIN buttons have been sent to the 40 branches of the Commonwealth National Bank for distribution to all citizens. Mr. Morrison has also encouraged his employees to conserve and economize both at home and in the office.

We should salute Mr. Morrison, the employees of his bank, and all the individuals who are helping to fight our economy's problems throughout the country. A truly effective campaign will only be waged with the cooperation of all sectors of the economy. This is a good start.

Mr. President, I ask unanimous consent that Mr. Morrison's letter be printed in the RECORD so that his actions may serve as an example for us all.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH NATIONAL BANK,
October 29, 1974.

Hon. HUGH SCOTT,
Senate Office Building,
Washington, D.C.

DEAR MR. SCOTT: We are pleased to support President Ford's campaign against our nation's "number one enemy"—inflation.

The enclosed ad began to run Sunday, October 20, in the major newspapers in Harrisburg, Lancaster and York and will also appear in all weekly papers in the five county areas we serve. 50,000 WIN buttons have been sent to our forty branches for distribution to all citizens in Central Pennsylvania. In addition, the Mayors of Harrisburg, Lancaster and York were presented with WIN buttons in public ceremonies in each city on Tuesday, October 22nd. These events were covered by our local television, radio and newspapers.

At Commonwealth National, we will also encourage conservation and economy among our employees; both at the office and at home.

I am sure that with some sacrifice and a lot of good sense, we Americans can "Whip Inflation Now".

Sincerely,
GEORGE L. MORRISON,
President.

SOUTH CAROLINA FAVORS CONCEPT OF ERTS

Mr. MOSS. Mr. President, the Governor of South Carolina, the Honorable John C. West, has solicited the opinions of his State agencies regarding various aspects of remote sensing using ERTS imagery and has written to me as follows:

> We favor the general concept of a national commitment on the scale proposed to operational satellite collection and dissemination of data on earth resources while recognizing that this is a new tool whose total utility is yet to be developed.
>
> It is the experience of our agency users that the services of both the National Aeronautics and Space Administration and the United States Department of the Interior are essential in the current data collection and delivery system.

Mr. President, I ask unanimous consent that Governor West's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF SOUTH CAROLINA,
Columbia, S.C., September 16, 1974.

Hon. FRANK E. MOSS,
Chairman, Senate Committee on Aeronautical and Space Science, Washington, D.C.

Dear SENATOR MOSSS I have solicited the opinions of the men and women of South Carolina State agencies directly involved in uses of remote sensing technology concerning Senate bills S2350 and S3484.

We favor the general concept of a national commitment on the scale proposed to operational satellite collection and dissemination of data on earth resources while recognizing that this is a new tool whose total utility is yet to be developed.

It is the experience of our agency users that the services of both the National Aeronautics and Space Administration and the United States Department of the Interior are essential in the current data collection and delivery system. We use the Satellite data available from the USDI EROS data center in Sioux Falls, South Dakota, certain high altitude aerial photographic film copies flown over the South Carolina coastal plain by USDI investigators, and the general services historically provided through the United States Geological Survey. In addition, the State of South Carolina is a principal investigator on the NASA Skylab Earth Resources Experiment Package, and our agency users currently working with the Goddard Space Flight Center, the Kennedy Space Center, the Mississippi Test Facility and the Johnson Space Center on various aspects of remote sensing using ERTS imagery. We would hope that action taken toward an operational satellite system would enhance the capabilities of both USDI and NASA and not diminish the services of either agency.

Sincerely,
JOHN C. WEST.

THE BREAST CANCER SCREENING PROGRAM

Mr. BROOKE. Mr. President, the American Cancer Society and the Howard University Cancer Research Center recently coordinated a breast cancer screening program for all women employees in the Senate.

I was particularly pleased to sponsor this meaningful effort and delighted that 640 women took advantage of this timely health opportunity.

The significance of this breast cancer screening program is that 1 out of every 15 women will be afflicted with breast cancer this year and yet half of the female population ignore annual breast examinations by their physicians. Self-examination is also quite limited with only 18 percent practicing this technique on a monthly basis.

Only recently have we come to realize the importance of preventive health care in this Nation, rather than waiting for treatment when the disease is already present. Each year millions of dollars are spent on medical discoveries and research, but too few dollars are earmarked for preventive educational endeavors such as this breast cancer screening program.

Despite the burdens upon their time, Dr. Jack E. White and Dr. Roy Schneider of the Howard University Cancer Research Center coordinated a program in which a team of distinguished and prominent physicians volunteered their services to all female Senate employees. The whole key to early detection as a means to substantially improve the cancer cure rate lies in periodic breast examinations by physicians, as well as personal monthly self-examinations at home.

For their concern, care and commitment to cancer prevention, I express my gratitude and sincere appreciation to the American Cancer Society, District of Columbia Division, and its volunteers, the Howard University Cancer Research Center, Senator HOWARD W. CANNON, chairman of Rules Committee, Dr. Freeman H. Cary, Attending Physician, Robert F. Moran, Administrative Assistant to Attending Physician, Mary M. Haislup, Registered Nurse, Caryle Connelly of my staff, and most especially to Dr. Jack E. White, Dr. Roy Schneider, Dr. Burke Syphax, Dr. LaSalle D. Leffall, Jr., Dr. William Funderburk, Dr. Linda Green, Dr. Edward Cornwell, Dr. Paul Carter, Dr. William Matory, Dr. Warren Strudwick, Dr. Erman Edgecombe and Dr. Charles Clarke.

This project has demonstrated that massive screening can be done within the Senate system, effectively and efficiently, with possibly a sizable number of lives saved. I hope that this will serve to stimulate similar programs throughout the country.

THE OVERRIDE OF THE REHABILITATION VETO

Mr. BENTSEN. Mr. President, last week the House by a vote of 398 to 7 successfully overrode the President's veto of the Rehabilitation Act Amendments of 1974. The Senate vote was 90 to 1. These are certainly some of the most lopsided veto overrides in the history of these two Chambers.

The reasons for the heavy votes are quite obvious: The administration gave no satisfactory reason for vetoing the bill. The President, in his veto message, raised a number of specious issues which did not go to the heart of the legislation.

However, the veto message of October 29 did contain one clear and accurate statement. The President said,

> The key issue posed by this bill is not how much money will be spent.

That is true, Mr. President. The budget levels approved in the bill were well within the administration's budget requests. The ostensible reasons for the veto were the unwarranted transfer of the legislation from the Social and Rehabilitation Service within HEW to the office of the Secretary, and the supposed necessity for 250 new administrative positions. Neither of these reasons are valid.

The bill transferred the program essentially because it is a human development program, concentrating on rehabilitation, and not a welfare program as are the other programs within SRS. In addition, House testimony revealed that officials in SRS were not carrying out the program properly. Indeed, the Civil Service Commission issued a report following a 1-year investigation of SRS that indicated substantial violations of Government employment policies, with widespread instances of political favoritism and without the emphasis on professional staffing that is so important in a program of this magnitude.

The transfer of the rehabilitation program, in fact, follows the reasoning of the Ash Commission on Government Reorganization, which recommended that the service programs of SRS be separated from its welfare and medicare programs.

As for the other charge, concerning the creation of 250 new administrative positions, that too is without foundation. The bill adds on new responsibilities for the approximately 169 persons now working in the Rehabilitation Services Administration. It does not create an additional layer of bureaucracy as the veto message suggests.

Earlier this year, I introduced S. 3381, a measure to extend the rehabilitation program for a year, along the lines that the new bill provides. For some time now, I have been concerned that the States do not have adequate notice of Federal funding in the fields of education, health, and aid to the handicapped. Too often the States receive Federal funds late in the fiscal year, which disrupts their planning and causes them to spend inefficiently.

Many State legislatures are now in session. If the States know how much to expect from the Federal Government, they can appropriate the necessary matching funds, and that will keep the program flowing effectively.

Mr. President, it was imperative that we not allow the efforts of a few bureaucrats, who are reluctant to lose their authority, to slow down the orderly implementation of the rehabilitation program. I applaud the Congress action in overriding the veto.

The rehabilitation program has been one of our most successful Federal-State efforts since its inception. Millions of disabled Americans who otherwise would be on welfare have been restored to productive work. The payrolls of these handicapped individuals have contributed to the Federal Treasury and the individuals have been given a new measure of dignity and self-respect. The program is decent and humane; it makes good social and economic sense, and I am pleased that it will soon be reenacted into law.

THE WCTU'S 100TH ANNIVERSARY

Mr. PERCY. Mr. President, 1974 is the 100th anniversary of the founding of the National Woman's Christian Temperance Union. It was in Cleveland, Ohio, in 1874 that the Woman's Temperance Crusade held its first convention.

Spurred into action by widespread drunkenness among returning soldiers from both sides after the Civil War, local Woman's Temperance Leagues sprang up throughout the East and Midwest. And in August 1874, Mrs. Mattie McLellan Brown of Ohio voiced the idea of a national temperance organization. In November of that year, 135 women from 17 States met in Cleveland to organize the Woman's Christian Temperance Union, with Mrs. Annie Wittenmyer of Philadelphia as the first president.

The National Woman's Christian Temperance Union is of course best known for its century of crusading against the use of alcoholic beverages. Throughout the course of its existence, however, the WCTU has been equally active in other forms of social reform. By 1893, the WCTU's "Door of Hope" campaign of social morality against prostitution was begun. This campaign led to the foundation of the first of the well-known Florence Crittenden Homes, many of which are still operating today.

In 1888, the WCTU urged Congress to make sex offenses against those under 16 Federal violations and secured the introduction of the Mann Act, enacted in 1910, climaxing a series of events which now make seduction and "white slavery" generally outlawed in this and most other countries.

Enmity between Northerners and Southerners continued after the Civil War, and the WCTU is credited with doing much to close the breach between the women of the South and the North.

In 1875, the second annual convention of the WCTU unanimously approved a motion calling for a drive for woman suffrage. From then until 1920 and the adoption of the 19th amendment to the Constitution, the WCTU worked tirelessly for enfranchisement.

The drive for Scientific Temperance Instruction—STI—laws began early in the 1880's and by 1902, the WCTU had secured the enactment of STI laws in every State to teach school children the effects of alcoholic beverages. This program continues today as a major part of the WCTU program.

Early in its history, the WCTU took on a crusade against opium as well as against alcohol. Spearheading an international effort, Miss Frances Willard, the WCTU's second president, wrote and circulated the "Polyglot Petition," a worldwide proclamation against the liquor and opium traffic. Nearly 8 million signatures by individuals and organizations were written on the Polyglot Petition in 50 languages. This effort is generally credited with having sparked the control of alcoholic beverages and particularly of opium. The outlawing of opium and other narcotics for other than medicinal use was first undertaken by individual nations, then written into the Narcotic Drug Controls of the League of Nations which were taken over by the United Nations.

In 1889, the WCTU introduced school savings banks and in 1894 sponsored the first Mother's Day.

After the WCTU moved its headquarters to Evanston, Ill., in 1899, the attention of the organizations turned increasingly to work to secure prohibition, but other types of social work continued. The WCTU worked to assure the firm establishment of the Department of Labor's Children's Bureau and waged a continuing flight for juvenile homes and the separation of juveniles from adult criminals in penal institutions.

The enthusiasm and dedication of the pioneers of the national WCTU have continued into current times. The programs, some begun a century ago, have been embellished and adjusted to meet the needs of the times. The varied activities of the national WCTU as it enters into its second century are extensive. Under the able direction of Mrs. Fred Tooze, the organization's ninth president, new and widely accepted means of education concerning the temperance cause have been developed.

Legislation in opposition to the beverage alcohol traffic and in other areas affecting the well-being of the home, the community, and the Nation, continue to be issues with which the organization concerns itself.

Most Americans are aware of the WCTU's continuing crusade against the use of alcoholic beverages, but few, I believe, recognize the many other fine social programs the WCTU has founded since 1874. In view of the WCTU's continuing efforts on behalf of the American people, I commend the WCTU for its noble work and congratulate it on its 100th anniversary.

HEALTH EDUCATION TELECOMMUNICATIONS EXPERIMENT

Mr. MOSS. Mr. President, on May 30, 1974, NASA launched the applications technology satellite No. 6—ATS-6. That satellite is being used in an experiment known as the health education telecommunications—HET—experiment. The HET experiment is now allowing for the first time two-way communication for health programs in many isolated areas in the Appalachian States and Alaska, as well as educational television programs to students in the more remote areas of the Rocky Mountain States and Alaska.

Mr. President, the ATS-6 is committed by international agreement to be moved in June of 1975 to facilitate intranational broadcast by India. Many of those who are presently using the satellite as part of the HET experiment are deeply concerned that a very beneficial program may be discontinued, because they are presently no plans by the administration or private industry for providing a followup satellite.

I am certain that many of my colleagues have received correspondence from constituents regarding this valuable program which in one way or another has an effect on more than 20 States. I know that I have received many letters in which the writers have expressed concern about the loss of this most beneficial project. Recently I received letters from some of those persons most affected by the loss of the HET experiment, the children in the schools where the educational programs are received.

Mr. President, there is very little I could say which would add to the letters of these schoolchildren. I, therefore, ask unanimous consent that these letters be printed in the RECORD and I urge my colleagues to read them along with similar letters they may be receiving. These letters serve to emphasize the importance of Congress and the administration doing everything necessary to facilitate the continuation of the HET experiment, either by additional appropriations or through encouragement of private enterprise to enter this new market.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KANAB, UTAH,
October 15, 1974.

DEAR SENATOR MOSS: I am an eighth grader of Kanab High School. I am in the satellite technology career development program. I have got information that the satellite is going to be moved over to India, and Canada and Alaska have a satellite. We would appreciate if you could keep it for us.

SHAYNE RAMSAY,
An 8th Grader.

KANAB, UTAH.

DEAR SENATOR MOSS: I think that the "Satellite Technology Career program", is a good program. And with this program, it is able to teach me something so that I may be somebody in this Nation, and I think we (the Kanab High School students) should have the "Satellite program" for as many years as this program lasts.

Sincerely,
MAC SHUMWAY.

KANAB, UTAH,
October 17, 1974.

DEAR SENATOR MOSS: I think the Satellite Career development program is a good program. And I think you can help us keep it next year. I know Canada and Alaska also have it.

Sincerely,
BENJAMIN P. JOHNSON.

KANAB, UTAH,
October 16, 1974.

DEAR SENATOR MOSS: I encourage you to keep the S.T.D. program in our school. This program helps me to learn how to make decisions. And we learn a lot more. So please keep it here.

Sincerely yours,
COLE BROWN.

OCTOBER 16, 1974.

DEAR SENATOR MOSS: The satellite program was worth having in class this year. I think it would be worth having next year too. Could you please arrange so we could have it next year? I think my classmates would feel the same way about it.

Sincerely yours,
WESLEY MCALLISTER.

KANAB, UTAH.

DEAR SENATOR MOSS: Us at Kanab High School would like you to keep the satellite program in Kanab because us at Kanab don't have the same advantage as the big towns.

Sincerely,
MIKE SKAGGS.

SOMETHING TO BE THANKFUL FOR

Mr. HUGH SCOTT. Mr. President, an editorial in yesterday's Philadelphia Inquirer proves that there is always something to be thankful for. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD. as follows:

THE GOOD NEWS—IT IS NOT FRENCH

Sitting in Philadelphia near the end of the balmiest autumn in our memory, in the aftermath of an election which did not entirely satisfy anyone, and looking about us at a neighborhood and a nation with gnawing problems, we found our customary indignation in considerable confusion the other day.

Then a dispatch from Paris rose to our attention. And while we have no taste for taking delight in others' miseries, there was something cheering about it. We are beholden to the New York Times' insightful, if gloomy, Nan Robertson for the following data:

"The French are enduring double the average rainfall, abnormally low temperatures and strikes crippling heating-fuel supplies and mail service, telephones, gas and electricity, and railroads and television. Even sick dogs and cats could not extend a paw for help today during the first recorded strike by the nation's veterinarians. The Bordeaux wine scandal has undermined confidence in the integrity of French wines . . . the liner France (was) taken out of service last week . . . Potato fields in the north are so inundated that they look like Vietnamese rice paddies . . .

No one has been able to mail a letter or receive one for two weeks . . ."

And finally, striking close to our own personal interests:

against editors and commentators who lack

"In the journalistic community there have been firings and widespread reports of threats sufficient deference toward any and all government decisions."

We could not find it in our hearts to credit government decision for the East Coast's lovely fall—even under threats, which we have yet to find must be taken seriously here, on that or many other points.

Despite inflation, a coal miners' strike and the rest, our telephone still works, the mail is flowing in and out, and the dogs in our neighborhood still have their day, in sickness and in health.

On the whole, we prefer to be in Philadelphia.

HOW ABOUT TAKING INFLATION SERIOUSLY?

Mr. STEVENSON. Mr. President, I commend to my colleagues an article by Arthur Schlesinger, Jr., entitled "How About Taking Inflation Seriously?"

which appeared in the October 30, 1974, issue of the Wall Street Journal.

Professor Schlesinger offers the viewpoint of an historian. He points out that inflation is not a natural condition of the American or world economic order, and indeed that it is a recent phenomenon. Professor Schlesinger supports this with interesting historical facts. The Wholesale Price Index—1926 equals 100—stood at 56.1 in 1890 and only 78.6 in 1940. This was an increase of less than half a point a year, despite the fact that prices more than doubled during and after World War I.

Professor Schlesinger goes on to offer some views from an historical perspective on President Ford's economic program. He concludes that—

> The old-time (economic) religion of President Ford will be . . . as ineffectual as the old-time (economic) religion of President Hoover was against systematic depression.

He notes many similarities between the approach of President Hoover toward recession-depression and the approach of President Ford toward inflation:

> There is the same reliance on voluntarism, the same recourse to pep talks and incantations, the same emphasis on inadequate and irrelevant measures, the same foolish optimism . . . even the same solicitude for stockbrokers. Above all, there is the same compulsion to see the situation as an unlucky conjuncture of passing troubles and not as a crisis of the system itself.

Mr. President, I heartily recommend Professor Schlesinger's article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW ABOUT TAKING INFLATION SERIOUSLY?

(By Arthur Schlesinger, Jr.)

I have hitherto stayed a good distance away from economics—a domain of knowledge gladly relinquished to three learned and amiable colleagues on the Board of Contributors, the Rev. Drs. Heller, McCracken and Stein. Since, however, these divines disagree rather enthusiastically among themselves, I hope the reader will be tolerant if an historian compounds the confusion.

History is not irrelevant to the discussion. For the impression is about that price rises are and always have been the natural and inevitable consequence of economic growth. That impression is wrong. The American wholesale price index (with 1910–1914 prices as the baseline) declined from 129 in 1800 to 82 in 1890—and this despite the fact that prices more than doubled during the Civil War. In other words, the immense expansion of the 19th Century was not accompanied by rising prices at all but by *falling prices*. As for more recent times, the wholesale price index (1926 equals 100) stood at 56.1 in 1890 and only 78.6 in 1940—an increase of less than half a point a year, and this despite the fact that prices more than doubled during and after the First World War. Wholesale prices in 1940, indeed, appear to have been slightly *lower* than they were in 1800, in so far as a comparison can be made. Inflation, in short, has *not* been the normal condition of the American economy.

This is why I think we should take a good deal more seriously than we do the situation of inordinate price increase after the Second World War. Using 1967 as 100, we find the wholesale price index rising from 54.6 in 1945 to 135.5 in 1973—81 points in 28 years—and to heaven knows what in 1974. The value of the dollar has steadily fallen from $1 in 1940 to 50 cents by 1957, to 40 cents when Richard Nixon came to office and to 29 cents today.

Is no one really worried about this? The administration pretends to worry, but it isn't taking inflation very seriously, judging by the remedies it prescribes. Its view appears to be that inflation is a temporary problem, the result of an accidental combination of fortuitous circumstances, easily correctable if only the Arabs would shape up and the Americans tighten their belts. I would venture the counter-suggestion that our inflation, far from being temporary and fortuitous, is inherent in the arrangements and structure of the modern economy. And I believe it must be taken very seriously indeed. Except for depression itself, no greater curse can descend on a free economic society than the steady, uncontrolled, remorseless rise of prices. As Keynes said, "There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction."

THE EMPLOYMENT ACT OF 1946

Why has inflation become so critical a problem? For most of our history, as we have seen, it was no threat at all. The supreme economic threat was depression. For a long time mass unemployment was accepted as a natural calamity, like plague or drought. But with the Great Depression mass unemployment became unacceptable. The result was the solemn public commitment, expressed in the Employment Act of 1946, to the maintenance of high employment as national policy.

This commitment marked a historic point in the humanization of the industrial order. "The problem of unemployment," as Winston Churchill had said, "is the most torturing that can be presented to a civilized society." The ideal of full employment offers the hope of bringing that particular form of torture to an end. No civilized society can reject that ideal; no electorate would permit it to do so.

Yet social advances may throw off new social problems. It was just and imperative to correct the bias in our economic system toward depression. But in doing so we have substituted for it, it would appear, a new bias toward inflation. The old economic problem was how to achieve stable high employment. The new economic problem is how to reconcile stable employment and stable prices. And this problem has been intensified by the structure of the modern economy—especially by the fact that in the commanding heights prices are set, not by laws of supply and demand operating in a free market, but by private market power—i.e., by the capacity of great firms in noncompetitive sectors precisely to ignore the laws of supply and demand. Note, for example, how as demand declines, automobile prices rise instead of fall.

That original and neglected economist Dr. Gardiner Means first pointed 40 years ago to the phenomenon of inflexible prices in concentrated industries. Twenty years ago he distinguished between "monetary inflation"—the classical sort, where too much money chases too few goods—and "administrative inflation," the new sort, arising from the exercise of administrative power over prices and wages. Free from the restraints of competition, firms endowed with market power not only set prices according to what they regard as their own needs but accommodate the unions by passing wage increases on to the consumer.

Our postwar economy has thus built into itself a propensity toward inflation. That propensity may have one set of triggers one year; another, the next year. Our present troubles, for example, have been aggravated by world-wide food and raw material shortages; by the determination of the oil-producing countries to rip off the West as the West ripped them off for so many years; by the impact of devaluation; and so on. But whatever form inflation takes, whether it is commodity-based or price-based or wage-based or demand-based or OPEC-based, it is beyond all question the disease to which the postwar economic organism most readily and habitually succumbs. Inflation is now apparently endemic in the system. And, in my judgment, it presents almost as strong a threat to the survival of the system as depression presented 40 years ago.

Against this systemic threat, the old-time religion of President Ford will be, I believe, as ineffectual as the old-time religion of President Hoover was against systemic depression. The resemblances between the Hoover approach and the Ford approach are uncanny. There is the same reliance on voluntarism, the same recourse to pep talks and incantations, the same emphasis on inadequate and irrelevant measures, the same foolish optimism (the Journal itself recently ran an article entitled "Inflation Is Already Whipped," just as in 1930 prosperity was always just around the corner), even the same solicitude for stockbrokers. Above all, there is the same compulsion to see the situation as an unlucky conjecture of passing troubles and not as a crisis of the system itself. The orthodox liberal economists, it must be said, aren't much better. They seem to regard inflation as a secondary issue, to be feared chiefly because, if we treat it in the wrong manner, we will get into a depression, which remains the primary issue.

Happily less orthodox views have found expression, even at the economic summit: Senator Mansfield, for example, who is far more courageous on this question than his colleagues seeking the Democratic nomination in 1976; Robert Nathan; and above all, Professor Galbraith, who, I find, wrote "Inflation, more than depression, I regard as the clear and present economic danger of our times and one that is potentially more destructive of the values and amenities of democratic life." Their argument is that a first necessity is to break the price-wage spiral so that slower measures—higher taxes on higher incomes; breaking bottlenecks in domestic production; reducing the consumption of imports in limited supply, like oil—will have time to take effect. They recommend that this be done by resort to measures that have worked in the past—direct controls over wages and prices. In the present situation such controls would be limited to that part of the economy dominated by administered prices. Moreover, in a period when we are threatened by deepening recession as well as by spiralling inflation, controls have a further and very considerable advantage. They can act as circuit-breakers, making it possible to hold the price line and at the same time to reflate the economy through public service employment, low-income tax relief and social spending.

This historian finds this approach persuasive. I am aware that no less eminent an authority than President Ford assured Congress on Oct. 7 that controls "never really stopped inflation . . . not even during and after World War II, when, as I recall, prices rose despite severe and enforceable wartime rationing." But is it not about time for our President to start doing his homework? "As I recall" may do for a Congressman; hardly for a Chief Executive. The facts are that the American economy has never in history been under such unimaginable inflationary pressure as during the Second World War. The national debt grew from $61 billion in 1940 to $253 billion in 1945; government spending from $9 billion in 1940 to $98 billion in 1945. The cash deficits in the war years amounted to about 30% of the net national product.

Yet what happened to prices? From June 1943, when the Office of Price Administration finally received adequate authority, to the end of the war, the retail cost of food hardly rose at all. The Consumer Price Index increased from 74 in 1943 to 76.9 in 1945—a quarter of the increase in the single year from September 1973 to September 1974. *The increase in wholesale prices in the last 32 months of the war was less than in the single month of August 1974.* And the price rises in 1946 took place not in spite of the controls but because they had been too precipitately removed.

A CLAMOR FOR CONTROLS?

I have no doubt that, if the old-time religion does not bring the rate of inflation down very sharply, the call for controls will grow. As the 1976 election draws near, even the Ford administration will doubtless heed that call. But controls will be unsatisfactory under the Ford administration, as they were under the Nixon administration, for controls will work well only when administered by people who believe in them. As Professor Galbraith has said, asking George Shultz to administer controls is like asking Wright Patman to administer a tight-money policy. Controls will work, moreover, only if they are administered with equity and not applied more diligently, for example, to wages than to prices. It is the equity issue that accounts in great part for the current opposition to controls in the labor movement.

Unless inflation is ended by 1976 without at the same time tumbling us into depression, I believe that the election of 1976 will assume something of the historical significance of the election of 1932. Just as the American people were unwilling then to go on any longer as the passive victims of depression, so they will be unwilling now to go on as passive victims of inflation. As in 1932 they called on the national government to redefine the rules of the economic game to prevent mass unemployment, so in 1976 they will demand further redefinition of these rules to assure price stability. As in 1932 they began to understand that depression expressed a structural crisis in the economic order, so in 1976 they will begin to understand that inflation expresses a structural crisis in the economic order.

THE PUBLIC INTEREST FACTOR

Where markets are truly free and supply and demand still set prices, that is one thing. There the price process should, as much as possible, be left alone. But where prices are set by administrative decision, that is something else. If prices are going to be set anyhow, and if the result of private price-fixing is chronic and continuous inflation, then the time has come to substitute price-fixing in the public interest for price-fixing in the interest of private profit. In short, where prices and wages are already administered, the public interest must be represented in price and wage decisions.

The principle is easy enough. The harder problem is to devise the institutions through which the public interest will be represented and to establish the standards that will insure both equity and compliance in the results. We must hope that whatever national administration we have after 1976 will display something of the legal and administrative fertility of the New Deal. This new role of government will no doubt bring on a season of hysteria in the business community, as the New Deal did in the thirties. But when the shouting is over, the idea of public intervention in those sectors of the economy that breed inflation will become part of the landscape of things. Looking back people will doubtless wonder, as the young wonder today about the New Deal, why on earth such sensible and moderate changes should have provoked such apocalyptic outcries.

THE TRADE BILL

Mr. PERCY. Mr. President, I am most encouraged by recent progress on the trade bill and am most hopeful that it can be enacted into law this year. This should be regarded as a legislative must by every Member of Congress. The November 21 issue of the Wall Street Journal contains a good summary of the bill and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

SENATE UNIT VOTES BROAD TRADE BILL TO LET FORD NEGOTIATE ON BARRIERS—IT PERMITS AID TO WORKERS, FIRMS HURT BY IMPORTS; BACKERS FEAR FLOOR FIGHT

(By Albert R. Hunt)

WASHINGTON.—The Senate Finance Committee cleared a far-reaching trade bill giving the President sweeping new powers, but the measure still may be twisted out of shape on the Senate floor.

Backers of the trade bill, including the Ford administration, fear a number of riders, including protectionist provisions, tax and even gas-deregulation measures, might be attached when it reaches the Senate floor early next month.

"This bill could very easily become a Christmas tree bill," warned Senate Finance Committee Chairman Russell Long (D., La.) in reference to the Senate custom of tacking unrelated items onto legislation at the close of the year. If this happens, it could well be impossible to send any trade bill to President Ford this year.

SEEK TO AVOID ADDITIONS

As there isn't much time left in the current session, Senate leaders are trying to prevent any weighing down of the legislation by extracting informal pledges from various members to avoid the customary last-minute additions. But whether the free-wheeling Senate can show much restraint is a serious question, supporters of the bill acknowledge.

The Finance Committee bill, approved without any formal dissent within the panel, nearly parallels trade legislation that the House approved last year.

The bill gives the President broad new authority to negotiate away various tariff and nontariff barriers to trade, such as import quotas, product standards and labeling requirements. The President also would be empowered to provide relief to domestic industries and to workers injured by rising imports, as well as to take retaliatory steps against trade practices of other nations.

SOME CRUCIAL DIFFERENCES

There are a few crucial differences between the two versions, however. The most important is the Senate panel's requirement of specific congressional approval of negotiations doing away with various nontariff barriers; the House version only gives either body the right to veto such agreements. But free-trade advocates claim the Senate committee requirement for approval would jeopardize any negotiations.

The Senate committee measure also contains a much tougher provision than the House bill in mandating that the President has to provide aid to domestic industries hurt by imports, and it gives Congress broader powers to prescribe more generous assistance if it desires.

The committee version also would make it tougher for the President to grant tariff breaks to poorer nations and would go much further than the House in requiring other nations to give the U.S. concessions comparable to anything they receive.

Although the administration opposes most of these Finance Committee decisions, it basically hopes to reconcile major differences in any House-Senate conference committee, and it is pleased that the Senate panel acted on the bill.

SOVIET PROBLEM SEEMS RESOLVED

Also, the problem of granting new trade concessions to the Soviet Union, which had held up the committee's consideration of the bill for months, appears to be resolved. These benefits have been tied to the Soviets agreeing to relax its emigration restrictions, particularly as they apply to Jewish citizens wishing to leave. But recently, the administration, prodded by Sen. Henry Jackson (D., Wash.) and others, appeared to reach an agreement with the Soviets over this issue.

Secretary of State Henry Kissinger still must spell out some details of this agreement before the Finance Committee on Dec. 3. But it is believed this matter has been satisfactorily resolved and isn't likely to endanger the bill's chances for Senate passage.

Nonetheless, organized labor and certain industries, such as shoe manufacturers, still say the legislation isn't protectionist enough and will mount efforts to change it on the floor. Senate Majority Leader Mike Mansfield (D., Mont.) has indicated he wants to stave off such attempts, but a prolonged floor battle seems certain.

SOME POSSIBLE PITFALLS

Beyond trade-related concern, backers of the bill also are worried that some liberals may try to tack on tax provisions increasing the levies imposed on multinational and petroleum companies. One of the leading tax-revision liberals, Sen. Walter Mondale (D., Minn.) has promised he won't try this because he realized it probably would kill the trade legislation if he were to succeed. But other liberals mightn't go along with Sen. Mondale.

And some conservatives, such as Sen. James Buckley (R., N.Y.), are threatening to try to add to the trade bill a measure deregulating natural gas. This, too, would prompt an all-out fight and possibly doom this legislation. Thus, the Ford administration and various business interests are trying to discourage such a move.

Sen. Long, for one, while somewhat optimistic that a bill eventually will pass, conceded these pitfalls are real, and he warned that if even one unrelated amendment is added to the bill on the floor, it could kill the entire legislation.

"The first non-germane amendment we approve means you're in a trap that it's going to take you a long time to get out of," he said. The Senate will have only a few weeks before Christmas, when Congress hopes to wrap up this year's session, to avoid such problems and pass the legislation.

The major sections of the Finance Committee-approved bill would provide:

Tariff-reduction authority: The President could reduce to zero any tariffs currently at 10% or less. Any tariffs above 10% could be cut in half. This authority would be for five years.

The Senate panel's bill would give the President somewhat more power than the House bill, which would allow a reduction to zero only on tariffs at 5% or less. Under the Senate committee version, as much as 85% of all imports could be duty free through international trade agreements.

Also, under the finance panel's version, the President could raise tariffs generally 20% above 1975 levels. This is similar to the House provision, but is expected to be a little used authority.

Nontariff barriers: The President could reduce these barriers or convert to tariffs, but it would require approval from both houses of Congress. This is significantly different from the House provision, which would give either house only the right to veto such negotiations.

Sen. Herman Talmadge (D., Ga.), a senior committee member, insisted that Congress had to specifically endorse key nontariff agreements. If the Senate approves the bill, this surely will be part of the measure and, if Sen. Talmadge remains adamant, it could prove to be the thorniest problem in any conference with the House.

However, the Senate committee did decide to give the President somewhat more flexibility in conducting these negotiations than the House, which insisted they be on an industry-by-industry basis in the manufacturing area.

Import relief: If the International Trade Commission, which is the new name the finance committee bill would give the Tariff Commission, finds that a domestic industry has been seriously injured by rising imports, the President would be mandated to provide either the relief recommended by the commission or his own version. This could be done in the form of quotas, increased duties or voluntary marketing agreements.

In cases involving two recommended versions, if Congress prefers the International Trade Commission's proposal instead of the President's, it could override the presidential action by a majority vote of both houses. Politically, this probably would mean that tougher types of relief would be given than under the House bill, which gives the President broader authority to decide on relief. But it doesn't require him to act.

Balance-of-payments protection: Under both bills, the President would be authorized to impose a temporary 15% import surcharge or temporary quotas to correct persistent balance-of-payments deficits with other nations. Under the Senate committee's bill, the President would be mandated to take this action unless he determines it is "contrary to the national interest." That provision is tougher than the House's version, which allows him to take this action only if he wants to. The Finance Committee dropped another House provision that would have enabled the President to take similar action in order to restrain domestic inflation.

Most-favored-nation status: The Finance Committee bill actually must await final details from Secretary Kissinger before this section is wrapped up. But it is expected to permit the President to give major Communist countries the same tariff treatment that other industrialized nations receive. In return, the Soviets have promised to increase the number of its citizens allowed to emigrate.

Under the Finance Committee version, it is expected that Congress will have to approve the initial granting of these tariff breaks to Communist countries as well as any new commercial credits given to them. And Congress could veto any extension of these trade concessions. Under the House version, the President could give major Communist countries favorable tariff treatment only if they have a totally free emigration policy.

The Senate committee's bill also provides that continued granting of favorable tariff treatment to non-Communist industrialized nations would hinge on those countries providing "substantially equivalent competitive opportunities to U.S. commerce." The Ford administartion believes this condition is unworkable.

Adjustment assistance: The Senate committee's bill would enable workers made jobless by rising imports to receive 70% of their previous pay for 52 weeks, up to a maximum of $170 weekly. This is slightly more generous than the House version, but it would cost the federal government an estimated $335 million a year, compared with $350 million under the House measure. That is because the Finance Committee would make the states pay part of these benefits.

Under the Senate panel's version, smaller companies also would be eligible for some aid. Moreover, the bill would provide up to $1 billion in guaranteed loans, plus various other assistance, to communities hard hit by jobs lost to imports.

Overall, this section would be the only one in the bill with a direct initial budgetary impact, although eventually the lower or phased-out import duties could mean a revenue loss of more than $3 billion a year to the Treasury.

Tariff breaks for poorer lands: The Finance Committee bill makes it difficult to remove duties on articles from lesser-developed nations, for it draws a list of conditions these countries must meet before getting any such preferences. This would exclude from such breaks all Communist nations, Arab oil-producing countries, and several Latin American nations. This is much tougher than the House provision.

Retaliation and access to supplies: The Finance Committee would require the President to enter into negotiations assuring that supplies of "essential articles" are made available to the U.S. If this isn't done, it would make retaliatory authority against such countries more likely. Further, the President could restrict imports or services from any country found to discriminate against U.S. exports. There isn't any such provision in the House bill.

Tariff Commission: Besides changing the name to the U.S. International Trade Commission, the Finance Committee bill would increase the terms of commissioners to 14 years from six years. Also, the commission's chairman and vice chairman would rotate and be appointed by the other members instead of by the President. All this is designed to give the President less control over the commission, and there isn't any comparable provision in the House bill.

NUTRITION PROGRAM FOR THE ELDERLY A SUCCESS IN NEW YORK

Mr. BENTSEN. Mr. President, the November 25 issue of the New York Times contained an interesting article which illustrates how one highly successful Federal program operates in New York City.

The nutrition program for the elderly, which is authorized under title VII of the Older Americans Act, has been providing hot, nutritious meals to thousands of old and frequently poor New Yorkers who otherwise would be denied the benefits of a sound diet. While the program has been a resounding success, there are many deserving elderly who have not been able to participate because the program is suffering from the dramatic increase in food prices over the last year.

Earlier this year, I introduced an extension of the nutrition program, which has now been enacted into law. I regret that additional funds were not appropriated for title VII during the recent debate on the supplemental appropriations bill, for, as the attached article shows, the nutrition program deserves added support from the Congress.

I ask unanimous consent that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 25, 1974]

HOT-LUNCH PROGRAMS FEED MIND, BODY OF ELDERLY

(By Deirdre Carmody)

Five days a week, Roger White climbs three narrow flights of stairs in a bleak tenement in the east eighties and delivers a hot lunch to a 90-year-old woman who has not been well enough to leave her musty apartment for six years.

Although he stops only long enough to place a hot aluminum container with rice, fried chicken and peas; a few pieces of fruit; some bread and a cup of juice on the cluttered kitchen table, Mr. White's visits and his few words of banter are among the last fragile threads that still link the old woman to the rest of the world.

The food that Mr. White totes up and down the shabby staircases of Yorkville is supplied by Meals on Wheels, one of more than 200 publicly and privately sponsored programs that supply hot lunches—some at no cost and some for a small suggested contribution—to the elderly poor in homes, churches, housing projects and senior centers throughout the city.

For some of the frail old people of New York, these lunches are the key to their survival. It is not unusual at the centers where the lunches are served to see a slice of bread or a piece of fruit furtively slipped into a handbag to guarantee the evening meal that fixed-income budgets cannot afford.

A FINAL BARRIER

For still others, the lunch programs provide the only socializing in their lonely lives and the final barrier that keeps them from crossing over the line between coherence and senility.

"I've worked in nursing homes and I've seen so many people just like the ones we're now feeding in their homes," says Frank Power, director of "Meals on Wheels," a Federal program that feeds 150 homebound elderly between 72d Street and 106th Street on the East Side. "We're enabling them to continue to live at home and to hold on. So many of them, if they went into nursing homes, would be senile by the end of the week."

Hot lunches are being served daily to 30,000 elderly people here but, according to the Mayor's Office for the Aging, there are 300,000 elderly people living at or below the poverty level who are in desperate need of the programs.

The nutritional problems of the elderly are particularly acute in New York City because one out of every 20 persons over 65 years of age in the United States lives here. Of the nearly one million elderly New Yorkers, 300,000 are living on annual incomes of $2,100 or less if they are single, and $2,800 for two if they are married, according to the statistics of the Office for the Aging.

THE HIDDEN PEOPLE

An even more staggering statistic is that more than 135,000 old people here (14 per cent of those over 65) are living on $1,318 a year if they are single, and $1,661 for two, if they are married.

"They are the hidden people in our society," says Dr. Luise Light, assistant professor in the Department of Home Economics and Nutrition at New York University. "And we pay no attention to them."

"Every day we see old wizened, shriveled people coming out of their shoes and stumbling along and we pass them by. They are not able to cope with our life-styles. We're mobility-oriented, glamour-oriented, and old people have none of these values that we hold so dear."

One of the important strides toward meeting the needs of these elderly people is a new Federal program authorized under Title VII of the Older Americans Act. It provides hot meals for persons 60 and over and is now operating in 54 centers in the city that each serve about 150 people.

The only eligibility requirement is that a person be over 60 years old, and there is a suggested voluntary contribution, which ranges, according to the center, from 25 cents to 85 cents a meal.

INFLATION AN ENEMY

But these programs are reaching only a portion of the people for whom they were designed. A report recently issued by the Senate Select Committee on Nutrition and Human Needs concluded that because of inadequate funding the Title VII programs were not reaching 97 per cent of their target population nationally.

Last year, Congress allocated $100-million for Title VII programs, of which New York City got $4.3-million. The final figure has not yet been arrived at for the current year, but program administrators fear that even if Congress allocates the same amount of money, the programs will have to be cut back because of inflation.

They maintain that it is false economy on the part of Congress not to allocate more funds for the Title VII programs because in many cases these programs make the difference between an elderly person's continuing to live at home or having to give up and enter a nursing home. They contend that maintaining a patient in a nursing home is far more costly than paying for his hot lunches.

For instance: There was a retired seaman in his eighties who suffered from emphysema and lived in a one-room residence hotel near Ninth Avenue. He was too ill to go out and had virtually nothing to eat when he was brought to the attention of Mrs. Gertrude Wagner, who runs the Title VII food programs at the Hudson Guild-Fulton Senior Association at 119 Ninth Avenue.

Under her guidance, and working under the home-bound allowance of Title VII, the man was put on public assistance and a home-service team began delivering meals to him. They suggested moving him out of the shabby residence hotel, but it was the man's home and he wanted to stay there.

"My friends know where I am," he said. "They come to see me here."

The man made few demands and appeared to be grateful for being allowed to live out his years in peace. Last spring—two years after he began receiving help—he died quietly while sitting on his bed and watching television.

Mrs. Wagner says that if the man had been put into a nursing home, it would have cost the taxpayer $750 a month the first year because the man was receiving welfare benefits and $785 a month for last year. The total cost to the taxpayer would have been $18,420 to keep the old seaman in the nursing home for the two remaining years of his life.

Instead, the total cost to the taxpayer for keeping him at home, where he wanted to be, was $4,838 for those two years. Of this, public assistance totaled approximately $4,500 and the net cost to the taxpayer for the man's meals was $308.

Mr. Power, who receives $10,000 in funding for Meals on Wheels, found himself in a predicament this year when he realized that the funding would not stretch to include the salaries of the drivers and people to carry the food to the apartments of the elderly. Without these men, the program was virtually stymied.

So Mr. Power contacted Wildcat, a rehabilitation organization for former drug addicts and convicts, which has its own funding. Wildcat supplied three men, including Roger White, at no cost and officials held their breaths wondering what repercussions there would be when it was learned that former drug addicts were knocking at the doors and entering the apartments of the home-bound elderly.

The gamble has paid off, according to Mr. Power and it is evident to a visitor accompanying 27-year-old Roger White on his rounds and seeing the esteem in which he is held by the old people he serves. They brighten as he enters their apartments and they nod their heads and cluck over him. They extend frail hands to touch his sleeve because for some of them, he is the only human contact they have left in their lives.

One old woman who is losing her sight was frightened because she did not know how to find her way to the doctor. Mr. White told her he would take her there after he completed his rounds, and he did. He found another old woman lying on the floor, and after trying to prop her up with pillows, he rushed back to his office to tell Mr. Power, who arranged for a doctor to come.

"She can't see, and her skin is so old that if you touch it, it rips and bleeds," Mr. White said later.

ONE-THIRD THE REQUIREMENTS

The hot lunches served under Title VII are meant to supply one-third the daily recommended allowance of nutrients that the Food and Nutrition Board of the National Academy of Sciences considers adequate to meet the known nutritional needs of practically all healthy persons. An underlying assumption is that the elderly will be able to meet the remaining daily nutritional requirements on their own—an assumption that is often false.

The Title VII lunches usually include three ounces of meat or fish, two and a half cups of vegetables and fruits, bread, margarine, half a pint of milk and half a cup of dessert. Desserts range from stewed prunes or pineapple tidbits to applesauce and chocolate pudding. Some programs also serve tea or coffee.

Nutritionists point out that while the actual nutritional needs of old people in general are no different from those of younger people, the elderly often suffer from chronic illnesses that require special diets. The elderly also tend to eat less and thus it becomes important that what they do eat be nutritionally beneficial.

"In general they are on a mediocre diet," Dr. Jean Mayer, the Harvard nutritionist, said in an interview the other day. "This is because of the high price of food, because they are afraid to go shopping and because they do not have good foodkeeping facilities.

"They are also often the victims of fraud," Dr. Mayer explained. "They have arthritis, for example, which they can't do much about so they are prey to any quack who comes along and says he can cure them."

Dr. Mayer said that many of the elderly poor suffer from low-grade vitamin B deficiencies that can result in mental confusion. He said that there were documented cases in which elderly people had been institutionalized because of this. When they were fed a proper diet, with the proper amounts of vitamin B, their mental confusion cleared up.

Their mental problems, in these cases, were probably caused by a protein deficiency since the B vitamins are generally found in such protein-rich foods as milk, eggs, beef, liver, whole grain cereals, fish and green vegetables.

PROTEINS A LUXURY NOW

Another disease that elderly people suffer from is anemia and this, too, comes from a lack of protein. For many elderly persons, however, protein-rich foods have become a luxury that they cannot include in their budgets.

The price of meat, for example, is prohibitive. A whole chicken is too much for a person living alone, and chicken parts are too expensive. Egg whites are a classic source of protein, but many aged people have cut eggs from their diets because they are concerned about the high cholesterol content of egg yolks and its possible adverse effect on their hearts and blood vessels.

Nutritionists have generally observed that the energy needs of elderly people are less than those of younger ones. But preliminary findings of research conducted by Dr. Orrea Pye, acting chairman of nutrition programs at Teachers College of Columbia University, indicate that while older people tend to save their energy, when they have to push themselves it cost them more in calories.

Thus, the energy that older people have to expend in lugging groceries upstairs is greater than that expended by younger people. This, in turn, causes the aged to burn more calories than younger people and thus increases their nutritional needs.

One of the physiological aspects of aging is a cognitive slowing down. The result is that old people can't process experiences as rapidly as younger people. The elderly, for instance, can often be seen hesitating on the sidewalk long after the traffic light has changed while they make up their minds to cross. By that time it is often too late and the light has changed again.

The same process takes place as they stand baffled before supermarket shelves that confront them with more choices than they are able to cope with.

"And they don't always remember if they ate or not," says Dr. Luise Light, the N.Y.U. nutritionist.

"Eating has become a chore to the elderly," adds Dr. Myron Winick, director of the Institute of Human Nutrition at Columbia University. "Eating socially has been a family occasion and they once looked forward to meals." Now, living alone, they have no incentive to cook for themselves and they fall into what gerontologists call the "tea and toast syndrome."

Mrs. Angelina Kite is 79 years old and the high price of food is nothing new to her. She remembers the Great Depression, when she saved up to buy a bottle of milk every other day to give to her two babies and when her husband stood in line at the Veterans' office in South Ozone Park, Queens, for handouts of bones, cake, fish, bread and vegetables, which business people had donated for the needy.

But despite the hardships of those days, Mrs. Kite was surrounded by her family and mealtimes were the focal point of the day. Now she lives alone in Woodhaven, Queens, and her electric bill has doubled recently because of inflation. She feels she can no longer afford to put the lights on at night so now she eats her modest supper in the waning light and then sits quietly in the dark watching television.

Moreover, many elderly people who live alone buy packaged foods and convenience foods, which tend to be high in sodium.

Chewing is another problem for elderly people, whose teeth are often bad. Dr. Charles Winick of Columbia University says that he recently visited Naples, Fla., which has a high percentage of elderly people and few children. Nonetheless, the supermarket shelves there were stacked with baby food, indicating that there is a sizable market of elderly people who buy infant food.

Baby food also solves another common problem: the difficulty of buying single portions. With the exception of TV dinners, most foods are packaged with far more than is needed for one person with not much appetite.

The Gerber Products Company, known for its baby food, has been test-marketing food for "singles" in individual glass jars. One of the market decisions is that the "singles" jars, which hold seven-and-one-half ounces of food, do not resemble baby food too closely, so the jars are being designed with a different shape and distinctive labeling.

According to John Whitlock, director of public relations for Gerber, these adult foods, which are quite highly seasoned, include such meals-in-one as Beef with Mushroom Gravy, Golden Chicken and Sauce Supreme and Sweet and Sour Pork. They average 97 cents a jar, which can be considered relatively expensive.

Most specialists emphasize that food is only a small part of the nutritional problems of the elderly and that problems of transportation, limited budget and the desperate need for socialization are of almost equal importance.

Dr. Charles H. Goodrich, director of health care in the department of community medicine at Mount Sinai Hospital, believes that health care is now undergoing as major a revolution as it did 75 years ago when it shifted emphasis from treating the patient at the bedside to studying the cell in the laboratory.

He says that health care can no longer rely on the after-care in hospitals and nursing homes, but that doctors must go into homes and communities to study how people live in order to know how to treat them.

For nutritional programs to make sense, therefore, they must be prescribed within the context of a person's entire way of living, including his economic status and cultural habits.

"The data doesn't lie in the vital organs, it lies in people's lives," Dr. Goodrich said. "The elderly are a living complex of all the chronic diseases of our time."

Hot lunches for the elderly—some of them free and others for a small suggested voluntary contribution—are served by city and private agencies in churches, senior-citizens centers, housing projects and other places throughout the city.

Information about these programs may be obtained by telephoning the Mayor's Office for the Aging at 566-0154.

CUBA

Mr. GOLDWATER. Mr. President, I am sure by now the Members are fully aware of my concern over the efforts by some Members of the Senate to move us closer to a détente with Communist Cuba which could, in the long run, lead to our recognizing the Castro government.

Since I first spoke out on this subject I have received many communications complimenting me on my stand and warning against what could happen if we overlooked the true nature of the totalitarian regime 90 miles off our southern coast.

In this connection, Mr. President, one of the strongest arguments for my point of view was put forth recently by Mr. William D. Pawley, former U.S. Ambassador to Peru and Brazil. In a letter published in the Washington Star News of October 11, Pawley said that he was informed that there are still in the neighborhood of 150,000 political prisoners being held in Castro's prisons. He added that Cuba has become a tremendous economic burden on the Soviet Union which it would like to shift to us.

Because of his knowledge of the area and his very intelligent arguments for the United States maintaining a tough policy towards Cuba, I ask unanimous consent that Mr. Pawley's letter be printed in the Record in its entirety.

There being no objection, the letter was ordered to be printed in the Record, as follows:

[From the Washington Star-News., Oct. 11, 1974]

Letters to the Editor—Stay Tough on Cuba

Sir: I am greatly distressed over the efforts being made by Senators Fulbright, Javits and Pell to reestablish diplomatic relations with Cuba.

As I recently wrote President Ford, Cuba is probably the most critical international problem with which the United States is faced; and resumption of diplomatic relations, which were broken off by President Eisenhower and not resumed by either Presidents Kennedy, Johnson or Nixon, should not, in my opinion, be considered by the present administration under any circumstances.

We have watched Castro convert Cuba into a Russian missile, submarine and bomber base, greatly endangering the security of the United States. He maintains guerrilla training camps and actively conducts clandestine Red guerrilla operations in Central and South American countries.

Castro has confiscated, without compensation, all private business in Cuba, whether owned by Cubans, United States citizens or other nationals.

He has cruelly enslaved the Cuban people of all economic levels, confiscating their property and driving over a million of them into exile. Those who remain (not by choice) lead completely regimented and poverty stricken lives, unable to practice their religion, spied upon by government agents in every block, practically on a starvation diet because Castro has bled the country of all its normal resources in order to finance his subversive activities.

I am informed that somewhere in the neighborhood of 150,000 political prisoners are held in Castro's prisons.

He has established in the Sierra Maestra, overlooking our naval base in Guantanamo, extremely powerful artillery, missiles and weapons furnished by the Russians to threaten our base.

Cuba is an active Russian air and naval base. Soviet submarine crews are flown from Cuba to the USSR for rest and recreation, using Canada as an intermediate stop. Several Russian bombers were on a Cuban airfield as this letter was written, and recently two Russian guided-missile cruisers were in Havana harbor. Cuba today is more a Russian satellite than ever before.

All of this is a tremendous drain on Russia's resources. It takes two to three billion dollars a year to maintain this military base sixty miles from U.S. soil, and Russia is hopeful that the U.S. will resume diplomatic relations with Cuba, so that our country's economic aid, plus trade and tourism which would inevitably follow, would help Cuba's economic situation sufficiently to relieve Russia of this terrible financial burden, while keeping Cuba firmly in the Communist political orbit.

Castro is a sadistic assassin and continues to be outspokenly anti-U.S. Even as Senators Javits and Pell were in Cuba trying to improve relations, Castro made a speech in which he harangued President Ford and Secretary Kissinger, suggested that all developing nations join the oil-producing countries in a "Third World" alliance against the United States, and proclaimed himself to be our bitter enemy.

William D. Pawley,
Former Ambassador to Peru and Brazil.

THE PASSING OF LUTHER H. HODGES, FORMER GOVERNOR OF NORTH CAROLINA AND FORMER SECRETARY OF THE U.S. DEPARTMENT OF COMMERCE

Mr. ERVIN. Mr. President, when Luther Hodges passed away at Chapel Hill on October 6, 1974, a great oak fell in the forest and left a vacant place against the sky.

Luther Hodges was a highly successful businessman, a wise and constructive Governor, and a most efficient Secretary of Commerce. Above and beyond these things, however, he was a great human being who walked and talked with kings without losing the common touch and his innate love for the average person.

Having been blessed by his loyal friendship ever since our student days at Chapel Hill, I sorrowed with his family, his friends, and all North Carolina in his passing.

The place which he occupied in the life of North Carolina and that of the Nation is well proven by the many editorials carried by the news media at the time of his passing.

I ask unanimous consent that these editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Asheville Citizen, Oct. 7, 1974]

Officials Praise Hodges

Lt. Gov. Jim Hunt praised the late Luther H. Hodges as "a man of many careers and he performed all of them with a touch of greatness."

Hodges, North Carolina governor from 1954 until January 1961, died Sunday after being stricken by a heart attack at his home in Chapel Hill.

"When I considered running for lieutenant governor he was one of the first people whose advice I sought," Hunt said.

"He gave to our state and nation the kind of leadership seldom seen in one person. He was a statesman in the truest sense of the word, a person who never stopped serving North Carolina."

Terry Sanford, who succeeded Hodges in 1960, issued a statement from Boston praising Hodges for his fairness during the period when racial integration swept the South.

"His courage and sense of fairness and enlightenment calmed the angry seas of racial strife and established North Carolina as the model for the nation.

"He gave us a sense of purpose in economic development while convincing the rest of the nation of North Carolina's promise," Sanford said.

State Democratic chairman James Sugg said it was hard to sum up Hodges' accomplishments in a few words. "He was such a statement and such an outstanding citizen. He leaves a vacuum that will probably never be filled."

University of North Carolina president William C. Friday said, "As chairman of the Board of Trustees of the university during the turbulent fifties, he provided the quality of leadership that sustained the institution and gave her strength.

"The development of the Research Triangle Institute was one among many of his great achievements. This noble son of North Carolina will be greatly missed."

Gov. Jim Holshouser recalled Hodges' contributions to the state's economy: "He brought a great deal of business expertise to government, not only in North Carolina but in the nation."

[From the Charlotte Observer, Oct. 7, 1974]

Ex-Gov. Luther Hodges Dies

(By Howard Covington)

Luther Hartwell Hodges, a sharecropper's son who became governor of North Carolina and secretary of commerce under two presidents, died Sunday in Chapel Hill at the age of 76.

Hodges died of an apparent heart attack while he walked in the yard of his Chapel Hill home. He was rushed to N.C. Memorial Hospital, but efforts to revive him failed. The time of death was 9:35 a.m.

The morning walk, like his exercises and 7 a.m. risings, was a stable feature of a daily regimen for a man who could never retire to the rocking chairs that friends and admirers continued to shove in front of him.

His accomplishments spanned the worlds of big business, international development, politics and government service at home—in Washington and Raleigh—and abroad.

"Luther Hodges was a man of many careers, and he performed all of them with a touch of greatness," said N.C. Lt. Gov. Jim Hunt.

Even in recent years his schedule kept him on the move. In spite of his third or fourth retirement from one position or another, he remained active in business by serving on the boards of five national companies.

He was an irrepressible salesman, and the monuments to his accomplishments were all around his home in Orange County, an area still booming with development spawned by the Research Triangle Park.

The idea was born while Hodges was governor in 1955 and blossomed under his leadership throughout the late 60s.

"I'm basically a salesman," he said in an interview a few years back, "I love to try to sell."

But Sunday, some of those who knew him well, recalling the tense years following the 1954 U.S. Supreme Court decision that sounded the death knell of segregation, said that Hodges is engineer of the so-called "Pearsall Plan"—which kept the state's school open in spite of widespread sentiment for defying the courts with massive resistance—was probably his greatest accomplishment.

"North Carolina kept its cool," said Hugh Morton, a close friend and his 1956 gubernatorial campaign manager, who just a few weeks ago snapped a picture of Hodges proudly holding a 20-inch rainbow trout he had pulled from a lake at Grandfather Mountain.

"Even overshadowing the industry that he brought into the state, Virginia, Alabama, South Carolina, they had a lot of kids missing school, schools closing down," said Morton. "We never had a North Carolina school child miss a day."

Former Gov. Terry Sanford, who followed Hodges into the governor's office in 1960, also singled out these days and praised Hodges for his fairness during that turbulent period.

"His courage and sense of fairness and enlightenment calmed the angry seas of racial strife and established North Carolina as a model for the nation," Sanford said.

Hodges was born just inside Virginia in Pittsylvania County, but hard times closed the farm, and the family moved to Leaksville, a town incorporated seven years ago into what is now Eden.

Hodges began work at the age of 12 as an office boy in a textile mill, earning a nickel an hour for a 60-hour week.

He worked his way through the University of North Carolina, obtaining a degree in 1919 and returning home as secretary to a textile mill vice president.

By the time he had decided to enter politics at the age of 52, he was earning $75,000 a year as executive vice president of Marshall Field & Co., the parent firm of the hometown mill.

He also had made his mark in international affairs as manager of the Industry Division in West Germany and as chief of the Economic Cooperation Administration, which spearheaded U.S. efforts to help rebuild Europe.

Hodges announced as a candidate for lieutenant governor in 1952 at the insistence of some friends.

"After doing the job in Germany," he told Observer reporters several years ago, "I was on a free pulley, so to speak, and this lieutenant governor thing came up."

He was a political novice, but the love of the Democratic Party was nurtured over the next 20 years to the point that even in the dark days of 1972, Hodges, a conservative businessman, stuck with his party and presidential nominee George McGovern.

"I owe a lot to the Democratic Party, and I'm sticking with it all the way," he said.

A reluctant campaigner at first, Hodges tackled being a candidate with his usual drive and zeal.

"I covered 100 counties," he said recapping the years sometime later. "I bought . . . a dollar's worth of gas at a time. I stopped in filling stations, everything along the way."

Previously lieutenant governors often were handpicked. This bothered Hodges, who said:

"It just came to me somehow that this is a very important job and yet . . . having talked to one or two lieutenant governors, I found that they had not worked to get the job.

"I realized that kind of an approach was pretty serious . . . because some day you might lose a governor."

Two years later, North Carolina lost a governor, William Umstead. He reportedly detested Hodges and had cut him off from state affairs.

On Nov. 7, 1954, Luther Hodges, the retired businesman and part-time public official, became a full-time governor who, reelected in 1956, served more years than any governor in modern history.

Hodges found the state bureaucracy mired in its own excesses, bereft of planning and woefully out of step with the times. Because of what he perceived as an antibusiness attitude of former Gov. Kerr Scott, he once said North Carolina had missed the postwar development opportunity.

He set out to change matters on both scores.

For example, Hodges set Capitol Square on its ear when he refused to sign the payroll, a 100-year habit nobody had bothered to question. It was just an unnecessary bother for a busy man.

"That was the Hodges approach," Observer reporters Kays Gary and Jay Jenkins wrote in capsuling Hodges's career as governor—"no wasted motion, knowing what was being done and why, what needed to be done, doing things precisely and on time."

The governor, recapping his terms in office, said, "We advanced the idea of 'What are you planning for the future?' I addressed a note to all department heads (asking for advanced budgeting). It obviously terrified everybody."

Hodges also launched a one-man campaign to bring industry and business to North Carolina, doing just about everything, going just about everywhere, paving the way for the development that brought explosive industrial growth to the South.

But his greatest satisfaction, was getting the state past the ugly monster of racism that was closing schools across the South in reaction to the Supreme Court's decision.

A complicated plan—which called for state-paid tuition to private schools and local-option devices to allow school boards to close one school or two, but not the whole system, if need be, to avoid segregation—was sold by Hodges to the legislature.

("The approach was) from the standpoint of what had to be done, how to preserve law and order, and at the same time to preserve our schools . . . to save our schools. That was always the over-riding point of view . . . ," he said of the Pearsall Plan.

The plan was adopted overwhelmingly in a referendum, the safety valve provided. And it was never put to use.

"It was so complicated to implement, that nobody ever used it," said the one observer.

Token integration began without school closings and violence. A crisis passed.

During his tenure, Hodges also campaigned to clean up North Carolina, save the Outer Banks and get state and local officials concerned about planning for the development boom that he sparked.

In 1960, Hodges went to Los Angeles to support Lyndon Johnson for the presidency. Johnson lost, but Hodges campaigned that fall for the Democratic ticket and won an appointment as Secretary of Commerce.

As the Kennedy Administration's house businessman, Hodges moved to stem an unfavorable balance of trade and began promoting American products abroad with the same brass and bravura he had used only a few years earlier to sell North Carolina to American businessmen.

Just as he challenged the bureaucracy-bound traditions of the U.S. Department of Commerce, he challenged American businessmen to modernize their factories, do more research and compete in foreign markets.

He was the chief liaison man with Congress during debate on the 1962 Trade Expansion Act, designed to liberalize trade restrictions around the world.

"Even though (the Kennedy Administration) was a very liberal group," said Morton, "he kept them out of a lot of conservatism."

In the fall of 1964, at the age of 66, Hodges said he could finally see a rocking chair in his future. He announced his resignation as commerce secretary and said he and his wife Martha were going home to Chapel Hill.

"I have two Kennedy rockers at home," he said smiling at the time, "and I haven't tried either one of them."

Hodges did come home—to speculation that he would run for governor again.

He promptly quashed these rumors and took over as chairman of the Research Triangle Foundation, a dream that now had a home in the 5,000-acre industrial park near Durham, Chapel Hill and Raleigh. The rocking chair waited.

In addition, he took jobs handed him by government, such as a study of the state's higher education system at the request of Gov. Dan Moore.

President William C. Friday of the University of North Carolina system said Sunday, "This noble son of North Carolina will be greatly missed."

Hodges also joined in political campaigns with almost eager anticipation, stumping for just about any Democrat who would ask. There seemed to be little that could stop him.

Early one June morning in 1969, however, the Hodges home in Chapel Hill was ravaged by fire. Hodges escaped with back injuries and a broken right foot after leaping from a second-story window. Mrs. Hodges died from cardiac arrest.

After weeks of healing, Hodges was back on his feet again, receiving honors, watching the Research Triangle expand and playing the role of elder statesman to his party and his state.

In February 1970 Hodges surprised his friends and family by marrying his former secretary, 48-year-old Mrs. Louise Finlayson. Dr. Norman Vincent Peale married them in New York City, and the two went on a three-week honeymoon in Europe.

After living awhile in Raleigh, launching business and pleasure forays from a townhouse on the outskirts of the city. Hodges finally moved back to Chapel Hill.

Morton said that he had seen his old friend in the mountains "two or three times" this summer and that in spite of serious heart surgery several years ago, Hodges seemed as fit and healthy as ever.

The last visit brought Hodges his record-breaking trout catch.

A memorial service will be held at noon Tuesday at the University Methodist Church in Chapel Hill, where Hodges was a member. Rev. Langill Watson will officiate. A graveside service will be held at 4 p.m. at the Overlook Cemetery in Eden.

Hodges is survived by his wife, Louise; a son, Luther H. Hodges, Jr., of Charlotte, who is chairman of the board of North Carolina National Bank; two daughters, Mrs. Donald

Bernard of Houston, Tex., and Mrs. John Finlay of New Delhi, India, and two sisters, Mrs. Beulah Haizlip and Mrs. Ethel Edwards, both of Eden.

[From the Charlotte Observer, Oct. 7, 1974]

Go-Go Governor Hodges Broke Rules, But He Got Results

(By Jay Jenkins)

Raleigh.—Luther Hartwell Hodges sat in the governor's chair longer than any elected chief executive in N.C. history, but he warmed it less.

The smiling man with the thinning white hair was a go-go governor—literally and figuratively—before he moved up to be U.S. secretary of commerce in 1961.

He logged more than 60,000 miles per year in vehicles ranging from jet planes to bulldozers. He knew Murphy, Manteo—and Moscow.

With uncommon energy and imagination, he led and pushed the state ahead industrially.

His interests were as wide as his vitality was unbounded.

Scraps of paper along the roadside irked him. He kicked off an anti-litterbug campaign that cleaned the highways—and saved an estimated $50,000 per year in maintenance costs.

To promote his industrial program, which broke all records, he led safaris to Chicago, New York, Philadelphia, even Europe—and posed in his underwear for a national picture magazine story about N.C. businesses.

His first wife, Martha, was indignant when she saw the pictures of the governor modeling N.C.-made underwear. Undismayed, he said, "If it will do the state any good, I'm for it."

Practicing politicians often were indignant, too. Hodges had made an unorthodox entry into politics, and his unconcern about flouting the rules infuriated them.

He was telling his press conference for example, that he had named a young lawyer from Chapel Hill, Paul Johnson, as his administrative aide.

"Is he a democrat?" a reporter asked.

"Oh, my goodness, I forgot to ask him," Hodges said. Blasphemy, said the professional pols—under their breath.

In 1960, Hodges opposed John F. Kennedy for the Democratic presidential nomination and supported Lyndon Johnson. But Hodges worked for Kennedy during the campaign and in 1961 began a four-year tenure as U.S. secretary of commerce.

Afterward he and Mrs. Hodges "retired" to their spacious home in a shaded glen in Chapel Hill. A "retired" Hodges maintained a more active pace and faster gait than most executives, as he lured industrial tenants to the Research Triangle he helped found.

As the second non-lawyer to reach the Governor's Mansion in 59 years (farmer Kerr Scott was the other), businessman Hodges bridled at red tape, at what he considered the loose handling of taxpayers' money.

He learned he had to do by persuasion and cajolery what he had been able to do with an order as vice president of Marshall Field, the big Chicago department store.

The impatience often shone through, however. Someone told him to ask a certain state official about a matter.

"No," said Hodges. "Ask him the time of day, and he'll tell you how to make a watch."

As a newcomer to the political arena, Hodges during his early months in office was exceedingly sensitive to criticism. He learned.

A political foe journeyed to Tarrytown, N.Y., where Hodges lived for awhile when he was with Marshall Field. It developed that Martha Hodges had once registered as a Republican.

Soon afterward, the governor said in a speech that a man couldn't be too careful, even about "how his wife registers." He used laughter as chloroform.

His political unorthodoxy rules out the "informal cabinet" of advisers many governors have used. It led him, when he ran for a full term as governor in 1956 against negligible opposition, to another unprecedented step.

A total of 329 people contributed about $40,000 for his campaign. At its close, Hodges found his war chest still contained $10,000, or 25 per cent of the contributions.

Without publicity (until a contributor tipped a newsman), Hodges refunded 25 per cent of the contribution of each person except himself, Mrs. Hodges and a handful of close friends.

"To me, it was the only proper thing to do," Hodges said later.

Unasked and unwanted by the professionals, Hodges ran for lieutenant governor in 1952. With typical thoroughness, he latticed the state for votes.

"My name's Luther Hodges. I'm a businessman, not a politician. I will appreciate your vote," was his standard approach.

The suave Hodges, who was to make television almost his personal property, had some compaign cards printed, but for a couple of days he could not bring himself to hand out one.

Finally, after he had eaten in a restaurant, he walked to the cashier and with his money thrust out a card. "I'll appreciate your vote," he said, and bolted for the door.

He hired a man to put up campaign posters along the roads. And, the day after he had won, he hired the man to take all of the posters down.

As Governor, Hodges had to deal with the thorniest issue that could confront a chief executive in the South—segregation decisions by the courts.

Under his leadership, North Carolina's limited desegregation set an example that became a model as sister states threshed about in the throes of futile massive resistence.

He was more religiously inclined than even some of his friends realized. "I'll pray over it and let you know," he said of some difficult decisions. He prayed often as North Carolina charted its school course.

Hodges was governor when a succession of hurricanes thundered into the state. In a jet plane, the same month he took office upon the death of Gov. William B. Umstead, he flew to the coast from Chicago.

On the coast, he swayed in the howling wind as he inspected the damage in a mariner's slicker. In Morehead City, he and a federal official, Tom Goodwin, were in a hotel room in bathrobes while their clothes dried.

Mrs. Frances Jarman, a Durham radio broadcaster, was in town and telephoned for an interview. She was invited up.

Mrs. Jarman began her broadcast by intoning, "We are speaking to you tonight from the governor's hotel room . . ."

Hodges quickly broke in and said over the live microphone, "For goodness sakes, Frances, tell them Tom Goodwin is here, too."

Gov. Umstead did not like Luther Hodges. Even while he was ill, Umstead refused to call on Hodges or update him on affairs of state.

But Hodges, turning honorary, ex-officio offices such as chairman of the State Board of Education into working jobs, boned up on state government.

And on the morning of Sunday, Nov. 7, 1954, when he received a telephone call at his home in Leaksville that Umstead had died, he was no stranger to his duties.

Although he had less than two months to prepare for the 1955 legislature, Hodges enjoyed a good batting average. He lent his support to the Pupil Assignment Act, bedrock of the state's answer to segregation decisions, and it was enacted.

This business-man governor began dropping in, unannounced, on various board meetings. He began asking "why" certain things were done as well as "how." Traditional answers didn't satisfy him.

New terms began to be heard around Capitol Square—long-range planning, businesslike approach, public relations. He reorganized the State Highway Commission to "take highways out of politics," he consolidated other agencies.

In the 1957 legislature, he embarked on a course that some politicians would have considered political suicide: He got the lawmakers to alter the corporate tax structure "to promote equity" at an estimated loss of $7 million per year.

Hodges predicted the influx of new business would more than offset the temporary revenue loss. The actual loss was below estimates. Smokestacks sprouted.

The last General Assembly in a governor's term is his "lame duck" legislature.

Rid of most of his patronage, a chief executive is inclined to coast that session—either because he realizes his weakened situation or because he has future ambitions and doesn't want to make new enemies.

Once again, Luther Hodges made unorthodoxy his orthodox procedure. He presented an ambitious program to the 1959 session, helped make North Carolina the first state in the Southeast to adopt a minimum wage (75 cents an hour) and installed a state withholding tax.

You would have to go far to conjure up a more appealing background for a politician than the one Hodges could claim.

He was born in a bona fide log cabin, one of nine children of a tenant farmer, just across the Virginia state line from Leaksville. (Consolidation of the three towns of Leaksville, Draper and Spray were accomplished in 1967, and now all three are called Eden.)

When he was young, his family moved to Leaksville. Hodges worked for 50 cents a day in the mills, and as a news boy on a train. He worked his way through the University of North Carolina.

After graduation he joined the office force of Fieldcrest Mills. Moving steadily up the ladder, he was a vice president of Marshall Field and Co. He retired in 1950, at 52, "to devote the rest of my life to public service."

Many governors have a personal trademark. Clyde Hoey's was a wing collar and swallowtail coat. Kerr Scott's was a cigar and a rosebud. Luther Hodge's was a white carnation in his lapel.

On his first day as governor, Hodges bought a carnation and pinned it on. Previously he had never worn lapel decorations. A woman once asked why he began wearing the flower.

"A red rose was placed on the desk of the president of Marshall Field and Co. every day for 50 years," Hodges answered. Later, he recalled, "that's the only answer I knew. I really don't know why."

While he was still lieutenant governor, he was musing on his entry into the untried field of politics.

"When I left Marshall Field, I had determined to come back to North Carolina and try to repay the state for all the things it has given me.

"You don't count those things in money."

[From the Greensboro Daily News, Oct. 7, 1947]

Suffers Heart Attack at Home in Chapel Hill: Former Governor Hodges Dies

(By Ned Cline)

Former governor Luther H. Hodges, a man of moderation in almost all things except determination and dedication to a cause he felt was right, died of a heart attack Sunday morning in Chapel Hill.

Death ended a brilliant public service career which he insisted on continuing far beyond what most men are willing to do and a life which a man of his energy would have wanted to go on much longer.

Hodges' life was filled with both storybook successes and more than a few personal hardships, including tragedies.

He was 76 at the time of his death which came shortly after he suffered an unexpected attack at the home he and his wife moved into approximately one year ago. Hodges was pronounced dead at 9:35 a.m. by a Chapel Hill Memorial Hospital physician following his arrival at the hospital 15 minutes earlier.

Chapel Hill rescue squad volunteers tried vainly to prolong his life after arriving at his home shortly before 9 a.m. and life-saving efforts tried after his arrival at the hospital.

Hodges' death brought an outpouring of statements of regret and shock. He had seemed in perfect health as late as Saturday afternoon when he attended the NC-Pitt football game at Kenan Stadium.

Basically a man of no-nonsense and pointed words when there was a job to be done, Hodges held at least two outstanding distinctions from his governorship: he served longer than any other chief executive and he was the last of the old-school governors.

He became governor following the death of Gov. William Umstead in office in 1954 and was succeeded by Terry Sanford who transformed the office into part of the New South image.

The son of a tenant farmer, Hodges was born in a log cabin on a Virginia tobacco farm just across the N.C. border. He twice quit school in Rockingham County, where his family moved when he was three, because he couldn't afford to go.

His first jobs included sweeping floors in his father's store the family ran after they left the farm. His first public job was as office boy for the Carolina Cotton and Woolen Mills in Leaksville where he was paid five cents an hour.

That mill where he first made a nickel an hour was owned by Marshall Field and Company. Hodges later became vice president of that company.

After he quit school the second time to earn money for college, the Rockingham County school superintendent urged him to continue his education, apparently seeing potential, and predicted he would someday be governor.

His financial resources were still so limited after enrolling at the University of North Carolina that he worked as a cafeteria assistant, babysitter for professors, and peddled bibles out of a backpack during the summers to meet his higher education expenses.

From that humble beginning, however, Hodges climbed the ladder of success in the Horatio Alger tradition, so much so that some years ago he was presented in New York with the Alger award for his achievements.

Hodges rose to the top of Marshall Field and Company, took time off to serve as chief of the Office of Price Administration during World War II, and refused an offer of assistant secretary of Agriculture before returning to North Carolina. He also became a top Rotarian and served in an international capacity in that club during those years.

Hodges first entered politics in North Carolina in 1952 only after concluding his distinguished private industry career and after becoming wealthy (he was paid $75,000 a year with the Field Company). That was at an age when many men would have been content to think of themselves and not another career.

He was elected lieutenant governor with Gov. William Umstead in 1952 and became governor less than two years later when Umstead died. He was subsequently elected to a full term as governor, giving him the distinction of serving longer than any other chief executive. He served as governor from 1954 to 1960.

Hodges was best known during his governorship for securing decent industry for the state, but one of his major accomplishments was the way he handled the matter of school administration because of the historic 1953 school integration decision.

He once said the school problems were his biggest worry as governor. It was under his direction that the 1955 General Assembly enacted the Pearsall Plan which—although never actually used—is credited with helping insure peace continuation of the state's public school system.

Hodges once said in an interview about his decision on the Pearsall Plan: "I consider the calm manner in which North Carolina handled its integration problems the number one achievement of my administration, and also thorniest problem."

With the election of President John F. Kennedy, whom Hodges campaigned for during the 1960 election, Hodges once again rose to a position of national prominence in governmental affairs.

He was named to the post of secretary of the Commerce Department. He was the second cabinet-level official picked by Kennedy to help him run his administration.

As secretary of the Commerce Department he was a dynamic reformer and salesmen championing international trade.

He stepped down from this position in 1964 and returned to live in Chapel Hill. He was named chairman of the board of the Research Triangle in that year.

He had little use for politicians of this decade who spend millions on campaigns. "They're all crazy," he said in a 1972 Daily News interview.

When Hodges ran for a full term as governor he raised $25,000 and $5,000 was left when the campaign was over. He ordered the money returned to the people who had contributed.

Hodges public career went untarnished from beginning to end, but he was a partner with Bobby Baker in a motel chain and suffered some public embarrassment when Baker ran afoul of the law a decade ago.

One of his trademarks during his years as governor was a white carnation in his lapel. He said he bought a carnation after his first day of presiding in the Senate as lieutenant governor because his spirits were so low. He liked the flower and wore one every day he remained in office.

A man of plentiful energy, he afforded himself one known luxury during his term as governor: breakfast in bed. "That's the only time I had to relax," he once said of that service.

Tragedy hit Hodges in the summer of 1969 while he was serving as a $1 a year head of the Research Triangle, a job he took after resigning as Secretary of Commerce four years earlier.

Fire struck his home in Chapel Hill and his wife died from that blaze. Hodges escaped by leaping from a second story window.

Following his recovery from that fire, he moved in March 1970 to Raleigh after marrying his secretary at the Research Triangle. But his love for Chapel Hill brought him back there a year ago to a new home.

He never considered himself anything other than a common man, despite his major accomplishments.

Once while on a hurricane inspection trip to the coast while he was governor, Hodges seated himself in the back seat of the state limousine between two five gallon cans full of gasoline (service stations were closed) and directed the driver to the scene as quickly as possible.

In early January 1965 when he left the Commerce Department post, Hodges was given three standing ovations by workers in the department at his departure ceremonies.

He told that group of workers "We've all got humility in us and I've got more than my share today."

Phillips said he maintained close contact with Hodges throughout the years, not only as a friend, but also through their associations with the Rotary Club.

"Of all the leadership I've known in my lifetime, he probably has contributed as much as any single person in government, not only in community development but in building the good life."

Surviving in addition to his widow are one son, Luther H. Hodges Jr., vice chairman of the board of North Carolina National Bank in Charlotte; two daughters, Mrs. Nancy Finley and Mrs. Betsy Bernard; and nine grandchildren.

Memorial services will be noon Tuesday at University Methodist Church in Chapel Hill with the Rev. Langill Watson officiating. Graveside services will be in Overlook Cemetery in Eden at 4 p.m.

Memorials may be made to the Luther H. Hodges UNC Memorial Fund in care of President William Friday, P.O. Box 2688 in Chapel Hill.

[From the Greensboro Daily News, Oct. 7, 1974]

Death of Hodges Mourned as Loss to State, Nation

State and local government leaders, personal friends, and close associates mourned the death of former Gov. Luther Hodges Sunday and praised him highly for his contributions to the state and nation.

"He was the first real leader in industrial development in the state," said former Gov. Dan Moore, "Gov. Hodges was a personal friend as well as a fellow governor and his death is a loss to the state and nation."

Hodges, who served as governor from 1954 until January 1961, died Sunday after being struck by a heart attack at his home in Chapel Hill.

Moore said he and his wife visited Hodges during the halftime of the Carolina-Pitt game Saturday. "He seemed to be in excellent spirits. I was really shocked and grieved when I heard about it this morning today."

Mrs. Moore, said, "When I hugged and kissed him, I didn't realize it would be the last time. He looked perfectly fine," she said.

Those who knew Hodges well and worked with him cited his contributions to the Research Triangle, his leadership during the racially turbulent fifties, and his efforts to bring industrial development to North Carolina.

In a statement issued from Boston, Duke University President Terry Sanford, who succeeded Hodges in 1960 as governor, praised Hodges for his fairness during the days racial turmoil embroiled many other southern states.

Sanford, said, "His courage and sense of fairness and enlightenment calmed the angry seas of racial strife and established North Carolina as the model for the nation."

"He gave us a sense of purpose in economic development while convincing the rest of the nation of North Carolina's promise."

William C. Friday, president of the University of North Carolina, praised Hodges" leadership during the "turbulent fifties" as chairman of the board of trustees saying that it "sustained the institution and gave her strength."

"The development of the Research Triangle Institute was one among many of his great achievements. This noble son of North Carolina will be greatly missed."

George Herbert, president of the Research Triangle Institute, said, "He was a man who liked bold ideas and new concepts. It was because of that sense that he perceived, when the idea was first presented to him as governor, just how such a major center of science and technology in the triangle of the universities could contribute to the state."

Herbert said, "His own personal action got the thing off the ground to begin with. He always remained personally interested, even in Washington . . . and devoted a major portion of his time to it right up until the time he retired about three and a half years ago.

Lt. Gov. Jim Hunt called Hodges "a man of many careers who performed all of them with a touch of greatness." Hunt, who said Hodges was one of the first persons he consulted when considering running for lieutenant governor, praised him "as a statesman in the truest sense of the word, a person who never stopped serving North Carolina."

State Democratic Party Jim Sugg, said Hodges' death "is a real loss for the state and nation. He was such an outstanding personality and did so much for mankind."

Gov. Jim Holshouser recalled Hodges' contributions to the state's economy. "He brought a great deal of business expertise to government, not only in North Carolina but in the nation. He was the first governor to conduct foreign industrial hunting efforts for North Carolina, or for any state in the country.

One of the men who led a major trade and industry mission to Europe was John Harden of Greensboro. "It was one of his principle efforts and he asked me to handle it so I took about 60 North Carolinians over there," Harden recalled. "He was certainly one of the real fine spirits of North Carolina. His magnificent intellect and energy were his outstanding qualities," said Harden who also was appointed by Hodges as chairman of the N.C. Library Council and the N.C. Personnel Council.

Charlie Philips, dean of the Guilford County legislative delegation, attended the University of North Carolina with Hodges. "I was a freshman when he was a senior and I got a letter from him welcoming me to college," Philips recalled. "That was in 1916," he said.

[From the Greensboro Daily News,
Oct. 7, 1974]

HODGES' CAREER A DRIVE FOR BUSINESS, TRADE GROWTH

WASHINGTON.—Luther Hodges' career in official Washington was much the same as it was during decades of private life and public service in North Carolina—a drive for expanded trade and broader business opportunities mingled with touches of the down-home, Rockingham County voice.

It began long before President John F. Kennedy ever heard of the Tar Heel governor who brought better business and a better wage to thousands of Hodges' fellow Carolinians.

In fact, when the future president was just out of his teens and into Navy blue, Hodges was already in Washington, an experienced businessman running the textile division of the Office of Price Administration during World War II.

Before he was to leave Washington, Hodges also served as a consultant to the secretary of agriculture and to the State Department.

But Hodges was not to receive acclaim for his business acumen until the 60s, when he and then still unkonwn Terry Sanford backed up a young Massachusetts senator for the presidential nomination in the 1960 Democratic National Convention. Hodges, retiring as a Tar Heel governor, may have supported Senate Majority leader Lyndon B. Johnson up to the convention but his decision to throw in with Sanford for Kennedy later helped him with a cabinet post with the young president.

Kennedy began picking cabinet members in December, 1960. While he was looking for a secretary of commerce, he also ran across a Burlington Democrat whom he ultimately chose for a spot on the Federal Trade Commission.

A. Everette MacIntyre remembers the early days of the Kennedy transition.

"The last Monday night before the election, the man who spent a big part of the Democrat's hour on television with Kennedy was Luther Hodges. You could tell Kennedy had great confidence in him and was impressed with the manner Hodges promoted business in North Carolina. When Kennedy was looking for men about 45 years of age, he appointed Hodges, who was about 61, as his secretary of commerce. I believe he was the oldest man in the administration until Ellsworth Bunker came along later," MacIntyre recalled.

Hodges gained almost instant notoriety about town as the only cabinet member who not only occasionally drove himself to work, but did it in a sporty new Thunderbird.

William M. Cochrane, staff director of the Senate Rules Committee and then an aide to former U.S. Senator B. Everett Jordan, still chuckles over the spectacle.

"He used to laugh that he was the oldest member of Kennedy's cabinet but the only member to drive a Thunderbird," Cochrane recalled.

Says Horace T. Kornegay, now president of the Tobacco Institute but in 1961 a freshman Congressman, "He was the only member of the cabinet not a member of the 'Cadillac Brigade'—and who bragged about it."

Hodges' tenure as secretary of commerce from 1961 until 1965 was generally non-controversial. He traveled extensively across the country and throughout the world promoting trade expansion and created within his department the U.S. Travel Service, an agency that continues in existence.

He also worked on and helped shape a series of legislation known as "the Kennedy round," a package of legislation providing incentives for increased world trade through lower tariffs and other features.

He quickly gained a reputation as a very demanding and impatient administrator who required speed as well as exactness from his employees. One former aide distinctly recalls Hodges' habit of nervously jiggling a handful of quarters while chewing on a pencil and thinking through his tougher decisions.

Don Bishop, a former executive assistant to Hodges, said, "That pencil helped him through a number of spots. It made him think."

Hodges was also well at home in the semi-official social Washington. He lived in the city's well-to-do northwest section on Upper Connecticut Avenue near other members of the North Carolina Congressional delegation.

Though his children had grown up, he and his first wife enjoyed the Washington social life, said Kornegay, "particularly those that related to North Carolina events."

Kornegay recalls Hodges as being one of the more popular cabinet-level officers in town.

"He was the truly outstanding man in the Kennedy cabinet," the Greensboro native said. "There were others who were top-notch, but in his particular job the man and the job came together about as well as any I ever saw in government."

But Hodges may have found it difficult not being a governor after he came to the cabinet. A former aide recalls a story that Hodges' driver once told.

It appeared that when Hodges was governor he had a siren on his official car that the Highway Patrolmen who served as drivers could use to speed the governor to his meetings.

One day, when Hodges' Commerce Department driver was making the two-block trip to the White House, the limousine was held up at a spotlight.

"Use your siren, and go on," Hodges instructed the driver.

"But Governor, this car don't have no siren," said the incredulous driver.

While he was Secretary of Commerce, Hodges also served on various commissions including Foreign Trade Zone Board, the Migratory Bird Commission and the National Advisory Council on International Monetary and Fiscal Problems.

After the assassination of Kennedy, Hodges served out the remaining years of Kennedy's first term and left Washington shortly before Johnson was inaugurated in 1965.

But current Secretary of State Frederick Dent of South Carolina remembers Hodges fondly. He said, "He was a Carolinian of great dimension whose solid impression on his native state and the nation is indelible. He served with distinction as Secretary of Commerce, where his innovative and progressive leadership stand as a model for those who followed."

[From the Greensboro Daily News, Oct. 7, 1974]

HODGES: LOCAL BOY MADE GOOD

(By Rick Neal)

EDEN.—While former Gov. Luther H. Hodges will be remembered in history as a leader at both state and national levels, in this community he also will be looked on as "the local boy who made good."

Mayor Jones Norman, 60, recalled his experiences with the former governor Sunday afternoon, noting "I've known him ever since I can remember."

He added, "I used to carry his newspapers, work for him and with him. He was a good man."

The governor was born in a small log cabin just across the state line in Cascade, Va.

"I remember he said he used to have to sleep in the loft," Norman smiled. "You know, that cabin is still standing, or at least it was last summer. The stone chimney has fallen in though."

The mayor noted he and Hodges used to work together at Fieldcrest Mills Inc., which at that time was Marshall Field and Co.

"He came out of school at Chapel Hill and started as an office boy here," Norman said. "And he worked his way all the way to the top, coming up through the ranks."

He left the industry as the general manager, or executive vice-president, of manufacturing.

Norman recalled that Hodges success invariably brought him criticism in both business and political endeavors.

"Of course that was mostly jealousy," the mayor said. "The governor was the kind of man who once he set a goal could reach it, and he'd work day and night to get there."

Norman went on to say that he remembered Hodges felt "the political machine" was against him in the early 1950's when he was running for Lt. Governor and Governor.

"He worked all over the state and reached his goals," Norman said. "Then went on to become the Secretary of Commerce."

Despite the positions of state and national importance, he still maintained roots in Rockingham County.

"Even while he was governor he continued to be a member of our church—Leakesville Methodist Church—and helped us get a new church built," he recalled.

Norman said he and Hodges used to travel outdoors often.

"The governor loved to hunt and fish," he noted. "He was especially fond of the hunt, but I think he loved to hear the dogs running—and running after them—more than anything. I guess that comes from him being raised in the country."

Their favorite spot was a farm near Ruffin.

"The governor was the type of man who knew the first names of the people who worked for him, despite the size of the plant," Norman added, "It always made the day go better for the employes when he would just talk to them for a moment or two, knowing their names."

The mayor continued, "He was an honest,

dedicated, and down to earth man. He was also a friend.

"That's how he'll be remembered around here."

[From the Winston-Salem Sentinel, Oct. 7, 1974]

EX-GOVERNOR HODGES, MAN OF MANY CAREERS, DEAD

CHAPEL HILL, N.C.—When former North Carolina Gov. Luther Hartwell Hodges died Sunday he was close to the soil, as he was when he was born.

Hodges, the son of a tenant farmer, was working in the rose garden of his home in Chapel Hill when he suffered a heart attack. He was declared dead at the age of 76 upon arrival at North Carolina Memorial Hospital.

Between the tenant farm in Virginia and the rose garden in Chapel Hill, Hodges carved a career that included a longer term of service as governor of North Carolina than any man in modern history—six years and two months.

He also served as secretary of commerce under Presidents Kennedy and Johnson.

Hodges left a widow, the former Louise Finlayson, whom he married in 1970. His first wife, the former Martha Blakeney, died in a fire that destroyed their home in Chapel Hill in 1969.

Other survivors include his son, Luther H. Hodges Jr. of Charlotte, chairman of the board of North Carolina National Bank.

A memorial service will be held in Chapel Hill's University Methodist Church at noon Tuesday. He will be buried at 4 p.m. Tuesday in Overlook Cemetery in Eden.

Hodges entered politics in 1952 after resigning as vice president of Marshall Field and Co., a textile chain. He ran successfully for lieutenant governor.

Two years later, he became governor upon the death of William Umstead. He won his own term in 1956. Because governors are not allowed to succeed themselves after serving a full term, his tenure in the office exceeded that of any modern governor.

Hodges campaigned enthusiastically for the Kennedy-Johnson ticket in 1960 and was appointed secretary of commerce. He served throughout Kennedy's term and for a year under Johnson. Then he retired and moved to Chapel Hill.

Hodges, as governor, presided over the beginning of racial desegregation in North Carolina. His major concern, however, was expanding and diversifying the state's industrial economy.

Hodges was the first American governor to go to Europe to seek foreign investment in his state. In 1957, he announced plans for the Research Triangle Park in the Raleigh-Durham-Chapel Hill area. That project consumed much of his attention and energy for the rest of his life.

Hodges' course when pressure for desegregation mounted in the 1950s was, for the South at that time, one of moderation.

He vigorously advocated a plan called the "Pearsall Plan" which would have given white parents state aid to send their children to private schools.

But, as he had hoped, it was never used. He once told an interviewer, "I consider the calm manner in which North Carolina handled its integration problems the No. 1 achievement of my administration. It was also my thorniest problem."

Men who knew him spoke after his death of Hodges' leadership in resolving racial problems, development of the state's economy, patronage of the Research Triangle Park, and education.

"His courage and sense of fairness and enlightenment calmed the angry seas of racial strife and established North Carolina as the model for the nation," said Duke University President Terry Sanford, who succeeded Hodges as governor.

Sanford also praised Hodges for giving the state "a sense of purpose in economic development while convincing the rest of the nation of North Carolina's promise."

Gov. Jim Holshouser had similar thoughts. "He brought a great deal of business expertise to government, not only in North Carolina but in the nation."

William C. Friday, University of North Carolina president, said: "As chairman of the Board of Trustees of the university during the turbulent Fifties, he provided the quality of leadership that sustained the institution and gave her strength."

Lt. Gov. James B. Hunt said Hodges was a "man of many careers. He performed all of them with a touch of greatness. He was a statesman in the truest sense of the word who never stopped serving North Carolina."

But Hodges did not serve six years as governor without being criticized.

Labor leaders protested vehemently when Hodges sent the state Highway Patrol to a textile mill in Henderson to quell a violent strike.

He was also accused of doing the bidding of business interests in 1957 when he persuaded the legislature to change the formula for state taxation of corporations.

The biggest political storm of his tenure came when he appointed B. Everett Jordan to the U.S. Senate in 1958. Critics said Jordan was sent to Washington to keep the seat warm for Hodges. But Jordan eventually served 14 years in the Senate before losing the 1972 primary.

His family left the tenant farm in Virginia shortly after his birth and moved to North Carolina. He worked his way through the University of North Carolina before entering business after World War I.

[From the Winston-Salem Sentinel, Oct. 7, 1974]

HE STARTED OUT BEHIND—NORTH CAROLINA CAME OUT AHEAD

(By Gene Whitman)

When Luther Hodges retired as head of Marshall Field Enterprises—later named Fieldcrest—and came from Chicago to enter politics, he sent a tremor down the spine of the state's old-line politicians.

That was nothing to what was going to happen to them after he entered the governor's office.

He applied business principles to offices which had been governored only by political considerations for decades. He even issued an order that the state's employes were to stop loafing around and go to work.

When Hodges announced for lieutenant governor in 1952, he made one of his opening campaign speeches to the Rotary Club in Winston-Salem.

A reporter, expecting the big-business tycoon to have the usual highly financed publicity staff, asked for a copy of his speech.

"I don't have a copy," Hodges said. "But you can have my notes." He handed over several pages of items he had jotted down.

He had not only given an original speech—something novel in politics—he had actually written it himself.

Hodges started far behind in his campaign for the Democratic nomination, which then assured election. The political favorite was Roy Rowe, a popular senator from down east.

But Hodges applied the same selling principles to politics which he had used as a Bible-salesman to earn his college tuition. He got out and saw prospects, thousands of them a day. He enlisted young people—at the polls that year, it seemed the Hodges' campaign was being run by teen-agers.

It worked. When the votes were counted, Hodges was far ahead in the field of six. Rowe was second.

Marshall Kurfees of Winston-Salem was third.

Hodges went into the lieutenant-governor's office and proceeded to upset political alignments by doing things like appointing a prohibitionist to head the Senate committee that handled liquor bills.

Two years later, when Gov. William Umstead died, Hodges became governor and really launched his business program.

North Carolina is still benefitting from many of Hodges' programs. Here are a few:

He pushed a new corporate tax structure through the General Assembly which made this state more attractive to industry and started the rush of Northern industrial plants to this state.

He had the General Assembly start withholding state income taxes from salaries. The move wasn't too popular at the time.

When you ride on Silas Creek Parkway, you might remember that it's there because of Luther Hodges.

Back in the '50's, Winston-Salem badly needed this street circling the western part of town to Wake Forest. But state highway officials were in the midst of building this city the first expressway in North Carolina. They weren't about to start another major project here.

Gov. Hodges took a big chunk of the "governor's highway surplus"—surplus funds the governor was permitted to allot—and built the parkway.

Hodges had good relationship with the press, but he once expressed dismay that writers could never get his middle initial right.

"I've been called everything from Luther A. Hodges to Luther Z. Hodges," he told reporters once. "Only those who hit Luther H. Hodges were right."

Then Hodges quipped that he knew some of the critics of the press wondered whether the information they were writing was correct "if you can't get a simple thing like my middle initial right."

He said it was easy to remember: it was the same as his last name—"H."

After that, his initial was correct more frequently.

He had a great friendship with Robert M. Hanes of Winston-Salem, late president of the Wachovia Bank and Trust Co.

In fact, the two men envisioned most of the plans that brought the Research Triangle to the state.

"Bob Hanes has a great mind," said Hodges at a luncheon in Winston-Salem one time. "He, not me, should have been governor of North Carolina."

Hodges often told people that Chapel Hill "is the most fascinating community in the state."

"When I get a chance to retire, I'm going to live there," he once said.

And he did.

[From the Winston-Salem Sentinel, Oct. 7, 1974]

BUSY RETIREMENT

A news account once noted that Luther H. Hodges retired at the age of 52, after a long, varied and successful career in which he rose from the humblest of orgins to top positions in business and public service.

Hodges died yesterday at 76, after a "retirement" that included service as governor of North Carolina, U.S. secretary of commerce, and in a host of other civic and government positions. The Horatio Alger story was only a beginning.

In a state that gives its governors labels—"Good Roads Governor," "Education Governor"—Luther Hodges might well have been styled the "Development Governor." He is perhaps best remembered for the establishment of the Research Triangle Park, a monumental institution that was only a part of his extensive industry-hunting and development efforts.

Long years of work as a mill hand in his youth left Hodges uniquely qualified to speak on the low-wage industrial base that he sought to improve with the state's first minimum-wage law, industrial diversification and development. Yet he felt that his proudest accomplishment as governor was the establishment of a system of community colleges and technical schools to offer the education that he saw as the key to a better life for Tar Heel workers.

Luther Hodges was a developer who sought growth and progress for the better life that they could bring for human beings. In his own words, "You simply cannot have a prosperous state unless the people as a whole share it. That's not socialism. That's just darn good business sense." His service left North Carolina a better place not just for business and industry, but for its people, as well.

[From the Charlotte Observer, Oct. 8, 1974]

Luther Hodges: A Great Career Is Ended

Few men have entered the governor's office in North Carolina with less of the people's confidence than Luther H. Hodges had in November, 1954. He seemed to be a blur in most people's minds: a businessman who had upset the politicians with a persistent, one-man handshaking tour to win the unwanted position of lieutenant governor two years earlier.

But in his six years in the governor's chair, following the death of William B. Umstead, most North Carolinians came to respect their "businessman governor." He learned politics fast and, applying a practical idealism to state affairs, moved North Carolina forward on a broad range of social, political and economic fronts. As a consequence, few men have left the governor's office with greater esteem than he enjoyed in January, 1961.

As a chief executive of Marshall Field Co. in Chicago, he had lived most of his adult life outside North Carolina. He came home to run for public office, he said, to repay the state for the benefits it had given him, a sharecropper's son who had done well.

When he assumed the governorship, North Carolina and the rest of the South were in tumult over the 1954 Supreme Court decision calling for an end to "separate-but-equal" public schools. The next spring, the Supreme Court ordered all schools desegregated "with all deliberate speed." From Virginia on down through the Deep South tier of states, political leaders called for "massive resistance"—even, at first, with a willingness to close the schools if they had to be integrated.

Citing public education as North Carolina's only hope for progress, Gov. Hodges refused to entertain such ideas. But building public pressure, particularly in the east, forced him to come up with an alternative—the so-called "Pearsall Plan." Under the plan, a school, several schools or an entire district could be closed upon the vote of the people in that district if the situation became "intolerable." The state would provide tuition grants to send children to private schools.

Gov. Hodges endorsed the plan, publicly presented it to the people of the state in a series of local meetings and won approval for it in the legislature and by the voters in a statewide referendum. He pledged that it would never be used and it was not. But it helped to calm public passions until racial attitudes could be adjusted, and it turned "school closing" from political rhetoric to hard choice—a choice the people did not really favor when the shouting died.

North Carolinians still debate whether the "Pearsall Plan" was necessary. Many people feared both its implementation and the precedent it set. But the fact remains that in seizing the initiative, Gov. Hodges diverted the state from proposals that might have been even more extreme—and largely put out the fire.

Probably more important, in lasting terms, than his work on that matter was his creation of the Department of Administration, which brought the scattered state bureaucracy under control. It gave the state a sound budgetary and expenditure system for the first time in its history.

His other reforms included the work-release system in state prisons and a statewide system of technical schools and community colleges. His national impact as an industry hunter helped to raise the per capita income of North Carolina families.

Throughout his years as governor and his later service as secretary of commerce, Gov. Hodges remained a humble, hard-working and considerate man, attentive to the people who worked with him. He won from them, as from the voters, loyalty, affection and personal esteem. He set an example for other businessmen and politicians, an example that will be long remembered.

[From the Greensboro Daily News, Oct. 8, 1974]

Luther H. Hodges

Whoever may be the latest "New South" governors, Luther Hartwell Hodges of North Carolina was certainly among the first—and the best.

He was technically a Virginian, having been born just across the line from his boyhood home town of Leaksville; but in all else he was Tar Heel to the marrow. He liked to recall a story about the man who moved his family across the state line and was understood to say, "Goodbye, God, we're going to North Carolina." That was all wrong. Mr. Hodges would add with an engaging twinkle in his eye. What the man really said was "Good: By God, we're going to North Carolina."

Certainly the most severe test of Luther Hodges' character and leadership as governor of North Carolina came with the *Brown* school desegregation decision of May, 1954. It was a challenge to settled ways that called for level-headed leadership, and it was waiting for him when the early death of Gov. William B. Umstead propelled him into the governor's mansion.

Luther Hodges insisted that North Carolina chart an independent course, combining cautious adjustment with strict lawfulness. The course sounds, these 20 years later, almost drearily unadventurous. But when one considers the climate of the time, it was anything but that. In his native Virginia, Sen. Harry Byrd was insisting on "massive resistance," while through the Deep South a strident defiance of the law was all the rage—and it was literally a rage.

The Hodges middle way did not, indeed it could not, please everyone. More progressive Tar Heels criticized Luther Hodges' calls for "voluntary segregation," and some felt that in sponsoring the so-called Pearsall Plan (which provided a stand-by procedure for closing local schools in "intolerable" situations) the governor surrendered a vital principle. Fortunately, the mechanism was never used; its practical effect, in fact, was to disarm the furious racial radicalism that bred turmoil and arrested progress throughout much of the South. In longer perspective, what seems important is that North Carolina began, in relative peace, the hard task of ending school segregation without the school closings and violence that put places like Little Rock, Ark., and Clinton, Tenn., on the map.

The system of public education survived. Above all, racial conflict did not become a crippling and consuming preoccupation of North Carolinians. A modicum of good neighborliness was preserved. Governor Hodges, by wise leadership, left himself elbow room for the emphasis on economic development and governmental reorganization that became the hallmark of his adminstration. The Research Triangle Park, which he developed and took great pride in, was another monument—perhaps the best—to his energy and his hospitality to good ideas.

No doubt a good measure of Luther Hodges' independence could be traced to the unorthodox origins of his political career. When he filed for lieutenant governor in 1952, he aspired to an office that tended to be treated as a plum for affable legislative politicians whose major qualification was that they offended no one. It was an obscure office, with every reason to remain so. He campaigned in the direct style of a former president of Rotary International, which he was; and when Governor Umstead's unexpected death made him governor he was an independent agent, without political debts. He could write a new rulebook.

North Carolinians who had watched him respond flexibly and successfully to the challenges of state politics were not surprised when he became an outstanding U.S. secretary of commerce under President Kennedy. He worked at the creation of trading opportunities for the U.S. as diligently as he had sought new industry for North Carolina. He presided over the great liberalization of tariffs under the "Kennedy Round" of trade talks, made possible by a trade bill which he was the administration's best salesman.

Luther H. Hodges, whose rise from modest circumstances to wealth left him a wise and generous man, left North Carolina and the nation in his debt. His record benefits from hindsight, as not all records do. He exemplified a flexible, homespun practicality that has distinguished North Carolina statecraft at its best. He combined solid accomplishment with shrewd judgment and moderacy of outlook and speech. He led the state through some trying years that in much of the South are now well worth forgetting, but in North Carolina may be recalled without pain and, indeed, thanks to his leadership, with no little pride.

[From the Greensboro Daily News, Oct. 8, 1974]

Hodges Felt "Bureaucracy Is Taking Over"

Chapel Hill (AP)—Former Gov. Luther Hodges boasted mildly about swimming 16 laps in his pool every morning and complained that government "bureaucracy is taking over" during his last public interview. He was 76 when he died of a heart attack Sunday.

Raleigh Times staff writer D. I. Strunk visited the industrialist, former governor and former U.S. secretary of commerce Thursday. The interview was at Hodges' home in Chapel Hill, a town he called the southern part of heaven.

Hodges said swimming 16 laps in his pool daily "keeps me going." Patting his stomach, Hodges said the exercise keeps him trim.

"The bureaucracy is taking over," Hodges said. "A man's privacy is being stolen. We need laws at the federal level to see it doesn't get too far out of hand. Otherwise we are going to end up with a sort of Big Brother."

"The American people are simple people, a fair people. They want to see government do right. That's why there was so much euphoria when President Ford came into office," he said.

Hodges said the "trouble" with Americans "is that we have been spoiled to death in this country. We've taken for granted that the government will take care of things."

Hodges, who was commerce secretary under Presidents Kennedy and Johnson, said Europeans want to, and do vote. He also said they "watch their governments."

"We Americans have become careless. But I'm still optimistic about the system. It proved it can work. If we get legislation on campaign tactics and practices, we can go a long way on eliminating heinous crimes in government. A long way," he said.

Hodges appeared robust during the interview. It was a cool day and the trees—turning to fall colors—were rustling in the sharp wind outside his window.

"You like the cold weather?" he asked. "It makes you feel alive, doesn't it?"

The man who served five and a half years in North Carolina's governor's chair said he was more concerned with the character of those he hired than politics.

"When I was governor and once hired a man to work with me, I was asked by the press what were the man's politics.

"I said I forgot to ask him. They didn't seem important to me at the time. What was important was that he was straightforward and honest. And that's the way I've lived my life so far and will continue doing so," he said.

Hodges also showed off his collection of plaques and pictures. His study had one wall covered with memorabilia he called "my governor's wall" and there were also Kennedy and Johnson walls.

His walls weren't finished yet. "There are so many papers. Look at those shelves over there. There's so much to straighten out," he said, adding, "But isn't this some room?"

Retiring Sen. Sam Ervin Jr., D-N.C., said he was a friend of Hodges since their student days at the University of North Carolina.

MEMORIAL SERVICE AT NOON TODAY

A memorial service for Luther Hodges will be held in Chapel Hill's University Methodist Church at noon today. He will be buried at 4 p.m. in his hometown of Eden at Overlook Cemetery.

A memorial fund has been established for the purpose of creating a professorship in business ethics at UNC-CH's School of Business Administration. Donations to the Luther H. Hodges Memorial Fund can be made to P.O. Box 2688 in Chapel Hill, in care of William Friday.

[From the Greensboro Daily News, Oct. 8, 1974]

Tar Heel Talk: Hodges Exemplified the Best Among Tar Heels

(By William D. Snider)

If one had to choose a prototype North Carolinian—a prolific figure exemplifying most of the qualities Tar Heels most admire and respect—he might well pick Governor Luther Hodges, who died Sunday.

Governor Hodges was not born in North Carolina—he arrived just across the border in Virginia as the son of a tenant farmer who moved his family to the Leaksville-Spray area early in this century. Young Hodges had a Horatio Alger-like career in business, rising rapidly to the top in textile manufacturing.

But interestingly enough his public career after he retired from business in the early fifties brought him the larger renown.

As a young editorial writer on this newspaper, I recall his first visit to our offices just before the gubernatorial campaign of 1952. He came to see his longtime friend, H. W. Kendall, then editor of the Daily News. The purpose of his visit was to get counsel about running for public office. He had in mind the governorship itself; but following the one-party tradition of those times, the apostolic hand had already been placed on the head of former Sen. William Umstead of Durham, and Hodges did not feel inclined to oppose his old friend.

As it developed he decided to announce for the lieutenant-governorship and readily won that office against lackluster opposition. At the time, the lieutenant-governorship was considered a political dead-end street. Would-be governors avoided it because few men in that office had previously gone on to greater glory. Hodges saw possibilities in the secondary position. He had far-seeing and imaginative ideas about helping North Carolina move ahead economically and he thought he could achieve them. As it developed Umstead's death a little more than a year after he took office projected Hodges into the chair he had originally hoped to occupy.

In candor, I must recall that some years after he left office Hodges told me he had been wrong about the lieutenant governorship. It was largely a figurehead job. Since the Governor had no hand in selecting its occupant, he seldom called on the lieutenant governor for anything more than occasional ceremonial duties. When Hodges was unexpectedly elevated to the chief executive's position, he found the transition rather traumatic since he had been largely uninformed about gubernatorial business. By retaining Governor Umstead's highly qualified private secretary, Ed Rankin (now an official of Cannon Mills), Hodges helped smooth the transition.

Luther Hodges' genius lay in his quick and imaginative mind, his boundless energy and his ability to inspire the best work from his associates. His breadth of vision rapidly recognized the possibilities of a Research Triangle Park in the Raleigh-Durham-Chapel Hill region. What has developed there—he once called it a "breeding place for ideas"—is largely Luther Hodges' monument. It combines the best resources of scholarship and commerce. Without his constant pushing and goading—the effort continued long after he left the governorship and even after he had served as President Kennedy's Secretary of Commerce—that remarkable institution would never have materialized.

But even more significant than the Research Triangle Park was another achievement more difficult to evaluate because it was largely negative.

Governor Hodges served North Carolina during those stormy first years following the historic Brown desegregation decision of the U.S. Supreme Court. He was an architect and catalyst for the controversial Pearsall plan, named for the Rocky Mount Speaker of the House of Representatives, Tom Pearsall.

The Pearsall Plan was shrewdly Janus-like in concept. On one hand it provided for the first voluntary desegregation of North Carolina's public schools. There would be no George Wallace standing defiantly at the school house door.

On the other hand—and this was the controversial part especially among liberals—it decentralized school authority and allowed various school districts, if they desired, to move more rapidly or more slowly toward desegregation. There was also a pupil assignment and tuition grant arrangement later declared unconstitutional.

Whatever the merits of some of these proposals—and in any case few of them were ever used—they provide a necessary safety valve in North Carolina and, in my opinion, sharply defused the racial turnmoil which rapidly developed in other Southern states, notably Arkansas, Mississippi and Virginia. No schools were ever closed in North Carolina. Quite clearly that would have been the case without these moderating laws.

Governor Hodges saw their value from the beginning. He knew that change was inevitable. But as chief executive he also was determined to maintain public peace and guide North Carolina through a rough era with good sense and dignity.

In retrospect, he achieved that purpose. Some North Carolina schools, tokenly it is true, began desegregation in 1957. These included Greensboro, Charlotte and Winston-Salen, among others. This achievement, I always believed unfortunately, was largely overlooked in the racial explosions that occurred that fall in such communities as Little Rock.

One other comment needs to be made about Luther Hodges: What made him so typically North Carolinian was his superb sense of proportion. He never got the big head. He was in those wise words of William T. Polk "too proud to be proud." He was the same generous and genial personality with the mighty and the lowly and indeed in all of his dealings.

North Carolina was lucky to have him in the governorship—indeed, as the man serving longest in that office—during a time when good leadership was sorely needed.

[From the Raleigh News & Observer, Oct. 8, 1974]

Luther Hodges Lived a Full Life

When Luther Hodges ran for lieutenant governor in 1952, a lot of people thought him just another retired businessman looking for something purposeful to keep busy. The notion sprang naturally from his arduous climb from tenant farmer's son to $75,000-a-year executive of the Marshall Field textile mill chain.

But unlike many young men who pursue success and attain it in maturity, Hodges was neither tired nor overly impressed by achieving it. He retained a young man's sense of vigor, optimism and openmindedness. He regarded retirement as merely a different set of circumstances for more growth and achievement.

Hodges won that lieutenant governor's race as a novice politician because he worked hardest at learning public affairs and campaigning for votes. And hindsight tells us that if Gov. William B. Umstead had not died two years later, propelling Hodges to the governorship, Hodges very likely would have earned it in his own right. Indeed, he did win a full term in the 1956 gubernatorial election.

Those were the turbulent years of school integration in the South. Though some of us sharply questioned the "safety valve" plan which Hodges promoted in North Carolina, it closed no schools. This state escaped the racial violence he counselled against, too.

Industrial promotion and economic development most marked his years as governor. Hodges was comfortable in the board rooms and the waiting rooms as a salesman for this state. Often he was successful. He pursued many avenues. He prevailed on the legislature to cut taxes for corporations. He cooperated for a series of pictures for Life magazine, promoting North Carolina products. (One of the photos showed him in a wrinkle-free suit taking a shower, another showed him hitching his well-pressed pants over his North Carolina-made underwear.) The gimmickry was a sidelight to substantive economic leadership such as founding the Research Triangle Park.

He learned to be a politician. He preferred Lyndon Johnson at the 1960 National Democratic convention. He became an indefatigable campaigner for John F. Kennedy, and later launched yet another public service career as U.S. secretary of commerce.

In 1964, he came back for another retirement and another decade of work for the Research Triangle and other North Carolina causes. Few men in this state's history lived so fully as Luther Hartwell Hodges.

[From the Washington Star-News, Oct. 8, 1974]

A Real Leader

North Carolina today is mourning a man who can well be called the architect of the state's modern economy.

Luther H. Hodges, former governor and Secretary of Commerce, died Sunday at Chapel Hill and his death brought to a close a life that was marked by hard work, by dedication and success.

It was a long way from the tenant farm of his birth to the governor's mansion, but Luther Hodges made it on two things: first, he had foresight and imagination, and second, he had the energy to seek his goals.

His climb through the management ladders of business took him to a Chicago executive post, which he resigned in 1952 to enter politics. His first race was successful and he was elected lieutenant governor, becoming governor upon the death of Gov. William Umstead.

After two years of the Umstead term, Hodges ran on his own and was elected, thus giving him a six-year term in office. It was time well spent.

As governor, Hodges was energetic and imaginative. He saw the need for change and lead the fight for improvement.

His term was at a challenging time. He helped the state solve economic and racial problems. He virtually single-handedly brought the Research Triangle into being.

His Tar Heel success attracted national attention and he became a member of President Kennedy's cabinet. Thus Hodges' talent and ability were again challenged, and he again came through with excellent results.

Luther Hodges stood for progress that came from good planning and hard work. A worthy epitaph for any man.

[From the Asheville Citizen, Oct. 9, 1974]

Luther H. Hodges: A True Statesman

When he became governor of North Carolina in 1954, Luther Hartwell Hodges was the second non-lawyer to reach that post in 59 years, the other being farmer Kerr Scott. At that point in the state's history, the state did not need a legal mind as governor, for the legal mind is schooled to delay, placate, and follow precedent. Businessman Hodges was an unorthodox man of action, and for once the need and the man met.

The state, like the South, was faced with a growing racial problem. Its economy and politics lacked enlightened direction. Virginia, Arkansas, Alabama, South Carolina, and Tennessee were mounting massive resistance to court decisions, their leaders searching law libraries in vain for a justification of segregation. All the while, schools were being closed and violence spreading.

In North Carolina, Hodges began smoothing the way for token integration, insisting that the schools would remain open without bloodshed. They did, and the achievement provided the foundation for later and fuller integration and racial understanding in the state.

The Hodges approach was based on the reality of the situation and what was right and fair. Looking back, it is easy to see why some white citizens accused him of moving too fast and blacks charged him with acting too slowly. He did neither; he merely appealed to citizens' better instincts and began to shut the book on man's darker side.

That was his biggest and probably most lasting achievement as governor. There were others. To a large extent, he single-handedly sold Northern businessmen on investing in North Carolina and the South. He helped to bring the state out of the dark age economically, selling both the state and outsiders' on Dixie's potential. He was a salesman and believer.

While selling the idea of industrial development, he was concerned about the problems it would bring. As far back as two decades ago, Luther Hodges was making speeches about the importance of controlling growth, what today is commonly known as land use planning. It is unfortunate that the state has not better followed his advice.

When he became governor, Hodges was astounded by the lack of planning in state government. That said a lot for him, even more now. One can rather well separate the politician from the statesman by whether he is interested in temporary or long range gain. Hodges thought in terms of the latter, and that was the basis for his statesmanship.

Another quality that was appealing about Hodges was that he did not always permit politics to dictate his appointments and decisions, although he was a staunch Democrat. On announcing the appointment of his administrative assistant, Hodges was asked the young man's party. "Oh, my goodness, I forgot to ask him."

There were other achievements, such as the establishment of the Research Triangle Park and the upgrading of education that preceded his meritorious service as secretary of commerce under Presidents Kennedy and Johnson. There were also the disappointments and tragedies, such as the fire in which his first wife died. Through it all, he was a moderate man of good cheer and strength.

His passing at age 76 is not too soon to predict that he will probably be remembered as one of the state's three or four best governors of the first 60 years of this century.

[From the Charlotte Observer, Oct. 9, 1974]

Hodges Tribute Solemn, But Not Somber

(By Kays Gary)

Luther Hartwell Hodges would have applauded his granddaughter's "death is a part of life" prayer poem during memorial services for North Carolina's "Loghouse-to-Statehouse" governor at noon Tuesday in University Methodist Church, Chapel Hill.

Many of the 500 assembled, including Gov. James Holshouser and former Gov. Terry Sandford, Dan Moore and Robert Scott, found this the most memorable part of the simple, dignified, 22-minute service for Hodges, secretary of commerce under Presidents Kennedy and Johnson, who died Sunday of an apparent heart attack at age 76.

"Death," said Miss Carol Bernard, Hodge's granddaughter and a Duke University divinity student, "is not defeat or negation of life; death is a part of life. Purpose and meaning of God's creation and work continue and are made stronger by the contribution of one person's life . . . We praise You for the life of my grandfather. . . ."

To those who best knew North Carolina's "business governor," 1954–1960, it seemed that Luther Hodges Sr., himself was in charge.

The service was announced to begin at noon.

The last member of the family was seated at 11:59 plus 54 seconds, according to a radioset watch. Precisely at noon, Rev. Charles V. Bryant, pastor of University Methodist, uttered the first word of the Call To Worship.

The eulogy of Rev. H. Langhill Watson, former pastor of the church, alluded to Hodges' life "molded by economic privation" as he had come to Chapel Hill almost 55 years ago with "less than $100 . . . a simple faith . . . an agile mind" and joined the church during his first Sunday on campus.

Watson declared it would "be hard to find a person giving a better accounting of his stewardship (in the manner) of John Wesley, founder of the Methodist Church—a full commitment of personal character to convictions of a way of life held accountable to God."

To Hodges, Watson said "the balance of social well-being were predicated on economic opportunity . . . His efforts (were) to provide that . . . the seeds he planted are yet to provide their finest fruit."

The eulogy was ended with the words of Queen Alexandria in tribute to Arthur Pearson:

"The work—Well done.
"The race—Well run.
"The triumph—Well won."

And the late governor's favorite songs of worship, Mallotte's "Lord Prayer," was sung by Miss Frances Redding.

The sanctuary was filled. The balcony was not. No flowers were there. The governor's flag-draped casket was placed in front of the altar with its small gold cross and two lighted candles. At the head of the bier was the state flag. Gov. Holshouser, Lt. Gov. James Hunt, and former Govs. Sanford, Moore and Scott sat in the front pew to the left. The Hodges family, including his second wife and widow, Louise, and son, Luther Hodges Jr., sat in front pews to the right.

It was a solemn, but not somber occasion, mostly because of the soft-voiced prayer of the slight, red-haired Miss Bernard, Hodges's granddaughter:

"It is our responsibility to live out, to incarnate in our relationships, what Papa has given to us of understanding . . . God change the ache of loneliness and fear into the pain that represents growth . . . O Lord . . . hear that we love You and need You."

His eyes, red, frequently brimming and spilling tears though his voice remained steady, Luther Hodges Jr., chairman of the board, North Carolina National Bank, shook hands with the hundreds who gathered after the service in the churchyard while former Govs. Sanford, Moore and Scott looked embarrassed as photographers moved in on them. The hearse and its 10-car procession waited 30 minutes while the living visited one another and gave condolences.

Burial was at 4 p.m. at Eden near the Virginia line, Hodges's boyhood home, beside the grave of his first wife, Martha, who died in a 1969 fire at their Chapel Hill home.

[From the Charlotte Observer, Oct. 9, 1974]

(By Kays Gary)

A Funeral in Chapel Hill Keeps Things in Perspective

I have never been to an emotionally shattering funeral in Chapel Hill.

That of former Gov. Luther Hodges Tuesday was no exception.

People are solemn, but then it always appears to be a celebration of the life that was and the lives that are.

In her memorial service prayer, Hodges's granddaughter, Miss Carol Bernard, reflected that perspective in referring to death as "a part of life."

So the people assembled and talked, greeted each other and remembered.

Somebody recalled that in 1968, when Hodges was wearing the "HHH" lapel pin insignia for the campaign of Hubert H. Humphrey, he had explained: "It really means 'Heavy-Hearted Hodges' because so many of my friends are voting for Nixon."

There were the men who made it—the former governors—and some who had not, like Malcolm Seawell, who mingled quietly in the crowd, and Melville Broughton Jr., in animated conversation with dozens.

There was Art Weiner, tall and silver-haired, looking like the major business executive he is now—like a man whose picture should be on the cover of "Business Week"—more than the storied half of the Justice-Weiner football tandem of almost a quarter-century ago.

There was R. B. "Bob" House, former chancellor of the university, known to generations of students and seemingly as timeless as Davie Poplar, moving slowly and alone, his capped head bent to watch steps steadied by a sturdy briar cane.

Among them were the bright, once-young men who shared Camelot's dream of 1960—men like silver-thatched U.S. Judge J. Braxton Craven of Asheville.

And there were the lobbyists who have worked the corridors through many administrations, easily identifiable. Lobbyists and bondsmen always have that same look.

There was UNC President Bill Friday, looking no older than a decade ago. The same could almost be said of Ed Rankin, Hodges's secretary during his administration, and of former Gov. Dan Moore and his wife, Janelle, of Terry Sanford and his wife, Margaret Rose.

There was also politicking.

At Dan Moore's side on the Franklin Street sidewalk was Charlotte's Ed O'Herron, talked as a probable candidate for governof in '76.

A reporter asked: "Did anybody ever remark how much you two guys look alike from the nose up?"

Moore cast a sidelong glance at O'Herron and with a wry smile, said: "He looks like a governor to me."

They laughed.

And Chapel Hill remained Chapel Hill in the matter of unimportant details.

Nobody at the funeral home knew who the active pallbearers were. No matter. Luther Hodges probably knew them.

Or perhaps this would have reminded him of the time he appointed Paul Johnson as his director of the budget and some politicians asked him, "Is he a Democrat?"

Hodges replied: "My God! I forgot to ask!"

[From the Raleigh News & Observer, Oct. 9, 1974]

FRIENDS, OFFICIALS HONOR HODGES

(By Daniel C. Hoover)

CHAPEL HILL.—Former Gov. Luther H. Hodges was eulogized here Tuesday as a leader who "fervently believed that social well-being was predicated on economic opportunity."

Hodges, governor from 1954 to 1961 and secretary of commerce under Presidents Kennedy and Johnson, died Sunday morning of a heart attack at his home here. He was 76.

The emphasis of the Hodges administration was on industrial development and economic improvements, a theme reflected in the eulogy by the Rev. H. Langill Watson, a long-time friend of the family.

Following the memorial service in University Methodist Church here, Hodges' body was taken to Eden, near where he was born on a tenant farm, for a 4 p.m. burial.

Attending the funeral were scores of Tar Heel political and business leaders, including Gov. James E. Holshouser, Jr. and the state's three remaining ex-governors, Terry Sanford, Dan K. Moore and Robert W. Scott.

The memorial service, attended by several hundred persons, was brief and simple, in keeping with Hodges' wishes and personal aversion to the ostentatious.

There was no choir for the service and the only music came from the church organ. There was one hymn, "The Lord's Prayer," sung by Frances Redding.

Mourners filled the sanctuary of the spacious church, which has Carolina blue walls and white woodwork. Television film crews photographed the service from the balcony, where only a sprinkling of mourners and reporters sat.

In his eulogy, lasting only seven minutes, Rev. Watson mentioned Hodges' humble origins and efforts to improve the state's economic opportunities. He referred to Hodges as a leader without mentioning his attainment of high position in industry and government.

"His values were molded out of economic privation. His character formed by simple faith," Watson said.

"He fervently believed that social well-being was predicated on economic opportunity," Watson said, and suggested that Hodges' greatest legacy may have been his efforts to diversify and expand the state's industrial base.

"The seeds he planted are yet to bear their finest fruit," Watson said.

He described Hodges as man with "an agile mind, unbounded energy and a profound conviction that all were to be used well and an accounting of their use should be made in a life well lived."

Mourners arrived amid the contrast of brilliant sunshine and a chill October wind. Hodges' flag-draped casket was carried into the church by six pallbearers about 30 minutes prior to the noon service.

During the service, Hodges' widow, Louise, cried softly into a handkerchief clutched in her left hand. She sobbed softly upon leaving the church and leaned on the arm of a friend.

Prior to the eulogy Hodges' granddaughter, Miss Carol Bernard, offered a prayer to the family.

Miss Bernard, a Duke University divinity student, spoke softly in a voice that remained firm until just before the close of her remarks.

Rev. Charles V. Bryant, who only recently succeeded Watson as pastor of the church, directed a prayer to the family, saying, "Let us exercise our faith in God so that hope may furnish us with meaning and purpose in death."

Hodges was a retired textile executive when, in 1952, he was elected lieutenant governor. He became governor in 1954 upon the dealth of Gov. William B. Umstead and was elected to a full term in 1956. He served as governor longer than any man in the state's history.

In 1960, following the election of John F. Kennedy as president, Hodges accepted an appointment as secretary of commerce. He held that post into the administration of President Lyndon B. Johnson, stepping down in December 1964 to return to Chapel Hill.

Hodges then devoted his time to development of a pet project, the Research Triangle Institute.

His first wife, the former Martha Blakeney, died in 1969 in a fire in their home here. Hodges married his secretary, the former Louise Finlayson, the following year.

[From the Winston-Salem Journal, Oct. 9, 1974]

WE MUST REMEMBER PAPA . . .

(By J. A. C. Dunn)

CHAPEL HILL.—The funeral began with typical Hodges punctuality, precisely on the very nail of noon yesterday. It was a brisk, no nonsense ceremony with distinct overtones of a State Occasion gracefully muted by family tenderness.

In a front pew of the University Methodist Church sat the living members of what is perhaps North Carolina's most exclusive political club—Gov. James E. Holshouser Jr., Lt. Gov. James Hunt, and former Govs. Terry Sanford, Dan Moore and Robert Scott.

On the other side of the aisle sat the family of Luther Hartwell Hodges, a large and highly varied clan including white-haired ladies in gloves and a young Marine lance corporal in uniform.

The rest of the church's big main floor was filled with a remarkable assortment of the renowned, the notable and the obscure—UNC President William Friday; a former N. C. Symphony Orchestra director, Benjamin Swalin; federal Judge James Braxton Craven; Chapel Hill Mayor Howard Lee; and lawyers, legislators, politicians, doctors, newspapermen, businessmen and their wives; and in the balcony, all alone, a little old lady wearing a black hat and a dark coat who sat bent slightly forward, holding two books.

Before them all, at the end of the maroon carpet down the long center aisle lay the flag-draped coffin. Former Gov. Luther Hodges died Sunday of a heart attack while working in his rose garden in Chapel Hill. He was 76, and only three days before his death he had told a newspaper reporter that swimming 16 laps in his pool every morning "keeps me going."

The organist concluded Selections from Bach, and the Rev. Charles V. Bryant, pastor of the church, rose, his graying hair slightly tousled, his body robed in voluminous black.

"This time of grief is also a time of love, a time of faith, and a time of hope. . . ."

In the huge cool shadow cast by the steeple in front of the church, as the friends and mourners had filed up the stone steps in their pinstripes and Sunday dresses, very few "Luther stories" had been told. Those who came to pay their respects were mostly hard-headed and gray-haired and those among them who had dared to dream had balanced their dreams with the bald realities of politics, commerce and the law. Poets and wanderers do not, as a rule, flock to the funerals of Cabinet members and corporate vice presidents.

But even the colleagues and cronies of what Sen. Sam Ervin, in his tribute to Luther Hodges, called "a great oak" of government are nevertheless aware. And when, after the readings from the Testament, Carol Bernard stepped up to the lectern, the hush that fell over the congregation was not merely a solemn, funereal silence. It was the hush of several hundred people honestly straining to catch every word.

"God," said Miss Bernard, "how are we to feel and to act in the time of death? How are we to feel the hurt, loss, anger, loneliness and fear that are part of death?"

Carol Bernard is a Duke University divinity student, and she had worked Monday afternoon and evening and part of Tuesday morning writing a prayer with which to say goodby to her mother's father.

"How are we to understand death?" she said, in a high soft voice that filled the sunlit church as pervasively as the soft beating of a moth's wings on a windowscreen fills an empty room on a still summer night.

From the balcony, you could see people leaning forward to hear better. Not a cough, not a rustle came from the congregation. What Carol Bernard was saying had never been said quite that way before, and its effect was profoundly powerful—particularly when said by that small, husky soprano voice.

". . . We praise you, God, for what we may have experienced from our relationships to Papa. . . . God, change the ache of loneliness and fear—God, change that into the ache of growth. . . ."

The "Papa" somehow made it much more than just a church ritual attended by dignitaries. As Carol Bernard neared the end of her prayer, whoever wept—and many did, quietly and gently—wept at least partly with relief of hearing their own feelings spoken to, and of, without fanfare.

"God," she said, "hear the anxiousness and confusion of feelings that we cannot pray to you, and hear the needs and fears that we cannot say aloud to each other. . . . We must remember Papa, and we can remember him. . . ."

Carol Bernard sat down, leaving the Rev. H. Langill Watson the nearly impossible task of commanding that much attention with a standard eulogy.

Mrs. Frances Redding sang the Lord's Prayer, sending buoyant billows of sound bouncing off the pale blue and white walls. The coffin was wheeled away to a waiting hearse, headed for burial in Eden yesterday afternoon, and the people followed.

[From the Winston-Salem Journal, Oct. 9, 1974]

COUSIN LUTHER LOVED A GOOD HURRICANE

(By Roy Thompson)

You get to know a man fast during a hurricane.

The winds blow away whatever false veneer he has and leave his bedrock exposed.

If you like a man you've gone through a hurricane with, you'll probably get along with him from now on.

Luther Hodges looked good in a hurricane.

They buried him yesterday. Heart attack. He was working in his roses. He was 76.

A good deal has been and will be said about Hodges' careers in business and politics.

Sen. Sam Ervin even said his line about how a great oak has fallen and left a vacant place against the sky, and Sen. Sam saves the great oak line for very special occasions.

I'll remember Cousin Luther Hodges because of the way he was turned on by hurricanes.

If he missed going to one while he was governor it must have been one that came when he was in Russia or Europe or someplace trying to find new markets for North Carolina products.

He'd stay in Raleigh and work until the very last minute, and then he'd get into a plane and fly as close as he could to the hurricane, and a highway patrol car would come and relay him into the middle of it.

Once on the scene, Hodges would put on foul-weather gear and go paddling around in the storm as happy as a 4-year-old in a mud puddle.

Photographers always led the governor to a bulldozer or something like that, and he'd climb up and sit on it while they took pictures.

Some said he was at the storm for the publicity, but people who have been outside during a hurricance know there are easier ways.

Once Cousin Luther was at Morehead for a hurricane. He had been out and checked damage and had his picture taken on a bulldozer.

Now there was nothing he could do but go to the hotel with friends, have a touch of bourbon and let the hurricane do as it pleased.

He had a suite, and he and his friends were just sitting around a bourbon bottle when this girl reporter for a radio station called. She wanted to interview the governor in the eye of the hurricane, she said.

Hodges told her to come right on up.

The girl placed her call to the station, and it got through, which is always a miracle in a hurricane.

She told the man on the other end of the line that she had a real big thing coming up—an interview with Gov. Hodges in the eye of the hurricane.

The man must have been impressed because he told her he would stop whatever was on—an Elvis record or a Prunella commercial—and carry her interview live.

The girl got her cue, and she started talking in great excitement:

"This is So-and-So of your live wire, top pop, on-the-scene Radio Whatever. I am in Suite 14 at the Such-and-Such hotel in Morehead City. With me is Gov. Luther H. Holges, and we are. . . ."

At this pont, Hodges hand-wrestled her for the telephone, and won.

He started talking at once:

"And with us here in the suite are. . . ."

Then he introduced the other gentlemen present.

Cool.

He lived out his last years in Chapel Hill, which he always called "the Southern proof Heaven," and they buried him in Eden.

I'd lay five to one that when he stood in front of the Guest Book at the Pearly Gates the first question he asked was:

"You folk ever have a hurricane around here?"

LUTHER HODGES, NORTH CAROLINIAN

Except for Sam Ervin, probably no North Carolinian in many, many years has done so much as Luther Hodges to promote, by his own personal character, the state's good name and qualities. His sudden death is a loss to us all.

Though he was born in Virginia—barely across the border, however—and though he achieved his highest business success in Chicago and his greatest political recognition in Washington, Luther Hodges was a North Carolinian through-and-through.

Giving up at age 52 his $75,000-a-year Chicago job, he bee-lined back home, ran for and won North Carolina's Lieutenant Governorship. Two years later he became governor, upon the death of William Umstead, and subsequently won a full term of his own to serve longer than any of our Governors since Colonial times.

Again, at age 68, after four years as Secretary of Commerce under Presidents Kennedy and Johnson, he declined the offer to stay on, and once more headed home to live in Chapel Hill where he had graduated from UNC 46 years earlier.

Each time, he came back to be of service to his state. As Governor, he opened the way for the industrial expansion that has now healthily benefited North Carolina since. And he successfully led the state, peaceably, through the early tormented years following the Supreme Court's momentous school desegregation ruling.

In his recent years, he devoted his energies to the Research Triangle Park which he had conceived as Governor and which has already brought several thousand scientists, $160 million worth of laboratories and international recognition to the state. That alone is a significant monument to Luther Hodges for the nation and world to behold. But to those of us closer by, there will be a warmer, more personal monument in the memory of this good, kind-faced and effectively energetic man who, no matter where his duties called him, always kept his heart in North Carolina.

AID ACTION ON PROMOTING WOMEN IN DEVELOPMENT

Mr. PERCY. Mr. President, the Agency for International Development last August completed its studies on the application of the amendment seeking integration of women into the development process. The amendment, which had been accepted during consideration of the Foreign Assistance Act a year ago, requires the Agency to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of aid-recipient nations, thus improving the status of women and assisting the total development effort.

On September 16, at the State Department, there was a ceremony for the signing of AID's policy directive requiring Agencywide action to carry out the thrust of the amendment and to announce the appointment of Nira Long to the new position of Coordinator of Women in Development. I request unanimous consent that the proceedings of the signing ceremony be printed in the RECORD.

There being no objection, the proceedings were ordered to be printed in the RECORD, as follows:

AID CEREMONY: SIGNING OF AID POLICY DIRECTIVE, THE PERCY AMENDMENT TO THE FOREIGN ASSISTANCE ACT, SEPTEMBER 16, 1974

(Participants: Nira Long, Coordinator of Women in Development; Dan Parker, Administrator, U.S. AID; Charles H. Percy, U.S. Senator; Clinton F. Wheeler, Director, Office of Public Affairs, AID.)

CLINTON F. WHEELER. I must say I'm very much pleased that Senator Percy, the author and the sponsor of the bill, is here. We have Dan Parker from AID, our Administrator, who will sign in just a few moments. But before that, I'd like to introduce Mrs. Nira Long, Director of our Office of Equal Opportunity, who will briefly tell you how important this policy determination is. Nira.

NIRA LONG. I am the Coordinator of Women in Development during this transition period. And I just want to emphasize that it's really during a transition period. Mr. Parker, who's very knowledgeable about how bureaucracies operate in government and also in industry, knows full well that if you set up a special unit for special activities, it may never get integrated into the regular ongoing process. So actually the measure of how successful I am in this job is to work myself rapidly out of the job, because this will be the sign that Women in Development is really accepted as a concept in programming. And I accept that challenge and hope to be out of the job within a year and a half. In fact, I've been told I should be out of the job in a year and a half. (Laughter.)

Probably most of you do not know what a policy determination paper is in this agency. It is the bible of AID in the sense that it instructs all of our AID officers in Washington and overseas what is a major policy concept. So that in signing this policy determination paper, the Administrator is sending a message throughout the agency that there must be a conscious concern in all our programming design, in implementation and review about Women in Development and to integrate women into the national economy.

And I would like to take one moment to read just one part of the text of this policy determination paper. What we are saying is that the principle stated is that it is AIDs policy to implement fully the Percy Amendment through the inclusion of a role for women in all of the agency programs and projects. The primary emphasis will be on the integration of women as both agents and beneficiaries in the mainstream of the agency's programming. And then we go on to state—and all of you will have a copy of the policy determination paper—some of the tenets upon which this principle rests. Particularly, we emphasize that women are a vital human resource in the development process.

But is it not just rhetoric or a statement of principle. What it really tells our programming officers (is) that if you do not take this into account consciously, and not merely by saying "of course all our programs are to benefit people," but to conciously think in terms of programs that benefit women; what we're saying to them is that your program will be deficient, and it might jeopardize your possible funding.

However, it is not that simple. We must, of course, work along with the developing countries themselves and how they foresee and plan their programs. So that in signing this policy determination paper, the Administrator is launching the major step toward our goal of institutionalizing the concept of women in development throughout the layers of programming in AID. And I'm sure after he signs the paper, he will have some remarks to make before he introduces the Senator.

The Honorable **DANIEL PARKER.** Thank you, Nira.

(Applause.)

I shall indeed sign it. I run a risk in a public ceremony like this, one that is unique to a person with my background.

(Laughter.)

The pen did work.

(Laughter.)

Ladies and gentlemen, again, as Clint Wheeler said, there are so many distinguished people that it would be folly to attempt to list or identify all, because you all are. I think it's interesting that on the eighth floor of this building, the State Department, each one of the ceremonial rooms is named after a past and illustrious Secretary of State. Henry Clay looks with interest upon this ceremony today from his portrait. Of course, we recognize that there is not yet a room named after a lady who has been a Secretary of State.

The objective of our policy determination, our efforts that Senator Percy has been so perceptive about, is to involve women in development and in the economic and social lives of the developing countries. It's interesting to realize that a number of our countries with whom we are working have already progressed well past the point of having women secretaries of state and ministers of state, but right on to the presidency and to the prime ministry. As a matter of fact, if you do a little arithmetic, you can find that almost 700 million people on this planet have chief executives who are women, women as chiefs of state.

As Nira Long said, our objective was to move as quickly as possible, but at a point when we could really institutionalize this rather than have this go out by fiat or directive. We have carefully worked out this policy determination. Drafts have come to me. I'm pleased to say that in spite of the fine efforts of the working group, some of whom are here, and Nira's efforts, I managed to get some of my own language in places where I thought that we could put a little more thrust to it. Pat Holt gave me a good thought to express this. He said "I'm glad you're about to take off on this." And that analogy that came to my mind is that in flying you don't take off until you've got enough speed to fly. And that's exactly where we are. It took us just a little longer to get up to speed than we had hoped and, I'm sure, than you had hoped. But we are at speed now, and we're going to be flying. And it isn't going to be, as Nira explained, just bureaucratic jargon. There's clout, if you will, because the people in the field, in the programming, in fact do not have access to certain funds if they don't really, in almost an intuitive way, seek to meet the objectives of the legislation led by Senator Percy.

Well, obviously, I could talk far longer than the ceremonial occasion would warrant or justify. But we are indeed sincere, and we mean it. And with that, my friend in business and my friend in government, I would like to ask Senator Percy to add his comments.

I congratulate you, too, Chuck, on what's happened here.

Senator Charles Percy. Thank you, Dan. (Applause.)

I would like to just express my great pleasure in being here; in a sense, extraordinary pleasure, on one hand, and disappointment on the other; extraordinary pleasure that Mrs. Parker could be here, and Mrs. McNamara and Mrs. Sisco, who are three of my favorite friends in Washington; but disappointment that, taking into account our industrial background, this document could be signed with a Parker pen, while there are nothing but competitive cameras in the room. . . .

(Laughter and applause.)

I think they are even foreign-manufacted cameras. (Laughter.) But maybe—since this is a foreign aid program—that's appropriate.

I would like particularly to thank Nira Long. Without her dedication and that of her working committee, supported strongly by Dan Parker, would not be here today. And she has been wonderful.

There are the representatives of many important women's organizations in this room. And when I did not serve on the House-Senate conference and felt powerless outside the room, feeling that the amendment might be knocked out in conference, as so many things are, it was those organizations that went to work to give the facts of life and to give religion to those who were sitting in the conference. They really saved the amendment.

I certainly would be very negligent if I did not mention the support of Pat Holt and John Ritch of the Staff of the Foreign Relations Committee. And in my own office the work was done by Hannah McCormack, an outstanding lawyer, and Scott Cohen, who for a dozen years has been associated with me in the foreign relations area.

But Dan, we're most grateful to you for everything that you have done. The time schedule is way ahead of what we reasonably could have expected. (Laughter.)

Just a comment on the future. I attended the World Population Conference in Bucharest very briefly on my way to India a couple of weeks ago. And the most important thing to come out of that conference, as I said there, will be the progress toward equality of women in determination of the educational and vocational make-up of every nation. And the resolutions that were adopted overwhelmingly by that conference, co-sponsored by the United States, India, and other countries, were much stronger than we felt would have been possible.

The year 1975 will be the United Nations International Women's Year. I will be a delegate representing the Senate this fall at the United Nations, at the Twenty-ninth General Assembly, and women will be extraordinarily important in the support the Department gives our Delegation. At lunch with the Delegation today, the Secretary will be talking about the role of women in the problems that the world is facing.

I think we have launched an important effort. We know that politically in this country we've been way behind. Last week I spent a good deal of time with Mrs. Gandhi, who administers a country of six hundred million people.

But I'm pleased that the role of women in politics in America is becoming much more important. On our campuses, we have a long way to go to bring equality, and the same is true in industry. As we improve the status of women in this country we'll be in a better position to advise the rest of the world what they should do.

I'm extraordinarily pleased to be here, Dan, and very proud to be associated with you in this effort.

Parker. Thank you, Chuck.

(Applause.)

Parker. I would now like to conclude by officially announcing the naming of Nira Long to be Coordinator of Women in Development.

SOUTH DAKOTA STRONGLY FAVORS ERTS

Mr. MOSS. Mr. President, South Dakota is the home of the Earth Resources Observation System Data Center and naturally, Gov. Richard F. Kneip is proud of that fact.

But much beyond pride, the Governor has told me in a letter:

> [W]e are also cognizant of the benefits from the use of ERTS imagery in analyzing land use and resources in South Dakota. We are, therefore, strongly in favor of legislation which would operationalize the ERTS program.

He goes on to point out that, using ERTS imagery, South Dakota will be able to assemble State land use information for less than 10 percent of the cost of the best pre-ERTS techniques.

Mr. President, I ask unanimous consent that Governor Kneip's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

State of South Dakota,
Pierre, S. Dak., August 2, 1974.

Hon. Frank E. Moss,
U.S. Senate, Committee on Aeronautical and Space Science, Washington, D.C.

Dear Senator Moss: South Dakota, as the home of the Earth Resources Observation System Data Center, is vitally concerned with the continuation and expansion of the Earth Resources Technology Satellite Program. Aside from our interest and pride in being the host state for worldwide users of ERTS data, we are also cognizant of the benefits from the use of ERTS imagery in analyzing land use and resources in South Dakota. We are, therefore, strongly in favor of legislation which would operationalize the ERTS program.

Without the continuing availability of ERTS imagery, the gathering of resource information about our sparsely settled yet resource rich state would be prohibitively expensive. As an example, a land use inventory for the state aimed at identifying land use trends and problems is now underway involving the use of computer tapes from the satellite and photographically reproduced image from the EROS Data Center. It appears that we will be able to assemble state land use information for less than 10% of the cost of the best pre-ERTS techniques.

In addition to the direct use of the ERTS data, there has been an upsurge of interest here in South Dakota in a variety of Multi-Spectral Scanning (MSS) programs which, when refined, will greatly enhance the information which can be gleaned from ERTS transmissions.

In reviewing the proposed bills (S2350 and S-3484), we assume that additional satellites are authorized but funds have not yet been committed to NASA for launching further satellites or for the perfection of other specific sensor technology.

We would most strongly endorse Senate Bill 3484, introduced by Senators Abourezk, McGovern and Young, as the best approach to establishing a permanent program of earth resources observation and utilization. It would be preferred, particularly from an applications point of view, to have such a program located within the Department of the Interior in order to provide maximum coordination with the existing program of the U.S. Geological Survey.

It would appear that major research and development responsibilities for Earth Resources Satellite Systems would continue to rest with the National Aeronautics and Space Administration in either case.

Sincerely,

Richard F. Kneip,
Governor.

LIFE VERSUS LIVELIHOOD ON LAKE SUPERIOR

Mr. PERCY. Mr. President, since my last report to the Senate on the progress of the Reserve Mining case, the Federal Government and the States of Minnesota, Wisconsin, and Michigan applied to the U.S. Supreme Court for an order which would have had the effect of terminating the dumping of asbestos-contaminated taconite waste into Lake Superior while an onland disposal site was constructed. Unfortunately, the Supreme Court on October 11 denied these applications to vacate or modify the indefinite stay order of the Eighth Circuit Court of Appeals, and the dumping continues unabated.

Four Justices, however, stated explicitly that these denials are without prejudice to a renewal of the applications by the State and Federal Governments if the litigation has not been finally decided by the court of appeals by January 31, 1975. Hopefully, this date will act as a deadline for a final judgment on the merits of this long and tortuous case. The people of the Great Lakes region certainly deserve a decision on the case, and an end to the terrible uncertainty as to whether this blatant pollution is indeed creating a serious public health hazard as well.

In a letter to me commenting on the Supreme Court's action, Alan G. Kirk II, Assistant Administrator of the Environmental Protection Agency stated:

> In your September 16 statement you focus on two aspects of the pending litigation which we consider of primary significance. EPA has actively sought prompt development of an on-land disposal system and elimination of the discharges of taconite tailings into Lake Superior. That is the specific goal of the litigation at all levels of the judicial process. As you point out, a second goal in this case should be the establishment of a legal precedent which will insure protection of the public health. We should and will use all our efforts to convince the courts that even in those cases where there may be doubt concerning the environmental effects of a pollutant, the doubt should be resolved in favor of the health of human beings.

The danger to the public health of even low levels of asbestos fibers is demonstrated dramatically by the results of a recent study by the Mount Sinai Medical Center. Dr. Irving J. Selikoff of Mount Sinai, who also studied the asbestos concentration in Lake Superior, has been studying the long-term effects on the wives and children of 933 asbestos factory workers from a Paterson, N.J., plant. He has found a high incidence of lung abnormalities among the workers' relatives, and four persons who were exposed as children have developed a rare, usually fatal form of cancer called mesothelioma, the only known cause of which is exposure to asbestos.

The implications of Dr. Selikoff's findings are truly frightening for the children of Duluth and other Lake Superior communities, who have been breathing asbestos-laden air and drinking asbestos-laden water directly from Lake Superior.

Mr. President, I ask that the following items be printed in the RECORD at the close of my remarks: a letter from the Environmental Protection Agency; a letter from the Justice Department enclosing copies of the Supreme Court's action; a New York Times article by Jane E. Brody on the Mount Sinai findings; and an excellent survey article on the Reserve Mining case by Wade Greene, which appeared in the New York Times Magazine, Sunday, November 24, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C. October 25, 1974.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for sending us a copy of your statement on the floor of the Senate on September 16, 1974, concerning the pollution abatement action against Reserve Mining Company. As you are probably well aware, the Department of Justice, on our behalf, made application to the United States Supreme Court on October 4, 1974, for an order vacating the Eighth Circuit Court of Appeals' stay of Judge Lord's injunction. The states of Minnesota, Wisconsin, and Michigan filed a similar application the previous week. The Supreme Court's decision on October 11 to deny that stay was a temporary setback to the plaintiffs' efforts to terminate Reserve's discharge.

However, we are encouraged that four Justices stated that the denial of our application is without prejudice to renewing it if the litigation has not been finally decided by the Eighth Circuit by January 31, 1975. Implicitly, we think, the Supreme Court is prompting the Court of Appeals to dispose of the case expeditiously. Such expedition is precisely what this Agency has sought since the Court of Appeals granted a stay to Reserve Mining Company in April, 1974.

In your September 16 statement you focus on two aspects of the pending litigation which we consider of primary significance. EPA has actively sought prompt development of an on-land disposal system and elimination of the discharges of taconite tailings into Lake Superior. That is the specific goal of the litigation at all levels of the judicial process. As you point out, a second goal in this case should be the establishment of a legal precedent which will insure protection of the public health. We should and will use all our efforts to convince the courts that even in those cases where there may be doubt concerning the environmental effects of a pollutant, the doubt should be resolved in favor of the health of human beings.

Thank you again for providing this opportunity for us to comment on your statement and for your continuing support in this litigation.

Sincerely yours,

ALAN G. KIRK II,
Assistant Administrator for Enforcement and General Counsel.

DEPARTMENT OF JUSTICE,
Washington, D.C., October 17, 1974.

Senator CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in response to your letter requesting comments upon your remarks in the Congressional Record of September 16, 1974, concerning the case of *United States* v. *Reserve Mining Company*. Enclosed for your information, please find copies of the application fild with the Supreme Court in this litigation by the Solicitor General on October 4, 1974, and of the Order entered by the Supreme Court disposing of that application on October 11, 1974.

Thank you for your interest in this matter.

Sincerely,

WALLACE H. JOHNSON,
Assistant Attorney General.

Supreme Court of the United States—Nos. A-232 and A-262

APPLICATIONS TO VACATE STAY

State of Minnesota et al. (A-232) *v.* Reserve Mining Company et al.

United States (A-262) *v.* Reserve Mining Company et al.

(October 11, 1974)

The respective applications for an order vacating or modifying the stay order of the United States Court of Appeals for the Eighth Circuit, presented to MR. JUSTICE BLACKMUN and by him referred to the Court, are each denied. Four Justices, however, state explicitly that these denials are without prejudice to the applicants' renewal of their applications to vacate if the litigation has not been finally decided by the Court of Appeals by January 31, 1975.

MR. JUSTICE DOUGLAS, dissenting.

I would vacate the stay issued by the Court of Appeals.

Judge Lord made detailed findings as to the health hazard of the respondent's discharges into the air and into the waters of Lake Superior,[1] findings which I attach as an Appendix to this opinion. The Court of Appeals disagreed with Judge Lord's conclusion but it stopped short of holding that his findings were "clearly erroneous" within the meaning of Rule 52(a) of the Rules of Civil Procedure. Even in its view, the issue, however, was close or rather neatly balanced.[2] It therefore decided that being "a court of law" it was "governed by rules of proof" and that "unknowns may not be substituted for proof of a demonstrable hazard to the public health." [3]

That position, however, with all respect makes "maximizing profits" the measure of the public good, not health of human beings or life itself. Property is, of course, protected under the Due Process Clause of the Fifth Amendment against federal intrusion. But so is life and liberty. Where the scales are so evenly divided, we cannot say that the findings on health were "clearly erroneous" nor am I able to discover how "maximizing profits" becomes a governing principle overriding the health hazards. If equal justice is the federal standard, we should be as alert to protect people and their rights as the Court of Appeals was to protect "maximizing profits." If, as the Court of Appeals indicates, there is doubt, it should be resolved in favor of humanity, lest in the end our judicial system be part and parcel of a regime that makes people, the sovereign power in this Nation, the victims of the great God Progress which is behind the stay permitting this vast pollution of Lake Superior and its environs. I am not aware of a constitutional principle that allows either private or public enterprises to despoil any part of the domain that belongs to all of the people. Our guiding principle should be Mr. Justice Holmes' dictum that our waterways, great and small, are treasures,[4] not garbage dumps or cesspools.

APPENDIX TO MR. JUSTICE DOUGLAS' DISSENT

(3) The particles when deposited into the water are dispersed throughout Lake Superior and into Wisconsin and Michigan.

(4) The currents in the lake, which are largely influenced by the discharge, carry many of the fibers in a southwesterly direction toward Duluth and are found in substantial quantities in the Duluth drinking water.

(5) Many of these fibers are morphologically and chemically identical to amosite asbestos and an even larger number are similar to amosite asbestos.

(6) Exposure to these fibers can produce asbestosis, mesothelioma, and cancer of the lung, gastrointestinal tract and larynx.

(7) Most of the studies dealing with this problem are concerned with the inhalation of fibers; however, the available evidence in-

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[1] —— F. Supp. ——.

[2] The Solicitor General in his brief filed with us states:

"In all of this the court of appeals has proceeded on an admittedly preliminary assessment, based on limited exposure to the voluminous record, of the question whether the continued daily discharge of some 67,000 tons of suspended solid waste into Lake Superior and some 100 tons of particulate matter into the air constitutes a significant threat to public health. While we believe that the court of appeals' conclusion in this regard rests upon crucial assumptions that are refuted by the substantial evidence of record here, we do not think it appropriate to attempt to argue such evidentiary issues to this Court on an even more limited record. Suffice it to say that there is no serious dispute that the amphibole discharge in question are widely believed to entail a risk of asbestosis, cancer, and other adverse health consequences, and the only real dispute concerns the quantitative assessment of the likelihood of such consequences—an assessment that is particularly difficult here because of the apparently long-term and cumulative results of exposure to such materials."

[3] 498 F. 2d 1073, 1084.

[4] *New Jersey* v. *New York*, 283 U.S. 336, 342.

dicates that the fibers pose a risk when ingested as well as when inhaled.

(8) The fibers emitted by the defendant into Lake Superior have the potential for causing great harm to the health of those exposed to them.

(9) The discharge into the air substantially endangers the health of the people of Silver Bay and surrounding communities as far away as the eastern shore in Wisconsin.

(10) The discharge into the water substantially endangers the health of the people who procure their drinking water from the western arm of Lake Superior including the communities of Beaver Bay, Two Harbors, Cloquet, Duluth, and Superior, Wisconsin.

(11) The present and future industrial standard for a safe level of asbestos fibers in the air is based on the experience related to asbestosis and not to cancer. In addition its formulation was influenced more by technological limitations than health considerations.

(12) The exposure of a non-worker populace cannot be equated with industrial exposure if for no other reason than the environmental exposure, as contrasted to a working exposure, is for every hour of every day.

(13) While there is a dose-response relationship associated with the adverse effects of asbestos exposure and may be therefore a threshold exposure value below which no increase in cancer would be found, this exposure threshold is not now known.

[In the Supreme Court of the United States, October term, 1974]

Application for an Order Vacating or Modifying the Stay Order of the United States Court of Appeals for the Eighth Circuit

United States of America, et al., Plaintiffs-Appellees, *v.* Reserve Mining Co., et al., Defendants-Appellants.

The Solicitor General, on behalf of the United States, applies for an order vacating or modifying the order of the United States Court of Appeals for the Eighth Circuit entered on August 28, 1974, which stayed pending appeal on injunction granted by the United States District Court for the District of Minnesota on April 20, 1974, requiring defendant Reserve Mining Co. forthwith to terminate discharges from its plant at Silver Bay, Minnesota, into Lake Superior and to terminate discharges of amphibole fiber from that plant into the air.

The nature and history of this litigation have been described in detail in the applications filed by the State of Minnesota and others on July 5, 1974, seeking vacation of the court of appeals' order of June 4, 1974, (which had stayed the district court's injunction for 70 days) and in their application of October 1, 1974, seeking vacation of the court of appeals' stay of August 28, 1974.[1]

The United States did not join in the initial application, believing on balance that it was preferable to see whether the conditions on which the court of appeals based its limited stay of June 4 might be productive before coming to this Court for extraordinary relief. In view of subsequent developments, however, we have reluctantly concluded that the present status of the case presents serious problems requiring attention by this Court.

In brief, while the court of appeals has now entered an open-ended, unconditional stay of the district court's April 20 injunction pending appeal from that injunction and from all other aspects of this complex litigation, many of which have not yet been resolved by the district court, the court of appeals refused to take effective action to expedite disposition of the pending appeal, the matters remaining in the district court, and any appeals therefrom. Nor has it imposed any conditions or otherwise given the defendants any reason to proceed expeditiously. To the contrary, the court of appeals has failed to act on the unopposed request of the United States for an expedited briefing schedule, made on June 17, 1974, and has granted defendants repeated extensions of the stay pending appeal despite their failure to take any steps toward disposition of the appeal.

In all of this the court of appeals has proceeded on an admittedly preliminary assessment, based on limited exposure to the voluminous record, of the question whether the continued daily discharge of some 67,000 tons of suspended solid waste into Lake Superior and some 100 tons of particulate matter into the air constitutes a significant threat to public health.

While we believe that the court of appeals conclusion in this regard rests upon crucial assumptions that are refuted by the substantial evidence of record here, we do not think it appropriate to attempt to argue such evidentiary issues to this Court on an even more limited record. Suffice it to say that there is no serious dispute that the amphibole discharges in question are widely believed to entail a risk of asbestosis, cancer, and other adverse health consequences, and the only real dispute concerns the quantitative assessment of the likelihood of such consequences—an assessment that is particularly difficult here because of the apparently long-term and cumulative results of exposure to such materials.

The history of this litigation thus far offers no reason presently to anticipate a prompt disposition of appellate proceedings, nor, accordingly, an early termination of the outstanding stay of the district court's injunction. In view of the substantial health hazards apparently involved, as detailed in the comprehensive opinions of the district court issued on May 11, and August 3, 1974, we believe the court of appeals has erred in adopting a course of handling this litigation that has resulted in indefinite perpetuation of the *status quo*.

Accordingly, this Court should now act to terminate the open-ended stay and to assure that the case will be decided promptly. To that end the Court should vacate the stay granted by the court of appeals on August 28, and direct the court of appeals to establish a briefing and hearing schedule that will permit the aspects of the case now pending before it to be heard and decided this year. Should this Court disagree with our submission that the stay pending decision by the court of appeals should now be vacated, we would suggest that it modify the stay to provide that it will terminate this year.

[From the New York Times, Sept. 19, 1974]

Cancer Found in Asbestos Workers' Kin

(By Jane E. Brody)

The 933 men who produced asbestos insulation at a Paterson, N.J., plant in the nineteen-forties came home each day from the dusty factory covered with asbestos fibers.

Today, some 30 years later, many wives, children and other persons who were in contact with these men at home are beginning to show the effects of their peripheral and often brief exposure to this insidious mineral.

A study by Mount Sinai Medical Center has shown a high incidence of lung abnormalities among the workers' relatives, and four persons who were exposed as children have developed a rare, usually fatal form of cancer called mesothelioma, the only known cause of which is exposure to asbestos.

The new study, being conducted under a grant from the National Institute of Environmental Health Sciences, adds a new dimension to the already well-established dangers of asbestos, a ubiquitous mineral with some 3,000 uses. Thousands of workers have succumbed to asbestos-related cancers and lung disease, including many who worked at the Paterson factory.

Now, evidence is mounting that far less than the intense exposure of the work environment is necessary to produce asbestos-related disease. The new evidence raises questions not only about the adequacy of regulations designed to protect asbestos workers but also about the hazards the general public may face from exposure to the persistent fibers of asbestos.

Asbestos fibers can be found virtually everywhere—in urban air as a result of the erosion of brake linings, air-conditioning ducts, floor tiles and other sources; in commercial beverages that have been passed through asbestos filters; in water supplies that are carried through asbestos pipes.

The danger of asbestos to those who work with it was recognized as early as the first century, but it was not until British studies in the 1920's that any attempt was made to protect workers from its effects.

In the years since, workers exposed to asbestos have been shown to face a greatly increased risk of developing lung cancer, mesothelioma, cancers of the gastrointestinal tract and asbestosis, a scarring of the lungs. These effects generally do not show up until two or three—and sometimes even four—decades after the first exposure to asbestos.

A TWO-DECADE STUDY

For two decades, Dr. Irving J. Selikoff, director of Mount Sinai's Laboratory of Environmental Sciences, has been studying the effects of asbestos on the men who worked at the Union Asbestos and Rubber Company (UNARCO, as it is commonly called) in Paterson. The factory was in operation from 1941 to 1954.

These men came home each day covered with the whitish fibers of asbestos—on their clothes, in their hair, in their lunch pails. Sometimes they brought home samples of the fireproof product they made for their children to play with.

According to Dr. William Nicholson of the Mount Sinai team, asbestos fibers can still be found in the attic dust of the homes of workers who left the plant as many as 30 years ago.

A year ago, the Mount Sinai team began a study of the fate of those who lived with the Paterson workers. Thus far, of 210 family contacts examined under the direction of Dr. Henry A. Anderson, nearly 40 per cent were found on X-rays to have the kinds of abnormalities in their lungs common to asbestos workers. In some cases where X-ray abnormalities were found in the family, the worker had been at the UNARCO plant for only a few days.

In the last three months, three persons who were children at the time their relatives worked in the Paterson plant were found to have mesothelioma.

One of the three died of the disease in June at the age of 44. Her father had worked the day shift at the UNARCO plant for a year in the mid-1940's, and she took him a hot meal every evening, waiting outside the plant for her father to pick it up. Another patient was indirectly exposed to asbestos for just six months when she was four years old, and in the third case, the patient's father had worked at the plant for a year. This patient's sister, a nonsmoker, died of lung cancer at the age of 39.

A fourth person, the daughter of the man who developed the asbestos material made by UNARCO, died in 1945 of mesothelioma, the same disease that took her father's life 14 years earlier.

The new spate of mesothelioma cases is among several recent developments regarding asbestos that have caused alarm among the Mount Sinai investigators and stimulated labor leaders and others to challenge the adequacy of current protections against the time-bomb effects of this persistent mineral.

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[1] The present application also serves as our response to Mr. Justice Blackmun's request of October 2, 1974, for our views concerning the states' pending application.

Dr. Selikoff fears an eventual "epidemic" of mesothelioma since, he says, "what we are seeing today reflects the size of the work force in the 1930's and 1940's when asbestos production was one-tenth what it is today." More than one million persons have at one time worked directly with asbestos.

Dr. Selikoff is also worried about the nearly three million Americans who worked in asbestos-ridden shipyards during World War II. Cases of mesothelioma have recently began to appear among these people.

The other developments that are causing concern include a British medical report indicating that the levels of asbestos that Federal regulations say workers can safely inhale may in fact cause lung disease and cancer years later. The British are now considering more stringent regulations.

Another British study showed that rats can develop mesothelioma after as little as one day of inhaling asbestos fibers.

And a preliminary, unpublished Canadian study also in rats suggests that the consumption of small amounts of asbestos fibers can result in a wide spectrum of cancerous tumors, a finding that could be of significance to the residents of Minnesota who for the last 18 years have been drinking water from Lake Superior that is contaminated with asbestos from the wastes of a mining company.

A United States Court of Appeals has allowed the Lake Superior dumping to continue because the Government could not demonstrate that Minnesotans had suffered ill effects from drinking the asbestos-containing water or breathing the fiber-filled air.

[From the New York Times Magazine, Nov. 24, 1974]

LIFE VERSUS LIVELIHOOD—LAKE SUPERIOR ILLUSTRATES THE EPIC STRUGGLE BETWEEN ENVIRONMENTAL AND ECONOMIC VALUES

(By Wade Greene)

DULUTH, MINN.—"We drink it, our children drink it, we bathe our babies in it, we believe it's the purest, best-tasting, most unpolluted water found anywhere," said Wayne Johnson, attorney for the town of Silver Bay, Minn., home of the Reserve Mining Company. That was two years ago, and Johnson was voicing the usual lakeside pride in the purity—innocence, you might even say—of Lake Superior. In a society that has judged itself pervasively guilty of ecological sins of emission, Lake Superior has stood as a vast, rare bulwark of the unpolluted. The ultrablue waters of this magnificent inland sea, whose 31,820 square miles make it the largest fresh-water lake in the world, have been admired as being so clean, so clear that you could see 50 feet deep into them.* Lakeside dwellers have boasted that they draw and drink their water directly from the lake, unfiltered, unsanitized.

And that's just what Wayne Johnson did to demonstrate his faith in the lake's purity—he downed a glass of Lake Superior—straight, as they say.

It may have been a deadly drink. In an injunction issued last April at the end of what has been by far the longest and most expensive environmental trial in United States history, a Federal District Court found not only that Superior's waters were impure in some sectors but that they contained a cancer-causing agent—asbestos, or something virtually identical to asbestos—which for 18 years has been flowing into the water-pipes and gastrointestinal tracts of a number of communities on the southwestern tip of the lake, including one of the nation's major Great Lakes ports, Duluth.

This potentially horrendous contamination was laid directly at the sluices of the Reserve Mining Company, one of the few large employers in the region, one of the principal iron miners in the country. Submicroscopic particles of an asbestos-like substance were found by Federal Judge Miles Lord to be a major component of Reserve's massive discharge into the lake—a daily 67,000 tons of ground rock. As a result of his findings, Judge Lord ordered the Reserve plant closed down.

For 32 hours last spring, the giant lakeside plant, through which 12 percent of the nation's domestic iron-ore supply normally flows, stood nearly empty and noiseless, a mute brooding symbol, for a moment, of the triumph of environmental interests over economic interests. The plant was reopened when a Federal Court of Appeals stayed Judge Lord's injunction pending development of an alternate on-land disposal system by Reserve. Yet the Court of Appeals branded the original decision to allow the dumping into Lake Superior a "monumental environmental mistake" and has told Reserve, in effect, that it must move to halt its dumping. Therefore, it seems to be only a matter of time and selection of an on-land disposal site before the Reserve operation will be radically overhauled. Prodded by the courts, Reserve and Minnesota authorities are currently negotiating for a site.

The sheer dimensions of the case are certain to make it a major chapter in the modern epic of industrial society's efforts to harmonize environmental and economic values. Clashes between these often antithetical forces have become increasingly frequent in recent years with the heightening of environmental sensitivities. But nowhere have the stakes and symbols of the confrontation been so stark and so immense: possible cancerous contamination of an extraordinary fresh-water lake—and some 200,000 Duluth-area residents who drink from it—on the one hand, and the fate of a major portion of a major industry, with regional, national and even global economic implications, on the other. For Reserve itself, the lakeside plant represents an investment of about one-third of a billion dollars, and the company says that it will cost more than that to convert it to a land disposal system. Thus, the fate of some 3,000 Reserve employes is directly at stake, too.

The Reserve Mining case may also come to be regarded as a landmark in the nation's efforts to grapple legally with environment health threats that medical research is bringing to light, many of which involve carcinogenic, or cancer-causing, agents that may be affecting the lives of thousands—even millions—of people. A profound issue of law is at stake in the Reserve Mining case and may well end up being resolved by the Supreme Court. This is whether full scientific and legal proof of a suspected health threat to a large population is needed before a court can halt the hazard, or whether the probabilities that are the rough terrain of medical science's frontier will legally serve to avert a potential calamity before irrefutable, corporal proof is established.

"To us, there are neither heroes nor villains," the Appeals Court philosophized about the Reserve Mining saga in its stay of Lord's injunction. Perhaps not. This epical chapter begins—partially, at least—in the morally neutral and impersonal terrain of classroom economics and geography. Northeastern Minnesota's Mesabi Range, as most grade-school pupils once were instructed, was where much of America's iron ore came from, and iron was what much of America's industrial economy was built on. But the rich, smeltable range ores, which have been described as the "raisins in the pudding," began to run out in the late nineteen-forties. Little but the pudding remained—a dark, hard, flintlike rock called taconite, which contained less than 30 percent iron or barely half of what was needed for steel smelting.

So it seemed an unequivocal triumph of what was then called "American ingenuity" when engineers, centered mainly at the University of Minnesota, developed a process to refine, or "benefact," the low-grade taconite into high-grade iron ore ready for the blast furnace. The process amounted largely to pulverizing the taconite rock into smaller and smaller pieces until some of it was flour-fine, and using huge magnets along the way to extract the pieces with high-iron content. The fact that two-thirds of the original rock had to be discarded somewhere was considered an incidental, purely technical problem.

As defenders of Reserve now emphasize the government of Minnesota was a prime mover in getting Reserve to set up shop; Reserve was the first to arrive and the only one to use the lake for its refuse, but it is no longer the largest of what are now seven taconite processors in Minnesota. Minnesota passed special tax legislation and later even a constitutional amendment aimed at luring taconite processors into the Mesabi. State agencies also readily acquiesced to Reserve's request to cart the raw taconite rock by private rail line from its mining area in the range, 50 miles from the lake, to a refining facility on the lake, and dump its tailings, as the taconite residue was called, into the lake. The question of just what happens to the tailings has come to be a central issue in the Reserve Mining case. In its original 1947 hearings for permits to discharge into the lake, Reserve asserted that even the finest talings would flow down to, and remain at, the bottom of a wide 900-foot deep trough off the shore near the Reserve plant. In any case, Reserve contended, the tailings were just "inert sand."

The plant was formally opened in 1956. At the same time that it went up, so did Silver Bay, a brand-new town of prefabricated houses and one-car garages built in the hills inland for Reserve's workers and their families, now some 3,000 inhabitants in all. In St. Mary's Catholic Church in Silver Bay, the altar and baptismal font were hewn out of taconite rock.

The symbolism was apt. Yet downcurrent from Reserve, skepticism about the plant began to grow, slowly, as Reserve's production, and discharge, increased and as the effects of the tailings began to be noticed more widely. Milt Mattson, whose family has long been in the fishing business near the Reserve site, recently recalled that a milky gray sediment appeared from time to time around Beaver Bay, just south of Reserve, after the plant opened, and that it "really began to show" after production doubled in 1961. Over the mewing of herring gulls, he described one of the problems for fishermen. "The herring won't tolerate any dirty water," he said. "And they wouldn't go near the murky areas."

Fishermen also began to complain that their nets came up covered with slime—evidence, they contended, that the tailings increased algal growth. By the mid-sixties, some conservationists were also beginning to object to the "green water"—in contrast to Superior's famous ultrablue—that streaked out at times from Reserve's plant in a long plume.

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*Insofar as it has the greatest surface area, Lake Superior is the world's largest fresh-water lake. Its total area is 31,820 square miles. The fresh-water lake with the world's greatest volume, however, is the Soviet Union's Lake Baikal, with an estimated volume of 5,750 cubic miles. Baikal is the world's deepest lake, measured as 6,365 feet deep in certain places.

Grant Merritt, director of the Minnesota Pollution Control Agency, has described the Reserve case as "one classic situation above all others." As he observed, it contains "all the elements an environmental case could have: problems of pollution, economy, politics and law." Not least of all, politics.

A good deal of local and state-level politics was involved in establishing Reserve and the taconite-mining industry in Minnesota. But once it was there, Reserve and its absentee co-owners, Republic and Armco Steel, proved highly impolitic. The iron-and-steel industry is not used to dealing directly with the public. Reserve was no exception. Its only public reactions to growing complaints were to shrug them off as unfounded or misdirected. The "green water," for instance, had nothing to do with Reserve's tailings, the company said; it did not know just what did cause the "illusion." (Since the trial began, Reserve has declined to discuss anything to do with charges against it except in court.)

But Reserve ignored politics and public pressures at its peril. In the late nineteen-sixties, a grassroots movement began to take hold against Reserve, and while at first it seemed almost pathetically inadequate to the challenge, this movement is above all responsible for bringing the industrial behemoth on Lake Superior to its knees. And grassroots it truly is; it has been led by such improbable giant-tamers as a prim, United States Government secretary in Washington, Verna Mize, and a former hair stylist in Duluth, Arlene Lehto.

Mrs. Mize, who grew up on the Michigan shore of Lake Superior, has been gently badgering Washington officialdom since 1967, when a visit to the lake convinced her it was being sullied by Reserve. She has written thousands of letters, picketed and petitioned and accosted the influential with ever-ready bottles of Superior water—shake any bottle and it turns murky gray-green with Reserve tailings. She has talked to nearly every Great Lakes Congressman or Governor by now.

Arlene Lehto's parents own a small lakeside resort down-current from Reserve. That is where she grew up and where her visions of a more crystalline lake stem from. At about the same time that Verna Mize was becoming an antagonist of Reserve in Washington, Mrs. Lehto organized the Save Lake Superior Association in Duluth. By approaching various groups and government entities around the southwestern end of the lake, she and her organization have concentrated their fire on Reserve. Recently, Mrs. Lehto proposed that Duluth post billboards on highways leading into the city to warn visitors not to drink the city's water, a suggestion that was not received warmly by the city fathers. "To me, it's sort of a simple thing," she philosophized not long ago. "I think people's health is more important than economic matters, and the environment is the basis of their health."

Another unlikely, early challenger of Reserve was a mild-mannered regional coordinator for the Department of the Interior named Charles Stoddard. It is largely because of Stoddard that the cause grew into a prickly national political issue.

Stoddard headed a governmental study group that looked into Reserve's discharge, and in late 1968, shortly before the Johnson Administration and his own employment came to an end, Stoddard "released" or "leaked" the study group's report. The effect of Reserve's dumping, said the report, "is to increase the turbidity of this once clear lake, accelerate eutrophication by enrichment of its water, raise certain chemical constituents to levels beyond established limits and to decrease fish food and habitat through deposition of sediment." Mild enough stuff in light of subsequent findings, but enough to lead to a recommendation in the report that Reserve be given three years to "investigate and construct alternate on-land waste disposal facilities." Predictably, that multimillion-dollar suggestion caused no small stir, around Duluth and Washington.

Stoddard is retired now and spends much of his time in his country home in the evergreen forests of Wisconsin's Indian Head region about 50 miles from Duluth. I drove down to see him during a visit to the Duluth area.

In a small, cluttered study, and swatting at mosquitoes as he talked, he spoke a little about the fuss and politics of the Stoddard Report. He said there had been considerable pressure to disavow the report, much of it stemming from Representative John A. Blatnik, in whose district the Reserve Mining Company is located. Stewart Udall, then Secretary of the Interior, was Stoddard's boss. "Udall," Stoddard said, "told me Blatnik had come to him almost with tears in his eyes, saying his reputation was at stake unless Udall said the report was just a preliminary inneragency memo" and did not, in effect, bear the imprimatur of the Interior Department.

Udall did just that in mid-1969. He asserted that the report was only a "preliminary staff report." He also denied allegations that Blatnik had attempted to suppress the report. A few weeks after talking to Stoddard, I talked to Representative Blatnik in his office in Washington, in a room dominated by a wall-sized photograph of the John A. Blatnik Bridge that connects Duluth to Superior, Wis. Blatnik, who is retiring himself this year, was clearly sensitive to the charge, which is gospel among anti-Reserve activists, that he had tried to suppress or discredit the Stoddard Report. When the document came to his attention, he explained, he considered it "very, very preliminary, a small mimeographed report by an on-the-spot chief." He called up Udall, he said, and asked," 'What about this Department of Interior report?' and Udall said, "What report?' He didn't know it existed. I said, 'Why don't you wait another season so you can tell whether effects are increasing or decreasing?' "

Later, I asked Udall about the Stoddard Report. "I don't come out with too much glory on this whole thing," he said. He recalled that Blatnik had been "very upset" by the report, that "we needed his cooperation on a lot of things . . . and we sort of muffled our ears a little bit as a result of his remonstrations. Everyone agreed to kind of fudge it by saying it wasn't an official report. But it was all doubletalk. It *was* an Interior Department report. Blatnik and his people, in their effort to blunt it, were playing a lot of little games."

Blatnik emerges as a highly ambivalent actor in the Reserve saga. More than anyone, he seems to personify the profoundly conflicting values at issue—namely, the environmental vs. the economic tensions. On the one hand, Blatnik, who is now chairman of the House Public Works Committee, has gained his principal national reputation as the House's main author and champion of water-pollution control legislation, stemming back to the mid-fifties. He is now known to some as "Mr. Water Pollution Control."

This interest in clean waters stems naturally enough from the large amount of it in Blatnik's thinly settled district—a considerable portion of Minnesota's 15,000 lakes of more than 10 acres in size are contained in the district, as is 161 miles of Superior's shoreline. On the other hand, so are the Mesabi Range, the taconite industry and the thousands of jobs it provides. Accordingly, "Mr. Water Pollution Control" was once glad to have been known at home as one of "the Taconite Twins." Blatnik was one of two Minnesota state legislators who, in the forties, were mainly responsible for getting tax legislation approved to attract taconite mining companies to Minnesota.

Blatnik, however, denied having anything to do with the Superiorside site that Reserve chose. And as I talked to him, the Representative produced a large framed painting of the National Water Quality Laboratory on Lake Superior just 50 miles south of Reserve's plant, and he suggested that he had been instrumental in getting the lab built at that particular site in order to keep a monitoring eye on Reserve. "Blatnik's lab," as it is called locally, has indeed played a critical role in building the case against Reserve. So the political currents and cross-currents in which Blatnik figures clearly have been complicated.

One major finding of the lab was that the mineral cummingtonite was turning up in water samples in the southwest part of the lake, and that Reserve's tailings were the only significant source of this mineral—a direct challenge to Reserve's insistence, stemming back to 1947, that virtually all of its discharge settled immediately offshore from the plant.

This and other evidence against the plant were put forth as Federal pure-water laws began to close in on Reserve in a series of enforcement conference sessions in Duluth in 1969 and 1970—sessions held to establish abatement schedules for various Lake Superior polluters. Reserve alone refused to come up with an abatement plan, even in the face of a final 180-day deadline set by law. Instead, as subpoenaed notes and memoranda have confirmed, Reserve and its co-owners, Armco and Republic Steel, practiced their own brand of counterpolitics. "By vigorous political activity, primarily in Washington," advised one memo, "it may be possible to amend or modify the 'conclusions' and 'recommendations' " of the enforcement conference.

The political activity included meetings between company representatives, including heads of Armco and Republic, both active in Republican party financing, and high-level Government officials.

Nevertheless, William Ruckelshaus, who was then head of the Environmental Protection Agency, stood off White House intrusions and, after some delay, asked the Justice Department to take Reserve to court.

The legal case against Reserve up to this point was hardly an open-and-shut one. As John Hills, the Justice Department lawyer who headed the trial forces against Reserve—he has since moved to the President's Council on Environmental Quality—explained after the trial: "You had very subtle effects from the discharge. You had mammoth discharge, and yet the effects were not of the same kind as if you were putting cyanide in the water."

But then, in the final months before the trial was set to begin, the possibility arose that the effects of Reserve's discharge might not be very subtle after all, that in fact the tailings contained, in effect, asbestos and might be slowly killing thousands of people. With this possibility came a major shift in the case against Reserve. The case moved a giant step to the very borders of scientific knowledge. The carcinogenicity of asbestos has been scientifically established only in recent years, largely as a result of tracing specific cancer cases to asbestos inhaled in certain occupational settings. Yet medical scientists are still not certain how asbestos causes cancer. This recent and incomplete understanding of the asbestos peril set the framework of much of the Reserve trial; it made scientific proof as much of an issue as legal proof. And scientific proof in court would be complicated by the fact that it takes 20 to 30 years, or more, from the time of initial exposure for asbestos-caused cancer to begin to take its toll. Reserve had been operating for only 17 years—and only 12 at its current rate of output.

The original connection between Reserve's tailings and asbestos was, significantly enough, stressed not by any of the growing body of scientists who were working on the Reserve case, but by Arlene Lehto, the former hair stylist who became an environmental activist.

In the print-and-rubberstamp shop she and her husband operate on the Duluth hillside, Mrs. Lehto described how she happened to put forward the connection. She said she was casually talking with a geologist the night before she was to speak at a Canadian-American conference on Lake Superior in late 1972. He mentioned the similarity between Reserve's discharge and asbestos, and somewhat rashly she worked it into her speech. Members of both National Water Quality Laboratory and the Minnesota Pollution Control Agency were there, and the rash observation stirred their thinking, at least in the back of their minds.

One night, shortly afterwards, Gary Glass, a young scientist at the lab, had a nightmare. "My dream was that I should not drink the water," he recalled recently in his office overlooking Lake Superior. The next morning, he said, he and Philip Cook, who was the lab's technical coordinator for the upcoming trial, began poring over books in the lab's library and making calls to experts around the country. Within a week, they established the possibility of a real-life nightmare—the nearly complete identity of Reserve particles with asbestos.

Actually, Glass said, the identity had literally been staring him in the face for three years—in the form of a blow-up of a microscopic photograph of a lake-water sample that had been taped up in his office. "I didn't know what it was, not having a mineralogical background," Glass confessed.

He pointed to a corner of the picture, at a black blotch about two inches long. "This is the one that really turned us on here," he said with the sort of jolly exuberance of scientific discovery that transcends the potentially horrible implications of the discovery. "This has got the very same morphology—a bundle of fibers—as some of the papers on asbestos we saw right down in our library. Zing!"

Many of those originally aware of the asbestos finding were worried that Duluth-area residents would panic upon learning that their water may be carcinogenic; that given the long latency period of cancer from asbestos, the water may already have planted cancerous seeds in older residents of the area. But the reaction of Duluthians was, and still is, remarkably calm. For a while, there was a spurt in the sales of bottled water, but that leveled out rapidly. Duluth's public-school system by now has installed a filter on at least one water tap on each floor of each school. But even that is too much precaution for one member of the local board of education. "Filtered water doesn't taste good," he has complained. "We ought to have unfiltered water for those who prefer it."

When I visited the Duluth area a year after the first announcements of the cancer risk, I was eerily reminded of "On the Beach," the novel in which people are going about their usual ways knowing about, but seemingly ignoring the inescapable radioactive death engulfing them. The difference being, of course, that a good deal could be done to avoid Duluth's cancer peril, although very little apparently was being done.

Gene Kaari of Silver Bay, a filter operator for Reserve with 14 years' seniority, seemed to be expressing the general attitude—or, at least, a widely enunciated one: "What's the matter with the water? We've been drinking it for all these years, and we're healthy. If there is a health hazard, it should have shown up before this."

Was there more than mere ignorance of the basic chronology of asbestos cancer—of the 20-year minimum dormancy period—beneath the apparent indifference? "Let's face it," said Jeno Paulucci, a flamboyant and independent-minded food processor and Duluth's best-known businessman, "I would imagine that a good share of our population, whether it's banker or printer, survives on the mining industry. So what they have in their hearts, they don't say in their minds. So there's damned few that speak about the potential horror of Reserve's pollution because there's fear. There's fear of losing business. They are afraid of the iron-mining business going away. I say, Jesus Christ, how stupid can you be?"

Those most fearful about the economic consequences, of course, are the residents of Silver Bay, Reserve's employes. They have been living for more than a year now under the cloud of the possibility that their jobs will be swept from under them—a possibility made intensely real by the fact that the plant actually was shut down for a moment.

At that point, according to newspaper interviews at the time, Reserve's workers seemed to be almost unanimous in condemning the shutdown and Judge Lord, even though their own health may have been most imperiled of all by the plant's operation. (Reserve's smokestacks are said to be spewing asbestos fiber in the air around Silver Bay. So both the town's air and water supply may be carcinogenic.) Since the temporary shut-down, however, there has been a growing resignation to the likelihood that some major change in the plant's operation and in the lives of the workers is inevitable. "We just wish the courts would hurry up and decide what to do," said Silver Bay's Mayor, Melvin Koepke, who works at Reserve himself.

A slight, soft-spoken man, Koepke was wearing unfaded blue jeans and looking after three potatoes in aluminum-foil wrapping as they baked in a circular barbecue rack when I talked to him. Wasn't he worried about getting cancer, I asked, trying to elicit some sense of what it was like to be earning a living at a job that might be killing you. "Well, you know, you hear about getting cancer from cigarettes and food additives, and people don't stop smoking or eating," he said, shrugging. Was anyone in Silver Bay bothered? Yes, he said, but they wouldn't discuss it with an outsider.

The next day, however, I arranged a clandestine meeting with a Reserve worker several miles from the town. The worker acknowledged he was concerned about the health threat *and* about his job. He was a bachelor, he explained, but if he had children, he would be less worried about his health and more worried about losing his job.

The Federal Court case against Reserve began on a warm August day last year in the modern Federal building in Minneapolis. The trial proceedings lasted almost without interruption until April of this year. The proceedings cost by one estimate more than $12-million and produced 20,000 pages of transcript, including an incredible amount of scientific testimony and countertestimony.

On one side were arrayed the U.S. Government; the states of Minnesota, Wisconsin and Michigan; the cities of Duluth and Superior, and half a dozen environmental groups. On the other: Reserve Mining, supported by the Northeastern Minnesota Development Association, the Duluth Area Chamber of Commerce, the villages of Silver Bay and Babbit (where Reserve's mine is located) and others. In the course of the trial, Reserve's co-owners, Armco and Republic Steel, were named as co-defendants by Judge Lord.

Both sides marshaled scores of expert witnesses whose data and analysis reached into many arcane corners of science, ranging from oceanography to epidemiology to microscopy. Some of the testimony revolved around the old question as to just where Reserve's tailings went after they were dumped into Lake Superior. Reserve acknowledged that cummingtonite was a major ingredient in its discharge and that the mineral appeared in water samples taken far from the plant.

But Reserve witnesses testified that cummingtonite was also found in the suspended sediments of 60 rivers that emptied into the lake. Government witnesses said that the X-ray analysis upon which this contention was largely based was faulty; they said that Reserve was the only major source of cummingtonite and that microscopic particles of the mineral found in the water supplies of Duluth and other downcurrent communities were therefore definitely traceable to Reserve's outpouring.

The focus of the scientific arguments, however, was the asbestos issue, which revolved around several major scientific premises that were extensively debated:

That a substantial portion of Reserve's cummingtonite discharge is similar or identical to amosite asbestos, chemically and morphologically—in form and shape. Reserve witnesses stressed what they said were morphological differences: A crystal of amosite, they testified, was composed of bundles of fibers, whereas a cummingtonite crystal was more like "one coherent fragment." Not so, said Government witnesses; Reserve's tailings appear in electron microscope photography as bundles of fibers "indistinguishable" from amosite asbestos.

That small fibers are as dangerous as larger ones. The Reserve particles in question were under five microns in length—less than one five thousandth of an inch—whereas Federal safety standards covering occupational exposure to asbestos restrict only the level of particles over five microns long. The Government said that this restriction existed because particles shorter than five microns were difficult to measure until the development of electron-microscope techniques. Reserve said this restriction existed because particles under five microns are not hazardous.

That ingesting, as well as inhaling, asbestos fibers could cause cancer. The great bulk of the concrete evidence on asbestos-related cancer comes from industrial cases in which workers have inhaled asbestos particles. But Government witnesses, including Dr. Irving Selikoff, a leading authority on asbestos-related health problems, testified that high gastro-intestinal cancer rates were found in asbestos workers and theorized that such cancer was caused by workers coughing up inhaled particles and then, in effect, ingesting them. Reserve witnesses referred to animal studies which suggested that ingestion of asbestos did not cause cancer.

That there is no safe level of exposure to asbestos. Government witnesses cited cases in which exposure to asbestos for only a short time or in relatively small concentrations—in an asbestos worker's home, for instance—was enough to cause cancer. The question of a safe or "threshold" level of exposure was important because of both the difficulty of measuring fiber levels in water supplies and the certainty that asbestos levels in Superior water were considerably less intense than in occupational settings upon which epidemiological evidence of a hazard was based. The Government presented evidence that there was no safe level; Reserve presented evidence that there was.

"The available scientific and medical evidence," Reserve stated near the end of the trial, "compels a conclusion that no possible health hazard can be attributed to Reserve." The Government, on the other hand, argued that it was "probable" that ingestion of Reserve's fibers "will produce cancers and an increased rate of death." Missing from the wide gap between the impossible and the probable were "the dead bodies," as they have been inelegantly referred to—the presence or absence of cancerous deaths clearly attributable to Reserve's discharge.

A tissue test of Duluth residents who had been drinking Superior water for most of the time Reserve had been operating was conducted during the trial, but the test results were inconclusive. Nor did one court-appointed expert, Dr. Arnold Brown, a research pathologist associated with the Mayo Clinic, sustain either the probability or the impossibility. From his review of the scientific literature, he said, "I would be unable to predict . . . that there will be an adverse effect" from Reserve's discharge. Yet he also testified that "until we know what safe levels are, as a physician, who would rather see well people than sick people, I have some sort of compulsion to protect ourselves against known agents that produce cancer. . . ."

That same compulsion evidently was what moved Judge Lord. He also seems to have been moved by the mounting suspicion that he and the legal process were being used by Reserve—that whatever the merits in either side's case and whatever the eventual outcome, the long and lengthening trial was serving Reserve's commercial purposes by prolonging its use of its present equipment.

A turning point in the trial came with the surfacing of concrete evidence that Reserve was using the trial for just such an end. Alongside the scientific arguments and counterarguments was waged an almost equally complex battle over the question of how feasible, financially and technologically, it was for Reserve to alter its operation. Reserve officials insisted that the company could not afford to quit dumping in the lake, that on-land disposal of its tailings would involve a vast overhaul of its operation and cost upwards of $500-million and that the company could not run a profitable operation with on-land disposal.

The company also argued that it would take from three to five years for it to convert to on-land disposal and that, if it were forced to discontinue dumping in the meantime, it would have to close down and lay off its 3,000 workers. The Government, on the other hand, presented evidence that it would cost only half as much to convert as Reserve claimed, and that it would be less costly for Armco and Republic to overhaul Reserve's operation than for the steel companies to turn to the open market for their iron.

The Government, however, seems to concede that Reserve's operation would be less profitable. That concern, along with a desire to get as much use as possible out of it present equipment, appears to be the driving force behind Reserve's resistance to mending its water-polluting ways.

In order to weigh the economic aspects of the case, Judge Lord, from early in the trial, tried to find out from Reserve officials what on-land disposal plans had been worked out in the event that he prohibited them from further discharging in the lake. The Reserve officials insisted that their only alternative plan was to pump the tailings out, still into the lake, through a deep pipe. But in mid-February, after the trial had been under way for nearly half a year, the Government subpoenaed documents from Armco and found a thick report of an "engineering task force" titled "Tailings Disposal, Alternate Studies, Final Recommendations, July 17, 1972." In the report, it was concluded that the deep-pipe system was "not technologically or economically feasible," and that an on-land disposal system, one which had been thoroughly looked into, appeared to be the only method that would satisfy regulatory agencies as well as technological requirements.

"What should I do to the sons-of-bitches?" Lord asked a visitor in his chambers. And in court he was not much more restrained. "This court has been misled for five months on a plan you weren't even serious about," said Lord, who had once been a Golden Gloves boxer and now sounded as though he were tempted to take up the sport again. Lecturing C. William Verity Jr., chairman of the board of Armco, near the final moments of the trial, he went on: "The people of Duluth had that unwelcome addition to their diet for five months while you made $5-million profit." A few days later, Lord closed down the Reserve plant.

A basic difference in legal philosophy, as well as a different reading of the testimony and evidence, separated Judge Lord's decision to close the Reserve plant immediately from the Appeals Court's stay of that decision. Lord weighed the possibility that further discharge endangered the lives of thousands of people against the economic damage to Reserve, its owners and its employes. He evidently also put on the scales Reserve's and its owners' apparent duplicity—and ruled in favor of halting the health danger. The Appeals Court, on the other hand, found that "although Reserve's discharges represent a *possible* medical danger, they have not in this case been *proven* to amount to a health hazard" (italics added), and decided in effect that the degree of risk was less weighty than the "urgency" it found in the economic dislocation caused by the shutdown.

Environmental lawyers are worried about the legal precedent the Appeals Court's ruling, if upheld, may set concerning the need to establish scientific certainty about a health hazard before relief is granted. Still, Reserve's challengers take comfort in the fact that both District and circuit courts have said that Reserve must halt its pollution. Even the United States Supreme Court, while it has rejected Government appeals to overturn the circuit court's stay of Judge Lord's plant-closing injunction, has indicated it might be willing to uphold Lord's injunction if an on-land site is not soon agreed upon and if plans are not set in motion to stem the daily flow of the 67,000 tons of refuse into the once pristine lake.

In surveying the quarter-century course of Reserve, from the company's welcome on Lake Superior to the current tide sweeping it off, the Appeals Court's neutral moral verdict—"neither heroes nor villains"—may stand the test of further history and of greater detachment. Others, however, find the moral lines quite clearly and oppositely drawn; and some would include the Appeals Court itself in the cast of villains.

By any reckoning, Reserve has hardly acquitted itself heroically. It has spent at least $6-million so far in legal costs in order to keep dumping in Lake Superior. It is still spending and still dumping. Thus, it is hard to dispel the suspicion, which provoked Judge Lord, that Reserve looks at such legal costs as simply another operating outlay, like the expense of new linings for its rock pulverizers. Nor can Reserve find moral relief, even if it has found legal relief, in the distinction that its discharge may be only a *possible*, rather than a proven threat to the lives of thousands.

One's moral, or amoral, weighing of the case at this juncture must ultimately depend to a great degree on how great a health risk Reserve's discharge is seen to be. But given the long dormancy period involved in any cancer that may result, it may be another five or 10 years, or more, before irrefutable evidence is in. At that point, finally, the "monumental environmental mistake" on Lake Superior will reach a conclusive denouement, either in an epidemic of cancerous death or—the happy ending—in a relieved glance backward at a dreadful hypothesis that for some reason never materialized.

REDUCE THE PRICE OF SUGAR

Mr. STENNIS. Mr. President, the prices our citizens are having to pay for sugar are far beyond reason and something just must be done about it, and soon.

Many of the people I talk to are in a state of shock. They just do not understand how such prices can be permitted and why the Congress and the President seem to be powerless to take effective action.

A year ago, a pound of sugar could be purchased in the supermarket for about 16 cents. Now, in many cases, our citizens are being called upon to pay as much as 70 cents a pound and there is no sign that the end is in sight. With recent increases in wholesale prices, sugar is certain to go to 75 and 80 cents, and even higher, a pound, and there just does not seem to be any justifiable reason for such unprecedented increases.

There are a number of factors which have contributed to the tremendous increase in the price of sugar over the past year.

There is a strong and growing demand for sugar worldwide which has been accelerated by the increased world population and the enlarged purchasing power of the peoples of many nations of the world. Sugar is being used by more and more people and in more and more manufactured food products. While this increased consumption has been taking place, the production of sugar has not increased enough to make up for the increased demand. In each of the past 4 years, the consumption of sugar has outstripped production on a worldwide basis. The United States imports more sugar than any other nation. In normal years, we produce 55 percent of our own needs, but it is estimated that this year we will import 51 percent of the sugar we need.

There have been sugar cane and sugar-beet crop failures in many major areas of production.

The heretofore unregulated commodities market where sugar futures are bought and sold has played a key role in the pricing of sugar. It has been impossible to determine up to now whether there has been an unlawful manipulation of that market. I am pleased that the Congress has approved legislation bringing this commodity exchange under regulation along with other commodity markets and the President approved this legislation on October 23, 1974.

Naturally, inflation itself, which permeates the entire economy, has played a major role, but even beyond the normal impact of inflation, some of the sugar companies seem to be reaping profits far beyond that which could be considered fair and reasonable. I recall seeing a few weeks ago the profit statement for Great Western United Corp., the largest beet sugar refiner in the United States, reflecting that the earnings of that company increased 1,120 percent in the past 3 months. That company is not alone. There is something wrong with this situation.

The United States has been unable to produce enough sugar to meet our domestic needs. Much of the sugar must necessarily come from imports. In the past, there was more sugar produced worldwide than was needed, and the prices were so low that our domestic producers were not encouraged to plant sugar cane or sugar beets. The Sugar Act of 1948, as amended, established the U.S. sugar policy providing marketing limitations through quotas for both domestic production and foreign imports of sugar.

Insofar as production in the United States is concerned, incentive payments are made to producers on a sliding scale, such payments being financed by an excise tax on sugar of about one and a half cents on each pound of raw sugar which is converted to refined sugar. The entire subsidy program costs only about $90 million per year, while the excise tax produces about $110 million in revenue each year, thus more than offsetting the subsidy.

The House of Representatives, on June 5 of this year by a vote of 175 to 209 declined to approve the renewal of the Sugar Act.

The unprecedented worldwide demand for sugar, the sugar crop failures in the United States and many parts of the world, the confusion rising out of the failure to renew the Sugar Act and other events have all combined to create uncertainty and utter chaos in the world sugar market.

The permanent and long-range answer to this question is to increase production of sugar in the United States.

Additional acreage must be planted in sugar cane and sugar beets in this country. Also, additional refining and processing facilities must be constructed to take care of the increased production. Right now, we do not have in the United States enough capacity to refine all of the sugar we consume, even if we had sufficient production. I strongly urge that our domestic producers be encouraged to plant more sugar cane and sugar beets to provide a much larger share of our domestic sugar needs.

I call on the Attorney General to investigate fully any possible antitrust violations by those who control the sugar market and sugar prices. I am encouraged that the Attorney General announced that such an investigation is underway, and I sincerely hope that no stone will be left unturned to make certain that our antitrust laws are complied with to the fullest.

The Council on Wage and Price Stability commenced hearings today in an effort to ascertain the reasons for the large sugar price increases this year. This is an encouraging step toward ascertaining all of the facts, which the Congress and the administration need in order to take action. I urge that the Council on Wage and Price Stability make its findings and report as soon as possible so that this information will be available to the Congress, the administration, and the general public.

I am encouraged that the Subcommittee on Domestic Marketing and Consumer Relations of the House Agriculture Committee has announced hearings on December 3 and December 5 on the sugar price problem and I am hopeful that, as all the facts become known, the House Agriculture Committee might consider further whether it is appropriate to renew the Sugar Act with such changes and revisions as may be necessary to meet the current supply-and-demand situation. Consideration might also be given as to what other steps the Congress might need to take to encourage more domestic production of sugar cane and sugar beets and the construction of facilities to refine and process additional production in the United States. All available information points to the fact that world consumption will likely continue very high indeed, and that we can no longer count on foreign producers to furnish a major portion of our domestic needs at reasonable prices. I am sure that our domestic producers will find it to their financial advantage to plant additional acreage in sugar beets and sugar cane once our national sugar policy is clearly established.

I am not convinced that the present confusion and high price of sugar will continue indefinitely. I certainly hope not. There are just too many unknowns in the present situation, including the role of the speculators in the commodity market. Some of them might be in for a rude awakening when all the facts are known. Such facts will certainly be ascertained. I do feel that the appropriate committees of Congress should explore the need for permanent sugar legislation to encourage the additional domestic production of sugar and a reasonable import program to fill the gap remaining between our own anticipated domestic production and consumption.

Our consumers are the helpless victims of circumstances beyond their control, and they are entitled to the assurance that the Congress and the administration are working to solve the problem.

DEATH OF RAYMOND PACE ALEXANDER

Mr. HUGH SCOTT. Mr. President, Philadelphia lost one of its outstanding leaders last Sunday. A very good friend of mine, Raymond Pace Alexander, served as senior judge of the Philadelphia Common Pleas Court and was a leader in Philadelphia's black community. Our relationship went back over many years focusing especially on the sixties when we fought many civil rights battles together. I am greatly saddened by his death.

I ask unanimous consent that two articles from the Philadelphia Inquirer detailing his outstanding career be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

R. ALEXANDER DIES; FIGHTER FOR HIS RACE

(By Jim Mann)

Raymond Pace Alexander, senior judge of the Common Pleas Court here, and leading figure in Philadelphia's black community for half a century, died early Sunday at the age of 76.

The judge had remained active until his death. After spending Saturday at a meeting of black lawyers and judges in New York, he had returned to work in his judicial chambers. Police and his wife, attorney Sadie T. M. Alexander, found him dead of an apparent heart attack in his chambers early Sunday.

Funeral services will be held at 11 a.m. Wednesday at the First Baptist Church, 17th and Sansom Streets, with the Rev. Leon Sullivan officiating.

In 1924, when Judge Alexander—then just out of Harvard Law School—was excluded from a Chestnut Street theater showing the movie "Ten Commandments," he took the theater owners to court and won from them a pledge never to discriminate again.

It was to be the first of many civil rights battles for him. For several decades thereafter, Judge Alexander spearheaded efforts to force movie houses, theaters, restaurants and hotels to stop excluding black people or serving them in separate facilities.

In the early 1930s, he took two Chester County school districts to court after they tried to establish racially segregated school systems near and along the Main Line. His victory in that case marked an end to de jure segregation in the Pennsylvania schools.

Later, after he was elected a Democratic City Councilman in 1951, Judge Alexander single-handedly began the legal moves to end the exclusion of blacks from Girard College—efforts that were culminated more than 15 years later with a U.S. Supreme Court order to admit blacks to the college.

When he was appointed to the bench in 1959, he became the first black judge to serve on the Common Pleas Court.

The judge was active also in national and foreign affairs. Early in his career, he served as president of the National Bar Association, the organization of black lawyers and jurists.

After World War II, he made a tour of U.S. Army facilities in Europe and came back with a report entitled "One Army or Two?", which urged Secretary of Defense George S. Marshall to end all forms of segregation in the armed forces.

In 1947, the judge—who always maintained close ties to the city's Jewish community—played an important role in obtaining support in the United Nations for the resolution creating the state of Israel.

As he later recalled it, when the U.N. resolution was about to come to a vote, he went to Washington and persuaded the embassies of Haiti and Liberia, and through them the embassy of Ethiopia to vote for the state of Israel.

Judge Alexander had literally worked his way up to this position of prominence from the Philadelphia streets. The son of a riding-school operator, he was born in 1898 into a large family, and his mother died when he was young.

CENTRAL HIGH

The judge used to recall that as a boy he had earned money by selling newspapers, working at a market, huckstering with a horse and wagon, working for the railroads and doing song-and-dance and summer-stock theater at Pennsylvania and New Jersey resorts.

He attended the old Central High School at Broad and Green Streets, and was graduated in 1917 as one of the 10 most distinguished students in his class. When he was named commencement speaker, he chose the topic, "The Future of the Negro in America."

Judge Alexander was awarded a scholarship to the University of Pennsylvania, and went on from there to Harvard Law School, graduating in 1923.

Afterward, he returned to Philadelphia to undertake both his private law practice and his battles against discrimination.

"Central city," he later wrote, "was simply 'off limits' for the Negro lawyer, as were . . . all central city restaurants, hotels, even lunch counters and drugstore soda counters and, unbelievably, all movie houses and legitimate theaters, except those that had segregated second-floor galleries."

The judge opened his first law office on Lombard Street, he said, because that was the only street on which a black man could rent an office.

From then on for nearly 30 years as a private attorney, and 20 years as a public official, Judge Alexander took on a wide variety of cases and causes. As a city councilman, for instance, he asked in 1954 that funds for the city's Mummers parade be cut off until "black-faced caricatures" were stopped.

PICKED BY EBONY

In 1963, Ebony Magazine named Judge Alexander one of the most influential Negroes in the United States.

In the 1960s, the judge sometimes spoke out against what he thought to be philosophical mistakes by a younger generation of black leaders.

In 1966, he condemned the call for "black power," terming it "a hazardous and meaningless catch-phrase which is as dangerous and divisive for the Negro as the white racism which we have opposed for so long."

In 1972, he attacked black American athletes at the Olympics for insisting on separate facilities. On another occasion, he deplored black anti-Semitism and said it originated with "white crackpots who hate the Jews."

Ironically, in 1968, after the U.S. Supreme Court finally ordered the integration of Girard College, Judge Alexander appeared at a celebration by demonstrators outside the college walls and was booed by younger blacks. He said he didn't mind. "This wall wouldn't have been broken if I hadn't started the original court case in 1954," he said.

The judge's wife, the former Sadie Tanner Nossell, is believed to have been the first black woman in the United States to receive a doctorate when she received her Ph.D. in economics from the University of Pennsylvania in 1922.

She later received a law degree and entered into private practice with Judge Alexander. She is a former member of President Truman's Committee on Civil Rights and the Philadelphia Human Relations Commission.

The couple was married in 1923, and in recent years lived at 700 Westview St., Mount Airy.

The judge is survived also by two daughters, Mrs. Melvin Brown and Mrs. Rae Alexander Minter, and by two grandchildren, Virginia Ann Brown and Raymond Alexander Brown.

HIS LEGACY IS A BETTER CITY

When Raymond Pace Alexander graduated among the top students in his class at Central High School in 1917 he delivered a commencement address entitled "The Future of the Negro in America." That phrase describes a cause to which the distinguished attorney, public official, jurist and civil rights worker devoted a lifetime.

His death at 76 deprives Philadelphia and the nation of an outstanding fighter against racial discrimination who was equally active in promoting good race relations. Judge Alexander believed in brotherhood, and he made true believers of many, black and white, who were privileged to know him.

Although a persistent battler for minority rights, he gave dedicated service to humanity irrespective of color or creed. As a part of the reform movement spearheaded by Joseph C. Clark and Richardson Dilworth he became the first black elected to City Council when the new City Charter went into effect in 1952. In 1959 he became the first black judge in Common Pleas Court. And it was in the 1950s, while a councilman, that he began the long struggle to abolish racial discrimination at Girard College—finally ending successfully with a U.S. Supreme Court decision.

But Mr. Alexander was an activist for civil rights long before it was a popular cause. When he began his career here as a practicing attorney after graduating from Harvard Law School in 1923, blacks were customarily excluded from center-city hotels and restaurants. They could not rent office space in many buildings. They were either barred from motion picture theaters or restricted to segregated seating.

At a time when many blacks accepted segregation in silence, and most whites hardly gave it a thought, young Mr. Alexander began a series of challenges in and out of the courts that brought revolutionary advances for equality in public accommodations in the City of Brotherly Love.

Raymond Pace Alexander was a man of courage and eloquence. He loved Philadelphia and he has left it a better city. His legacy of vastly improved human relations deserves to endure. If his spirit prevails, it shall.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the failure of the U.S. Senate to ratify the Genocide Convention has been a blot on our record in the field of human rights. It seems an anomaly that America, which has been viewed as a leader in the field of human rights, should permit such important human rights treaties as the Genocide Convention to languish before this body for a full quarter century.

In addition to the very cogent moral arguments for supporting ratification of this Convention, I would like to point out to my colleagues two important points that were made by former U.S. Ambassador to the U.N., Charles Yost, during hearings of the Senate Foreign Relations Committee.

First, he noted that our detractors have sought to exploit our failure to ratify this treaty whenever the United States sought to champion another human rights issue. This was a verbal challenge to which our diplomatic corps has never been able to adequately respond.

Second, Ambassador Yost noted that since the treaty was first drafted and circulated, there have emerged a number of new nations, particularly in Africa and Asia. These states have yet to express an opinion regarding this Convention but ratification by a major power such as the United States may well provide the needed impetus for a renewal of interest in the treaty.

These arguments are as cogent today as they were during the committee's hearings and I urge my colleagues to act on them.

MANPOWER POLICY

Mr. PERCY. Mr. President, the National Manpower Policy Task Force, chaired by Sar A. Levitan of the Center for Manpower Policy Studies at the George Washington University, recently issued a policy statement entitled "Manpower Policies for a New Administration."

The task force is a private nonprofit organization of academic manpower experts, devoted to the promotion of research in manpower policy. Its policy statement reviews the development in national manpower policy culminating in the enactment of the Comprehensive Employment and Training Act in the first session of the 93d Congress, current manpower needs in the face of stagflation, and some long-range challenges consistent with our Nation's socioeconomic goals.

I believe my colleagues will find this policy statement both informative and useful. As the task force concludes:

> This is no time to slacken human resource development efforts nor to visit the costs of anti-inflation efforts upon those who have been less the villians and more the victims than others.

Mr. President, I ask unanimous consent that the policy statement and a list of the membership of the National Manpower Policy Task Force be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MANPOWER POLICIES FOR A NEW ADMINISTRATION

The beginning of a new administration is an appropriate time for reviewing past policies, assessing current conditions, and analyzing future needs. The National Manpower Policy Task Force offered its assessments and recommendations at the beginning of the Nixon administration, hopefully with some positive impacts. In this policy statement, we briefly review the manpower policies of the last six years, and offer unsolicited advice to policymakers in the Ford administration and in Congress.

PAST PERFORMANCE

The major manpower policy thrusts of the Nixon years were the decentralization, decategorization, and consolidation of manpower programs. These were ultimately combined in the passage of the Comprehensive Employment and Training Act in December 1973. A solid achievement, it was the right approach for the right time. The initial impetus for manpower programs was necessarily national, but with a decade of experience to build upon, the time had come to adapt the results of that experience to the particular needs of local labor markets. The passage of the Comprehensive Employment and Training Act was only a first step. A major effort will be required before the chief elected state and local officials will acquire a full appreciation and understanding of manpower problems and before state and local manpower staffs will develop the necessary planning and administrative skills.

The Department of Labor, which retains federal responsibility, has several difficult assignments. It must continue to confront some manpower issues which are national in scope, such as the problems of youth, older workers, and veterans, and accept responsibility for aiding migrant workers, Indians, and others whom state and local government cannot, or would not, effectively serve. It also must maintain a monitoring and evaluation role to assure that national objectives specified in the Comprehensive Employment and Training Act are pursued, and to provide technical assistance without "hovering" over state and local decisionmakers.

The Nixon administration left office with another important, but unfinished accomplishment to its credit—the introduction of a plan to reform the welfare system. Earnings from employment is the preferred source of income in the American, as in any other, society, but a basic floor of economic security should be a social right of all citizens in an affluent society. A guaranteed minimum income accompanied by work incentives and income supplements for the working poor appears to be a desirable way to accomplish the goal. While the Nixon administration faltered in its commitment before Congress might have acted, important groundwork was laid in formulation of the concepts and education of the public.

In other manpower policy areas, the Nixon administration's record was mixed. It opposed the introduction of a public employment program as a countercyclical device and as an initial small step toward guaranteeing employment. However, once Congress insisted, the executive branch followed through with vigor and determination in its administration of the program.

On the negative side, the administration was responsible for cutting back badly needed budgetary support for manpower services as well as community antipoverty agencies which had gained valuable experience as deliverers of manpower and social services. It contributed to spreading a negative image of manpower efforts, far beyond what was justified by evaluative data. Budget retrenchment made the decentralization of programs to state and local officials more difficult as they faced the unwelcome task of breaking a smaller loaf among an increasing multitude of potential clients.

THE CURRENT SCENE

The Ford administration faces difficult manpower challenges. The most immediate issue is to cope with the problems of unemployment and inflation. Joblessness is rising to socially and politically unacceptable levels, yet "double digit" inflation persists, a pace never before known in peacetime. Traditional methods of fighting inflation have always visited their major costs on those least able to bear them—those already at the lower margins of the labor market. Strong voices in the federal establishment and outside continue to advocate fighting inflation with insufficient regard for rising unemployment. But the current inflation did not originate with labor shortages, excess labor market bargaining power, or excess demand. Labor market bargaining power is now obviously a factor, but it must be recognized as an effort to "catch up" after remarkable restraint. We believe that the use of weapons with adverse labor market impacts to fight an inflation which counts no labor market phenomena among its causes will be costly, ineffective, and above all, inequitable. Yet, the pace of inflation must be slowed, and we have no pat answers how to deal with the situation.

One thing is certain, however. Increased monetary and fiscal restraint will further boost the already high levels of unemployment. Whatever policies are adopted, we believe that society has a clear responsibility to protect and compensate those who bear the burden of national policies aimed to reduce inflation for the rest of us.

Unemployment compensation and public assistance benefits are first line defenses. President Ford's proposal to bolster unemployment compensation by extending regular benefits 13 weeks and implementing a special program of up to 26 weeks for workers who qualify for compensation on the basis of employment and earnings but who are not in covered industries, are necessary and timely steps, but not enough. Except for those for whom gainful employment is not a reasonable alternative, income support is not desirable. To idle willing hands is no way to fight an inflation originating in shortages. Public service employment was sufficiently successful under the Emergency Employment Act of 1971 to win the approval of liberals and conservatives alike. It makes sense because it maintains productive activity and output. It is less costly than often supposed because its expenditures are partly offset by savings in income maintenance programs. Creation of public service jobs is less inflationary than the customary "trickle down" approach of creating employment by generating aggregate demand for goods and services. It requires minimal capital investment and rations its jobs directly to the unemployed. While public employment measures could become a disguise for unproductive income maintenance and could replace other public budgetary commitments with no real increase in jobs, these abuses can be minimized by prudent public administration. The major issue is not whether to introduce public employment programs, but on what scale. The Task Force has previously recommended a public service employment program providing work for one quarter of the unemployed above 4.5 percent, with an automatic "trigger" releasing funds for use in depressed local labor markets as national unemployment rates increase. The Ford administration's plans for a Community Improvement Corps to hire unemployment insurance exhaustees for short-term public works and beautification projects emphasize temporary, work-relief at low wages. An annual average of over 1.8 million persons exhausted benefits in the past three years, and there may be more in the coming year.

If a plan is adopted which provides jobs for a large proportion of these unemployed, it could be a very useful tool. But the Community Improvement Corps is not a substitute for an expanded program along the lines of the Emergency Employment Act which served a broad range of the unemployed and funded needed "regular" jobs above as well as at the entry level, thus insuring transitional opportunities. Provision should be made not only for those who exhaust compensation benefits, but for those who lose their jobs and want to continue working. President Ford's proposal might complement an expanded public employment program along the lines initiated in 1971 subject to a 4.5 percent trigger funding formula.

Public service employment is only a piece of an antistagflation manpower policy. A recession is also an appropriate time to upgrade the skills of the labor force. The costs of training otherwise unemployed people are reduced by the drop in their foregone earnings. Trainees are not tempted by job availability to drop out before completion of training courses, and employers are not likely to raid the training facilities. Program administrators are not so anxious to reduce training time to the minimum, and substantial skills can be provided. Training must remain a central component of manpower policy.

The public employment service is a necessary cornerstone of our manpower efforts. Important improvements have been and are being made to augment its ability to serve both employers and jobseekers. Experiments have demonstrated that, in addition to its direct placement functions, it can do more to spread job market information and improve the abilities of employees and employers to exercise their own initiative in the job market. Shortening the duration of frictional unemployment is an obvious contribution to reducing overall unemployment. Vigorous steps are, therefore, needed to increase the effectiveness of the public employment service and to fully utilize its resources under CETA.

Despite notable progress in the last decade, race, sex, and age discrimination still persists. Differences in skill, experience, productivity, and labor market mobility account for only a portion of the high average unemployment (and lower earnings) among minority groups and women. The immediate goal should be to eliminate market discrimination to assure that persons with equal skills and abilities are treated equally. In the longer run, differences in training, education, and work experience must, then, be attacked. A more vigorous antidiscrimination policy and enforcement is needed both in the short- and long-run to achieve these aims.

Finally, continued research is needed into the functioning of labor markets. The current economic crisis has suggested how much there is still to be learned. Research is a long-range investment, not to be cut back in short-run emergencies.

The limited funds invested in labor market research have been carefully husbanded and for the most part wisely spent. Advancing the frontiers of knowledge and experimenting with new approaches are high risk activities where failures are more likely than successes. Yet, there is no other road to progress. Continued research into improving productivity and labor market efficiency is an indirect but not unimportant weapon against both unemployment and inflation.

THE LONG-TERM CHALLENGES

In addition to pressing immediate needs, longer-range challenges also cannot be ignored. The American people, guided by (or guiding) every administration since World War II, have made Herculean efforts to upgrade the quality of the nation's human resources. That expenditures on education have risen from $6 billion to over $100 billion a year is only one gross indicator of those efforts. With a vast deficit in human resource development stemming from a severe depression and a major war, followed by a rapidly changing technology, the corrective action was timely and positive. As a result, no persistent skill shortages remained even during the tight labor markets in the past decade. In the 1970s circumstances have changed, and imbalances in the supply of and demand for skilled and highly-educated manpower are becoming a more and more frequent occurrence. In a society where freedom of occupational choice is an unchallenged right, planning and information are needed to guide human resource investments in order to maintain a balance between supply and demand and to avoid wasteful surpluses or shortages.

Accompanying that investment in human resource development was the challenge of absorbing into the work force the swelling cohort of youths, the product of the high postwar birth rates. That group has now passed through the years of formal education. Continual improvements in the quality of preparation given youth for productive lives will be needed, but the quantifiable challenge is a declining one. However, human resource development needs do not end with a high school or college diploma. Whether because of changing technology and social priorities or due to the changing occupational preferences of maturing workers, a need for institutional facilities to provide recurrent education—upgrading and mid-career changes—will be a continuing challenge in which the efforts of individuals, public institutions, and employing organizations must join. Opening second or subsequent careers and other productive outlets for the persisting energies of the longer-lived population and assuring that educationally disadvantaged people are not left out, are parts of that same challenge.

In the long run, increased productivity is the major route to raising living standards. Much has been learned by employers about motivating employees, but little of it has been applied in public policy. The new career education emphasis relating schooling to work can be expanded for adults as well as children and youth. Areas of particularity slow productivity growth can also be identified and attacked.

As another ever-present long-range challenge, we always have the poor with us. Manpower programs have helped many individuals to surmount the handicaps they have faced in job market competition, but someone is always at the end of the line. The task of helping them is a never-ending, but an essential one. Current efforts to improve the efficacy of the remedial manpower system which evolved over the last decade should not obscure its fundamental mission—to provide a helping hand to those who are failing in or being failed by the labor market.

Finally, there remains the challenge to design a system that would provide adequately for those who cannot support themselves, but without destroying incentives for the able-bodied to contribute to their own maintenance. Work and welfare have typically been portrayed as mutually exclusive alternatives. For an increasingly large proportion of the population, however, the choice is not work or welfare, but work *and* welfare. The need is to provide income supplements to the working poor with a decent support for all at a level which is compatible with an affluent society.

A MANPOWER AGENDA

In summary, this is no time to slacken human resource development efforts nor to visit the costs of anti-inflation efforts upon those who have been less the villains and more the victims than others. Despite the occasional stumblings of trial and error and fluctuations in commitment, the manpower experience overall has been one of persistent progress. That progress should continue with:

1. Augmentation of decentralized planning and administrative capabilities under federal policy guidance.

2. Compassionate efforts to promote self-support methods of income maintenance, combining, where necessary, work with welfare, rather than treating the two as separate systems.

3. Priority on improving the employability and employment opportunities for those facing disadvantages in their competition for jobs.

4. Vigorous antidiscrimination enforcement.

5. Long-range investment in human resource development including early and recurrent career education for adults as well as youths.

6. Expansion of public service employment as both a countercyclical tool to protect the unemployed and as a transitional process for the disadvantaged.

7. Continued emphasis on training and retraining during the recession to take advantage of immediate lower costs and to spark productivity during recovery.

8. Search for other opportunities to increase productivity and reduce labor costs.

9. Research into labor market behavior and institutions.

10. Most of all, recognition that the current inflation did not start in the labor market and cannot be cured there.

These general principles, implemented programatically based on a dozen years of experience with manpower policy, can, we are convinced, contribute both to short-run problem solution and long-run national progress. They can be the basis of wise manpower policy for a new administration.

NATIONAL MANPOWER POLICY TASK FORCE

Sar A. Levitan, Chairman, The George Washington University.

Curtis C. Aller, San Francisco State University.

Rashi Fein, Harvard University.

Frederick H. Haribson, Princeton University.

Myron L. Joseph, Carnegie-Mellon University.

Charles C. Killingsworth, Michigan State University.

Juanita M. Kreps, Duke University.

Garth L. Mangum, The University of Utah.

Ray Marshall, University of Texas.

S. M. Miller, Boston University.

Charles A. Myers, Massachusetts Institute of Technology.

R. Thayne Robson, The University of Utah.

Philip Rutledge, Howard University.

Gerald G. Somers, University of Wisconsin.

Lloyd Ulman, University of California, Berkeley.

Phyllis Wallace, Massachusetts Institute of Technology.

Robert Taggart, Executive Director.

J. CARTER BROWN DOES IT AGAIN

Mr. PELL. Mr. President, I would like to bring to the attention of my colleagues an excellent newspaper article recently published in the Providence Sunday Journal on Mr. J. Carter Brown, Director of the National Gallery of Art.

This article reviews Mr. Brown's accomplishments during the 5 years he has served as Director. It emphasizes his virtuosity and his leadership, and his ability to energize this great collection which is a focal point for so many Washington visitors. Over 325,000 visited a single exhibit, "African Art and Motion," this summer. The gallery also serves as an important center for teaching and scholarship. In large measure due to Mr. Brown's imaginative planning, the gallery's attendance has increased by 50 percent in a year's time.

I am especially pleased that Mr. Brown is a native of my own State of Rhode Island. As chairman of the Senate Special Subcommittee on Arts and Humanities, his work has a particular interest to me, and I am delighted that it has so enhanced our appreciation and understanding of excellence and quality in the visual arts fields, both historic and contemporary.

Written by Carol McCabe of the Journal-Bulletin Washington Bureau, this article has a special literary flavor and style.

I commend it to my colleagues and ask unanimous consent that its text be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

J. CARTER BROWN DOES IT AGAIN

(By Carol McCabe)

J. Carter Brown, who just turned 40, seems to be having the time of his life.

The Empress of Iran drops in to see his Renoirs whenever she's in town. "She's exceptionally sensitive," he says.

The President of Italy visited him last month and saw the Leonardo Da Vinci painting that in 1967 cost five million dollars. One of the highest prices ever paid for any painting.

Last week, Brown dined at the British Embassy with Prince Richard, Duke of Gloucester, Queen Elizabeth's first cousin. It was, he says one of those, "Your Royal Highness this and Your Royal Highness that" evenings, but he liked the Duke. "He's really into architecture."

And just a few weeks ago, the son of Mr. and Mrs. John Nicholas Brown unpacked a parcel from France containing one 44½ by 36⅝ inch oil painting on canvas and chided *The New York Times* for reporting that he'd paid eight million dollars for the 17th century painting by Georges de La Tour. The true price, he said, was only "in the range between two and two and a half million."

The acquisition of the painting, "Repentant Magdalen" by the National Gallery of Art, of which J. Carter Brown is director, was described as a remarkable coup and a cultural event of some magnitude.

"On the Richter scale of delights," he told an inteviewer this week, "it did rank pretty high."

We were sitting in his office, a once somber room that has become a display of artistic energy since he moved in. A shiny, burl-patterned round table replaces the standard government issue, keep-your-distance desk. We sat in orange chairs and he leaned back in his, lacing his fingers behind his head.

Behind him, a long white plastic shelf held art bocks and papers, a block-numbered calendar and a digital clock silently moving new times into place as we talked. Above the shelf was a splashy contemporary painting by Franz Kline, who would not have been represented in the National Gallery at all before Carter Brown's time. Brown quietly ended the old policy that an artist must be dead 20 years before his work would be considered.

The difference in the room was indicative of the new life throughout the gallery.

Since he became its director five years ago, J. Carter Brown has brought stunning vigor to the neo-classic marble palace on the mall.

"Do you really notice?" he asked. His eyebrows, still sunburned from summer sailing, shot up and he looked pleased. "I don't see it happening, of course. It's like a tree growing. It's terribly slow sometimes."

Then he talked about some of the things that have happened, starting with the new painting, one of only 38 surviving works by de La Tour. It joins one of the world's most comprehensive surveys of French paintings.

"The collection here is so fine that it's getting increasingly hard to find anything in private hands worth adding. I felt I had a moral obligation to do what we could to get this picture here."

Brown, who joined the gallery in 1961, began negotiating in the mid-sixties with the French collector who owned the de La Tour. Difficulties stemmed from France's reluctance to let such a treasure leave the country.

"Last February, we were told it was only a matter of days. I hung by the telephone. Then came the Cabinet shakeup, Pompidou's illness and death, the election, and then, the worst disaster of all, the August vacations in France. I got word through friends that nothing could happen for at least six months."

There were rumors during the spring and summer that Baron Bich, the ballpoint pen king who financed the French challenge in the America's cup, wanted to buy the painting.

"I was out on the twelves this summer," Brown said, making a wry face. "As a matter of fact I was in the cockpit of Mariner when she raced against France. I looked up from the cockpit and saw both Baron Bich and his son Bruno aboard France and I thought I'd better lose or we'd never see the de La Tour.

"Well, it came through of course and was such a surprise.

"And the timing couldn't have been better. The Hirshhorn was about to open across the mall, and this gave us something to get our show on the road with."

Joe Hirshhorn's personal museum has drawn all the attention this fall, perhaps to the neglect of the National Gallery. What's the relationship between them to be?

"It's going to have to be worked out," Brown said. "Our thing is representing the major artists of the Western heritage from the Middle Ages on through major monuments of the 20th century. That's a different undertaking from being a museum for a single man's collection, as the Hirshhorn is."

The new bagel across the green falls into a "legitimate" tradition of presenting the view from one man's eye, he said, but "being a national anthology is different."

Or, as one staff member at the National Gallery said, "People will soon be coming over here because our cafeteria is better and then they'll discover what else we have to offer."

The National is offering a lot more than food or paintings. ("If you just have pictures to hang on the wall there isn't much to do," Brown said. "It becomes kind of ho hum."

Even 10 years ago, the National was a handsome but coolly austere place where the liveliest things going were the line waiting to get into that popular cafeteria, and the Sunday concerts of the National Gallery Orchestra in the garden court.

"Basically, this is a treasurehouse," Carter Brown believes. According to the gallery's annual report for 1973, for example, the treasure is growing. That year's report devotes 23 pages to listing acquisitions including paintings by Chagall, Matisse, Picasso, Sully, and Barkley Hendricks. The Barkley Hendrickses, by the way, were painted in 1972.

The National Gallery's treasure is so vast, in fact, that the original building can no longer hold it. "Andrew Mellon's vision was astonishing," Brown said. "His pictures filled only five of 130 galleries. They could not have foreseen that they would need another building for another 100 years. But in 1937 Mr. Mellon reserved the adjoining site for the time when it would be needed.

And so a new I. M. Pel-designed building is rising now adjacent to the original National Gallery. Funds come from Andrew Mellon's son and late daughter, Paul and Alisa. Carter Brown has been deeply involved in plans for it from the beginning. (It was the East Building that he was discussing with the Duke Gloucester.)

New space will help handle the rising number of visitors—up 50 per cent in one year—and will serve with scholarly and popular functions.

It will house a magnificent art library, the Center for Advanced Study in the Visual Arts, space for the fast-growing extension service that distributes about 70 titles or films, filmstrips and slide lectures. Film makers for the gallery produce new feature films regularly.

Space has been planned for some of the specialists on the gallery's staff of 400, including, a woman whose title is "incumbent framer-guilder," experts in lighting (a keep interest of the director's), a specialist in paper preservation, stone cutters, and a "textile conservator" who spent most of fiscal 1973 sewing up a 1500-year-old tapestry.

And the cafeteria isn't to be neglected. A new one will serve both buildings. Carter Brown brought in cookbook writer James Beard to help plan it. The same spirit of perfectionism sent him to find the man who selected the varying shades of marble (dark to light bottom to top) for the original building. He will do the same job for the new one.

We serve five to six million people each year," Carter Brown said "and the East Building is going to help us do it better."

His interests are as wide as his knowledge and he spoke of government's growing support of the gallery (President Ford saying he has to admit that he knows what a Calder is. That's a change from the old days when Congressmen were making fun of abstract art.") He quoted theologian Paul Tillich, politely ignored a summons to his next appointment, talked of his father and mother. ("The atmosphere at home was one of marvelous values. The intellectual rigor! My father's enthusiasm—he ignites like a pile of kerosene-soaked rags. . . . He gave the first lecture on Cezanne at Harvard and did all kinds of nifty things. . . . My childhood in Providence was unforgettable, living in a house that had a library, having chamber music in our house.")

It had been agreed there would be no discussion of his personal life, or his recent separation, after two years of marriage, from Constance Mellon, whose father was Andrew Mellon's nephew.

He spoke instead of "block-buster" shows ahead, the Chinese show this winter, plans for the bicentennial. And finished with a word about his own approach to art and collecting, and perhaps to life. "I don't collect. Something must have been left out of my make-up that feeling of having to get my mitts on something. More important than who owns what, I think, is who experiences what.

"The thing we give here is experience: a one-to-one relationship between the creative mind of the artist and the mind of the individual standing in front of that painting. Time is erased. There is no reinterpretation, as in a symphony, just a direct connection."

This summer, to suggest one point of comparison, 325,000 people walked, rocked, and danced through one temporary exhibition titled "African Art and Motion," which combined music, films, suggestive lighting, fabrics, costumes, banks of closed television screens, sisal carpeting, and choice African art into what Carter Brown enthusiastically agrees was "an assault on all the senses."

Children danced along with the films of African dances, couples and old people sat, leaned, or stretched out on platforms covered with African fabrics in each of the small rooms—where films were shown.

"It was an enormous popular success," he said, "and yet it succeeded in a scholarly purpose."

Those around Carter Brown at the National Gallery are as enthusiastic about his success in advancing the scholarly pursuits there as they are about his startling ability to bring gifts of money and art into the gallery.

The National Gallery, which opened in 1941, has never cost taxpayers any money for buildings or the art they contain. The original building was erected with money given by Andrew W. Mellon, whose gift of 126 paintings and 26 pieces of sculpture was the nucleus of today's collection of more than 30,000 works of art.

"Carter has brought in so much art of such extremely fine quality," says assistant director Katherine Warwick. "He is very adept at convincing people that they should make gifts to a national gallery. He has broad contacts among collectors as well as among the art historians who know who has what. And he may be a guest in someone's house and say, "When you get around to giving that painting to someone, I hope you'll consider helping us fulfill a national commitment."

CHAIM WEIZMANN—SCIENTIST-STATESMAN

Mr. **JAVITS**. Mr. President, November 27 marks the 100th anniversary of Chaim Weizmann, the scientist-statesman who became the first President of the State of Israel, of which he was a principal founding father. In Israel, the anniversary of his birth is now being observed, and will continue for a year.

Science and the renaissance of the Jewish people, and the reestablishment of the Jewish state in their ancient homeland, Palestine, were the twin loves of his life. Long before the Jewish state was re-created, he had established a world reputation in the field of science.

Precisely because this is a time of such tension in world peace and in the State of Israel, a review of the relevance of his life; his great contributions to Western civilization; the legacy of morality and of science he left to the State of Israel, and to the world, is important as a historic lesson to those who are charged with helping make policy for a peaceful settlement in the Middle East.

That review gives the lie to the recent PLO charges of imperialism attributed to Zionism, of which Dr. Weizmann was a principal exponent; and it reveals also that Arab leaders, soon after World War I, not only laid no claim to Palestine but, on the contrary, welcomed the building of a Jewish National Home in Palestine.

ONE OF THE TITANS OF THE CENTURY

When Dr. Weizmann died on November 2, 1952 in Rehovot, Israel, the New York Times described him editorially as "One of the titans of this century." The article stated:

> The death of Chaim Weizmann, President of Israel, has removed from our midst one of the titans of this century. During his lifetime of 77 years he combined the three careers of scientists, statesman, and teacher, any one of which would have been sufficient for worldwide renown.
>
> His major contributions to chemistry, his tireless activity for and leadership of the movement which led to the creation of the State of Israel, his role as a humanitarian and a teacher in many lands—all these and more enter into the saga. But as we look back now upon his long life it is well that we try to understand the elements of native ability, environment and character that made the man and his career.
>
> That he had intellect of the highest order there can be no doubt. The high quality of his scientific achievements establishes him as an outstanding figure of our times in chemistry and other related fields. But intellect alone does not explain Chaim Weizmann, for in him there were also tenacity, courage, kindliness, vision and loyalty—all attributes he displayed to the full on innumerable occasions. In his autobiography, "Trial and Error," we have his own testimony on the great importance of his early years in the land of his birth. He was born and grew to adolescence in Czarist Russia, where Jews were subject to legal ostracism and discrimination and forced to live as a nation within a nation. In that atmosphere of poverty and misery, the idea of Zion as the Promised Land gave hope that made the existing reality bearable.
>
> By any criterion one chooses, Chaim Weizmann was one of the great and formative figures of today's world. His death is a loss for all humanity.

SERVICES TO WESTERN CIVILIZATION

This is a particularly fitting moment to remember:

The services of this great scientist-statesman to Western civilization in times of greatest peril;

The fundamental contributions by Dr. Weizmann to the field of chemistry which have profoundly affected the progress of the civilized world and the structure of our industrial civilization;

His commitment, throughout his life, to the progress of mankind through science, peace, and love.

The first great contribution by Dr. Weizmann was the discovery of a bacterium that converted carbohydrates—sugar of starch—into acetone and butyl alcohol. At a critical stage in World War I, when the Western Powers were experiencing a critical shortage of gunpowder, this discovery by Dr. Weizmann had a profound effect on the war effort.

During World War II, Dr. Weizmann's discoveries were crucial to the development of synthetic rubber at a time of sharp curtailment of the free world's supply of natural rubber, imperatively needed for the war effort and thereafter.

Dr. Weizmann's discovery of bacterium conversion changed butyl from a rare to a common chemical and made possible the use of bacterium for large-scale production of industrial chemicals and industrial commodities.

SCIENCE AS THE BASIS OF HUMAN ACHIEVEMENT

He believed that the constructive forces of science could be made the basis of human achievement.

Significant of Dr. Weizmann's prescience was the establishment in Rehovot, Palestine, then only 17 years removed from the desuetude of three centuries of Ottoman rule, of the Daniel Sieff Research Institute to create absorptive capacity for Palestine. There he maintained his own laboratory. Devoted primarily to technical bacteriology and pharmaceutical and agricultural chemistry with emphasis on the use of agricultural products, the standards of the Sieff Institute were of the highest.

During World War II, the Sieff Institute made important contributions to the Allies particularly in the field of pharmacology, providing essential drugs which previously had been supplied by Germany.

In 1944 the Weizmann Institute of Science was established as a 70th birthday gift to Dr. Weizmann, encompassing the Sieff Institute. From 1944 until his death, Dr. Weizmann served as president of the Weizmann Institute—his living scientific legacy to Israel and to the world.

Now a world-renowned institution, on the wall of the Weizmann Memorial Plaza on the institute campus is embossed this credo, issued by Dr. Weizmann in 1946:

> I feel sure that science will bring to this land both peace and a renewal of its youth. Creating here a new spiritual and material life, and here I speak of science for its own sake and applied science.

Chaim Weizmann was the principal responsible for the issuance by Britain of the Balfour Declaration on November 2, 1917, which recognized the historic connection between the Jewish people and their ancient homeland and set in motion the chain of events which led to the creation of the State of Israel.

His first act on arriving in Palestine in 1918 as chairman of the Zionist Commission was to lay the foundation stones of the Hebrew University on Mount Scopus.

THE FEISAL-WEIZMANN AGREEMENT

That was soon followed, on January 3, 1919, by his historic meeting with Emir Feisal of the Hejaz in the Transjordanian Desert, which produced a signed agreement between Emir Feisal and Dr. Weizmann approving the establishment of the Jewish National homeland in Palestine. Emir Feisal agreed:

> All necessary measures shall be taken to encourage and stimulate immigration of Jews into Palestine on a large scale, and as quickly as possible to settle Jewish immigrants upon the land through closer settlement and intensive cultivation of the soil. In taking such measures the Arab peasant and tenant farmers shall be protected in their rights, and shall be assisted in forwarding their economic development.

Emir Feisal further agreed that:

> In the establishment and constitution and administration of Palestine all such measures shall be adopted as will afford the fullest guarantees for carrying into effect the British Government's declaration of the second of November, 1917.

On March 3, 1919, Prince Feisal addressed a letter to Felix Frankfurter, later a U.S. Supreme Court Justice, in behalf of his father, in which he confirmed Arab sympathy with the Zionist movement. Prince Feisal wrote:

> We Arabs, especially the educated among us, look with the deepest sympathy on the Zionist movement. Our deputation here in Paris is fully acquainted with the proposals submitted yesterday by the Zionist Organization to the Peace Conference, and we regard them as moderate and proper. We will do our best, in so far as we are concerned, to help them through; we will wish the Jews a most hearty welcome home.
>
> With the chiefs of your movement, especially with Dr. Weizmann, we have had and continue to have the closest relations. He has been a great helper of our cause, and I hope the Arabs may soon be in a position to make the Jews some return for their kindness. We are working together for a reformed and revived Near East, and our two movements complete one another. The Jewish movement is national and not imperialist. Our movement is national and not imperialist, and there is room in Syria for us both. Indeed I think that neither can be a success without the other.

In his agreement with Dr. Weizmann, Emir Feisal attached a rider stating:

> If the Arabs are established as I have asked in my manifesto of January 4, addressed to the British Secretary of State for Foreign Affairs, I will carry out what is written in this agreement. If changes are made, I cannot be answerable for failure to carry out this agreement.

ROYAL COMMISSION REMINDS ARABS OF WHAT THEY WON

In 1937, the Royal Commission Report stated:

> That condition was not fulfillled then, but is on the eve of fulfillment now . . .
>
> The fact that the Balfour Declaration was issued in 1917 in order to enlist Jewish support for the Allies, and the fact that this support was forthcoming, are not sufficiently appreciated in Palestine. The Arabs do not appear to realize in the first place that the present position of the Arab world as a whole is mainly due to the great sacrifices made by the Allied and Associated Powers in the war, and secondly, that the Balfour Declaration helped to bring about the Allied victory, which helped to bring about the emancipation of all the Arab countries from Turkish rule. If the Turks and their allies had won the war, it is improbable that all the Arab countries, except Palestine, would now have become or be about to become independent states.

From World Wars I and II emerged the independent states of Egypt, Syria, Saudi Arabia, Yemen, Iraq, Lebanon and Jordan.

CHURCHILL DESCRIBES FULFILLMENT OF PLEDGE TO FEISAL

On July 3, 1946, in a debate in the British House of Commons, Winston Churchill described how Britain had fulfilled its pledge to the Arabs:

> How did we treat the Arabs? We have treated them very well. The House of Hussein reigns in Iraq. Feisal was placed on the throne; his grandson is there today. The Emir Abdullah, whom I remember appointing at Jerusalem in 1921 to be in charge of Transjordania is there today. He has survived the shocks, strains and stresses which have altered almost every institution in the world . . . Syria and Lebanon owe their independence to the great exertions made by the British Government . . . I cannot but admit that we have done our utmost to treat the Arabs in a way which so great a race deserves and requires . . . I think that they have had a fair deal from Great Britain. With all those countries, which are given to their power and control in every way they have had a very fair deal. It was little enough, indeed, that we had asked for the Jews—a national home in their historic Home Land, on which they have the power and virtue to confer many blessings for enjoyment, both of Jew and Arab.

ARABS AND JEWS IN TWO WORLD WARS

The success of the Allied Forces in World War I was much forwarded with the help of the Jewish communities, so British statesmen have stated on the record. And that this was an important factor in the issuance of the Balfour Declaration in 1917, the above attests.

From these allied successes emerged seven Arab States occupying a land area of more than 1,600,000 miles, whose independence was confirmed at the end of World War II. The State of Palestine, originally 45,000 miles, were truncated to establish the state of Jordan in an area of 36,000 miles. The State of Israel's area is a little over 8,000 square miles.

In World War I, in the course of which the Arab States and Palestine were freed from three centuries of rule by the Turks, the record shows that whereas:

> Practically the whole available Jewish youth of the Colonies (in Palestine) and many of the townsmen of military age came forward for voluntary enlistment in the Jewish battalions, only 150 Arabs were recruited from Palestine with a population ten times the size of that of the Jews.

Moreover, as Ronald Storrs, Governor of Jerusalem recalled:

> The Arab revolt in World War I cost British taxpayers eleven million pounds, one million of which went to King Hussein of the Hejaz.

Outside of Palestine, Jews constituted 2½ percent of the 42 million men in the Allied forces, more than twice their proportion of the population in the Allied countries. Of the 1,055,600 Jews who fought in World War I, 116,825 were killed.

JEWISH CONTRIBUTION IN WORLD WAR II

In World War II, 1,300,000 Jews were in uniform in the Armed Forces of the United Nations; 550,000 Jewish men and women served in the Armed Forces of the United States; 500,000 in the Armed Forces of the Soviet Union; 55,000 in the Armed Forces of Britain.

PALESTINE JEWISH WAR EFFORT

In Palestine, 85,800 men and 50,400 women volunteered for war service; 7,028 Palestine Jews served with the British forces in Palestine and France, Egypt, Sudan, Eritrea, Abyssinia, Liberia, Greece, Crete, Iraq, Italy, Austria, and the low countries. Sixty units of Royal Engineers, transportation, ordnance, electrical, and mechanical services served and ranked high in the estimation of their respective commands. Selected civilian volunteers carried out secret raids in the Middle East and parachute missions in enemy Europe. Half of them lost their lives.

When, as the Anglo-American Committee pointed out, "the spread of the war zone to the Middle East converted Palestine into a base as well as an arsenal," and "large numbers of troops had to be quartered there," the Jewish community of Palestine furnished the skill, the inventiveness, and the energy to provide not only for the needs of Palestine, but for the surrounding countries. The report revealed:

> The closing of the Mediterranean to Allied shipping cut Palestine from the chief market for her citrus fruits and the chief source of her imported supplies. The spread of the war zone to the Middle East converted Palestine into a base as well as an arsenal. Large numbers of troops had to be quartered there. Supplies of food and other necessities of life and of materials had to be provided locally or imported where possible from neighboring Middle East countries, themselves subjected by the same combination of causes to severe economic pressure. Existing industries were, as far and as fast as possible, redirected into war production. Established undertakings were enlarged and new ones were set up, with government support, in order to contribute to the needs of the military campaign to build up a higher degree of self-sufficiency. In this development the variety of manufactures was broadened to include a number of more complicated mechanical and chemical processes.
>
> Thus Palestine became an important source of supply of manufactured goods not only for military purposes throughout the area, but for civilian needs in surrounding countries. The skill and inventiveness of the Jewish immigrants of prewar years proved an invaluable asset, and the direct effort was supported by the Jewish Agency and other established organs of Jewish settlement.

This Jewish effort resulted in freeing space for the transport of munitions and stores to the Middle East and other theaters, and released also labor in other countries for the war effort.

Jewish industry increased by over 100 percent in order to meet the needs of the war. Six hundred new enterprises were established for this purpose; new products, essential for the war effort, were produced.

ARAB ROLE IN WORLD WAR II; MUFTI'S ALLIANCE WITH AXIS

In World War II the Arab community of Palestine assumed a mostly indifferent attitude. The Arab States were in largest part pro-Axis; the Grand Mufti of Jerusalem, played an active role as an ally of the Axis.

In Iraq, and later in Italy and Germany, the Mufti assumed leadership in organizing the Moslems in Africa, Russia and the Balkans in an effort to sabotage the allied war effort. Moreover, he was a full copartner in stimulating the Nazis to carry out the program of extermination of the Jews of Europe.

In Palestine a total of 12,445 Arabs were recruited in the British services, many coming into Palestine for the enlistment from Transjordan, Syria, and Lebanon. However, this number was said to have been reduced by 50 percent through desertions and discharges long before the war ended.

Concerning the attitude of the Arab community in Palestine toward the war effort, the Anglo-American Committee had this to say:

> The Arab community in Palestine, though showing few signs of actual disaffection and offering slight response to Axis propaganda, showed itself largely indifferent to the outcome of the war. Out of a population twice as large as the Jewish, only 12,445 persons were recruited for military service, a figure less than half the Jewish total. The flight of the Mufti, Haj el-Husseini, to Italy and Germany and his active support of the Axis did not lose for him his following, and he is probably the most popular Arab leader in Palestine today.

ARAB STATES IN THE WAR

Of the Arab States, only Transjordan then a British mandatory, which also supported Transjordan's military force, the Arab Legion declared war on Germany in 1939.

Iraq declared war in January 1943, after the 1941 Arab revolt in that country had been defeated. It was beginning to be clear by then that the Nazis were going to lose.

Egypt, Saudi Arabia, Syria, and Lebanon failed to declare war on Germany until February 1945, 3 months before the war actually ended and when the victory of the allies was certain. These declarations of war involved no direct part in military operations and were authorized only in order to qualify for membership in the United Nations Organization, admission to which required a declaration of war before March 1, 1945.

THE IRAQI REVOLT

In April, 1941, the Government of Iraq, under the leadership of Rashid el Kailani, launched a revolt against the British, and on May 2, 1941, formally declared war on Great Britain.

The Iraqi revolt, fundamental to German strategy, took place at a time when the outlook for the British was at its lowest. Hitler's drive was to split the British Empire in two, deprive the Allies of their chief sources of oil in Iraq and Iran, their source of raw materials in India, and to isolate the Allied armies in the Middle East.

For 2 months a precarious battle raged. German and Italian planes, refueled in Syria, entered the fight. General Dentz, Vichy High Commissioner in Syria and Lebanon, following the instructions of the Italo-German Armistice Commission, rushed trainloads of French arms to Iraq. At the same time, the Mufti, working in cooperation with the Iraqi military forces, mobilized into activity the subversive elements throughout the Middle East. Because the Greek and British resistence in Greece and Crete held the German armies, the Nazis were prevented from transporting reinforcements of men and material to Iraq. As a result the British were able to quell the revolt.

Peaceful relations with the Arabs were an integral part of Dr. Weizmann's concept for a Jewish State.

Thirty years after the issuance of the Balfour Declaration, concern for that relationship remained a paramount consideration and that despite the Arab attacks on Jewish settlements, during the Mandatory period, the British closing of the Palestine's doors to Jewish immigration the holocaust which had destroyed 6 million Jewish lives.

In his moving address to the United Nations Ad Hoc Committee on October 15, 1947, he said:

> Despite some of the things that have been said on this debate, I retain my belief in the prospect of Arab-Jewish cooperation once a solution based on finality and equality has received the sanction of international consent. The Jewish State in Palestine may become a pilot plant for processes and examples which may have a constructive message for its neighbors, as well. The smallness of the State will be no bar to its full intellectual achievement. Athens was only one small city and the whole world is still its debtor.

The offers of scientific cooperation with its Arab neighbors, under conditions of peace, have been profferred on a number of occasions by The Weizmann Institute of Science for the common good of the region.

Israel itself—despite a parallel struggle throughout its life for survival—is today a pilot plant of what a country with limited resources can do, given dedication, education and the resources of science.

This is the best earnest of its peaceful goals; why it has commanded the support of the United States and why it should continue to receive this support.

CONGRESSIONAL STAFF MEMBERS GO ON AIR FORCE JUNKET

Mr. PROXMIRE. Mr. President, in the New York Times of November 25 is an account of a junket by congressional staffs to various Air Force bases in the West including Las Vegas.

It was reported by John Finney that while at Las Vegas, some—not all but some—of these congressional aides were treated to a night on the town by representatives of defense industry.

Mr. President, I can think of no better case of conflict of interest than defense contractors entertaining selected staff aides in Las Vegas. Many of these aides have responsibilities for following legislation directly involving the interests of these contractors. They have to make recommendations to their Senators and Representatives as to the propriety of supporting military legislation. By accepting the courtesy of the contractors, they have raised a question of conflict of interest.

Mr. President, I have asked for a list of the contractors involved in this activity. When that list becomes available I will make it public.

Mr. President, the total cost of this trip to the taxpayers will exceed $10,000. It cost $7,284 for the flight out and back on board the C–131, using scarce fuel just before the critical winter season. In addition, there were room and board charges amounting to $1,800. This does not include the extra money spent by the contractors.

It is apparent to me that there is a need for a code of ethics for congressional staff. Perhaps the backwash from this trip will initiate thinking about this matter.

FLEXIBLE WORK HOURS

Mr. PERCY. Mr. President, the Department of Labor recently compiled the results of a survey demonstrating the growth in the use of the 3- or 4-day workweek as an alternate form of full-time employment. The survey showed that as of May, 1974, over 650,000 full-time employees usually worked 4 days a week; over 250,000 worked 4½ days; and nearly 200,000 worked 3 days.

As a strong supporter of flexible work

hours arrangements, I was pleased to see the increasing acceptance and availability of this work alternative to full-time members of the work force. I believe that an increased number of work opportunities of this type, as well as part-time and shared time arrangements for those who desire them, will lead to an overall increase in employee satisfaction and productivity.

It was for this reason that I joined as a cosponsor of S. 2022, the Flexible Hours Employment Act. This legislation, which is now pending on the Senate calendar, will require Federal civilian agencies to increased the number of permanent part-time positions within each grade level, except for grades 16, 17, and 18. The increased availability of part-time jobs will be of benefit to thousands of people who because of either preference or need desire less than full-time employment.

Carolyn Shaw Bell, Katharine Coman professor of economics at Wellesley College, has been a strong advocate of flexible work hours arrangements. In a recent paper she argues for the specific inclusion of flexitime and part-time hours employment in the public service job program. She raises persuasive arguments in support of the economic and social viability of alternative work arrangements within the public employment program, and I commend her paper to my colleagues.

Mr. President, I ask unanimous consent that Ms. Bell's paper be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

FLEXITIME IN PUBLIC SERVICE EMPLOYMENT

(By Carolyn Shaw Bell)

Public service employment should be specifically designed to provide opportunities for part-time workers at all levels and in every field. It should also allow for those working flexible hours rather than the conventional schedules in effect. Furthermore, if public service legislation is envisaged as hardship relief designed to alleviate some anti-inflation measures, the welfare implications of these provisions are substantial.

In terms of welfare let me make the following observations. Inflation has led to an increase in the number of those seeking jobs, as people seek more work to keep up the level of real income. More than half the married couples in the country derive income from earnings of both husband and wife. A significant number of families receive income from two or three earners aside from the married couples. One answer to managing the increasing cost of living on an individual basis is to acquire more income to meet the higher cost. For a family, this means additional earners as well as additional jobs. For a single individual, this means taking on an extra job. Many of those additional workers, particularly young people and women, seek employment that will fit their other commitments to education or to their obligations at home. Making jobs available on a part-time or flexible hours basis would enable their contributions to family income to stave off hardship from rising prices.

Part-time workers have also long played an important part in our economy. They number about 20% of the labor force and are particularly useful in certain areas of work. Unemployment rates among these workers are twice as high as the average unemployment. It is a mistake to think that the income of such part-time workers is marginal or peripheral to family income and that the unemployment rates among this group are therefore of less importance. Exactly the reverse may be true, depending upon the family's perceived need for extra income. It can be argued that public service employment should be designed to fit the needs of the unemployed, rather than the need of public agencies for employees. This reasoning would allot more jobs to specified groups with higher rates of unemployment. Paramount among these would be, of course, part-time workers.

As to the anti-inflationary arguments for this proposal they fall under two broad categories. To the extent that inflationary pressures will grow in the future because of the demand for higher wages, public services employment providing part-time or flexible hours work can help dampen down this demand. If more families can increase their incomes and keep up with the rising cost of living as a result there will be less pressure for higher wages for the individual worker who has to support a family by his or her sole efforts. The need for maintaining real, that is, deflated consumer demand during the stringencies of anti-inflation measures cannot fully be met by extending unemployment insurance. In a growing economy there will be additional job-seekers added to the labor force each year. Not only will young workers leave school and college but older workers may re-enter the labor force after service elsewhere or after significant re-training. These new workers, or a substantial part of them, will of course not be covered by unemployment insurance. It is significant that the number of insured unemployed amounts to only about half the total number of unemployed people in almost a dozen states. In many other states unemployed people who are not eligible for benefits make up from one-quarter to one-third of all those lacking jobs. Consequently, the need for public service employment will exist even though unemployment insurance benefits are increased.

Finally it can be generally agreed that an increase in productivity has strong anti-inflation effects. In a particular work setting productivity can be enhanced by finding the most able person for the task at hand. In general, the greater the pool of applicants, the better qualified the worker selected will be. By making tasks accessible to those working unconventional time periods the pool of available workers is enlarged. It is quite clear that this direct impact on productivity can lessen the pressure on prices. There is also some scattered evidence that two part-time workers filling one job are more productive than a single employee. Such evidence might be pursued for support of this proposal.

TWO VIEWPOINTS ON THE FAIRNESS DOCTRINE

Mr. PROXMIRE. Mr. President, Richard W. Jencks, vice president of CBS/Washington, said last week in a talk in Nevada that the Federal Communications Commission's so-called fairness doctrine violates the first amendment to the Constitution.

And in Washington the previous week, Chief Judge David L. Bazelon, of the U.S. Court of Appeals for the District of Columbia Circuit, said in a speech that—

> Courts and the FCC moved away from traditional First Amendment concepts to accommodate government attempts to control the power of television.

Now Judge Bazelon, it seems, is not willing to go as far as Mr. Jencks and predict that the Supreme Court will decide that the fairness doctrine violates the first amendment "when an appropriate case comes before it." But Judge Bazelon is clearly bothered by regulation of broadcasters, although he is also worried by electronic media abuses.

Mr. President, the important point about these recent public appearances of a broadcaster and a jurist is that there does exist a real, constitutional question about regulation by the Government of broadcasting.

Unfortunately, for a politician to discuss this question is equated, all too often, with toadying or groveling to the information media. The fact is this: A free press—and that includes radio and television news, and whether we like it or not, the entertainment side of television, too—is necessary to protect the citizens of this country from the potential and real abuses of their Government. To do that, the press must be free, free from direct and indirect governmental control.

The people of this country cannot keep their freedom without a free press. And that, of course, is the very reason why a free press is guaranteed in the first amendment.

What we sometimes forget is that freedom of speech and of the press carries with it the liberty to say and publish and broadcast the unpopular as well as the popular. Just because some abhorrent idea is written or spoken does not mean that everyone reading or hearing that abhorrent idea will adopt it. No. We are free to object, and we do.

I understand that my advocacy of an end to the "unfairness" doctrine will meet with objection. Thus, since July 15 I have been speaking about it here on the floor of the Senate. It is an important subject that needs to be debated, to be thought about.

Mr. President, for that reason I ask unanimous consent that the addresses of Mr. Jencks and of Judge Bazelon be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS 50TH ANNIVERSARY CONVENTION, LAS VEGAS, NEV.—DEBATE: DOES THE FCC FAIRNESS DOCTRINE VIOLATE THE FIRST AMENDMENT OF THE CONSTITUTION?

(By Richard W. Jencks)

Does the FCC Fairness Doctrine violate the First Amendment of the Constitution?

Of course it does, and the Supreme Court will so decide when an appropriate case comes before it.

The argument made by the proponents of the Fairness Doctrine is simple and, on the face of it, disarmingly appealing. It is that the Fairness Doctrine "enhances" the First Amendment by assuring the public's "right to know".

If this argument is correct a Fairness Doctrine applied to the nation's print media should be constitutional. The argument was forcefully made before the United States Supreme Court in the *Miami Herald* case, in which a Florida statute providing a "right of reply" was at issue. The statute was analogous to the FCC's personal attack rules which form a part of the Fairness Doctrine.

But the Court, just last June, rejected the "enhancement" argument and unanimously held the Florida statute to be unconstitutional.

Speaking for a unanimous court, Chief Justice Burger declared:

"The choice of material to go into a newspaper, and the decisions made as to limitations on the size of the newspaper, and content, and *treatment of public issues and public officials—whether fair or unfair*—constitutes the exercise of editorial control and judgment. It has yet to be demonstrated how government regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time." [Emphasis added.]

If government compelled fairness would not "enhance" the First Amendment as to the print media, how then can it enhance the First Amendment when applied to the broadcast media?

The fact of the matter is that the case for a government guarantee of fairness is even poorer with respect to the broadcast press than with respect to the print media.

Item: The consequence of violating the right of reply statute held unconstitutional in the *Miami Herald* case was only to be convicted of a misdemeanor; it embodied no government power to shut the newspaper down. By contrast, a broadcaster who flouted the FCC's fairness doctrine could and would, as in the case of station WXUR, lose its license, be utterly shut down.

Item: The opportunity of the *Miami Herald* to impede the free flow of information to the public through unfairness was far greater than that of broadcasters. As Chief Justice Burger observed: "One newspaper towns have become the rule, with effective competition working in only four percent of our large cities." By contrast, in 92 of the top hundred markets there are three or more television stations; TV and radio stations were, as of June 1974, *five* times as numerous as daily newspapers.

Item: The *Miami Herald* could comply with government compelled fairness far more easily than could any broadcaster; the cost of preparing and inserting printed material into a newspaper is low and a newspaper format is expandible. By contrast, the cost of producing visual material is high, and a broadcast schedule cannot be expanded; nothing can be added without something else being dropped.

In short, the burden on broadcasters of compelled fairness, and therefore its "chilling effect" on First Amendment rights, is not less, but is far greater than the burden of enforcing fairness upon newspapers. Yet television and radio are at present the American public's primary source of news and information.

It is not merely *losing* a fairness doctrine case which demonstrates the crippling impact of the Fairness Doctrine. For a broadcaster to undertake the burden of contesting an FCC Fairness Ruling, even though he ultimately prevails, just as clearly chills First Amendment rights.

In June of 1970, following several presidential prime time broadcasts, CBS initiated what it contemplated was to be a periodic series entitled "The Loyal Opposition", featuring leaders of the party out of power presenting views contrasting with those of the President. After the first broadcast, featuring Democratic National Committee Chairman Larry O'Brien, the Republican National Committee filed a fairness complaint. The FCC upheld the complaint and ordered us to provide free time to the Republicans. CBS appealed. Fourteen months and tens of thousands of dollars in legal expenses later the Court of Appeals reversed the FCC and vindicated CBS. But the FCC and Court decisions so clouded the area in which our licensee discretion might be upheld, that the project was abandoned.

Another landmark fairness case concerned NBC's pension documentary of September 12, 1972, "Pensions: The Broken Promise." This Peabody Award winning documentary was challenged in a fairness complaint filed by an organization known as Accuracy In Media, Inc. on the ground that it had insufficiently presented the positive merits of good pension plans. The FCC held that the broadcast violated the Fairness Doctrine and ordered the presentation of balancing material. NBC appealed and two years later, on September of this year, the court reversed the Commission and held that NBC had acted within the boundary of licensee discretion. One may well ask what is likely to be the effect on the men and women who produce NBC's documentaries of so prolonged and costly of victory.

The second class citizenship of broadcasters also creates opportunities for burdensome harassment by the Congress, as well as by the FCC and the courts. Because of their FCC oversight responsibility, the Senate and House Commerce Committees often have conducted investigations and hearings on fairness charges, such as was done with the CBS News documentaries *The Selling of the Pentagon,* and *Hunger in America,* among others. Newspaper executives do not troop resignedly up to Capitol Hill to explain and justify their stories and features. Can anyone think that it is healthy for broadcasters to have to do so?

If the impact of Fairness Doctrine on powerful and affluent organizations like CBS cannot be calculated, its impact on the small broadcaster cannot help but be shattering. Lawyers' fees for handling the merest fairness complaint—and there were 2,800 fairness complaints in 1972—are rarely less than three hundred to five hundred dollars. Henry Geller, former General Counsel of the Commission, in his recent study, *The Fairness Doctrine in Broadcasting,* reports that a fairness complaint over an Expo 1974 Bond issue editorial carried by a Spokane, Washington station resulted in legal expenses alone of about $20,000 plus travel expenses and some 480 man hours of executive and supervisory time. This was a case the station *won;* after twenty-one months of proceedings the FCC staff found that the station *had* offered reasonable opportunity for response. But, as Mr. Geller writes:

"Because of editorials such as that on Expo 1974, the renewal of the station's license can be put in question and for a substantial period. What effect—perhaps even unconscious—does this have on the manager or news director the next time he is considering an editorial campaign on some contested local issue? What effect does it have on other stations?"

The short answer to Mr. Geller's rhetorical question is that the effect of such proceedings, on the station involved, and on other stations, is to unconstitutionally inhibit freedom of expression and the dissemination of ideas.

Although Henry Geller is himself probably the most knowledgeable advocate of the Fairness Doctrine, his scholarly study indicates that he obvioulsy reads the *CBS vs. The Democratic National Committee* case as casting grave doubt on the constitutionality of the Fairness Doctrine as it has been administered since 1962.

Mr. Geller points out that the court in that case rejected the idea of a constitutional right of access because that would involve the FCC far too much in the "day to day editorial decisions of broadcast licensees . . ."

"Clearly," writes Mr. Geller, "if that is true as to a right of access by persons to broadcast facilities for editorial advertisements, *it is also true as to the application of the Fairness Doctrine.*" [Emphasis added.]

To save the Fairness Doctrine, Mr. Geller recommends that the FCC return to its pre-1962 fairness practice, but with the major difference that the Commission would make no attempt to rule on individual complaints, but rather would determine at renewal time only whether there had been such a pattern of conduct throughout the license period as to indicate malice or reckless disregard of Fairness obligations.

Presumably, this debate concerns the Fairness Doctrine as the FCC now administers it. Even Henry Geller would not, if I read him correctly, support the argument that the Doctrine as presently administered is constitutional. There are others, however, who do not believe that even the refinements suggested by Mr. Geller would save the Doctrine from being struck down as unconstitutional.

Senator Proxmire was once so devoted to the Fairness Doctrine that at his suggestion in 1959 it was elevated from mere FCC policy and made part of the Communications Act. The Senator recently announced that he now plans the introduction of a bill to eliminate the Fairness Doctrine from the statute books. "The heart of my position," Senator Proxmire says, "is that the fairness doctrine is an appalling adman's name for justifying depriving radio and television of their First Amendment rights."

Senator Ervin, often called the leading constitutionalist of the Senate, has written of the Fairness Doctrine:

"At its best, it stifles controversy; at its worst, it silences it. In its present condition, it represents a fickle affront to the First Amendment."

Senators Ervin and Proxmire are not alone in having second thoughts about the appropriateness and constitutionality of the FCC's Fairness Doctrine.

Chief Judge David Bazelon, of the U.S. Court of Appeals of the District of Columbia, a judge with a record of consistent support over the years for aggressive FCC regulation of the broadcast media, is also in that number. Characterizing the FCC's revocation of WXUR's license as "a prima facie violation of the First Amendment," Judge Bazelon said:

"It is proper that this court urge the Commission to draw back and consider whether time and technology have so eroded the necessity of governmental imposition of fairness obligations that the Doctrine has come to defeat its purpose; that we ask whether an alternative does not suggest itself—whether as with the printed press more freedom for the individual broadcaster would enhance, rather than retard, the press's right to a marketplace of ideas."

Chief Judge Bazelon's language recalls a prescient statement of the Supreme Court in its 1969 decision in the *Red Lion* case. That is the case, with its sweeping dicta about the public's right to know, on which the proponents of the Fairness Doctrine must chiefly rely. Although the Court in *Red Lion* upheld FCC personal attack rules analogous to those it struck down in the *Miami Herald* case, the Court in the latter case failed even to mention the *Red Lion* decision, making no attempt to distinguish or justify it. But it is worth remembering that *Red Lion* had an escape clause. For the Court said in *Red Lion:*

"If experience with the administration of these doctrines indicates that they have the net effect of reducing rather than enhancing the volume and quality of coverage, there will be time enough to reconsider the constitutional implications."

That time has surely come. The nation's tragic experience with Watergate, if nothing else, must have the effect of forcing thoughtful people to reexamine the idea that we should entrust government with "enhancing" the flow of information under the First Amendment.

Joining those who have such second thoughts have been such liberal journals as the *New Republic* and, at the same time, such conservative critics of network news as President Nixon's Director of Telecommunications

Policy, Clay T. Whitehead, who said last month that he feared "that federal regulation of broadcasting could lead to some form of governmental control over newspapers."

What do the defenders of day-to-day government interference with the broadcast press have to say about all of this? All they are left with, it seems to me, is the iteration and reiteration of hackneyed slogans and outworn ideas.

The defenders of the Fairness Doctrine assert that the airwaves belong to the people. That may be true enough as far as it goes; but the whole lesson of American democracy is that we do not secure the rights of the people by vesting those rights in their government. American newspapers and magazines belong to the people in a truer and more significant sense than the press of any country where it is subjected to government control. Rather, it is a government owned or controlled press which does not belong to the people. In brief, as Chief Judge Bazelon has said, the government cannot "place restraints upon the First Amendment rights of those who use this property simply by declaring 'I own it.' "

The defenders of the Fairness Doctrine assert that there is a technical scarcity of broadcast frequencies such as to vest in the government a power to regulate broadcast speech that it does not have over the print press. That there is such a scarcity, albeit in a highly technical sense, is true enough; but this does not demand that we choose between applicants for such frequencies on the basis of their conformance with the government's ideas about how news and information should be reported. In any event, the real scarcity is of print media, caused by economic barriers to entry. As of October thirty-first of this year, there were 7,737 commercial broadcasting stations, as compared to somewhat less than 1,800 daily newspapers.

What the Fairness Doctrine defenders seem not to comprehend, however, is that their scarcity of frequencies argument is irrelevant.

Even if the government, because of a scarcity of frequencies, were deemed to have the power to intervene in the day-to-day journalistic judgments of broadcasters, government is not, after all, compelled to exercise that power. Even if the First Amendment does not *forbid* a Fairness Doctrine, it clearly does not *compel* a Fairness Doctrine. One of the attributes of power is the freedom not to exercise it.

If then we conclude, as I believe we must, that the Fairness Doctrine does *not* enhance the free flow of information, we do not have to apply it, whether or not we have the power to do so.

In closing, I would remind you that those who call most persistently and most eloquently for an ending of the Fairness Doctrine experiment are not, in the main, broadcasters themselves. The exercise of untrammelled First Amendment right is not necessarily profitable. The unhappy fact of the matter is that most broadcasters have been content to be tame tabbycats on this issue, reasonably happy with their regulated status and relatively undisturbed by a regulatory regimen which encourages blandness and inhibits robust debate.

When the FCC three years ago sent a questionnaire to broadcasters soliciting suggestions as to the deregulation of radio, it obtained from 7,000 radio broadcasters only 424 replies, and these mainly relating to the trivia of license renewal. Indeed, the passivity of most broadcasters on this issue is itself a damning indictment of the long term effect of governmental regulation on the broadcast press.

So I would close by reminding you of the words of Justice Douglas, no apologist for broadcasting, in his concurring opinion in *CBS vs. The Democratic National Committee:*

"My conclusion," Justice Douglas said, "is that the TV and radio stand in the same protected position under the First Amendment as do newspapers and magazines. The philosophy of the First Amendment requires that result, for the fear that Madison and Jefferson had of government intrusion is perhaps even more relevant to TV and radio than it is to newspapers and other like publications."

He went on to say:

"The Fairness Doctrine has no place in our First Amendment regime. It puts the head of the camel inside the tent and enables administration after administration to toy with TV or radio in order to serve its sordid or its benevolent ends."

* * * * *

"What kind of First Amendment would best serve our needs as we approach the 21st century may be an open question. But the old fashioned First Amendment that we have is the Court's only guideline; and one hard and fast principle which it announces is that government shall keep its hands off the press. That principle has served us through days of calm and eras of strife and I would abide by it until a new First Amendment is adopted. That means, as I view it, that TV and radio, as well as the more conventional methods for disseminating news, are all included in the concept of 'press' as used in the First Amendment and therefore are entitled to live under the laissez-faire regime which the First Amendment sanctions."

I trust and believe that when the issue framed by this debate squarely reaches the Supreme Court Mr. Justice Douglas' brethren will agree with him.

ON THE 40TH ANNIVERSARY OF THE FEDERAL COMMUNICATIONS COMMISSION

(By David L. Bazelon)

Mr. Porter, Chairman Wiley, Senator Pastore, Ladies and Gentlemen of the Communciations Bar: It is a distinct honor to attend this dinner as a representative of the Judicial Branch, although I doubt very much whether my views on telecommunications law are representative of my circuit, the Federal judiciary as a whole or even of the prevailing sentiment in this room. I do bring you the greetings of my colleagues on the United States Court of Appeals for the District of Columbia Circuit and their congratulations to the FCC and the Communications bar for your 40 years of service to the nation. As you know our court at present is the sole forum for appeals from FCC licensing decisions and this has brought us into contact with many of you here tonight. This has always been a friendly relationship but not always one of perfect agreement. It is like the Arkansas moonshiner, who had been convicted numerous times and was once again before the Court. The judge told the culprit sternly, "Before passing sentence, I want to tell you that you and your sons have given this Court more trouble than anyone else in the whole State of Arkansas. Have you anything to say?" The old fellow thought a moment and said, "Well, Judge, I just want to say that we haven't given you any more trouble than you've given us."

Much of the criticism of the FCC over the past 40 years is not really directed at the Commission so much as it is directed toward the next to impossible task the Commission was required to execute. Given no standards for decision and only the broadest outline of a regulatory mandate, the Commission was ordered to license and regulate the infant telecommunications industry "in the public interest, convenience and necessity." Not the most simple task ever devised by the mind of man! So it is a tribute to the Commission and the Communications bar that the problems we face today are problems of affluence, the problems of having survived the basic test of whether a workable order can be attained and of now being confronted with *the much tougher*, intractible choices of where to go from here. Upon the resolution of these problems depends not the existence of a high quality telecommunications system but rather its increasing perfection. We deal with such problems out of our sense of higher challenge, not out of our sense of basic order.

In short, we are now confronted in telecommunications law with the problems of the second generation. The first generation has erected a telecommunications system unparalleled in the world, a system whose technological achievements and entertainment and educational capacity boggles the mind. The second generation must stand in recognition of the accomplishments of the first generation. But we would do well to temper our respect with a healthy critical response. Our posture reminds me of the overdone but instructive story of the pilot who comes over the intercom to inform the passengers that he has some good news and some bad news. The good news is that they have just broken all speed records for passenger aircraft and they are presently travelling at a phenomenal rate of speed. Now for the bad news: "We don't know where we are!" We have made gigantic technological advances in the telecommunications but we either don't know where we are or, if we do, some of us don't want to go there.

My main concern with "where we are" at present relates to the First Amendment and the current FCC regulatory structure. Our traditional First Amendment faith has been that by encouraging the widest possible unrestricted expression of views, we would produce more diversity of ideas than if the government chose who should speak and on what subjects. However, as the first generation erected a workable system of telecommunications law—bringing order out of the chaos of the twenties—this traditional faith was displaced by a feeling that the power of certain speakers was such that they should be *required* to present more than their own view of public events and human achievement. In short, the immense power represented by television communication placed our traditional view of the First Amendment under severe pressure. Under this pressure, courts and the FCC moved away from traditional First Amendment concepts to accommodate government attempts to control the power of television. In the very few minutes I have here this evening, I cannot fully explore the various aspects of this power, except to say that much has been written about it. All the resulting rhetoric, however, does not convince me that we even now fully comprehend the impact of television on our lives.

The power of television is commensurate—and I do not think I exaggerate in the least—with the power to produce atomic energy and the power to modify human conduct by use of bio-behavioral controls. I recently had occasion to address my old friends, the American Psychiatric Association, concerning the perils of bio-behavioral controls. I did not speak to them about the blessings that will emerge from the use of bio-behavioral controls. And I do *not* speak tonight about the blessings that will emerge from the use of television as a human communications tool. The blessings are, I think, self-evident to those engaged in broadcasting and in bio-behavioral research. It is the perils of these new forms of wizardry which, I fear, will be overlooked in the excitement to exploit new discoveries. Thus it is that the potential evils of the power of television require great sensitivity on the part of the programming executives and their clients, the advertisers. And from a diligent inquiry into the potential evils of television can come the conception of media responsibility which will ultimately save the First Amendment from the pressures which threaten it today.

As lawyers, we know that there are always some understandable, if not legitimate, pressures on the traditional view of the First Amendment. In the field of broadcasting, these pressures have been, as I have indicated, partially successful in altering the traditional view of the First Amendment. Such pressures in the broadcast field are not specious. They represent serious concerns to which in most circumstances the government would feel duty-bound to respond. I think that many of us as members of the bench and bar would be willing to walk more than an extra mile to resist those pressures and to uphold the traditional view of the First Amendment. But one may question whether your clients, the broadcasters, are not making such resistance more difficult. And one may also ask whether the communications bar is aware of this fact and is getting the message through to the broadcast media.

I am aware of and do not relish the "raised eyebrow" or "chilling effect" form of media regulation. I do not mean by my statement tonight to contribute to that kind of regulation. The broadcast media surely must strenuously resist all government attempts to interfere with their wide legitimate discretion. But on the other hand, they must also have the strength to admit their shortcomings, their abuse of the immense power of television for the private profit of a few, to the serious detriment of the nation at large. The broadcast media know—or should know—when their programming is simply and only mass appeal pabulum designed to titillate a sufficiently large majority to enable the broadcasters to sell the most advertising. They know when they are presenting only one side of a major public issue, when they are shading the facts to present their own point of view, and when they are ignoring the concerns of the community. They know the impact of their programs on children, they know about the marketing of human emotions and of the prurient interest in violence and sex. They know when they subvert the professionalism of their own news teams in order to reach the demographic audiences which will attract advertisers. They know that wide exposure of subjects ranging from the names of rape victims to the private grief of a mother on the death of her son constitute unconscionable invasions of privacy. And, they know when they are over-commercializing their programming to amortize the inflated cost of the broadcast license. In sum, I think they know the times they may have prostituted the tremendous potential of television as a human communication tool. They know this and they know what should be done about it. The programming executives and their advertiser clients must stop their single-minded purpose to achieve higher ratings, more advertising and greater profits, and stop to consider what greater purposes television should serve. And they must do it soon if we are to preserve our First Amendment values for telecommunications.

These subjects I have mentioned are not without controversy. And there is more than one possible good faith response to the problems they represent. Those of us who are willing to walk more than that extra mile—and maybe even another mile beyond—to resist the pressures on traditional First Amendment values realize that these many problems are complex and difficult beyond neat solutions. The First Amendment protects the broadcast media when they seek to formulate a response to these problems—but this protection is seriously jeopardized when the power of the media is abused.

The pressures I have discussed have produced a regulatory scheme for telecommunications which is inconsistent with traditional First Amendment doctrine in some rspects. The task for the bench and bar, and indeed the Congress, is to begin the long overdue process of reconciling First Amendment doctrine and telecommunications regulation in a manner which preserves both the traditions of free speech and the purposes of the Federal Communications Act. I have recently made an heroic, but I suspect insignificant, attempt in my concurring opinion in *Citizens Committee to Save WEFM* to begin this process of reconciliation. Future attempts at reconciliation will proceed in the "gray areas" of the First Amendment, those areas which are *not* clearly *within* First Amendment protection or *not* clearly *without* that protection. Of course, the broadcast media should resist encroachments on First Amendment freedoms in these gray areas. But I would be less than honest if I did not state that their success in this fight will depend in no small part on their ability to demonstrate their sensitivity to the public interest. I have the greatest hopes for their success. I approach the task of reconciliation with much cause for optimism.

In the limited time I have tonight, I was only able to broadly sketch the outline of my ideas on the First Amendment and telecommunications. My discussion is therefore necessarily incomplete and more unqualified than I would like. I have, for example, not mentioned several subjects of particular interest to me, including the much analyzed assertion that the scarcity of broadcast frequencies justifies a different First Amendment regime. Neither have I mentioned perhaps a more interesting issue: how can we expect a commercial enterprise to forego profits in service of the public good? But the sponsors of this affair have sternly warned me about my time limitation. They are concerned with this audience's attention span, and the limitations thereof. At first this concern puzzled me. How could such high-priced legal talent have a short attention span? But I then learned that there would be more than one cocktail party before and during this dinner. If I don't miss my guess, methinks there will be more than this dinner. So I shall release you without delay.

I would not, however, want to leave you without noting that the Commission and the industry it regulates give us much reason for pride as we count our blessings instead of our problems. The critical mind which is so essential to all our professions sometimes blinds us to the progress we have made. Occasions like this are an appropriate time to recall *that* progress and, indeed, to congratulate the Commission and the telecommunications industry for the success that *that* progress represents.

Thank you for inviting me to speak tonight and I wish you another 40 years as exciting and eventful—and even as profitable—as the last 40.

MARKED INCREASES IN THE PRICE OF SUGAR

Mr. BAKER. Mr. President, on November 25, 1974, our distinguished colleague from New Mexico (Mr. DOMENICI) addressed a meeting of the Council on Wage and Price Stability. Senator DOMENICI's comments were directed to the problem of the recent, marked increases in the price of sugar.

Mr. President, with respect both to the particular problem of sugar prices, as well as the larger question of the impact of the wage-price squeeze upon the American consumer, I find Senator DOMENICI's statement extremely relevant, informative, and eye-opening. Consequently, I recommend it to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY U.S. SENATOR PETE V. DOMENICI

Mr. Chairman and distinguished members of the Council. Thank you for this opportunity to address this meeting of the Council on Wage and Price Stability. I hope that the facts you receive not only illuminate the shadowy world of sugar pricing, but provoke some considerations in your minds about both the free enterprise system's future and your council's responsibility.

My interest in the specific question of sugar prices came directly from a meeting I called on October 6 of this year in my home state of New Mexico. As a member of the American delegation to the World Food Conference in Rome, I decided to call together agricultural economists, nutritionists, extension service employees, farm and livestock organizations, consumer groups, representatives of the retail food industry and interested individual citizens.

During his formal statement to my New Mexico Food Conference, the executive director of the New Mexico Restaurant Association raised the following questions:

1. Why has the price of sugar risen from $9 for a hundred pounds to $43 for a hundred pounds in the past 12 months?
2. Why is the delivered-to-Albuquerque price the same $43 whether sugar is brought from processing plants in Utah, Texas, Arizona, or Los Angeles, and regardless of sugar processor involved?
3. Why are beet and cane sugar selling for the same price?

I instructed my staff to prepare a study for me. Our investigation revealed facts which supported the testimony given at the food seminar. I then wrote Attorney General William Saxbe; Lewis Engman, chairman of the Federal Trade Commission; Senator Philip A. Hart, chairman of the Senate Subcommittee on Antitrust and Monopoly; and to Senator Roman L. Hruska, Ranking Republican on the Senate Subcommittee on Antitrust and Monopoly. In these letters I requested an investigation into the sugar industry and explained that the evidence we had gathered created a strong presumption of administrative price fixing and conspiracy

I have been promised a complete report on the situation by Mr. Engman. I have talked to Mr. Saxbe about possible actions in this area by the Justice Department and I have received a letter from Senator Hart explaining that, due to my request, sugar will be added to an investigation into food commodities currently being undertaken by his subcommittee staff.

Since my original inquiries into this matter, the situation has progressively worsened. The price of sugar has increased 300 per cent in the last year, 30 per cent in the last month and has risen by 7¢ in the last week.

Many startling facts have recently come to the forefront. The USDA Sugar Report, September issue, shows that the average quoted wholesale price in August for refined cane sugar was exactly the same in the Northeast, Southeast and Gulf States areas of the U.S.—$36.83. The following are the price quotations on September 20, 1974, for refined sugar sold at wholesale in 100-pound bags, by regions:

[*Region, hundredweight bags*]

Northeast	$40.85
Mid-Central	40.84
Western Ohio-Lower Michigan	40.85
Southeast	40.85
Gulf	40.85
Chicago-West	34.95/40.85
Intermountain Northwest	33.75
Pacific Coast	35.00

Now let's look at similar figures from the October issue of the same publication. The average quoted wholesale price in September for refined cane sugar was exactly the same in the Northeast, Southeast, Gulf states and Chicago-west areas of the United States—$40.74.

The following are the price quotations on October 15, 1974, for refined sugar sold at wholesale in 100-pound bags by regions:

[*Region, hundredweight bags*]

Northeast	$42.20
Mid-Central	42.20
Western Ohio-Lower Michigan	42.20
Southeast	42.20
Gulf	42.20
Chicago-West	38.50/42.20
Intermountain Northwest	41.00
Pacific Coast	41.00

Shouldn't these figures raise serious questions in the minds of all Americans about the lack of competitiveness in the sugar industry? Is it any wonder why sugar is leaving a bitter taste in the mouths of American consumers?

The Amstar Corporation, the nation's largest sugar refiner, reported in its September quarter a 250 per cent rise in net income and a 59 per cent advance in sales. The Great Western United Corporation, America's largest beet-sugar refiner, posted a gain of 1,120 per cent in net income, 3,000 per cent in per share earnings, and a 74 per cent rise in sales in its recent quarter. Mr. Gilbert E. Cox, of Amfac, Inc., has stated that his company's pretax earnings from sugar operations this year will be at least $90 million and possibly over $100 million. This would be more than six times their 1973 pretax earnings from sugar operations.

I noted over the weekend an advertisement in the papers, in which it was implied that if we just let prices rise, in accordance with what was called "the law of supply and demand," then prices will decline and supplies become adequate. I hope that this council takes advantage of this opportunity to ask the major sugar producers if, indeed, they are willing to guarantee adequate supplies and reasonable prices in the near future? If not, then perhaps we should all dispense with that old bromide about high prices guaranteeing future supplies. I suspect the American public heard enough about that last winter and earlier this year.

Many critics have charged that American sugar refiners are earning record sugar profits partly by selling their products at high world sugar prices after buying raw sugar at lower prices on the commodity exchanges. This practice is of course not illegal, but it does raise the question of whether such savings should have been passed along to consumers, instead of being accumulated as corporate profits. No doubt, in a truly competitive market, these savings would have been passed on.

It has become public knowledge that many of the nation's major sugar refiners, brokers, and others in the industry were subpoenaed to appear before a San Francisco grand jury in February of 1973. In August of this year, Great Western United Corp. reported that its counsel had been advised by staff attorneys of the Antitrust Division of the Justice Department that the staff would seek authorization to recommend to the grand jury to indict Great Western Sugar and one employee. In October Holly Sugar Corp. announced that the Antitrust Division had sought authority to recommend an indictment, including Holly, to the same San Francisco grand jury. This two-year inquiry has reached a critical stage with strong indications that several indictments will soon be returned.

Now, I believe the Congress and the American people have the right to know the answers to the following questions:

1. To what extent have rising affluence, crop failures and adverse weather conditions contributed to the surge in sugar prices?

2. To what extent has speculation in the sugar market by oil rich Arab nations, amounting to purchases in the last month equal to one-third of America's consumption, inflated the already volatile sugar market?

3. What part have price-fixing and other anticompetitive measures by the sugar industry played in the cost of sugar? and;

4. To what extent is Congress itself, via the nefarious Sugar Act, responsible for the noncompetitive nature of the sugar industry and ultimately the inflated cost of sugar to our consumers?

I believe that the pattern we see in the sugar industry is a pattern of corporate arrogance and insensitivity that strikes at the heart of our free enterprise system. I hope that big business and big labor realize that their excesses could contain the seeds of doom for the American economic structure as we know it.

Moving from the specific field of sugar, here are more general considerations that I believe this panel must keep uppermost in mind. "Sacrifice" has become the order of the day. Everybody tells us that to overcome our present economic difficulties we are going to have to sacrifice. The message, of course, seems always to be directed at individual American citizens. I say that this sacrifice mandate must be applied also to big labor and big business. The poor and those on fixed incomes are already sacrificing, and we do not need to encourage sacrifice there. They have no choice. I believe, too, that the average American is ready and willing to do what he has to do. But, he is not going to sacrifice as long as he sees intemperate demands by big labor or big business.

The American people are caught in the middle, between big labor and big business. The American people are caught in the middle of the wage-price squeeze, because labor and business have failed to moderate their demands. Big labor and big business have thought only about what they "must" have instead of what is right for the nation and its people.

In earlier times perhaps it was sufficient for big labor and big business to consider negotiations merely in terms of "what will the market bear," or "the system has always told me to get all I can," or "I have to get the most for those I represent." But, in earlier times, we had competitive factors that balanced demands. Those factors do not exist at the present time.

Unless this council begins upon the premise that it is going to set some standards of permissible conduct, of moderate or immoderate economic behavior, and then publicly exposes immoderate behavior and praises moderation, then this council will be missing a great opportunity to contribute. If you find excessive demands, publicize them for what they are, naming names. And if you find examples of labor or business sacrifices, then publicize them, too. Perhaps the power of public exposure and public praise will introduce a balancing factor once again into our economic affairs.

This present hearing focuses on alleged excesses by an entity of big business. I hope and presume that in the future this council will also investigate alleged excesses by big labor, if such occurs.

The American people are now asking, "Why can't big business and the big labor unions be satisfied with just a little more money? Why do they have to gouge every penny they can from us?" And, this discontent may turn to a true "peaceful revolution" if you on this council fail to fulfill both the letter and spirit of your mandate.

You will recall the spirit of that mandate—to focus national attention on wage and price demands that threaten our economic stability. Your council may be all that stands between the free enterprise system, and government intervention on an unprecedented scale—replete with wage and price control, allocations of materials, and even nationalization of some industries.

The mood of the American consumer, expressed to me personally, through letters, and over the telephone, verges on the desperate. A "middle class revolt" could be brewing. And this revolt will take the form of an electoral mandate for greater and greater government control of all business in this nation. As one who has highest regard for the fruits of the free enterprise system, I hope that we are all wise enough to avoid such a fate.

Unless big business and big labor are willing to temper their demands; unless government is courageous enough to demand through anti-trust prosecution true competition in the marketplace; and unless business is willing to settle for a little less profit; then I predict an irrevocable change in this nation's economic system and social order. For in a democracy, the representatives of the people ultimately must acquiesce to the demands of their constituents. I believe it is an understatement to say that these are perilous times for American business and the American economy.

I close today with an upbeat note. I don't think most Americans want government to take over the economy. We have already seen enough of government bungling to know that while the auto companies may be hurt right now, with government control they would be bankrupt. I think the American people have exhibited remarkable forebearance. But their patience is not inexhaustible. At some point, when they view their household budgets in shambles and all their dreams for a better life in ruins, while big sugar companies boast of record profits, they will turn in anger and frustration to a new way of doing business. They will not continue to stand still for outrageous sugar prices. Yet, we do have time. The American people are giving us at least one more chance. It is up to people like you on this council to show the courage and will to justify the faith of Americans. I assure you that this strong proponent of the free enterprise system will stand by you—as long as I believe you are truly representing the interests of America.

Again, Mr. Chairman, thank you for this time.

AN URGENT NEED: PASSAGE OF THE TRADE BILL

Mr. CRANSTON. Mr. President, this country has been without a trade bill for far too long. Now we have a chance to fill the void—by passing the Trade Reform Act before the end of the year.

Two of the many forceful reasons for passing the bill were mentioned in editorials appearing this week. On November 25, the Washington Post pointed to our current beef and pork dispute with Canada. The editorial remarked:

> The worse possible way to handle trade disputes is narrowly. . . .
>
> An American government can negotiate on trade rules only when Congress gives it authority, and that authority is contained in the stranded bill. In the meantime, governments throughout the world are being drawn into angry, festering grievances over trade—of which the U.S.-Canadian beef and bacon war is the most recent and the most ludicrous.

A second reason for the bill, singled out by a Business Week editorial of November 23, is the need to negotiate new agreements on critical raw materials, including oil and other energy resources. As the editorial points out, cooperation on the massive economic problems now facing the world will be possible only in a context of cooperation and negotiation.

Mr. President, not everyone will agree with every word in these editorials. Here and there I might have chosen different words. But the thrust of the two editorials adds up to a powerful argument in favor of passing the trade bill now.

I ask unanimous consent that the two editorials from Business Week and the Washington Post be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From Business Week, Nov. 23, 1974]

THE TRADE BILL IS URGENT

It is obvious that the lame-duck session of Congress, which convened this week, has no intention of making history. Returning members were too absorbed in counting the survivors and comforting the casualties of the elections to give much thought to lawmaking. And President Ford's limp statement on priorities is not likely to build a fire under anyone.

There is one urgent piece of business, however, that Congress should deal with immediately. It is the bill authorizing a new round of trade negotiations and setting the stage for closer cooperation of governments in seeking solutions to the great international economic problems.

For months, enactment of the trade bill was blocked by the demand for more assurances from the Kremlin that Soviet Jews will be permitted to emigrate without harassment. Significant concessions by the Soviets should have removed this obstacle, but rising opposition to the bill is coming from organized labor, which is alarmed about unemployment. What labor does not see is that failure to pass the bill would threaten jobs all over the world, including the U.S.

If the trade bill does not pass now, there is no telling when—if ever—the new Congress will be able to act. The U.S. will come into 1975 with no authority to negotiate new agreements with its trading partners or with suppliers of critical materials. Without negotiations, the drift toward trade wars and protectionism, already visible, would become a rush.

The urgent problem of extortionate oil prices and the $100-billion drain on the reserves of oil-consuming nations may make trade talks look like swabbing the decks of the Titanic as she sank. But, in fact, prompt passage of the trade bill and the beginning of multilateral negotiations at Geneva would be an essential first step toward dealing with the oil crisis. Cooperation on energy sharing, conservation, and development of new sources will be possible only in a context of increasing cooperation in trade and international monetary relations.

[From the Washington Post, Nov. 25, 1974]

BEEF, PORK, AND THE TRADE BILL

Perhaps you were wondering why anyone thought it important for Congress to pass the Trade Reform Act this year befor it adjourns: Why so much attention to such a manifestly dull and dreary subject as foreign trade legislation? The answer is that this bill represents our best insurance against being drawn into a nasty and destructive wrangle like our widening quarrel over trade with the Canadians, which is currently focused on cows and pigs. Meat is less than one per cent of the commerce between our two countries. But the beef and bacon dispute, in which neither side has behaved well, is now poisoning the atmosphere in which the two governments are going to have to talk about much larger subjects.

The trouble started as an unintended side-effect of the Nixon administration's inept attempts, in the spring and summer of last year, to put price controls on beef. The controls held prices here below the Canadian level, and shipments of American meat northward predictably rose sharply. Canadian producers immediately complained that the imports were driving down their prices. The Canadian government promptly banned most American beef because, it said, it could not be sure that it was free of DES, the fast-growth hormone suspected of being carcinogenic. The American government retorted that the DES charge was only a dodge to keep out our meat. Eventually, last August, when the United States finally set up a DES certification system to meet Canadian standards, Canada retreated to formal and explicit import quotas.

Then it was the American producers' turn to scream. It needs to be pointed out here that exports have never been a significant part of the American beef producers' market. Even in 1973, the year of the great export surge that the Canadians were complaining about, exports were less than half of one per cent of U.S. production. The real source of the distress in the American livestock industry was the squeeze between the soaring costs of feed grain and the American consumers' revolt at the supermarket. But when an industry is squeezed at home, it will often try to blame its troubles on foreigners and demand government help in markets abroad. That is what has happened here.

President Ford responded last week by imposing quotas on Canadian meat, this time including pork products as well as beef, and cutting the current flow drastically. The stated purpose of these quotas is to force the Canadians to lift theirs. Tit-for-tat is a legitimate weapon in the politics of trade. But it is dangerous because, as this case is currently illustrating, it quickly leads to a general narrowing of perspective and raising of emotions.

Who started it? Canadians can argue that the Nixon administration did, with the surtax that it put on all imports, including those from Canada, through the fall of 1971, in violation of international agreements. We could argue in rebuttal that Canada had refused to respond to our requests for revisions in the agreement under which billions of dollars worth of automobiles move across the boundary every year. We could also cite the Canadians' tremendous tax on oil exports to the United States and now their deliberate cutbacks in oil shipped to us. All of these accumulating exasperations have become focused on the meat issue—the issue that is, in terms of the amount of money involved, the most trivial of all.

President Ford evidently intends to take up the meat quotas with Prime Minister Pierre Trudeau when they meet next month. But does it make any sense for them to give priority to meat, when oil is by far the more urgent question? And yet how can the American and Canadian governments settle the terms of oil trade between themselves, when other countries are setting the world price with which both must deal? Here we come back to the Trade Reform Act now pending before Congress.

The worst possible way to handle trade disputes is narrowly, in the kind of meeting that Mr. Ford will have with Mr. Trudeau. Trade between any two countries in beef, or oil, or most other commodities is only part of a worldwide market involving dozens of other countries. It is also bad practice to take up one commodity at a time. Experience has demonstrated the wisdom of taking up large lists of commodities together, so that an advantage here can offset a rebuff there.

A worldwide process of broad trade negotiations, badly overdue, was originally scheduled for 1972. It has been postponed indefinitely because the United States cannot take part. An American government can negotiate on trade rules only when Congress gives it authority, and that authority is contained in the stranded bill. In the meantime, governments throughout the world are being drawn into angry, festering grievances over trade—of which the U.S.-Canadian beef and bacon war is the most recent and the most ludicrous.

VICTOR K. TUTTE

Mr. THURMOND. Mr. President, throughout our history, America has been fortunate in attracting many talented and adventurous men of other lands to our own shores. We are still doing this today. One of our most recent and outstanding gains from overseas is Mr. Victor K. Tutte, the well-known photographer, who just this year became an American citizen. I am proud to say that Mr. Tutte has had the good judgment not only to choose America for his country, but to choose South Carolina for his State.

Mr. Tutte's career reads like an adventure story. He was born in London, England, and grew up in Ireland and Scotland. Then he returned to London to learn his chosen craft of photography and to begin to practice it. Unfortunately, World War II intervened, and Mr. Tutte, serving in the British Intelligence Corps, was captured by the Germans near Dunkerque in 1940.

The rest of the war Mr. Tutte spent in a German prison camp, but he somehow managed to procure photographic materials and pursue his interests. In doing so, he significantly helped the Allied cause, for he was able to make pictures for his fellow prisoners to send to worried relatives or to use on false identification papers.

When the war ended, Mr. Tutte returned to London. Since then, his life has been a steady succession of photographic assignments, including coverage of the Queen of England and four Presidents of the United States. In 1957, he moved from England to America and soon became chief photographer for Columbia Newspapers, Inc., of Columbia, S.C., the post he occupies today.

Now that he is a citizen, Mr. Tutte has ambitious plans to serve his country. He is hoping to be able to help photographers and law officers to cooperate more effectively, and he also has a very original idea for a series of photographs interpreting the Declaration of Independence.

Mr. President, patriotism like his is not often found, even in a citizen of many years. I wish to commend Mr. Tutte for his fine example to all of us. I ask unanimous consent to have printed in the RECORD an article which appeared in Sandlapper Magazine in September 1974, entitled "Vic Tutte—Chief Photographer," which testifies further to the admirable qualities of an eminent South Carolinian.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VIC TUTTE . . . CHIEF PHOTOGRAPHER

Vic Tutte arrived in the United States in January 1957 with nine cents in his pocket. This friendly, well-known photographer is still here today, not only richer from a monetary standpoint, but richer also as a result of a wide variety of experiences in his exciting profession.

Victor K. Tutte is chief photographer for Columbia Newspapers, Inc. In the course of his years with the newspaper (continuous since September 1957), he has photographed Presidents Eisenhower, Kennedy, Johnson and Nixon and numerous vice-presidents, movie stars, astronauts and such other distinguished personalities as Robert Kennedy and Martin Luther King. Naturally, not all of his photo assignments are initially as exciting as those involving famous people or spectacular news events, but Vic usually finds something with picture appeal in every assignment he shoots.

"The excitement and challenge is in not knowing what you will find each time you go out on a photographic assignment," Vic tells budding photographers. "Keep your eyes open. Take it when you see it, for tomorrow it won't be there. You must have your camera loaded and ready no matter where you are."

"South Carolina is a wonderful place, offering marvelous climate and scenic attractions as well as a type soil which rarely results in flooding. I find the people friendly and kind, although oftentimes slow," he says with a twinkle in his eye.

Vic was born in London, spent his first two years in Downpatrick, Ireland, then lived in Dundee, Scotland, until he was 13. He developed his interest in photography while working in a chemist's shop in Dundee. Vic and his Scottish accent then returned to London in 1933, where he studied photography formally at London Polytech and at night school and became a free-lance photographer. With the outbreak of World War II in 1939, Vic's reserve unit was mobilized. On June 13, 1940, while serving as an intelligence sergeant with a British rifle brigade, he was captured by the Germans south of Dunkerque. He remained a POW until VE Day in 1945.

Photography continued to be a major part of Vic's life even as a POW. As a prisoner he traded his cigarette rations for film, printing paper, chemicals and even photographic equipment. With the help of other prisoners Vic set up a studio and lab without serious objection from his German guards. Vic explained that prison life under German "soldier" guards wasn't all that bad. It was only during the periods when the Gestapo replaced the Wehrmacht guards that the prisoners suffered any severe hardships. With the makeshift photographic arrangement that he put in operation he was able to take pictures of his fellow prisoners for them to send to their loved ones back home, to be treasured by those who received them. Quite unknown to his German guards, he also took passport pictures for the false ID's that were needed by POW's attempting escape.

After the war Vic returned to London and the life of a free-lance photographer. Perhaps the pinnacle of his efforts in London was when he photographed 800 people all at the same time at a dinner. Since the 800 included Queen Elizabeth, Princess Margaret and numerous other dignitaries, Vic's photographic talents, equipment and even his voice were carefully scrutinized prior to his selection as the photographer for the event. The voice screening was a necessity since he would be required to give directions to the assembled gathering including the Queen.

Vic's hobbies and pastimes include woodwork, landscaping and music, but he feels that showing his love for his family is his most important non-photographic pursuit. Both his wife Ellen and his oldest daughter Cathy are talented musicians. His younger daughter Jane may carry on the photographic tradition.

Since Vic became an American citizen in January, his remaining major goals in life are two: First, to find some way to solve the misunderstanding which exists between law enforcement agencies and photographers in general. He has the greatest respect and appreciation for the fine work of these agencies, yet at times when both are only trying to do their job, unfortunate incidents do happen. Vic feels that in part it is a problem of identification (of the photographer), and in part a lack of clear-cut rules of procedure that must be followed by the on-the-scene photographer. Vic's second goal in life is to translate into pictures the Declaration of Independence. Vic plans to show through his pictures the momentous task of interpreting the seasons of the year and "life, liberty, and the pursuit of happiness." Although this would be a formidable task for anyone, it may be somewhat easier in Vic's case since these well-known words have had a great significance in his life.

AUTOMOBILE FUEL ECONOMY AND POLLUTION STANDARDS

Mr. **MUSKIE**. Mr. President, the Members of Congress and the members of the Senate Public Works Committee have become increasingly interested in the prospects of attaining rapid and substantial increases in automobile fuel economy. The members of that committee are deeply interested in achieving fuel economy increases without any relaxation of pollution control standards.

The Senate Public Works Committee has received information from inventors, pollution control equipment manufacturers, the National Academy of Sciences, and others who are involved in developing and evaluating automobile engine technology. As a continuation of our interest in this subject, the Senate Public Works Committee announced yesterday a staff investigation of recent developments that have occurred in the work done by the LaForce brothers in Vermont. This development has received substantial attention in the last few days and may hold the potential for substantial increases in fuel economy and reductions in pollution emissions.

It is apparent that much more needs to be known in order to evaluate this and other systems. The Public Works Committee has previously examined information submitted regarding many other systems, and will continue to seek documentation of progress in auto engine design.

As a result of our interest in this subject, we will assign staff to conduct an investigation of the LaForce project, and are requesting that Russell Train, Administrator of the Environmental Protection Agency, examine this development and provide us with an analysis of its potential. I ask unanimous consent to have printed in the RECORD the letter Senators RANDOLPH, BAKER, BUCKLEY, and I have sent to Russell Train, along with the press release announcing this effort and discussing the possibility of future inquiries or hearings on the part of the committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 25, 1974.

Hon. RUSSELL E. TRAIN,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MR. ADMINISTRATOR: The Senate Public Works Committee has noted with interest recent newspaper accounts of improved fuel economy and reduced emissions achieved by the work of Edward and Robert LaForce. In view of the increased emphasis on fuel economy brought about by the Nation's energy shortages, such developments must be examined carefully.

We would appreciate a full analysis of the status of the LaForce project. We would encourage you to seek a full examination and test of the demonstration vehicle they have produced in accordance with Section 206(a)(2). We are particularly interested in an examination of published claims regarding substantial reduction in pollutants emitted and the ability to reach such low emission levels while attaining improved fuel economy. It would be helpful to receive your analysis as soon as possible.

In addition, the Subcommittee is sending two investigators to meet with the inventors this week. The purpose of the investigation will be to determine the potential of their invention and to encourage cooperation with EPA to insure a full and complete test of the vehicle in question. We would hope a member of your staff would accompany our staff.

Sincerely,

JENNINGS RANDOLPH,
EDMUND S. MUSKIE,
HOWARD H. BAKER, Jr.,
JAMES L. BUCKLEY.
U.S. Senators.

SENATE COMMITTEE TO EXAMINE CAR ENGINE DEVELOPMENT

WASHINGTON.—The Senate Committee on Public Works has directed its staff to examine the claim of two Vermont brothers that they have developed a technology to reduce greatly the gasoline consumption of automobile engines while meeting Federal auto pollution requirements.

The Committee also is asking the Environmental Protection Agency for a technical evaluation of the engine demonstrated in the Washington area and in Delaware last week by the brothers, Edward and Robert LaForce. The Committee was informed late today by EPA that it will test the LaForce car at its Ann Arbor, Michigan facility.

The action was announced in a statement by Senator Jennings Randolph, Committee Chairman, Senator Edmund S. Muskie, Chairman of its Subcommittee on Environmental Pollution, and Senator Howard H. Baker, Jr. and Senator James L. Buckley, Ranking Republican Members of the Committee and Subcommittee respectively.

"We have read news reports of the demonstrations by the LaForce brothers," the Senators said. "Any system with the potential to reduce automobile emissions while cutting fuel usage needs to be seriously and thoroughly considered."

Members of the Committee Staff will meet with the LaForce brothers, who say they have spent 28 years working on developments which increase engine efficiency by two-thirds and meet Federal emission standards.

The Senators said the Committee will use the staff investigation and Environmental Protection Agency evaluation of technical data as a basis for possible hearings on scientific developments in emission controls and engine efficiency. The Clean Air Act of 1970 requires continued reduction in automobile pollution, with ultimate reductions to be achieved in 1978.

"We have received considerable information on research which is being carried out to meet emissions standards and improve fuel economy," the Senators said. "Protection of public health requires development of a clean car. Our national welfare demands reduced energy consumption. The information which is obtained in the investigation and from other sources will provide a basis for future legislative hearings."

Mr. **MUSKIE**. Mr. President, it has been the approach of Congress to establish the standards we believe are legitimate for the protection of public health, and then call upon the technological capability of the automobile industry, researchers and independent inventors to meet the challenges set down by these standards.

In other words, we have hoped that "a technological horserace" would develop. While we have not been totally satisfied with the pace and commitment of some of the larger automobile manufacturers, we have made progress.

All of the major automobile manufacturers have claimed that the fuel economy targets discussed by President Ford and by Members of Congress would be unattainable without relaxation of the auto emission standards established in the Clean Air Act. Since this has been the common line established by the automobile manufacturers ever since Congress began Federal efforts to clean up the air, such statements are not surprising.

Independent analysis is necessary to establish the possibilities that exist with various inventions and technologies.

A study was recently conducted by the Environmental Protection Agency and the Department of Transportation as a result of a requirement in the Energy Supply and Environmental Coordination Act in June of 1974. That report was released in October, and until last minute editing under White House pressure, the report concluded that the President's goal of a 40 percent fuel economy increase in 4 years could be met without any relaxation or delay in statutory auto emission standards.

Any question on emission controls—including the relationship of such controls to fuel economy—are completely within the jurisdiction of the Senate Public Works Committee. And we should be clear that fuel economy will be discussed by the auto companies in terms of delaying pollution standards.

So the issue must be resolved by the Senate Public Works Committee. Other committees may hold hearings on fuel economy, but any legislation which includes reference, direct or indirect, to the regulation of emissions must be resolved by this committee.

ROCKEFELLER NOMINATION

Mr. HUGH SCOTT. Mr. President, an editorial which appeared in yesterday's Washington Star-News says, in effect, with regard to the Rockefeller nomination, "get on with it." I concur. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME FOR CONFIRMATION

Confirmation of Nelson Rockefeller as vice president may not, as we have indicated before, be the ideal solution to the vacancy in the nation's second highest office. But it clearly is a solution. For though valid questions have been raised concerning the fabulous wealth and power of Rockefeller and his family, and the uses of those assets in the past, no negative answers sufficient to disqualify him are on record as yet. And the country simply must have a new vice president as quickly as possible.

This is not to say that the investigative record—which now is bulky almost beyond comprehension—reflects only credit upon the nominee. There is a certain shadiness in Rockefeller's peculiar problems of memory where his involvement in the unflattering Lasky book on Arthur Goldberg is concerned. It is easy, still, to be puzzled about some aspects of his vast generosity with gifts and loans, amounting to more than $2 million, much of which went to people in public life. Many citizens are queasy about his wealth itself, and his familiar links to corporate power of incredible, worldwide magnitude, links which cannot be altered, in this case, by any single gimmick such as the placement of investments in a blind trust.

But none of this amounts to an indictment barring Rockefeller from the office, under a fair assessment of the facts as they have unfolded. For the Senate Rules Committee's purposes, he has made amends adequately for his early, stumbling testimony on the Goldberg book affair. There is no proof of any improper intent in his lavishing of gifts and loans upon friends, and Congress has received assurance that, as vice president, he would be circumspect in the use of his money. His wealth itself as an influence on his future public performance is an imponderable, which cannot rightly be judged in advance or used as a disqualification. In his long service as governor of New York, it did not seem to weigh against the public interest, and certainly he was subjected to continuous scrutiny for possible conflicts of interest.

Nonetheless, the House Judiciary Committee seems inclined to ponder this question at length, in its hearings which are just getting underway. It should not drag this query—which is largely philosophical—out too long. The Committee, after all, is very late in beginning its inquiry, and the Senate committee already has covered this ground extensively in its lengthy hearings and studies. We expect that the Senate panel's unanimous approval of the nomination last Friday presages a vote for confirmation by the Senate next week.

The full House, we hope, will not be delayed much past mid-December in taking up the matter, for the possible consequences of delay are most unpleasant to contemplate. President Ford, in his brief tenure, has made one long trip abroad and is preparing to make another. House Speaker Carl Albert, who might accidentally ascend to the presidency, says he does not want the job. And if Congress should balk at Rockefeller, what are the alternatives? Few other potential nominees of stature are in the wings, and the naming of a vice president could be delayed until far into next year if a new Congress should have to start the process anew.

Yes, it must be done before this session ends, to avoid serious risk to national stability. The country has been without a vice president since early August, which is a longer delay in the transition of power than architects of the 25th Amendment ever envisioned. Congress' responsibility, given the unprecedented circumstances, is clear.

Rockefeller, once confirmed, also will bear a heavy responsibility for convincing those doubting Americans who suspect—merely on the basis of his name—that he embodies the corporate establishment. By his actions, he must try hard to reassure them otherwise. This will be especially important if, as expected, he is given a leading role in shaping the administration's economic policies. For in that troubled area, as in no other, public confidence will be a critical factor in times just ahead.

THE WORLD FOOD CONFERENCE

Mr. HUMPHREY. Mr. President, it was a privilege to participate in the World Food Conference.

Some 2,000 delegates from 130 countries gathered on November 5 at Rome's Palace of Congresses to address the world food crisis. Other delegates represented United Nations and intergovernmental agencies as well as liberation movements.

One of the major objectives of the conference was to outline the dimensions of the food problem and develop a concrete program or series of steps to aleviate the crisis. To undertake a world effort a major educational program is needed.

Earlier food conferences had been held in 1943 and 1963, but this was the largest such undertaking and, without doubt, the issues were more critical than at either of the two previous conferences.

President Roosevelt sounded the right theme at the 1948 conference when he placed the responsibility on each nation for feeding its people, but within the framework of international cooperation. He stated:

> The primary responsibility lies with each nation for seeing that its own people have the food needed for health and life; steps to this end are for national determination. But each nation can fully achieve its goal only if all work together.

The United States was the major force in initiating this conference. In August 1973, I wrote to former President Nixon urging that a food conference be called, and at the confirmation hearings of Henry Kissinger to be Secretary of State I again urged that such a conference be called.

At his first address before the world body on September 1973, Secretary Kissinger recommended the convening of a World Food Conference.

Three preparatory sessions were held beginning in February of 1974 in order to draw up an agenda and outline the framework for the actual conference. These preparations stretched over most of 1974.

A final list of 10 draft resolutions were drawn up for discussion and consideration at the conference which represented a careful review, analysis and distillation of some 85 resolutions.

A major issue which grew in importance as the anticipated world harvests declined was whether the Conference should concern itself with just the long-term food problem or the short-term food crisis as well.

The approach of the U.S. delegation was that the Conference basically had to look for long-term solutions to the food problem. Secretary of Agriculture Butz spent a great deal of time urging that the major effort should be placed on increasing food production.

The developing countries—which account for most of the world's estimated 400 to 500 million facing malnutrition and starvation—were much more concerned with the immediate short-term problem of averting disaster.

Secretary Kissinger in his opening speech stated that the world food problem must be addressed at two levels:

> First, coping with the food emergency, and, second, assuring long-term supplies and an adequate standard of nutrition for our growing populations.

Yet our Government has refused to take steps to deal with the first half of the problem—coping with the food emergency. Secretary Butz also recognized the immediate problem in his remarks to the Conference:

> At best an increase in production requires months. Often it requires years. Meantime, people must eat. In a year like 1974, the subject of food aid becomes very important.

In apparent contradiction of the Secretary's remarks, Ambassador Martin was quoted in the New York Times as saying:

"This conference was not called to get food to people tomorrow." In the same article, Ambassador Martin acknowledged, in regard to my suggestion for a 1 million ton increase in food aid, that "we will probably be giving that much," but he added, "It would not be useful to announce a figure."

The telegram indicated that announcement here of an increase in U.S. food aid would be extremely constructive at this time in view of the Canadian and Australian announcements. Canada has pledged 1 million tons of grain per year for 3 years beginning next year, which almost doubles its previous commitments of 495,000 tons to the Food Aid Convention and approximately 75,000 tons to the World Food Program. The Australian delegation welcomed the Canadian initiative and promised that Australia would make available a proportionate quantity.

Secretary Kissinger stated:

> An expanded flow of food aid will clearly be necessary.

He stated further:

> During this fiscal year, the United States will increase its food aid contribution despite the adverse weather conditions which have affected our crops. The American people have a deep and enduring commitment to help feed the starving and the hungry. We will do everything humanly possible to assure that our future contribution will be responsive to the growing needs.

When it became apparent that our delegation was not prepared to take action on this commitment, I asked Secretary Butz to cable the President requesting authority to announce that the United States would increase its food assistance for fiscal year 1975 by 1 million tons over 1974 to meet the crisis confronting millions in the poorest countries of the world. This would have increased our food aid level to about 4.3 million tons.

This increased assistance would be in the form of wheat, rice, and powdered milk. These are commodities currently in good supply. And the OMB agrees that they could be provided with little or no impact on market prices.

Secretary Butz sent such a telegram with his support stating that the U.S. delegation believes this additional 1 million tons is a feasible increase in terms of the supply situation.

I think it is significant that the United States failed to take the opporunity to lead other countries to increase their commitments. If we had taken action, there would have been considerable pressure on other countries with the eyes of the rest of the world on Rome to make additional commitments.

My colleague, Senator DOLE, later stated that we should refer the issue back to the Congress. This is certainly an unusual suggestion. The administration certainly did not consult the Congress when our food aid was cut from over 9 million tons in 1972 to about 3 million tons in 1974.

I stated repeatedly that, while the United States has been extremely generous with its food aid in the past, this fact was often not fully realized. We have sometimes appeared to be grudging because of the manner in which we have provided our food aid.

Secretary of Agriculture Butz readily conceded that the United States had already increased its food aid and would likely provide at least the requested additional 1 million tons of food aid.

However, at the conclusion of the Conference the requested approval of an additional 1 million tons in food aid was officially rejected on the grounds of limited availabilities and the possible impact on domestic food prices.

Consequently, there was a great deal of confusion and debate over this issue. The Secretary of Agriculture charged that three Democratic Senators—HUMPHREY, CLARK, and MCGOVERN—were playing politics with food aid.

I replied that there was general agreement within the delegation on sending the cable which the Secretary signed as head of the delegation. It was not the three Democratic Senators who made food aid into a political issue.

In light of administration admissions that the requested 1-million-ton increase in food aid was likely to be forthcoming, it is unclear as to what was the administration strategy except to keep the Conference focus on long-range problems and discourage any expectation that the United States would provide major food aid assistance.

I stated at the U.S. delegation meetings that I was disappointed that the United States had called for the World Food Conference but has acted like a reluctant participant. Secretary Kissinger offered strong and constructive proposals for action, but we did not demonstrate strong leadership in pushing for action on them.

Our role has been one of defensiveness in fending off proposals to deal with specific world food problems. Rather than asking what we can do, Secretary Butz appeared to be concerned about taking care not to commit the United States to anything substantive.

Secretary Butz' defensive stance was a puzzling contrast to Secretary Kissinger's theme of interdependence.

At the request of FAO Director Boerma, another meeting is scheduled to be held on November 29 to discuss the issue of food aid. It is my hope that we, in concert with other nations, will be more forthcoming at that time.

Despite the confusion over food aid, a great deal of progress was made in other areas including establishing the target of a 10 million ton a year food aid program.

In addition, an international system of nationally held grain reserves is to be developed with supplies to be developed in years of plenty to be made available in years of need.

Another major resolution was the recommendation that an information system be established to share early warning information on crops and weather. This information is exceedingly important in a tight world food supply situation.

The Conference also approved the establishment of a World Food Council to have coordinating, consultative and advisory powers with respect to food aid, investment, and other foreign assistance.

The Food Conference has made a good beginning in terms of identifying problems and proposing worthwhile steps to be taken. It is now up to all of the participating nations to implement these resolutions in a statesmanlike fashion.

I enjoyed participating in the Conference, and the congressional advisers made some significant contributions. It would have been preferable to have a greater congressional involvement, and particularly since legislative initiatives may be necessitated to implement the Conference conclusions.

I wish to call to the attention of this body the keynote address of Secretary Kissinger at the Conference.

Mr. President, I ask unanimous consent that this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE GLOBAL COMMUNITY AND THE STRUGGLE AGAINST FAMINE

(Address by Henry A. Kissinger before the World Food Conference, Rome, Italy, November 5, 1974)

We meet to address man's most fundamental need. The threat of famine, the fact of hunger, have haunted men and nations throughout history. Our presence here is recognition that this eternal problem has now taken on unprecedented scale and urgency and that it can only be dealt with by concerted worldwide action.

Our challenge goes far deeper than one area of human endeavor or one international conference. We are faced not just with the problem of food but with the accelerating momentum of our interdependence. The world is midway between the end of the Second World War and the beginning of the 21st century. We are stranded between old conceptions of political conduct and a wholly new environment, between the inadequacy of the nation-state and the emerging imperative of global community. In the past 30 years the world came to assume that a stable economic system and spreading prosperity would continue indefinitely. New nations launched themselves confidently on the path of economic and social development; technical innovation and industrial expansion promised steady improvement in the standard of living of all nations; surpluses of fuel, food, and raw materials were considered a burden rather than a blessing.

While poverty and misery still afflicted many parts of the globe, over the long run there was universal hope; the period was fairly characterized as a "revolution of rising expectations." That time has ended. Now there are fundamental questions about our capacity to meet even our most basic needs. In 1972, partly due to bad weather around the globe, world grain production declined for the first time in two decades. We were made ominously conscious of the thin edge between hope and hunger, and of the world's dependence on the surplus production of a few nations. In 1973 first a political embargo, and then abruptly raised prices for oil, curbed production in the world's factories and farms and sharply accelerated a global inflation that was already at the margin of government's ability to control. In 1974 the international monetary and trading system continues under mounting stress, not yet able to absorb the accumulated weight of repeated shocks, its institutions still struggling to respond. The same interdependence that brought common advance now threatens us with common decline.

We must act now and we must act together to regain control over our shared destiny. Catastrophe when it cannot be foreseen can be blamed on a failure of vision or on forces beyond our control. But the current trend is obvious and the remedy is within our power. If we do not act boldly, disaster will result from a failure of will; moral culpability will be inherent in our foreknowledge.

The political challenge is straightforward: Will the nations of the world cooperate to confront a crisis which is both self-evident and global in nature? Or will each nation or region or bloc see its special advantages as a weapon instead of as a contribution? Will we pool our strengths and progress together, or test our strengths and sink together?

President Ford has instructed me to declare on behalf of the United States: We regard our good fortune and strength in the field of food as a global trust. We recognize the responsibilities we bear by virtue of our technology, and our tradition of assistance. That is why we proposed this conference. That is why a Secretary of State is giving this address. The United States will make a major effort to match its capacity to the magnitude of the challenge. We are convinced that the collective response will have an important influence on the nature of the world that our children inherent.

As we move toward the next century the nations assembled here must begin to fashion a global conception. For we are irreversibly linked to each other—by interdependent economies and human aspirations, by instant communications and nuclear peril. The contemporary agenda of energy, food, and inflation exceeds the capacity of any single government, or even of a few governments together, to resolve.

All nations—east and west, north and south—are linked to a single economic system. Preoccupation with narrow advantage is foredoomed. It is bound to lead to sterile confrontations, undermining the international cooperation upon which achievement of national objectives depends. The poorest and weakest nations will suffer most. Discontent and instabilities will be magnified in all countries. New dangers will be posed to recent progress in reducing international tensions. But this need not be our future. There is great opportunity as well as grave danger in the present crisis.

Recognition of our conditions can disenthrall us from outdated conceptions, from institutional inertia, from sterile rivalries. If we comprehend our reality and act upon it, we can usher in a period of unprecedented advance with consequences far transcending the issues before this conference. We will have built an international system worthy of the capacities and aspirations of mankind.

THE FOOD CHALLENGE

We must begin here with the challenge of food. No social system, ideology, or principle of justice can tolerate a world in which the spiritual and physical potential of hundreds of millions is stunted from elemental hunger or inadequate nutrition. National pride or regional suspicions lose any moral and practical justification if they prevent us from overcoming this scourge.

A generation ago many farmers were self-sufficient; today fuel, fertilizer, capital, and technology are essential for their economic survival. A generation ago many nations were self-sufficient; today a good many exporters provide the margin between life and death for many millions.

Thus, food has become a central element of the international economy. A world of energy shortages, rampant inflation, and a weakening trade and monetary system will be a world of food shortages as well. And food shortages in turn sabotage growth and accelerate inflation.

The food problem has two levels: First, coping with food emergency, and second, assuring long-term supplies and an adequate standard of nutrition for our growing populations.

During the 1950's and 1960's global food production grew with great consistency. Per capita output expanded even in the food-deficit nations; the world's total output increased by more than half. But at the precise moment when growing populations and rising expectations made a continuation of this trend essential, a dramatic change occurred: During the past 3 years, world cereal production has fallen; reserves have dropped to the point where significant crop failure can spell a major disaster.

The longer term picture is, if anything, starker still. Even today hundreds of millions of people do no eat enough for decent and productive lives. Since increases in production are not evenly distributed, the absolute number of malnourished people are, in fact, probably greater today than ever before except in times of famine. In many parts of the world 30 to 50 percent of the children die before the age of five, millions of them from malnutrition. Many survive only with permanent damage to their intellectual and physcal capacities.

World population is projected to double by the end of the century. It is clear that we must meet the food need that this entails. But it is equally clear that population cannot continue indefinitely to double every generation. At some point we will inevitably exceed the Earth's capacity to sustain human life. The near as well as the long-term challenges of food have three components:

There is the problem of production in the face of population trends. Maintaining even current inadequate levels of nutrition and food security will require that we produce twice as much food by the end of this century. Adequate nutrition would require 150 percent more food, or a total annual output of 3 billion tons of grain.

There is the problem of distribution. Secretary General Marei [Sayed A. Marei of Egypt, Secretary General of the World Food Conference] estimates that at the present rate of growth of 2½ percent a year the gap between what the developing countries produce themselves and what they need will rise from 25 million to 85 million tons a year by 1985. For the foreseeable future, food will have to be transferred on a substantial scale from where it is in surplus to where it is in shortage.

There is the problem of reserves. Protection against the vagaries of weather and disaster urgently requires a food reserve. Our estimate is that as much as 60 million tons over current carryover levels may be required.

In short, we are convinced that the world faces a challenge new in its severity, its pervasiveness, and its global dimension. Our minimum objective of the next quarter century must be to more than double world food production and to improve its quality. To meet this objective the United States proposes to this conference a comprehensive program of urgent, cooperative worldwide action on five fronts.

Increasing the production of food exporters:

Accelerating the production in developing countries;

Improving means of food distribution and financing;

Enhancing food quality; and

Insuring security against food emergencies.

Let me deal with each of these in turn.

INCREASED PRODUCTION BY FOOD EXPORTERS

A handful of countries, through good fortune and technology, can produce more than they need and thus are able to export. Reliance on this production is certain to grow through the next decade and perhaps beyond. Unless we are to doom the world to chronic famine, the major exporting nations must rapidly expand their potential and seek to insure the dependable long-term growth of their supplies.

They must begin by adjusting their agricultural policies to a new economic reality. For years these policies were based on the premise that production to full capacity created undesirable surpluses and depressed markets, depriving farmers of incentives to invest and produce. It is now abundantly clear that this is not the problem we face; there is no surplus so long as there is an unmet need. In that sense, no real surplus has ever existed. The problem has always been a collective failure to transfer apparent surpluses to areas of shortages. In current and foreseeable conditions this can surely be accomplished without dampening incentives for production in either area.

The United States has taken sweeping steps to expand its output to the maximum. It already has 167 million acres under grain production alone, an increase of 23 million acres from 2 years ago. In an address to the Congress last month, President Ford asked for a greater effort still. He called upon every American farmer to produce to full capacity; he directed the elimination of all restrictive practices which raise food prices; he assured farmers that he will use present authority and seek additional authority to allocate the fuel and fertilizer they require; and he urged the removal of remaining acreage limitations.

These efforts should be matched by all exporting countries. Maximum production will require a substantial increase in investment. The best land, the most accessible water, and the most obvious improvements are already in use. Last year the United States raised its investment in agriculture by $2.5 billion. The U.S. Government is launching a systematic survey of additional investment requirements and of ways to insure that they are met.

A comparable effort by other nations is essential. The United States believes that cooperative action among exporting countries is required to stimulate rational planning and the necessary increases in output. We are prepared to join with other major exporters in a common commitment to raise production, to make the necessary investment, and to begin rebuilding reserves for food security. Immediately following the conclusion of this conference, the United States proposes to convene a group of major exporters—an export planning group—to shape a concrete and coordinated program to achieve these goals.

ACCELERATED PRODUCTION OF DEVELOPING COUNTRIES

The food exporting nations alone will simply not be able to meet the world's basic needs. Ironically, but fortunately, it is the nations with the most rapidly growing food deficits which also possess the greatest capacity for increased production. They have the largest amounts of unused land and water. While they now have 35 percent more land in grain production than the developed nations, they produce 20 percent less on this land. In short, the largest growth in world food production can—and must—take place in the chronic deficit countries.

Yet the gap between supply and demand

in these countries is growing, not narrowing. At the current growth rate, the grain supply deficit is estimated to more than triple and reach some 85 million tons by 1985. To cut this gap in half would require accelerating their growth rate from the historically high average of 2½ percent per annum to 3½ percent—an increase in the rate of growth of 40 percent.

Two key areas need major emphasis to achieve even this minimum goal: New research and new investment.

International and national research programs must be concentrated on the special needs of the chronic food deficit nations, and they must be intensified. New technologies must be developed to increase yields and reduce costs, making use of the special features of their labor-intensive, capital-short, economies.

On the international plane, we must strengthen and expand the research network linking the less-developed countries with research institutions in the industrialized countries and with the existing eight international agricultural research centers. We propose that resources for these centers be more than doubled by 1980. For its part the United States will in the same period triple its own contribution for the international centers, for agricultural research efforts in the less-developed countries, and for research by American universities on the agricultural problems of developing nations. The existing Consultative Group on International Agricultural Research can play an important coordinating role in this effort.

The United States is gratified by the progress of two initiatives which we proposed at the Sixth Special Session of the U.N. General Assembly last April: the International Fertilizer Development Center and the study on the impact of climate change of food supply. The Fertilizer Center opened its doors last month in the United States with funds provided by Canada and the United States; we invite wider participation and pledge its resources to the needs of the developing nations. And the important study on climate and food supply has been taken on by the United Nations World Meteorological Organization (WMO).

National as well as international research efforts must be brought to bear. The United States offers to share with developing nations the results of its advanced research. We already have underway a considerable range of promising projects: to increase the protein content of common cereals; to fortify staple foods with inexpensive nutrients; to improve plant fixation of atmospheric nitrogen to reduce the need for costly fertilizers; to develop new low-cost, small-scale tools and machines for the world's millions of small farmers.

We also plan a number of new projects. Next year our space, agriculture, and weather agencies will test advanced satellite techniques for surveying and forecasting important food crops. We will begin in North America and then broaden the project to other parts of the world. To supplement the WMO study on climate, we have begun our own analysis of the relationship between climatic patterns and crop yields over a statistically significant period. This is a promising and potentially vital contribution to rational planning of global production.

The United States will also make available—the results of these projects for other nations.

Finally, President Ford is requesting the National Academy of Sciences, in cooperation with the Department of Agriculture and other governmental agencies, to design a far-reaching food and nutrition research program to mobilize America's talent. It is the President's aim to dedicate America's resources and America's scientific talent to finding new solutions, commensurate both with the magnitude of the human need and the wealth of our scientific capacities.

While we can hope for technological breakthroughs, we cannot count on them. There is no substitute for additional investment in chronic food-deficit countries. New irrigation systems; storage and distribution systems; production facilities for fertilizer, pesticide, and seed; and agricultural credit institutions are all urgently needed. Much of this can be stimulated and financed locally. But substantial outside resources will be needed for some time to come.

The United States believes that investment should be concentrated in strategic areas, applying existing, and in some cases very simple, technologies to critical variables in the process of food production. Among these are fertilizer, better storage facilities, and pesticides.

Modern fertilizer is probably the most critical single input for increasing crop yields; it is also the most dependent on new investment. In our view fertilizer production is an ideal area for collaboration between wealthier and poorer nations, especially combining the technology of the developed countries, the capital and raw materials of the oil producers, and the growing needs of the least-developed countries. Existing production capacity is inadequate worldwide; new fertilizer industries should be created, especially in the developing countries, to meet local and regional needs for the long term. This could be done most efficiently on the basis of regional cooperation.

The United States will strongly support such regional efforts. In our investment and assistance programs we will give priority to the building of fertilizer industries and will share our advanced technology.

Another major priority must be to reduce losses from inadequate storage, transport, and pest control. Tragically, as much as 15 percent of a country's food production is often lost after harvesting because of pests that attack grains in substandard storage facilities. Better methods of safe storage must be taught and spread as widely as possible. Existing pesticides must be made more generally available. Many of these techniques are simple and inexpensive; investment in these areas could have a rapid and substantial impact on the world's food supply.

To plan a coherent investment strategy, the United States proposes the immediate formation of a coordinating group for food production and investment. We recommend that the World Bank join with the Food and Agriculture Organization and the U.N. Development Program to convene such a group this year. It should bring together representatives from both traditional donors and new financial powers, from multilateral agencies, and from developing countries, with the following mandate:

To encourage bilateral and international assistance programs to provide the required external resources;

To help governments stimulate greater internal resources for agriculture; and

To promote the most effective uses of new investment by the chronic deficit countries.

The United States has long been a major contributor to agricultural development. We intend to expand this contribution. We have reordered our development assistance priorities to place the central emphasis on food and nutrition programs. We have requested an increase of almost $350 million for them in our current budget. This new emphasis will continue for as long as the need exists.

For all these international measures to be effective, governments must reexamine their overall agricultural policies and practices. Outside countries can assist with technology and the transfer of resources; the setting of priorities properly remains the province of national authorities. In far too many countries, farmers have no incentive to make the investment required for increased production, because prices are set at unremunerative levels, because credit is unavailable, or because transportation and distribution facilities are inadequate. Just as the exporting countries must adjust their own policies to new realities, so must developing countries give a higher priority for food production in their development budgets and in their tax, credit, and investment policies.

IMPROVING FOOD DISTRIBUTION AND FINANCING

While we must urgently produce more food, the problem of its distribution will remain crucial. Even with maximum foreseeable agricultural growth in the developing countries, their food import requirement is likely to amount to some 40 million tons a year in the mid-1980's, or nearly twice the current level.

How is the cost of these imports to be met?

The earnings of the developing countries themselves, of course, remain the principal source. The industrialized nations can make a significant contribution simply by improving access to their markets. With the imminent passage of the trade bill, the United States reaffirms its commitment to institute a system of generalized tariff preferences for the developing nations and to pay special attention to their needs in the coming multilateral trade negotiations.

Nevertheless, an expanded flow of food aid will clearly be necessary. During this fiscal year, the United States will increase its food aid contribution, despite the adverse weather conditions which have affected our crops. The American people have a deep and enduring commitment to help feed the starving and the hungry. We will do everything humanly possible to assure that our future contribution will be responsive to the growing needs.

The responsibility for financing food imports cannot, however, rest with the food exporters alone. Over the next few years in particular, the financing needs of the food-deficit developing countries will simply be too large for either their own limited resources or the traditional food aid donors.

The oil exporters have a special responsibility in this regard. Many of them have income far in excess of that needed to balance their international payments or to finance their economic development. The continuing massive transfer of wealth and the resulting impetus to worldwide inflation have shattered the ability of the developing countries to purchase food, fertilizer, and other goods. And the economic crisis has severely reduced the imports of the industrialized countries from the developing nations.

The United States recommends that the traditional donors and the new financial powers participating in the coordinating group for food production and investment make a major effort to provide the food and funds required. They could form a subcommittee on food financing, which, as a first task, would negotiate a minimum global quantity of food for whose transfer to food-deficit developing countries over the next 3 years they are prepared to find the necessary finances.

I have outlined various measures to expand production, to improve the earning capacity of developing countries, to generate new sources of external assistance. But it is not clear that even these measures will be sufficient to meet the longer-term challenge, particularly if our current estimates of the gap by 1985 and beyond prove to be too conservative.

Therefore, ways must be found to move more of the surplus oil revenue into long-term lending or grants to the poorer countries. The United States proposes that the development committee, created at the recent session of the Governors of the International Bank and Monetary Fund, be charged with the urgent study of whether existing sources of financing are sufficient to meet the expected import requirements of developing countries. If these sources are not sufficient, new means must be found to supplement them. This must become one of the priority objectives of the countries and institutions that have the major influence in the international monetary system.

ENHANCING FOOD QUALITY

Supplies alone do not guarantee man's nutritional requirements. Even in developed countries, with ample supplies, serious health problems are caused by the wrong kinds and amounts of food. In developing countries, the problem is magnified. Not only inadequate distribution but also the rising cost of food dooms the poorest and most vulnerable groups—children and mothers—to inferior quality as well as insufficient quantity of food. Even with massive gains in food production, the world could still be haunted by the specter of inadequate nutrition.

First, we must understand the problem better. We know a good deal about the state of global production, but our knowledge of the state of global nutrition is abysmal. Therefore, the United States proposes that a global nutrition surveillance system be established by the World Health Organization, the Food and Agriculture Organization, and the United Nations International Children's Emergency Fund. Particular attention should be devoted to the special needs of mothers and young children and to responding quickly to local emergencies affecting these particularly vulnerable groups. Nutrition surveying is a field with which the United States has considerable experience; we are ready to share our knowledge and techniques.

Second, we need new methods for combating malnutrition. The United States invites the WHO, FAO, and UNICEF to arrange for an internationally coordinated program in applied nutritional research. Such a program should set priorities, identify the best centers for research, and generate the necessary funding. The United States is willing to contribute $5 million to initiate such a program.

Third, we need to act on problems which are already clear. The United States proposes an immediate campaign against two of the most prevalent and blighting effects of malnutrition: vitamin A blindness and iron-deficiency anemia. The former is responsible for well over half of the millions of cases of blindness in less-developed countries; the current food shortages will predictably increase this number. Iron-deficiency anemia is responsible for low productivity in many parts of the world.

Just as the world has come close to eradicating smallpox, yellow fever, and polio, it can conquer these diseases. There are available new and relatively inexpensive techniques which could have a substantial impact. The United States is ready to cooperate with developing countries and international donors to carry out the necessary programs. We are prepared to contribute $10 million to an international effort.

Finally, we need to reflect our concern for food quality in existing programs. This conference should devote special attention to food aid programs explicitly designed to fight malnutrition among the most vulnerable groups. The United States will increase funding for such programs by at least $50 million this year.

INSURING AGAINST FOOD EMERGENCIES

The events of the past few years have brought home the grave vulnerability of mankind to food emergencies caused by crop failures, floods, wars, and other disasters. The world has come to depend on a few exporting countries, and particularly the United States, to maintain the necessary reserves. But reserves no longer exist, despite the fact that the United States has removed virtually all of its restrictions on production and our farmers have made an all-out effort to maximize output. A worldwide reserve of as much as 60 million tons of food above present carryover levels may be needed to assure adequate food security.

It is neither prudent nor practical for one or even a few countries to be the world's sole holder of reserves. Nations with a history of radical fluctuations in import requirements have an obligation, both to their own people and to the world community, to participate in a system which shares that responsibility more widely. And exporting countries can no longer afford to be caught by surprise. They must have advance information to plan production and exports.

We commend FAO Director General Boerma for his initiative in the area of reserves. The United States shares his view that a cooperative multilateral system is essential for greater equity and efficiency. We therefore propose that this conference organize a Reserves Coordinating Group to negotiate a detailed agreement on an international system of nationally held grain reserves at the earliest possible time. It should include all the major exporters as well as those whose import needs are likely to be greatest. This group's work should be carried out in close cooperation with other international efforts to improve the world trading system.

An International Reserve System should include the following elements:

Exchange of information on levels of reserve and working stocks, on crop prospects, and on intentions regarding imports or exports;

Agreement on the size of global reserves required to protect against famine and price fluctuations;

Sharing of the responsibility for holding reserves;

Guidelines on the management of national reserves, defining the conditions for adding to reserves and for releasing from them;

Preference for cooperating countries in the distribution of reserves; and

Procedures for adjustment of targets and settlement of disputes and measures for dealing with noncompliance.

AGENDA FOR THE FUTURE

The challenge before this conference is to translate needs into programs and programs into results. We have no time to lose.

I have set forth a five point platform for joint action:

To concert the efforts of the major surplus countries to help meet the global demand;

To expand the capacity of chronic food deficit developing nations for growth and greater self-sufficiency;

To transfer resources and food to meet the gaps which remain;

To improve the quality of food to insure adequate nutrition; and

To safeguard men and nations from sudden emergencies and the vagaries of weather.

I have outlined the contribution that the United States is prepared to make in national or multilateral programs to achieve each of these goals. And I have proposed three new international groups to strengthen national efforts, coordinate them, and give them global focus:

The Exporters Planning Group;

The Food Production and Investment Coordinating Group; and

The Reserves Coordinating Group.

A number of suggestions have been made for a central body to fuse our efforts and provide leadership. The United States is openminded about such an institution. We strongly believe, however, that whatever the mechanisms, a unified, concerted and comprehensive approach is an absolute requirement. The American delegation headed by our distinguished Secretary of Agriculture Earl Butz is prepared to begin urgent discussions to implement our proposals. We welcome the suggestions of other nations gathered here. We will work hard, and we will work cooperatively.

CONCLUSION

Nothing more overwhelms the human spirit, or mocks our values and our dreams, than the desperate struggle for sustenance. No tragedy is more wounding than the look of despair in the eyes of a starving child.

Once famine was considered part of the normal cycle of man's existence—a local or at worst a national tragedy. Now our consciousness is global. Our achievements, our expectations, and our moral convictions have made this issue into a universal political concern.

The profound promise of our era is that for the first time we may have the technical capacity to free mankind from the scourge of hunger. Therefore, today we must proclaim a bold objective—that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition.

Our responsibility is clear.

Let the nations gathered here resolve to confront the challenge, not each other.

Let us agree that the scale and severity of the task require a collaborative effort unprecedented in history.

And let us make global cooperation in food a model for our response to other challenges of an interdependent world—energy, inflation, population, protection of the environment.

William Faulkner expressed the confidence that ". . . man will not merely endure, he will prevail." We live today in a world so complex that even only to endure, man must prevail. Global community is no longer a sentimental ideal but a practical necessity. National purposes, international realities, and human needs all summon man to a new test of his capacity and his morality.

We cannot turn back or turn away.

"Human reason," Thomas Mann wrote, "needs only to will more strongly than fate and she is fate."

WORLD FOOD CONFERENCE

Mr. HUMPHREY. Mr. President, during the recent World Food Conference in Rome I had the opportunity to address a meeting of the nongovernmental organizations which, as you know, played a major role in alerting the American people to the world food problem.

I also addressed a staff meeting of the United Nations Food and Agriculture Organization. At that time I pointed out the generosity of the people of the United States in providing large quantities of food aid.

I suggested that, while we had been generous, we often did not get credit for our contributions. Some other nations talked a good game, but they did not have much to offer when it came to performance. I also outlined a whole series of steps which are needed and which were considered by the World Food Conference.

We need to increase food production and especially in the developing world. The production of inputs such as fertilizer and pesticides must be increased in order to expand agricultural output. Research programs must be expanded and made more relevant for the small farmer and agriculture in the tropics.

A world information system to provide an early warning on food emergencies and weather trends also is needed in order to monitor food availabilities in a tight food supply.

A world food reserve should be established in order to provide a buffer against famine. Food supplies and population growth rates must be brought into balance. Technical assistance should be expanded and zeroed in on the key problems of food, rural development, and population.

The World Food Conference addressed these issues, and now it is up to the participating nations to cooperate in the implementation steps. It is clear that a great deal needs to be done, and the World Food Conference can only be viewed as the beginning.

Mr. President, I ask unanimous consent that the text of my remarks, and two significant articles, "Food for People, Food for Thought," in the Christian Science Monitor of November 21, and "Food Parley: Plans Laid for Future Action," in the New York Times of November 19, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

WORLD FOOD SECURITY

(Address by Hon. HUBERT H. HUMPHREY, U.S. Senator)

The great central problem of our time is hunger.

Our grain reserves are almost gone.

Rates of population growth have begun to pull ahead of agricultural production in many countries.

Adverse weather has reduced or eliminated crops in many parts of the world.

Fertilizer production is handicapped by arbitrary economic conditions.

Drought already has brought starvation to many people.

We are, in Secretary-General Waldheim's words, "Face to face with a global emergency."

What happened? What went wrong?

The world has made a very strong effort over the past three decades to solve short and long term food supply problems. Agriculture has been revolutionized in much of the world to expand harvests greatly through improved grain seed and wider use of fertilizer and pesticides.

At the turn of this decade, some Asian nations were on the verge of becoming grain exporters—as they had been before World War Two. We had vast surpluses of grain in some western nations in the fifties and sixties. But even during this period, there were some who foresaw the shoals on which we have now been driven.

There are many causes—climate, population, market fluctuations, energy limitations, misuse of land, distribution difficulties; but one major reason is that we have approached the problem in a piecemeal fashion from narrow, nationalistic viewpoints.

There may yet be time to devise a truly cooperative and coordinated international program for the production, distribution, conservation and pooling of existing foods, and for the development of both improved genetic stocks and new sources of food. But time is not on our side, and we cannot afford the bickering of the past. Millions of human lives are at stake.

We must be responsive and responsible in these deliberations. We also must be optimistic, for we can do the job.

We must set our goals high, for it is not enough simply to avert famine. The task at hand is nothing less than the marshalling of our total resources in an all-out effort. We are up against the wall and there is nowhere else to go.

Let us try to frame the right questions—questions which can guide the nations of the world, acting in concert, to the effective production and distribution of world food supplies.

Let us try for more than one answer to each question, for we must proceed on many fronts and a range of alternative and backup programs seems only sensible.

Let us identify the constituent parts of the food/population equation and fix various responsibilities in the different sectors as best we can.

The problem of feeding a continually expanding world population is fraught with a range of complexities and uncertainties:

First, in the very near term, we must increase the availability of food to the developing world from the food surplus nations in an equitable way.

Second, food production in the developing nations must be significantly increased in the years immediately ahead.

And, third, the rate of population growth must be brought under control over the long term.

Let us look briefly at each of these.

This is the First Governmental Conference, under the auspices of the United Nations, on world food and agriculture. But it is not the first international forum on the problem. At a non-governmental conference, which convened in Washington in June, 1963, President John Kennedy said:

"International cooperation, international organization, and international action are indispensable. A contracting world grows more interdependent. This interdependence requires multi-national solutions to its problems. This is not a problem for a single nation. It is a problem for the entire human race because we cannot possibly be satisfied with some nations producing too much, as the President of India said, while others produce little. . . . The first problem is to produce enough for all in a way that makes all available to people around the globe."

We have done our best to keep the commitment which President Kennedy, and other presidents and congresses, before and since, have made. As a matter of national policy, the United States has provided unprecedented food aid on a massive scale through the Food for Peace program. That legislation, and I believe that it did what we hoped it would do.

There was, in the mid 1950's, no foreseeable limit to American productive capacity. We shipped over 25 billion dollars' worth of grain and other food commodities—through sales and outright gifts—to the world's hungry and needy.

American reserves and productive but idle land were the world's food insurance. But now they are largely gone. In addition, the purchase by the Soviet Union of four of the largest food orders in history in 1972–73 further depleted those reserves and played a role in forcing food prices still higher. The world stockpile of grain is about one fourth what it was in 1961.

This does not mean that American food aid is at an end. But we need international approaches if we are to meet the world's needs effectively.

In the United States, we have had some harvest shortfalls. We have greatly increased direct food sales abroad to balance the increased costs of our oil imports. U.S. agricultural production requires a major expenditure of energy resources.

Inflation has driven up the costs of grain, thus reducing the amount of grain which the United States can buy for assistance programs. And world demand, as differentiated from need, has fluctuated wildly. It is almost certain that the United States no longer can serve unilaterally as the world's reserve bread basket.

There are, however, some things which can be done.

I have urged President Ford to have the United States join with other food surplus nations in a three-year program to meet emergency food needs. But the food surplus nations cannot alone meet and solve all of the problems of providing emergency world supplies.

A world Food Reserve System is an international responsibility, and other groups of nations hold resources without which such a system could not function. International capital is needed to finance the inventories which must be held, to assist in paying for storage facilities, and to help in meeting the spiraling costs of food production. No single nation, or single group of nations, can or should carry the whole burden.

A necessary precondition to the establishment of an international food reserve is the building of national reserves.

I have proposed a national food reserve program in the United States. I urge other nations to establish similar reserve programs so that we can join together in a coordinated international food reserve program and adopt the proposal before the World Food Conference.

At the same time, we must rationalize world market demands for food so that we will be able to meet the need. The centrally planned economies have a special responsibility in this area for better monitoring of their food and agricultural situations. But all nations need better information than that now available for effective world food management programs.

We need a World Food Information System. But this should be a tool for management of our resources, not an end in itself. Such a system is not a policy response, and certainly not an action program. It is but another necessary precondition to international protection against famine.

These are some of the things which we must do to increase the availability of food, and we must do them now.

The First World Food Congress, called by Franklin Roosevelt in 1943, met in an atmosphere of idealism and hope. The Declaration of that conference stated that:

"The primary responsibility lies with each nation for seeing that its own people have the food needed for health and life; steps to this end are for national determination. But each nation can fully achieve its goal only if all work together."

The principle that each nation must shoulder the primary responsibility for the well being of its own citizens still holds. It is vital if we are to do the job. In the determinations of national priorities, agriculture generally has received low ranking.

My second point is that food production must be increased in the developing nations.

We must recognize that, up to this decade, the developing countries have expanded their food production at least as much as their populations have grown. The developing countries have supplied most of the assistance for this effort. This has been no small achievement.

Unless steps are taken to limit population growth, most of these efforts will have been in vain.

There are other steps which can be taken by the developing nations.

Capital investment in agriculture must be accorded a higher priority.

Land reform to provide the needed incentives for small farmers is long overdue in many nations.

Realistic appraisals of the requirements for technical assistance programs are needed to guide the national and international actions.

And, beyond these appraisals, an international program of technical assistance is required where it counts most—on the farms, especially encouraging labor-intensive, small farm development.

Fertilizer production must be increased through better efficiency in existing plants and the building of new ones. The oil exporting nations have the necessary natural gas for the production of nitrogen fertilizers. This resource, coupled with western technology, offers the possibility of vastly augmented production capacity—perhaps through new plants located in the Middle East.

In addition, the oil producing nations are the only countries in the world with the necessary capital to extend the "green revolution" on a large scale, and to provide the long term credits needed for fueling existing fertilizer plants.

Better distribution of available fertilizer, both within nations and internationally, would significantly increase overall agricultural production.

Improvements in the fertilizer situation also require that priority attention should be given to crops, such as soybeans, which "fix" their own nitrogen and do not require fertilizer. Moreover, many of the native grains cultivated before the "green revolution" do not respond to fertilizer, and the selective genetic upgrading of those grains would seem to offer promise. Perhaps other plants can be induced to "fix" their own nitrogen. I have urged a major research effort in this area in the United States.

We must, then, make an intensive effort to increase agricultural production in countries not now able to feed themselves. National priorities must be reevaluated to achieve a reasonable balance between industrialization and increased agricultural production.

Needs for capital investment in agriculture must be determined and the requirements for in-country training programs set. Food distribution systems should be improved, and measures taken to curtail the loss of food through inadequate storage. Quite simply, each country must take the lead within its own borders.

These are essential conditions for effective outside assistance, and the United States can and must provide that assistance. We can organize to give food assistance while production is being increased. We can achieve that increased production with additional fertilizers and better seed, and we can provide the needed direct technical assistance.

As these national efforts go forward, the world community must address itself to the development of measures to permit the transfer of advanced agricultural technology to every sort of local situation. We must remember that over half of the food produced in the developing nations is consumed in the immediate area of production. It is here, with the small farmer, that the greatest immediate gains can be made.

I would stress, once again, that this is a matter for concerted action. It is not a matter of either "going it alone" or receiving outside help. It requires both, and each nation bears a heavy responsibility both for its own population and as a member of the world community.

The control of population growth, my third point, must be achieved in this century if we are to be successful in feeding the world, at even the barest subsistence level, over the long term. We have not been successful up to this point in promoting the widespread use of family planning methods, though we should continue those efforts. We know that as standards of living rise, and a measure of social security is assured, family size drops.

The message is clear: We must, through continued emphasis on increasing agricultural production, increasing employment, and improving food and income distribution raise standards of living beyond the subsistence level.

Jobs must be created, and families provided with a better measure of stability and security.

Parents must have some assurance that their children, on whom they have traditionally relied for their own support in old age, will grow to become productive and contributing members of the family and the society. There can be no voluntary reduction of birth rates, without this expectation of better economic security at home and throughout a nation.

There are many other areas requiring our attention.

The need for the conservation of scarce resources—energy as well as food—is a requirement for all, but particularly of the industrialized nations.

The opportunities for the development of new food resources from the sea, and better use of foods we have, are overdue for international action programs.

We need priority attention to reducing the losses of food through waste, spoilage and overconsumption.

We must expand agricultural research and development programs nationally, and coordinate them internationally.

We must assure that increased gains in protection are more evenly distributed to those who need food.

These and other variables on the food side of the food/production equation must be addressed in a realistic way by our responsible national and international agencies.

I will strongly urge that this be done in my own country,

Our time is short, and the challenge is international in scope. Our primary goal is enough food for all. At this moment, the alternatives are less birth or more death.

We must try in the knowledge that we may lose, but in the hope we will win. It is clear that if we do not find workable solutions, nature will perform the radical surgery for us.

[From the Christian Science Monitor,
Oct. 21, 1974]

FOOD FOR PEOPLE, FOOD FOR THOUGHT

(By Charles W. Yost)

NEW YORK.—The World Food Conference in Rome, which Secretary Kissinger proposed to the United Nations a year ago, adjourned last Saturday. What did it accomplish? Much less than is needed but perhaps more than might have been expected.

There are two central political problems which beset such conferences. The first is that, while both developed and developing countries are talking a great deal about interdependence, the two still tend to perceive their interests as more conflicting than congruent, and at these conferences to confront more than to cooperate with each other.

The second political problem is that both interdependence and new acute imbalances in the global economy have sprung up so suddenly that neither governments nor peoples have fully realized that a revolution has occurred, nor what drastic measures are required to cope with it.

In most cases the main lines of solutions to these problems are quite clear. Experts have been busily laying them out in elaborate detail. The trouble is, since most of them involve painful sacrifices, even radical changes in life styles, governments have not had either the farsightedness or the intestinal fortitude even to propose them, let alone to carry them out. This is just as true of the United States, for example, as of India.

To get back to food, the Rome conference was confronted both by immediate and long-term issues.

As to the first, there is already serious famine in Bangladesh and India. It seems certain that thousands, probably hundreds of thousands, will starve this winter no matter what heroic measures are undertaken now.

The Rome conference did address itself to this emergency, but it did not meet it. While world food crops are short this year there is probably enough to meet minimum needs, if funds can be collected to pay for them, and if the necessary quantities can be purchased, shipped, and distributed in time. It seems unlikely, in view of waffling in Rome, Washington, and the Persian Gulf, that these conditions will be met before considerable numbers perish.

In any case, meeting this emergency is only mouth-to-mouth resuscitation. It does not deal with the horrendous underlying problem, that of feeding a potentially infinite multitude with relatively finite loaves and fishes.

Nor is the problem only one of food and population. It is also a problem of fuel and fertilizer, of water, of poverty, of pests, of technology, of antiquated social systems, even perhaps of climate.

Neither developed nor developing countries can slough off responsibility onto the other. Famine is partial to the poor, but its political and moral consequences strike impartially.

Food production, while unevenly distributed, kept well ahead of population growth during the '50's and '60's. Records suggest, however, that that was a time of unusually favorable climate, which may not be repeated for years to come. Nor will the agricultural technology, so enormously successful in North America and Australia, be easily transmitted to such very different societies as India, Africa, and the Soviet Union.

Nevertheless, the rich countries have immediate obligations to prepare for the future. They, including the rich oil producers, must create, maintain, and finance large reserve stocks of grain. More important and more difficult, they must reduce their enormously wasteful consumption of food, particularly meat.

But the poor countries cannot expect continuing help if they do not do what lies in their power to reduce the burden. Most of all, they must find effective means, not only technical but social, of checking their population growth. This is not a question of the rich denying life to the poor, as the Pope suggested, but of establishing a necessary balance between lives and bread, without which millions of babies will be born merely to starve.

Moreover, the developing countries must turn to a much more intensive development of their own agriculture. Here, rather than in the rich countries, lies the greatest potential for substantially expanding global food production.

The rich countries can and must help with technology, with fuel and fertilizer at tolerable prices, with a broad range of economic assistance far in excess of recent levels. By enhancing standards of living and social security, these measures will make stricter family planning socially feasible.

The developing countries, however, no matter how much technical and financial aid they receive, will not be able in most cases to expand agricultural production massively without social changes which will loosen the stranglehold of privileged elites and release the energies of their whole populations. This will be their most rigorous test and trial.

At Rome there was indeed created a new United Nations World Food Council with a mandate to set up an agricultural development fund, a fertilizer aid program, a pesticide aid program, an irrigation program, a nutrition aid program. The conference, moreover, called for recognition of women's role in food and agriculture and for "achievement of a desirable balance between population and food supply."

Plans and promises are fine, but by themselves they do not constitute a nourishing diet. Will they be carried out—in time?

[From the New York Times, Nov. 19, 1974]

Food Parley: Plans Laid for Future Action

(By William Robbins)

Rome, November 18.—Delegates to the World Food Conference convened here Nov. 5 to try to shape a broad international plan for eradicating hunger. By adjournment early yesterday, they had produced a number of resolutions containing the outline of systems that might eventually achieve that goal if developed and fully put into operation.

Many had hoped, however, that the delegates could do something to meet the immediate needs of the vast numbers of people who, it is feared, may die of starvation or malnutrition before any long-term plans to aid them can be put into final form.

While such problems were not solved here, representatives of the major food-exporting countries, who met during the conference with Addeke H. Boerma, director general of the Food and Agriculture Organization, are due to meet here again on Nov. 29 at his request. As a result of the Food Conference, the participants in the new meeting may have a clearer picture of how great the immediate problem is and how much food could be made available to meet it.

STRESS WAS ON LONG TERM

One of the complications here was that the preparations for the food conference did not reflect the parallel deterioration in the world food situation.

The committee structures for the conference were fashioned to deal with long-term problems, and plans made in the form of draft resolutions by preparatory groups continued to follow the aims suggested by the organizers even as crop prospects worsened.

The change in world food conditions came between September, 1973, when Secretary of State Kissinger proposed the food conference in a speech at the United Nations, and Nov. 5, when the delegates met in the Palace of Congresses on the outskirts of Rome under auspices of the Food and Agriculture Organization, a United Nations agency.

Many countries faced the threat of famine as a result of widespread weather disasters, among them drought, floods, inopportune rains that delayed plantings or early snows and frost that damaged crops.

While the framework of the food conference remained unchanged, the threat of widespread famine heightened the sense of urgency about the work of the delegates here. National leaders who spoke at the meeting were not prevented by the long-term focus of the agenda from announcing to the world what they intended to do about the immediate threat.

MAJOR SPEECH BY KISSINGER

Attention centered on opening day on Secretary Kissinger, who delivered what was considered to be the keynote speech.

There were widespread hopes that he would announce a large increase in aid from the United States and that his speech would start a wave of pledges that might meet the needs of the most seriously threatened countries—Bangladesh, India, Pakistan, Sri Lanka and Tanzania. Primary concern had shifted to these nations from the sub-Saharan regions of Africa, where a season of rains has eased the disastrous effects of a long drought.

Hopes for such a United States pledge flourished even though there had been clear signals that no such move would be forthcoming at the conference.

Mr. Kissinger gave none. But expectations rose after several Senators persuaded Secretary of Agriculture Earl L. Butz, the leader of the American delegation, to send a message to President Ford asking for permission to commit the United States to increase its emergency food aid to nations threatened with famine from one million tons to two million.

But even as they waited for a reply—which was eventually negative—the delegates were working to shape programs based on the hopes they had brought here.

DEVELOPMENT AID SOUGHT

Aside from the primary hope of famine-threatened countries like Bangladesh for immediate relief, their delegates and others came here with a variety of goals, not all of which could be met because of basic conflicts.

Nearly all the developing countries wanted more help in programs for development of agricultural resources, such as improvement of irrigation systems, and increased supplies of fertilizer and pesticides, products that were in nearly as short supply as food.

Many wanted pledges of food assistance until those development projects could begin to raise food output.

But some, like Liberia, were not even agreed on that. James T. Philips Jr., Liberia's Minister of Agriculture, said he thought any aid should be given in cash on the ground that shipment of free or low-priced foreign commodities tended to stifle production in recipient countries.

"Agricultural development responds to price incentives," he said.

Many other developing countries wanted preferential treatment for their exports.

Major donors among the developed countries wanted assurance from poorer nations that they would give greater emphasis to agriculture in their efforts to become more nearly self-supporting.

In particular, the United States which has long been the major source of food assistance for distressed countries, wanted other governments, especially those of the newly rich oil-producing countries, to provide more help.

The delegates adopted resolutions calling for a 10-million-ton-a-year food aid program and envisioning an international grain reserve system, with supplies to be built up by cooperating nations in years of plenty to guard against future emergencies. They also approved a proposal for an early warning system to provide for the sharing of information on crops, supplies and any major projected changes in demand.

For the longer term, they agreed on a resolution calling for an agricultural development fund, an idea proposed by a group including oil-producing nations, and they approved programs for irrigation, fertilizer, pesticides and nutrition assistance.

But all these are mere outlines on paper until specific action is taken to put them into operation. There were few specifics beyond the 10-million-ton figure for the food aid plan.

Edwin M. Martin, deputy chief of the American delegation, observed as the conference closed that the success of that plan would depend on whether some new donors of cash or supplies would come forward.

Noting that no cash donations had been pledged, he said he could give no assurance that the United States would participate without some indication of large new sources of money. This was a clear allusion to the oil producers.

"We already have adequate outlets for our money," he said. "We are not looking for new places to spend it." .

For all of these resolutions, it is generally agreed, success will depend on negotiations still to be conducted and machinery still to be established.

Responsibility for that is to be placed on the World Food Council, a new agency to be set up by the United Nations General Assembly, and a consultative group on food investment and production, which is to negotiate details of the food-aid system, including national responsibilities.

The new food council is to be responsible for coordinating the work of the new programs proposed here as well as that of existing institutions, such as the World Food Program and the United Nations Development Fund. But, Mr. Martin said, "It is a coordinating body without teeth."

Despite all the uncertainties, delegates were generally pleased by what they had started.

Summing up today, Mr. Boerma, the Food and Agriculture Organization's director, remarked to his own council: "I regard the results for the long term as extremely promising."

But he added: "There is still a very grave problem affecting the food supply of millions of people over the next few months."

FREEDOM FROM HUNGER FOUNDATION ROLE AT WORLD FOOD CONFERENCE

Mr. HUMPHREY. Mr. President, along with many of my colleagues from both sides of the aisle, I have just recently returned from the World Food Conference at Rome. The subject matter of this historic U.N. Conference, and the problems of implementing its decisions, will be with us in Congress for some time to come. I will have more to say, from time to time, on several of the specific issues.

Many of us would have liked to have seen more specific results come out of the conference. Most of us know, however, that such a forum is just a beginning.

What really is important is to have the American people understand the problem, understand what many of us are trying to do about it, and understand how vital it is to those of us in Congress to have public awareness and support for what we are trying to do.

At this time I would like to express to the Senate my personal appreciation and recognition of the important role played in this conference by the nongovernmental organizations. I particularly commend the leadership on their behalf at the conference by the American Freedom From Hunger Foundation and the World Hunger Action Coalition.

Over the years I have been personally very concerned with this question of using our food producing ability to adequately reflect the true spirit of America—the soul of America—the meaning of America—to the rest of the world. Nowhere have I found this more effectively demonstrated than by the great role played over the last 20 years by such people-to-people organizations as CARE, Catholic Relief Services, Church World Services, Lutheran World Relief, the Jewish Joint Distribution Committee, and other similar groups of either sectarian or non-sectarian nature which primarily were concerned with the well-being of people, everywhere—at home or abroad.

One of the greatest advocates and supporters of this spirit of true American voluntarism over the years has been a former associate, Herbert J. Waters, who once was my administrative assistant.

I feel confident in saying the leaders of all these groups will agree that Mr. Waters continually has been their champion—whether it was during his years as a Senate staffer, during his years as a

Presidential appointee in the International Cooperation Administration and then the Agency for International Development, or since then as a private businessman. He has contributed generously of his time and earnings doing volunteer work as president of the American Freedom From Hunger Foundation, a nonprofit group founded at the request of the late President Kennedy. The Freedom From Hunger Foundation has been endorsed by Presidents Eisenhower, Kennedy, Johnson, and Nixon—an endorsement and recognition I hope will be continued by President Ford.

The foundation is the American volunteer arm of the worldwide Freedom From Hunger Campaign launched 15 years ago by the Food and Agriculture Organization of the United Nations—anticipating long before most people the problems now confronting us.

It was the American Freedom From Hunger Foundation that took on the responsibility and leadership to create a World Hunger Action Coalition for this year of the World Food Conference. It mobilized more than 75 organizations behind common goals and objectives and awakened the public as to why this international conference was of such significance.

It was the American Freedom From Hunger Foundation that fought for and won the right to maintain effective liaison, under the coalition banner, for all interested American nongovernmental organizations to have a voice in the World Food Conference, and a route of communications to our official delegation.

It is to the credit of Mr. Waters and his leadership that he kept this effort focused on the goals and objectives, and away from partisanship.

He selected as cochairmen of the advisory committee of the coalition Senator PERCY, a Republican, and Governor Shapp of Pennsylvania, a Democrat. He sponsored nongovernmental forms in Rome where he gave opportunities for congressional Members to be recognized and heard whether they were Democrats or Republicans, and he made certain that representatives of both parties were heard.

Without ever muting his own deep concern that the administration was not doing enough, he brought together leaders of these nongovernmental organizations with the counselor to the President, Anne Armstrong, just as quickly as he brought them together with myself or Senator CLARK. In fact, he exemplified the finest in the tradition of volunteer service that puts the cause of humanity ahead of any other objective.

All of us who were there, I believe, were impressed with the responsibility of his leadership. I have heard this from my colleagues as well as from members of the administration who did not always agree with what the voluntary organizations were saying.

Mr. President, I am paying this personal tribute not just for Mr. Waters, but for the organization and organizations he represents, because I believe they are vital to our country. We in Congress know that in the long run it is the views of the people we represent that count. These organizations help educate the people, and crystalize and vocalize their views into effective action. This effort must go on.

I know these groups intend to continue their vigorous efforts—and I commend them for doing so.

Mr. President, I ask unanimous consent that the statement issued by the president of the American Freedom From Hunger Foundation and the World Hunger Action Coalition at the conclusion of the World Food Conference in Rome, and a declaration by nongovernmental organizations participaing in the World Food Conference, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Statement by Herbert J. Waters, President, American Freedom From Hunger Foundation; Chairman, World Hunger Action Coalition

We're going home to ask one million Americans to join us as "hunger fighters".

The fight has just begun.

We came here after sponsoring a Week of Concern in the United States in October as climax of six months' efforts to awaken the consciousness of the American people. We said then that we knew a Year of Concern would be necessary, and probably a Lifetime of Concern, to really significantly change the world's drift to its own destruction.

We found we were not alone. Nearly 300,000 Americans signed petitions proclaiming their willingness to share even if it meant sacrfice. We think we had some impact on our Government, and on its policies.

But we know we have just scratched the surface of creating a real groundswell of public concern.

We are not as discouraged as some may sound. From the very beginning we cautioned that this conference would be a starting point, not a conclusion.

People can't eat resolutions. I know. I have walked and talked with hungry people in countries all over the world. I know what the U.S. Government has done in the past and now—and I appreciate it. In many ways, the Government has done better than many of us had expected—and better than many others. Yet it is still far from enough.

The real answer is still with the people. Governments reflect the real desires of their people—if people are persistent enough. We intend to go to the people. We think more can be done educating our own people. We think more can be done by the power of people at home than by just browbeating tired and weary delegates already locked into government position papers, and still too unwilling to give up political jockeying for the sake of humanity, still unwilling to put moral imperatives ahead of private advantage. We say this for all countries, not just ours. We have seen more concern among people of the United States for hunger at home and elsewhere than we have seen in some countries professing the greatest concern for people, and even among leaders of some countries where the human suffering and degradation is most acute.

We may still see millions die, of hunger, in our lifetime. But I am convinced this conference has been a turning point. We are coming closer to accepting the global nature of finite resources. We have come closer to accepting moral responsibility as part of the consideration in looking at economic realities. We have started something here that won't—and can't—be turned off.

It is time for all of us in the world to start looking inward, instead of pointing fingers at someone else, and consider what we are doing, or not doing, ourselves, toward making this the kind of world we want for our children and grandchildren. Many development ministers and delegates of other countries here have told me they could have done more, if their people had shown enough concern. The same thing is true of the United States.

We hope other non-governmental organizations—citizens' organizations—will join us in not just clamoring about injustices that do exist but instead turn to mobilizing public support to compel whatever shifts of resources and technology are necessary to bring the world into a better balance of opportunities for a decent life for all.

Declaration by Nongovernmental Organizations Participating in the World Food Conference at Rome in November 1974

Aware of the heavy responsibilities of their worldwide constituencies, shared with Governments and Inter-Governmental agencies, as they met on the most critical issues facing the welfare of the human race.

Endorse the positive actions undertaken during the Conference.

Pledge full and intensified support to the efforts of the United Nations and its agencies, especially FAO and UNICEF, and other Inter-Governmental organizations, as well as Governments, to improve food production, arrive at more equitable distribution and raise levels of living. In particular:

(1) By using fully the powers and responsibilities derived from having consultative status with the United Nations and its agencies;

(2) By influencing public opinion through information and educational services, at all levels, calling on the press and other mass media;

(3) By interdisciplinary research, turning technological advance towards alleviating the scourge of hunger, from the field to the kitchen;

(4) By intensifying their operational activities, including fund-raising, exploring new ways of being of assistance, both short-term and long-term;

(5) By expressing human solidarity on a person-to-person basis, in mutual respect, in imaginative action to alleviate urgent needs for food.

Encourage all Non-Governmental Organizations and other voluntary bodies to assert their important catalytic and substantive role at local, national and international levels. This includes efforts to strengthen those organizations, in every part of the world, working on behalf of vulnerable and disadvantaged groups.

Appeal to Inter-Governmental agencies and Governments alike to make full use of the human and material resources available through Non-Governmental bodies, including agriculture and industry, on the basis of the following principles guiding their combined actions:

(a) Every human being has the right to a regular supply of food, adequate for his or her total development. Basic nutritional needs in infancy must be met at whatever cost;

(b) Human beings must not starve within a world where there is sufficient food for all, even if this means changes in the wasteful food habits of affluent people, wherever they live;

(c) Hunger or food must not be used by any group, nation or group of nations as a political tool or weapon;

(d) Food and other assistance must be made available as an expression of social justice and fundamental human right;

(e) Food security and the maintenance of adequate, readily available reserves must have at least as high priority as military security;

(f) Secrecies on trade, crop, food and nutritional situations must cease to be used in a world which requires openness for early warning system against hunger;

(g) Human development in rural family life must come from the combined efforts of men and women all around the world, living in dignity and with adequate and stable income, working together to increase production and reduce waste, while respecting the environment as a base for feeding future generations;

(h) The ultimate success of technological improvement and Governmental and Inter-Governmental action depends upon the development and mobilization of the human race potential—including training for appropriate skills—of every country and community.

The NGO's assembled in Rome have identified a number of crucial areas for early action:

I. Immediate follow-up action is needed to ascertain necessary levels of emergency food aid, food security stocks, fertilizer supply and capital funds for agricultural development. NGO's will use their influence on legislative bodies to urge governments to reach the necessary goals, as established by the Conference.

II. The implementation of the recommendations and decisions of the World Food Conference requires the operation of an institutional framework to guide the activities of Inter-Governmental agencies, Governments and Non-Governmental bodies beyond the immediate future. NGO's offer their assistance in their concerted effort.

III. This World Food Conference, following closely the World Population Conference and the establishment of the U.N. Environmental Programme, must be seen as a component of integrated development, aimed at in the second half of the Second Development Decade, and beyond.

IV. Problems of food and nutrition, energy, water, pollution, depletion of resources, population, status of women and trade relations are all aspects of a profound change in world society. The NGO's have a particular task, through analysis and educational and informational services, in making people the world over aware of this change and helping them to cope with it.

V. Last, but not least, all these efforts would come to naught in case of major war or violence. NGO's will actively strive to eliminate, wherever possible, the underlying causes of international conflict and urge a drastic reduction of the world's armament budgets, the savings to be allocated toward integrated socio-economic development, including food production and purchases.

THE COUNCIL ON WAGE AND PRICE STABILITY—A TOOTHLESS TIGER

Mr. HUMPHREY. Mr. President, we are in the midst of the worst inflation in the past 25 years. Consumer prices are rising over 12 percent a year and wholesale prices have risen over 22 percent this past year alone. We are not just suffering from a double-digit inflation, we are closely approaching what can only be described as runaway inflation.

This inflation has been building for a long while. And, the long-term effects on consumer prices of this inflation are hardly believable. Since 1967, which is only 7 years ago, consumer prices have risen 53 percent despite 3 years of price controls. In that same period, food prices alone have soared 66 percent. More recently, we have seen medical prices rising at an annual rate, since the spring, of over 17 percent. Oil, gasoline, and motor oil prices have in some cases, more than doubled, with gasoline alone up close to 80 percent this past year.

Mr. President, what we have seen, and are today seeing, is sectoral inflation. In this kind of inflation, certain sectors of the economy, like energy and food, rise at extraordinary rates and push prices up in many other sectors of the economy. Experience has proven that across-the-board deflationary policies of tight money and high interest rates are especially ill-suited to deal with this kind of inflation. No better proof of the inappropriate nature of such broad deflationary policies exists than the economic facts of the last 6 months. Despite a 50-percent cut in the growth of the money supply and a turn toward a balanced budget, we have seen consumer prices accelerate, and rise faster than at any time during the previous 25 years. Broad, deflationary policies, indeed, cannot deal effectively with sectoral inflation.

A leading source of rising consumer prices, and a glaring indicator of a raging inflation to every person who buys the family groceries, is the explosion in the price of sugar. Sugar has soared almost 400 percent in just the past one-half year. Housewives and bakers are outraged with the seemingly endless barrage of major price rises in sugar. News reports suggest that the rising prices result from a combination of supply shortages and excess commodity speculation by oil producing nations, as well as by American processors who will doubtlessly report record profits this coming spring. They reportedly bought when prices were low and withheld sugar from the commodity markets to force prices up. They turned a short-run, modest sugar shortage, of less than 1 year's duration, into a massive speculative windfall.

The Council on Wage and Price Stability has been conducting hearings Monday and Tuesday of this week on the sugar price hikes. That is fine, as far as it goes. Unfortunately, even if these hearings revealed an enormous pattern of collusive speculation by middlemen—speculation clearly designed to take advantage of advance information, for example—there is literally nothing the Council on Wage and Price Stability can do about it.

As I have said many times, Mr. President, what is needed is a strengthened council. We need a council with some teeth. Its only capability now is based on the goodwill of firms in inflationary sectors of the economy, their willingness to come forth at public hearings and testify. It has no subpena powers and can neither confirm nor deny statements made by such firms. It cannot effectively cross-examine witnesses and cannot even require that a particular witness testify before it. It is a toothless tiger in an economic jungle of commodity speculators, oil country wheeler-dealers, and Latin American sugar barons. It is no wonder the consumer has no confidence in his Government when that is the only kind of help the Government offers.

I reiterate that I do not see the need for across-the-board wage and price controls at this time. Most of the working men and women and business firms in America are not receiving inflationary price and wage increases. It is only in a few sectors that we need some sort of mandatory monitoring and control mechanism over prices. This is most necessary in those industries that have such market power as to be able to virtually set prices.

I think the Council on Wage and Price Stability, if given some teeth, can adequately perform the monitoring and control functions. It needs subpena power. It needs authority to roll back prices that gouge the consumer. It needs teeth. That is the best way to achieve control over sectoral inflation. That is the way to put an end to inflation in sugar. That is the way to avoid a massive deflationary monetary and fiscal policy which has given us a deep and deepening recession— which is not reducing prices for oil or food—and a recession which is necessary. Finally, that is the way to restore the confidence we so badly miss in our economy and in the ability of the administration and Congress to lead us out of stagflation.

Mr. President, I ask unanimous consent that two news articles regarding hearings by the Council on Wage and Price Stability on sugar prices be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 26, 1974]

REFINERS, GOVERMENT BLAMED FOR SUGAR COST

(By James L. Rowe, Jr.)

The soaring price of sugar was blamed yesterday on factors ranging from profiteering and monopoly practices of suger refiners and processors to an excessive Agriculture Department estimate of U.S. needs last January.

The assessments came as the Council on Wage and Price Stability opened two days of hearings on rising sugar prices.

The United States, although a major sugar producer, imports about half the 11.5 million tons of sugar it consumes.

The world price of sugar is more than five times as high as it was a year ago and retail sugar prices are up nearly four times.

A council staff report by agriculture economist Bruce Walter said that while there are a number of factors that have increased sugar prices, "The basic economic reason that sugar prices are high is that since crop year 1970–71, the world has consumed more and, hence, has seriously depleted its stocks."

Furthermore, Walter said, "The short-run outlook for sugar prices is not encouraging. The supply-demand situation will probably remain very tight for the next year or two at least."

Small retail bakers said that the cost of sugar is putting them out of business—a spokesman claimed that small bakeries use as much sugar as they do flour—and urged the government to subsidize sugar prices for consumers and industrial users for a year.

The United States is one of the few major countries that does not subsidize sugar prices to consumers. For example, on Nov. 1, when the raw sugar price was 49 cents a pound at Caribbean ports, the retail price was 56 cents in the United States, 16 cents in the United Kingdom and 20.3 to 22.4 cents in France.

As a result even when world prices are high there is no pressure on consumers in many countries to slow consumption.

Consumer groups, including the Consumer Federation of America, called for a boycott of sugar. Others recommended that the nation cut back its sugar consumption, that an antitrust investigation of the sugar industry be stepped up, and that the tiny 0.625-cent-a-pound tariff on sugar imports be eliminated.

The council hearings produced a wide variety of often conflicting testimony on the sources of the sugar price spiral.

Cane sugar refiners and sugar beet processors came under heavy fire from consumer groups and several congressmen who charged they were profiteering because of the sugar shortage.

Great Western United, the nation's largest sugar beet processor, recorded a 12-fold profit increase in the third quarter from $1.17 million to $14.87 million. Amstar Corp., the country's biggest sugar refiner, saw its profits more than double, from $14.87 million to $31.41 million.

Carol Tucker Foreman, executive director of the Consumer Federation of America, charged that sugar companies "buy low from farmers and sell high to consumers."

But the council's staff report said that while there have been "windfall profits" throughout the sugar industry, the major beneficiaries have been the growers. From the third quarter of 1973 to the third quarter of 1974, "the growers' share of the retail price of sugar jumped from roughly 42 percent to 55 percent."

Refiners' profits account for less than a cent-a-pound of the 50-cent jump in retail prices, according to a study by economic consultants Robert Nathan Associates, Inc., conducted for the U.S. Cane Sugar Refiners Association.

The Agriculture Department's projection last January that U.S. sugar consumption would climb from 11.5 million tons in 1973 to 12.5 million tons this year fueled the rise—pushing the price of sugar up 50 percent overnight, according to Rep. Dawson Mathis (D-Ga.), a member of the House Agriculture Committee. The U.S. now is expected to consume about 11.5 million tons this year.

Rep. Peter Peyser (R-N.Y.) charged that the Soviet Union and the oil-rich Arab countries have been colluding to drive the price of sugar up on world markets. Treasury Secretary William E. Simon, who opened the hearings, said the Treasury has studied large Soviet and Arab purchases "and I can report to you this morning that we find no evidence of a conspiracy between them to hoard or drive up the price of sugar. That is one idea we can dismiss immediately."

[From the New York Times, Nov. 25, 1974]

Inquiry Hears of Windfall In Sugar Industry Profits

(By Eileen Shanahan)

Washington, November 25.—A Government staff study made public today concluded that "all sectors of the U.S. sugar industry" have realized "very large windfall gains" from the recent big increases in sugar prices.

The study, which was made public as the new Council on Wage and Price Stability opened two days of hearings on the sugar situation, did not attempt to fix any blame for the rise in sugar prices.

Its author, Bruce Walter of the council's staff, merely analyzed what had happened in various sectors of the sugar industry, concluding that all of them, including the growers of sugar beets and cane, had shared in the "much higher" profitability of sugar.

Other witnesses at the hearing included producers and refiners of sugar and both individual and commercial consumers. Among the less familiar assertions and arguments that they made were the following:

Carol Tucker Foreman, executive director of the Consumer Federation of America, said that a "gross mistake" by the Agriculture Department in January, which publicly predicted a million-ton increase in United States sugar consumption this year, had helped to create the rise in sugar prices. The estimate would have proved excessive, even if the jump in prices had not discouraged sugar consumption, she said.

Ellen Haas of the National Consumers League suggested that the council, which has no power to order price cuts, determine what a fair price for sugar would be and to publish this figure as a "guideline" for the industry and consumers.

William A. Quinlan, general counsel of the Associated Retail Bakers of America, said that many of the nation's 20,000 bakeries, most of them small, neighborhood businesses, were threatened with bankruptcy because of higher prices of sugar, shortening, eggs and other ingredients. He asked for an emergency subsidy by the Government to bring down sugar prices to consumers.

Elinor C. Guggenheimer, who is the Commissioner of New York City's Department of Consumer Affairs, proposed that Congress repeal the tariff on sugar, which is 0.625 cent per pound on raw sugar. "There is no longer any need to protect our domestic industry from import competition, and such tariffs only add to our already incredibly high prices," she said.

AGREEMENT ON ONE FACTOR

Among the many, sometimes conflicting reasons given by various witnesses for the near-quadrupling of sugar prices in the last year, there was one essentially undisputed reason—world demand for sugar has risen faster than world production.

In general, producers and refiners of sugar saw this as the whole reason for the price increase, whereas representatives of both commercial and household users of sugar felt that the underlying supply-and-demand picture was only part of the cause.

Other causes suggested by one or more witnesses included the following:

Speculation in sugar futures, which is less regulated than it might have been had the Nixon Administration not opposed legislation imposing more regulation.

Speculative purchases of sugar by Arab nations that are using the profits from oil to make additional money in sugar.

The uncertainties created by Congressional refusal to extend the Sugar Act, which for decades put a floor under the prices charged for sugar in the United States by limiting how much sugar could be imported.

Profiteering by sugar producers, especially those who refine sugar from sugar beets rather than cane. The refining process for beets is simpler than for cane, several witnesses point out, and the cost of raising sugar beets has not risen the way the world price for cane sugar has.

PROFIT INCREASES CITED

Witness after witness representing users of sugar cited the large increases in profits this year of sugar refiners—more than 400 per cent in the case of the Amstar Corporation, the largest 1,200 per cent in the case of the Great Western United Corporation, and even more in the case of at least one smaller refiner.

Edward D. Hollander, a consulting economist representing the cane sugar refiners, said that a year ago, "the sugar refining industry was operating almost without a profit" because of price controls.

He said that industry profits, even if calculated on a basis that counts as profit the windfall from the increased value of sugar inventories, amount to "just over 1 cent a pound." The increase that this profit represents from the "fraction of a cent" that was realized in earlier years is "so small as to be hardly relevant to the increase we have seen in the prices of raw and refined sugar," he added.

A grand jury has been investigating possibly illegal marketing practices by the industry and is expected to bring indictments, according to several witnesses. But these witnesses also said that the industry practices that have been investigated by the grand jury do not extend into this year, when the huge price increases took place.

A class action suit filed in Denver Federal court has charged that the Great Western United Corporation's sugar subsidiary shortchanged sugar beet growers by $246.3-million.

The suit filed by a Kansas sugar beet grower, alleged Great Western "deliberately" paid growers less than what they were entitled to under existing contracts in order that the sugar company could meet its preferred dividend obligations and to satisfy the preferred stock's sinking-fund obligations.

The suit charged that Great Western told growers on Nov. 4 it would pay $26.25 a ton, plus an expected Government payment of $2.33 a ton.

But under the terms of the 1974 contract, the suit said, Great Western should have paid growers an initial $80.61 a ton, since the contract ties the price of sugar beets to the average net return to Great Western on sugar.

BLAME FOR DISASTER IN THE HOUSING INDUSTRY

Mr. HUMPHREY. Mr. President, on occasion, we in Congress are accused of being divisive, of being too partisan and seeking to place blame rather than find solutions to problems confronting our Nation. It is also said that we are not able to formulate and carry forth economic policies because we speak with too many voices.

There is a certain truth to all of this. At times we do speak with too many voices. But, Mr. President, when we speak with one voice, as we did in passing the $7.75 billion housing assistance legislation recently, we expect the administration to listen. It seems that it did not.

This housing assistance was authorized in response to the dismal housing picture through July 1974. In that month housing starts nationally had fallen to 1.3 million units at an annual seasonally adjusted rate, a decline of 40 percent since 1972. Building permits issued, a good indicator of future trends in housing construction, had fallen to an annual rate of some 950,000 units. Unemployment in the construction industry was at 10 percent. Clearly some strong action was needed.

In recognition of this disaster, and in an effort to ameliorate the unequal burden on the housing industry of the administration's tight money policy, Congress voted to supply some $7.75 billion in needed housing assistance funds to the mortgage markets. This would be a 50-percent increase in such Federal assistance funds, and a boost badly needed to reduce interest rates and make mortgage money available.

Mr. President, it was a strong, positive step taken by Congress to reduce unemployment and to keep down interest rates. It would not be inflationary because of the high level of idle capacity in the construction industry. Yet, things got worse, much worse, not better. We are now in the midst of the worst housing depression since 1970. Unemployment in the construction industry exceeds 12 percent. Housing starts in October fell for the fourth straight month to an annual seasonally adjusted rate of

1,124,000 units, 33 percent below the rate in October 1973 and 10 percent below July.

And the prospects for a future recovery are bleak. Building permit issuance reports indicate further sharp declines in the months ahead. In fact, the October figure of 802,000 building permits issued at an annual rate is the lowest since December, 1966. The number of building permits issued nationally has fallen now for 7 straight months.

The Congress took strong action this fall to reverse this depression—a depression which has resulted in less than one-half of the building which is necessary for everyone to enjoy decent housing. This depression has seen housing starts fall by 55 percent since 1972, and building permits being issued fall by an incredible 65 percent since that same year. But clearly, things did not go as Congress expected. The housing industry continues to be a disaster sector. Housing starts continue to fall to depression levels. Mortgage bankers and thrift institutions are not significantly increasing their mortgage lending activities.

What has happened to short-circuit the Congress' effort to stimulate housing?

There is one major answer: President Ford has not yet acted to utilize these housing assistance funds.

In fact, as of today, less than $2 billion of the authorized $7.75 billion in assistance funds has been released by the administration. There are apparently no plans at all for releasing $4.75 billion of these funds. This is a serious situation and one which must not be permitted to continue. The Congress has sought to deal with the housing depression, but it is blocked by the President's inaction.

The President has not specified the reasons for his refusal to utilize the resources made available by Congress for housing. Are these funds inflationary? No. Are these funds not wanted by the housing industry? No, they are desperately wanted. Will the use of these funds increase unemployment? No, it will serve directly to reduce unemployment. Will the use of these funds raise interest rates? No, it will force them down. Will the use of these funds worsen our recession? No, it will directly cause production to increase.

So there we have it, Mr. President. Congress acts to reduce interest rates, to reduce unemployment and to increase output, and the President still appears unwilling to implement what we have done. By not utilizing even one-half of these housing assistance funds, he may ultimately have to take the blame for the results of inaction now.

The housing industry will recover eventually. Interest rates on mortgages will one day fall below 10 percent. And most of those unemployed carpenters, plumbers, bricklayers, and ditch diggers will someday find new jobs to take them off the welfare roles—where they do not want to be in the first place. And they will remember who authorized the substantial $7.75 billion in housing assistance funds when times were tough and getting tougher. They will also remember who delayed using even one-half of those funds that could put them back to work.

Mr. President, I urge all of my colleagues to join me in calling on President Ford to pick up the slack and use the full amount of housing assistance funds we made available to him. We are not asking him to take a bold new step. The Congress did that. But we cannot carry through to the end and significantly help the housing industry if he fails to act promptly.

Mr. President, I ask unanimous consent that an Associated Press article in the Washington Post of November 18, 1974, on the serious decline in housing starts, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOUSING STARTS DROP BY 0.7 PERCENT IN OCTOBER

The number of new houses started by builders edged further downward in October, the government reported yesterday, deepening the slide that has gripped the industry for two years.

The Commerce Department said new starts dropped for the fourth month in a row to a total of 1.124 million units at an annual rate. The rate was off by seven-tenths of 1 per cent from September.

It was the latest in what has been a steady decline from 1972, when new homes were being started at a rate of 2.3 million a year.

The Commerce figures indicated further deterioration in the home building industry in the months ahead. The number of building permits issued during the month totaled the equivalent of 802,000 units.

It was the seventh monthly decline and the fewest building permits issued since the 743,000 handed out in December 1966. Permit issuances usually anticipate new starts by from three to six months.

The steady drop in home building comes despite transfusions of nearly $20 billion by the federal government this year to ease a scarcity of loans for home buyers and high interest rates.

Savings and loan associations, which provide the bulk of money for home buying, have reported they expect to have more money to lend in the months ahead. And interest rates have eased slightly from the national average in excess of 10 per cent.

But unlike earlier expectations that a healthy housing industry this year would lead the way to a general economic recovery, industry officials now expect it will be well into 1975 before any upturn in housing is possible.

The National Association of Home Builders estimates that housing starts will drop to 1 million or lower this year. That's half of what the Department of Housing and Urban Development has estimated as necessary to provide Americans with decent housing.

PROPOSAL FOR A FEDERAL INLAND WATERWAYS ADMINISTRATION

Mr. HUMPHREY. Mr. President, in a letter to the Secretary of Transportation earlier this month I strongly urged that serious consideration be given to the establishment of a Federal Inland Waterways Administration within the Department of Transportation.

I believe this reorganization proposal requires priority attention in light of the vital importance of our inland waterways and the increasing demands being placed on this transportation network.

Major sectors of the economy in Minnesota, as well as many other States, depend upon inland waterways freight carriage. The Port of Duluth is the lifeblood of that area, and the upper harbor in Minneapolis and St. Paul is vital to industrial development.

By 1972 the amount of freight carried on our inland waterways had doubled in only two decades, to over 338 billion ton-miles. One-fifth of all the Nation's freight is transported on the inland waterways.

Therefore, I find it incredible there is no single agency in the Federal Government with overall responsibility to initiate and coordinate policies and programs for the development and improvement of the waterways and transportation, and to coordinate regulatory functions to promote safe and efficient transportation in this system which is so vital to our national interests. Instead, there appears to be a confusing matrix of responsibilities shared by at least seven Federal agencies. Whatever the capabilities and accomplishments of these agencies may be, the lack of an organization plan and program for integrated transport regulation and development on the inland waterways can only have an adverse effect upon carriers, shippers, and consumers.

Mr. President, I believe the establishment of a Federal Inland Waterways Administration merits Senate consideration and action early in the 94th Congress. I ask unanimous consent that my letter to the Secretary of Transportation be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 6, 1974.

Hon. CLAUDE S. BRINEGAR,
Secretary of Transportation,
Washington, D.C.

DEAR MR. SECRETARY: As you may know, over the years I have been a strong exponent of the development and utilization of our Nation's inland waterways as a cost-effective transportation system and as a vital component in regional development and in the promotion of commerce for associated port facilities.

There appears to be no clear line of authority in the executive branch with respect to inland waterways development and commerce. Rather, responsibilities appear to be shared by the U.S. Army Corps of Engineers; the Federal Communications Commission; the Maritime Administration of the Department of Commerce (Office of Domestic Shipping); the Interstate Commerce Commission (regulating some 16 percent of inland waterway ton-miles); the Federal Maritime Commission (with respect to coastal ports); the Department of Transportation—specifically, the U.S. Coast Guard and the St. Lawrence Seaway Development Corporation; and the Tennessee Valley Authority.

However, commerce on our inland waterways is of major importance. In 1972, freight carried on inland waterways and the Great Lakes reached over 338 billion ton-miles. This was more than twice the freight carriage level in 1950. About one-fifth of all the Nation's freight is carried on the inland waterways—consisting chiefly of coal, grain, sugar, iron ore, forest products, petroleum, chemicals, sand, and large semi-finished and finished products.

This commerce is highly important to the economy of Great Lakes ports, including Duluth and other Minnesota terminals. In addition, the inland waterway ports of Minneapolis and St. Paul handled over 6.4 million tons in 1970, and even this amount is small in comparison to the tonnage handled by such major inland ports as St. Louis, Memphis, Baton Rouge, and New Orleans.

The dramatic dimensions of our inland waterway system and its major impact on commerce are probably not generally well known. We are talking about a system that includes 25,543 miles of federally improved navigable inland channels, exclusive of the Great Lakes, and where 38 states with 95 percent of the population have commercial transportation services by vessels. We are describing a large-scale ship-building and carrier industry—including 1,849 companies engaged in commercial operations on the inland waters; and in which 80,000 persons are employed aboard an inland fleet of over 17,500 dry cargo barges and scows, more than 3,400 tank barges, and 4,278 towboats and tugs.

The Alaskan, Atlantic, and Gulf Intercoastal Waterways, and the major Mississippi system with Ohio, Tennessee, Arkansas, and Missouri River tributaries are perhaps best known and have been of incalculable importance in the economic growth of large sectors of our Nation. The opening of the St. Lawrence Seaway established the largest inland navigation system on the continent. But inland channels on other rivers, as well as constructed waterways and canals, have also achieved significant regional economic development in Washington, California, Texas, Alabama, Georgia, Florida, Illinois, States bordering on tributaries of the Chesapeake and Delaware Bays, and New York with the Hudson River-State Barge Canal system.

My point in outlining the scope and importance of the inland waterways is to emphasize their key role in the Nation's transportation system. However, this role is not reflected in the organization of the Department of Transportation, except for the U.S. Coast Guard and the St. Lawrence Seaway Development Corporation. The significant absence of a DOT agency on our inland waterways is highlighted by the fact that DOT does have separate Administrations responsible for the development and regulation in the public interest of America's aviation, highway, railroad, and urban mass transit systems.

In this time of profound public concern over forces contributing to inflation, and as we face simultaneously the spectre of recession and energy supply shortages, it is highly important to organize Federal policies and programs to promote those sectors which can help stabilize and strengthen our economy. In this regard, two facts about inland waterways transportation merit very close attention: first, it requires less energy per ton-mile than any other method of freight distribution; and second, shipping costs per ton-mile are significantly lower than for several other transportation services.

The responsibilities of the Federal Government in the public interest with respect to our inland waterways were recognized very early in the history of our Nation, with the enactment in 1824 of legislation providing for the improvement of rivers and harbors on a planned basis. Several transportation laws in the present century have underscored the importance of the waterways system, and steps have been taken periodically to promote its development, including the establishment of the Inland Waterways Corporation in 1924.

More recently, however, there has been increasing legislative recognition of the problems associated with technological modernization and continued expansion of inland waterways transportation. This includes legislation passed by the 92d Congress to require radio-telephone communications, and amendments to the Interstate Commerce Act, enacted by the 93d Congress, relating to mixed cargoes including dry bulk commodities.

The pressures of expanding commerce on the inland waterways will require increased attention by the executive and legislative branches. We must examine closely the need and feasibility of modernizing navigations systems, where it is contended that obsolete harbor and channel installations will hamper the substantial ton-mile carriage increase expected over the next ten years. It is important, however, that industry and government work cooperatively at any early stage in studying and recommending appropriate and equitable measures for financing such capital improvements and on-going operational costs.

Such cooperation was evident in the National Planning Maritime Administration in 1972, which has resulted in the proposal of a five-year program. This would be important in achieving effective administration of the Federal Ship Financing program under the Merchant Marine Act, recently amended to permit participation by inland waterway carriers, where MarAd is currently committed to about $53 million in financing for barges and towboats.

However, the implications of continuing technological innovations in inland waterways shipping will require serious study and appropriate response on a broader scope by the legislative and executive branches of the Federal Government. When we confront such matters as increased horsepower of tugs and towboats, expanded loads resulting from integrated barge carriage, containerization and barge redesign, and more recently, developments in Seabee and LASH systems for the carriage of barges, as well as the environmental impact of increased traffic, it is clear that piecemeal approaches by multiple Federal agencies to rapid developments in this major transportation system can no longer be tolerated.

We need to establish a central reference point in the Federal Government for the collation and analysis of Federal policies, programs, and actions affecting the inland waterways, and for coordinating and clearing national policies affecting this vital transportation system. We must develop integrated transport regulation to correct any confusion, unnecessary delay, and unjustifiable expense, as well as the absence of clearly defined supportive policies, all of which work to the detriment of carriers, consumers, and shippers.

I believe the most serious consideration should be given to the establishment of a Federal Inland Waterways Administration within the Department of Transportation. The purpose of this Administration would be to initiate and coordinate programs for the development and improvement of the waterways and transportation, and to coordinate regulatory functions toward promoting safe and efficient transportation in this system.

I am fully aware that in the development of this reorganization plan, the resolution of present functions of various Federal agencies, regional commissions, and State government offices, affecting the inland waterways and associated industries, would be a complex task. But I believe such a reorganization is essential if we are to establish clear priorities and sharply define responsibilities in the Federal Government for promoting and utilizing effectively this vital part of our transportation and commerce network.

I would appreciate having your views on this proposal at the earliest possible convenience.

Sincerely,

HUBERT H. HUMPHREY.

EXTENSION OF PETROLEUM ALLOCATION ACT

Mr. HUMPHREY. Mr. President, I applaud the completion of congressional action on the bill to extend the Emergency Petroleum Allocation Act of 1973, H.R. 16757. This bill is now awaiting the President's signature. As the author of the original legislation passed by the Senate after a revision of the extension period, S. 3717, I am gratified by this expedited congressional response to a clear need for continued petroleum allocation and pricing oversight by the Federal Government.

I urge the President to sign this important act as soon as possible. If the Emergency Petroleum Allocation Act is allowed to expire, the prices of all crude oil and oil products will rise to the price of world oil. This will mean another $10 billion windfall for the large oil corporations.

If the President signs the extension, Congress will have a chance to evaluate the allocation program and improve on it. If the President does not sign the extension, the Arabs will be setting the price of our crude oil and that will mean regular gasoline will go up another 10 to 20 cents per gallon.

What this legislation will do is give the consumer a break until August 31, 1975, rather than let the law expire on February 28, 1975, shortly after the new Congress convenes. This extension will allow the Federal Energy Administration to continue its allocation of petroleum products, and regulate the price of gasoline and oil products. The extension will protect consumers throughout the United States from the high OPEC prices and another oil corporate ripoff.

SOLAR ENERGY—KEY TO OUR ENERGY FUTURE

Mr. HUMPHREY. Mr. President, many Americans view solar energy as a dream of tomorrow. Yet, there are many applications of solar technology available for use today. This is especially important in these times of dwindling energy supplies and growing environmental dangers.

Dr. Harry Thomason has been living in a solar energy home which he built in District Heights, Md., for many years. The system he has designed is able to provide 90 percent of the energy needs of his home during the winter months. This is quite an accomplishment, one I have known of for a long time, but one that only now is beginning to be recognized.

Recently, the Federal Energy Administration issued a press release commending the success of Dr. Thomason's solar energy system. Initiatives like that of my good friend Dr. Thomason are what America needs in these critical times. He is a man of vision who has spent a lifetime perfecting a system from which our Nation can now benefit.

Mr. President, I ask unanimous consent that the FEA story of November 1974 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SUN—ONE KEY TO OUR ENERGY FUTURE

The age-old dream of harnessing the sun's energy is moving close to reality. Solar energy is expected to help ease America's energy shortages by the end of the decade. Its potential is enormous. Scientists say that the amount of sunlight shed on the surface of Lake Erie in just 1 day is equal to all the energy consumed by Americans in 1 year.

The Federal Energy Administration has been directed by the President to present a plan (Blueprint) offering alternative energy policies for managing the Nation's energy resources in the future. The name of this ambitious effort is "Project Independence." FEA conducted public hearings in ten locations throughout the country seeking suggestions from industry, government, and private citizens.

One of the most frequently mentioned new sources of energy is sun power or solar energy. Increasing interest in this free inexhaustible energy source has prompted Congress to appropriate money for research to develop economical and efficient ways of harnessing this nonpolluting resource.

For the past 15 years Harry Thomason, a patent attorney and inventor of District Heights, Maryland, has been building and living in solar-heated homes. He has lived in his present home for 13 years using solar energy for 90 percent of his winter heating needs.

The inventor's heating system is very simple. A 1,600-gallon water tank rests on a bed of baseball-size stones located in the basement and is used to collect water that has been heated by the sun. The water is circulated during the sunlight hours by a pump. Pipes from the tank to the roof have small holes that allow the water to flow freely through the simple solar collector. The water returning to the tank from the roof in turn warms the bed of stones. A small ¼-horsepower blower circulates the warmth collected in the stonebed, and the house is heated.

A report prepared in support of the Federal Energy Administration's "Project Independence Blueprint" estimates that the cost of heating a house with solar energy is competitive with electric space heating in most areas of the country. Presently there are about 70 solar houses that have been built with different systems by various developers. A number of manufacturers have built several solar heated schools under grants from the National Science Foundation. These are all part of a research and development program that hopes to find the most economical method of utilizing this resource.

DEATH OF SILAS C. McMEEKIN

Mr. THURMOND. Mr. President, Silas C. McMeekin, longtime president and chairman of the board of the South Carolina Electric & Gas Co., died in Columbia, S.C., on October 15. In his 72 years, Mr. McMeekin distinguished himself as a businessman, a churchman, and a civic leader. He also made innumerable friends inside and outside his native State. I was privileged to be one of these, and I wish to record my pride in his record of achievement and my deep sorrow that it has now come to an end.

As a businessman, Mr. McMeekin was a man of equal creativity and energy. He had the imagination to see the value of new ideas and the practical skills to put them into effect. He demonstrated these qualities in his first years with S.C.E. & G. when, fresh out of Clemson University, he organized the company's first dispatching system.

He left the company in 1935 to manage electric companies in Missouri, Oklahoma, New Mexico, and Arizona, but returned in 1944 as executive vice president. In 1946, he was elected president. In that position, he introduced natural gas into the area in 1954, founding the South Carolina Natural Gas Co. as a subsidiary of S.C.E. & G. The new company was soon serving 45 communities.

In the 1960's, he helped to establish the Carolinas-Virginia Nuclear Power Associates, Inc. The nuclear plant at Parr, S.C., was one of the fruits of his endeavor. Another was a regionwide network for the interchange of power.

Always a firm believer in the free enterprise system, he led a movement in 1964 to purchase the publicly owned Santee-Cooper power facilities. This movement was ultimately unsuccessful, but it is hard to imagine a career that better exemplifies the potential of free enterprise than Mr. McMeekin's. When he retired as president of S.C.E. & G. in 1966 to become chairman of the board, he had increased the company's patronage from 95,000 to 236,000 customers.

As a churchman, he was able to use his business acumen in the service of his faith. He was an elder of the First Presbyterian Church of Columbia and led the Church's rebuilding program.

As a civic leader, his accomplishments are almost too numerous to describe. It gives me particular pleasure to mention his work on behalf of Clemson University, for it was there that, as fellow members of the class of 1923, we began our long and close friendship. At different times, he was president of the Clemson Alumni Corp. and a trustee of the Clemson University Foundation, and the university signified its indebtedness to him by naming him an honorary doctor of engineering in 1955. Other educational institutions that he served were Columbia College in Columbia, S.C., and Queens College of Charlotte, N.C.

In other equally important causes, he gave valuable help and leadership to the Community Chest, the United War Fund and the American Red Cross. Somehow, he also found time to help found the Palmetto Club, to become a member of the American Institute, and to serve as president of the Southeastern Electric Exchange and the South Carolina Society of Engineers.

In short Silas McMeekin did the work of 10 men and it will be difficult for anyone to take his place. I wish to extend my deepest sympathy to his wife, Mrs. Mattie Tidwell McMeekin; his daughter, Mrs. Ladson H. Boyle, of Sumter; his son, S. C. McMeekin, Jr., of Columbia; his two sisters, Mrs. Ruby McMeekin Stone and Mrs. Mamie McMeekin Durham, of Chester; his two brothers, Thomas R. McMeekin, of Cheraw, and Robert P. McMeekin, of Jenkinsville; and his five grandchildren.

Mr. President, at the time of Mr. McMeekin's death, a number of articles and editorials about him were published in newspapers throughout South Carolina. I ask unanimous consent that such representative accounts be printed in the CONGRESSIONAL RECORD as follows: "Retired S.C.E. & G. Chief Silas McMeekin Dies," The State, Columbia, S.C., October 15, 1974; "S.C.E. & G. Official McMeekin To Be Buried Tomorrow," The Columbia Record, Columbia, S.C., October 15, 1974; "S. C. McMeekin, Retired Head of S.C.E. & G. Dies," The Charleston Evening Post, Charleston, S.C., October 15, 1974; "Silas McMeekin Funeral Today," The News and Courier, Charleston, S.C., October 16, 1974; "Silas C. McMeekin," The Charleston Evening Post, Charleston, S.C., October 16, 1974; "McMeekin Served Well," The Columbia Record, Columbia, S.C., October 18, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, Oct. 15, 1974]

RETIRED SCE&G CHIEF SILAS McMEEKIN DIES

Silas C. McMeekin, chairman of the board and retired president of the South Carolina Electric and Gas Co., and long a Southeastern utility leader, died Monday in Richland Memorial Hospital. He was 72.

Mr. McMeekin headed the South Carolina Electric and Gas Co. during a period of unprecedented growth for the company and its services and for the 23-county area in which it operates.

Under his direction, the company championed industrial growth, brought in the area's first natural gas and effected the purchase of the South Carolina Power Co. of Charleston.

Mr. McMeekin graduated from Clemson University in 1923 in mechanical engineering. He was born in Blair, a son of the late Thomas L. and Ida Ruff McMeekin.

For 12 years he served in the production, transmission and distribution divisions before organizing the first dispatching system of the company and becoming assistant superintendent of operations.

In 1935 he became general manager of a group of electric companies centered in Missouri. In 1936, he was elected president of these companies and at the same time became general manager of affiliated companies in Oklahoma, New Mexico and Arizona.

He returned to South Carolina in 1944 when he was named executive vice president of the South Carolina Electric and Gas Co.

He was elected president of the company in 1946. Mr. McMeekin was 44, and the company was serving 10 counties with a population of 235,000. There were 30,000 electric customers and 12,000 users of gas.

By the time he retired from the presidency in 1966, (to become chairman of the board), the company had 236,000 electric customers and 95,000 who were buying gas.

In 1954 through Mr. McMeekin's initiative, natural gas was brought into the area. He organized a subsidiary which became the South Carolina Natural Gas Co. which was soon supplying natural gas to 45 cities and towns.

Mr. McMeekin headed an investor-owned utility at a time of the growing operations of publicly-owned electric facilities. He was an outspoken advocate of privately-financed and -operated utilities.

Under his direction, his company initiated a move, in 1964, for three privately-owned utilities to purchase the hydroelectric and steam-generating properties of the publicly-owned Santee-Cooper (South Carolina Public Service Authority). Joining with him in the firm offer of purchase were the Duke Power Co. of the Piedmont and the Carolina Power and Light Co., of North Carolina, which operates extensively in Eastern South Carolina. Nothing came of this proposal and Santee-Cooper operates today as a public property in competition with the South Carolina Electric and Gas Co.

In 1966 McMeekin obtained the approval of the Board of Directors for Arthur M. Williams Jr. to be elevated to the presidency. McMeekin moved to chairman of the board but retained the position of chief executive officer. A month later, Williams became chief executive officer and McMeekin retained the chairmanship of the Board and the Executive Committee and functioned as consultant to management.

Mr. McMeekin was one of the organizers of the Carolinas-Virginia Nuclear Power Associates Inc. This resulted in the construction of the nuclear plant at Parr, near Columbia.

Later this coordinate trend was to include four service companies in Georgia, Alabama, Florida and Mississippi. The plan provided for an interchange of power when necessary. The idea which had looked initially to the use of nuclear energy to provide the heat for steam generation of electric power had expanded into the mutual agreement for the interchange of power through a network.

McMeekin was active in civic and institutional affairs. He served in several leadership capacities with the Community Chest (now the United Way), the United War Fund and the American Red Cross. He became chairman of Columbia College's rebuilding fund after that institution's disastrous fire, and was a leader in the move of the First Presbyterian Church's rebuilding program. He was one of the organizers and one of the early presidents of the Palmetto Club.

In the electrical utilities field, he was a past president of the Southeastern Electric Exchange, a member of the American Institute and a past president of South Carolina Society of Engineers.

He was a past president of the Clemson Alumni Corp.; a trustee of the Clemson University Foundation and a trustee of Queen's College at Charlotte and a Rotarian.

One of Clemson's most active alumni in support of the University, he was awarded in 1955 by the University the honorary Degree of Doctor of Engineering.

He was a member of the Board of Directors of the First National Bank of South Carolina.

He was an elder of the First Presbyterian Church of Columbia.

Mrs. McMeekin was the former Mattie Tidwell of Ridgeway.

Surviving are his widow; a daughter, Mrs. Ladson H. Boyle of Sumter; a son, S. C. McMeekin Jr. of Columbia; two sisters, Mrs. Ruby McMeekin Stone and Mrs. Mamie M. Durham of Chester; two brothers, Thomas R. McMeekin of Cheraw and Robert P. McMeekin of Jenkinsville; and five grandchildren.

Services will be 11 a.m. Wednesday in First Presbyterian Church Cemetery, conducted by the Rev. Hugh McClure.

Dunbar Funeral Home, Gervais Street Chapel, is in charge.

[From the Columbia (S.C.) Record, Oct. 15, 1974]

SCE&G OFFICIAL McMEEKIN TO BE BURIED TOMORROW

Graveside services for Silas C. McMeekin will be held at 11 a.m. tomorrow in the First Presbyterian Church Cemetery, conducted by the Rev. Dr. Hugh McClure.

Mr. McMeekin, 72, chairman of the board and retired president of the South Carolina Electric and Gas Co., and long a Southeastern utility leader, died yesterday in Richland Memorial Hospital.

He headed the South Carolina Electric and Gas Co. during a period of unprecedented growth for the company and its services and for the 23-county area in which it operates.

Under his direction, the company championed industrial growth, brought in the area's first natural gas and effected the purchase of the South Carolina Power Co. of Charleston.

Mr. McMeekin graduated from Clemson University in 1923 in mechanical engineering. He was born in Blair, a son of the late Thomas L. and Ida Ruff McMeekin.

For 12 years he served in the production transmission and distribution divisions before organizing the first dispatching system of the company and becoming assistant superintendent of operations.

In 1935 he became general manager of a group of electric companies centered in Missouri. In 1936, he was elected president of these companies and at the same time became general manager of affiliated companies in Oklahoma, New Mexico and Arizona.

He returned to South Carolina in 1944 when he was named executive vice president of the South Carolina Electric and Gas Co.

He was elected president of the company in 1944. Mr. McMeekin was 44, and the company was serving 10 counties with a population of 235,000. There were 30,000 electric customers and 12,000 users of gas.

By the time he retired from the presidency in 1966, (to become chairman of the board), the company had 236,000 electric customers and 95,000 who were buying gas.

In 1954 through Mr. McMeekin's initiative, natural gas was brought into the area. He organized a subsidiary which became the South Carolina Natural Gas Co. which was soon supplying natural gas to 45 cities and towns.

Mr. McMeekin headed an investor-owned utility at a time of the growing operations of publicly-owned electric facilities. He was an outspoken advocate of privately-financed and-operated utilities.

Under his direction, his company initiated a move, in 1964, for three privately-owned utilities to purchase the hydroelectric and steam-generating properties of the publicly-owned Santee-Cooper (South Carolina Public Service Authority). Joining with him in the firm offer of purchase were the Duke Power Co. of the Piedmont and the Carolina Power and Light Co., of North Carolina, which operates extensively in Eastern South Carolina. Nothing came of his proposal and Santee-Cooper operates today as a public property in competition with the South Carolina Electric and Gas Co.

In 1966 McMeekin obtained the approval of the Board of Directory for Arthur M. Williams Jr. to be elevated to the presidency. Mr. McMeekin moved to chairman of the board but retained the position of chief executive officer. A month later, Williams became chief executive officer and Mr. McMeekin retained the chairmanship of the Board and the Executive Committee and functioned as consultant to management.

Mr. McMeekin was one of the organizers of the Carolinas-Virginia Nuclear Power Associates Inc. This resulted in the construction of the nuclear plant at Parr, near Columbia.

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Mr. McMeekin was active in civic and institutional affairs. He served in several leadership capacities with the Community Chest (now the United Way), the United War Fund and the American Red Cross. He became chairman of Columbia College's rebuilding fund after that institution's disastrous fire, and was a leader in the move of the First Presbyterian Church's rebuilding program. He was one of the organizers and one of the early presidents of the Palmetto Club.

In the electrical utilities field, he was a past president of the Southeastern Electric Exchange, a member of the American Institute and a past president of South Carolina Society of Engineers.

He was a past president of the Clemson Alumni Corp.; a trustee of the Clemson University Foundation and a trustee of Queen's College at Charlotte and a Rotarian.

One of Clemson's most active alumni in support of the University, he was awarded in 1955 by the University the honorary Degree of Doctor of Engineering.

He was a member of the Board of Directors of the First National Bank of South Carolina.

He was an elder of the First Presbyterian Church of Columbia.

Mrs. McMeekin is the former Mattie Tidwell of Ridgeway.

Surviving are his wife; a daughter, Mrs. Ladson H. Boyle of Sumter; a son, S. C. McMeekin Jr. of Columbia; two sisters, Mrs. Ruby McMeekin Stone and Mrs. Mamie M. Durham of Chester; two brothers, Thomas R. McMeekin of Cheraw and Robert P. McMeekin of Jenkinsville; and five grandchildren.

Dunbar Funeral Home, Gervais Street Chapel, is in charge.

Memorials may be made to the S. C. McMeekin Memorial IPTAY Scholarship Fund, Clemson University, the First Presbyterian Church Memorial Fund or to the charity of one's choice.

[From the Charleston (S.C.) Evening Post, Oct. 15, 1974]

S. C. McKEEKIN, RETIRED HEAD OF SCE&G, DIES

COLUMBIA.—Funeral services are scheduled for Wednesday at 11 a.m. here for Silas C. McMeekin, chairman of the board and retired president of South Carolina Electric and Gas Co. ,who died Monday at the age of 72.

McMeekin headed the utility during a period of unprecedented growth, and under his direction, the firm championed industrial growth, brought in the area's first natural gas and effected the purchase of the South Carolina Power Co. of Charleston.

He was graduated from Clemson University in 1923 with a degree in mechanical engineering and served for 12 years in the production, transmission and distribution divisions before organizing the first dispatching system of the company and becoming assistant superintendent of operations.

In 1935 he became general manager of a group of electric companies centered in Missouri and in 1936 was elected president of these companies and at the same time general manager of affiliates in Oklahoma, New Mexico and Arizona.

He returned to South Carolina in 1944 and was named executive vice president of SCE&G. He was elected president in 1946 at the age of 44.

The firm was serving 10 counties with a population of 235,000 with 30,000 electric customers and 12,000 gas customers, and when he retired from the presidency in 1966, the firm had 236,000 customers and 95,000 who were buying gas.

McMeekin was one of the organizers of the Carolinas-Virginia Power Associates, Inc. which helped lead to the construction of a nuclear plant near Columbia at Parr.

He was active in civic and institutional affairs serving with Community Chest, United War Fund, and the American Red Cross. He was a past president of the Southeastern Electric Exchange, a member of the American Institute, and a past president of the South Carolina Society of Engineers.

He was an active alumnus, and was awarded an honorary doctor of engineering degree from Clemson. He was a member of the board of directors of the First National Bank of South Carolina.

SCE&G named one of its largest steam generating plants at Lake Murray, "McMeekin Station" in honor of him.

[From the Charleston (S.C.) News and Courier, Oct. 16, 1974]

Silas McMeekin Funeral Today

Columbia.—The funeral for Silas C. McMeekin, chairman of the board and retired president of the South Carolina Electric and Gas Co., will be 11 a.m. Wednesday at the graveside in First Presbyterian Church Cemetery. Dunbar Funeral Home, Gervais Street Chapel, is in charge.

Mr. McMeekin, long a Southeastern utility leader, died Monday in a Columbia hospital. He was 72.

Mr. McMeekin was born in Blair, a son of the late Thomas L. and Ida Ruff McMeekin. He graduated from Clemson University in 1923 with a degree in mechanical engineering.

After association with electric companies centered in Missouri, Mr. McMeekin returned to South Carolina in 1944 when he was named executive vice president of SEC&G. He was elected president of the company in 1946.

He retired from the presidency of SEC&G in 1966, after guiding the company through a period of unprecedented growth. He was an outspoken advocate of privately financed and operated utilities.

Mr. McMeekin was one of the organizers of the Carolina-Virginia Nuclear Power Associates, Inc. He was a member and past president of the South Carolina Society of Engineers. He was a past president of the Clemson Alumni Assn. and was awarded an honorary Degree of Doctor of Engineering by the University in 1955. He was also a trustee of the Clemson University Foundation and of Queen's College at Charlotte.

Mr. McMeekin was a member of the board of directors of the First National Bank of South Carolina. He was an elder in the First Presbyterian Church of Columbia.

Surviving are: his widow, Mrs. Mattie Tidwell McMeekin; a daughter, Mrs. Ladson H. Boyle of Sumter; a son, S. C. McMeekin Jr. of Columbia; two sisters, Mrs. Ruby McMeekin Stone and Mrs. Mamie M. Durham, both of Chester; two brothers, Thomas R. McMeekin of Cheraw and Robert P. McMeekin of Jenkinsville; and five grandchildren.

[From the Charleston (S.C.) Evening Post, Oct. 16, 1974]

Silas C. McMeekin

As president and chairman of the South Carolina Electric & Gas Co., Silas C. McMeekin was the guiding force in a period of vast expansion of power company service in the eastern half of South Carolina. He was a widely respected figure in the utility field and one of this state's most prominent citizens of his generation.

Mr. McMeekin was president of SCE&G at the time of its merger in 1950 with a larger company, the South Carolina Power Co., based in Charleston. In 1959, a new steam generating plant near Columbia was named for him. This $35 million investment was hailed at the time as an example of free enterprise at work.

Mr. McMeekin was a frequent and eloquent spokesman for the American economic system, o- which this country's prosperity was built. We knew him as a patriotic citizen, a skillfull business man and a good companion. His death at age 72 in Columbia is a source of sorrow to friends and admirers, and an occasion to praise an outstanding son of South Carolina.

[From the Columbia (S.C.) Record, Oct. 18, 1974]

McMeekin Served Well

In the official history of the South Carolina Electric and Gas Company, one chapter is entitled simply: "Silas Calhoun McMeekin." Written long before his death, the full chapter was deserved, because Mr. McMeekin directed the investor-owned utility during an unprecedented period of growth in service to the people through the utility.

When he was elected president in 1946, the company served 30,000 electric customers and 12,000 users of gas. By the time of his retirement as president (to become board chairman), the firm served 236,000 electric consumers and 95,000 gas-purchasers.

Mr. McMeekin had the vision to perceive the necessary growth of the utility and the will to conceive means whereby the company could best serve Carolinians within its area. He organized the natural gas subsidiary, helped form the Carolinas-Virginia Nuclear Power Associates and served as its president from 1960 through October 1962.

With an easy informality, he directed the firm with engineering expertise and an unflagging conviction in the worthiness of our enterprise system of inter-related service.

In his earlier years when he outspokenly advocated investor-owned utilities, one opponent said that Mr. McMeekin was "the most rabid opponent of public power in the nation." He countered, "You should not so limit my feelings, because I am a rabid opponent of putting government in any business, and I hope I may be until I die the most rabid opponent in America to national socialism and communism."

A man of deep personal convictions about his business, a man of genuine devotion to South Carolina, Mr. McMeekin electrified the Palmetto State during a period of growth in which electrification was essential to our constant search for a better life.

Mr. McMeekin served his community, his state, his nation and his company well.

THE SUPREME COURT'S DECISION IN THE WATERGATE TAPES CASE—PROF. PAUL FREUND'S ANALYSIS

Mr. KENNEDY. Mr. President, the Supreme Court's decision last July in the Watergate tapes case, dealing with doctrine of executive privilege, is a landmark of American constitutional jurisprudence whose effects will be felt for many years to come, especially in the relationship between Congress and the executive branch.

The current issue of the Harvard Law Review contains a perceptive analysis of the Supreme Court's decision by Prof. Paul A. Freund of Harvard Law School, who is widely respected as the Nation's preeminent constitutional scholars.

Mr. President, I believe that Professor Freund's analysis will be of interest to all of us in Congress, and I ask unanimous consent that it be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

[From the Harvard Law Review, 88 Harv. L. Rev. 13 (1974)]

The Supreme Court, 1973 Term—Foreword: On Presidential Privilege

(By Paul A. Freund*)

At the October 1973 Term, the Supreme Court for the first time passed on the question of executive privilege for confidential communications to which the President is a party. The Court gave the privilege a constitutional status, but a defeasible one, and left resolution of important questions to another day.

United States v. Nixon[1] rejected the President's generalized claim of privilege, based on the confidentiality of his conversations with a cabinet officer and White House advisers, as a defense to a pretrial subpoena of sixty-four tape recordings of those conversations for use by the Special Watergate Prosecutor in the pending criminal prosecution of those individuals.[2] The opinion of Mr. Chief Justice Burger is notable for the resolute understatement with which it marches to the ultimate doom, for its sedulous avoidance of any characterization of President Nixon's involvement in the offenses charged, and above all—doubtless related to the tone of the opinion—for its unanimity.[3]

I. PRELIMINARY QUESTIONS

The case came to the Supreme Court trailing clouds of jurisdictional and procedural issues, one or more of which might have presented a barrier to the resolution of the question of executive privilege. The district court had denied the President's motion to quash the subpoena.[4] From that order the President appealed to the court of appeals, and thereupon the Special Prosecutor filed a petition for certiorari, which was granted by the Supreme Court over the opposition of the President.[5] This action of the Court raised both a question of jurisdiction and one of discretion. Jurisdictionally, the Supreme Court's power to review was conditioned on the propriety of the appeal to the court of appeals, and that in turn depended on the finality of the order of the district court. Although it is hornbook law that the denial of a motion to quash, in connection with a criminal proceeding, is not a final appealable order,[6] an application of that rule to the present case would have been, as the Court noted,[7] an excessively mechanical judgment. The reason for the normal rule—to avoid the interruption and fragmention of a criminal trial unless the witness is cited for contempt and so is prepared to risk punishment if he takes an appeal and loses—points to its inaptness here. The very question whether a President may be cited for contempt could itself fragment and interrupt the proceedings. Moreover, it would be an act of supererogation to force the President to face penalties for contempt in order to appeal from an order to whose enforcement he was plainly and inexorably opposed.[8]

As a matter of discretion, the Court might have declined to grant certiorari prior to submission and judgment in the court of appeals.[9] The delicacy of the issue, and the pendency of impeachment proceedings in the House of Representatives, might have counseled restraint, deliberate speed rather than majestic instancy.[10] This consideration would have had greater force if the court of appeals had not already, in the earlier case of *Nixon v. Sirica*,[11] rendered an en banc decision on the issue of executive privilege in a similar context. To be sure, that case arose on a subpoena issued by the grand jury, not at the behest of the Special Prosecutor after indictment, but the difference, while of some significance on procedural questions, was hardly of sufficient importance to insist on another submission to the court of appeals. As it turned out, the Supreme Court's decision on July 24 set in motion a rapid train of events: the disclosure of a fatally damaging taped conversation, a solidifying of sentiment on the House Judiciary Committee, and the President's resignation on August 8. But while in the event the decision became the precipitating cause of these ultimate political developments, the decision itself cannot be called precipitate.

Most insistently pressed of the jurisdictional and procedural arguments was the contention that the dispute was one within the executive branch, one which the President, not the courts, has the authority to resolve. The argument rests on the premise

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Footnotes at end of article.

that the dispute over the tapes was wholly intra-executive, and consequently the authority to resolve it is granted by article II to the President alone.[12] From this premise two related conclusions are drawn. One is that judicial intervention would violate notions of separation of powers inherent in the case or controversy limitation of article III.[13] The other is that the President's power to remove executive officials would enable him to replace the Special Prosecutor and so render moot any demand for the subpoenaed materials, thus giving any decision of the Court the character of an advisory opinion.[14] Either conclusion would require finding the suit nonjusticiable.

The premise of a unitary executive, and particularly of a hegemonic President, however, has a strangely hollow ring in the context of the present case. The regulation establishing the office of Special Prosecutor ensures his independence in a variety of ways,[15] and specifically grants him the authority to contest presidential claims of executive privilege.[16] Moreover, it vests appointment power in the Attorney General, not the President, and permits removal only upon the commission of extraordinary improprieties and with the assent of congressional leaders.[17] Although the regulation refers to a presidential power to "effect" the Special Prosecutor's removal,[18] the practical difficulties and dubious legality of that process were sufficiently revealed in the episode of the removal of the first Special Prosecutor, Professor Cox.[19] Thus, there existed here a legal barrier between the parties which distinguishes their relation from that in more conventional intra-executive disputes. Even if that barrier could be eliminated through revocation of the regulation by the Attorney General,[20] a court would not presume that he would revoke and remove to render the case moot, any more than it is presumed that the Congress would refuse, as it might, to pay a judgment of the Court of Claims.[21] Finally, the notion of a unitary executive branch in which tensions between contending executive interests are authoritatively resolved by the President loses its claim when striking allegations of misconduct have been levelled against high executive officials, including the President himself. The President implicitly recognized this conflict of interest when he effectively excused himself from controlling the discretion of the Special Prosecutor; and more than the maxim that "the President is the Executive Department"[22] would be required to conclude that this act of natural justice cannot form the basis of a justiciable controversy because of some inescapable embodiment of executive authority in the presidency. In the world of reality, legal and political, the President and the Special Prosecutor were in truth in a highly adversary relation, which was not amenable to solution by executive action. In the context of a suit to enforce a subpoena in a criminal action, there was a justiciable controversy calling insistently for adjudication.

A final procedural question was whether the requirements of rule 17(c) of the Federal Rules of Criminal Procedure, under which the pretrial subpoena duces tecum was issued, were satisfied. It was common ground that the rule embodies the criteria of relevancy, specificity, and admissibility.[23] Applying the appropriate standard of review, namely, whether the ruling of the district court was clearly erroneous, the Supreme Court was unable to reverse on the score of lack of relevancy or specificity.[24]

The question of admissibility was given closer consideration, and it is here that the abstemiousness of the opinion with respect to Mr. Nixon was most marked. The recorded conversations took place between the President and one or more of those indicted as conspirators. The President had been named by the grand jury as an unindicted co-conspirator, an action which was before the Court on a cross-petition seeking review of the district court's refusal to expunge. The Special Prosecutor regarded this action of the grand jury as helpful, though not essential, on the issue of the admissibility of the tapes sought.[25] Without focusing on the President, the Court was able to hold most of the tapes potentially admissible either as out-of-court admission by a defendant or as declarations by a co-conspirator made in the course of the conspiracy and in furtherance of it.[26]

Had the Court examined the question of admissibility with greater particularity, it might have been forced to address the role of the President as an alleged co-conspirator. One group of tapes included conversations between the President and Charles W. Colson,[27] who was one of those indicted but who had been dismissed as a defendant pursuant to a plea bargain under which he pleaded guilty to an offense in another case. Thus, the admissibility of these tapes would have to be based on either the President's or Colson's status as a co-conspirator. Although it is possible that all of the recorded conversations might be admissible by virtue of Colson's status alone, the Court apparently chose not to address this possibility.[28] Reliance on the naming of Mr. Nixon by the grand jury would have afforded clearer support for admissibility, but the Court understandably may have perferred some measure of discreet logical blindness for the sake of greater blandness.

II. EXECUTIVE PRIVILEGE

And so we are brought to the question of "executive privilege" itself. The term appears to be of recent origin,[29] but that circumstance sheds little ligh on the legitimacy of the concept itself, just as Jeremy Bentham's invention of the term "international law"[30] gave a new name, but not a new birth, to a body of received doctrine. Of greater concern is the problem of the meaning of the term, which can embrace at least two distinct, though related, claims.

The privilege might be invoked as an immunity of the President from legal process. This position, advanced on the President's behalf in the earlier tapes case,[31] was not renewed in the present controversy. A concession that a President is not subject to compulsory process was made, arguendo, in *Marbury v. Madison*[32] by Charles Lee, counsel for Marbury, in contending that James Madison, as Secretary of State, was by contrast subject to mandamus for the performance of a ministerial duty. Lee said in oral argument:[33]

"It may not be proper to mention this position; but I am compelled to do it. An idea has gone forth, that a mandamus to a secretary of state, is equivalent to a mandamus to the President of the United States. I declare it to be my opinion, grounded on a comprehensive view of the subject, that the president is not amenable to any court of judicature for the exercise of his high functions, but is responsible only in the mode pointed out in the constitution."

This concession could be readily made, however, because a practical alternative existed—the President's subordinate could stand in judgment. In the trial of Aaron Burr four years later, when a subpoena duces tecum addressed to President Jefferson himself directly raised the question of immunity from process, Chief Justice Marshall, presiding on circuit, treated it as a matter not of legal immunity but of practical convenience.[34] This approach, eschewing absolutes, serves to maintain the rule of law in its most elementary aspect. In the tension between the claims of governance and those of restraint, the ancient tension between *gubernaculum* and *jurisdictio*,[35] the availability of a subordinate has served as a way of procedural accommodation. If members of Congress cannot be sued for their official conduct, still officers of their house may be answerable for carrying out those actions,[36] as cabinet officers may be legally accountable for executing presidential directions.[37] This time-honored means of accommodation was made unavailable in the tapes cases by the President's action in formally taking sole custody of the tapes. Thus the usual suit against a subordinate became impossible, and a confrontation was compelled.[38] In the eighteenth-century Newtonian universe that is the Constitution, an excessive force in one direction is apt to produce a corresponding counterforce. The forcing of the issue in the tapes cases served in the end to solidify the principle of presidential amenability to process.

A second possible meaning of executive privilege is the evidentiary claim directly raised in the tapes case, an exemption from a duty to produce testimony or documents and a legal capacity to control the production of certain kinds of evidence by others. Such a privilege with respect to military secrets or sensitive diplomatic communications and intelligence, recognized in the law of evdence, was not in issue. The controversy was limited to the "generalized" claim, as the brief of the Special Prosecutor[39] and the Court's opinion[40] put it, of a privilege concerning confidential communications to which the President was a party.[41]

In considering whether such a privilege exists, do we look to the Constitution or to the law of evidence? Actually the question is not a very meaningful one. It resembles the query raised by some irreverent friends of Lord Rutherford, who asked whether he had really discovered the nucleus of the atom or had simply put it there. The privilege, unlike the immunity accorded to members of Congress under the "speech and debate" clause,[42] is not expressly granted by the Constitution. It would, confessedly, be a privilege implied by the necessities of the system, in particular by the separation of powers,[43] as intergovernmental tax immunities are implied in the cause of a working federalism. If certain relationships, like that of lawyer and client, are deemed to require the preservation of confidentiality of communications even from the demand of litigation, then arguably a similar privilege should be recognized for the relationship of President and confidant. Whether it ought to be recognized calls for the kind of weighing of interests, *mutatis mutandis*, that is practiced in assessing relative needs in other relationships. If the balance is struck by the courts in favor of confidentiality, the resulting principle as applied to the presidential office becomes one of constitutional dimensions. Although the analysis is similar in the private and the official spheres, the differences in content are significant. Full and frank interchange is a desideratum in both spheres; but the President is a public trustee in a sense beyond that applicable to a lawyer or physician, and so the countervailing interest in disclosure should weigh more heavily.

The principal clue to a resolution of the interests at stake can be derived from the intergovernmental tax doctrine itself. It was put thus by Chief Justice Hughes:[44]

"The principle invoked by the petitioner, of the immunity of state instrumentalities from federal taxation, has its inherent limitations. It is a principle implied from the necessity of maintaining our dual system of government. Springing from that necessity it does not extend beyond it."

If the Court had accepted the grand jury's naming of the President as an unindicted co-conspirator[45] the issue of privilege could have been more easily resolved; on the analogy of other confidential relationships, the privilege would not extend to communications in furtherance of a course of criminal conduct.[46] Once more, in bypassing this action of the grand jury, proferred by the Special Prosecurtor,[47] the Court elected to take broader ground in support of the Special Prosecutor's position. The same is true

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Footnotes at end of article.

with respect to the question who is to decide on the balance of interests. More than once the Court's opinion quotes Marshall's magisterial words in *Marbury* v. *Madison*: ". . . it is emphatically the province and duty of the judicial department to say what the law is."[48] But of course the judiciary might declare "the law" to be that the President is the sole determiner of the need for protecting the confidentiality of particular communications, just as "the law" grants him sole authority over recognition of the legal government of a foreign state.[49] To support such an authority in a case where there was complicity between the President and the defendants would offend violently against the ancient precept that no man shall be judge in his own cause. The Court chose, however, to base its decision more impersonally, and hence more broadly, on the proposition that a court in a criminal case possesses the ultimate authority to decide what is required on balance to be produced in the interests of the administration of criminal justice.[50]

In striking a balance, the degree of relevance and materiality of the evidence is a significant factor. It is here that the real problems arise, particularly where the evidence sought is documentary and may contain material of varying relevance and sensitivity. The problems are those of procedure and mechanics, and they were first addressed by John Marshall, preliminarily in *Marbury* v. *Madison*[51] and more fully in the trial of Aaron Burr.

The proceedings in *Marbury v. Madison* in 1803 were something of a rehearsal for the issue of executive privilege in the Burr trial in 1807. A summons was issued to Levi Lincoln, then attorney general, who had been secretary of state at the outset of Jefferson's administration in 1801, when the commissions signed by the outgoing President Adams were allegedly withheld from Marbury and his co-petitioners. Lincoln objected to answering written questions as to any facts which came officially to his knowledge while acting as secretary of state.[52] Charles Lee, counsel for Marbury, conceded that Lincoln need not answer as to any facts which came to his knowledge in the discharge of that part of his duties as "an agent of the president, bound to obey his orders, and accountable to him for his conduct,"[53] but maintained that the facts concerning the commissions were within an independent branch of his duties, as a public ministerial officer of the United States.[54] The Court allowed Lincoln until the next day to consider his position, but took occasion to express its views in a monitory way:[55]

". . . [the Court] had no doubt he ought to answer. There was nothing confidential required to be disclosed. If there had been he was not obliged to answer it; and if he thought that any thing was communicated to him in confidence he was not bound to disclose it; nor was he obliged to state any thing which would criminate himself; but that the fact whether such commissions had been in the office or not, could not be a confidential fact; it is a fact which all the world has a right to know. If he thought any of the questions improper, he might state his objections."

The next day Lincoln went far toward an accommodation, agreeing to answer all the questions except one, namely, what had been done with the commissions. He professed to have no knowledge whether they ever came into the possession of Secretary of State Madison.[56] The Court, evidently relieved that a full-scale confrontation could be avoided, now absolved Lincoln of a duty to answer that question: ". . . he was not bound to say what had become of them; if they never came into the possession of Mr. Madison, it was immaterial to the present causes what had been done with them by others."[57]

And so the issue of materiality provided an escape, although if the question of privilege had not been involved it is difficult to believe that the question put to Lincoln would have been excluded. After all, evidence concerning the further disposition of the commissions might have been useful in producing further witnesses who could throw clearer light on the previous whereabouts and state of the documents, and on the question whether they were in fact brought to the attention of Preident Jefferson, in which event his failure to order delivery might be taken as an intended removal from office.[58]

Marshall again faced the question of executive privilege at the Burr trial, or more accurately trials. In the course of those proceedings, he delivered the following two statements concerning the duty of the President to respond to a subpoena duces tecum in a criminal case:[59]

"The propriety of introducing any paper into a case, as testimony, must depend on the character of the paper, not on the character of the person who holds it.

"In no case of this kind would a court be required to proceed against the president as against an ordinary individual."

The juxtaposition, though tantalizing, is not altogether fair: Marshall was not suffering from judicial schizophrenia. Rather, he was speaking at two different points in the proceedings and was addressing two different issues—the issuance of a subpoena to the President, and its enforcement after the President's counsel made a return claiming privilege.

The Burr trials[60] passed through four stages: the grand jury inquiry (indictments for treason and misdemeanor were returned on June 24 and 26, 1807); the treason trial (Burr was acquitted on September 1); the misdemeanor trial (Burr was acquitted on September 15); and commitment to the Federal Circuit Court for Ohio on a misdemeanor charge.[61] Two subpoenas were issued by Chief Justice Marshall and the district judge sitting with him as the Circuit Court for Virginia on motion of counsel for Burr: one on June 13, addressed to President Jefferson, calling for the production of a letter written to Jefferson by General Wilkinson on October 21, 1806; the second on September 4, addressed to the United States Attorney, George Hay, for a letter from Wilkinson to Jefferson written on November 12, 1806. The actual content of these letters was not described or disclosed, but that of October 21 had been referred to by Jefferson in a message to Congress as establishing Burr's guilt beyond doubt,[62] and that of November 12, it was intimated throughout the arguments of counsel, contained scandalous charges by Wilkinson against other respectable officials. Both letters were evidently sought to provide a basis for impeaching the credibility of Wilkinson should he testify for the prosecution.[63]

In support of his demand for the first letter Burr submitted his affidavit stating simply that "he hath great reason to believe that a letter from General Wilkinson to the president of the United States, dated 21st October, 1806, as mentioned in the president's message of the 22d January, 1807, to both houses of congress . . . may be material in his defence, in the prosecution against him. . . ."[64] Burr's argument to the court contained a concession with respect to state secrets and to confidential matters not relevant to the case:[65]

"If the letter contained state secrets which it would be inconsistent with the public safety to disclose, the president could say so in the return to the subpoena; but it was not to be assumed until he did say so. Or, if the letter contained anything of a confidential character, not relating to the case, the president could point out such parts as he did not wish to have exposed, and they need not be read in court."

The United States Attorney, George Hay, was remarkably close to Burr's position on when disclosure was appropriate, although he resisted the issuance of a subpoena. The difference turned mainly on whether the executive or judiciary should decide. Hay informed the court that he had written the President "stating the motion that was to be made this day, and suggesting the propriety of sending on the papers required; but reserving to himself [Hay] the right of retaining them, till the court saw them, and determined their materiality."[66] Jefferson, in response, stating that the letter in question was no longer in his possession, having been entrusted to Attorney General Rodney, undertook to see that it was delivered to Hay, but insisted on the principle that the President must "decide, independently on all other authority, what papers coming to him as president, the public interest permits to be communicated, and to whom." He added, "I assure you of my readiness, under that restriction, voluntarily to furnish, on all occasions, whatever the purposes of justice may require."[67] Then, referring to his lack of actual possession of the letter, he devolved discretion regarding materiality upon Hay:[68]

"But as I do not recollect the whole contents of that letter, I must beg leave to devolve on you, the exercise of that discretion which it would be my right and duty to exercise, by withholding the communication of any parts of the letter which are not directly material for the purposes of justice."

A further message from Jefferson to Hay, read to the court, explained that he had written to Attorney General Rodney but had received no information concerning Wilkinson's letter; Jefferson referred to certain other letters and orders that were wanted, stating, "[t]he receipt of these papers has, I presume, so far anticipated, and others this day forwarded, will have substantially fulfilled the object of a subpoena from the district court of Richmond . . . ."[69] He repeated his insistence that with respect to papers not in the public domain the President "must be the sole judge of which of them the public interest will permit publication."[70] Jefferson managed a delicate thrust at what he regarded as judicial pretensions:[71]

"The respect mutually due between the constituted authorities in their official intercourse, as well as sincere dispositions to do for every one what is just, will always insure from the executive, in exercising the duty of discrimination confided to him, the same candour and integrity, to which the nation has in like manner trusted in the disposal of its judiciary authority."

Meanwhile, between Hay's letter to Jefferson and the receipt of the latter's responses, Marshall had proceeded to issue the subpoena, with an opinion, already quoted,[72] taking broad ground concerning the amenability of the President to the court's process, but adding that any claim of privilege would be considered in due course if made on the return. Marshall adumbrated the criteria he would apply if a claim were made that disclosure would be incompatible with the public interest:[73]

"That there may be matter, the production of which the court would not require, is certain; but, in a capital case, that the accused ought, in some form, to have the benefit of it, if it were really essential to his defense, is a position which the court would very reluctantly deny . . . . There is certainly nothing before the court which shows that the letter in question contains any matter the disclosure of which would endanger the public safety. If it does contain such matter, the fact may appear before the disclosure is made. If it does contain any matter which it would be imprudent to disclose, which it is not the wish of the executive to disclose, such matter, if it be not immediately and essentially applicable to the point, will, of course, be suppressed."

And then, in an obvious reference to Jeffer-

Footnotes at end of article.

son's public denunciation of Burr, Marshall thrust the rapier: [74]

"It is not easy to conceive that so much of the letter as relates to the conduct of the accused can be a subject of delicacy with the president. Everything of this kind, however, will have its due consideration on the return of the subpoena."

The issue proceeded no further, however, for the original of the October 21 letter seems never to have come into the United States Attorney's possession, and Burr's acquittal in the treason trial rendered the matter academic in that context.[75] Thus, the questions whether disclosure would be compelled, who would be the arbiter of privilege, what criteria would apply, and what procedures would be adopted, were not finally resolved at this stage.

Although Burr renewed his demand for the letter of October 21 at the outset of the trial for misdemeanor, attention turned now to Wilkinson's letter of November 12, which had been presented to the grand jury. Evidently it contained material embarrassing to Jefferson in that Wilkinson made serious charges against certain of the President's political friends.[76] Marshall issued a subpoena for the letter to the United States Attorney, although Marshall had doubts about its materiality to the defense. The Chief Justice was evidently familiar with it, since at one point he observed that "[w]e must consider the subject as if we had not seen the letter." [77] He intimated broadly that the contents were not so significant as the spirited contest over their production might suggest:[78]

"It is with regret that I decide a question under such circumstances, because it is probable that those parts of the letter which are withheld, are of much less importance than gentlemen suppose; and that the effect of their production would be to dissipate suspicions which are now entertained, and to show that the subject of the controversy is by no means proportioned to the zeal with which it has been maintained."

Discussion turned to the mechanics by which the character and materiality of passages objected to might be decided. On this procedural problem the defense maintained that "the party, and not the court, judges of the materiality of witnesses or documents; that the materiality when sworn to by the party is always admitted" for purposes of a subpoena.[79] The prosecution, on the other hand, proposed a procedure that would consist of an in camera hearing on the sensitivity and materiality of the portions it sought to withhold. Specifically, Mr. Hay "said that he was willing that Mr. Botts, Mr. Wickham and Mr. Randolph should examine them. He would depend on their candor and integrity to make no improper disclosure; and if there should be any difference of opinion, as to what were confidential passages, the court should decide." [80] Burr's counsel were not only Messrs. Botts, Wickham, and Randolph, but also Luther Martin, the "federal bulldog," [81] and his response was predictably explosive: [82]

"Mr. Martin objected to this as a secret tribunal. He had never heard of such a distinction. The counsel had a right to hear them publicly without their consent. If gentlemen, said he, are willing that the court should decide on a written argument, and that the whole shall be conducted as a secret tribunal, let them speak plainly."

Marshall concurred in this objection to the extent of remarking that the defendant himself should be allowed to examine the entire letter.[83]

Marshall's opinion at this stage is the most comprehensive and considered statement on the problem in the course of the trials. He was plainly troubled and in search of a middle way: [84]

"That the president of the United States may be subpoenaed and examined as a witness, and required to produce any paper in his possession, is not controverted. I cannot, however, on this point, go the whole length for which counsel have contended. The president, though subject to the general rules which apply to others, may have sufficient motives for declining to produce a particular paper, and those motives may be such as to restrain the court from enforcing its production. I do not think precisely with the gentlemen on either side."

The opinion proceeds to set forth dialectically Marshall's analysis. In an ordinary case an affidavit of materiality would suffice to order production. But the President may have sufficient reasons for withholding a document whose exposure would be of "manifest inconvenience." It would be "a very serious thing," however, to withhold from the accused "any information material to the defence." But "on objections being made by the president to the production of a paper, the court would not proceed further in the case without such an affidavit as would clearly show the paper to be essential to the justice of the case." On the weight to be given to the President's objection, "the court would unquestionably allow their full force to those reasons." If a reservation of certain portions of a paper were made by the President, "all proper respect" would be paid to it. Here, however, no objection had been interposed by the President himself, but only by his delegate, the United States Attorney. With the case in this posture, and because "[t]he only ground laid for the court to act upon is the affidavit of the accused," "the court is induced to order that the paper be produced, or the cause be continued." [85]

President Jefferson subsequently sent a copy of the letter, with his own deletions, to the United States Attorney, but Burr did not press his demand, probably because his acquittal on the misdemeanor charge, as on the trial for treason, was confidently expected (and did occur). Demand for the letter was renewed, however, in the final stage of the proceedings, on motion to commit Burr to the custody of the federal marshal for transfer for trial in Ohio. At this stage Marshall delivered no further opinion but made rulings in the course of colloquies with counsel. The Chief Justice's private knowledge of the contents of the letter was shared by Burr's counsel,[86] and doubtless by Burr himself, and Marshall was manifestly annoyed that the defense offered no further statement of its materiality; the contest over production had become a protracted bout of shadowboxing. But Marshall did reassert his opinion that it was his responsibility to weigh the President's claim. Addressing Burr, he said: [87]

"After such a certificate from the president of the United States as has been received, I cannot direct the production of those parts of the letter, without sufficient evidence of their being relevant to the present prosecution. I should suppose, however, that the same source, which informed you of the existence of this paper, might inform you of the particular way in which it was relevant."

In the end Marshall refrained from ordering production, ruling instead that the omitted parts of the letter might be taken to support the defendant's assumption regarding them: [88]

"After a long and desultory argument, the Chief Justice determined that the correct course was, to leave the accused all the advantages which he might derive from the parts already produced; and to allow all the advantages of *supposing* that the omitted parts related to any particular point. The accused may avail himself as much of them, as if they were actually produced.

* * * * *

"I have already decided this question. It is certainly fair to supply the omitted parts by suppositions, though such ought not to affect General Wilkinson's private character. If this were a trial in chief, I should perhaps think myself bound to continue the cause, on account of the withholding the parts of this paper: and I certainly cannot exclude the inferences which gentlemen may draw from the omissions."

Marshall's ruling at this stage appears to have been compounded of exasperation, desire to avoid an outright collision with Jefferson, and conviction that commitment proceedings were not an appropriate forum for resolution of difficult legal questions. He stated a preference for leaving such questions to the trial judge, who could certify them to a higher court.[89]

The Burr trials may be taken to have established four principles, all pertinent to and important for the tapes case: (1) There is no absolute privilege in a criminal case for communications to which the President is a party. (2) Upon a particularized claim of privilege by the President the court, giving due respect to the President's judgment, will weigh the claim against the materiality of the evidence and the need of the accused for its production. (3) For purposes of determining whether disclosure is required, the material sought may be ordered to be produced for in camera inspection by the court, with the participation of counsel and, it seems, of the accused. (4) In lieu of such production, the court may direct that inferences shall be drawn favorable to the accused, or that the prosecution be dismissed.

In the tapes case these principles were largely confirmed,[90] and the mechanics of an in camera inspection were refined. If the President invokes a claim of privilege in response to a subpoena, the district judge should treat the materials as "presumptively privileged" and order in camera inspection only if the Special Prosecutor demonstrates that they are " 'essential to the justice of the [pending criminal] case.' " [91] Since the Special Prosecutor had already been required to demonstrate relevancy in order to obtain the subpoena in the first instance,[92] presumably this further requirement calls for a stronger showing of need. During the inspection the judge should exercise the utmost care for the safekeeping of the materials.[93] In determining whether particular portions are to be excised, the judge in his discretion may call upon the aid of counsel for both sides, although neither appears to be entitled to participate as of right.[94] Such procedures ensure that presidential confidentiality will not be broken except where a genuine need exists; enable the court to make an informed judgment about the need for disclosure of specific segments of subpoenaed materials; and protect against disclosure of irrelevant portions.[95]

In the tapes case the Court was not called upon to deal with materials that contain military or diplomatic secrets. Nevertheless, citing *Chicago & Southern Air Lines, Inc. v. Waterman Steamship Corp.*[96] and *United States v. Reynolds*,[97] the opinion observes that the "high degree of deference" shown to the executive's judgment in such cases need not be shown where the privilege claimed is only the generalized one in confidentiality.[98] The apparent approval given to the *Reynolds* decision may be disquieting. There the Court held that in a tort action by the widows of three civilian engineers who were killed in the crash of an Air Force plane on which experimental and secret electronic equipment was carried, the plaintiffs were not entitled to the production, even for in camera inspection by the trial court, of a report of an official board of inquiry investigating the airplane accident. There was no suggestion that the electronic equipment figured in the cause of the crash. The decision reversed a strong court of appeals (Judges Maris, Goodrich, and Kalodner)[99]

Footnotes at end of article.

and drew a dissent from Justices Black, Frankfurter, and Jackson. Particularly surprising was Chief Justice Vinson's observation that production of the report was of dubious necessity since the survivors themselves, who had been interviewed by the board, were available as witnesses;[100] one might have thought that this circumstance enhanced the value of the report in the interest of completeness and confrontation.[101]

The *Reynolds* Court's willingness to honor a claim of privilege merely on the basis of the executive's judgment is not, however, a forceful precedent for the inappropriateness of an in camera hearing to determine whether production of national security information may be compelled in the course of criminal proceedings. *Reynolds* was a civil case—a situation with which the *Nixon* Court was expressly not concerned.[102]—and one in which the litigant's demand for evidence was arguably less appealing because his suit was permissible only by virtue of the Government's consent as manifested in the Tort Claims Act.[103] However that may be, an important and reassuring footnote near the end of Chief Justice Burger's opinion assimilates claims of military and diplomatic secrets to those of general confidentiality for the purpose of the availability of an in camera procedure.[104] The somewhat greater deference to the executive that the *Nixon* opinion indicates is appropriate when national security information is under subpoena thus appears to go to the weight to be accorded the needs of confidentiality versus the needs of litigants, rather than to the procedures for striking that balance. A litigant may be required to make a stronger showing of need before a district judge will order production of national security material for in camera inspection,[105] but such an inspection remains the primary method of resolving the conflicting claims of the executive branch and the criminal process.

The British rule, too, is that no absolute Crown privilege can be claimed on the ground of confidentiality.[106] It was so decided by the House of Lords in 1968, in a unanimous decision repudiating an earlier statement of Lord Simon accepting as conclusive a claim of privilege by a principal Minister.[107] That practice had proved quite unacceptable, for the reason put concisely in Lord Pearce's speech: " 'It is not surprising,' it has been said . . . , 'that the Crown, having been given a blank cheque, yielded to the temptation to overdraw.' "[108] There is no reason to suppose that this is a peculiarly British phenomenon.[109]

Most "great" cases, those that, in Justice Holmes' words, "deal with the Constitution or a telephone company,"[110] are argued with prophecies of doom. The tapes case was no excepiton. The brief for President Nixon closed with these words, referring to the decision of Judge Sirica in the district court: "If sustained, that decision will alter the nature of the American Presidency profoundly and irreparably."[111] History has a way of mocking these specters of disaster forecast from judicial decisions.[112] So long as the courts retain their resourcefulness in applying precedents, and their authority to reconsider doctrine in the light of "the lessons of experience and the force of better reasoning,"[113] fears of irreparable harm are likely to prove exaggerated. Moreover, transforming decisions, however dramatic, are generally reflections of deeper currents in the national thought and culture. To borrow again from the wisdom of Holmes:[114] "I have no belief in panaceas and almost none in sudden ruin. I believe with Montesquieu that if the chance of a battle—I may add, the passage of a law—has ruined a state, there was a general cause at work that made the state ready to perish by a single battle or law." But the short answer to the apprehensions over an affirmance of Judge Sirica's decision is that it could be said with stronger reason that a reversal would have marked a fundamental alteration in our standards of criminal justice.

III. BEYOND THE TAPES CASE

The opinion of the Supreme Court was careful to state that it was concerned with executive privilege only in the context of the criminal law, and not in the setting of presidential relations with Congress.[115] Nevertheless, the rejection of a generalized privilege in the President's discretion, and the adoption of a standard of weighing the need for information against the injury to the national interest through disclosure, will doubtless have a radiating effect. Indeed the United States Court of Appeals for the District of Columbia Circuit, in judging the Watergate Committee's suits for presidential tapes, applied essentially the same standards it had employed in the first Special Prosecutor's suit, though with a different outcome.[116]

The issue of executive privilege is one aspect of a reexamination by Congress of the larger subject of relations between Congress and the President. A rationalization of congressional procedures, long overdue, has been seen as a necessary element in congressional oversight. The purse and the sword are the instruments of national policy that have been of most acute concern to Congress, and in each of these fields new legislative controls have been devised.

Out of these recent efforts a pattern seems to be emerging, one that would replace the isolation of the two branches, their unilateral acts and recriminations, with a procedure for consultation and for informed review by Congress. With respect to presidential impoundment of appropriated funds,[117] a statute now requires the President to communicate his reasons to Congress, which in turn must approve the impoundment (if it constitutes more than a deferral) as a condition of its becoming effective.[118] With respect to military action, the War Powers Resolution of 1973 recognizes the power of the President to commit troops to hostilities abroad in certain emergencies without a declaration of war, but requires a ratifying vote by Congress within sixty days.[119] A like proposal regarding presidential proclamations of states of national emergency is before Congress.[120]

Similar procedures for dealing with executive privilege are under active consideration. In general, the proposals would require an executive department to furnish any information or records within thirty days of receipt of a request from a House or committee of Congress, unless the department can supply a statement signed by the President explaining why the material is privileged.[121] Some of the proposals would detail the grounds which the President could legitimately advance for nondisclosure: the need to withhold, for example, military secrets, other information whose disclosure might create grave and irreparable harm to the vital interests of the United States, and advice and opinions concerning policy in relation to legitimate functions of government.[122] Provision for limited disclosure, as in executive session, might further narrow the scope of the privilege, just as such a provision might warrant a request for otherwise privileged investigatory files in connection with appointments and removals.[123]

All such efforts to provide standards and procedures are laudable, though experience with the Freedom of Information Act,[124] applicable to private demands for information, cautions against seeking clear and distinct solutions by codification.[125] The efforts are nonetheless praiseworthy because they compel closer attention to standards which serve the public interest, recognize the need for restraint both in the demand for information and in the assertion of privilege, encourage rational communication between the two branches, and furnish a basis for more informed public judgment if in the end confrontation occurs.

The more troublesome question is whether, if an impasse does develop, resort should be had to the courts. Given the widespread and appreciative acceptance of the courts' role in resolving the contest over production of the tapes, it seems natural enough to turn to the judiciary for settlement of congressional-presidential disputes as well. There are, however, significant differences that counsel against an easy transference of judicial review. The tapes case arose in the setting of a criminal proceeding. That factor gives rise to three distinctive characteristics that bear on the appropriateness of judicial review. In the first place, there was a conventional case already lodged in the court, not a plenary proceeding between two branches of government. Second, and related to the first characteristic, is the fact that private interests of the most acute kind—the potential loss of liberty of the defendants—were at stake. Third, the weighing of the need for disclosure is more congruent with the judicial function, and more comfortably performed, in a criminal case than in a legislative investigation: relevance and materiality are more focused in the search for defined facts than in a wide-ranging inquiry either to furnish a basis for legislation or to probe into maladministration.[126]

If a prosecution were brought against an executive officer for contempt of Congress in refusing to give evidence or produce records, or if a House itself committed an officer to custody on that ground, a court ought not to refrain from deciding the issue; basic personal rights would have been put in jeopardy by a solemn act of the legislative body. Short of that kind of collision, at the very least there ought to be a considered resolution of the full House before a legislative committee would seek, and a court would provide, judicial review.[127] But adoption of such legislation at this time may be premature. The whole subject of executive privilege is under close scrutiny; executive cooperation is likely to be more forthcoming, and Congress, for its part, is sensitive to criticisms of past excesses of some of its committees. A pattern of communication and better understanding, together with the force of public opinion, ought to be allowed to have its day. Routine resort to the courts could stunt these promising developments, draw the judiciary into intragovernmental controversies in their raw, politically-tinged state, and expose the courts to the risk of rendering unsatisfactory judgments on matters where the judicial touch is likely to be unsure. Here, as elsewhere in our constitutional order, when personal rights are not in jeopardy,[128] it is well to give scope for "a frank and candid co-operation for the general good."[129] The vision may be too ideal, the hope misplaced. But in the freer and healthier atmosphere into which we are emerging the vision and the hope deserve a trial.

FOOTNOTES

[*] Carl M. Loeb University Professor, Harvard Law School. A.B., Washington University, 1928; LL.B., Harvard, 1931; S.J.D., 1932. The author gratefully acknowledges the assistance of Lawrence D. Bragg, 3d, J.D. Harvard, 1974.

[1] 94 S. Ct. 3090 (1974), *noted* pp. 50–61 *infra*.

[2] Transcriptions of twenty of the conversations had meanwhile been released by the President, 94 S. Ct. 3097; as to the taped recordings of these his counsel apparently did not continue to raise objections.

[3] Mr. Justice Rehnquist did not participate. *Id.* at 3111.

[4] United States v. Mitchell, Crim. No. 74–110 (D.D.C., filed Ma 20, 1974), *reprinted in* Petitioner's Brief for Certiorari at 15–23.

[5] 94 S. Ct. 2637 (1974).

[6] *See* United States v. Ryan, 402 U.S. 530, 532–33 (1971); Cobbledick v. United States, 309 U.S. 323 (1940).

[7] 94 S. Ct. at 3099.

[8] *Id.*

[9] *See* 28 U.S.C. § 2101(e) (1970).

[10] But with unhurrying chase,/And unperturbèd pace,/Deliberate speed, majestic instancy . . . .
The Hound of Heaven, 1 The Works of Francis Thompson 107 (1913).

[11] 487 F.2d 700 (D.C. Cir. 1973), *noted in* 87 Harv. L. Rev. 1557 (1974).

[12] *See* Brief for Respondent at 27–28 ("the Judiciary is without jurisdiction to intervene in the solely intra-executive dispute presented here"; "[t]he ultimate authority over all executive decisions is, under Article II of the Constitution, vested exclusively in the President of the United States").

[13] *Id.* at 29–44; *see* Flast v. Cohen, 392 U.S. 83, 85 (1968):

> [I]n part [the case or controversy requirement of article III] define[s] the role assigned to the judiciary in a tripartite allocation of power to assure that the federal courts will not intrude into areas committed to the other branches of government.

[14] *Cf.* Hayburn's Case, 2 U.S. (2 Dall.) 409 (1972). See the lively and learned exchange between Professors Alexander M. Bickel and Paul M. Bator. Bickel, *On Mr. Jaworski's Quarrel With Mr. Nixon,* N.Y. Times, May 23, 1974, at 41, cols. 1–4; Bator, *Disputing Mr. St. Clair on the Jurisdictional Issue,* N.Y. Times, May 30, 1974, at 37, cols. 1–4; Letter from Alexander M. Bickel to the Editor, N.Y. Times, June 3, 1974, at 30, cols. 3–4.

[15] Department of Justice Order No. 551–73, 38 Fed. Reg. 30738, *as amended,* Order No. 554–73, 38 Fed. Reg. 32805 (1973). The regulation provides, in part:

> In exercising this authority, the Special Prosecutor will have the greatest degree of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice. The Attorney General will not countermand or interfere with the Special Prosecutor's decisions or actions. The Special Prosecutor will determine whether and to what extent he will inform or consult with the Attorney General about the conduct of his duties and responsibilities. In accordance with assurances given by the President to the Attorney General that the President will not exercise his Constitutional powers to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given, the Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part and without the President's first consulting the Majority and the Minority Leaders and Chairmen and ranking Minority Members of the Judiciary Committees of the Senate and House of Representatives and ascertaining that their consensus is in accord with his proposed action.

38 Fed. Reg. at 30739.

[16] *Id.* at 30739 (Special Prosecutor shall have "full authority . . . [to determine] whether or not to contest the assertion of 'Executive Privilege' ").

The promulgation of these regulations by the administration led to the tabling of bills in both houses which would have authorized the district court to appoint a special prosecutor. *See* Brief for the United States at 10 & n. 13. On the constitutional validity of such a provision under article II, compare *Ex parte* Siebold, 100 U.S. 371, 397–98 (1879) (upholding federal statute authorizing courts to appoint supervisors in federal elections). *See* Petition of Law School Deans, N.Y. Times, Oct. 23, 1973, at 33, cols. 2–3.

The Court made no reference, however, to congressional forbearance in reliance on these regulations. Nor did it lay stress on the provision that congressional leaders be consulted on any proposed dismissal of the Special Prosecutor; and indeed it is dubious whether designated members of Congress may participate in decisions to dismiss executive officials. *Cf.* Myers v. United States, 272 U.S. 52, 161–62 (1926); Ginnane, *The Control of Federal Administration by Congressional Resolutions and Committees,* 66 Harv. L. Rev. 569, 599–609 (1953); Jackson, *A Presidential Legal Opinion,* 66 Harv. L. Rev. 1353 (1953). Rather, the Court relied on the proposition that a regulation is binding, even on its promulgator, until amended or repealed. 94 S. Ct. at 3101–02; *see, e.g.,* United States *ex rel.* Accardi v. Shaughnessy, 347 U.S. 260 (1954).

[17] *See* note 15 *supra.*

[18] *See id.*

[19] The removal was held illegal, as not in conformity with the published regulation, in Nader v. Bork, 366 F. Supp. 104 (D.D.C. 1973), *discussed in* Note, *Violations by Agencies of Their Own Regulations,* 87 Harv. L. Rev. 629, 632–33 n. 18 (1974). The standing of the plaintiffs, members of Congress, is being challenged on appeal. *See* Saxbe v. Nader, No. 74–1260, D.C. Cir., *appeal docketed* Feb. 20, 1974.

When Cox was dismissed the regulation prohibited removal of the Special Prosecutor except for extraordinary improprieties. *See* Department of Justice Order No. 551–73, 38 Fed. Reg. 14668 (1973). The regulation was subsequently amended to condition dismissal not only on the commission of gross improprieties but also on the assent of congressional leaders. *See* note 15 *supra.*

[20] The Court in *Nixon* noted that it was "theoretically possible for the Attorney General to amend or revoke the regulation defining the Special Prosecutor's authority." 94 S. Ct. at 3101.

[21] So long as judgments of the Court of Claims were reviewable by the Secretary of the Treasury, the Supreme Court refused to take jurisdiction over appeals from those judgments. *See* Gordon v. United States, 69 U.S. (2 Wall.) 561 (1865), 117 U.S. 697 (1885); *cf.* United States v. Ferreira, 54 U.S. (13 How.) 40 (1851) (no jurisdiction to review similar judgment of a federal district court). But when Congress amended the Court of Claims Act to provide that judgments would not be subject to revision by the Secretary, the Court did take jurisdiction despite the continuing possibility that particular judgments might on occasion not be honored by Congress. *See* Glidden Co. v. Zdanok, 370 U.S. 530, 552–54, 568–70 (1962) (plurality opinion); United States v. Jones, 119 U.S. 477 (1886).

[22] Reply Brief for Respondent at 1–2, *quoting* Mississippi v. Johnson, 71 U.S. (4 Wall.) 475, 500–01 (1867).

[23] *See* Brief for Petitioner at 125–29; Brief for Respondent at 123–25.

[24] *See* 94 S. Ct. at 3103.

[25] Reply Brief for Petitioner at 59–64.

[26] 94 S. Ct. at 3104 & nn.13–14.

[27] Reply Brief for Respondent at 42 n.30.

[28] The tapes might conceivably be admissible for purposes of impeaching, or rehabilitating, either Colson or President Nixon as a witness; but as the opinion observes, without reference to the precise problem, "[g]enerally, the need for evidence to impeach witnesses is insufficient to require its production in advance of trial." 94 S. Ct. at 3104. The opinion is content to state that "most of the tapes apparently contain conversations to which one or more of the defendants named in the indictment were party." *Id.* Perhaps the very bulk of the materials subpoenaed by the Prosecutor facilitated a relatively general approach by the Court to the question of admissibility.

[29] The earliest use which the author has discovered is in the government briefs in the *Reynolds* case. Petitioner's Brief for Certiorari at 11, 12, United States v. Reynolds, 345 U.S. 1 (1953). *See* R. Berger, Executive Privilege: A Constitutional Myth 1 & n.3 (1974).

[30] 5 Oxford English Dictionary 409–410 (1933), *citing* J. Bentham, Principles of Legislation xvii § 25 (1780).

[31] *See* Nixon v. Sirica, 487 F.2d 700, 708–12 (D.C. Cir. 1973).

[32] 5 U.S. (1 Cranch) 137 (1803).

[33] *Id.* at 149.

[34] United States v. Burr, 25 F. Cas. 30, 34–35 (No. 14,692d) (C.C.D. Va. 1807).

[35] *See* C. McIlwain, Constitutionalism: Ancient and Modern *passim* (rev. ed. 1947).

[36] *See* Powell v. McCormack, 395 U.S. 486, 504–06 (1969); Jurney v. MacCracken, 294 U.S. 125 (1935) (petitioner for writ of habeas corpus being held in custody of the Sergeant-at-Arms of the Senate on account of destruction of documents under subpoena by a Senate committee).

[37] *See* Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579 (1952).

[38] *See* Nixon v. Sirica, 487 F.2d 700, 709 (D.C. Cir. 1973); 87 Harv. L. Rev. 1557, 1562–63 (1974).

[39] *See* Brief for Respondent at 85 n.65.

[40] *See* 94 S. Ct. at 3109–10.

[41] Another possible meaning of executive privilege is a substantive immunity from liability, qualified or absolute. *See, e.g.,* Pierson 1. Ray, 386 U.S. 547, 553–55 (1967); Tenney v. Brandhove, 341 U.S. 367 (1951); W. Prosser, Law of Torts § 132, at 987–92 (4th ed. 1971). Absolute immunity, designed to protect certain discretionary functions from even the burden of litigation, is more familiar in the law of torts than of crimes, perhaps because of the greater public concern and the greater screening process in the bringing of actions in the latter area. *Cf.* Gregoire v. Biddle, 117 F.2d 579, 581 (2d Cir. 1949) (L. Hand, C.J.):

> There must indeed be means of punishing public officers who have been truant to their duties; but that is quite another matter from exposing such as have been honestly mistaken to suit by anyone who has suffered from their errors.

[42] *See* 94 S. Ct. at 3105–06 & n.16; Gravel v. United States, 408 U.S. 606 (1972).

[43] *See* 94 St. Ct. at 3105, 3107.

[44] Board of Trustees v. United States, 289 U.S. 48, 59 (1933) (citations omitted).

[45] The Court dismissed as improvidently granted the President's cross-petition challenging this action of the grand jury, holding that determination of the grand jury's reach was "unnecessary to resolution" of the President's claim of privilege. 94 S. Ct. at 3097 n.2.

[46] *See, e.g.,* 8 J. Wigmore, Evidence § 2298 (McNaughton rev. ed. 1961) (attorney-client privilege).

[47] *See* Brief for Petitioner at 90–102.

[48] 5 U.S. (I Cranch) at 177, *quoted in* 94 S. Ct. at 3105, 3106.

[49] United States v. Belmont, 301 U.S. 324, 330 (1937).

[50] *See* 94 S. Ct. at 3107.

[51] 5 U.S. (I Cranch) 137 (1803).

[52] *Id.* at 143–44.

[53] *Id.* at 143.

[54] *Id.*

[55] *Id.* at 144–45.

[56] *Id.* at 145.

[57] *Id.*

[58] The recession of the Court at this stage may be compared with the cadence of Marshall's opinion on the full case, taking occasion to castigate an executive who would "at his discretion sport away the vested rights of others," *id.* at 166, then avoiding a collison by holding that the Court could not exercise original jurisdiction to issue a writ of mandamus, although of course in so abstaining the Court established the momentous doctrine of judicial review of congressional acts.

[59] 25 F. Cas. at 34, 192.

[60] Recent discussions of the Burr trials include: Berger, *The President, Congress, and the Courts,* 83 Yale L.J. 1111, 1111–22 (1974); Nathanson, *From Watergcte to* Marbury *v.* Madison: *Some Reflections on Presidential Privilege in Current and Historical Perspec-*

tives, 16 ARIZ. L. REV. 59, 61–65 (1974); Rhodes, *What Really Happened to the Jefferson Subpoenas*, 60 A.B.A. J. 52 (1974); Wills, *Executive Privilege: Jefferson & Burr & Nixon & Ehrlichman*. The New York Review of Books, July 18, 1974, at 36; R. BERGER, *supra* note 29, at 187–94; 5 D. MALONE, JEFFERSON AND HIS TIME: JEFFERSON THE PRESIDENT, SECOND TERM, 1805–08, at 215–370 (1974).

The trials are reported in two shorthand transcriptions: T. CARPENTER, THE TRIAL OF COL. AARON BURR (1807) (three volumes) [hereinafter cited as CARPENTER]; D. ROBERTSON, THE TRIALS OF COLONEL AARON BURR (1808) (two volumes) [hereinafter cited as ROBERTSON]. The opinions of Chief Justice Marshall and some of the arguments of counsel are reported at 25 F. Cas. 2–207 (Nos. 14,692a–14,694a) (C.C.D. Va. 1807).

[61] *See* Berger, *supra* note 60, at 1112; Rhodes, *supra* note 60, at 52–53.

[62] *See* 1. J. RICHARDSON, MESSAGES and PAPERS OF THE PRESIDENTS 412 (1896).

[63] *See* 25 F. Cas. at 31–32; 2 ROBERTSON 512–27. Wilkinson testified before the grand jury, but he was not in fact called as a witness in the two trials. *See* 5 D. MALONE, *supra* note 60, at 336, 344.

[64] 25 F. Cas. at 31; 1 ROBERTSON 119.

[65] 25 F. Cas. at 31.

[66] 1 ROBERTSON 120.

[67] Letter from Thomas Jefferson to George Hay, June 12, 1807, 1 ROBERTSON 210.

[68] *Id.*

[69] Letter from Thomas Jefferson to George Hay, June 17, 1807, 1 Robertson 254–55.

[70] *Id.* at 255.

[71] *Id.*

[72] *See* p. 23 *supra*.

[73] 25 F. Cas. at 37.

[74] *Id.*

[75] A copy of the October 21 letter was apparently delivered to the clerk of the court, *see* 3 CARPENTER 112 (statement of Aaron Burr), and during the commitment proceedings a portion of that copy was quoted by John Wickham, one of Burr's counsel, in his cross-examination of General Wilkinson. *Id.* at 265–66. It is unclear from the trial transcript whether the whole letter or only portions of it were made available to the defense, but Hay's remark that he no longer objected to the disclosure of all of the letter, *see* 2 ROBERTSON 505, suggests that the entire document was turned over.

[76] 2 ROBERTSON 529–30; Rhodes, *supra* note 60, at 53.

[77] 2 ROBERTSON, 511.

[78] *Id.* at 533–34.

[79] *Id.* at 532.

[80] *Id.* at 501. The suggestion was repeated, for the prosecution, by William Wirt. *Id.* at 529.

[81] Jefferson, in his letter of June 19, 1807, to Hay referred to Martin as "this unprincipled & imprudent federal bull-dog." 9 THE WRITINGS OF THOMAS JEFFERSON 58 (P. Ford ed. 1898). Henry Adams embellished the portrait: "the rollicking, witty, audacious Attorney-General of Maryland; . . . drunken, generous slovenly, grand; bull-dog of federalism. . . ." H. ADAMS, JOHN RANDOLPH 141 (1882).

[82] 2 ROBERTSON at 502.

[83] 25 F. Cas. at 192. Marshall's agreement that Burr should be given access to the entire letter and consulted during the editing of it appears to have derived from a belief that Burr himself was better qualified than either his counsel or Marshall to assess the evidentiary value of the letter. *See id.*

[84] *Id.* at 191.

[85] *Id.* at 192.

[86] *See* 3 CARPENTER 282.

[87] *Id.* at 280–81.

[88] *Id.* at 281–82, 284.

A ruling such as Marshall's might conceivably reflect an opinion that the matter was indeed privileged but that the prosecution was, in effect, estopped from taking advantage of the privilege. *See* United States v. Beekman, 155 F.2d 580, 584 (2d Cir. 1946) (Frank, J.) ("When the government institutes criminal proceedings in which evidence, otherwise privileged under a statute or regulation, becomes importantly relevant, it abandons the privilege."). Marshall, however, gave no indication that he was silently renouncing his position that the judge, not the President, was the ultimate arbiter, and his remarks to Burr, quoted in the text, indicate the contrary. Moreover, in context Marshall's ruling was as helpful to the defense as actual delivery of the letter would have been. *See* note 90 *infra*.

[89] *See* 3 CARPENTER 409. Marshall appeared anxious to terminate his part in the Burr affair. Shortly afterwards, he wrote to Judge Peters of Philadelphia, thanking him for a volume of *Admiralty Reports* and revealing something of his feelings about the Burr trials:

> "I have as yet been able only to peep into the book. . . . I received it while fatigued, and occupied with the most unpleasant case which has ever been brought before a judge in this or, perhaps, in any other country which affected to be governed by laws; since the decision of which I have been entirely from home. The day after the commitment of Colonel Burr . . . I galloped to [his vacation home in] the mountains. . . ."

J. THAYER, JOHN MARSHALL 97 (Phoenix ed. 1967).

[90] The *Nixon* Court nowhere expresses any view as to the propriety of permitting evidentiary inferences on behalf of the accused in lieu of requiring production of evidence. In *Nixon* the inappropriateness of that alternative was evident: the materials sought included conversations between indicted conspirators and others and therefore would be likely to relate to central elements in the case; their actual contents were unknown and in some instances in dispute; and they were being sought for use by both the prosecution and the defense in a criminal trial in chief. In *Burr*, however, it appeared to make little real difference in the outcome of the proceedings whether the defense received the inference or the actual letter: the letter was only marginally relevant to the defendant's case, being sought solely in order to impeach the veracity of a witness, *see* 3 CARPENTER 280–81; and most important, the actual contents were already known both to the defense and to Marshall, who was sitting without a jury and would be the sole judge of whether to commit Burr for a new trial. *See id.* at 280, 282; 2 ROBERTSON 509.

[91] 94 S. Ct. at 3110 (brackets in original), *quoting* United States v. Burr, 25 F. Cas. at 192.

[92] *See* p. 17 *supra*.

[93] *See* 94 S. Ct. at 3110–11.

[94] *See id.* at 3110–11 & n. 21.

[95] There is, of course, one conspicuous difference between the *Burr* case and the tapes case: in the latter the documents were sought not by the accused but by the prosecution. The difference, however, is more conspicuous than significant. Not only does the pursuit of justice have a double aspect, but in fact the interests of the accused may be served by production at the instance of the prosecution. Under the doctrine of Brady v. Maryland, 373 U.S. 83 (1963), the accused is entitled to access to evidentiary material of an exculpatory nature in the possession of the prosecution, and several of the defendants were asserting rights under that doctrine. As Mr. Justice Douglas pointed out at the oral argument, the rights of the accused were lurking not far beneath the surface of the case:

> Question: I thought the heart of this case was the rights of defendants in a criminal trial to that evidence. It may be exculpatory and free them of all liability . . . .
>
> Mr. Jaworski: Well, it certainly is in the case. Now, of course what you have reference to also, I am sure, Mr. Justice Douglas, is *Brady* . . . .
>
> Question: And the question of whether or not the defendants, under the *Brady* doctrine, are entitled to subpoena information and material that is not now in your possession but is in the possession of the President, was an issue that was left undecided by the District Court.
>
> Mr. Jaworski: That is correct, sir.

Transcript of Oral Argument at 41–42. The Special Prosecutor freely stated that he would make available to defendants any material to which they were entitled under *Brady*, and that the obligations "extend even to 'privileged' evidence." Reply Brief for Petitioner at 64 n.37.

[96] 333 U.S. 103 (1948).

[97] 345 U.S. 1 (1953).

[98] 94 S. Ct. at 3108–09.

[99] 192 F.2d 987 (3d Cir. 1951).

[100] 345 U.S. at 11.

[101] Compare the remark of George S. Kaufman in the course of a bridge game, whose application to the tapes case need not be labored: "I would like a review of the bidding, with the original intonations." L. KRONENBERGER, THE CUTTING EDGE 169 (1970). Possibly more authoritative is the statement of Lord Reid when a similar ground was suggested for exclusion of official reports:

> "No doubt if a report contains more than a statement of the facts there may be reasons at least for withholding that part which ought not to be disclosed, but I fail to see what public interest is served by permitting evidence to be given but withholding the contemporary report of the witness about the facts."

Conway v. Rimmer, [1968] A.C. 910, 946.

[102] 94 S. Ct. at 3109 n. 19.

[103] 60 Stat. 842 (codified in scattered sections of 28 U.S.C. (1970)). *See* United States v. Reynolds, 345 U.S. 1, 12 (1953) (footnote omitted):

> "Respondents have cited to us those cases in the criminal field, where it has been held that the Government can invoke its evidentiary privileges only at the price of letting the defendant go free. The rationale of the criminal cases is that, since the Government which prosecutes an accused also has the duty to see that justice is done, it is unconscionable to allow it to undertake prosecution and then invoke its governmental privileges to deprive the accused of anything which might be material to his defense. Such rationale has no application in a civil forum where the Government is not the moving party, but is a defendant only on terms to which it has consented."

[104] When the subpoenaed material is delivered to the District Judge *in camera* questions may arise as to the excising of parts and it lies within the discretion of that court to seek the aid of the Special Prosecutor and the President's counsel for *in camera* consideration of the validity of particular excisions, *whether the basis of excision is relevancy or admissibility or under such cases as Reynolds, supra, or Waterman Steamship, supra.*

94 S. Ct. at 3111 n.21 (emphasis added).

[105] Indeed, the *Reynolds* Court went so far as to state that "even the most compelling necessity cannot overcome the claim of privilege if the court is ultimately satisfied that military secrets are at stake." 353 U.S. at 11.

[106] Conway v. Rimmer, [1968] A.C. 910. The Scottish law is in accord. *See* Glasgow Corp. v. Central Land Bd., [1956] S.C. (H.L.) 1.

In *Conway* the House of Lords analyzed the claim of governmental privilege for confidential documents as a "class" privilege, a characterization essentially the same as the Supreme Court's phrase "generalized privilege." *See* 94 S. Ct. at 3109–10. In each case, the assertion of such privilege was held insufficient to preclude in camera review. Each court also left room for more specific claims, the House of Lords speaking of "contents" and the Supreme Court of "particular excisions" in referring to the examining judge's authority to excise portions of the documents. *See* 94 S. Ct. at 3111 n.21; [1968] A.C. at 952–53, 994–96.

[107] *See* Duncan v. Cammell Laird & Co., [1942] A.C. 624.

[108] [1968] A.C. at 983, *quoting* H. Wade, Administrative Law 285 (2d ed. 1967).

[109] Compare the statement of the Special Prosecutor:

"In oral argument before the district court on the enforceability of the grand jury's subpoena, counsel representing the President stated that "the President has told me that in one of the tapes that is the subject of the present subpoena there is national security material so highly sensitive that he does not feel free even to hint to me what the nature of it is." Transcript of Hearing on August 22, 1973, at 56, *In re* Grand Jury Subpoena Duces Tecum Issued to Richard M. Nixon, 360 F. Supp. I (D.D.C. 1973). Nevertheless, when the recordings were submitted to the district court in compliance with later orders of that court and the court of appeals, counsel for the President no longer asserted that any of the subpoenaed conversations included matters relating to the national security and no such information was found."

Reply Brief for Petitioner at 45 n.23.

[110] *John Mitchell, reprinted in* The Occasional Speeches of Justice Oliver Wendell Holmes 131, 134 (M. Howe ed. 1962) [hereinafter cited as Occasional Speeches].

[111] Brief for Respondent at 137.

[112] *See, e.g.*, Justice McReynolds' dissenting opinion delivered from the bench in The Gold Clause Cases, Perry v. United States, 294 U.S. 330 (1935); Nortz v. United States, 294 U.S. 317 (1935); Norman v. Baltimore & Ohio R.R., 294 U.S. 240 (1935): "Shame and humiliation are upon us now. Moral and financial chaos may confidently be expected." 334 U.S. at xi. Or witness Chief Justice Fuller's dissent in The Lottery Case, Champion v. Ames, 188 U.S. 321, 375 (1903) (footnote omitted):

"Our form of government may remain notwithstanding legislation or decision, but, as long ago observed, it is with governments, as with religions, the form may survive the substance of the faith."

[113] Burnet v. Coronado Oil & Gas Co., 285 U.S. 393, 407–08 (1932) (Brandeis, J., dissenting). *See* F. Cornford, Microcosmographia Academica 15 (1908):

The *Principle of the Dangerous Precedent* is that you should not now do an admittedly right action for fear you, or your equally timid successors, should not have the courage to do right in some future case, which, *ex hypothesi*, is essentially different, but superficially resembles the present one. Every public action which is not customary, either is wrong, or, if it is right, is a dangerous precedent. It follows that nothing should ever be done for the first time.

[114] *Law and the Court, reprinted in* Occasional Speeches, *supra* note 110, at 168, 172.

[115] 94 S. Ct. at 3109 n.19.

[116] *Compare* Senate Select Comm. on Presidential Campaign Activities v. Nixon, 498 F. 2d 725 (D.C. Cir. 1974) (en banc), *with* Nixon v. Sirica, 487 F. 2d 700 (D.C. Cir. 1973) (en banc) (per curiam).

[117] *See* Baade, *Mandatory Appropriations of Public Funds: A Comparative Study, Parts I, II*, 60 Va. L. Rev. 393, 611 (1974); Note, *Impoundment of Funds*, 86 Harv. L. Rev. 1505 (1973).

[118] *See* Pub. L. No. 93–344, tit. X, 88 Stat. 297, 332 (U.S. Code Cong. & Ad. News 1720, 1761 (93d Cong., 2d Sess. July 12, 1974)).

[119] *See* Pub. L. No. 93–148, 87 Stat. 555, (U.S. Code Cong. & Ad. News 614 (93d Cong., 1st Sess. Nov. 7, 1973)). The 60-day waiting period before congressional ratification is required may give the administration the opportunity to argue with some plausibility that the resolution gives the President a free hand, independent of congressional opinion, to conduct military actions of less than two months duration. *See* T. Eagleton, War and Presidential Power: A Chronicle of Congressional Surrender 216, 218–21 (1974).

[120] *See* S. 3957, 93d Cong., 2d Sess. (1974), *reprinted at* 120 Cong. Rec. 15788–89 (daily ed. Aug. 22, 1974).

[121] *See* H.R. 12462, 93d Cong., 2d Sess. (1974).

[122] *See* Dorsen & Shattuck, *Executive Privilege, the Congress and the Courts*, 35 Ohio St. L.J. 1, 11–33 (1974); Committee on Civil Rights, *Executive Privilege: Analysis and Recommendations for Congressional Legislation*, 29 The Record 177 (1974).

[123] *See* Dorsen & Shattuck, *supra* note 122, at 24–29.

[124] 5 U.S.C. § 552 (1970).

[125] *See* EPA v. Mink, 410 U.S. 73, 79 (1973); Note, *The Freedom of Information Act and the Exemption for Intra-Agency Memoranda*, 86 Harv. L. Rev. 1047 (1973). *See also* Committee on Federal Legislation of the Association of the Bar of the City of New York, Amendments to the Freedom of Information Act, Fed. Legis. Rep. No. 74–1 (April 22, 1974).

[126] *See* C. Mosher *et al.*, Watergate: Implications for Responsible Government 121–22 (1974); Nathanson, *supra* note 60, at 77.

Those especially who would look to the courts to vindicate the legislature's right to obtain information may reflect on the unanimous decision of the court of appeals against the Senate Watergate Committee. The court ruled that production of the tapes was not vitally necessary to the Committee on two grounds: that these tapes would probably come into the possession of another legislative group charged with investigative and reporting responsibilities similar to that Committee's, and that fulfillment of the Committee's lawmaking responsibilities did not require access to such detailed information as the tapes held. *See* Senate Select Comm. on Presidential Campaign Activities v. Nixon, 498 F.2d 725, 732–33 (D.C. Cir. 1974). This result may well be disquieting to supporters of broad judicial review to vindicate congressional authority.

[127] *Cf.* O'Brien v. Brown, 409 U.S. 1, 5 (1972) (per curiam) (denying review of action of credentials committee of Democratic National Convention).

[128] *Cf.* McCulloch v. Maryland, 17 U.S. (4 Wheat.) 315, 401 (1819).

[129] Gibbons v. Ogden, 22 U.S. (9 Wheat.) 1, 238 (1824) (Johnson, J., concurring).

TVA PURCHASE OF THE PEABODY COAL CO.

Mr. COOK. Mr. President, last week in the Wall Street Journal, and in yesterday's Washington Post, articles appeared which discussed the possibility of the purchase of the Peabody Coal Co. by the Tennessee Valley Authority. In the Post article titled "TVA Seeks To Buy Peabody Coal Co.," Secretary of the Interior Rogers C. B. Morton said that the possibility that TVA will end up owning Peabody "scares the heck out of me."

Frankly, Mr. President, my reactions to this possibility are quite similar.

As the result of an order by the Federal Trade Commission, Kennecott Copper Corp. must divest itself of Peabody Coal Co. by April 1, 1975. Because of a ruling by the FTC that Kennecott Copper reduce competition by going into the coal-mining business, and the Supreme Court's denying Kennecott's petition for review of that 1961 ruling in April of this year, TVA has submitted a conditional proposal to Kennecott Copper Corp. to buy Peabody Coal Co. It is reported that TVA would have to pay Kennecott about $1 billion for Peabody.

It is understandable that the management of the Tennessee Valley Authority is looking for ways to reduce the cost of supplying electricity to consumers of TVA power, and it is even more understandable that they are investigating a permanent source of fuel to supply the necessary power to the TVA service area. However, the possibility of TVA buying outright the Nation's largest coal producer raises several serious questions which the Congress, as the overseer of this independent agency, has the obligation to study thoroughly.

First, in order to finance this purchase, TVA must raise some $1 billion. This money will be raised by selling bonds to the public. While title 16, section 831n–4 authorizes the TVA "to issue and sell bonds * * * in an amount not exceeding $5 billion outstanding at any time * * *," the large amount of funds needed to purchase Peabody could jeopardize some of TVA's other projects. Therefore, it may be necessary for TVA to request that Congress amend this section to increase the amount of indebtedness which can be outstanding. To do so would, in essence, be approval of a plan by an agency of the Federal Government to withdraw $1 billion from the private sector at the same time that the Members of this body are trying to find ways to put more capital into the private sector. Are we competing with ourselves?

Second, by congressional sanction of the purchase of Peabody Coal Co., an independent Government agency would be placed in control of over 71 million tons of coal, which is the most coal mined by an American firm. Of the 38 million tons of coal used by TVA last year, only 12 million tons came from Peabody mines. Thus, if TVA did acquire Peabody, the question arises as to the disposition of the remaining 59 million tons of coal. As a power system owned by the United States, TVA is not operated for profit. They are required by law to charge rates that will produce gross power revenues sufficient to cover operation and maintenance expenses. How will TVA price this coal? Since TVA uses only a small percentage of the coal mined by Peabody, will they sell to themselves at one price and sell the remainder to non-TVA users at higher prices, thus causing non-TVA users to bear the extra cost? Or will they undersell the other producers, thereby driving them from the market and discouraging additional production at a time when the Federal Government is attempting to develop domestic energy resources to the fullest extent? Should we allow an independent Federal agency to take actions contrary to the general policies we are trying to develop?

Equally important, would this acquisition mean that Peabody's proposed increase in production would not take place? Would the TVA entry into the field of coal production constitutte unreasonable Government competition in a private industry?

My third concern, I believe raises an interesting question: Can a second Federal agency undertake a course of action which has been prohibited to a private business by the prior ruling of a first Federal agency? More specifically, can the TVA produce coal when the effect would undoubtedly be similar to the effect caused by Kennecott's original acquisition? The FTC order required Kennecott to divest itself of Peabody Coal Co. on the grounds that Kennecott ownership reduced competition. The FTC, in so ruling, felt that if Kennecott wanted to enter the coal producing industry, it should form its own company rather than reduce competition by acquiring an existing company. I believe that TVA could find itself in a very similar position. TVA owns a large amount of coal reserves, and to allow them to also produce coal would have given them control of all phases of an industry. At a time when war has been declared against anticompetitive practices, is a Federal agency to be allowed to engage in practices which have already been declared anticompetitive by the FTC and the courts?

My fourth major concern has been highlighted by the events which have occurred between the United Mine Workers and the Bituminous Coal Operators Association during the last several days. Everyone is aware of the strike by the Nation's coal miners. Everyone is also aware of the Federal Government's nonintervention in the settlement negotiations. If TVA were to obtain Peabody Coal Co., then the Federal Government, through this agency, would automatically be involved in any future labor disputes with the UMW. If a Federal mediator were used in the negotiations, the Federal Government would find itself in a position of arguing against itself.

A fifth problem involves taxation. Section 831–1 of title 16 exempts the TVA, its property, franchises, and income from any taxation. In lieu of taxes, TVA pays to the States and local governments 5 percent of "the gross proceeds derived from the sale of power by the corporation." If Peabody Coal became the property of TVA, would all of its property be exempt from taxation at the State and local level? Would this cause a drop in the tax revenues for the areas involved? Not only should this possible decrease in tax revenues be studied by the Congress, but Congress should also consider whether or not the revenues from the sale of coal are considered as a part of "* * * the gross proceeds derived from the sale of power * * *."

A final point which should be considered is Peaboody's substantial holdings in areas outside of the Continental United States. With these assets abroad, I believe there would be a problem until TVA disposed of these assets.

Mr. President, I believe the above issues raise legitimate and appropriate questions for congressional study of the purchase of Peabody Coal Co. by the Tennessee Valley Authority. I raise them now with the hope that they will be fully discussed and ultimately resolved.

A BEAUTIFUL STORY ABOUT A NEIGHBORHOOD DRUGSTORE IN LOUISVILLE

Mr. METZENBAUM. Mr. President, there recently came to my attention an article which appeared in the Louisville Times relative to a drugstore in Louisville, Ky., operated by an old friend of mine, Sidney Passamaneck. I was quite impressed. Sidney Passamaneck is a rare and unusual human being. The University of Kentucky awarded him its Distinguished Kentuckian Award in October for his dedicated service to the pharmaceutical profession. Sidney Passamaneck deserves that award, but he is much more than a pharmacist. He is a warm man who can best be described in the following words from the article:

> I don't like self-service because I don't get to know people. You don't get to talk to them, and I love people. So we will still try to call people by their names.

And since I am a soda fountain lover, I liked what Sidney had to say about that long-forgotten feature of most of our modern drugstores:

> The old fashion store with its soda fountain was the place where children were brought up. The average child today . . . doesn't know what a good chocolate soda is.

I like Sidney Passamaneck, and I like his wife, Hanna. They are wonderful people, and I wanted the Senate to share with me the pleasure I receive in reading about them.

Mr. President, I ask unanimous consent that the article from the Louisville Times of November 15, 1974, entitled, "Drugstore Closing Quietly, Ending a Small Bit of History," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DRUGSTORE CLOSING QUIETLY, ENDING A SMALL BIT OF HISTORY

(By Ellen Schuhmann)

The drugstore at 1500 Bardstown Road probably looks like a lot of drugstores used to look.

Wooden shelves reach to the ceiling. Huge overhead paddle fans hang down. The soda fountain sits beckoning from one side.

But the shelves are growing empty now, the fans will cool no more customers and the fountain's equipment is dusty from disuse.

The end is near for the Model Drug Store at Bardstown Road and Eastern Parkway. Its owner, Sidney B. Passamaneck, is retiring.

Sitting at the fountain, Passamaneck mourned the passing of soda fountains and the type of business he has operated for 48 years.

Physically, the store has changed little from its opening day, he said. Tables for the soda fountain were replaced by shelves years ago. "We had 14 people working here at one time. And then when the concept of self-service came in, one by one these people went and the self-service department was put in," he said.

The change didn't come easily. "I don't like self-service because I don't get to know people. You don't get to talk to them, and I love people. So we still try to call people by their names."

Dressed in a white pharmacist's coat, Passamaneck looked younger than his age. He will soon reach 76 years. What hair he has is white, but the face is firm.

The soda fountain stopped scooping up luscious treats about three years ago, when the last clerk retired. The equipment remains because it was too expensive to remove it, Passamaneck explained.

He thinks it's sad that soda fountains—once part of a drugstore's image—are disappearing. "The old-fashioned store with its soda fountain was the place where children were brought up. The average child today . . . doesn't know what a good chocolate soda is."

The store will be open through tomorrow, then the fixtures will be auctioned. Passamaneck hopes to sublet the building for the unexpired two years of his lease. His prescription business was merged with that of another Highland drugstore in late October.

His decision to close was triggered by two armed robberies within three months. In both cases, the thieves took cash and narcotics. Pressure from his wife, Hannah, helped.

"Mrs. Passamaneck says get out, and when Mrs. Passamaneck says get out, after being married to her for 53 years, you do what she says," he grinned.

The April 3 tornado that destroyed their Indian Hills home was another factor. "I just thought it was time to enjoy ourselves a bit," he explained. The Passamanecks, who lived on Bonnycastle Avenue for 25 years, now live in an apartment in Plainview. The store was untouched by the tornado.

AN ENDANGERED SPECIES

Passamaneck fears that stores like his are an endangered species because of the growth of chain stores and the repeal of fair-trade legislation. The repeal meant chain stores could buy some products in bulk and sell them for less to attract customers. Also, a new generation of shoppers has been "brainwashed" into buying at shopping centers, he said.

"I think our economy is being hurt . . . by the banishing of the small businessman . . . Everything is in the hands of big organizations and the computer says lay off 10,000 people, they're off. Where in the old days, when there was enough work for three or four days, they divided the men up and let everybody get a little bit. Today it's all or nothing.

"I wonder what some people . . . are going to do. They can't go to the corner grocery anymore and say, 'Please, let me pay you Friday.' They can't go to a corner drugstore hardly anymore with a prescription and say, 'Doc, I'm out of money, but can I pay you next week?' These are sad things and I just wonder if people really realize this."

A Louisville native, Passamaneck entered the two-year Louisville College of Pharmacy in 1916 and was the only high school graduate in his class. The school's requirements were two years of high school or the equivalent.

STARTED WITH PARTNER

He went into the Student Army Training Corps after graduation and at the end of World War I, he and Leonard Stern each received $60, so they pooled their money and bought the original Model Drug Store at Seventh and Walnut streets.

Eventually the partners opened four other stores, but the Depression forced them to close all but the one on Bardstown Road. Stern sold his share to Passamaneck.

In 1928, Passamaneck helped organize Allied Druggists of Louisville, the first co-operative buying and advertising group in the city, he said. In 1950–51 he was president of the Kentucky Pharmaceutical Association.

As for retirement, he plans to rest for two or three months and then find a parttime job as a pharmacist—"to sort of keep my hand in it, because I'm very interested in pharmacy."

He feels he is going out in a blaze of glory. He received the University of Kentucky College of Pharmacy's "Distinguished Kentuckian Award" in October for his dedicated service to the profession.

"Pharmacy's been good to me. I've had every honor they can bestow on anyone. Many, many men worked hard for a pharmacy long before my time and left a heritage. I just hope I'm leaving a little behind me to help someone else."

THE OHIO STATE BUCKEYES AND THE SMELL OF ROSES

Mr. TAFT. Mr. President, it is often said that bad news should be conveyed by friends. While I am sure the President is aware of many major events which occurred here at home during his absence, it is my duty to a friend and a former coach at Yale to make sure that he is aware of what happened last weekend in Columbus, Ohio, while he was out of the country.

On a warm, sunny Saturday afternoon in historic Ohio Stadium, the Ohio State Buckeyes won a hard-fought victory over the Wolverines of Michigan; thereby winning an unprecedented third straight return to the Rose Bowl. While this is the team's third consecutive trip, it will be their ninth visit overall and their seventh under the coaching of Woody Hayes. In addition, this year has brought Ohio State its 18th Big Ten Conference championship.

Three major contributing factors for Ohio's State's win were Woody Hayes, Archie Griffin, and Tom Klaban. Last weekend saw Ohio's inimitable coach of 24 years rack up his 200th-plus victory; Archie Griffin, Ohio's Heismann Trophy candidate, gain more career yardage than any other player in Big Ten history; and, placekicker Tom Klaban of Cincinnati kick four of the most beautiful field goals I have ever seen.

The entire Ohio State team along with their unyielding coach is to be congratulated on what has to be considered a great overall season. Any triumph over archrival Michigan is sweet, but coupled with the smell of roses, the victory is even sweeter.

While the Michigan team played a great game, we will be singing the "Ohio State Fight Song" in Pasadena and not "Hail to the Victors." I am sure this is a disappointment to the President, but he has had 3 years of Rose Bowl Parades to learn the tune.

Saturday's win was more than a victory—it was a culmination of events which bring pride not only to Ohio State fans, but to the entire State of Ohio.

SENATOR RANDOLPH STRESSES NEED TO PROVIDE REASONED POLICIES FOR SOLID WASTE MANAGEMENT

Mr. RANDOLPH. Mr. President, for more than a dozen years the Members of the Senate Committee on Public Works have been developing laws to protect the environment and to halt abuses of the past that grew out of our preoccupation with economic expansion. The laws which we developed are now being effectively implemented with positive results in curtailing air and water pollution.

Through legislation developed in the Public Works Committee, substantial Federal programs have been established and significant progress has been made. During this period, little attention has been given to solid wastes. No major Federal program has been initiated in this area despite enactment of the Resource Recovery Act of 1970 and the Solid Waste Disposal Act of 1965. After almost a decade, solid waste management still remains essentially a local function with minimum Federal assistance or involvement.

Major attention is again being given by the Committee on Public Works to the mounting problems associated with solid wastes. During the past 6 months, the Public Works Committee has been reviewing the accomplishments of the Federal and State solid waste programs as well as the policy and legislative alternatives for establishing a continuing Federal role to cope with this staggering environmental problem.

Earlier this year we created the Panel on Materials Policy to the Subcommittee on Environmental Pollution to focus attention on solid waste matters. Under my chairmanship, the panel conducted 10 days of legislative hearings during June and July on the role of resource recovery in a national materials policy.

At the present time five major bills dealing with solid waste issues are pending before the Committee on Public Works. Last week our Subcommittee on Environmental Pollution began to write a consolidated solid waste measure.

In our markup sessions, the subcommittee is working from a draft bill which covers all of the aspects of solid waste management that were addressed in the individual bills referred to the committee. It is now our hope to report comprehensive resource recovery legislation to the Senate before the end of the 93d Congress.

THE PROBLEM

There is little, if any, glamour connected with solid waste, for it is, in reality, garbage—the residue of an affluent society. Looking to the future, however, it is essential that we attack solid waste problems with the same vigor which has characterized our national efforts to end contamination of our air and water resources.

A few months ago a poll was taken of mayors and city council members throughout the country to determine their principal concerns. Of the 28 major problems facing urban areas those relating to solid waste were ranked first on a national basis. Local officials ranked them more serious than law enforcement, streets and highways, or fiscal policies.

Urban wastes amount to 203 million tons annually, creating a major problem for local governments. Nearly half of our cities, some 46.5 percent, anticipate running out of current landfill capacity between 1974 and 1978.

Moreover, solid waste disposal is the third largest expenditure funded solely from local revenues. The national cost of urban waste management is expected to approach $10 billion within 6 years. Part of this expense can be recovered by a recycling process that channels raw materials back into our economy. Resource recovery must be the basis of our future solid waste programs.

We are committed to clean air and clean water. We must now be equally committed to clean cities, to clean countrysides, and to the repeated reuse of nonrenewable resources that are becoming more and more precious.

The challenge of solid waste management has often been described as one of preventing an increasingly urban society from disappearing under its own garbage. With our country now 70-percent urban, mere survival makes this a vital issue.

Perhaps equally important, however, is the reality that we may be unable to sustain our society unless we extend the energy conservation ethic to other natural resources. In short, we must eliminate the word "waste" from our vocabulary and substitute the word "conservation."

Solid wastes are the byproducts of our society. As the use and consumption of natural resources continues to grow we are also faced with a rapid depletion of these same natural resources as well as a semipermanent energy shortage. All of these factors are interrelated and it is now feasible, in part, to simultaneously address the problems of waste generation and energy and materials consumption.

The 4.4 billion tons of solid waste we generate annually can constitute a threat to public health that must be removed. Of equal importance is the need to recognize that these same solid wastes are a virtually untapped source of useful materials. At a time when we seem to be faced with shortages of everything we should be exerting every effort to recover and reuse the millions of tons of valuable materials we once threw away.

Natural supplies of raw materials are becoming scarce and increasingly expensive. Experience with the oil embargo last winter reveals that foreign sources are not always reliable and their use often contributes to our increasing balance-of-payment deficit. A minerals crisis as severe as the energy crisis could develop, according to Interior Secretary Morton. This country, for instance, must import 90 percent of the bauxite for the aluminum industry. At the present rate of dependence on foreign mineral sources, we could be spending $60 million annually for minerals in the next 25 years.

Resource recovery and recycling therefore must become an essential part of our national solid waste management efforts. Increased reuse of discarded materials offers great potential for defraying some of the costs of solid waste disposal.

Waste materials recovery has historically been performed principally by the private sector and is subject to the limitations in market demand for reclaimed materials. Fluctuations in both the demand levels and prices for reclaimed materials have been the primary factors constraining an expansion of resource recovery activities.

As local and regional market demands for reclaimed waste paper, metals, glass, and other secondary materials increase, a greater percentage of these materials will be recovered and reclaimed from a wider variety of waste sources. Typical sources of recoverable materials now include supermarkets, shopping centers, office buildings, and institutions whose wastes are comprised primarily of paper. Through the use of modern onsite compaction, baling, and containerization equipment, it is possible to segregate and reclaim large quantities of corrugated paper and mixed waste paper from such establishments.

Industrial plants also generate large volumes of recoverable waste materials. Such facilities are the primary source for a large percentage of scrap metals as well as a large volume of paper. A wide variety of other waste materials also are recoverable from industrial wastes such as wood, plastics, textiles, rubber, and various types of chemical wastes.

During hearings before the Panel on Materials Policy, I became acutely aware of the significant initiatives that are being taken by State governments and the private sector in the implementation of resource recovery systems.

STATE INITIATIVES

Many State governments have taken significant steps to improve their handling of solid waste and resource recovery within their jurisdiction. These programs, like the Federal Environmental Protection Agency program, recognize that we are establishing policies and priorities that are critical to long-term solutions—policies that will set the direction for resource and energy recovery from waste, for realistic land disposal practices, and for environmentally sound handling of hazardous and other wastes.

Programs in such States as Connecticut, Michigan, and Florida exemplify realistic, yet ambitious and forward looking solid waste management programs. In many States the legislatures have built on the capability of the private sector.

Since 1965 the Federal Government has been responsible for conducting a national program for coordinating the planning activities at the State level as well as demonstrating new technology and concepts for waste management services.

Federal responsibilities have been expanded to encompass a broad role in providing technical assistance to State and local government and the evaluation of major institutional issues affecting the ability of providing adequate waste management services. These issues include the current economic and institutional barriers to expanded recovery and reuse of our wastes, the technical and economic factors affecting the treatment and disposal of toxic and chemical wastes, and legal and organizational barriers to improving waste management services to the general public on a broad scale.

This necessary and appropriate role of the Federal Government in technology assessment has helped many communities in establishing improved waste management programs and services, some of which encompass new resource recovery concepts. Such activities include the evaluation and demonstration of feasibility for converting solid wastes into supplemental energy sources. Through these demonstrations, the potential role of refuse as a source of energy is now being determined.

While the data base for these programs is not yet complete, the preliminary findings are most encouraging. The postconsumer waste stream consisting of several hundred thousand tons of residential refuse generated each day is a primary source of combustible materials for energy generation. While many of these energy recovery projects are currently in the demonstration phase, a number are on the drawing boards for application on a broad scale.

Many of the programs involving new technology have originated in the private sector and their national application to the waste management and resource recovery fields has been accelerated through the interest and abilities of the private sector to be responsive to the developing needs for new sources of energy.

PRIVATE SECTOR ACTIVITIES

During our deliberations I have been impressed by the extensive and important role that is provided by the private waste service industry.

Unlike some areas of the public service field such as waste water treatment, solid waste collection and disposal in this country is predominantly a function of private enterprise. Over the years this industry has grown to encompass over 10,000 private firms, operating in virtually every State and metropolitan area, which currently handles 73 percent of the Nation's solid wastes.

A recent study by the Environmental Protection Agency reveals that this industry serves 50 percent of the homes in the country and handles over 90 percent of the commercial and industrial wastes. In performing this public service the industry collects close to 700,000 tons of solid wastes each day using 60,000 modern vehicles and several million containers. Some 100,000 people are employed in the private waste service industry in businesses ranging from small privately owned firms operating 5 or less trucks to large New York Stock Exchange-listed corporations operating nationwide. Both large and small waste service firms provide waste collection, processing, recovery and disposal services in many metropolitan as well as in rural areas.

Looking to the future, resource recovery will continue to be performed by private enterprise, as well as by public solid waste management systems. As market demand for secondary materials continues to grow, private industry will continue to provide these important services, thus it is imperative that this capability be incorporated in the provision of regional solid waste management systems and services.

The extensive role and expanding capability evident in the private solid waste management sector has become widely recognized by governmental officials throughout our country. Many communities are utilizing the services of private enterprise under contract or franchise to provide for the collection, processing, and disposal of their wastes. This joint Government-industry partnership affords these communities an opportunity to reduce their capital investment in equipment and facilities for solid waste disposal while still retaining the principal responsibility for assuring that such services are provided in accordance with environmentally sound standards.

This public/private partnership has enabled many local governments to utilize the productivity and efficiency available in the private sector. Likewise the willingness of the private sector to manage and operate these services consistent with the standards of quality established by local government indicates their responsiveness to the competitive forces of the marketplace.

Large-scale systems designed to recover, process, and dispose of municipal wastes will be established requiring substantial capital investment and long-term commitments from both private industry and Government. A number of activities in this area are currently under development by both the public and private sectors. Several are being implemented through the initiative of individual private firms which deserve note. For example, the national agglomerates during their brief history have undertaken an impressive number of comprehensive and coordinated approaches to resource and energy recovery. These are dramatic, innovative projects yet they are only a small part of the total industry effort which involves predominately smaller firms operating on a local basis.

Mr. President, I ask unanimous consent that the following summary be printed in the RECORD at this point as examples of the private sector's commitment to resource recovery.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY

Browning Ferris Industries, Inc., the nation's largest total waste systems company, is illustrative of private enterprise's commitment to the orderly development of resource recovery from our nation's daily waste stream. The company currently operates nearly 50 resource recovery centers in metropolitan areas across the U.S.A. Some of these centers accept baled secondary materials while others incorporate separation systems where material previously destined for sanitary landfills are now separated, where recyclable materials are then marketed and placed back into reuse after processing. The company also operates a resource recovery center in Houston, Texas through a contractual arrangement with the city to recover salvageable materials and then disposes of the remainder in a sanitary landfill.

SCA Services, Inc., with operations in 32 states, is an acknowledged leader in resource recovery. Besides its 14 traditional materials recovery plants, SCA—at its advanced 300 ton per day Ft. Wayne facility—mechanically recovers paper, metals, and converts the combustible fraction into a solid fuel material. The state of Connecticut, based on an intensive nationwide competition, selected an SCA joint venture to design, construct, and operate an 1,800 ton per day energy recovery plant. The New Jersey Hackensack Meadowlands Commission, in its published evaluation, has selected this company for an even larger installation. Through its Chem-trol subsidiary, it annually recovers millions of gallons of chemicals and blended fuels from liquid wastes. The company conducts an extensive research and development program involving projects in pyrolysis and other energy concepts and advanced materials separation techniques.

Waste Management, Inc. has had a longstanding commitment to resource recovery for many years. Waste Management, Inc. will build and operate the landmark New Orleans resource recovery facility, the details of which were presented to the Senate Public Works Committee, Panel on Materials Policy last summer. In addition, this company is engaged in various projects to convert municipal solid waste into pipeline quality methane gas. Many of the company's activities in the area of industrial waste management involve massive resource recovery programs which divert materials that would otherwise go into disposal facilities back into the production of new materials. This was the first company to design and build a full scale waste pulverization facility with private capital. This installation in Pompano Beach, Florida has led the way to the development of the basic technology inherent in virtually all resource recovery systems. Waste Management, Inc.'s new paper recovery facility in Chicago, Illinois, is one of the largest fiber recovery installations in the country. The company also pioneered the recovery of ferrous metals from incinerator residue and was the first to produce and market steam from a privately owned and operated municipal type incinerator.

Waste Resources Corporation, another firm in this industry, is operating paper recovery facilities in Gardena, California; Kansas City, Missouri; and Falls Township, Pennsylvania. The company has committed approximately 25 percent of its 1974 capital budget to the construction of resource recovery installations. Waste Resources Corporation also is operating a waste separator in Philadelphia on an experimental basis which will extract burnable material from the municipal waste stream. This material will be used as a fuel supplement. In addition to the burnable material, ferrous metals are also being recovered from the waste stream.

Mr. RANDOLPH. Mr. President, during our deliberations on future Federal solid waste management policy, it is essential for the Congress to recognize the important role that private industry now fulfills in both providing waste management services and resource recovery. Legislation enacted by the Congress must assure that the private sector can continue to fully utilize its financial and technical resources to effectively cope with our national solid waste problems. A Federal policy that enables the private sector to continue to invest capital in imaginative and efficient solutions to the Nation's waste disposal needs and resource recovery is essential. Through such a policy, it will be possible to achieve the goals of this national effort with a minimum dependency upon the Federal Government for financial assistance in implementing solutions to cope with this major environmental problem.

The Senate Public Works Committee members recognize the contribution being provided by the private sector toward achievement of our Nation's solid waste management goals. The members of the National Solid Waste Management Association are to be commended for their foresight in this regard. Through their combined efforts in conjunction with the Environmental Protection Agency an enthusiastic and affirmative response was received this month to the Third National Congress on Solid Waste Management Technology and Resource Recovery. Some 724 Government and industry representatives were in attendance.

The Committee on Public Works intends to formulate a Federal policy and a program that encourages extensive public-private partnership toward continued innovation and participation by the several thousand business organizations that comprise this industry. I hope that my colleagues when considering solid waste and other environmental legislation would note my remarks regarding the constructive role being served by the private sector in this field.

THANKSGIVING

Mr. THURMOND. Mr. President, this is the season of Thanksgiving. As we approach the end of a difficult and troubled year, many people may be wondering what they have to be thankful for, but we cannot let temporary misfortunes blind us to the many blessings which we, as Americans, continue to enjoy. Our Nation remains free, prosperous, and strong, and on Thanksgiving Day we should put aside our complaints and join together in celebrating the good things about America.

No nation has done more to protect freedom in the world, and none has maintained it more faithfully or shared it more equally among its own citizens. This year we have had an unprecedented change of administrations, and amid the surrounding turmoil some pessimistic voices were heard questioning if our system could survive. Not only did we survive, but our Constitution brought us through the crisis without the smallest interruption in the business of government or the normal life of the Nation. For this we should be lastingly grateful.

No nation has ever had a higher standard of living than we have. This year, inflation and unemployment have both risen sharply and sadly afflicted many people, but our economic difficulties are small when compared with those of many other nations of the world. Our extensive natural resources, or advanced technology, and our hard-working people insure that we will always be able to provide for ourselves whatever happens in the world economy. With a minimum of cooperation from other nations, we should also be able to increase our advantages still further, and to help other peoples increase theirs at the same time. For this, too, we should be grateful.

The heart of war in the Middle East and elsewhere still hangs over our heads, and this is discouraging. But no one can say that our country and its leaders have not exerted every effort to lessen this threat. Even in this last year, while preoccupied with domestic affairs, we have had significant diplomatic successes abroad which give hope for the future. For this, too, we should be grateful, as well as for the vigilance of our military forces which enable us to negotiate for peace from a position of strength.

Mr. President, much hard work lies ahead of us in battling the Nation's problems. Nevertheless, when we consider what we have already achieved as a nation, we cannot lack confidence that we will ultimately find their solutions. Let us on this Thanksgiving remember our heritage with the pride and the gratitude it deserves. The more fully aware we are of our present blessings, the better able we will be to increase them and pass them on to our children.

AIRLINE REGULATION: THE CHARTER QUESTION

Mr. KENNEDY. Mr. President, on November 7 and 8 the Subcommittee on Administrative Practice and Procedure, of which I am chairman, held hearings on the procedures being followed by the Civil Aeronautics Board relating to increasing the fares charged by charter airlines.

Those 2 days of hearings revealed a pattern of activity by the Board and by other Government departments that, from a procedural point of view, is highly irregular, and from a substantive point of view may seriously hurt the air traveler.

The CAB issued "guidelines" setting forth "minimum charter rates." These guidelines will have the practical effect of preventing air carriers from charging less than the "minimum" rate that they refer to. Yet, the guidelines were promulgated without full hearings—without adequate opportunity for the public to present its views or to challenge the evidence of those wanting higher rates.

Similarly, the Department of Transportation put pressure upon charter airlines to agree upon minimum rates—an action that would have the immediate practical effect of raising air fares. The Department also took this step without hearings, or any substitute for hearings, that might have allowed members of the public an adequate opportunity to review the evidence and suggest alternatives.

The State Department, too, engaged in a series of actions that will, as a practical matter, lead to higher fares. The Department issued a public statement telling the carriers that if they did not agree to higher rates, the Department would enter into negotiations with foreign countries that would force higher rates upon them. And that is just what the State Department seems to be doing. Again, these actions, which will force the consumer to pay higher prices for its travel, were taken without any effort to obtain the public's views on the matter.

In each of these instances, governmental action resulted from private meetings—meetings with other governmental officials and with representatives of industry. In none of these cases were representatives of the traveling public provided with a meaningful opportunity to express contrary points of view.

In my view, Mr. President, the procedures followed by the CAB, the Department of Transportation and by the State Department were in some instances unlawful, in some instances improper, and in all instances inadvisable. That I am not alone in this view is suggested by the fact that the Department of Justice, two consumer groups, and the National Air Carriers Association have stated that they will be challenging the lawfulness of the CAB's issuance of its guidelines in the courts.

Moreover, Mr. President, our hearings demonstrated the practical importance of insisting upon open procedures. They showed the serious harm that can befall the consumer when decisions are made "informally," as they were in this case without public review of the evidence. The alleged justification for urging, pressuring, or requiring the charter airlines to agree to raise their fares was that charter fares were often below cost. Yet, our hearings showed that every economic study of the matter—and there were four significant, substantial studies prepared by the staff of DOT and the Council of Economic Advisers—concluded that charter rates were not below cost. Indeed, all of the technical staff documents that we received indicated that minimum charter floors could not be justified on the basis of avoiding below-cost pricing. Rather, these same documents suggest that the motive behind the effort to set minimum charter rates was a somewhat different one—by forcing charter rates up, the scheduled airlines would be able to raise their rates, and the scheduled lines would thereby increase their profits.

We also heard testimony from the Director of Policy Planning of the Federal Trade Commission that showed that this method of helping the scheduled airlines—helping them by increasing the fares of their competitors—is far more costly than a direct subsidy. A charter rate floor will directly raise fares by tens of millions of dollars. And, the total program of helping the scheduled airlines in this way would cost the consumer hundreds of millions of dollars each year.

Had the agencies involved held open hearings on these matters, or had they exerted their ingenuity to find ways to bring persons charged with representing the consumer point of view into the decisionmaking process before the decisions were made, we might have had a very different result. The economic evidence would have been exposed, the cost to the consumer of requiring agreements on minimum charter rates would have been revealed, and the lack of justification for requiring such agreements might have become apparent. The minimum rate policy, however, was not exposed to the test of adversary argument.

The hearings suggest a pressing need for us to investigate further the procedures used by the CAB to set airline rates, to control entry into the airline business, and to determine conditions of travel. The testimony that I heard convinces me that we must find out how many major Board policies have in fact been arrived at through the sort of informal procedures used in the case of minimum charter rates.

Our hearings also indicate that the Board may be following a consistent policy of limiting competition. They raise the question of whether the Board has been more interested in protecting the profits of the airlines than in searching for low-cost travel for the consumer.

For example, several witnesses testified that the Board's recent proposals dealing with charter regulation will severely curtail charter travel and raise fares. More than 4½ million passengers traveled on affinity flights last year. They accounted for nearly 70 percent of all charter flights. The CAB now proposes to eliminate these flights without authorizing any adequate substitute. Its proposals for a new "one-stop inclusive tour charter," hailed as a "liberalization" of Board rules, in fact makes them more restrictive. It forbids charters from carrying more than one-quarter of 1 percent of the number of passengers carried by the scheduled carriers. In the New York/Las Vegas market, for example, it would limit each carrier to one flight every 3 months.

The Senate Commerce Committee, which has primary jurisdiction over Federal airline regulation, has for some time been concerned over the lack of adequate authority to enable carriers to promote low-cost air transportation. It has reported out S. 1739, which is designed to make package holidays more readily available to the American people. I commend Senators MAGNUSON and CANNON and the other members of the Commerce Committee who have developed this much-needed legislation.

I, of course, support President Ford's call for a national commission to study regulatory reform. I believe, however, that the Congress should not use that proposal as an excuse to delay immediate reform or legislative proposals that are now before us or may arise before the proposed commission has completed its work. Inquiries into the CAB's recent actions, including our subcommittee's recent hearings, demonstrate the immediate need for congressional action. I am sure the Commerce Committee and its Aviation Subcommittee will continue to exercise leadership on the question of airline regulation and economical air transportation. I hope my colleagues join with me in supporting legislative efforts to maintain and expand the availability of low-cost, efficient air transportation, and S. 1739 is designed to do just that.

Finally, Mr. President, procedural reforms of regulatory agencies cannot await the completion of the Commission's work. The Administrative Practice and Procedure Subcommittee has already discovered that the procedures used by the CAB in setting minimum charter rates did not provide the public or even departments of the Federal Government with a meaningful opportunity to participate in the decisionmaking process, and that policies harmful to the public often result from inadequate procedures. I hope my colleagues will, after due deliberation, join with me in putting forth legislative proposals to require agencies to formulate significant policies only after the public and other interested parties have a meaningful opportunity to participate.

The Administrative Practice and Procedure Subcommittee will be inquiring further into the CAB over the next few months. We will be working closely with the Commerce Committee and the Aviation Subcommittee in this endeavor and hope to develop legislation to improve the Board's procedures.

NATIONAL HEALTH SERVICE CORPS—PROGRESS AND ACCOMPLISHMENTS

Mr. MAGNUSON. Mr. President, the November 19, 1974, issue of the Wall Street Journal published an article by Jonathan Spivak, staff reporter of the Wall Street Journal, about the progress and accomplishments of the National Health Service Corps. As the Members are aware, the Senate Appropriations Committee has shown considerable concern over the last few years with the growing disparity between the health status of urban and rural America. Of particular alarm is the net decrease of rural primary care physicians at a rate of about 2 percent per year. We have indicated that if something is not done to reverse this flow, there will be no provider capacity in rural America to deliver the care that a National Health Insurance Act—if and when enacted—would finance.

Mr. President, the Wall Street Journal article very clearly indicates that the work of the National Health Service Corps is one effort that is stemming this tide. As Senators know, the National Health Service Corps is a "pet" project of mine. I sponsored that legislation 4 years ago and the fruits of this legislation are now becoming apparent. I should also like to point out that the most recent Labor-HEW appropriations bill includes further special efforts to bring medical care to mothers and infants in medically underserved rural areas.

I ask unanimous consent that the article by Mr. Spivak be printed in the RECORD, and I commend this article to the attention of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL PROJECT EASES RURAL DOCTOR SHORTAGE BY DISPATCHING NEW MEDICAL SCHOOL GRADUATES

(By Jonathan Spivak)

LOUISA, VA.—For years Louisa County was afflicted with a virulent disease common to many rural regions.

The malady not only drove local doctors to distraction but also forced many of the county's acutely ill to journey to hospitals in nearby cities. The ailment: a shortage of doctors.

But now this malady is yielding to government therapy. The arrival of two energetic young medical-school graduates, who treat 40 patients a day, has doubled the health care available to the county's 15,000 residents.

Care has thus improved at the Louisa Memorial Medical Center, and the seriously ill feel less impelled to turn to hospitals elsewhere. "These guys keep them here and treat them and treat them well," declares Dorothy Osterman, chief of nursing at the center.

The two new doctors, Richard O. Cummings and Robert Smith, are enlisted in a fledgling federal source known as the National Health Service Corps. It is designed to relieve the desperate shortage of doctors in rural America and also in the slum areas of some cities. And it has begun to do just that.

Begun less than three years ago with only 20 recruits, the corps now numbers over 250, and it is remedying medical-service shortages in 190 communities, scattered from Unalaska, Alaska, to Belle Glade, Fla.

Congress, in a new health-manpower measure, is expected to assure aid to many more out-of-the-way areas. The corps, which already claims to provide basic health care to an estimated 700,000 patients, hopes to serve 1.5 million Americans in 1976.

TWO-YEAR TOURS

Corps members, mostly recent medical-school graduates, agree to serve two years as general practitioners in isolated, government-assigned areas at salaries of $17,000 to $18,000 a year; in addition, since Sept. 1, however, many have been eligible for special bonuses of $12,500. The corps members thus help provide a public service while gaining an established practice and on-the-job experience. The federal government and local communities share the cost.

The government's hope is that most participants will decide to stay permanently after the two years in the places where they have served—providing lasting cures for local doctor shortages. And the signs are encouraging, with many corps members enthusiastic about their jobs.

"We've had a superb experience," says Dr. Cummings, a 1972 graduate of the University of Virginia Medical School who came to Louisa last year. He and Dr. Smith share Spartan offices in the basement of the 32-bed Louisa hospital. Together, they admit half the hospital's patients. (There are only two other doctors in the county.)

The corps physicians deal with all manner of ailments. Within one short span, Dr. Cummings checks 18-year-old Belinda Sharpe for various minor complaints and treats 69-year-old Susie Hill for laryngitis. The corps, he finds, "gives us a tremendous amount of clinical experience and judgment, helps us become independent and self-sufficient."

SOME LIKE IT SHOT

While there has been some conflict with the hospital's older nursing staff and with some patients who prefer particular methods of treatment (demand is strong for frequent shots, whatever the ailment), the community has come to depend on the two corps doctors. "We need them," says A. J. Richardson, a hardware dealer. John Bullock, acting hospital administrator and former Louisa postmaster, says of the two doctors, "They fill a vacuum, provide a big contribution to the care of the people in this community."

Patients also appreciate having a well-manned health center in their town. "I want to get care here; I like the way it's delivered," Barbara Lane, a real-estate agent and member of the hospital board, says.

While Drs. Cummings and Smith probably won't settle down here when their two years are up (they plan to take further training), a growing number of health service alumni are going into permanent practice in the places where they were assigned.

Though the retention rate among the corps' first batch of recruits was only 3%, about 20% now are staying put after their required stint is completed, and National Health Service administrators hope to do better yet. One reason is the recruitment of more highly trained doctors who have completed their hospital residencies and thus are prepared to take up private practice.

WITHDRAWAL SYMPTOMS

Officials say the program has established 33 self-sustaining medical practices, and they expect the number to rise to 100 by mid-1975 and later to 250. "Our goal in all sites is to go independent in two years," one administrator says.

Along with these high hopes for the future, the National Health Service Corps prides itself on its low-cost operation right now. Local communities are required to provide offices for the doctors and to pay all operating expenses except their salaries. (Most of this money comes from the physicians' charges, which usually are roughly comparable to other doctors' fees in the area.) So the corps is able to serve several hundred thousand patients with a budget of only $12.3 million a year.

Of course, its front-line physicians don't perform surgery or other sophisticated procedures. The complex cases are referred to larger medical centers. "We have a clear mission and an effective way to carry it out," says Dr. Edward Martin, the corps' 33-year-old director.

Thus, in its small way, the corps is helping to counter two troublesome trends in American medicine: over specialization and the concentration of doctors in suburbs and cities. While the total number of U.S. physicians has increased 28% during the past decade. the proportion in general practice has dwindled sharply, and many rural areas have lost nearby medical service entirely. The doctor-population ratio of one per 500 in New York State is almost three times that of mostly rural South Dakota.

EMPHASIS ON GENERAL PRACTICE

Medical schools have begun to expand their training of general practitioners—the kind of doctors most likely to settle in rural communities. This year, 2,100 students applied for 1.150 general-practitioner training positions in medical-school residency programs. The health corps hopes to attract these and other medical generalists, particularly pediatricians and internists.

"It's one of the many desperately needed devices to expand and reform the health-care delivery system," according to Harold O. Buzzell, administrator of the Health Services Administration, which oversees the program. He and other officials of the Health, Education and Welfare Department hope to more than double the corps' size by 1977, partly to meet the expected demands of the national health insurance program that may get through Congress in the next year or two.

Congress is receptive. It's popular among conservative lawmakers because it brings doctors to remote congressional districts that are often rock-ribbed Republican and it requires sponsorship by a local hospital, public health or other organization. Liberals support the corps as a needed government role in the practice of medicine.

Both houses of Congress favor enlarging federal medical-school scholarships and other support for the corps through a health-manpower bill that is likely to pass this year or next. (To qualify for the scholarships, students must agree to serve in the corps for at least two years.) Sponsors contend 19,000 more physicians are needed in rural areas, nearly double the annual output of medical schools, and thousands more are required in the poor sectors of large cities.

ESTABLISHMENT SUPPORT

Despite its dependence on the government, the corps is endorsed by organized medicine. Local medical societies are given a right to veto projects they don't like (none has), and the arrival of corps doctors eases the work loads of private practitioners.

Here in Louisa, Dr. Guy Smith and Dr. Evelyn Daniel, who are in private practice, display no antagonism toward their government competitors and indeed consult with them.

In both rural and city-slum areas, the corps is easing doctor shortages in a number of ways. Many of the corps doctors are willing to make house calls. In fact, when word got around that Dr. Gerald Smith of the Homestead-Montebello corps project in Baltimore was making house calls, he began to get requests from all over the city's North Side. "I'd get calls in the middle of the night; I had to put some limit on it," he recalls.

And at another corps project, the Daniel J. Flood clinic in Carbon County, Pa., you sometimes can't find a physician on duty because both of the doctors are out making house calls.

The Flood Clinic (named for the area's Congressman, who exerts substantial influence on health appropriations) is in a sparsely settled section of the Pocono Mountains. It's housed in a trailer-type dwelling donated by local citizens. There, Drs. James Myers and Larry Perin, both 28 years old, care for 600 patients a month, and the number is steadily rising.

Among other services, the doctors offer a complete physical exam for $70 to $80 (about what others in the area charge), and in their year on duty they've diagnosed three cases of lung cancer. The clinic's five employees perform laboratory work, as commercial lab services available were found to be unsatisfactory, and take X-rays. As a convenience to patients, the physicians dispense 200 kinds of drugs.

As they learn more about the real-life practice of medicine, these young medical-school graduates are also learning about themselves. "The more I'm here, the more I realize I need to know," Dr. Myers says. One shortcoming is treatment of obesity, a common problem among clinic patients. Dr. Myers plans to leave next year for more training, but Dr. Perin, who comes from the area, may stay on permanently. So far, in any case, the Flood Clinic has generated enough money to support only one doctor.

That can be a problem in many of the places where the health service corps operates. Its experts figure that a team of two doctors must take in $140,000 a year in fees to earn a net income of $30,000 each, the minimum that most physicians in private practice will settle for nowadays. But that total may be hard to attain; health-insurance coverage is narrower in rural areas than elsewhere, and doctors' fees tend to be lower. One possible remedy is to have national health insurance, when it comes, pay more to rural doctors than they get now.

A THREATENED VETO OF THE VETERANS EDUCATION BILL

Mr. WILLIAMS. Mr. President, President Ford has indicated that he will veto the Vietnam Era Veterans Readjustment Act, more commonly referred to as the GI education bill, perhaps today or in the near future.

If he does so, I believe that action should be severely criticized, and I will call upon Congress to demonstrate a profound opposition by overriding his veto.

In a time of soaring inflation, this far-reaching measure would greatly benefit the thousands of men and women who so bravely served this country in the military. At a time when institutional education is becoming too expensive for so many students, this act would help our veterans meet the financial needs of pursuing a higher education. This legislation, if enacted, would also be of substantial assistance to the veterans who are seeking professional training, by lessening their financial hardships.

Our veterans cannot be forgotten or ignored. Many served and sacrificed in what was a very unpopular war. They returned to a nation eager to demonstrate its gratitude, but which has so far given mainly empty promises. A large number of these veterans, in addition to facing high educational and vocational training expenses, are struggling with such serious problems as unemployment, poor housing, and drug addiction.

Mr. President, I believe the action taken by Congress in passing this much-needed legislation clearly demonstrated that we are determined to meet our obligations to our veterans.

But we must stand ready to carry that determination one step further by overriding a veto of this much-needed bill.

THE NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1974

Mr. STEVENSON. Mr. President, the Senate Commerce Committee's hearings and intensive investigation into natural gas supply and pricing have resulted in a working paper of the Natural Gas Production and Conservation Act of 1974. The working paper proposes reforms of the Natural Gas Act to meet the needs of the seventies and beyond by increasing supplies of natural gas while preventing excessive prices.

The Commerce Committee will hold hearings on the working paper on December 4 and 5, 1974. The hearings will begin at 10 a.m. in room 5110 of the Dirksen Senate Office Building on both days. Copies of the working paper may be obtained by sending a self-addressed mailing label to the Chief Clerk, Senate Commerce Committee, 5202 Dirksen Senate Office Building, Washington, D.C. 20510.

Mr. President, for Senator HOLLINGS and myself, I ask unanimous consent that the description and text of the working paper be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1974

PURPOSE AND BRIEF DESCRIPTION

The purpose of the proposed bill is to increase supplies of natural gas to the consumer while assuring consumers that inflation in natural gas prices will be kept under control. The bill establishes ceiling prices with automatic cost adjustment for new gas. They will provide new production incentives for producers and at the same time remove the uncertainty over future prices. Residential and small commercial customers would be assured of fairly stable gas prices, based on the lowest cost at which available gas is being sold. Producers on Federal lands would be required to develop and produce natural gas as soon as practicable and Federal Power Commission procedures relating to certification would be streamlined. The proposal would prohibit natural gas from being squandered on larger boiler fuel uses that could be feasibly satisfied by alternative fuels. Consumers would be protected from unjustified price increases in flowing natural gas. New gas prices would be kept well below the monopoly level of alternative energy sources.

NEED

HIGH INFLATION.—The Nation is faced with unacceptable levels of inflation that threaten economic stability at home and abroad. A prime cause of this inflation has been a quadrupling of oil prices on the world market to artificially high levels established by a cartel of exporting nations. These high world oil prices have been condemned as being extortionate threats to the survival of the Western world's economic system. Yet the monopoly price of oil established by the OPEC cartel is also fixing domestic prices for unregulated energy sources. Even though the United States imports only about 17 percent of its energy requirements, those imported supplies are causing the price on all domestic energy sources which are unregulated to rise to monopoly levels. Everyone is now paying more not only for energy use, but also for all goods and services that use energy in the course of being manufactured or transported.

Not surprisingly, the profits of the petroleum companies have risen to excessive levels as a result of the tripling of domestic unregulated crude oil prices together with similar increases in intrastate natural gas prices.

It is generally conceded that in the absence of controls the price of natural gas would rise to a price equivalent (on a BTU basis) to the intolerably high OPEC oil prices. Such a development would add to inflation and oil industry profits.

THE NATURAL GAS SHORTAGE.—At the same time, a serious shortage of deliverable natural gas currently confronts the United States. Interstate natural gas pipeline companies have been unable to purchase sufficient quantities of natural gas to maintain their current deliveries. The curtailments of natural gas service threaten to cause widespread unemployment and shortages of industrial products.

CURRENT FPC REGULATION.—The current regulatory system employed by the FPC is deficient because FPC procedures are themselves very time-consuming and are subject to additional lengthy review in the courts. The FPC has exacerbated the problem since the onset of the natural gas shortage by promulgating a series of regulatory procedures, each of them promising higher prices to natural gas producers, but with no certainty as to the duration of the new price. This chain of new procedures and higher prices, and the expectation of producers that deregulation by Congress is possible, have led companies who have discovered new deposits of natural gas (largely on the Federal domain) to refrain from producing that gas until prices stabilize and certainty is established. This withholding in hopes of higher prices and administrative uncertainty are prime causes of the current shortage.

PRICES FOR NEW NATURAL GAS.—Those who would deregulate natural gas producers have claimed that none of the ceiling prices provided under FPC regulation, despite the substantial increases the FPC has allowed in the past few years, are adequate to stimulate sufficient effort by producers to end the natural gas shortage. However, even the proponents of total decontrol made only small claims for its long-term impact on natural gas supply. With total deregulation, the Federal Energy Administration's Project Independence Blueprint only projects a production increase from 22.4 Tcf. in 1972 to 24.5 Tcf. by 1985. Opponents of deregulation have claimed that the FPC has already provided a high enough ceiling price, when judged by the actual costs incurred by natural gas producers. It is agreed by both, however, that deregulation at present would lead to natural gas prices equivalent to the monopoly fuel prices established by the OPEC cartel—approximately $2 per thousand cubic feet, almost eight times the current average gas price. A recent study by the Library of Congress indicates that the first year cost of new gas deregulation would be $5.43 billion, and that the annual cost of deregulation to the economy would grow until it reaches, in 5 to 7 years, approximately $17.7 billion per year.

The clear need is for a price to be established that has a basis in the actual costs now being experienced by the producing industry and that provides a stronger incentive for new dedications by producers without reaching the extortionate and inflationary OPEC level. This price level, when established, should be firm and should be protected from the ravages of inflation, because producers' decisions today are based on their price expectations at the time when their production commences. It should not be subject to court review and the long delays inherent in FPC decisions and judicial review.

FLOWING NATURAL GAS RATES.—The FPC has allowed substantial increases in the price for natural gas already flowing in interstate commerce. These increases provide no incentive for additional supplies, but merely add to consumers' fuel bills at a time when utility rates are a major part of a severe inflation of living costs. These higher prices for flowing natural gas impact most severely on the residential and small commercial customers who cannot switch to alternate fuels, and who are unable to pass along higher fuel costs to customers or consumers of their products.

SMALLER PRODUCERS.—There are literally thousands of natural gas producers, only a few of which contribute large amounts of natural gas to interstate commerce. The small producers bear a higher risk than the large; they do not drill enough wells to statistically anticipate a certain proportion of successes, and consequently their risks often vary substantially from that of the major companies. Yet they drill most of the exploratory wells, explore the marginal areas, and unlike the major oil producers, invest substantially all of their revenues in the search for new supplies. The burdens imposed by Federal regulation are relatively heavier on small producers, and the likelihood of regulated prices being inadequate is greater. Special treatment of these small producers has been proposed by the FPC, but the FPC's decision is among those pending final resolution.

WASTE OF NATURAL GAS.—Since natural gas, which is in short supply, is a clean-burning, convenient, highly versatile fuel, and an important raw material for many industries, it should be used efficiently and only where alternative fuels are not feasible. A relatively inefficient use of large supplies of natural gas is as boiler fuel for steam or electric generation. For example, if such steam or electricity is used for space heating, it may require three times as much natural gas as if the gas had been used directly for heating purposes. In addition, large boiler fuel users are often in a position to convert to alternative fuels and comply with air quality standards at much lower overall costs than small residential and commercial users. Higher pricing of natural gas does not solve this allocation problem because the conversion costs make natural gas much more valuable for boiler fuel than alternative fuels. In fact, the most wasteful uses of gas are concentrated in the intrastate market where prices are highest because Federal regulations do not apply. Thus, in order to free natural gas for high priority users, it is necessary to restrict the use of natural gas for use in existing and new boiler fuel installations which generate steam or electricity, where alternative fuel use is feasible.

FERTILIZER PRODUCTION.—Natural gas is an essential ingredient in the production of fertilizer, demand for which is skyrocketing in the face of a growing shortage of food. The current natural gas shortage has not only threatened existing fertilizer production, but has made the necessary expansion of fertilizer production difficult. It would be a serious mistake to await an absolute expansion of natural gas supply, which might never occur, before providing gas for such an essential purpose. The allocation of natural gas is a difficult task which may require further legislative action. But the need to expand food production is so basic that allocation of supplies of natural gas for food production stands out as a priority use that requires immediate attention.

SUMMARY OF THE NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1974

The proposed bill is designed to be responsive to operational problems and thus enlarge the supply of natural gas at reasonable prices by: (1) providing natural gas producers new incentives and the certainty of prices and terms that have been absent under the current FPC regulatory approach and (2) requiring production on the Federal domain. At the same time the Act is designed to protect the consumers of natural gas by (1) outlawing most increases in the price of flowing gas to assure price stability for residential and small commercial customers and (2) by keeping new natural gas prices well below prices for natural gas equivalent to the OPEC prices for oil which would be charged in the absence of reasonable price control.

STATUTORY FORMULA FOR NEW GAS PRICE.—The proposal establishes a method for establishing a base price for new natural gas which will adequately reimburse natural gas producers for their costs and risks. The FPC would be required to establish the basic base price within 180 days after the date of enactment within a statutory range between 40 cents per Mcf. and 60 cents per Mcf. No judicial review of the Commission decision within those statutory ranges would be permitted. The proposal also provides a formula which will govern future price changes in the base rate for new natural gas as applied to later sales by automatic adjustments to reflect changes in costs and inflationary trends. Once a producer has dedicated natural gas to interstate commerce, he will be allowed to provide in his contracts for up to a 2-percent annual price rise. Once this proposal is enacted there will be no expectation of future price increases higher than the 2 percent per year increase over the applicable base rate, and there will be no fears that prices allowed by the law will be overturned or reduced by the FPC or court action. With this kind of certainty, no producer will expect to profit in the future if he refrains from producing available natural gas at present. Nothing will do more to end the current natural gas shortage than to provide such certainty under a simple but fair statutory pricing formula for new natural gas.

PRICE FREEZE ON FLOWING GAS.—The consumer is further protected by a virtual price freeze on natural gas presently flowing in interstate commerce, unless a producer can show that a price increase is necessary to cover higher costs of production or to eliminate discrimination. Paying more for flowing gas will bring the consumer no additional supplies. The working paper places the incentive for new production of gas in the price available for new production.

PROTECTION OF RESIDENTIAL AND SMALL COMMERCIAL USERS.—To protect small users to the maximum extent possible from paying higher prices for natural gas, pipelines are obliged under the proposal to assure that the benefits of the lower prices of flowing gas, which are kept stable under a provision in the working paper, would be made available first to residential and small commercial customers.

SPECIAL INCENTIVES FOR SMALL PRODUCERS OF NATURAL GAS.—Small producers of natural gas, those producing less than 10 million Mcf. per year, incur risks which are greater than the risks incurred by the major companies, because. among other things, they do not drill enough wells to be able to forecast a certain proportion of successes. For this reason, the working paper provides that these smaller companies can charge as much as 50 percent more than the rate for new gas determined by the statutory formula. But gas discovered by major companies could not be sold by small producers or anyone else at prices higher than the statutory ceiling.

INCREASING NATURAL GAS SUPPLIES.—The proposal seeks to increase natural gas supplies in two additional ways: First, the FPC is directed to decide within 120 days applications to construct facilities to bring new natural gas from the wells to the pipeline system. This would prevent unnecessary bottlenecks developing in the Commission. The effect of which is slower delivery of new natural gas.

Second, natural gas producers leasing Federal lands are required to undertake and complete exploratory and developmental programs to obtain maximum production at the earliest feasible date following the leasing of those lands. The proposal would end the withholding of natural gas by producers. Should a producer on Federal lands fail to commence deliveries of natural gas to pipelines within 18 months of the discovery of natural gas, he would forfeit his lease, unless the Commission found that the volumes discovered or developed were not of commercially paying quantities or found other valid reasons for a delay in production. This section also provides for continued monitoring and annual reporting by the Department of the Interior on oil and gas development progress. It also requires all producers to make available to the Commission current estimates of their reserves on a reservoir-by-reservoir basis and requires the Commission to make independent evaluations of such reserve data. This information will enable the Congress and the public to know the extent of our natural gas supply.

NATURAL GAS AND PROPANE CONSERVATION.—The proposal would prohibit boiler fuel use of natural gas and propane in interstate and instrastate commerce for new industrial users where alternative fuel use is feasible. Current boiler fuel users of natural gas would be phased out as soon as practicable.

NATURAL GAS FOR ESSENTIAL AGRICULTURAL PURPOSES.—The proposal would require the FPC to assure adequate supplies of natural gas for fertilizer production and essential agricultural chemicals in existing and new plants.

IMPROVEMENTS IN FPC ADMINISTRATION.—The definition of new natural gas includes synthetic gas to clarify regulatory treatment of such sources, and to protect consumers. To foster its independence, the FPC is authorized to undertake civil actions in its own name and through its own attorneys. New FPC members and senior FPC employees would be prohibited from receiving any compensation or any employment from any person subject to the jurisdiction of the Commission for a period of 1 year following the termination of service with the Commission.

S. —

A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Production and Conservation Act of 1974".

SEC. 2. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by striking out section 24 thereof (15 U.S.C. 717w) in its entirety and by inserting immediately after the enacting clause thereof and before section 1 thereof (15 U.S.C. 717) the following: "That this Act may be cited as the 'Natural Gas Act'.

"TITLE I—GENERAL PROVISIONS"

SEC. 3. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by adding at the end thereof the following new title:

"TITLE II—PRODUCTION AND CONSERVATION INCENTIVES

"SHORT TITLE

"SEC. 201. This title may be cited as the 'National Gas Production and Conservation Incentive Act.'

"DEFINITIONS

"SEC. 202. As used in this title, the term—

"(1) 'affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person. The Commission is authorized and directed to define the terms 'control' and 'ownership'.

"(2) 'boiler fuel use of natural gas' means the use of natural gas as the primary source of fuel for the purpose of generating steam or electricity;

"(3) 'intrastate commerce' means commerce between points within the same State, unless one such point is located upon Federal land within such State or unless such commerce passes through any place outside such State;

"(4) 'Mcf' means a thousand cubic feet of natural gas of pipeline quality at 14.73 pounds per square inch at 60 degrees Fahrenheit and containing at least 1,000,000 British thermal units of energy;

"(5) 'new natural gas' means natural gas which is dedicated to interstate commerce for the life of the reservoir, but which the Commission in its discretion determines was not dedicated to interstate commerce prior to the date of enactment of this title;

"(6) 'old natural gas' is natural gas which, prior to the date of enactment of this title, was dedicated to interstate commerce as determined by the Commission on the date such natural gas was first certified;

"(7) 'producer' means a person who produces and commits to interstate commerce more than 10,000,000 Mcf of natural gas or who produces natural gas and does not qualify as a small producer;

"(8) 'purchaser' means a person who purchases or acquires natural gas from a producer or small producer;

"(9) 'residential user' means a person who uses natural gas for personal, family, or household purposes;

"(10) 'small commercial user' means a person or governmental entity using less than 50 Mcf on a peak day of natural gas usage in the preceding calendar year;

"(11) 'small producer' means a person who is not an affiliate of a person who produces and commits to interstate commerce more than 10,000,000 Mcf of natural gas or of a person engaged in, or who is not himself engaged in, the transportation by pipeline of natural gas in interstate commerce and who, together with all affiliates, has not produced and committed to sale in interstate commerce more than 10,000,000 Mcf of natural gas in the calendar year preceding or during the year in which he wants to qualify for small producer pricing under section 204 of this title as determined by the Commission; and

"(12) 'user' means a person or governmental entity using any natural gas which is supplied in interstate or intrastate commerce.

"NEW NATURAL GAS

"SEC. 203. (a) GENERAL.—Notwithstanding the provisions of sections 4 and 5 of this Act and except as provided in subsection (c) of this section, new natural gas may be sold in interstate commerce by a producer following the date of enactment of this title, only if its price does not exceed the sum of—

"(1) a basic base price as determined in accordance with subsection (f) of this section;

"(2) any applicable adjustment in accordance with subsection (b) of this section; and

"(3) an additional amount, if any, authorized to be charged under subsection (c) or (d) of this section.

"(b) BASE PRICE ADJUSTMENT.—Commencing July 1, 1975, and at annual intervals thereafter, the basic base price enumerated in subsection (a)(1) of this section shall be adjusted for any inflation by multiplying it by a number whose numerator is the annual implicit price deflator for gross national product as of the date of computation and whose denominator is the implicit price deflator for gross national product for the base year 1974 as compiled by the Bureau of Economic Analysis and initially published by the Department of Commerce. The adjusted base price shall only be applicable to new natural gas sold in interstate commerce during the year for which such adjusted base price is applicable.

"(c) ANNUAL PRICE INCREASE.—A producer may, at the time of dedication of new natural gas to interstate commerce, provide by contract for an annual cumulative increase in the price of such natural gas which is delivered in a particular year. Such increase may not exceed 2 percent per year of the adjusted base price at the time of such commitment.

"(d) SPECIAL PRICE.—The Commission may authorize a person to charge for new liquefied or synthetic natural gas a special price, which is in excess of the price authorized in subsection (a) of this section, if such person establishes to the satisfaction of the Commission that such additional charge is necessary or appropriate to permit such person to recover costs incurred plus a reasonable rate of return on investment in producing or making available to a purchaser such liquefied or synthetic natural gas.

"(e) EXCEPTION.—(1) The Commission is authorized and directed to prohibit a producer of new natural gas from selling such natural gas in interstate commerce at a price authorized in this section if—

"(A) such producer had discovered such natural gas on Federal lands 18 months or more prior to the date of enactment of this title; and

"(B) such producer does not establish to the satisfaction of the Commission that it was reasonable for such producer not to have dedicated such natural gas to interstate commerce prior to the date of enactment of this title.

"(2) A producer of new natural gas who is prohibited by paragraph (1) of this subsection from selling such natural gas in interstate commerce at a price authorized under this section shall only be permitted to sell such natural gas in interstate commerce as if it were old natural gas.

"(f) COMMISSION BASIC BASE PRICE DETERMINATION.—(1) Within 180 days following the date of enactment of this title, the Commission shall establish a basic base price for new natural gas which shall be not less than 40 cents per Mcf and not more than 60 cents per Mcf.

"(2) In establishing the basic base price for new natural gas within the range prescribed in paragraph (1) of this subsection, the Commission shall consider current costs of production of such natural gas and a reasonable rate of return on investment which is conducive to attracting capital necessary to increase supplies of such natural gas.

"(3) In establishing the basic base price for new natural gas the Commission shall proceed in accordance with the provisions of section 553, title 5, United States Code, and shall afford interested persons an opportunity to present testimony in oral hearings and shall permit limited cross-examination by representative parties on any issue of fact the Commission, in its discretion, determines is material if the Commission, in its discretion, determines such cross-examination is necessary and appropriate in light of the time constraint set forth in paragraph (1) of this subsection.

"(4) There shall be no review by any court of a decision of the Commission establishing a basic base price which is within the range prescribed in paragraph (1) of this subsection.

"SMALL PRODUCER PRICING

"SEC. 204. (a) GENERAL.—Notwithstanding sections 4 and 5 of this Act and except as provided in subsection (b) of this section, new natural gas sold in interstate commerce by a small producer may exceed by no more than 50 percent the price authorized to be charged by a producer pursuant to section 203 of this title.

"(b) TRANSFERS.—New natural gas discovered by a producer, as determined by the Commission in its discretion, may be sold in interstate commerce by a small producer at a price not in excess of a price authorized to be charged by a producer pursuant to section 203 of this title.

"OTHER NATURAL GAS

"SEC. 205. (a) GENERAL.—Notwithstanding any other provision of law, the Commission may not authorize any increase in any price a producer may charge that yields a total price above a price which it has authorized a similarly situated producer to charge for natural gas which is old natural gas, unless it finds that such increase is necessary to provide a price that would cover the cost of production of such natural gas.

"(b) OTHER.—Notwithstanding the provisions of sections 4 and 5 of this Act, natural gas other than new natural gas may not be sold in interstate commerce by a producer or small producer following the date of enactment of this title at a price which exceeds the national area rate for natural gas which the Commission has established prior to the date of enactment of this title.

"RESIDENTIAL AND SMALL COMMERCIAL USER

"SEC. 206. The Commission is authorized and directed to—

"(1) require any person to disclose the price and amount of old natural gas and new natural gas which enters any pipeline owned by such person; and

"(2) require that the price charged residential and small commercial users—

"(A) is based upon the assumption that such users receive the old natural gas available in the pipeline before any other users receive any such old natural gas; and

"(B) includes an equitable assignment to such users transportation and other costs;

"(3) disapprove any sale by a natural gas company to a person who is not complying with the requirements of paragraph (2) of this section.

"INCREASING NATURAL GAS SUPPLIES

"SEC. 207. (a) PROMPT CERTIFICATION.—All applications made under section 7(c) of this Act (15 U.S.C. 717f(c)) for the sale of new natural gas by a producer or small producer shall be decided by the Commission in accordance with this section. The Commission shall grant (with or without conditions) or deny such applications within 120 days of the filing of an application or within 120 days after the date of enactment of this title, in the case of applications pending before the Commission on such date. The 120-day period shall commence with the date such applications contain all of the information required by the Commission. If the Commission fails to grant or deny any such application within such 120 days, the Commission shall be deemed to have approved such application as last submitted: *Provided*, That an application by a person claiming to be a small producer shall be deemed to be approved as if the applicant is a producer if the Commission later makes a determination that such applicant is not a small producer. Such application which is approved by the Commission or deemed to be approved shall be considered to be approved—

"(1) on the condition that new natural gas is irrevocably dedicated to interstate commerce;

"(2) on the condition that the adjusted base price for the new natural gas so dedicated shall be the adjusted base price in effect as of the date of such approval; and

"(3) on such other conditions as the Commission determines, or has by rule determined, to be necessary.

"(b) PRODUCTION REQUIREMENT.—(1) Notwithstanding any other provision of law, any agreement (including a renegotiation) pertaining to oil or gas development on Federal lands consummated on or after the date of enactment of this title shall require, as a condition to such agreement, that the person granted the right of development design and implement immediately an exploratory and development program designed to obtain maximum production from such lands as soon as practicable, subject to submission of such program to, and its approval by, the Secretary of the Interior. The person granted the right of development shall inform the Commission in writing immediately upon the discovery of natural gas on any such lands, and such person shall produce and begin selling such natural gas in interstate commerce within 18 months of the date of discovery unless the Commission finds, upon the petition of the person granted such rights, that the volumes of natural gas discovered or developed are not sufficient to be commercially viable or that other valid reasons (not including market demand prorationing) exist which justify delaying the production until a subsequent date certain.

"(2) Unless such natural gas is produced and sold 18 months after the date of discovery of natural gas on such lands, or unless such a petition is granted and in effect, the rights that had been granted the person to develop natural gas or oil on the Federal lands covered by such agreement shall terminate and any sum paid for such rights shall be forfeited.

"(3) With respect to agreements pertaining to oil or gas development on lands owned by the Government of the United States (other than lands containing Naval Petroleum Reserves) consummated prior to the date of enactment of this title, the requirements of paragraphs (1) and (2) of this subsection shall be applicable to the fullest extent legally permissible and, to the extent not permissible, such agreements shall be terminated or renegotiated, by the earliest possible date.

"(c) REPORT.—The Secretary of the Interior, to aid in enforcement of subsection (b) of this section, shall report to Congress and the Commission within 90 days after the date of enactment of this title, and annually thereafter, on the status of all Federal lands leased for oil and gas development. Each such report shall list all parcels leased, the holder of such lease, the Interior Department's prelease evaluation of probable quantities and values of oil and gas underlying such lease, the number of exploratory and developmental wells drilled to date, whether oil and gas have been discovered at the time of the report, the date on which any oil or natural gas not being produced was discovered, estimated reserves of oil and gas, and annual production of oil and gas therefrom.

"(d) RESERVE INFORMATION.—Each producer and small producer shall make available to the Commission on a current basis an up-to-date account of the natural gas reserves which it has discovered on a reservoir-by-reservoir basis. The Commission is authorized and directed to take such steps as are necessary to verify and, if necessary, correct such reserve information, and shall make such reserve information available to the Congress and the public in a meaningful and understandable form.

"NATURAL GAS CONSERVATION

"SEC. 208. (a) GENERAL.—The Commission by rule shall prohibit boiler fuel use of natural gas and propane in interstate and intrastate commerce not contracted for prior to the date of enactment of this title by users other than residential or small commercial users unless, upon petition by a user, the Commission determines that—

"(1) such user has a plan to convert as soon as possible to alternative fuels produced in any State; or

"(2) it is not feasible to utilize such alternative fuels at the time of such Commission determination.

"(b) EXISTING CONTRACTS.—The Commission shall prohibit as soon as practicable boiler fuel use of natural gas and propane contracted for prior to January 1, 1975, by users other than residential or small commercial users. In determining practicability, the Commission shall consider all relevant factors, including, but not limited to, the availability of alternative energy suplies produced in any State, the ability to satisfy applicable pollution prevention standards when using such alternative fuels, and the need to avoid imposing unreasonable economic hardships.

"(c) PROCEDURE.—In implementing the provisions of this section with respect to intrastate commerce, the Commission shall apply the provisions of section 17 of this Act (15 U.S.C. 717p).

"(d) EFFECT ON OTHER LAWS.—Nothing in this title shall impair any requirement in any State or Federal law pertaining to safety or environmental protection, and the Commission in determining feasibility or practicability as required in this section shall not assume that there will be any lessening of safety or environmental requirements established pursuant to State or Federal law.

"NATURAL GAS FOR ESSENTIAL AGRICULTURAL PURPOSES

"SEC. 209. (a) GENERAL.—Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall prohibit any interruption or curtailment of natural gas and take such other steps as are necessary to assure as soon as possible the availability in interstate commerce of sufficient quantities of natural gas for use as a raw material feedstock or process fuel, for which there is no substitute except propane, in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants. As used in this section 'sufficient quantities' means the amounts of natural gas which the Secretary of Agriculture certifies to the Commission are necessary to provide sufficient fertilizer and essential agricultural chemicals (1) to meet domestic requirements; and (2) to meet the Nation's obligations to carry out humanitarian objectives, except to the extent that any such amounts are required to maintain natural gas service to existing residential and small commercial users.

"(b) INTRASTATE COMMERCE.—Notwithstanding any other provision of law, the rule implemented by the Commission pursuant to subsection (a) of this section shall also apply with respect to the availability of natural gas sold in intrastate commerce in any State which has not, within 90 days after the date of enactment of this title, adopted a rule to implement the purposes of such subsection. The Commission shall formulate rules and regulations to implement this subsection.".

SEC. 4. Section 16 of the Natural Gas Act (15 U.S.C. 7170) is amended by deleting the title thereof and inserting in lieu thereof "ADMINISTRATION"; (2) by inserting "(a)" immediately before the first sentence thereof; and (3) by adding at the end thereof the following two new subsections:

"(b) Notwithstanding any other provision of law, the Commission is authorized in any civil action to act in its own name and through its own attorneys, and attorneys for the Commission shall supervise, and may, at the discretion of the Commission, conduct litigation in any civil action to which the Commission is a party. Upon request by the Commission, the Attorney General or the United States attorney for the applicable district shall assist the Commission.

"(c) No Commissioner and no full-time officer or employee of the Commission compensated at any time after such date at a rate in excess of that prescribed for grade GS-14 of the General Schedule, under section 5332 of title 5, United States Code, shall accept, directly or indirectly, employment or any compensation or fees for services performed from any natural gas company or other person subject to regulation by the Commission for a period of 12 months after the date of termination of employment with the Commission.".

SEC. 5. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended (a) by inserting in paragraph (7) thereof after "thereof," and before "but only insofar" the following: "or between a point upon Federal lands within a State and any other point,"; and (b) by inserting in paragraph (5) thereof after "unmixed," and before "or any mixture" the following: "synthetic natural gas,".

SEC. 6. The Bureau of Economic Analysis shall continue to compile, and the Department of Commerce shall continue to publish, the implicit price deflator for gross national product, in accordance with procedures consistent with those in effect on November 2, 1974, in order to carry out the purposes of this Act.

THE U.S. ROLE IN SOLVING THE WORLD FOOD PROBLEM

Mr. CLARK. Mr. President, more and more Americans are realizing the desperate need for food in many parts of the world, and they are looking to their Government for leadership in providing this food. Last Friday, Rev. Theodore Hesburgh, chairman of the Board of the Overseas Development Council, wrote to President Ford on behalf of many leading citizens and private organizations. They pledged their full support to whatever steps he suggests to make more grain available to the nations where it is so badly needed.

Our country has a tradition of responding to emergencies like the current world food shortage. In 1947, President Truman called on this country to conserve sufficient food to meet the emergency food needs of Europe. This appeal was made during a time of grain shortages, serious inflation, and when the average American consumed far less grain than today. However, the people responded and saved the grain needed for a hungry Europe.

I am confident that they will respond again this year to a similar appeal by the President. The number of requests for this action by the President is growing, as indicated by Reverend Hesburgh's letter and many other public statements. People want their Government to do what is right, to do what must be done immediately to prevent the starvation and malnutrition of millions of people.

Mr. President, I ask unanimous consent that this letter, a telegram from Governor Harriman recalling the 1947 appeal and requesting a similar appeal today, a New York Times article from 1947, several other articles, a fact sheet on United States food aid, a partial list of respondents to the World Hunger Action Coalition mailgram on food aid, and statements by the National Conference of Catholic Bishops and the National Council of Churches of Christ be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *November 22, 1974.*

Hon. GERALD R. FORD,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: Record food prices, depleted reserve stocks, and a disappointing harvest have raised the immediate spectre of famine for millions. I am writing to urge that the United States initiate immediately the shipment of 2 million tons of U.S. food aid additional to the amount now programmed to alleviate present conditions of critical starvation, and also plan another 2 million ton increase for next spring and summer, contingent on matching commitments by other donor countries. I and the many individuals and institutions joining me in this appeal to you pledge our support for whatever measures you think necessary to reduce food consumption in the United States to prevent these shipments from having an inflationary impact.

The World Food Conference in Rome has ended with really quite excellent plans for addressing the world food problem in the middle and longer term. If the United States continues to provide leadership and if other countries take seriously the U.S. intentions stated so eloquently in Rome on your behalf by Secretary Kissinger, the world could create a successful new approach to hunger—mankind's historic scourge—that would stand as a great monument to the creative leadership of your Administration.

This achievement will not be possible, however, if the United States and other relatively favored nations do not respond more effectively to the present food crisis. Despite the universal agreement in Rome that at least 5 to 6 million tons of grain in addition to the amounts now programmed and committed need to be shipped to the most severely affected poor countries, the World Food Conference ended without a decision to meet these already recognized minimum survival needs.

The world's food supply for the coming year is inadequate to meet the global demand, and consumption will therefore be reduced in any case. The stark choice the international community must now address is: Will we act to ensure that the minimum survival needs of the impoverished are met? Or will price serve as the global rationer, dooming millions to further misery and death?

We believe that the 5 to 6 million ton shortfall in grain availability before the next harvest in May and June cannot be met without a substantially larger and more immediate action than the U.S. Government has yet indicated to the American public, and are greatly concerned that the U.S. Government has yet indicated to the American public, and are greatly concerned that the U.S. Government may not respond in time to avert hundreds of thousands and possibly millions of needless deaths over the next year. The immediate food problem appears to be seriously aggravated during each week that passes without a major response by the United States.

Exporting country stocks are daily being depleted—in many cases for relatively nonessential uses—and will not be replenished until the June wheat harvest in the case of the United States and the fall harvest in the case of Canada. Furtherfore, if additional food is to be provided without having an inflationary impact, there will need to be some changes in present planned use and reduction of consumption.

The longer we postpone savings through consumption reduction, the greater the reduction that will be needed—and, therefore, the more difficult. Finally, the most acute need in South Asia will be in late winter and spring of 1975—before the June harvest—when existing stocks will have been depleted. It is imperative, therefore, that shipments begin as soon as possible, starting no later than next January.

We believe the crucial decisions on the scale of American response should be made within the next few weeks, and preferably before November 29, when the major grain exporting nations are scheduled to meet in Rome with the poor countries most seriously affected by import shortfalls. The United States—which, after all, earned $6 billion more from grain price increases last year—should not further postpone action in the hope of persuading other industrial and OPEC countries to move simultaneously; Canada and the European Community have already acted and we should likewise move now.

We understand, Mr. President, that you can make these shipments under your existing authorities without need of further prior legislative action by Congress, and we further understand that the Senate—in Resolution 329, sponsored by a bipartisan group of 38 Senators and passed in August—has also urged that you increase food aid this year by the amount we, too, are recommending.

We recognize that it will not be easy to provide an additional 4 million tons of food relief in the current crop year, which represents a doubling of the present announced level of the Food for Peace Program. But the alternative is not morally acceptable. The starvation of millions, while an even greater number are eating more than is healthy, will be worse than a moral travesty; the spread of famine and misery guarantee a degree of economic and political instability potentially disastrous for all in an interdependent world.

Moreover, the failure to muster up the political will to prevent a massive human catastrophe will further undermine the faith of citizens everywhere in the capacity of the world to cope with the problems it now faces. Such an indication that the world's problems had indeed become unmanageable would have dangerous psychological consequences everywhere.

Adding $800 million to the federal budget also will obviously be difficult at a time when large budget cuts have already been initiated. There is no escaping the question of priorities. We must ask whether the threat to human security and well-being posed by the food crisis does not outweigh some of the more traditionally recognized security threats—and whether a budgetary adjustment is not appropriate. Humans who die prematurely cannot be resurrected; military hardware which has been delayed in procurement can be acquired in a later year.

The anticipated buildup of 600,000–800,000 tons in U.S. rice reserve stocks can be tapped. Negotiated delays in commercial export deliveries to Europe, Japan, Iran, and the U.S.S.R. are another possible source of additional grain. They are not facing starvation; indeed, Russia wants grain to substantially increase its feeding of livestock. Finally, a selective program to reduce food waste and reduce American consumer demands for grain could be another element in the needed strategy.

In a telegram of support which I enclose, Governor Averell Harriman provides a useful reminder that in 1947, under even more difficult conditions, President Truman called on Americans to conserve 2½ million tons of grain to stave off famine in Europe during the winter of 1947. President Truman then called on Americans to take many specific actions to save food, including meatless days, saving a slice of bread a day, and closing distilleries for 60 days.

Today our total food supply is far greater and Americans consume far more than they did in 1947. The emergency relief now required could be made available without an inflationary impact through far less drastic measures today—if we have the necessary national political will and government leadership.

Many Americans want to participate in a major global response to halt the epidemic of rising malnutrition and starvation in the world. This was illustrated graphically on the Thursday before Thanksgiving, while you were in South Korea, when hundreds of thousands of university students fasted as a food-saving and money-raising gesture. But Americans can participate effectively only following your leadership. This was the central thrust of the petitions addressed to you with 260,000 signatures, including many from Grand Rapids, which Senator Percy presented to Ambassador Scali on October 31.

Among the many leading citizens and private organizations joining me in pledging our full support to whatever steps you, Mr. President, urge upon the American public in order to make more grain available for food this year, are the following: Dr. W. Sterling Cary and Dr. Claire Randall, President and General Secretary, respectively, of the National Council of Churches; Terence Cardinal Cooke, Archbishop of New York, for the National Conference of Catholic Bishops; Rabbi Marc Tanenbaum, National Director of Interreligious Affairs of the American Jewish Committee; Dr. Eugene Carson Blake, President, Bread for the World, and former General Secretary, World Council of Churches; Presiding Bishop Allin of the Episcopal Church; Dr. Charles Kraemer, Chairman, General Executive Board of the Presbyterian Church of the U.S.A.; William P. Thompson, Stated Clerk, United Presbyterian Church in the U.S.A.; Herbert J. Waters, Chairman of the World Hunger Action Coalition, and President of the American Freedom from Hunger Foundation; Mayor Wes Uhlman of Seattle; Mayor Kenneth Gibson of Newark; Robert O. Anderson, Chairman of the Board of Atlantic Richfield; Chancellor John Caldwell, North Carolina State; Frank Goffio, Executive Director of CARE; Terry Herndon, Executive Secretary, National Education Association; Ruth C. Clusen, President, League of Women Voters; and Jean Mayer, Professor of Nutrition, Harvard University.

Among the myriad global problems that beset you today, Mr. President, certainly there can be no greater problem or opportunity than that of sustaining human life itself. We count our blessings at Thanksgiving and we look forward to Christmas joy in abundance. What greater moral uplift to our nation, following the disillusionments of Vietnam and Watergate, than a call to the humane imperative of helping our less fortunate brethern around the world as only we can. It is given to you, Mr. President, in a most unique way, to sound the call that will spell the difference between global disaster and new hope for millions. In helping others, we will, I believe, most powerfully help ourselves and restore our moral leadership in this very troubled world.

Very sincerely yours,

(Rev.) THEODORE M. HESBURGH, C.S.C.,
Chairman of the Board.

[Telegram]

WASHINGTON, D.C.,
November 22, 1974.

Rev. THEODORE HESBURGH,
Overseas Development Council,
Washington, D.C.

On October 5, twenty-seven years ago, Truman in first televised presidential address called on American public to conserve sufficient food that fall and winter to meet emergency food needs of war devastated Europe before its next harvest. As Secretary of Commerce I joined with Secretary of State Marshall and Secretary of Agriculture Anderson in appealing for public support of President Truman's goal of voluntarily saving over two and one half million tons (100 million bushels) of grain. President Truman made his appeal during time of grain shortages, price inflation and when the average American consumed far less grain than today. The American people responded and saved the needed grain for immediate shipment to a hungry Europe.

Faced with today's food crisis in South Asia and Africa I join you in urging President Ford to provide two million tons of grain immediately and two million additional as other industrial and oil countries match the U.S. I will also gladly join you and others in supporting President Ford in an appeal to the American public to make the voluntary food savings which would enable the emergency life saving shipments to be made without adding to U.S. inflation.

AVERELL HARRIMAN.

PARTIAL LIST OF RESPONDENTS TO WORLD HUNGER ACTION COALITION MAILGRAM ON FOOD AID

Kenneth A. Gibson, Mayor of Newark, New Jersey.

Ruth C. Clusen, President, League of Women Voters of the United States.

Bishop Edward E. Swanstrom, Executive Director, Catholic Relief Services, USCC.

Hyman Bookbinder, American Jewish Committee.

Michael Shower, Executive Director, World Federalists.

D. J. Karzag, Direct Relief Foundation, Santa Barbara, California.

George Gerardi, President, League for Economic Assistance and Development.

R. Adam De Baugh, Director and Editor, Center for the Study of Power and Peace.

AFRICARE.

Anthony Lake, Executive Director, International Voluntary Service.

Aileen Gorman, Executive Director, National Consumer Congress.

Sister Francine Zeller, President, Leadership Conference of Women Religious.

Frank Goffio, Executive Director, CARE, Inc.

Clifflyn Bromling, Director, One World Project.

Most Rev. John Allin, Presiding Bishop, Episcopal Church.

Eugene Carson Blake, President, Bread for the World.

Terry Herndon, Executive Secretary, National Education Association.

Dr. Charles Kraemer, Chairman, General Executive Board, Presbyterian Church of the U.S.

Garvin Hudgins, Director, National Association of State Universities and Landgrant Colleges.

Jean Mayer, Professor of Nutrition, Harvard University.

Social Action Division, Archdiocese of Cincinnati.

Mrs. Jean Eckstein, President, National Council of Catholic Laity.

Mr. James Leonard, President, UNA/USA.

Joseph Francis, SVD, President, Catholic Conference of Major Superiors of Men.

Sister Mary Bernita, RSM, Our Lady of Mercy Hospital, Cincinnati, Ohio.

Sister Natalie Lann, Monroeville, Pennsylvania.

Sisters of Notre Dame, Columbus, Ohio.

Jeremy Harrington, Cincinnati, Ohio.

Anna Mae Westerkamm, Cincinnati, Ohio.

Dominican Sisters of the Sick Poor, Cincinnati, Ohio.

Marjorie Vinal, Executive Director, World Affairs Council of Rhode Island.

Sister Mary Joseph, Community President, Glen Mary Sisters, Cincinnati, Ohio.

William F. Ryan and staff, Center of Concern.

Justice and Peace Center staff, Milwaukee, Wisconsin.

Dr. K. B. Rao, Executive Secretary, World University Service.

Sister Mary Adrian and Sisters of Mercy, Province of Cincinnati.

Anne and Jack MacFadyen, Pittsburgh, Pennsylvania.

Sister Joanne Seiser, Chicago, Illinois.

Sisters of Notre Dame, Chicago, Illinois.

Sisters of Notre Dame, Immaculate Conception Convent, Dayton, Ohio.

Sisters of Notre Dame, Hamilton, Ohio.

John M. Eklund, President, Agricultural Cooperative Development International.

John T. Caldwell, Chancellor, North Carolina State University.

James A. Cogswell, Director, Task Force on World Hunger, Presbyterian Church of the U.S.

Leon Shull, Executive Director, Americans for Democratic Action.

Robert F. Lewis, National Farmers Union.

William H. Sandweg, President, National Council of Catholic Men.

Mrs. G. Sam Zilly, President, National Council of Catholic Women.

Helen T. Meakin, Cincinnati, Ohio.

Sisters of Mercy, Social Action Conference, Cincinnati, Ohio.

Sister Elizabeth Lang, Cincinnati, Ohio.

Revs. Fabian Gurstle, Aidan Schaefer and Roman Pfalzer, OFM, Escanaba, Michigan.

Sister Elizabeth Cashman, Assistant Vicar for Religious, Archdiocese of Cincinnati, Ohio.

Sisters of Charity of Nazareth, Covington, Kentucky.

Faculty of Notre Dame Academy, Covington, Kentucky.

Sister Jermaine Conroy, General Counselor, Dominican Sisters of St. Mary of the Springs, Cincinnati, Ohio.

Barbara Bode, The Children's Foundation, Washington, D.C.

Paul Clifford, Student Advisory Committee on International Affairs, Washington, D.C.

Congregation of the Sisters of St. Joseph, Cincinnati, Ohio.

William Attwood, NEWSDAY, Garden City, N.Y.

Social Action Committee, Sisters of Charity, Cincinnati, Ohio.

Mrs. Milton T. Smith, International President, B'Nai Brith Women, Washington, D.C.

Mary Rose Hensel, 338 West 8th Avenue, Tarentum, Pa.

George Chauncey, Chairman, Washington Interreligious Task Force On Hunger, D.C.

William Cotter, President, African-American Institute, New York.

Edward C. Pomeroy, Exec. Director, American Assoc. of Colleges For Teacher Education.

Washington Office, United Presbyterian Church In The USA.

Ms. Mary K. Moore, Pittsburgh, Pa.

Concerned Students of Fontbonne Academy, Pittsburgh, Pa.

Sisters of Charity of Nazareth, Bellevue, Ky.

Helen and Ralph Holste, Cincinnati, Ohio.

Sisters of the Precious Blood, Sister Charmaine Grilliot, Dayton, Ohio.

Mrs. J. Thomas Cantwell, Cincinnati, Ohio.

Social Action Office, Archdiocese of Cincinnati, Ohio.

The Sophomore Biology Students of NDHS For Girls, Chicago, Illinois.

Felician Sisters, Kensington, Pa.

Catherine Moorman, Milford, Ohio.

Sister Miriam Clare Heskamp, Sisters of St. Francis, Oldenburg, Indiana.

Very Rev. William Behringer, Provincial Superior, Marianists of Ohio, Inc.

Jane and Amelia Walsh, Cincinnati, Ohio.

Sister Roberta Marie Doneth, Sisters of St. Francis, Tiffin, Ohio.

Fontbonne Academy High School, Bethel Park, Pa.

Sisters of Notre Dame, Cincinnati, Ohio.

Elizabeth Wilson, Iowa City, Iowa.

Sisters of the Good Shepherd, Cincinnati, Ohio.

Sara Akin, Phyllis Hannon, Rosemary Maguire, Ludow, Ky.

Arthur Diamond, Ed Keck, Caroline Humphry, Rosemary Davis, Yvonne King, Judy Tensing of the St. Mark Gay Street Extension, Lancaster, Ohio.

The Maryknoll Fathers, Cincinnati, Ohio.

Sisters of Saint Joseph Fontbonne Convent, Bethel Park, Pa.

Mr. and Mrs. J. Robert Busam, Cincinnati, Ohio.

Holy Family Community, Dayton, Ohio.

Sister Joan Puls and Sister Regina Williams, Justice & Peace Center, Milwaukee, Wisc.

Nancy Wiley, Milford, Ohio.

Father Conleth Overman, Holy Cross Center, Cincinnati, Ohio.

Mrs. Norbert Roll, Milford, Ohio.

Sister Joan Groff and Sister Patrick Ann O'Connor, Cincinnati, Ohio.

Mary Boyd, Cincinnati, Ohio.

St. Andrew Parish, Rev. Robert J. Buschmiller, Milford, Ohio.

Sybil Smith, Executive Director, Vermont Council on World Affairs, Burlington, Vt.

Sister Mary Assunta Stang, S.C., President, Sisters of Charity of Cincinnati, Ohio.

Mr. and Mrs. Edward Thimons, New Kensington, Pa.

Sister Jane Aucoin, New Orleans, La.

Mrs. Paul Niehaus, Cincinnati, Ohio.

Sisters of Notre Dame Summit Country Day School, Cincinnati, Ohio.

Dorothy Steinkamp, Cincinnati, Ohio.

Melvin G. Myers, Acting Exec. Director "Pro Tem", Church World Service, N.Y.C.

Ann V. Cruz, Covington, Ky.

Sister Mary Catherine Hunt, President of the Sister of Divine Providence, Kentucky St. Ann Convent, Melbourne, Ky.

Patricia Pieper, Cincinnati, Ohio.

Jim Goetsch, Friends of the Third World, Wayne, Indiana.

Rev. Leonard Foley and Rev. Sylas Oleksinski, Friar Hurst Retreat House, Cincinnati, Ohio.

Helen Nordloh, Cincinnati, Ohio.

Sisters of Saint Joseph, Cincinnati, Ohio.

Chris Bayhle, Cincinnati, Ohio.

Sisters of Notre Dame, St. Rita Convent—Rockford, Illinois.

Mrs. William J. Niehaus, Cincinnati, Ohio.

Rev. Jovian Weigel, Cincinnati, Ohio.

Helen Moorman, Dayton, Ohio.

Lorraine M. Bittner, Pittsburgh, Pa.

Dorothy Hier, Chicago, Illinois.

Olga D. Steen, Cincinnati, Ohio.

Mrs. Joseph Klus, Cincinnati, Ohio.

Sisters of St. Dominick, St. Pius Convent, Toledo, Ohio.

Sister Rita Spalding, Ft. Thomas, Kentucky.

Mrs. Robert W. Puthoff, Hamilton, Ohio.

Sister Mary P. O'Connell, Cincinnati, Ohio.

Rev. John Civille, World Justice & Peace Commission, Archdiocese of Cincinnati.

Sisters of Notre Dame, Covington, Ky.

Mae and Fred Neihaus, Neihaus Brothers, Cincinnati, Ohio.

Mr. & Mrs. Jame Burke, Pittsburgh, Pa.

Wes Uhlman, Mayor of Seattle.

John Wilson, Pittsburgh.

Mr. & Mrs. Pat Cleary.

Rev. G. A. Poynter, Superintendent, Dayton Area Catholic Schools.

Theresa Walsh, New York City.

Provincial Executive Board, Religious of the Sacred Heart of Mary, New York City.

Nancy Philipport, Mount St. Joseph, Cincinnati, Ohio.

Jean Eckstein, President, National Council of Catholic Laity.

Patricia Lacy, New York City.

Rev. Patrick Fenton, Butler Society of Justice, Butler, Pa.

I. Willeng, Executive Director, American Veterans Committee.

Father J. Byers, World Hunger Committee, University of Pa.

Mr. & Mrs. J. Lammers, Covington, Ky.

Ad hoc Committee of 350 on behalf of MIT Community, Cambridge, Mass.

Background Facts on U.S. Food Aid, Overseas Development Council, November 22, 1974

1. *What is the food aid need?* The U.N. estimates that 8–12 million tons of additional aid is required before next fall in order to prevent larger-scale famine and rising malnutrition. India, Bangladesh, Sri Lanka, Pakistan, Ethiopia, and Tanzania are particularly hard hit. The U.S. government estimates that an additional 5–6 million tons of aid are required by June 30.

2. *How much should the U.S. provide?* Because of its dominance of the world food market, the U.S. will have to provide half the total—or 4 million tons—if the total is to be met. At least 2 million tons of the increase needs to get underway immediately to halt the epidemic of famine. Canada and the EEC have already raised their food aid for the coming year above historic levels, but they and other potential aid givers are now awaiting a U.S. lead. If the U.S. takes major action, pressure on the Europeans, Japanese, Australians, Canadians, and OPEC countries to do more will be intensified. If the U.S. refuses to respond to the crisis, others are not likely to make a major new response.

3. *How much food aid is the U.S. already giving?* In the mid-sixties, when India faced a comparable food crisis, the total annual U.S. food aid program was 18 million tons, with 7 million going to India alone. By 1972, the last "normal" year for our food aid program, the total provided was 9 million tons.

In fiscal 1974, as food prices rose and the world food crisis emerged, the program fell to just 3.3 million tons. The Administration has planned to raise the fiscal 1975 food aid commitment to over 4 million tons; circumstances require an expansion to 7–8 million tons. This will still be less than half our programs in the mid-sixties.

4. *How much will the needed increase in U.S. food aid cost?* Approximately $800 million. This will not be easy when reducing the federal budget has been given top priority; we simply must face the question of priorities. This expansion, which would save millions of lives and help forestall further social disintegration in many regions, will cost two-thirds as much as one Trident submarine.

5. *Will this program spur domestic inflation?* If the government merely began making these additional purchases without any accompanying actions, commodity prices would be bid upward to some degree. Even this effect can be overstated; the Administration recently decided to sell over 2 million tons of grain to the Soviet Union, apparently without fearing any significant inflationary impact.

But there are also many measures the Administration could take to reduce the potential inflationary impact. The following are suggestions of possible policies in this regard:

a) Negotiate delays in commercial shipments of wheat and sorghum to Japan, the

Soviet Union, Iran, and Western Europe. Any countries planning to continue livestock expansion this year (when most are cutting back), such as the Soviet Union, should be encouraged to share the burden by reducing feeding.

b) Call for an immediate suspension of wheat feeding to livestock, which will absorb 2-3 million tons of wheat this year.

c) Draw down our large carry-over stocks of rice, which are expected to *grow* by 600,000-900,000 tons this year, according to USDA.

d) Make a public appeal for voluntary reductions in consumption of grain-intensive meats of, say, 5 percent; altering meat grading standards and labels to encourage less grain-fed beef; ending bread servings with restaurant meals without a specific customer request; temporarily reducing use of grains by distilleries and breweries; asking people to skip a meal a week; or reducing the substantial food waste in homes. The Administration will have to determine its own set of policies for making the needed grain available; we are prepared to promote and support such a program fully before the public.

6. *Why shouldn't the OPEC countries foot the bill?* The answer is, of course, that those oil producers with big surpluses *should* bear a substantial share of the total burden facing the poorer countries from rising energy and food costs. The question then becomes, how can we best encourage them to do more? Over the last six months, the OPEC countries have initiated a major response to the energy crisis facing the poorest countries. But these countries refuse to take the primary blame for the current food crisis—and with considerable justification. Grain prices soared before oil prices were dramatically raised in late 1973, and this was due in part to a conscious U.S. policy to draw down reserve stocks and promote high farm prices. To these ends, the United States Government in 1973—well after the 1972 Soviet grain deal and after prices took off—still paid $2 billion to hold 20 million acres out of production, thereby reducing U.S. grain production in 1973 by some 20 million tons. The 3 million tons of wheat India has bought in the U.S. so far this year has cost it over $500 million—$300 million more than if bought in 1972.

While refusing to accept the primary blame for the food crisis, and thus responsibility for solving it, the OPEC countries have made known their willingness to participate in solutions of the combined oil and food problems. It now appears likely that any increased sacrifice and donations by the "old rich" will be matched by the "new rich". Indeed, whereas the U.S. will provide about one quarter of 1% of its GNP in economic aid and the other industrialized donors slightly more, it is already clear that the major capital surplus oil exporters will be disbursing aid at several times those levels this year.

If the U.S. takes the lead in offering its fair share, we can use all possible leverage on others to do their share. If the U.S. fails to improve upon its current inadequate stance, our leverage will be non-existent.

7. *Isn't the situation in India and Bangladesh hopeless?* In the several years before droughts and global energy, fertilizer, and food crises struck South Asia—with devastating price rises in all three areas—South Asian agriculture had generally experienced dramatic gains. Thus, India's wheat output more than doubled in just seven years from 1965 to 1972, illustrating the progress that is possible—and birth rates dropped sharply as a result of improved living conditions in the Green Revolution areas. These countries, and the developing world as a whole, still have vast unexploited agricultural potential. Tapping the potential will require financial and technical resources as well as social changes.

8. *Are the American people likely to support a major new humanitarian effort to stave off famine?* The growing response of dozens of citizens', religious, and campus groups around the country suggests that many in the public are far more willing to act than the government is assuming. Under the leadership of Cardinal Cooke, many Catholics in New York are observing meatless Wednesdays, and Episcopal Bishop Moore has made the same appeal. Oxfam reports that many hundreds of thousands of people across the country enlisted to fast yesterday, in order to make more available to those in danger. Thousands of students in a variety of campuses ranging from the University of Seattle to Yale to George Washington University have initiated major programs to assist the hungry. The World Hunger Action Coalition has obtained a quarter of a million signatures on a petition calling for an immediate expansion of U.S. food aid.

After a decade of Vietnam and Watergate, many Americans are anxious to see their government take a constructive, humanitarian role. Through silence and inaction, the United States is now making the critical decisions by default. The people deserve the chance to make their own choice; a frank presentation of the current situation, and the dilemmas we confront, is in order. Our judgment is that, if fully presented with the facts, a sizable majority will choose to respond more meaningfully than the United States has so far.

[From the New York Times, Oct. 6, 1947]

Truman Calls on Nation To Forego Meat Tuesdays, Poultry, Eggs Thursdays; All To Aid Europe

(By Samuel A. Tower)

Washington, October 5.—President Truman asked the American people tonight to observe meatless Tuesdays and use no poultry or eggs on Thursdays and to save a slice of bread a day.

He urged adoption of other food conservation measures to provide the necessary shipments needed to prevent starvation and suffering in Europe this winter.

Among other steps, he augmented a sixty-day shutdown by distillers, saying that "this action alone will feed millions of hungry people."

Mr. Truman also said that he was moving against "gambling" in grain. He said he had directed the Commodity Exchange Commission to require the grain exchanges to raise their margin requirements to at least 33⅓ per cent. He served notice that refusal might mean action by the Government to limit the amount of trading.

EXAMPLES SET FOR NATION

In a half-hour broadcast from the White House to further the Government's campaign for voluntary food conservation to meet European relief needs the Chief Executive gave his whole-hearted approval and endorsement to an immediate food-saving program mapped out by a preceding speaker, Charles Luckman, chairman of the President's Citizens Food Committee.

In addition to aiding the survival of European peoples crushed by the misfortunes of nature and the aftermath of war, adherence to the food conservation program, the President pointed out, would contribute to the struggle against inflation and foster lower prices.

He told his audience that Mrs. Truman had directed the White House to follow the food-saving program and that he in his capacity as Commander in Chief, had ordered the military services to comply.

GRAIN SAVING BY INDUSTRIES

Mr. Luckman, in advancing a plan of action for the preservation of food by all segments of the economy, announced that the distilling industry, at a meeting here this week, would be asked to declare a sixty-day emergency suspension of operations.

At a meeting last week more than half of the industry had pledged a 50 per cent reduction in the use of grain.

Four Steps To Save Food Offered By President

Washington, October 5.—President Truman's guide for the nation's food consumers during the crisis in Europe:

1. Use no meat on Tuesdays.
2. Use no poultry or eggs on Thursdays.
3. Save a slice of bread every day.
6. Public eating places will serve bread and butter only on request.

"It is simple and straight forward," said the President. "It can be understood by all. Learn it—memorize it—keep it always in mind."

[From the Washington Post, Nov. 23, 1974]

Four Million Tons of Food Aid Is Urged by Three Clergymen

(By Dan Morgan)

Three prominent clergymen appealed to President Ford yesterday to support a plan for shipping up to 4 million tons of food, costing $800 million, to hungry people abroad by next summer.

The plan was outlined at a Washington press conference by the Rev. Theodore M. Hesburgh, chairman of the Board of the Overseas Development Council and president of Notre Dame.

Supporting the appeal were Terrence Cardinal Cooke of New York, and Rabbi Marc H. Tannenbaum of the American Jewish Committee.

"As a Jew who lived through the holocaust (in Europe) I find it morally incredible that a country as rich as the United States can live through a period when dozens of holocausts are taking place around the world without taking more effective action," Rabbi Tannenbaum said.

The U.S. has programmed food aid shipments for 1974–1975 of around four million tons, valued at about $1 billion. Mr. Hesburgh called on Mr. Ford to "initiate immediately" the shipment of two million tons of additional food aid, and to add another two million if other donor countries match the American step.

"Delays in commercial export deliveries to Europe, Japan, Iran and the Soviet Union can provide one source of additional grain," Mr. Hesburgh said. "A selective program to reduce food waste and reduce American consumer demands for grain could be another element in the needed strategy. The anticipated buildup of U.S. rice reserves can also be tapped."

Mr. Hesburgh conceded that providing the relief would cause budgetary strains here but said "there is no escaping the question of priorities."

He also released supporting telegrams from former New York Gov. Averell Harriman; Harvard nutritionist Jean Mayer; Newark Mayor Kenneth A. Gibson, and others.

The clergymen were joined on the panel discussing the food crisis yesterday by world food expert Lester R. Brown, Patricia Young, chairperson of the Crusade Against Hunger, and Herbert J. Waters of the World Hunger Action Coalition.

On Nov. 29, the world's principal grain-producing countries and major importers will meet in Rome to discuss ways of meeting the crisis.

A number of congressmen also have demanded that Mr. Ford announce a new U.S. commitment then. In a new development, a House proposal to include livestock products in the U.S. food aid abroad was introduced.

The bill, submitted by Rep. John Melcher (D-Mont.) calls on the government to buy livestock and distribute processed or packaged meat. Cattlemen view the step as providing some relief from sagging prices.

[From the New York Times, Nov. 23, 1974]

RISE IN U.S. FOOD AID ABROAD DEMANDED BY HESBURGH GROUP

(By Leslie H. Gelb)

WASHINGTON, November 22.—The Rev. Theodore Hesburgh urged today that President Ford act to provide an additional four million tons of American food aid "to halt the epidemic of rising malnutrition and starvation the world now faces." Father Hesburgh, the president of Notre Dame, said that he represented dozens of religious and civic-action groups.

James P. Grant, president of the Overseas Development Council, speaking at the same news conference as Father Hesburgh, noted that the President had the authority to provide the additional aid without Congressional approval, then said "this single individual has the power to determine whether millions of people will live or die."

Like a number of Senators who challenged American food aid policy at the United Nations Food Conference in Rome last week, action groups are moving toward confrontation with the Ford Administration.

The dispute is shaping up over a tangle of moral, pocketbook and political issues that boil down to what one State Department official said on the question "whether Americans will sacrifice during a time of inflation to prevent starvation."

These groups are seeking to influence a meeting of the principal grain-exporting countries (such as the United States, Canada and the Soviet Union) and principal importing countries (such as India and Bangladesh) in Rome on Nov. 29.

As determined at the World Food Conference, food pledging and financing arrangements are to be made at this meeting.

MATCHING SET-UP SOUGHT

The Hesburgh plan entails the immediate shipment of two million tons of grain to needy nations followed by another two million tons next summer "contingent on matching commitments by other donor countries."

This would be in addition to the 3.3 million tons in food aid presently announced by the Ford Administration.

Father Hesburgh said the cost of his proposal would be $800 million. This would be over and above the present food aid budget of about $1 billion.

According to the Department of Agriculture, $200 million will now buy either one million tons of wheat or 500,000 tons of rice.

Prior to the Rome conference, pledged world wide food aid totaled between six and seven million tons of grain. At the conference, the Food and Agriculture Organization of the United Nations maintained that a minimum of eight million was necessary above the pledged total. The United States position was that the shortfall was closer to five to six million tons.

Mr. Grant maintained today that unless Washington immediately set aside the requested additional four-million-tons, this amount would quickly become fully committed to commercial sales.

Father Hesburgh said that his new 7.7 million ton American goal could be met by delays in commercial export deliveries and by a "selective program" to reduce American food consumption.

HESBURGH BIDS FORD SEND 2 MILLION TONS OF FOOD AID

WASHINGTON, November 22.—The Rev. Theodore M. Hesburgh, president of Notre Dame University, urged President Ford today to approve immediately an increase of two million tons in food aid to avert world famine.

The cost, Father Hesburgh said, would be about $400 million, or one-third the cost of a single Trident submarine. The alternative, he said, is widespread starvation.

Father Hesburgh, who is also chairman of the Overseas Development Council here, made his request for new United States food aid even though President Ford turned down last week an appeal from the United States delegation to the World Food Conference for a one million-ton increase in food aid.

[From the St. Louis Post-Dispatch, November 24, 1974]

FORD URGED TO DOUBLE WORLD FOOD AID PLAN

(By William K. Wyant Jr.)

WASHINGTON, November 23.—In a pre-Thanksgiving plea, the Rev. Theodore M. Hesburgh called on President Gerald R. Ford Saturday to order immediate shipment of 2,000,000 additional tons of food assistance from the United States.

Father Hesburgh, president of Notre Dame University, was joined in the request by Protestant and Jewish church leaders and by private organizations seeking more decisive action to alleviate hunger in poor countries.

The group urged, in addition to the prompt dispatch of 2,000,000 tons, that President Ford plan to ship 2,000,000 more tons of grain next spring and summer, contingent on matching commitments by other relatively well-to-do nations.

Among the myriad global problems that beset you today, "Mr. President," Father Hesburgh said in a letter to Mr. Ford, "certainly there can be no greater problem or opportunity than that of sustaining human life itself."

Shipping an additional 4,000,000 tons would more than double what the Ford Administration currently has in mind for the fiscal 1974 Food for Peace program.

The additional cost would be about $800,000,000. In Asia and Africa, 1,000,000 tons of grain will feed about 5,000,000 persons for a year.

Church representatives who appeared with Father Hesburgh Friday at a press conference here included Rabbi Marc H. Tanenbaum of the American Jewish Committee, Ms. Patricia Young, who heads the National Counsel of Churches Crusade Against Hunger, and Cardinal Terence Cooke, Archbishop of New York.

Also speaking were James P. Grant, president of the Overseas Development Council, a private agency concerned with foreign aid problems; Lester R. Brown, international food authority with the council, and Herbert J. Waters, chairman of the World Hunger Action Coalition.

Father Hesburg is board chairman of the Overseas Development Council. He attended the recent World Food Conference held under United Nations auspices at Rome.

The background of the appeal was that the Rome conference ended without a clear decision as to how the United States and other wealthy nations would meet an immediate need for 6,000,000 to 10,000,000 tons of grain essential to the hungry in the coming winter.

"Time is running out," Grant said. "All the grain to be produced this year has been produced. If you slip into January, it will be too late."

The objective of the Hesburgh group was to persuade President Ford, who turned down an appeal at the Rome conference for 1,000,000 more tons of grain, to agree to the additional 4,000,000-ton commitment before next Friday, the day after Thanksgiving, when the United States and other major grain-exporting nations meet again in Rome.

In return, the American proponents of additional food aid by the United States promised that they would support measures President Ford might find necessary to cut food consumption in this country, thereby avoiding inflationary consequences of the stepped-up emergency program.

"We count our blessings at Thanksgiving," Father Hesburgh wrote in his letter to Mrs. Ford, "and we look forward to Christmas joy in abundance.

"What greater moral uplift to our nation, following the disillusionments of Vietnam and Watergate, than a call to the humane imperative of helping our less fortunate brethren around the world as only we can.

"It is given to you, Mr. President, in a most unique way, to sound the call that will spell the difference between global disaster and new hope for millions. In helping others, we will, I believe, most powerfully help ourselves and restore our moral leadership in a very troubled world."

Grant said at the press conference, which was arranged by the Overseas Development Council, that under the law President Ford need not wait for congressional action but could "decide tomorrow" to process and ship 2,000,000 more tons of grain.

"It's a rare time in history when a single man can decide whether millions of individuals live or not live," Grant said.

Rabbi Tanenbaum said that assisting the poor and hungry outweighed all other moral commandments of the Bible. Information about people dying of hunger has been available for months, and it is morally unacceptable that Americans stand by and do nothing about it, he said.

In the last several years the nation's shipments under Food for Peace have been declining. Stocks have diminished and prices have gone up. With the American grain crop this year about 40,000,000 tons short of expectations, President Ford has been reluctant to pledge additional help in specific terms.

THE WORLD FOOD CRISIS—A PASTORAL PLAN OF ACTION

(Approved by the National Conference of Catholic Bishops, November 21, 1974)

The world food crisis is part of the larger pattern of global interdependence. The crisis is linked directly and systemically with questions of environment, population, economic relationships, political and military power.

World hunger and malnutrition are part of this complex pattern. They must be attacked on two levels: immediate assistance programs to prevent starvation in many regions in the world; and a long range program to increase food production, especially in the less industrialized nations.

The long range program must strike at the root problem of underdevelopment which plagues the people of many nations. Plans for agricultural development require the cooperation by the U.S. government, the poorer nations, the FAO, and voluntary agencies including religious organizations such as our own Catholic Relief Services.

It is not enough, however, that such development merely foster economic growth. Development must significantly reach the "little farmer" and so-called marginal people, and reduce the gap between the wealthy and the poor. Christian missionaries have effective contacts with the poor sectors of these societies and have demonstrated the capacity to assist materially in their agricultural development. Efforts by these missionaries merit increased support by the American religious community.

Moreover, the food crisis poses for the United States both domestic and international implications. An appropriate pastoral response for the Church must include a series of interrelated activities at the level of public policy/legislative program, community information and education, and pastoral practice.

A. PUBLIC POLICY/LEGISLATIVE PROGRAM

The bishops, acting through the United States Catholic Conference and its General Secretary, propose a program of public discussion directed toward influencing appropriate executive and legislative action which, in a systematic and organized way, will seek to achieve national policies effectively dealing with the food issue, internationally and domestically.

The fundamental premise of the program is that food is a unique commodity and a sacred resource. The guidelines for legislative initiatives meriting USCC support are the following:

First, increase genuine agricultural development overseas; technical assistance and development programs must be expanded to promote greater food production in the less industrialized nations;

Second, increase funding for Food for Peace (PL 480); as an immediate step increase substantially food allocations through Title II of Food for Peace (humanitarian aid), and resist efforts to use food as a political and strategic weapon;

Third, modify U.S. trade policies to lower trade barriers and to provide just prices for imports from poor countries. Special trade preferences for these nations' exports and substantially increased adjustment assistance for adversely affected U.S. workers and industries must be part of this revised trade policy;

Fourth, assure American farmers of a fair return for their capital and labor. The productivity and viability of American agriculture must be maintained. Serious disruption of this sector of the economy could adversely affect the world food crisis;

Fifth, promote more equitable distribution of resources in the United States. Areas of legislation in this regard are the following: expanding programs of food stamps and school lunches, providing special assistance to the elderly, the unemployed and the poor, revising income tax burdens, and restructuring land use policies;

Sixth, protect both family farmers who are often subject to severe economic pressures in the agricultural chain of food production, processing and sales, and also consumers in middle and lower income categories;

Seventh, modify the operation of the free market system, especially the impact of the large corporation, when it stands in the way of justice.

B. COMMUNITY INFORMATION AND EDUCATION

Since the food crisis is a long term problem as well as one of immediate concern, it will be necessary to keep the structural dimensions of the issue, both in its factual and moral aspects, before the public. The Church has means of doing this through already funded programs which merit implementation at the national, diocesan and parish level. Among them are the following:

First, its educational system for adults, youth and children;

Second, its access to the public through the secular and religious media of press, radio and television;

Third, workshops, special days of reflection and study for priests, religious communities and laity.

C. PASTORAL CARE

The most direct, universal and concrete contact the Church has with its people is at the level of pastoral ministry. Unique opportunities are available to promote the Church's deep concern about human development.

1. Liturgy: The themes of life, bread, community, solidarity, and responsibility flow through the symbol and substance of the liturgical life of the Church. These can be woven into teaching, worshipping and prayer experiences which address the food crisis to the whole community. Liturgical seasons of the Church's year are especially appropriate, for example, Advent, Lent, rogation days, the Holy Year. Particularly to be encouraged are parish and diocesan programs of worship, fasting and abstinence on appointed days. The funds from such fasting would be directed toward efforts ministering to the needs of others.

2. Lifestyle: A major pressure on food supply is the pattern of consumption. Especially evident in our consumer-oriented way of life are the waste of food and the excessive consumption of energy. Appeals to Christian conscience of responsible stewardship highlighting the practice of days of fast and abstinence, flow from the deepest roots of our biblical and ecclesiastical traditions. We urge the whole Catholic community—priests, religious and laity—to join with us in observing at least two days a week as days of fast. We also urged resistance to advertising and other forms of social pressure which promote affluent and wasteful eating habits.

3. Locating and feeding the hungry: In this time of food scarcity, inflation, economic recession and rising unemployment, methods of pastoral care require renewal and adaptation. First, awareness must be heightened about the condition of many members of our society, and efforts by priests, religious and laity must be intensified to locate and minister to those suffering severe hardships in our dioceses, parishes and local communities. Commanding attention, in particular, are the aged on limited fixed incomes, the working poor and the unemployed, and families and individuals on welfare and other public assistance programs.

Second, support for increased activities must be given to such agencies as Catholic Charities, Catholic Relief Services, the Campaign for Human Development and others. This will enable them to intensify their efforts to provide immediate short term relief and to work for long term structural changes for human development.

CONCLUSION

In this pastoral response to the food crisis the American Catholic community is called to address a broad agenda of issues. World hunger and malnutrition present Church agencies, diocesan offices, parishes, educational systems, the bishops, priests, religious and laity, that is, the whole Church, with an opportunity to experience an essential dimension of its mission: acting on behalf of justice and participating in the transformation of the world. This should be done in the context of a broad ecumenical effort, working with other Christians, Jews, those of other faiths and all men and women of good will.

The goals outlined here for the Church are only a beginning. No document could possibly embrace the many activities and programs which will be required to respond to the cries of the hungry and to what Pope Paul has called this "crisis of civilization and solidarity."

National Council of the
Churches of Christ,
New York, N.Y.

Americans who profess faith in a loving God and the oneness of His people cannot enter this season of traditional family feasting, happy children's faces, gift-giving and hope with the same joy and anticipation because we are so painfully aware of the broken family circles, suffering children and the hopelessness of global famine and death.

We are called instead to a new appreciation of spiritual values over material possessions, a new sense of the meaning of Biblical truths and a new understanding of the interdependence of the human family. These are the lessons of our public and private worship and the motivation of our historic humanitarian programs of worldwide direct food aid and self help development projects, such as those carried out by Church World Service. Churches and religious organizations have renewed and enlarged their support as the issue of world hunger has become daily a more serious crisis. Individual denominations and the NCC have raised world hunger to a priority level. People are already responding with personal changes in life style and acts of Christian citizenship. In mid-December representatives of member denominations will meet in a two-day working session to plan future steps of coordination and action.

This task of mobilizing the willing spirits of the American people would be made infinitely easier if the Administration accepted its responsibility to lead the Nation in meeting this massive over-riding human issue . . . in a call to share and sacrifice.

Therefore, we implore the President to commit our Nation to the appropriate pledge of grain, and to do it now . . . an act that would give this Thanksgiving Proclamation a meaning as profound as the first celebration. We, in turn, pledge our full resources to follow this leadership in personal involvement and moral sensitivity to the human suffering around us. We will do all we can to create public understanding and strengthen the public will to support the commitment of America's resources to demonstrate our recognition of the common destiny of all the children of God.

Dr. W. Sterling Carey,
President.
Dr. Claire Randall,
General Secretary.
Ms. Patricia Young,
Chairperson, NCC crusade against hunger.

CHIEF JUSTICE EARL WARREN—TRIBUTES IN THE HARVARD LAW REVIEW

Mr. KENNEDY. Mr. President, the current issue of the Harvard Law Review contains four eloquent tributes to Chief Justice Earl Warren, who died on July 9, 1974.

The tributes are by Mr. Justice Brennan, who was Chief Justice Warren's colleague on the Supreme Court for many years; by Prof. Charles L. Black, Jr., and Louis H. Pollak, who are two of the Nation's outstanding constitutional scholars; and by John Hart Ely, who once served as a law clerk to Chief Justice Warren and who is now on the faculty of Harvard Law School.

One passage in Professor Black's tribute, describing the very human Chief Justice that Earl Warren was, portrays a side of Mr. Warren that was familiar to many residents and visitors in Washington and loved by all of us. As Professor Black writes:

> Something else that I saw does not speak for itself; indeed, I don't know whether I can adequately express something that was a feeling I never verbalized at the time. I saw him on several occasions, in those days, leaving the building alone at night. One could feel in the salute of the guards the respect of people who had felt and experienced his respect for them, an unfeigned respect that showed in his return of their good night.
>
> I watched that lonely figure leaving. I think I saw in it the steadfast calm of a man who had found his great work, and had that day done the part of it that fell to that day. He saw his work. He did it, by the light given him and with all his might. He has earned his rest.

Mr. President, I ask unanimous consent that the four tributes be printed in the Record.

There being no objection, the tributes were ordered to be printed in the Record, as follows:

[From the Harvard Law Review, November 1974]

Chief Justice Warren

(By William J. Brennan, Jr.[*])

As one who served with Earl Warren on the Supreme Court for thirteen of the sixteen years he presided as Chief Justice, I take deep pride that the *Review* has taken this means of honoring the memory of one of the great figures of American history. The record that richly earned him that distinction is in his decisions. Those decisions are a permanent monument to the great skills of leadership, energy, humanity, and quiet wisdom he brought to his great office. I shall not discuss those decisions but limit these brief comments to some vignettes from my memory of him as Chief Justice and cherished friend.

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[*] Associate Justice, United States Supreme Court. A.B., University of Pennsylvania, 1928; LL.B., Harvard, 1931.

Earl Warren was physically a large man, naturally gregarious and open, with a warm and engaging smile. It was impossible to dislike him. He liked people and people liked him. He was instinctively courteous and sensitive to the feelings of others. He put strangers at their ease immediately. However great their judicial differences with him, his brethren (sixteen Associate Justices during his tenure) without exception personally were very fond of him.

It is the fashion to refer to the Supreme Court during his years as the "Warren Court." That does not of course signify that he dominated the shaping of the Court's decisions. Whatever the case of John Marshall, Earl Warren would be the first emphatically to say that this was not true of him. Functioning in the Nation's fledgling years, Marshall's Court perforce fashioned the principles that ruled the great constitutional decisions of that time. In contrast, most of the notable decisions of the Warren Court adopted or expanded upon constitutional views espoused—often in dissent—in cases decided before Earl Warren was appointed Chief Justice. For his brethren, however, the "Warren Court" is highly appropriate as recognition of his effective leadership in a time that brought to the Court the greatest diversity of deeply troublesome and controversial questions in the Court's history.

He directed our weekly Court conferences superbly. He spent many hours in preparation for them, usually in bed in the early hours of the morning. The agenda of cases seeking review lengthened as the years went on, but he never failed to have a complete grasp of the issues involved in each case and to state those issues lucidly and concisely for the benefit of his brethren. He encouraged the fullest discussion of each case but had an enviable knack for ending aimless discussion.

The unique difficulty of Supreme Court decisionmaking tends to develop close professional and personal relations among the Justices. There is the remote chance, however, that widely disparate judicial views—sometimes heatedly espoused and bitterly fought—can spill over into personal differences. Earl Warren's example of utmost sensitivity to the airing of differing views and his innate courtesy toward his brethren set the pattern that usually kept the most heated discussions within limits of decorum and personal consideration. But he was human and on rare occasions (not more than twice, as I recall) his usually tightly controlled temper flared when he took offense at something said and he erupted with harsh words. That happened too from the Bench when an oral announcement of Justice Frankfurter expanded on his written filed opinion. This was the announcement of Justice Frankfurter's dissent, which I joined, in *Caratativo* v. *California*. The Court without opinion but after argument summarily affirmed the judgment of the California Supreme Court denying review of a prison warden's determination that a criminal condemned to death was not insane and could be executed. Justice Frankfurter's oral announcement went beyond the dissenting opinion to say things about California's penal system that struck a sensitive nerve in the Chief Justice. That system, largely his handiwork as Governor of California, was his great pride. He took the unusual step, almost as personal privilege, of answering Justice Frankfurter's oral announcement in words that scarcely obscured his resentment, and detailed at length the history and virtues of California's progressive penal system.

He had granite integrity. He also had a deep-seated sense of fairness that conditioned both his approach to decisions and his relations with his brethren, indeed conditioned his entire life. He bent over backwards in assigning opinions to assure that each Justice, including himself, wrote approximately the same number of Court opinions and received a fair share of the more desirable ones. When President Johnson insisted, over his strenuous objection, that he chair the Warren Commission that investigated the assassination of President Kennedy, he adamantly rejected his brethrens' plea that they be allowed to relieve him of the burden of opinion writing until the Commission work was completed.

Throughout that Term he spent early morning and late evening hours at Commission headquarters opposite the Court and carried a full burden of Court work during the day. His concern for his colleagues was manifested even in trivial matters. He carried the principle that he was only *primus inter pares* to the extreme length of vigorously opposing the increase from $500 to $2500 of the differential between his salary and the salary of an Associate Justice. He was even embarrassed that only he among the Justices was provided with a government automobile. He was always genuinely concerned with the well-being of his colleagues and third families.

His concern with fairness was also the hallmark of his jurisprudence. People were his concern, especially ordinary people—the disadvantaged, the downtrodden, the poor, the friendless. The memory of his own uphill struggle from the poverty of his youth never left him, nor the lesson that discrimination against the disadvantaged breeds poverty degrading to human dignity. He strongly believed that individual human dignity was a primary value fostered and protected by the Constitution. It outraged him that a state court enforced a restrictive covenant that limited burial privileges to "members of the Caucasian race," resulting in the denial to a widow of the right to bury her husband, a Winnebago Indian, even after services had been conducted at the grave site and the burial party had disbanded. Similarly, he fought for the summary reversal of a state criminal contempt conviction of a black woman who refused to answer questions from the witness stand until counsel stopped addressing her by her first name "Mary" and addressed her as "Miss Hamilton." Approval by the states in both cases, in his strong view, demeaned human dignity and was therefore unconstitutional state action.

This thread of concern for human dignity also runs through more famous decisions. He wrote *Miranda v. Arizona* as a step toward enforcing a constitutional framework of criminal justice consistent with human dignity and democratic equality by mandating enlightened and civilized treatment by law enforcement officers of criminal suspects. He wrote *Brown v. Board of Education*, which held that segregated education threatened impairment of the human dignity of black school children and was therefore unconstitutional: "To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in a way unlikely ever to be undone." In the voting cases, often said by him to be the most important of his tenure, he saw disenfranchisement of minorities and malapportionment as twin evils denying their victims a fair and equal opportunity to enjoy democratic equality and full human dignity.

Possessed of an equal right to vote, the least of us, he thought, would be armed with an effective weapon needed to achieve a fair share of the benefits of our free society. In sum, he perceived that at the core of the process of government erected by the Framers—unwieldly, imperfect, wearisome, sometimes maddening—lay a profound vision of justice, and that it was the duty of the Court to make that vision a reality for the least of men. He expressed his vision after his retirement in these words:[1]

"Where there is injustice, we should correct it; where there is poverty, we should eliminate it; where there is corruption, we should stamp it out; where there is violence, we should punish it; where there is neglect, we should provide care; where there is war, we should restore peace; and wherever corrections are achieved we should add them permanently to our storehouse of treasures."

His love of sports was another very human trait. He was an ardent hunter and fisherman; indeed, his brethren's parting gift to him upon his retirement was a specially made shotgun in which he took great pride, and with which he last hunted in California only a few months before his death. He rarely missed a football game of the Washington Redskins (I went to many with him) and managed every Fall to attend a World Series baseball game if the Series involved a city not too far from Washington. He was the perfect companion on an outing, kindly, pleasant, well-balanced, and amazingly well-informed.

None of us believed that he would slow down when he retired, and he did not. He retained chambers at the Court primarily to do some writing. He wrote one book and began the writing of others, but was soon unable to resist the lure of the immense number of invitations which deluged him from campuses all over the country. He began extensive travels to colleges and universities throughout the country. He usually made no formal or prepared speech but engaged in informal question and answer sessions at which students could ask and receive an answer to virtually any question. The experience gave him a tremendous lift; his eyes would shine as he expressed enthusiastically his belief that the future of the country was safe in the hands of the coming generation.

I last saw him only two hours before his death. He wouldn't talk with me about his health. He wanted an update on the status of the proposal to create a National Court of Appeals. He strongly opposed the proposal. Its adoption, he was convinced, threatened to shut the door of the Supreme Court to the poor, the friendless, the little man. To many of his colleagues, certainly to me, he was the Super-Chief. History will surely accord him a first place in the pantheon of our greatest judges and greatest Americans. My deep pride in my association with him is exceeded only by my great affection for him as a friend.

AN IMPRESSION OF THE LATE CHIEF JUSTICE

(By Charles L. Black, Jr.*)

I have already spoken out my estimate of the judicial work led by the late Chief Justice:[1]

I think it plain that we will not be or remain a nation worth calling a nation unless we plant ourselves on the moral ground to which the Warren Court has given its outlines—not in all the details of all the decisions of that Court, but following the broad lines the Warren Court has laid out. We need this moral basis of citizenship—common, growing citizenship—as we need cleaner water and air. It is conceivable that there may exist sometime, somewhere, a national state with no other vocation than the modest one of preserving itself. But we have a different birth from that; we live congenitally under a different and inescapable commandment; we have stood together at the foot of the mountain. If a sense of rightness and mission is a thing we need so as to be able to face the future, and if extension, to all, of . . . citizenship . . . is the only mission to which we can worthily give ourselves, then the Warren Court, like the Marshall Court, has been trying to make us a nation.

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[1] E Warren, A Republic, If You Can Keep It 6 (1972).

*Henry R. Luce Professor of Jurisprudence, Yale Law School. B.A. U. of Texas, 1935, M.A., 1938; LL.B., Yale, 1943.

[1] Black, *The Unfinished Business of the Warren Court*, 46 Wash. L. Rev. 3, 12–13 (1970).

I have made a large claim for the Warren Court—the largest possible against the background of our history. I have asserted that there was set to us, in our beginning, a task that is not two but one—the task of making a nation, based on the consent and will of one people, wherein full citizenship should prevail for all. If this is right, then in the joint company of John Marshall and Earl Warren we are questing after a nationhood with moral meaning and purpose, after a political society as good as politics can make it.

I stand on that, and add only a note on experiences in a very different context.

For years, I served on the Advisory Committee on Admiralty Rules, meeting on the ground floor of the Supreme Court Building for a few days at a time, several times a year. We broke for coffee every day at eleven. If Earl Warren was not there, to greet and converse with the people who were engaged in this utterly nonpolitical and unglamorous work, we were told the reason why. It was always a good reason; most such mornings, by far, he was there.

This speaks for itself, as to his concern for every phase of the judicial work, and as to his high courtesy.

Something else that I saw does not speak for itself; indeed, I don't know whether I can adequately express something that was a feeling I never verbalized at the time. I saw him on several occasions, in those days, leaving the building alone at night. One could feel in the salute of the guards the respect of people who had felt and experienced his respect for them, an unfeigned respect that showed in his return of their "good night."

I watched that lonely figure leaving. I think I saw in it the steadfast calm of a man who had found his great work, and had that day done the part of it that fell to that day. He saw his work. He did it, by the light given him and with all his might. He has earned his rest.

The Legacy of Earl Warren

(By Louis H. Pollak[*])

Earl Warren was a modest man, and a realist. One of his greatest strengths was that he knew his limitations. We would do him less than the evenhanded justice he so devotedly dispensed if, in his death, we painted him larger than life.

He would, for example, have been the last to claim that his decade as Governor of California was free of error. He surely felt chagrin, in after years, for having said, in 1943: "If the Japs are released, no one will be able to tell a saboteur from any other Jap."[1] And the chagrin must have been only slightly mitigated by the knowledge that he was only following the nonpartisan bigotry laid down as national policy by Franklin Roosevelt—and, in 1944, sustained by the Supreme Court in *Korematsu*.[2] Nonetheless, just as Roosevelt was, all things considered, a great President, so Warren was, all things considered, a remarkable Governor. And it is a fair surmise that Warren would have easily adapted his executive skills to the national agenda had he, after the Sacramento years, merely become President.

But it so fell out that the Presidency was denied him; and that, at the age of sixty-two, he was instead summoned to different and wholly unfamiliar responsibilities; and that for sixteen years he fulfilled those responsibilities with diligence and honor.

Like any other judge, he was not free of error. But, on a scale not matched by any other judge, he brought a measure of redemption to his country.

Redemption—recommitment to the promise declared at Gettysburg, codified in the Fourteenth Article of Amendment to the Constitution, repudiated in *Plessy*,[3] and mocked in *Korematsu*—this was the meaning of *Brown* v. *Board of Education*.[4] *Brown* and its companion cases had been argued the Term before Warren came to the Court. But, apparently unable to resolve the issues, the Justices had directed reargument. The new Chief Justice's participation seems to have been catalytic. Irresolution was replaced by unanimity. On May 17, 1954, Warren read the decision which gave to his generation of Americans, and to the generations which will follow, the opportunity—and the obligation—to pursue the last clear chance to be the last best hope of earth. "The principles announced in that decision and the obedience of the States to them, according to the command of the Constitution, are indispensable to the protection of the freedoms guaranteed by our fundamental charter for all of us. Our constitutional ideal of equal justice—under law—is thus made a living truth."[5]

By conventional notation we speak of "the Warren Court," or "the Hughes Court," or "the Taney Court"—slicing the Court's almost two centuries of continuity into Chief Justice-size units. The notation is unfortunate, since it conveys a sense of Chief Justice dominion over his colleagues which, as every schoolchild does not know, was true only of the Marshall Court. In Warren's case, because his sixteen Terms embraced so vast and volcanic a constitutional terrain, popular misconception laid at his door accountability for many decisions in which he was simply one of five or more agreeing Justices. To be sure, quite apart from *Brown*, he wrote for the Court, and to that extent presumably played the principal role in shaping the Court's approach, in many major cases.[6] But even in those cases there are no compelling indications that he was, as in *Brown*, the single decisive judicial catalyst, but for whose presence the timing and substance of constitutional development might have been radically different. And of course it is not reasonable to suppose that Warren, or any other single member of the Warren Court, would have routinely exercised controlling leadership over his colleagues. A Court which contained Justices of the stature and the fierce independence of Black and Frankfurter and Harlan, to say nothing of their surviving brethren, could hardly have been a one-Justice show. In that sense, the commentaries on the Court's work which adorned highway billboards in the 'fifties and the 'sixties—"Impeach Earl Warren"; "Mommy, why won't Chief Justice Warren let me pray at school?"—gave Warren more credit than was his due.

But in another sense the billboards were close to the mark. *Brown*, decided in Warren's first Term, inexorably set the tone for much that was to come after—under Warren, and under Chief Justice Burger as well. To strike down racial legal servitudes rationally impelled the Court to begin to cast a critical eye at legal disadvantage flowing from poverty, alienage, sex, creed, and philosophic or political principle. To insist on equality before the law was to lead the Court to insist on equal opportunities to participate in the electing of lawmakers.

To require courts to administer the law fairly was to ask as much of governors and legislators, prosecutors and police, workmen's compensation boards and parole boards, housing authorities and wardens and state university administrators—all those cloaked with the law's magesty and obligation.

Distilled from the full corpus of Warren's judicial work is a single comprehensive theme: his passion for the rectitude of law. It animated his opinions. And it illuminated the courtroom over which he presided. To attend an argument before Warren was to sense his innate courtesy. But it was also to know that he expected lawyers to be fellow officers of the Court and fellow servants of the law: vigorous advocacy was obligatory, but to advance a claim in a manner faithless to the record was *malum prohibitum*, an unpardonable contempt of Court and Constitution.

Long before he left the bench, Warren's insistence on the integrity of American law had reached far beyond his courtroom. Throughout the nation and across the world he became, through the reverent exercise of his high office, the embodiment of the highest aspirations of American law—Chief Justice of the United States as only Marshall had been before him.

If Warren was not a great Justice—a Miller, a Holmes, a Bradeis, a Frankfurter, or a Black—he was indubitably a great Chief Justice, whose heart and mind were dedicated to fulfillment of the duties he revered. Indifferent to formality, he would have tired quickly of these obsequies. Perhaps we can honor him in terms he would have savored best if we turn to his account the words with which, on behalf of the Court, he marked the death of Frankfurter: "We . . . mourn his passing, both as our associate and friend, but we also know that his ebullient spirit would want us to get on with our always unfinished work."[7]

FOOTNOTES

[1] 4 L. Friedman & F. Israel, The Justices of the United States Supreme Court 1789-1969, at 2728 (1969).

[2] Korematsu v. United States, 323 U.S. 214 (1944).

[3] Plessy v. Ferguson, 163 U.S. 537 (1896).

[4] 347 U.S. 483 (1954).

[5] Cooper v. Aaron, 358 U.S. 1, 19–20 (1958).

[6] *See, e.g.*, Reynolds v. Sims, 377 U.S. 533 (1964); Miranda v. Arizona, 384 U.S. 436 (1966); Powell v. McCormack, 395 U.S. 486 (1969).

[7] 2 The Constitution and the Supreme Court: A Documentary History 428 (L. Pollak ed. 1966), *quoting* N.Y. Times, Mar. 2, 1965, at 43, col. 3.

The Chief

(By John Hart Ely[*])

The image of Earl Warren often conveyed by the popular press was that of a gladhanding politician whose accomplishments resulted very largely from his winning personality. A sunny, even jolly, man: a sort of loveable uncle. Thus while he may not have been a great scholar, the theme seemed to run, he sure did have a "way with people" and that's what accounted for his success as Chief Justice. But somehow that just doesn't add up to greatness, and this was, unmistakably, a great man.

Don't get me wrong: the Chief went out of his way to show respect for everyone with whom he came in contact, regardless of station, and he was deeply sensitive to the feelings and insecurities of others. But no one who ever saw him pounce on a dissembling or callous lawyer would ever again think "loveable" quite the right word. No one who heard him on the phone with one of his colleagues—"No, Bill, we can't consider that . . . No. It's all been decided. . . ."—could imagine that this was a man who "led" by going along. No doubt the Court was more cohesive because he was Chief Justice, but that had little to do with charm in any cheap sense of the word. It had to do with the man's tireless devotion to his work, with his unusual ability, legal as well as administrative, and most of all with the unmistakable purity of his motives. Sure, he knew how to shake your hand, and even ten years after his appointment to the Court he instinctively waved back at people who waved at his car. But those were just the leftover reflexes of a prior life in politics: anyone who thought they were the way the Chief Justice did business would soon learn his mistake. He was a leader because he was a man with a mission, and because the mission was good.

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[*] Professor of Law, Harvard University, A.M., Princeton, 1960; LL.B., Yale, 1963.

If a law clerk's tribute is supposed to be full of anecdotes that demonstrate what a fascinating private character his boss was, then this tribute will be a disappointment. Oh, the Chief was a great sports fan—that's not made up—and a close and prescient student of the political process. But that's not so terribly interesting, and it was all secondary. There was simply too much important work to leave room for the cultivation of engaging eccentricities. I suppose it may be a little dull after all, but Earl Warren did not add up to a great deal more than the public record makes him—one of the greatest single forces for right the nation has ever known. The public man was the man, and that was a good deal more than the rest of us can even hope to be.

The public man was, always was, a democrat. The image often conveyed by the academic press of Chief Justice Warren and the Court he led was that of an unprecedented willingness—rightly or wrongly, depending on the commentator's biases—to super-impose the judiciary's value judgments on those arrived at by the political processes. There was some of this, to be sure, when liberty genuinely hung in the balance. But like any good lawyer, the Chief was preoccupied with questions of process—not simply of the criminal process which he so thoroughly understood, but more importantly of the democratic process as well. His concern lest those in power freeze others out of that process was most obvious in his voting rights opinions. But privately at any rate, he saw first amendment cases in much the same terms. He could expound on the values of self-expression, and the marketplace of ideas, as eloquently as the next man, but what the cases really involved for him were efforts on the part of the in's to make sure the out's stayed out. The racial discrimination and other equal protection cases were this too, if less obviously: the institution of representation, the Chief realized, will work only if the representative is made to understand that he cannot hurt the relatively powerless without at the same time hurting himself, or at least broad segments of the constituency on whose support he depends.

The Chief used to say that if *Reynolds v. Sims* had been decided before 1954, *Brown v. Board of Education* would have been unnecessary. The claim seems somewhat oversimplified, but it bespeaks a view of the judicial role that tells us much about the man and gives unity to much of his work. The Court's proper work, he was telling us, consisted not so much in second-guessing legislative value judgments as in tending the machinery of the democratic process to keep it from being captured, from becoming the self-serving organ of some privileged segment of society. A concern with process, seriously pursued, can lead in some quite "activist" directions.

The items that kept the Chief's death from being headline news remind us (as if we needed reminding) that those who love the Constitution have had much to mourn of late. But while we should weep for the absence in public life of men like Earl Warren, we need not weep for him. He lived the American Dream. Quite a number of men have done that, however. The Chief did something that few will ever do; he did what he set out to do. And that was to make the American Dream more broadly accessible than it had ever been before.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The **PRESIDING OFFICER** (Mr. BAYH). Under the previous order, the Senate will now proceed to the consideration of the conference report on H.R. 15977, which the clerk will state.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The **PRESIDING OFFICER**. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of October 8, 1974, at p. 34424.)

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SURFACE RIGHTS IN THE 1934 NAVAJO RESERVATION

Mr. **METCALF**. Mr. President, I believe the time has arrived to call up H.R. 10337 and ask for its immediate consideration.

The **PRESIDING OFFICER**. Under the previous order the Chair lays before the Senate H.R. 10337, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

That, (a) within thirty days after enactment of this Act, the Director of the Federal Mediation and Conciliation Service shall appoint a Mediator (hereinafter referred to as the "Mediator") who shall assist in the negotiations for the settlement and partition of the relative rights and interests, as determined by the decision in the case of Healing v. Jones (210 F. Supp. 125, D. Ariz., 1962, aff'd 363 U.S. 758, 1963) (hereinafter referred to as the "Healing case"), of the Hopi and Navajo Tribes (hereinafter referred to as the "tribes") to and in lands within the reservation established by the Executive order of December 16, 1882, except land management district no. 6 (such lands hereinafter referred to as the "joint use area"). The Mediator shall not have any interest, direct or indirect, in the settlement of the interests and rights set out in this subsection. The duties of the Mediator shall cease upon the entering of a full agreement into the records of the supplemental proceedings pursuant to section 3 or the submission of a report to the District Court after a default in negotiations or a partial agreement pursuant to section 4.

(b) The proceedings in which the Mediator shall be acting under the provisions of this Act shall be the supplemental proceedings in the Healing case now pending in the United States District Court for the District of Arizona (hereinafter referred to as "the District Court").

(c)(1) The Mediator is authorized to request from any department, agency, or independent instrumentality of the Federal Government any information, personnel, service, or materials he deems necessary to carry out his responsibilities under the provisions of this Act. Each such department, agency, or instrumentality is authorized to cooperate with the Mediator and to comply with such requests to the extent permitted by law, on a reimbursable or nonreimbursable basis.

(2) To facilitate the expeditious and orderly compilation and development of factual information relevant to the negotiating process, the President shall, within fifteen days of enactment of this Act, establish an interagency committee chaired by the Secretary of the Interior (hereinafter referred to as the "Secretary") to develop relevant information and to respond to the requests of the Mediator.

(d) The Secretary shall appoint a full-time representative as his liaison with the Mediator to facilitate the provision of information and assistance requested by the Mediator from the Department of the Interior.

(e) The Mediator may retain the services of such staff assistants and consultants as he shall deem necessary, subject to the approval of the Director of the Federal Mediation and Conciliation Service.

SEC. 2. (a) Within thirty days after enactment of this Act, the Secretary shall communicate in writing with the tribal councils of the tribes directing the appointment of a negotiating team representing each tribe. Each negotiating team shall be composed of not more than five members to be certified by appropriate resolution of the respective tribal council. Each tribal council shall promptly fill any vacancies which may occur on its negotiating team. Notwithstanding any other provision of law, each negotiating team, when appointed and certified, shall have full authority to bind its tribe with respect to any other matter concerning the joint use area within the scope of this Act.

(b) In the event either or both of the tribal councils fail to select and certify a negotiating team within thirty days after the Secretary communicates with the tribal council under subsection (a) of this section or to select and certify a replacement member within thirty days of the occurrence of a vacancy, the provisions of subsection (a) of section 4 shall become effective.

(c) Within fifteen days after formal certification of both negotiating teams to the Mediator, the Mediator shall schedule the first negotiating session at such time and place as he deems appropriate. The negotiating sessions, which shall be chaired by the Mediator, shall be held at such times and places as the Mediator deems appropriate. At such sessions, the Mediator may, if he deems it appropriate, put forward his own suggestions for procedure, the agenda, and the resolution of the issues in controversy.

(d) In the event either negotiating team fails to attend two consecutive sessions or, in the opinion of the Mediator, either negotiating team fails to bargain in good faith or an impasse is reached, the provisions of subsection (a) of section 4 shall become effective.

(e) In the event of a disagreement within a negotiating team the majority of the members of the team shall prevail and act on behalf of the team unless the resolution of the tribal council certifying the team specifically provides otherwise.

SEC. 3. (a) If, within one hundred and eighty days after the first session scheduled by the Mediator under subsection (c) of section 2, full agreement is reached, such agreement shall be put in such form as the Mediator determines best expresses the intent of the tribes and shall then be submitted to the Secretary and the Attorney General of the United States for their comments as they relate to the interest of the United States in the proceedings. These comments are to be submitted to the Mediator and the negotiating teams within thirty days. The negotiating teams and the Mediator shall then consider the comments and, if agreement can still be reached on terms acceptable to the negotiating teams and the Mediator within sixty days of receipt by him of the comments, the agreement shall be put in final written form and shall be signed by the members of the negotiating teams and the Mediator. The Mediator shall then cause the agreement to be entered into the records of the supplemental proceedings in the Healing case. The provisions of the agreement shall be reviewed by the District Court, modified where necessary, and put into effect immediately thereafter.

(b) If, within the one hundred and eighty day period referred to in subsection (a) of this section, a partial agreement has been reached between the tribes and they wish such partial agreement to go into effect, they shall follow the procedure set forth in said subsection (a). The partial agreement shall then be considered by the Mediator in preparing his report, and the District Court in making a final adjudication, pursuant to section 4.

(c) For the purpose of this section, the negotiating teams may make any provision in the agreement or partial agreement not inconsistent with existing law. No such agreement or any provision in it shall result in a taking by the United States of private property compensable under the Fifth Amendment of the Constitution of the United States.

SEC. 4. (a) If the negotiating teams fail to reach full agreement within the time period allowed in subsection (a) of section 3 or if one or both of the tribes are in default under the provisions of subsections (b) or (d) of section 2, the Mediator, within ninety days thereafter, shall prepare and submit to the District Court a report containing his recommendations for the settlement of the interests and rights set out in subsection (a) of section 1 which shall be most reasonable and equitable in light of the law and circumstances and consistent with the provisions of this Act. Following the District Court's review of the report and recommendations (which are not binding thereon) and any further proceedings which the District Court may schedule, the District Court is authorized to make a final adjudication, including partition of the joint use area, and enter the judgments in the supplemental proceedings in the Healing case.

(b) Any proceedings as authorized in subsection (a) hereof shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the District Court at that time, and shall be expedited in every way by the Court.

SEC. 5. (a) For the purpose of facilitating an agreement pursuant to section 3 or preparing a report pursuant to section 4, the Mediator is authorized—

(1) notwithstanding the provisions of section 2 of the Act of May 25, 1918 (40 Stat. 570), to recommend that, subject to the consent of the Secretary, there be purchased or otherwise acquired additional lands for the benefit of either tribe from the funds of either tribe or funds under any other authority of law;

(2) to recommend that, subject to the consent of the Secretary, there be undertaken a program of restoration of lands lying within the joint use area, employing for such purpose funds authorized by this Act, funds of either tribe, or funds under any other authority of law;

(3) to recommend that, subject to the consent of the Secretary, there be undertaken a program for relocation of members of one tribe from lands which may be partitioned to the other tribe in the joint use area;

(4) to recommend, in exceptional cases where necessary to prevent personal hardship, a limited tenure for residential use, not exceeding a life estate, and a phased relocation of members of one tribe from lands which may be partitioned to the other tribe in the joint use area; and

(5) to make any other recommendations as are in conformity with this Act and the Healing case to facilitate a settlement.

(b) The authorizations contained in subsection (a) of this section shall be discretionary and shall not be construed to represent any directive of the Congress.

SEC. 6. The Mediator in preparing his report, and the District Court in making the final adjudication, pursuant to section 4, shall consider and be guided by the decision of the Healing case, under which the tribes have joint, undivided, and equal interests in and to all of the joint use area; by any partial agreement reached by the parties under subsection (b) of section 3; by the last best offer for a complete settlement as a part of the negotiating process by each of the tribes; and by the following:

(a) The rights and interests, as defined in the Healing case, of the Hopi Tribe in and to that portion of the reservation established by the Executive order of December 16, 1882, which is known as land management district no. 6 (hereinafter referred to as the "Hopi Reservation") shall not be reduced or limited in any manner.

(b) The boundary lines resulting from any partitioning of lands in the joint use area shall be established so as to include the higher density population areas of each tribe within the portion of the lands partitioned to such tribe to minimize and avoid undue social, economic, and cultural disruption insofar as practicable.

(c) In any division of the surface rights to the joint use area, reasonable provision shall be made for the use of and right of access to identified religious shrines for the members of each tribe on the reservation of the other tribe where such use and access are for religious purposes.

(d) In any partition of the surface rights to the joint use area, the lands shall, insofar as is practicable, be equal in acreage and quality: *Provided*, That if such partition results in a lesser amount of acreage, or value, or both to one tribe such differential shall be fully and finally compensable to such tribe by the other tribe. The value of the land for the purposes of this subsection shall be based on not less than its value with improvements and its grazing capacity fully restored: *Provided further*, That, in the determination of compensation for any such differential, the Federal Government shall pay any difference between the value of the particular land involved in its existing state and the value of such land in a fully restored state which results from damage to the land which the District Court finds attributable to a failure of the Federal Government to provide protection where such protection is or was required by law or by the demands of the trust relationship.

(e) Any lands partitioned to each tribe in the joint use area shall, where feasible and consistent with the other provisions of this section, be contiguous to the reservation of each such tribe.

(f) Any boundary line between lands partitioned to the two tribes in the joint use area shall, insofar as is practicable, follow terrain which will facilitate fencing or avoid the need for fencing.

(g) Any claim the Hopi Tribe may have against the Navajo Tribe for an accounting of all sums collected by the Navajo Tribe since September 17, 1957, as trader license fees or commissions, lease rental or proceeds, or other similar charges for doing business or for damages in the use of lands within the joint use area, shall be for a one-half share in such sums.

(h) Any claim the Hopi Tribe may have against the Navajo Tribe for the determination and recovery of the fair value of the grazing and agricultural use of the lands within the joint use area by the Navajo Tribe and its individual members, since September 28, 1962, shall be for one-half of such value.

SEC. 7. Partition of the surface of the lands of the joint use area shall not affect the joint ownership status of the coal, oil, gas, and all other minerals within or underlying such lands. All such coal, oil, gas, and other minerals within or underlying such lands shall be managed jointly by the two tribes, subject to supervision and approval by the Secretary as otherwise required by law, and the proceeds therefrom shall be divided between the tribes, share and share alike.

SEC. 8. Hereafter the United States shall hold in trust exclusively for the Hopi Tribe and as a part of the Hopi Reservation all right, title, and interest in and to the following described land which is a portion of the land described in the Act of June 14, 1934 (48 Stat. 960):

Beginning at a point on the west boundary of the reservation established by the Executive order of December 16, 1882, where said boundary is intersected by the right-of-way of United States Route 160;

thence south southwest along the centerline of said Route 160, a distance of approximately 8 miles to a point where said centerline intersects the township line between townships 32 and 33 north, range 12 east;

thence west, a distance of approximately 9 miles, to the north quarter corner of section 4, township 32 north, range 11 east;

thence south, a distance of approximately 4¾ miles following the centerlines of sections 4, 9, 16, 21, and 28 to a point where said boundary intersects the right-of-way of United States Route 160;

thence southwesterly, following the centerline of United States Route 160, a distance of approximately 11 miles, to a point where said centerline intersects the right-of-way of United States Route 89;

thence southerly, following the centerline of United States Route 89, a distance of approximately 11 miles, to the south boundary of section 2, township 29 north, range 9 east (unsurveyed);

thence east following the south boundaries of sections 2 and 1, township 29 north, range 9 east, sections 6, 5, 4, and so forth, township 29 north, range 10 east, and continuing along the same bearing to the northwest corner of section 12, township 29 north, range 11 east (unsurveyed);

thence south, a distance of 1 mile to the southwest corner of section 12, township 29 north, range 11 east (unsurveyed);

thence east, a distance of 1 mile to the northwest corner of section 18, township 29 north, range 12 east (unsurveyed);

thence south, a distance of 1 mile, to the southwest corner of section 18, township 29 north, range 12 east (unsurveyed);

thence east, a distance of approximately 9 miles, following the section lines, unsurveyed, on the south boundaries of sections 18, 17, 16, and so forth in township 29 north, range 12 east and continuing to a point where said section lines intersect the west boundary of the reservation established by the Executive order of December 16, 1882;

thence due north, along said west boundary, a distance of approximately 27½ miles to the point of beginning.

SEC. 9. Notwithstanding any other provision of this Act, the Secretary is authorized to allot in severalty to individual Paiute Indians, not now members of the Navajo Tribe, who are located within the area described in the Act of June 14, 1934 (48 Stat. 960), and who were located within such area, or are direct descendants of Paiute Indians who were located within such area, on the date of such Act, land in quantities as specified in section 1 of the Act of February 8, 1887 (24 Stat. 388), as amended (25 U.S.C. 331), and patents shall be issued to them for such lands having the legal effect and declaring that the United States holds such land in trust for the sole use and benefit of each allottee and, following his death, of his heirs according to the laws of the State of Arizona.

SEC. 10. (a) Subject to the provisions of section 9 and subsection (a) of section 17, any lands partitioned to the Navajo Tribe pursuant to section 3 or 4 and the lands described in the Act of June 14, 1934 (48 Stat. 960), except the lands as described in section 8, shall be held in trust by the United States exclusively for the Navajo Tribe and as a part of the Navajo Reservation.

(b) Subject to the provisions of section 9 and subsection (a) of section 17, any lands partitioned to the Hopi Tribe pursuant to section 3 or 4 and the lands as described in section 8 shall be held in trust by the United States exclusively for the Hopi Tribe and as a part of the Hopi Reservation.

SEC. 11. (a) The Secretary is authorized and directed to transfer not to exceed 250,000 acres of lands under the jurisdiction of the Bureau of Land Management within the States of Arizona or New Mexico to the Navajo Tribe: *Provided*, That the Navajo Tribe shall pay to the United States the fair market value for such lands as may be determined by the Secretary. Such lands shall, if possible, be contiguous or adjacent to the existing Navajo Reservation. Title to such lands which are contiguous or adjacent to the Navajo Reservation shall be taken by the United States in trust for the benefit of the Navajo Tribe.

(b) Any private lands the Navajo Tribe acquires which are contiguous or adjacent to the Navajo Reservation may be taken by the United States in trust for the benefit of the Navajo Tribe: *Provided*, That the land acquired pursuant to subsection (a) and this subsection shall not exceed a total of 250,000 acres.

SEC. 12. (a) There is hereby established as an independent entity in the executive branch the Navajo and Hopi Indian Relocation Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of three members appointed by the Secretary within sixty days of enactment of this Act.

(c) The Commission shall elect a Chairman and Vice Chairman from among its members.

(d) Two members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Each member of the Commission who is not otherwise employed by the United States Government shall receive an amount equal to the daily rate paid a GS-18 under the General Schedule contained in section 5332 of title 5, United States Code, for each day (including time in travel) or portion thereof during which such member is engaged in the actual performance of his duties as a member of the Commission. A member of the Commission who is an officer or employee of the United States shall serve without additional compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other expenses incurred by them in the performance of their duties.

(f) The first meeting of the Commission shall be called by the Secretary forthwith following the date on which a majority of the members of such Commission are appointed and qualified under this Act, but in no event later than sixty days following such date.

(g) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $150 a day for individuals.

(h) The Department of the Interior shall furnish, on a nonreimbursable basis, necessary administrative and housekeeping services for the Commission.

(i) The Commission shall cease to exist when the President determines that its functions have been fully discharged.

SEC. 13. (a) Within the twenty-four month period following the date of issuance of an order of the District Court pursuant to section 3 or 4, the Commission shall prepare and submit to the Congress a report concerning the relocation of households and members thereof of each tribe, and their personal property, including livestock, from lands partitioned to the other tribe pursuant to sections 8 and 3 or 4.

(b) Such report shall contain, among other matters, the following:

(1) the names of all members of the Navajo Tribe who reside within the areas partitioned to the Hopi Tribe and the names of all members of the Hopi Tribe who reside within the areas partitioned to the Navajo Tribe; and

(2) the fair market value of the habitations and improvements owned by the heads of households identified by the Commission as being among the persons named in clause (1) of this subsection.

(c) Such report shall include a detailed plan providing for the relocation of the households and their members identified pursuant to clause (1) of subsection (b) of this section. Such plan (hereinafter referred to as the "relocation plan") shall—

(1) be developed to the maximum extent feasible in consultation with the persons involved in such relocation and appropriate representatives of their tribal councils;

(2) take into account the adverse social, economic, cultural, and other impacts of relocation on persons involved in such relocation and be developed to avoid or minimize, to the extent possible, such impacts;

(3) identify the sites to which such households shall be relocated, including the distance involved;

(4) assure that housing and related community facilities and services, such as water, sewers, roads, schools, and health facilities, for such households shall be available at their relocation sites; and

(5) take effect thirty days after the date of submission to the Congress pursuant to subsection (a) of this section: *Provided, however*, That the Commission is authorized and directed to proceed with voluntary relocations as promptly as practicable following its first meeting.

SEC. 14. (a) Consistent with section 8 and the order of the District Court issued pursuant to section 3 or 4, the Commission is authorized and directed to relocate pursuant to section 8 and such order all households and members thereof and their personal property, including livestock, from any lands partitioned to the tribe of which they are not members. The relocation shall take place in accordance with the relocation plan and shall be completed by the end of five years from the date on which the relocation plan takes effect. No further settlement of Navajo individuals on the lands partitioned to the Hopi Tribe pursuant to this Act or on the Hopi Reservation shall be permitted unless advance approval of the Hopi Tribe is obtained. No further settlement of Hopi individuals on the lands partitioned to the Navajo Tribe pursuant to this Act or on the Navajo Reservation shall be permitted unless advance written approval of the Navajo Tribe is obtained. No individual shall hereafter be allowed to increase the number of livestock he grazes on any area partitioned pursuant to this Act to the tribe of which he is not a member, nor shall he retain any grazing rights in any such area subsequent to his relocation therefrom.

(b) In addition to the payments made pursuant to section 15, the Commission shall make payments to heads of households identified in the report prepared pursuant to section 13 upon the date of relocation of such households, as determined by the Commission, in accordance with the following schedule:

(1) the sum of $5,000 to each head of a household who, prior to the expiration of one year after the effective date of the relocation plan, contracts with the Commission to relocate;

(2) the sum of $4,000 to each head of a household who is not eligible for the payment provided for in clause (1) of this subsection but who, prior to the expiration of two years after the effective date of the relocation plan, contracts with the Commission to relocate;

(3) the sum of $3,000 to each head of a household who is not eligible for the payments provided for in clause (1) or (2) of this subsection but who, prior to the expiration of three years after the effective date of the relocation plan, contracts with the Commission to relocate; and

(4) the sum of $2,000 to each head of a household who is not eligible for the payments provided for in clause (1), (2), or (3) of this subsection but who, prior to the expiration of four years after the effective date

of the relocation plan, contracts with the Commission to relocate.

(c) No payment shall be made pursuant to this section to or for any person who, later than one year prior to the date of enactment of this Act, moved into an area partitioned pursuant to section 8 or section 3 or 4 to a tribe of which he is not a member.

SEC. 15. (a) The Commission shall purchase from the head of each household whose household is required to relocate under the terms of this Act the habitation and other improvements owned by him on the area from which he is required to move. The purchase price shall be the fair market value of such habitation and improvements as determined under clause (2) of subsection (b) of section 13.

(b) In addition to the payments made pursuant to subsection (a) of this section, the Commission shall:

(1) reimburse each head of a household whose household is required to relocate pursuant to this Act for the actual reasonable moving expenses of the household as if the household members were displaced persons under section 202 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894);

(2) pay to each head of a household whose household is required to relocate pursuant to this Act an amount which, when added to the fair market value of the habitation and improvements purchased under subsection (a) of this section, equals the reasonable cost of a decent, safe, and sanitary replacement dwelling adequate to accommodate such household: *Provided*, That the additional payment authorized by this paragraph (2) shall not exceed $17,000 for a household of three or less and not more than $25,000 for a household of four or more, except that the Commission may, after consultation with the Secretary of Housing and Urban Development, annually increase or decrease such limitations to reflect changes in housing development and construction costs, other than costs of land, during the preceding year: *Provided further*, That the additional payment authorized by this subsection shall be made only to a head of a household required to relocate pursuant to this Act who purchases and occupies such replacement dwelling not later than the end of the two-year period beginning on the date on which he receives from the Commission final payment for the habitation and improvements purchased under subsection (a) of this section, or on the date on which such household moves from such habitation, whichever is the later date. The payments made pursuant to this paragraph (2) shall be used only for the purpose of obtaining decent, safe, and sanitary replacement dwellings adequate to accommodate the households relocated pursuant to this Act.

(c) In implementing subsection (b) of this section, the Commission shall establish standards consistent with those established in the implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894). No payment shall be made pursuant to this section to or for any person who, later than one year prior to the date of enactment of this Act, moved into an area partitioned pursuant to section 8 or section 3 or 4 to a tribe of which he is not a member.

(d) The Commission shall be responsible for the provision of housing for each household eligible for payments under this section in one of the following manners:

(1) Should any head of household apply for and become a participant or homebuyer in a mutual help housing or other homeownership opportunity project undertaken under the United States Housing Act of 1937 (50 Stat. 888), as amended (42 U.S.C. 1401), or in any other federally assisted housing program now or hereafter established, the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section and under subsection (a) of this section shall be paid to the local housing agency or sponsor involved as a voluntary equity payment and shall be credited against the outstanding indebtedness or purchase price of the household's home in the project in a manner which will accelerate to the maximum extent possible the achievement by that household of debt free homeownership.

(2) Should any head of household wish to purchase or have constructed a dwelling which the Commission determines is decent, safe, sanitary, and adequate to accommodate the household, the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section and under subsection (a) of this section shall be paid to such head of household in connection with such purchase or construction in a manner which the Commission determines will assure the use of the funds for such purpose.

(3) Should any head of household not make timely arrangements for relocation housing, or should any head of household elect and enter into an agreement to have the Commission construct or acquire a home for the household, the Commission may use the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section and under subsection (a) of this section for the construction or acquisition (including enlargement or rehabilitation if necessary) of a home and related facilities for such household: *Provided*, That, the Commission may combine the funds for any number of such households into one or more accounts from which the costs of such construction or acquisition may be paid on a project basis and the funds in such account or accounts shall remain available until expended: *Provided further*, That the title to each home constructed or acquired by the Commission pursuant to this paragraph shall be vested in the head of the household for which it was constructed or acquired upon occupancy by such household, but this shall not preclude such home being located on land held in trust by the United States.

(e) The Commission is authorized to dispose of dwellings and other improvements acquired or constructed pursuant to this Act in such manner, including resale of such dwellings and improvements to members of the tribe exercising jurisdiction over the area at prices no higher than the acquisition or construction costs, as best effects section 8 and the order of the District Court pursuant to section 3 or 4.

SEC. 16. (a) The Navajo Tribe shall pay to the Hopi Tribe the fair rental value as determined by the Secretary for all use by Navajo individuals of any lands partitioned to the Hopi Tribe pursuant to sections 8 and 3 or 4 subsequent to the date of the partition thereof.

(b) The Hopi Tribe shall pay to the Navajo Tribe the fair rental value as determined by the Secretary for all use by Hopi individuals of any lands partitioned to the Navajo Tribe pursuant to sections 8 and 3 or 4 subsequent to the date of the partition thereof.

SEC. 17. (a) Nothing in this Act shall affect the title, possession, and enjoyment of lands heretofore allotted to Hopi and Navajo individuals for which patents have been issued. Such Hopi individuals living on the Navajo Reservation shall be subject to the jurisdiction of the Navajo Tribe and such Navajo individuals living on the Hopi Reservation shall be subject to the jurisdiction of the Hopi Tribe.

(b) Nothing in this Act shall require the relocation from any area partitioned pursuant to this Act of the household of any Navajo or Hopi individual who is employed by the Federal Government within such area or to prevent such employees or their households from residing in such areas in the future: *Provided*, That any such Federal employee who would, except for the provisions of this subsection, be relocated under the terms of this Act may elect to be so relocated.

SEC. 18 (a) Either tribe, acting through the chairman of its tribal council, for and on behalf of the tribe, including all villages, clans, and individual members thereof, is hereby authorized to commence or defend in the District Court an action or actions against the other tribe for the following purposes if such action or actions are not settled pursuant to section 3 or 4:

(1) for an accounting of all sums collected by either tribe since the 17th day of September 1957 as trader license fees or commissions, lease proceeds, or other similar charges for the doing of business or the use of lands within the joint use area, and judgment for one-half of all sums so collected, and not paid to the other tribe, together with interest at the rate of 6 per centum per annum compounded annually; and

(2) for the determination and recovery of the fair value of the grazing and agricultural use by either tribe and its individual members since the 28th day of September 1962 of the undivided one-half interest of the other tribe in the lands within the joint use area, together with interest at the rate of 6 per centum per annum compounded annually, notwithstanding the fact that the tribes are tenants in common of such lands.

(b) Neither laches nor the statute of limitations shall constitute a defense to any action authorized by this Act for existing claims if commenced within two years from the effective date of this Act or one hundred and eighty days from the date of issuance of an order of the District Court pursuant to section 3 or 4, whichever is later.

(c) Either tribe may institute such further original, ancillary, or supplementary actions against the other tribe as may be necessary or desirable to insure the quiet and peaceful enjoyment of the reservation lands of the tribes by the tribes and the members thereof, and to fully accomplish all objects and purposes of this Act. Such actions may be commenced in the District Court by either tribe against the other, acting through the chairman of its tribal council, for and on behalf of the tribe, including all villages, clans, and individual members thereof.

(d) The United States shall not be an indispensable party to any action or actions commenced pursuant to this section. Any judgment or judgments by the District Court in such action or actions shall not be regarded as a claim or claims against the United States.

(e) All applicable provisional and final remedies and special proceedings provided for by the Federal Rules of Civil Procedure and all other remedies and processes available for the enforcement and collection of judgments in the district courts of the United States may be used in the enforcement and collection of judgments obtained pursuant to the provisions of this Act.

SEC. 19. (a) Notwithstanding any provision of this Act, or any order of the District Court pursuant to section 3 or 4, the Secretary is authorized and directed to immediately commence reduction of the numbers of all the livestock now being grazed upon the lands within the joint use area and complete such reductions to carrying capacity of such lands, as determined by the usual range capacity standards as established by the Secretary after the date of enactment of this Act. The Secretary is directed to institute such conservation practices and methods within such area as are necessary to restore the grazing potential of such area to the maximum extent feasible.

(b) The Secretary shall provide for the survey, location of monuments, and fencing of boundaries of (1) the lands as described in section 8, and (2), upon the date of issuance of an order of the District Court pursuant to section 3 or 4, any lands partitioned pursuant to section 3 or 4.

SEC. 20. The members of the Hopi Tribe shall have perpetual use of Cliff Spring as shown on USGS 7½ minute Quad named Toh Ne Zhonnie Spring, Arizona, Navajo County, dated 1968; and located 1,250 feet west and 200 feet south of the intersection of 36 degrees, 17 minutes, 30 seconds north latitude and 110 degrees, 9 minutes west longitude, as a shrine for religious ceremonial purposes, together with the right to gather branches of fir trees growing within a 2-mile radius of said spring for use in such religious ceremonies, and the further right of ingress, egress, and regress between the Hopi Reservation and said spring. The Hopi Tribe is hereby authorized to fence said spring upon the boundary line as follows:

Beginning at a point on the 36 degrees, 17 minutes, 30 seconds north latitude 500 feet west of its intersection with 110 degrees, 9 minutes west longitude, the point of beginning;

thence north 46 degrees west, 500 feet to a point on the rim top at elevation 6,900 feet;

thence southwesterly 1,200 feet (in a straight line) following the 6,900 feet contour;

thence south 46 degrees east, 600 feet;

thence north 38 degrees east, 1,300 feet to the point of beginning, 23.8 acres more or less: *Provided*, That, if and when such spring is fenced, the Hopi Tribe shall pipe the water therefrom to the edge of the boundary as hereinabove described for the use of residents of the area. The natural stand of fir trees within such 2-mile radius shall be conserved for such religious purposes.

SEC. 21. Notwithstanding anything contained in this Act to the contrary, the Secretary shall make reasonable provision for the use of and right of access to identified religious shrines for the members of each tribe on the reservation of the other tribe where such use and access are for religious purposes.

SEC. 22. The availability of financial assistance or funds paid pursuant to this Act may not be considered as income or resources or otherwise utilized as the basis (1) for denying a household or member thereof participation in any federally assisted housing program or (2) for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled to under the Social Security Act or any other Federal or federally assisted program. None of the funds provided under this Act shall be subject to Federal or State income taxes.

SEC. 23. The Navajo and Hopi Tribes are hereby authorized to exchange lands which are part of their respective reservations.

SEC. 24. If any provision of this Act, or the application of any provision to any person, entity or circumstance, is held invalid, the remainder of this Act shall not be affected thereby.

SEC. 25. (a)(1) For the purpose of carrying out the provisions of section 15, there is hereby authorized to be appropriated not to exceed $31,500,000.

(2) For the purpose of carrying out the provisions of subsection (a) of section 19, there is hereby authorized to be appropriated not to exceed $10,000,000.

(3) For the purpose of carrying out the provisions of subsection (b) of section 19, there is hereby authorized to be appropriated not to exceed $500,000.

(4) For the purpose of carrying out the provisions of subsection (b) of section 14, there is hereby authorized to be appropriated not to exceed $5,500,000.

(5) There is hereby authorized to be appropriated annually not to exceed $500,000 for the expenses of the Commission.

(6) There is hereby authorized to be appropriated not to exceed $500,000 for the services and expenses of the Mediator and the assistants and consultants retained by him: *Provided*, That, any contrary provision of law notwithstanding, until such time as funds are appropriated and made available pursuant to this authorization, the Director of the Federal Mediation and Conciliation Service is authorized to provide for the services and expenses of the Mediator from any other appropriated funds available to him and to reimburse such appropriations when funds are appropriated pursuant to this authorization, such reimbursement to be credited to appropriations currently available at the time of receipt thereof.

(b) The funds appropriated pursuant to the authorizations provided in this Act shall remain available until expended.

Mr. METCALF. Mr. President, I yield myself such time as I may need for an opening statement and, thereafter, I shall yield to the two Senators from Arizona.

Mr. ABOUREZK. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. METCALF. Certainly, I am glad to yield to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, what is the regular order? Under the calendar, what is the regular order of business?

Mr. METCALF. This does not come out of my time, this parliamentary inquiry.

The PRESIDING OFFICER. I have been advised by the Parliamentarian that the Indian matter before us is the regular order.

If the Senator from South Dakota would like to know what would happen in response to a call for the regular order, the Parliamentarian advises that the answer is——

Mr. ABOUREZK. Yes, I would like to know what would be different.

The PRESIDING OFFICER. I understand the answer would be different.

Mr. ABOUREZK. I call for the regular order, because I understand the Export-Import Bank conference report was to come up before this bill.

The PRESIDING OFFICER. The call for the regular order would require the Senate to proceed to the consideration of the Export-Import Bank conference report.

Mr. ABOUREZK. I call for the regular order.

The PRESIDING OFFICER. The clerk will report.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield? I ask unanimous consent that this time not be charged against the Senator's time. Will the Senator withhold his calling for the regular order, which he can do until this afternoon, until the Senator makes his opening statement, and someone on the other side makes an opening statement on this bill? The Senator from Montana was about to start his opening statement and he has been unable to complete it.

Mr. ABOUREZK. Mr. President, before I withdraw—and if I do withdraw I shall say so in a minute—I have another parliamentary inquiry. Who controls the time on the particular Navajo-Hopi thing? Who controls the time on each side?

The PRESIDING OFFICER. The Chair is advised that presently the time is controlled between the distinguished Senator from Montana (Mr. METCALF) and the distinguished Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. Then I will withdraw my call for the regular order under a unanimous-consent agreement that the regular order will be called for after the opening statement of the Senator from Montana.

Mr. METCALF. And the Senator from Arizona.

Mr. ABOUREZK. If he wants to use it, I will ask unanimous consent that that be the order.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry. What is the situation at this time?

The PRESIDING OFFICER. The situation is up in the air at this time.

Mr. MANSFIELD. That is why I made the inquiry.

The PRESIDING OFFICER. The regular order has been called for, and that has been suspended temporarily, and the Senator from South Dakota is now trying to determine whether to pursue his right to call for the regular order, and has proposed a unanimous-consent request, the Chair thinks.

Mr. MANSFIELD. Mr. President, the Senator from South Dakota does have the right to call for the regular order, because it was my understanding—and I thought I had an agreement with the Senator from South Dakota, which I find I did not have, and it is the fault of both of us, insofar as misunderstanding each other yesterday is concerned—but it had been my intention to lay before the Senate the Export-Import Bank conference report as the first order of business today. It is a privileged matter.

Then I had indicated to the Senate that around the hour of 12:30 or 1 o'clock it would be my intention to lay aside the Export-Import Bank conference report and take up the Navajo-Hopi Indian bill. However, I was informed while in my office that the Navajo-Hopi Indian bill had been laid before the Senate and made the pending business.

Therefore, I was waiting until my distinguished colleague, the Senator from Montana, had completed his statement so that I could engage in this colloquy and this explanation.

I would hope it would be possible to take up the Export-Import Bank conference report at least for a couple of hours to see what progress, if any, can be made, and then to lay it aside and take up the Navajo-Hopi Indian bill at that time to see what progress can be made there.

I would inform the Senate that prior to recess I had intended to call up the Navajo-Hopi bill, but after consultation with the distinguished Senator from South Dakota, and at his request, I must say, it was put over until we returned from the election recess.

I had also intended to bring it up yesterday afternoon, but after consulting with several Senators who were interested on the side against the committee's recommendation, I agreed that it would be taken up today.

So I hope that, even though the distinguished Senator from South Dakota is perfectly within his rights in calling for the regular order, it will be possible for the manager of the bill, the distinguished Senator from Montana (Mr. METCALF), and one of the two distinguished Senators from Arizona (Mr. GOLDWATER), (Mr. FANNIN), to complete their remarks, to then go to the Export-Import Bank conference report, and after a couple of hours return to the Navajo-Hopi Indian bill. In that way I would be keeping——

Mr. METCALF. If I may respond to my colleague from Montana, I have consulted with my colleagues from Arizona. I believe that we would prefer to make our opening statements and have continuous action on the Navajo-Hopi bill.

So if the Senator from South Dakota insists on regular order, we would prefer to set this aside at this time and take it up in accordance with the agreement the majority leader had with the Senator from South Dakota.

I would rather have a continuous debate and discussion than to interrupt after our opening statements.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Is there a unanimous-consent request pending?

The PRESIDING OFFICER. I think the Senator from South Dakota made a unanimous-consent request, that may have been changed as far as he is concerned as the result of these matters.

Mr. ABOUREZK. I withdraw that request.

The PRESIDING OFFICER. It is noted, the unanimous request has been withdrawn. What is the wish of the Senate?

Mr. MANSFIELD. If the Senator will yield to me, would the Senator from South Dakota—we have discussed this matter earlier—agree at this time to my suggestion?

That is all it is; the Senator is perfectly within his rights. I want to make that very plain. But we are in a dilemma due to misunderstandings and a backward turning of priorities for the consideration of legislation, and I would like to find some way to get out of it with some good grace.

Mr. ABOUREZK. I intend to call for regular order, and I want to state that when the majority leader and I talked the other day, the agreement—at least according to how I understand it—was that he would not call up the Navajo-Hopi bill until after the Export-Import Bank was disposed of.

Mr. MANSFIELD. If the Senator will yield.

Mr. ABOUREZK. His understanding was that he would call up the Export-Import Bank, deal with it for a time, and then bring up the Navajo-Hopi bill.

Mr. MANSFIELD. That is correct.

Mr. ABOUREZK. It was a distinct misunderstanding on the part of both of us.

In view of that, however, I did relinquish some rights on yesterday, contingent upon the understanding I had, and because I gave up those rights I want to state to the majority leader and to the Senate that I intend to ask for regular order and hope that the Export-Import Bank bill will be completed before we bring up the Navajo-Hopi bill and I ask for the regular order.

Mr. METCALF. Mr. President, will the Senator withhold that for a moment?

Mr. ABOUREZK. Yes.

Mr. METCALF. And with the agreement that none of this comes out of our time.

The PRESIDING OFFICER. It is not coming out of the time.

Mr. METCALF. I yield to the distinguished Senator from Arizona (Mr. GOLDWATER), who formerly had control of the time?

Mr. GOLDWATER. We have been held up passing on this legislation now for several months. I do not know what the distinguished Senator from South Dakota has in mind. I knew he was prepared to come on the floor and defend his amendments.

I dislike very much what has taken place, because it was my understanding with the leader that the Export-Import Bank bill would be laid aside at 12:30 and we would proceed on the Navajo-Hopi bill.

Now, if it is the intention of the Senator from South Dakota to delay this until the final passage of Export-Import, I will remind him that could be after the Thanksgiving recess and I think we put this off too long.

I do not know what the motives are of the Senator from South Dakota, but I think it is time we acted on this and not be dillydallying, putting it off on parliamentary rules.

Mr. MANSFIELD. Mr. President, all I can say is that my hands are tied.

Mr. METCALF. Well, I would like to have an agreement with the Senator from South Dakota that we will take up and complete this bill today.

Is the proposal of the Senator from South Dakota to try to delay this bill and prevent its passing today or until after the Thanksgiving recess?

Mr. ABOUREZK. My intention is to allow the Export-Import bill to be completed before the Navajo-Hopi bill is brought up.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. METCALF. I am delighted to yield, if I have the floor.

Mr. MANSFIELD. The Senator does have the floor.

May I say that the Export-Import Bank conference report is in very serious trouble; that there will be strenuous effort to defeat the conference report or to send it back to conference with the stipulation that the amendments agreed to in the Senate be, once again, incorporated.

May I point out also that there is an expiration date to the Export-Import Bank, the 30th of this month, I believe. After that, its legislative functions will be in limbo, if not lost.

But again I want to say that I did talk to the distinguished Senator from South Dakota and at his request did put over the pending legislation from sometime prior to the election day recess with the understanding that it would be taken up after we returned from the election day recess, and with the further understanding with the Senator's concurrence—and he can correct me if I am wrong—that there would be a time limitation attached to the bill.

Furthermore, I have stated on several occasions since the Senate has returned, first, that the pending bill would be taken up on Monday of the 2d week of our return. In response to some requests, I deferred that until Tuesday and the result is that we now have reached an impasse, and the distinguished Senator from South Dakota in calling for the regular order is entirely within his rights. But I think that the record should be laid out on all the facts insofar as the Senator from Montana in his capacity as majority leader understands them and comprehends them.

It is unfortunate that on yesterday when I had talked with the distinguished Senator from South Dakota that we mutually misunderstood each other, but we did it in good faith.

I would hope that some means could be found, so that this matter could be taken up before we recess tomorrow and I do so not only because of an interest in the legislation itself, but also because of the fact that I have misled the Senate and I do not like to mislead the Senate or any Senator on any occasion.

But because of factors enumerated, all I can say is that the majority leader has no power at this time to change the desire of the Senator from South Dakota.

Mr. ABOUREZK. The facts as stated by the majority leader are correct. We did agree that this bill would be brought up after the election recess, which I am very hopeful that it will be; and that there was a time agreement arrived at, and we did agree upon a time limitation. The facts are absolutely correct.

I ask for the regular order.

Mr. METCALF. Is it the ruling of the Chair, Mr. President, that there has been a unanimous-consent agreement that we will complete the conference report on the Export-Import Bank before we can take up the Navajo-Hopi bill?

The PRESIDING OFFICER. There has been no agreement such as that posed or questioned by the Senator from Montana.

Mr. METCALF. I am not required——

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that a call for the regular does, indeed, place the Export-Import Bank bill before the Senate as the order of business.

The disposition of that measure, of course, is then up to the Senate.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, I will at an appropriate time endeavor to get the unanimous consent of the Senate—it takes unanimous consent to lay aside the Export-Import Bank conference report—so that it might be possible to return to what is still the pending business, and I think I should serve notice to that effect.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. METCALF. Well, what is the rule?

Mr. GOLDWATER. Would I be in order to move that the Export-Import Bank legislation be laid aside?

The **PRESIDING OFFICER**. The motion to proceed to the Hopi Indian bill is in order. The Chair is advised it does not require unanimous consent.

Mr. **MANSFIELD**. Mr. President, I would hope that the Senator from Arizona would not make that request, only because it is usually considered a leadership function and I do not intend to make that request.

Mr. **GOLDWATER**. I appreciate that very much. But, Mr. President, speaking for myself, I feel that the efforts are going to be continued to defeat this bill in any way it can be defeated. If that is the intention of the Senator from South Dakota, I think he ought to state it in the Chamber. He has repeatedly offered his objections to the consideration of this bill. Either we are going to consider it, or we are not.

This Export-Import conference report is not going to be settled by tomorrow night, in my opinion. I believe the Senator from South Dakota is fully aware of that. It looks like a lot of us are going to be deprived of Thanksgiving with our families at home.

I think this is a very important piece of legislation. I do not like any Senator holding it up.

Mr. **FANNIN**. Will the Senator yield?

Mr. **METCALF**. I yield to the Senator from Arizona.

Mr. **FANNIN**. Mr. President, in deference to fair play, I would hope that the distinguished Senator from South Dakota would let us proceed with this legislation. I just remind him that it was held up in committee, at his request, for many days. I happened to have been one of the sponsors of this bill, and I reported the bill on September 25, with the understanding that we were going to go forward with it. I happened to have been absent at the time of a unanimous-consent request. I am very pleased that my colleague from Arizona was here and handled the matter. At that time I talked to the distinguished majority leader. He said immedately after the recess this legislation would be considered. That was a commitment I felt was made. I went ahead and agreed that this was fine, and that we should go forward on that basis.

But here we are, without any connection whatsoever between the Export-Import Bank and this legislation. There is no reason whatsoever for holding this back. I would just implore the distinguished Senator from South Dakota to consider just exactly what is involved. If he wants to go along with delaying tactics, I think it is very detrimental to his cause. At the same time, if that is his desire, I see that he can cause some delay.

I just feel, Mr. President, that this is an effort in futility, to talk about the Export-Import Bank without having any connection whatsoever with the legislation we are considering. Holding it back seems just ludicrous. I hope the distinguished Senator from South Dakota will give further consideration to his point of issue.

The **PRESIDING OFFICER**. What is the will of the Senate?

Mr. **ABOUREZK**. Mr. President, I have asked for regular order a number of times——

Mr. **MANSFIELD**. Will the Senator withhold that request?

Mr. **ABOUREZK**. Yes, I will.

Mr. **MANSFIELD**. Mr. President, concerning the suggestion of a motion made by the distinguished Senator from Arizona, which I have indicated is normally a leadership function and which I said I would not offer, I am of the opinion that I will offer it at this time. I recognize that the motion is debatable, and that the debate might go on all afternoon and into tomorrow. I am quite sure it would.

Rather than make the motion, I think I will ask unanimous consent that the Export-Import Bank be laid aside temporarily, and that the Senate resume consideration of Calendar No. 1121, H.R. 10337.

The **PRESIDING OFFICER**. The clerk will report.

Mr. **ABOUREZK**. Reserving the right to object, what is that legislation, Mr. President?

Mr. **MANSFIELD**. This is the Navajo-Hopi legislation.

Mr. **ABOUREZK**. I object.

Mr. **MANSFIELD**. Mr. President, I ask that order be maintained in the gallery at all times.

The **PRESIDING OFFICER**. The point is well taken. We will have no commentary from the gallery.

Mr. **METCALF**. Mr. President, what is the ruling on the proposal of the Senator from South Dakota for regular order?

The **PRESIDING OFFICER**. The Senator has made it and then out of courtesy to some of his colleagues has withheld it.

Mr. **METCALF**. Yes, he withheld it.

Mr. **ABOUREZK**. Will the Senator yield?

Mr. **METCALF**. Surely.

Mr. **ABOUREZK**. Speaking for myself, I would be willing to agree to a unanimous-consent agreement that the Navajo-Hopi bill be brought up on Monday next, if anybody is willing to go along with that.

Mr. **GOLDWATER**. Mr. President, reserving the right to object, we now have an ultimatum laid down before us by the Senator from South Dakota who has not explained why he wants to delay this. We have a number of Hopi Indians who traveled 2,500 miles to be here today. Senator FANNIN and I have changed our plans to be here today. If the Senator from South Dakota has some logical explanation as to why he has continued to object to the passage of this bill, why he has put every obstacle in its path that he could, maybe he has reason enough that we can understand it. But it is most difficult to understand.

If the ultimatum is that regardless of the leadership's desires, regardless of either party's desire, one Senator is going to run this body, then I guess we have nothing to do but give in to him. I do not like it.

Mr. **METCALF**. Mr. President, I have no objection to the unanimous-consent request of the Senator from South Dakota. As I understand it, the first order of business after the morning hour of Monday next will be the calling up of the Navajo-Hopi bill under the unanimous-consent agreement previously entered into, with a limitation of time, as modified by transferring the time of the Senator from Arizona (Mr. GOLDWATER) to me for the handling of the bill, as far as the majority is concerned.

Mr. **ROBERT C. BYRD**. Mr. President, reserving the right to object, I am sure that the distinguished Senator from Montana intended to say that the Navajo-Hopi bill would be brought up immediately upon the conclusion of morning business rather than the morning hour.

Mr. **METCALF**. Yes; morning business.

Mr. **ABOUREZK**. Mr. President, I would make the request as follows: I ask unanimous consent that the Navajo-Hopi bill be the pending business on Monday next following the close—Mr. President, I would like to defer to the majority leader since that is his function.

Mr. **GOLDWATER**. On Monday, following morning business—reluctantly, I might say.

Mr. **MANSFIELD**. Mr. President, on behalf of the joint leadership in this respect, I ask unanimous consent that at the conclusion of morning business on Monday next, December 2, Calendar No. 1121, H.R. 10337, which is still the pending business, be made the pending business at that time; that in the meantime, H.R. 10337 be laid aside temporarily, until Monday next, and that the Senate proceed to the consideration of the conference report on the Export-Import Bank legislation.

Mr. **GOLDWATER**. Mr. President, reserving the right to object, will the Senator yield?

Mr. **MANSFIELD**. I should like to finish, first.

That on Monday next, H.R. 10337, the so-called Navajo-Hopi bill, remain the pending business until completed; and that, in accordance with the usual procedure, no votes occur before 4 p.m. on Monday, though they may be piled up in the meantime, as was the case on yesterday.

Mr. **METCALF**. But subject to the same time limitation.

Mr. **GRIFFIN**. The time agreement is still in effect.

Mr. **MANSFIELD**. Yes, the time agreement is still in effect.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **METCALF** subsequently said: Mr. President, earlier today I started to make an opening statement in support of the Interior and Insular Affairs Committee on the Navajo-Hopi settlement bill H.R. 10337. The Senator from South Dakota (Mr. ABOUREZK) insisted that the bill be set aside and a unanimous consent agreement was reached to take H.R. 10337 up Monday, December 2, 1974, immediately after the conclusion of the morning business. Inasmuch as I was interrupted in the presentation of my opening statement, I now ask unanimous consent that it be inserted in the RECORD at this point in its entirety in order that the Members of the Senate may be informed as to the issues to be debated on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPENING STATEMENT BY SENATOR METCALF ON H.R. 10337

Mr. METCALF. Mr. President, by voting to approve the pending measure, this body has a priceless opportunity to correct an injustice inflicted on the Navajo and Hopi people which is a direct outgrowth of the Federal Government's failure to fulfill its solemn moral and legal responsibilities to these two tribes.

At issue are the conflicting claims of the two tribes to two areas. The first area, known as the joint use area, is approximately 1.8 million acres of land in northern Arizona which comprise a major portion of the original 2.5 million acre reservation established by an 1882 Executive order for, as the order states, "the use and occupancy of the Moqui (now the Hopi) Tribe and such other Indians as the Secretary of the Interior may see fit to settle thereon."

The second subject of dispute is approximately 8.2 million acres in the area established pursuant to the 1934 act as a reservation for the Navajo "and such other Indians as are already settled thereon." This second dispute is focused on several hundred thousand acres in the area known as Moencopi.

The origins of these disputes are rooted deep in this Nation's history predating by many years the 1882 Executive order and 1934 act. The Hopi Tribe has enjoyed continuous aboriginal use and occupancy of all the lands in question since approximately A.D. 600. Although the time of entry of the Navajo people into the Southwest is in question, available evidence indicates that they were settled in northern New Mexico as early as 1500. Eventually, the Navajo, a nomadic people, spread out from this area into other parts of what is now Arizona, New Mexico, and Utah. As a result of this constant process of migration and settlement, the Navajo came to surround the Hopi and occupy and, by strength of numbers, gain control of the disputed areas.

In an attempt to resolve the long-standing dispute on the first of these areas—the joint use area—the Congress enacted the act of July 22, 1958, authorizing each tribe to institute or defend an action against the other before a special three-judge panel of the U.S. District of Court of Arizona for a determination of the rights and interests of the two tribes in the area. In 1962, the District Court for the District of Arizona reached a decision on the resulting suit. This decision reported as *Healing* v. *Jones* (210 F. Supp. 125), found, among other things, that "the virtual exclusion of Hopi Indians" from the joint use area was the result of, first Hopi "fear of the encircling Navajos and inability to cope with Navajo pressure," and, second, "illegal" administrative actions extending from 1937 to 1958. Principal among the court's conclusions was that the two tribes possess "joint, undivided, and equal rights" to the area. The *Healing* v. *Jones* (373 U.S. 758) decision was affirmed by the U.S. Supreme Court in 1963.

Despite this decision, however, the dispute has not been satisfactorily settled. The principal reason for this was the district court's finding in the Healing decision that it did not possess the authority to partition the joint use area so to insure protection of the respective interests of the two tribes.

With the lands of the joint use area remaining undivided, these last 12 years have been filled with numerous administrative and judicial efforts to arrive at a formula for a true sharing of the area and a method of enforcing that formula. Most recently in a September 12, 1974, decision of the ninth circuit court—Hamilton against McDonald, appeals of the Navajo from orders of compliance issued by the district court were firmly denied. The court found possible grounds for "ouster" of the Hopi from the area in the "long history of dispossession—resulting from the combined effects of Navajo intrusions and depredations, often in violation of Navajo treaty obligations, expediently sanctioned by bureaucratic indifference, and furthered by illegal governmental restaints on Hopi use of the reservation." The circuit court ordered the Navajo to follow a Federal Government plan for the joint use of the area which requires them, among other things, to remove livestock from the area and restrict their building activities.

H.R. 10337, as reported, is a difficult and complex legislative proposal arising from numerous, lengthy mark-up sessions. Although I imagine none of us on the Interior Committee fully subscribe to each and every one of the provisions of H.R. 10337, as amended, I believe we do feel that the measure properly reflects the committee's views as to the best method to resolve the long-standing Navajo-Hopi land disputes concerning the joint use area and the Moencopi area. Although throughout the consideration of the measure, rollcall votes were taken in which members of the committee cast disagreeing votes, there clearly exists a committee consensus that the amendment in the nature of a substitute facilitates a resolution of the two disputes in a manner which is equitable and truly fair to both tribes.

The committee recognizes that no settlement of the joint use area can avoid hardships. However, we have done our best to limit those hardships while simultaneously honoring the Healing against Jones decision. To resolve the joint use area dispute, the committee first provided the opportunity for a final attempt to reach a voluntary settlement. It called for a 6-month arbitration effort. Only if that effort fails would final adjudication by the court be required.

In providing for this final adjudication, the committee constructed provisions which not only are compatible with the Healing decision but also represent a distinct compromise between the Hopi and Navajo positions. The language attempts to address both the Navajo fears of a mindless division of land on an absolute equality basis which they believe could result in massive social disruption and the Hopi fear that the final adjudication could result in a "buy-out" of their land rights by the wealthier Navajo. The heart of the compromise is that if the court determines a division of the surface to be necessary, the division should "insofar as practicable" be nearly equal in quality or quantity. However, the guidelines in the bill also stated that the boundaries of any division should be drawn so as to minimize "social, economic, and cultural disruption" and that, should such an effort result in an unequal division of surface, there must be compensation by one tribe to the other.

I do not pretend that such final adjudication could avoid all hardships resulting from social dislocation. None of us have ignored this possibility. The courts, too, have recognized this. Most recently the ninth circuit court in its September 12 decision discussed the hardships problem. It stated that the rights of the two tribes in the area have been determined and that there could be no "rebalancing" of the hardships imposed on individual Navajos resulting from enforcement of those rights. The court further stated:

> Moreover, were we now initially reviewing the original determination that each tribe was entitled to share and share alike, we could not say that the relative hardship hereby imposed on the members of the Navajo Tribe so outweighed the alternative inequity and hardship which would be imposed on the members of the Hopi Tribe were they deprived of their interest that the decree constituted a reversible abuse of discretion.

The committee, however, added sections to the proposal which would reduce, if not eliminate, any social disruption or other adverse impacts resulting from a final settlement of the joint use area dispute. These sections provide for a unique generous relocation program to be administered by an independent commission. The program includes relocation expenses payments, relocation incentive payments, purchases of relocatee's housing at fair market value, and insuring that all affected Navajo and Hopi are provided "decent safe and sanitary replacement dwellings." The bill also establishes a range rehabilitation program and a program for protection of religious shrines and sites. These generous provisions will, in most cases, result in a true bettering of the lives of affected members of both tribes.

The issues concerning the resolution of the Moencopi area dispute are quite similar to those relating to the joint use area in that both tribes have joint and undivided interests which must be separated in light of a long history of strife. Various alternatives were presented to the committee as to the mode of resolving this dispute, but we finally concurred in the congressionally mandated partition approach adopted by the House in the 92d and 93d Congresses.

As a result of the confusion on the use of my proxy pertaining to the Moencopi issue at the committee mark up a judicial resolution of the Moencopi dispute was passed by an 8 to 7 vote. I requested that this matter be reconsidered by the full committee. After discussion at the following markup I personally voted in favor of the House provision which authorized a direct partition of the Moencopi area resulting in a grant of 243,000 acres of land to the Hopi Tribe. The House provision was finally approved by a 9 to 6 vote in the Senate Interior Committee.

Mr. President, I call upon the members of this body to reject any effort to alter the committee's decision on the Moencopi land dispute. Surely the record is clear on the unproductive and seemingly endless negotiations to which the Navajo-Hopi Tribes have been subjected in the joint use area controversy. We have not only an obligation, but the responsibility to act now in a decisive manner on the Moencopi land dispute in order to avoid a similar prolonged and agonizing controversy between the two tribes. We must not repeat the mistake of abdicating responsibility to the courts which we first made in enacting the 1958 act calling for judicial resolution of the joint use area dispute.

I wish to note, that in drafting the committee amendment to H.R. 10337, staff inadvertently omitted a provision which was neither debated nor subjected to a vote by the committee members during the markup sessions. To correct this omission, the distinguished ranking minority member of the committee, Mr. FANNIN, will offer a committee amendment to reinstate this provision in the committee amendment. I concur with his amendment and urge my fellow Senators to join with me in correcting this oversight.

Mr. President, I urge my colleagues to support this measure against all other amendments. It is a carefully constructed equitable bill. Any amendment, no matter how meritorious it may seem at first glance, will likely destroy the bill's neutrality and reopen it to amendments and the disputes to additional years of controversy.

Congress has the responsibility to act now to end these disputes and it can do so by enacting intact H.R. 10337, as reported by unanimous vote of the Interior Committee.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report on H.R. 15977, which the clerk will state.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that during the consideration of the conference report on the Export-Import Bank Act, the following staff members of the Committee on Banking, Housing and Urban Affairs be permitted the privilege of the floor: Edward Kemp, Anthony Wood, Anthony Cluff, John P. Abshire, and Howard Beasley.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that David Marston be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a member of my staff, Mr. Howard Segamark, be permitted the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the following staff members be granted the privilege of the floor during the consideration of this conference report and any votes thereon: William Weber, Charles Levy, Dudley O'Neal, Jr., Kenneth McLean, Stephen Paradise, Carolyn Jordan, and Stanley Marcuss.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, despite earnest efforts, a number of important Senate-passed provisions were not retained by the conference. The report reflects the best bargain we were able to strike under the circumstances.

Among the reforms which the conference report accomplishes are the following:

One, authority for new commitments to the Soviet Union will be limited, initially at least, to $300 million. Under the Senate-passed bill, the Bank would have had to return to Congress for additional authority once the $300 million ceiling had been reached. The conferees substituted a provision permitting the ceiling to be exceeded if the President determines that it is in the national interest to do so.

Two, on each proposed Communist country loan of $50 million or more, the President must determine that the loan is in the national interest before it can receive final approval. Under the Senate-passed bill, guarantees and loan-guarantee combinations would also have been subject to this requirement and the threshold would have been $40 million instead of $50 million.

Third, Congress will hereafter be notified of all proposed Exim loans of $50 million or more at least 30 days prior to final Bank approval. This applies to all countries. Notification will include a complete description of the loan as well as an explanation of its necessity.

In the Senate bill, the threshold would have been higher—$60 million instead of $50 million, but guarantees and loan-guarantee combinations would have been included. The effect, on the one hand, is to increase the number of loans subject to prenotification; on the other hand, the exclusion of guarantees and loan-guarantees will reduce the number of major transactions subject to prenotification.

Fourth, Exim will hereinafter be required to take into account possible adverse effects on the competitive position of U.S. industries, the availability of materials in short supply, and employment before approving any credit, guarantee, or insurance.

Fifth, Exim will be required to give a complete description of all assistance for parent-subsidiary transactions in its annual report. The conferees agreed that the description should include: a. the identity of all parties to the transaction and their legal relationship; b. the goods or services exported; c. the amount of Bank participation and the terms and conditions thereof; and d. the reasons why Exim participation was needed.

Sixth, Exim will be required to describe in its annual report the progress it is making in reducing international credit competition.

Seventh, Exim will be required to include in its annual report a description of each loan involving energy-related products or services. The Senate-passed bill applied this requirement to all such transactions, not just loans. The Senate bill also required congressional approval of all Exim fossil fuel energy-related financing in Communist countries. That provision was not retained in conference.

Eighth, Eximbank will be required to describe in its annual report the progress it is making in assisting small business participation in Exim's programs.

In addition to these reforms, the conference report extends the life of Exim for 4 years, increases its authority to $25 billion, and holds authority for credits to the Soviet Union in abeyance until passage of a trade reform act.

While the conference did not retain some of the key provisions of the Senate version, the bill, if approved, will, nonetheless, provide substantially enhanced oversight of Exim's activities. It will insure greater Exim sensitivity to national interests and to the impact of Exim's activities on the American economy.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SCHWEIKER. Mr. President, I object.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama is so recognized.

Mr. SPARKMAN. Mr. President, I shall be very brief in the remarks I make on this subject.

I wish to pay tribute to the junior Senator from Illinois (Mr. STEVENSON), chairman of our Subcommittee on International Finance, and the junior Senator from Oregon (Mr. PACKWOOD), the ranking minority member of the subcommittee, for the time and effort they have contributed toward this piece of legislation. They have worked on this matter for some time now and I appreciate their indulgence and efforts in trying to bring this legislation to a conclusion.

Mr. President, Members of the House and Senate met in conference on H.R. 15977, the Export-Import Bank Amendments of 1974, during the first week in October, and after considerable discussion reached agreement on the differences between the bill as passed by the Senate and the bill as passed by the House. As in all matters that are subjected to conference, this was a give-and-take situation. I believe the conference report that is laid before us today is the best that could be obtained between the two Houses. Certainly, there are some provisions in the conference report which I wish were different, but in any situation where there are differences in bills, compromises must be reached by reasonable people.

Under existing law the Export-Import Bank enabling legislation will expire next November 30. For the information of the Senate our committee commenced its hearings on extending the life of the Export-Import Bank on October 28, 1973, so this legislation has now been under consideration for over a year.

Let me make it clear that I support the enactment of legislation to continue the operation of the Export-Import Bank, more commonly referred to as the Eximbank, and I support increasing the Bank's lending authority.

I sometimes have the opinion that some do not understand the function of the Eximbank and, as a result, the misunderstanding causes confusion and controversy when Eximbank legislation is before us for consideration.

The Eximbank is a relatively small independent Government agency which receives no annual congressional appropriation and which manages to operate at a profit. From this profit, the Bank returns some $50 million each year in dividends to the U.S. Treasury.

The sole purpose of the Bank is to facilitate U.S. export sales. In fulfilling this role, the Bank serves all sectors of our Nation's economy. By assisting U.S. companies to win overseas orders, the Bank is working to improve our balance of trade and balance of payments. The products and services exported with the Bank's support are the products of American workers. In fact, according to the U.S. Department of Labor, some 3.5 million Americans owe their jobs to export sales each year.

The sales supported by the Bank come from every State in the Nation, and represent the full range of American production, with the exception, of course, of those items which, because of National security or other considerations, are not cleared for export. The expansion of exports, to which Eximbank financing has contributed, has increased the volume of U.S. production, which has enhanced efficiency and lowered costs in American industry. The American consumer has benefited in the prices he pays and the quality he receives from the research and development and the lower production costs which this higher level of sales has sustained.

One fact which is often overlooked in considering the financing provided through Eximbank is that the Bank's money never leaves this country. For example, when the Bank authorized a loan to support the sale of U.S. products overseas, the proceeds of the loan are paid to the U.S. exporter. The foreign purchaser, on the other hand, must repay the loan in the United States in dollars and with interest.

The Bank is not a foreign aid agency; it lends, not spends. It is the instrumentality of the U.S. Government which assists U.S. companies to sell in foreign markets. As our Nation's bill for imports of petroleum and other essential products increases, we must increase our export income to maintain our economic balance. The Export-Import Bank must be allowed to continue to support our export expansion efforts.

American exporters are facing ever-increasing competition in foreign markets from the sophisticated salesmen from the other industrialized nations of Japan and Western Europe. U.S. firms must fight harder than ever before for their share of international markets against these competitors who possess comparable technologies, products, skills, drive, and financing. The withdrawal of Eximbank support for U.S. exports would place U.S. contenders for international sales at an unfair competitive disadvantage which would result in the loss of much-needed foreign income.

The Export-Import Bank must be continued, and its ability to operate should not be hampered by the addition of unnecessary restrictions. We should especially guard against the temptation to impose requirements which would deny the Bank the essential flexibility to react quickly to changing conditions in international trade.

Many of us seem tempted to use the discussion of the Bank's legislation to voice our concern over issues not directly related to Eximbank. We should not undermine our Nation's economy by sabotaging our ability to export, no matter how noble our motivation, in the name of ideology or humanitarianism. I sincerely hope we will bear this in mind during the consideration of this conference report.

Mr. HUGH SCOTT. Mr. President, I rise in support of the conference report on H.R. 15977, Export-Import Bank Act Amendments of 1974.

Before I discuss the bill itself, I want to point out that there has been a lot of misinformation about the Bank's operations. What is the real story? In fiscal year 1974 the Bank supported nearly $13 billion of U.S. export sales to 125 foreign countries. That meant over 1 million full-time jobs in this country, spread among subcontractors and suppliers in every State. All of this was achieved without a single dollar of appropriated funds. The Bank is a self-sustaining, profit-making organization, and did so well that, in fiscal year 1974 alone, it earned a net income of $107 million and paid a dividend of $50 million to the U.S. Treasury. Since 1945 it has paid the Treasury $906 million in dividends, built a reserve of $1.5 billion, paid for the money it borrows, and supported an organization of 400 people to promote our economic interests throughout the world.

The legislation before us is intended to keep Eximbank operating at peak performance. It extends the life of the Bank for another 4 years and increases the Bank's total commitment authority by $5 billion. It encourages the Bank to do more for small business. At the same time, it provides for greater congressional control over its operations by requiring the Bank to keep Congress more fully informed about energy-related transactions and to notify Congress of every transaction involving a loan of $50 million or more. As far as the Soviet Union goes, the Bank will be prohibited from doing business there until the Trade Reform Act is enacted into law. Total new business there will be limited to $300 million unless the President decides it is in the national interest to do more. And for every transaction to a Communist country involving a Bank loan of $50 million or more, the President will have to make a determination that the transaction is in the national interest and so report to Congress 30 days prior to final approval of the loan, leaving room for Congress to act if it so desires.

These controls are in addition to the effective congressional oversight mechanism which already exists and which continues; namely, each fiscal year Congress places a worldwide limitation on the amount of new loans Eximbank can approve; the conference report places an overall commitment authority on the Bank of $25 billion, a $5 billion increase. The Bank will probably need an additional increase in 2 years, thus providing a further opportunity for congressional review and reexamination of the Bank's policies and activities; and annual budget review and approval of the Bank's annual commitment authority both by the executive branch and Congress, as has been the case regardless of whether the Bank is in or out of the budget.

While I recognize the concern of some of my colleagues over Eximbank's operations, I submit that the conference report provides sufficient opportunities for congressional supervision—along with all the other traditional means—to allay the concern. At the same time, it will allow Eximbank to continue to operate as effectively and efficiently as it has in the past. I urge support for the conference report.

Mr. SPARKMAN. Mr. President, I was down at the White House this morning in a meeting with the President. In his opening statement, he stated two measures that he particularly wanted Congress to pass. One of them was the export-import conference report. Again, he said that there was not everything in there that he would like to have; nevertheless, he did hope that we will approve the conference report, as inadequate as it is.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. SPARKMAN. May I just finish this?

The second thing he hopes that Congress will pass is a foreign aid bill. He mentioned those two particularly.

I asked him later, as I was walking over with him from his office to the East Room, where we had the signing of the mass transit bill, if I may quote him on that. He said that I certainly could.

I did want to mention that in connection with this subject, Mr. President, I do hope that the conference report will be accepted.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Illinois yield for a question?

Mr. STEVENSON. Mr. President, I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. The part of the conference report that is of particular concern to the Senator from Virginia deals with the ceiling on extending taxpayer subsidized low interest rate loans and long-term credits to the Soviet Union.

The Senate—and I will ask the Senator to correct me if I am mistaken—in the legislation which it passed, wrote a firm ceiling of $300 million into the Senate proposal. My question to the Senator from Illinois is, Is it not correct that the conferees reported back a conference report which, while it purports to retain the ceiling, adds an exception that the President may establish a higher ceiling if he makes a specific determination that a higher ceiling is in the national interest? Is that correct?

Mr. STEVENSON. The Senator is correct. The Senate first established a $300 million ceiling on additional credits to the Soviet Union—the existing credits of about $469 million, plus an additional $300 million, which could not be exceeded without congressional authorization.

That provision was changed in the conference to permit the Bank to exceed the $300 million ceiling if the President simply found it was in the national interest to do so; the Senator is absolutely correct.

Mr. HARRY F. BYRD, JR. One further question: This $300 million ceiling that the Senate wrote in is in addition to the $469 million of low interest rate, long-term credit which has already been extended to the Soviet Union?

Mr. STEVENSON. I think when the Senate passed the bill the amount extended to the Soviet Union was the $469 million figure I mentioned to the Senator from Virginia; but I am informed that now that figure has reached about $587 million. So the $300 million ceiling, if it were being enacted now, would have effectively made it a ceiling of $887 million.

Mr. HARRY F. BYRD, JR. If the Senator will yield further, that is an entirely new development; is it not? Because the information which the able Senator from Illinois gave to the Senate, which the Senate acted on when this legislation was considered and when the continuing resolution was considered, was that it was $469 million.

Mr. STEVENSON. The Senator is correct. This new information is embodied in a report of the Export-Import Bank which I am told was issued only about a week ago.

Mr. HARRY F. BYRD, JR. Is it not correct, may I ask the Senator from Illinois, that when the Senate in October agreed to a continuing resolution, the Senate specifically wrote into that resolution that no additional loans would be made to the Soviet Union?

Mr. STEVENSON. No; I do not think that is correct. There have been two continuing resolutions, and in the case of the first continuing resolution, it was adopted by Congress with assurance from the Eximbank that there would be no additional credits extended to the Soviet Union.

It is my recollection that when the second continuing resolution was adopted in October, it was done by Congress with the same assurance from the Eximbank that there would be no additional credits extended to the Soviet Union. So I must say that at the moment I share the puzzlement of the Senator from Virginia about the figure of $587 million.

Mr. SCHWEIKER. Mr. President, will the Senator yield? I have pertinent information on it.

Mr. STEVENSON. I yield.

Mr. SCHWEIKER. I have the CONGRESSIONAL RECORD of October 10, 1974. Under Senator BYRD's comments, he said:

> Mr. President, if I may have the attention of the distinguished Senator from Texas, on behalf of Senator Schweiker, who is unavoidably detained, I would like to state that his acceptance of this resolution extending the life of the Export-Import Bank for 45 days is based on his explicit understanding that it will absolutely prohibit any Export-Import Bank consideration of any new credit, guarantee of insurance application on behalf of the Soviet Union during the life of the resolution. My question to the Senator from Texas is, is that correct?
>
> Mr. TOWER. The Senator from Virginia is correct; and, as a matter of fact, at the suggestion of the Senator from Virginia we placed in the continuing resolution, although there was no intention on the part of the Bank to extend any financial assistance during this period, we nailed it down in the resolution with a specific prohibition against any kind of financial assistance, and that is interpreted to mean any commitment of any kind, including loans, loan guarantees, or advance commitments.
>
> Mr. HARRY F. BYRD, JR. I thank the Senator from Texas. I think it was well to have written it into the legislation so it is clear.
>
> Mr. TOWER. I was perfectly glad to accept that provision on the part of the Senator from Virginia.

Mr. STEVENSON. We will have to check with the Bank for an explanation. One possible explanation does occur to me: there is a figure of $469 million in this report for credits, and an additional figure of $118 million, or about $119 million, for guarantees, so that it is possible that no additional credits were granted. The earlier figure of $469 million may have referred to credits, and at that time there may also have been guarantees outstanding, and nothing been added since then.

Mr. HARRY F. BYRD, JR. Let me ask the Senator from Illinois this question: Since the Senator from Illinois is puzzled, as is the Senator from Virginia, would it not be well just to set this measure aside, perhaps until tomorrow or next week, until we can clear up some of these factual matters? This is a very important point, as to whether the actual law was violated in this respect, or whether the commitment made by the Bank was violated.

Mr. STEVENSON. This particular matter can be cleared up very quickly, and I expect satisfactorily. We will have an answer from the Bank on this point within a few minutes.

Mr. HARRY F. BYRD, JR. But in any case, the amount of loans and guarantees which already have been extended to the Soviet Union add up to—five hundred and what was it?

Mr. STEVENSON. $587 million.

Mr. HARRY F. BYRD, JR. $587 million; and the Senate agreed to permit an additional credit of up to $300 million, but the administration still is not satisfied, is that correct, with that limitation?

Mr. STEVENSON. The Senator is correct. The administration would prefer to have no limitation of any kind.

Mr. HARRY F. BYRD, JR. Is that not asking a great deal of Congress to give a blank check in the handling of American taxpayers' funds where we have put no ceiling on it at all?

Mr. STEVENSON. As the original author of this limitation, I think the Senator knows how I feel. Yes, I think Congress should exercise more oversight.

The $469 million was extended to the Soviet Union all in the space of about a year and a half. About a year and a half ago the Export-Import Bank had extended up to that point no credits or guarantees to the Soviet Union. They are now being extended for not only economic purposes but for political purposes, and with possible adverse consequences.

Mr. HARRY F. BYRD, JR. Will the Senator amplify that "for political purposes."

Mr. STEVENSON. The administration has made no secret of its use of credits for political purposes, and I would not want to suggest that in all situations the use of credits for political purposes is wrong.

It seems to me we should use every weapon in the arsenal to achieve our legitimate political purposes in the world. The availability of credits for the Soviet Union is clearly a part of the administration's effort to pursue and achieve what it terms "détente" with the Soviet Union, and it makes no bones about it.

Mr. HARRY F. BYRD, JR. The point I am suggesting is: Should there not be a ceiling beyond which the administration cannot go without coming back to Congress and seeking additional authority?

Mr. STEVENSON. Well, my own view is that to the extent credits are advanced for political purposes that those purposes would be enhanced; they would be more likely of achievement, if the administration did have to come back to Congress for the authority with which to exceed periodic ceilings.

The countries which receive the credits would be well aware then that the transactions would have to be justified in time to Congress, and that in the case of the Soviet Union the continued availability of credits would be dependent to some extent on progress in the Soviet Union toward human rights, toward détente so-called, perhaps toward peace in the Middle East, toward mutual and balanced force reductions in Europe.

I would have thought that both for political as well as for economic reasons it would have made a great deal of sense to retain a firm ceiling on the overall amount of credit which can be extended to this large, powerful, and wealthy country. This is a country with a gross national product second only to our own and, as the West Germans have made clear, it is quite capable of paying for its purchases from abroad with cash and without the benefit of long-term, low-interest loans.

It is difficult for me to see how the normalization of our commercial relations, including the expansion of trade with the Soviet Union, would be likely to suffer as a result of some——

The PRESIDING OFFICER. The Chair cannot hear the Senators. Will the Senators use the microphone?

Mr. STEVENSON (continuing). Ceiling on the loans and, perhaps, the political objectives could be pursued more successfully if periodically the continued extension of credit to the Soviet Union had to be justified to Congress.

Mr. HARRY F. BYRD, JR. I think the Senator from Illinois is so correct in what he has just been saying, and that is why I have great reluctance to see this legislation enacted unless there is a ceiling on the amount of loans that can be made.

As a practical matter, there is no ceiling under the conference report. While it uses the figure of $300 million, it provides the means, it opens the door, by making an exception where the President, in his own judgment, can go to whatever figure he desires.

I am in thorough agreement with the Senator from Illinois that it would be much better from every point of view to have a ceiling.

Congress, after all, is the custodian of the funds of the American taxpayers, and that is where these funds come from. They come from the pockets of the wage earners. I just think that it is wrong for Congress to say that "We do not have enough interest in the funds of the taxpayers, and we are going to give a blank check to the President, the Secretary of State, the Export-Import Bank, to do what they think is best."

May I ask the Senator from Illinois if my understanding is correct. I understand that the President and Chairman of the Export-Import Bank, Mr. Casey, is not the one who is seeking a blank check, but my understanding is that it is the State Department which is demanding a blank check?

Mr. STEVENSON. Well, I am a little reluctant to put words in Mr. Casey's mouth and, perhaps, the Senator from Oregon is in a better position to respond to that question.

But it is my impression that the President and Chairman of the Export-Import Bank has no very strong feelings about this particular provision, but that it is opposed, the ceiling, that is, by the State Department.

Let me, if I might, also clear up the point that was raised earlier by the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Fine.

Mr. STEVENSON. The $587 million which has been extended in credits and guarantees to the Soviet Union includes $118,931,000 in guarantees.

The Bank informs me that all of those guarantees were extended prior to the first extension resolution adopted by Congress. So that, in fact, it has not extended any additional credits or guarantees beyond those which had already been extended when Congress adopted the first extension resolution. There is, in short, no breach of law or, for that matter, good faith. The Bank has abided by its word.

Mr. HARRY F. BYRD, JR. That is fine.

Does the Senator happen to have the date of the last transaction, whether it be a guarantee or a loan?

Mr. STEVENSON. The last transaction that I am aware of was the Occidental Petroleum barter transaction with the Soviet Union.

Mr. HARRY F. BYRD, JR. Did the Senator say barter transaction?

Mr. STEVENSON. Well, in effect it is a barter, an exchange of phosphoric acid from Occidental for urea from the Soviet Union and, I believe, a commitment by the Bank for a $180 million participation in that transaction was made in late May 1974.

Mr. HARRY F. BYRD, JR. Late May.

So far as the record shows there has been no transaction since May?

Mr. STEVENSON. So far as we know there have been no commitments since the end of May.

Mr. HARRY F. BYRD, JR. Will the Senator indicate when the first commitment was made or the first—yes, the first commitment? He indicated it was about 18 months ago.

Mr. STEVENSON. As far as I know, the first credits to the Soviet Union were extended in the spring of 1973, but I cannot give the Senator any more precise date or information than that.

Mr. HARRY F. BYRD, JR. That is close enough.

So, in a period of in the spring of 1973 until late May of 1974, maybe 12 months, maybe 13 months, something like that, our Government has extended to the Government of Russia a total of $587 million in either low-interest rate credits, long-term credits, or in the case of $118 million, that sum in guaranteed loans.

Mr. STEVENSON. As I understand it, when a transaction is consummated, the guaranty is then treated as a credit.

Prior to the consummation of the transaction, it is listed as a guaranty.

There are, apparently, outstanding at the present time commitments to give guarantees of an amount of $118 million. As soon as these transactions are completed and those guaranty commitments, in effect, become credits, then they will be lumped in with the figure on credits, which now amounts to $469 million.

But that total of $469 million in loans and guarantees already outstanding and the commitment to make guarantees in an additional amount of $119 million have all been made since the spring of 1973, the Senator is correct, and between the spring of 1973 and the end of May 1974.

Mr. HARRY F. BYRD, JR. So is my understanding then correct, the $118 million guaranty means that the Bank guarantees to make the loan, it is not guaranteeing some other loan, but it guarantees to make the loan, is that what the Senator means by guaranty?

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, the Senator from Virginia raised a question earlier about the nature of the guarantees which are listed in the Eximbank's report, which together with the credits listed for the U.S.S.R. amount to $587 million.

I have just received an explanation from the Bank about the nature of those guarantees. They are not, precisely speaking, guarantees; they are a form of insurance which the bank issues exporters against the risk of not getting an export license.

Mr. HARRY F. BYRD, JR. If the Senator would yield, I thought we were talking about guarantees to the Soviet Union.

Mr. STEVENSON. Well, the Senator is correct, we have been talking about guarantees made for the benefit of the Soviet Union.

The loans go to the Soviet Union, but are disbursed directly to the exporters. The guarantees go directly to the exporters, the guarantees guarantee, in effect, against the risk of the cancellation of an export license.

Mr. HARRY F. BYRD, JR. Let me see if I can understand this thing a little bit.

Mr. STEVENSON. And this only applies in the case of the Soviet Union; it is a unique situation.

Mr. HARRY F. BYRD, JR. It only applies in the case of the Soviet Union.

Well, that is a very interesting development.

Mr. STEVENSON. Well, there are no loan guarantees, apparently, outstanding in the Soviet Union.

The PRESIDING OFFICER. Would the Senators use their microphones, the Chair is having difficulty hearing.

Mr. STEVENSON. There are no loan guarantees outstanding for the Soviet Union. This insurance, which is denominated a guarantee, is made for the benefit of exporters to many countries.

Mr. HARRY F. BYRD, JR. But in this

case it means exclusively insurance against the risk of the cancellation of an export license to the Soviet Union?

Mr. STEVENSON. No; in this case, the license would come from the United States. It is insurance against the risk that the United States will cancel the export license.

Mr. HARRY F. BYRD, JR. That is interesting, also. Here is a U.S. bank, the Export-Import Bank, guaranteeing an individual company in the United States against another agency of Government not giving that company a license; is that what the Senator is saying?

Mr. STEVENSON. That is my understanding.

Mr. PACKWOOD. Will the Senator yield?

It is more against the revocation of the license; is it not?

If one is manufacturing an oil rig and is ready to sell it, but it needs a license, one has got to have the license, but if the U.S. Government cancels, one has not got a choice.

Mr. HARRY F. BYRD, JR. So another agency of the U.S. Government is going to take the tax money and pay that loss?

Mr. PACKWOOD. Correct.

Mr. HARRY F. BYRD, JR. The more I learn about this Eximbank, the more concerned I am getting about it.

Mr. PACKWOOD. It is only fair. If the U.S. Government tells someone, as the ABC company, that they can manufacture and sell something overseas and gives a license to do it, and one in good faith relies on it, and the Government cancels the license, the Government is the reason one has lost the money.

Mr. HARRY F. BYRD, JR. What happens if one does not go to the Export Bank, but goes to another bank and borrows, does the Government take care of that if the license is revoked?

Mr. PACKWOOD. If we are talking about this kind of guarantee, yes, because this is a guarantee to the person manufacturing that the Government will not renege on its promise.

Mr. HARRY F. BYRD, JR. Well, a company borrows money from a private bank, they do not get any guarantee, such as we are speaking of now, from a private bank or from any agency.

Mr. PACKWOOD. Under the type guarantee the Senator from Illinois is talking about, yes.

They say they will give one a line of credit, $1 million, to manufacture oil rigs and sell them, give one an export license from the Department of Commerce, one can still get a guarantee from the Export-Import Bank that this will not be canceled.

Mr. HARRY F. BYRD, JR. That the Government of the United States will not cancel it?

Mr. PACKWOOD. Not cancel one's export license.

Mr. HARRY F. BYRD, JR. Why should they want to cancel an export license?

They would not cancel unless the company did something wrong, would they?

Mr. PACKWOOD. It is not a question of that so much, but of U.S. policy.

One decides one does not want to sell the oil rig to the Soviet Union and the license is canceled.

I can envision a situation where a company would act with malice or fraud, in which case, as a lawyer, if I were going to court and if that company tried to collect on its guarantee, my wager is that one could beat the guarantee if the company is guilty of fraud.

We are talking about a change of policy of the United States and they decide they do not want to continue the license and one acts in good faith and spends money, the loss is not one's fault.

Mr. HARRY F. BYRD, JR. Let us explore this a little bit. So the Export-Import Bank to the tune of $118 million is guaranteeing against the loss of a license?

Mr. STEVENSON. Licenses.

Mr. PACKWOOD. A variety of licenses.

Mr. HARRY F. BYRD, JR. $118 million is involved in that, a guarantee against the lost licenses that might be taken away by another Government agency?

Mr. PACKWOOD. That is correct.

Mr. SCHWEIKER. Will the distinguished Senator yield for a minute?

Mr. HARRY F. BYRD, JR. The Senator from Illinois has the floor.

Mr. STEVENSON. I yield to the Senator from Pennsylvania.

Mr. SCHWEIKER. The wording of the understanding of the Senator from Virginia in the temporary continuing resolution said very specifically that it would be based on his explicit understanding that it will absolutely prohibit any Export-Import Bank consideration of any new credit or guarantee of insurance application on behalf of the Soviet Union during the resolution's life. Very specifically, Mr. Tower said:

> And that is interpreted to mean any commitment of any kind, including loans, loan guarantees, or advanced commitments.

I fail to see, unless I missed the Senator's point, how this was not prohibited by the resolution of the Senator from Virginia which we had worked out.

Mr. STEVENSON. It was prohibited and the Bank has acted in good faith. It has not extended any credit, whether a loan, guarantee, or insurance, to the Soviet Union since the first of the continuing resolutions was adopted by the conference. These credits, all of them, including this guarantee, go back before the first continuing resolution, to an earlier date, at which time we discussed in the Senate the figure of $469 million, which refers just to loans outstanding.

Mr. SCHWEIKER. Is the Senator saying, then, from the time that this continuing resolution was put into effect, that, in fact, there has been no guarantee insurance or help of any kind?

Mr. STEVENSON. That is what I am told by the Bank.

There have been, in fact, since the first continuing resolution, no additional credits, no additional loans, no guarantees, and no insurance extended by the Bank for the benefit of the Soviet Union. This all goes back to an earlier date.

Mr. SCHWEIKER. And the $118 million that the Senator from Virginia is questioning you about goes back to when?

Mr. STEVENSON. Sometime before the first continuing resolution, which was, I believe, in July.

Mr. SCHWEIKER. Why was $469 million used at the time this continuing resolution came up?

Mr. STEVENSON. Because at the time we were talking about loans we were not talking about this form of insurance.

Mr. HARRY F. BYRD, JR. If the Senator will yield, the resolution specifically mentions guarantees.

Mr. STEVENSON. Yes. It says there will be no additional loans, guarantees, or insurance. In fact, there has not been any.

Mr. MAGNUSON. Will the Senator yield?

Mr. STEVENSON. Yes, I yield to the Senator from Washington.

Mr. MAGNUSON. I do not want to interrupt this illuminating discussion, but we have received from the House the final conference report on the HEW bill. It is now at the desk. This is the original bill. The Senator from Michigan has a very important conference to attend. As long as there does not seem to be too much of a rush about this, if the Senator will yield we will get through so we can proceed with these two very important matters. The Senator would not lose his right to the floor.

Mr. HARRY F. BYRD, JR. The Senator from Illinois has the floor.

Will the Senator yield for 2 or 3 minutes so we can clear up this one point?

Mr. MAGNUSON. Yes.

Mr. STEVENSON. I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. As I understand it, and let us see if we can recap quickly, the Export-Import Bank from the spring of 1973 until late May of 1974 granted to the Soviet Union $469 million in credits.

Mr. STEVENSON. In credits, and that figure is loans. It is $469 million in loans, denominated in the report credits. That is all loan money.

Mr. HARRY F. BYRD, JR. That is all loan money.

On top of that, it has committed, spent, or any way you want to express it, $118 million more as guarantees for the transactions involved in the $469 million. Is that correct?

Mr. STEVENSON. The Senator is correct. During that period of time, the Bank extended those guarantees in an amount of $118 million. But it is my further understanding that the obligations of the Bank under those guarantees have all now lapsed. The shipments have gone forward. There is no remaining exposure on the part of the Bank for refusal of the Government to issue the export license. That is why in column No. 8 under "Total Outstanding or Committed," the figure of $169 million appears. That is the total outstanding exposure of the Bank.

Mr. HARRY F. BYRD, JR. Rough arithmetic indicates to me, then, that the Bank is paying about 25 percent, or committing itself to about 25 percent, for the purpose of guaranteeing whatever transactions they make.

It appears to me that is a very high percentage.

There are other questions in this connection that the Senator from Virginia would like to put to the manager of the bill, but that can be done at a later date, if satisfactory to the Senator from Illinois.

Mr. STEVENSON. Mr. President, I yield to the Senator from Washington.

Mr. MAGNUSON. I thank the Senator from Illinois. I want to yield to the Senator from Michigan.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPPOSITION TO THE CONFERENCE REPORT ON H.R. 15977, THE EXPORT-IMPORT BANK AMENDMENTS OF 1974

Mr. ALLEN. Mr. President, with the indulgence of the senior Senator from Virginia, I would like to recall a few of his distinguished father's words on a subject which is with us today on the floor of the Senate, but in a different form. Today, we are discussing another extension of the lending authority of the Export-Import Bank of the United States in the form of the conference report on H.R. 15977. Back in the 1950's, the late Senator Harry F. Byrd, then chairman of the Senate Finance Committee, opposed this kind of authorization as "backdoor spending." We do not hear much about that term anymore—perhaps we have become too sophisticated—but the present conference report on the Eximbank bill is just that and we should make no mistake about it.

The late Senator Byrd also told the country in 1961, that "Congress has lost control of Federal expenditures." Thirteen years later, this body prides itself on legislating to right that wrong with the passage of the Budget Control Act of 1974. Nevertheless, until such time as that new legislation comes into full operation, we must contend with the realities of the proposal before us which may still be called "backdoor spending."

The question is, can this country afford to spend—guarantee if you like—vast sums of the taxpayers' dollar for projects which are questionable in terms of the long-range strategic interests of the United States, or in the short-range interests of the individual American citizen in a time of inflation/recession? I think not.

One of the Eximbank's representatives told a member of my staff just a few weeks ago, that the arguments in support of lower interest rates for U.S. export support by the Government were too complicated and sophisticated to be fully explained to the average taxpayer. Now, while we may be dealing with a complicated topic today, I do not believe that we can, in good conscience, report to our constituencies that they must simply trust the judgment of an independent Government agency to do what is right in loaning money at a preferential rate to some, when individuals cannot find money at a realistic rate of interest to purchase homes. Mr. President, in my opinion, such an attitude will not wash with the American taxpayer.

The American taxpayer has provided the means for the Eximbank to operate: All the capital stock is held by the U.S. Treasury; the Bank may borrow billions more from the Treasury; funds are also raised in the private market and such participations as well as other undertakings of the Bank have been ruled to constitute general obligations of the U.S. Government backed by its full faith and credit; the so-called dividends paid to the Treasury over the years of operation from net income do not equal that which might be expected from a commercial bank operating in a situation of similar magnitude of risk. And the Bank pays no taxes.

My Alabama friends ask me why should the United States be loaning money to firms doing business with the Soviet Union in the first place? Is it really in the "national interest" or in the "spirit of détente" to increase our commercial support of an antagonist—a country whose leader said in Cuba on January 30, 1974:

> The Soviet Union's defense continues to strengthen on the basis of the general growth of the country's economic might.

Frankly, I find it difficult to answer such questions.

The debate on the conference report on this legislation could proceed from a number of approaches. First of course, there is the questionable assumption that U.S. exporters can only compete with foreign firms in the international market at interest rates considerably below that existent in the home market. That argument is defeated almost immediately when one acknowledges that in fiscal year 1974, over 95 percent of all U.S. exports were made without Export-Import Bank direct loan subsidies. Thus, we are asked to approve a general loan policy for roughly 5 percent of the exporting contracts.

Our colleagues, Senators BAYH, CANNON, CASE, DOMINICK, GURNEY, HELMS, METZENBAUM, PROXMIRE, and SCHWEIKER, pointed out in their recent letter that a substantial part of the loan guarantees made by the Eximbank went to overseas firms which directly compete with our own industries. The reference is, of course, to the airline and aircraft industry, but I am sure we could find, as has the AFL–CIO, that our Eximbank loan policy is self-defeating in other industries as well. With respect to the airline aircraft industry, we have gotten ourselves into the position of subsidizing our foreign competitors with the result that our domestic industry must knock on the door of Congress for direct subsidies in order to keep flying. We appear to be biting our own hand in this complicated and nonexplainable international export subsidy business.

Mr. President, I have briefly touched on the budgetary argument earlier, to wit: Backdoor spending or foreign aid giveaway in different clothing. In the original Senate version of this legislation, we required that Eximbank outlays would be in the Federal budget so its impact on the budget would be disclosed to public scrutiny. That provision was deleted in the conference. Another group of Senators has claimed that the operations of Eximbank, including the ceiling placed on its annual commitments, will be subject to the same annual budget review and approval by both the executive branch and Congress as has been the case regardless of whether Eximbank was in or out of the budget.

While I am not debating the wisdom of the temporary, I repeat, temporary agreement to make such an exclusion, pending a decision by the new Congressional Budget Committee, I wish to make it known that the Senator from Alabama believes the operations of the Bank should be included in the official, total, budgetary consideration each and every year. In short, the more that is excluded from the discipline of budgetary review and consideration by the Congress, the harder it will be for Congress to exercise control over the operations of the bank, even granting the knotty accounting problems that are involved by making Bank operations part of the normal budgetary consideration.

Furthermore, the conference report can and should be challenged because it simply does not represent the will of the Senate. Contrary to the arguments of our distinguished colleagues who seek approval of the report, it is patently obvious that the spirit, if not the letter, of the Senate's earlier action has been broken by the results of the conference. There are semantic differences between Senators on what was or was not accomplished by the conferees, but I am particularly concerned about the assumption on the part of the conferees that the President will not make a determination "in the national interest" to provide for the extension of credits to the Soviet Union for whatever purpose.

The spirit of détente which is running roughshod over the spirit of commonsense, seems to have come to roost on this legislation. Based on the diplomatic experiences of the past few years, and yes, even the experience of the past week, who will stand against the President of the United States when he goes on nationwide television to say that we must do so and so in order to enhance the chances of world peace?

I suggest that none in this Chamber will want to detract from the country's and the President's goal of world peace by objecting to this legislation. However, if we are to accept the conference report, what is to deter the President from making a finding—and duly notifying the Senate and House of such finding—that it is in our national interest to help the Soviet Union build a massive energy complex? There is an implicit assumption that the President would not attempt to commit this Nation to such a course, and I am sure that is a correct assumption, but the President of the Export-Import Bank of the United States might entertain such a proposal and, with the tacit approval of this or any future administration, proceed to lead the Nation in a direction which I believe is incompatible with our national security. Were that to happen, where would it leave those Senators who, like myself, question the wisdom of fueling the engine of worldwide socialism with American tax dollars?

I submit there is a better way to handle such critical decisions and that is for the Congress of the United States to determine what is in the best interest of the United States, after full public debate of all the alternatives, when it comes to conducting our commercial relations with those countries, which have, since World War II, adroitly exploited the freedoms of this Nation, at the expense of this Nation, to their own benefit.

And, one may ask, just what kind of goods is the Soviet Union interested in? Eximbank involvement in commercial deals over the past 2 years give one pause when answering that question. Five hundred submersible oilfield pumps—$11.6 million in Eximbank funds; 38 gas reinjection compressors—$11.8 million in Eximbank funds; tools and related dies, transfer line equipment for machining friction drums, transfer line equipment for truck engine pistons, and an iron ore pellet plant.

This, of course, is not the entire list, nor is the total dollar position of the Eximbank noted, but the largest Eximbank deal with the U.S.S.R. is that for the Kama River truck plant and that deal will build the Soviet economy in machines and machine tools at least in the vicinity of $192 million. To date, the U.S.S.R., a developed country, has received approved credits on projects valued at $350 million on which Eximbank loans account for about one-half. As our colleagues know, this is not the entire list, but it is an ominous list of the type of technology sought from the United States by the U.S.S.R.

Finally, Mr. President, I wish to point out that I have previously supported legislation to provide the Eximbank with authority to assist American exporters. However, my previous support was based on the assumption that such support was essential for our firms to compete successfully against nonmarket and controlled-market exporters of goods and services which were in demand throughout the world. By no stretch of the imagination would I support legislation which is self-destructive of our economic system and the "thrust" of the Eximbank's most recent policy seems to me to be just that. To cite one concrete example: The president of the Export Import Bank has been asked to specifically state whether or not the Bank was, or would, consider guaranteeing or participating in the financing of some part of the Soviet Union's planned Yakutsk energy and North Star energy projects. Unless I am mistaken, and I will stand corrected, the president of the Bank has not given the positive assurance that I would like to have that the United States would not participate in such a venture.

When the energy crunch in the United State is critical, there should be no hint, of any kind, that an official or agency of the U.S. Government would be receptive to helping finance energy projects in a developed nation. I will not, and cannot, take on face value, the "assurances" we have heard from the Bank and its supporters in and out of the Congress that the American taxpayer will not be asked to help underwrite the Soviet Union's drive for energy self-sufficiency when we are having a difficult enough time right now, here in the Senate, in finding the money to attempt to gain American self-sufficiency in energy.

Mr. President, for the reasons outlined above, I urge my colleagues to reject the conference report on H.R. 15977 in order that we may have another crack at defining the intent of the Senate, and I believe the intent of the American people, with regard to our Nation's international lending policy of the taxpayer's hard-earned dollars.

LABOR, HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1975—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on H.R. 15580, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15580) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of November 21, 1974, at page 36928).

Mr. MAGNUSON. Mr. President, I will make some brief remarks on the bill, and I will then ask for a quorum call, in order that Senator COTTON and other Senators may come to the Chamber.

SUMMARY OF CONFERENCE ACTION

The total appropriations agreed to in conference on H.R. 15580 for the Departments of Labor and Health, Education, and Welfare, and related agencies is $33,045,856,000. This is an increase of $4,008,723,000 over last year, due primarily to full-year costs of the new supplemental security income program which was operational for only 6 months last year.

The conference agreement is $485,239,000 below the President's budget request; $110,685,000 below the House bill; and $65,286,000 below the Senate bill.

Mr. President, I would like to note for the Members that this is the first time in my memory and, perhaps, the first time in the history of the departments that we have come in with a conference report that is below the House, the Senate, and the President's budget for these departments.

The conferees are aware that this report is an unusual, if not extraordinary, measure. But these are extraordinary times of double-digit inflation and recession. This conference report attempts to deal with this paradox by providing increases in programs that assist those who are hardest hit by inflation, while, at the same time, providing a total conference figure that is under the President's budget request.

CONFERENCE INCLUDES BOTH INCREASES AND DECREASES

These figures—at first glance—might give the appearance that we were not very successful in our dealings with the House. I would like to remind my colleagues that again this year, the Senate made some decreases as well as increases in the House bill. In an effort to hold down the Senate figure, we cut out $737 million of what we thought were nonessential or low-priority expenditures. In conference, 73 percent of the Senate reductions were sustained.

On the other side of the coin, the conference agreed to sustain 65 percent—or $425 million—of the Senate increases.

In total, then, when we count all the changes—both increases and decreases—69 percent, to be precise, of the Senate changes were sustained in the conference.

Mr. President, I ask unanimous consent to place in the RECORD at the proper point the usual table showing the increases and decreases arrived at in conference.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

(See exhibit 1.)

CONFERENCE AGREEMENT REARRANGES PRIORITIES

Mr. MAGNUSON. Mr. President, the conferees have brought out a bill that tries to meet the dual criteria of reducing overall Federal expenditures while, at the same time, providing increased funds in areas of greatest need—in health; in education; in programs that serve the elderly; and in programs that assist those who find themselves out of work.

EXAMPLES OF INCREASES SUSTAINED IN CONFERENCE

One example which I think is particularly relevant is the conference agreement to provide an additional $91 million over the budget for research into the causes and cures of cancer. Here the previous administration's budget has proposed an $11 million increase, which was less than 2 percent more than the funding level provided for cancer research last year. The request presented to the Congress was some $150 million below what the former President's handpicked Cancer Advisory Committee had recommended, and certainly was not enough to even maintain last year's level of effort. Since that budget was formulated almost a year ago, however, there have been some major breakthroughs in the detection and treatment of breast cancer. In view of these recent developments, the conferees feel that the increase for an accelerated campaign against this dread disease is fully justified.

The conferees have also provided funds to continue both the predoctoral and postdoctoral fellowship and training programs under the old and new authorities at the National Institutes of Health. This will provide badly needed manpower to carry out this country's assault on the dread diseases that plague our citizens and keep them from leading full and productive lives.

Another typical example of the increase over the budget requested provided in this bill is the special initiatives to bring health care to mothers and infants in medically underserved rural areas. There are many families in the outlying districts that have virtually no access to medical care of any type. Children in these families needlessly suffer from the ravages of disease simply because medical care is not available. Many of these families are simply forgotten people when it comes to the provision of necessary medical care. They are still living in the 1930's depression era insofar as medical care is concerned.

The bill also includes increased funds for programs serving our elderly citizens because they are the ones who suffer most and who are denied an opportunity to share fully in the economic growth they helped create.

The conferees have also provided $750,000 for 75 positions for the Bureau of Apprenticeship and Training and directs the Department to move swiftly and make every effort to recruit and employ Vietnam veterans to fill these positions. The conferees are agreed that it is becoming increasingly important for this country to meet the pressing need for increased numbers of skilled craftsmen.

Mr. President, we have been able to provide increases in these vital areas of human need without exceeding the overall budget request by eliminating marginal and unnecessary funding in the bill.

LETTER FROM PRESIDENT FORD

Mr. President, I would also like to point out that while we were grappling with these issues, we received a letter from President Ford urging that the conferees delete the increases in such areas as cancer research, maternal and child health, programs for the elderly, and assistance to those who have lost their jobs. Mr. President, the conferees on both sides of the aisle were shocked that the President would send such a letter to the conference—and even more stunned by the attitude and actions of the HEW and Labor Secretaries who were actively lobbying to get money restored for bureaucratic overhead and entertainment allowances. It seems incongruous to the members of the conference that at a time when the average worker—if he has a job—is being hard hit by inflation, the Cabinet Secretaries would be making special pleas to the conferees for restoration of congressional proposed reductions in overhead bureaucracy.

On the other hand, the committee is pleased that the administration—after conceding that the economy is in the throes of a recession—has finally ceased its opposition and now supports the $350 million increase agreed to in conference for comprehensive manpower assistance. These funds will provide increased job opportunities and employment training for those unemployed workers who, through no fault of their own, are the first casualties of the governmental efforts to fight inflation. This change in attitude is in marked contrast to the attitude of the Office of Management and Budget prior to the election recess when the congressional increase for public service jobs was a priority item for deletion by the OMB. The recent acceptance and support by the administration of the larger congressional figure, including $400 million intended specifically to provide public service jobs for the unemployed under title II of the act will now bring the administration's communications with Congress more nearly in line with its professed concern for the adverse effects of governmental policies on unemployment. Consequently, the conference agreement is and should be considered now to be $835 million below the budget request as revised by this latest communication. I must confess, it is hard to understand why the administration would talk about vetoing this appropriation bill, after so strongly endorsing these increases for public service jobs.

I ask unanimous consent that the communication be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY,
Washington, November 21, 1974.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to you to indicate the Administration's support for the 1975 Comprehensive Manpower Assistance (CMA) appropriation level of $2,400 million, which we understand is presently pending Conference Committee action and also for the pending supplemental requests for the Pension program and Employment Standards Administration. We recognize that unemployment is substantially higher now than when the President submitted his request to the Congress last January for a $2,050 million appropriation, and that the level of funding provided to many cities and localities would fall short of their expectations based on their previous years' allocations. At the $2,400 million level, we will be able to assure that all Title I prime sponsors will receive at least 90 percent of their 1974 allocations. However, I wish to emphasize that this policy applies to the present economic situation. As such, this policy must not be construed as a commitment to hold Title I prime sponsors harmless at 90 percent in Fiscal Year 1976.

I would like to reaffirm the Administration's support of the supplemental request for $9,650,000 to administer the new pension reform program authorized under the recently enacted Employee Retirement Income Security Act. This is one of the most important programs initiated in the history of this Nation. The request represents a modest estimate of the minimum effort needed to get this program started. Without timely authorization, we will not be able to meet the provisions of this important new law.

We also strongly support the requested budget amendments to provide additional funds for the Employment Standards Administration to cover new and expanded programs and responsibilities. This request called for no additional funds to the Department since we proposed that increases for the Employment Standards Administration be offset by reductions in other Department appropriations.

I deeply appreciate the efforts you and other Committee members have made to assure adequate preparations in the Congress for dealing with our problems.

Sincerely,

PETER J. BRENNAN,
Secretary of Labor.

EXCESSIVE TRAVEL COSTS

Mr. MAGNUSON. Mr. President, I should also like to mention for the benefit of the Members that when we examined the HEW budget, we found that they are spending at least $60 million a year for travel costs—and they wanted an increase. If we take into account the additional travel indulged in by HEW grantees and contractors, the amount spent for travel annually runs into the hundreds of millions of dollars. It would seem that at any one time, HEW must have 50,000 bureaucrats in the air and, in many cases, flying back and fourth across the country to talk to other bureaucrats. If the HEW Secretary is really concerned about fighting inflation, you would think he would clamp down on unnecessary travel instead of coming back up here and pleading for more money for his own office. As of now, he has virtually no control over this item and cannot accurately tell us how much of the HEW budget is being used for travel. He can only give us an estimate.

The country can ill afford such sloppy management of public funds. Every dollar that is used for excessive travel and overhead bureaucracy is a precious resource that will not be available for the war on cancer and other important public purposes. Consequently, we have recommended that the Department put together a new effort which will tell the committee how much HEW is spending for travel, both directly by the civil servants and indirectly by HEW contractors and grantees. For too many of these people, Government-subsidized travel to unnecessary and marginal meetings around the country and around the world has become a way of life. The Federal Government should not be in the business of providing free sightseeing tours for bureaucrats. These activities must be controlled and curtailed.

However, the conferees are agreed that travel relating to direct patient care of for providers of direct patient care, as well as activities relating to the health and safety of patients and other individuals, shall not be reduced below the fiscal year 1975 President's budget request. Rather, the reductions, and attention of the Secretaries of the departments, shall be directed at employees, consultants, and grantees acting in nonessential administrative positions. Lest there be any misunderstanding, the committee does not want to hear about any reduction in travel for NIH patients or travel relating to the Indian Health Service of the National Health Service Corps.

NATIONAL INSTITUTE OF EDUCATION

The conferees have included $70 million for continuation of the National Institute of Education.

The conferees are agreed that the Institute must focus more of its efforts on solving specific problems confronting the Nation's educational system. NIE activities must be relevant to contemporary practical school issues. For example, population shifts and changing enrollment patterns throughout many school districts point to the need for intergovernmental planning and cooperation. Working closely with State and local educational agencies, NIE could serve as a catalyst in helping bring about more immediate, meaningful solutions to community problems. Another example would be programs dealing with educational problems of inner-city youth.

The committee has been somewhat encouraged by a recent communication from the Institute which would seem to indicate the beginnings of a recognition and appreciation of the concerns of the Congress. The Institute is reminded of the conferees' mandate to follow the directives and recommendations of the House and Senate reports in the expenditure of appropriated funds.

RELATIONSHIP BETWEEN FEDERAL SPENDING AND INFLATION

Mr. President, the conference committee is seriously concerned with the relationship of Federal spending and inflation. As we all know, the adverse effects of Federal spending on inflation have been exaggerated by those whose real intent is to gut Federal spending for vital health, education, and employment programs. We are told that a cut in Federal spending of $5 billion would result in less than two-tenths of 1 percent decrease in inflation. But as I noted before, this bill provides a decrease from the President's budget proposal for Federal spending consisting of some increases in high-priority health and education programs and offsetting decreases in surplus welfare funds, overhead costs, and travel costs. Indeed, we have realined some of the priorities, and we have come out one-half billion dollars below the President's budget estimates.

THREATS OF VETOES

Mr. President, what is puzzling to me is that when we trim oversized defense budgets by $5 billion and reduce the welfare surplus in this bill by $1.2 billion, all we hear from the other end of Pennsylvania Avenue are squeals of anguish. On the other hand, when we take a small portion—less than 10 percent of the savings and put it back into high-priority domestic programs that result in benefits to our own citizens—our own children, our own elderly—all we hear from the White House are threats of possible vetoes.

It appears that the holdovers in the Office of Management and Budget are still telling the new President that all of OMB's figures for HEW are right, and whatever conclusions Congress arrives at are wrong. OMB apparently continues to pursue the dangerous and misguided concept that Congress has no role to play in national policy development.

INPUT INTO THE COMMITTEE'S DECISION

Mr. President, over the last few months the committee has taken thousands of pages of testimony from hundreds of witnesses. We have heard from and questioned hundreds of witnesses from HEW who operate these programs. We have heard from all of the nongovernmental expert witnesses. We have had the advice of many interested Members of Congress, who are elected ot represent the views of the citizens of this country. We have had the benefit of staff assistance and analyses prepared by the General Accounting Office and the Congressional Research Service. We believe our conclusions are valid and based on a foundation of sound rationale. Certainly, the Secretary of HEW, the Director of OMB, and the President cannot claim to have been exposed to such a wide and varied spectrum of expert opinion and judgment in the formulation of this budget request. Nor should they be able to make this claim, for this is the unique role of the Congress.

ESTIMATING THE AMOUNT OF THE WELFARE SURPLUS

I should also mention for the benefit of the Members that the controversy over the extent of the welfare surplus is merely a replay of last year, when HEW vehemently denied that there was a surplus. Then, at the last minute, the OMB rushed a rescission proposal up to Congress—which still proved to be off the mark by $400 million. Over the last 8 years, HEW has been off the mark by $4.5 billion in their estimates for welfare costs. But despite this poor track record, OMB is still insisting that the figure they sent up almost a year ago is still the correct figure. Informally, however, both OMB and HEW staff admit there is a surplus, but they do not know how much. Even the Director of the HEW welfare program has written to tell us that the current welfare estimating procedures are faulty and that he is developing a new system which he hopes will do a better job in the future. Moreover, the conference report directs the General Accounting Office, in cooperation with the Congressional Research Service, to continue to keep a close eye on the whole matter of welfare estimating and to report back to the Congress with some refined estimates early next year.

SPECIAL EFFORTS TO GET A SIGNED LABOR-HEW BILL

Mr. President, the conferees are at least as sensitive as the White House—if not more so—to the need to control Federal spending. In a further unprecedented effort to cooperate with the President and secure a signature on the 1975 Labor-HEW Appropriations bill, the conferees have included special language in the conference report, which I would like to quote for the Members:

> REDUCTION IN BUDGET AUTHORITY
>
> The toal new budget (obligational) authority included in the bill, as agreed to by the conferees, is $33,045,856,000, a reduction of $485,239,000 from the budget request. The conferees are aware of the possibility that the amount included in the bill for "Public Assistance" may not be sufficient to meet payments required by law for these grants for fiscal year 1975. Any additional amount required would necessarily be provided in supplemental appropriations or by borrowing from the appropriation for the subsequent fiscal year, which might cause total obligations and expenditures for programs funded in the bill to exceed the amount proposed in the budget. The conferees are acutely aware of the need to control inflation and of the need to restrain Federal spending as one means to achieve this objective. The conferees have no intention of approving new budget (obligational) authority which will ultimately result in spending in excess of the total budget estimate for the bill. Therefore, in view of the present uncertainties with respect to public assistance grants, the conferees direct the Comptroller General in cooperation with the Congressional Research Service to present to the Appropriations Committees of the House and Senate, not later than five days after the submission of the President's fiscal year 1976 budget to the Congress, a report as to his best estimate of amounts required for "Public Assistance" for fiscal year 1975.
>
> The conferees further call attention to the President's authority under the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–944) to propose deferral and rescission of budget authority, and they agree to give full consideration to such rescissions and deferrals as the President shall recommend, in the light of the Comptroller General's report as to amounts required for public assistance grants, as well as in the light of general economic conditions and the latest estimates of total Federal spending. In the meantime, the conferees would expect the President, in consultation with Appropriations Committees of the House and Senate, and in accordance with the procedures established in Public Law 93–344 to propose deferral or rescission of that portion of budget authority for programs in this bill which would otherwise cause total obligations and expenditures to exceed the amount proposed in the budget. Under no circumstances, however, should such deferrals be applied so as to eliminate entirely funds for programs provided for under this bill, since such action is defined as a rescission under Public Law 93–344.

SPECIAL CONFERENCE REPORT LANGUAGE PROTECTS THE AMOUNTS IN THE BILL

Mr. President, this language has been adopted by the conferees as the most acceptable way of dealing with a very difficult situation. We have been very tough in our negotiations with the House and the White House on this matter, and we believe that this language is the very best that could be developed. It is important for the Members to note that this is conference report language and that we have not touched any of the amounts in the bill that were agreed to in conference. We are very hopeful that the President will respond to this gesture of cooperation and goodwill by signing the 1975 Labor-HEW appropriations bill, so that funds can be released, and the Nation can be about its business of providing health care to the sick and to the elderly and educational opportunities to our children.

CONCLUSION

Mr. President, I thought the Senate bill was a good bill. I believe the bill before the Senate is a good bill. It does not provide as much in some areas as I or some other members of the Appropriations Committee would have wanted. Nevertheless, it does provide for the necessary expenses for the Department of Labor and Health, Education, and Welfare for fiscal year 1975. I urge my colleagues to support its passage.

I would also like to again thank Senator COTTON for his assistance in this difficult conference. As we all know, this will be Senator COTTON's last conference on a regular Labor-HEW appropriations bill, because he is retiring after a long and distinguished career in the Senate.

Again this year the conference agreement, with its emphasis on medical research and medical care for mothers and infants in rural areas, reflects the special efforts and support by the subcommittee of the distinguished and compassionate Senator from New Hampshire.

EXHIBIT I

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975

TITLE I—DEPARTMENT OF LABOR

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level [1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with—		
							Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MANPOWER ADMINISTRATION									
PROGRAM ADMINISTRATION									
Planning, evaluation, and research	$10,075,000	$10,075,000	$5,325,000	$5,275,000	$5,275,000	$5,275,000	−$50,000		
Manpower program administration	34,032,000	34,032,000	34,683,000	34,404,000	34,404,000	34,404,000	−279,000		
Apprenticeship services	8,575,000	8,575,000	9,261,000	9,711,000	10,211,000	9,961,000	+700,000	+$250,000	−$250,000
U.S. employment service	581,000	581,000	609,000	609,000	609,000	609,000			
Unemployment insurance service	342,000	342,000	239,000	239,000	239,000	239,000			
Investigation and compliance	761,000	761,000	823,000	773,000	773,000	773,000	−50,000		
Executive direction and management	16,523,000	16,523,000	16,823,000	16,748,000	16,748,000	16,748,000	−75,000		
Total	70,889,000	70,889,000	67,763,000	67,759,000	68,259,000	68,009,000	+246,000	+250,000	−250,000
Trust fund transfer	*26,766,000*	*26,766,000*	*28,165,000*	*28,165,000*	*28,165,000*	*28,165,000*	*28,165,000*	*28,165,000*	*28,165,000*
COMPREHENSIVE MANPOWER ASSISTANCE									
State and local programs	1,967,000,000	1,967,000,000	1,669,000,000	2,030,000,000	1,905,000,000	1,980,000,000	+311,000,000	−50,000,000	+75,000,000
Title I	(1,597,000,000)	(1,597,000,000)	(1,319,000,000)	(1,680,000,000)	(1,505,000,000)	(1,580,000,000)	(+261,000,000)	(−100,000,000)	(+75,000,000)
Title II	(370,000,000)	(370,000,000)	(350,000,000)	(350,000,000)	(400,000,000)	(400,000,000)	(+50,000,000)	(+50,000,000)	
National programs	422,083,000	422,083,000	381,000,000	420,000,000	420,000,000	420,000,000	+39,000,000		
National training programs	(379,216,000)	(379,216,000)	(338,525,000)	(371,960,000)	(371,960,000)	(371,960,000)	(+33,435,000)		
Program support	(42,867,000)	(42,867,000)	(42,475,000)	(48,040,000)	(48,040,000)	(48,040,000	(+5,565,000)		
Total	2,389,083,000	2,389,083,000	2,050,000,000	2,450,000,000	2,325,000,000	2,400,000,000	+350,000,000	−50,000,000	+75,000,000
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS	10,000,000	10,000,000		10,000,000	20,000,000	12,000,000	+12,000,000	+2,000,000	−8,000,000
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES									
Payments to Federal employees	113,500,000	113,500,000	121,200,000	121,200,000	121,200,000	121,200,000			
Payment to ex-servicemen	208,200,000	208,200,000	209,700,000	209,700,000	209,700,000	209,700,000			
Trade adjustment assistance	43,300,000	43,300,000	34,100,000	34,100,000	34,100,000	34,100,000			
Total	365,000,000	365,000,000	365,000,000	365,000,000	365,000,000	365,000,000			
GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES	64,400,000	64,400,000	64,400,000	64,400,000	64,400,000	64,400,000			
Trust fund transfer	*898,400,000*	*898,400,000*	*845,400,000*	*845,400,000*	*975,400,000*	*928,900,000*	*+83,500,000*	*+83,500,000*	*−46,500,000*
Unemployment Insurance Service	(463,600,000)	(463,600,000)	(450,600,000)	(450,600,000)	(543,600,000)	(515,600,000)	(+65,000,000)	(+65,000,000)	(−28,000,000)
Employment Service	(471,200,000)	(471,200,000)	(430,200,000)	430,200,000	(467,200,000)	(448,700,000)	(+18,500,000)	(+18,500,000)	(−18,500,0000)
Contingency Fund	(2 ,000,000)	(28,000,000)	(29,000,000)	(29,000,000)	(29,000,000)	(29,000,000)	( )	( )	( )
Total, Manpower Administration	2,899,372,000	2,899,372,000	2,547,163,000	2,957,159,000	2,842,659,000	2,909,409,000	362,246,000	−47,750,000	+66,750,000
LABOR-MANAGEMENT SERVICES ADMINISTRATION									
SALARIES AND EXPENSES									
Labor-management relations services	972,000	972,000	1,137,000	1,118,000	1,118,000	1,118,000	−19,000		
Labor-management policy development	2,020,000	2,020,000	2,178,000	2,159,000	2,159,000	2,159,000	−19,000		
Administration of reporting and disclosure laws	13,833,000	13,833,000	17,586,000	16,099,000	16,099,000	16,099,000	−1,487,000		
Veterans reemployment rights	2,210,000	2,210,000	2,399,000	2,355,000	2,355,000	2,355,000	−44,000		
Federal labor-management relations	3,758,000	3,758,000	4,234,000	4,150,000	4,150,000	4,150,000	−84,000		
Executive direction and administrative services	1,605,000	1,605,000	2,066,000	2,009,000	1,864,000	1,864,000	−202,000	−145,000	
Total	24,398,000	24,398,000	29,600,000	27,890,000	27,745,000	27,745,000	−1,855,000	−145,000	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—**Continued**

TITLE I—DEPARTMENT OF LABOR—**Continued**

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level [1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Improving and protecting wages	$27,690,000	$27,690,000	$32,361,000	$32,160,000	$32,160,000	$32,160,000	−$201,000		
Elimination of discrimination in employment	8,950,000	8,950,000	10,567,000	10,511,000	10,511,000	10,511,000	−56,000		
Worker's compensation	15,759,000	15,759,000	21,528,000	21,403,000	21,403,000	21,403,000	−125,000		
Program development and administration	4,701,000	4,701,000	5,319,000	5,288,000	5,076,000	5,076,000	−243,000	−$212,000	
Total	57,100,000	57,100,000	69,775,000	69,362,000	69,150,000	69,150,000	−625,000	−212,000	
SPECIAL BENEFITS									
Federal civilian employees benefits	100,110,000	100,110,000	116,917,000	116,917,000	116,917,000	116,917,000			
Black lung compensation benefits	25,040,000	25,040,000	36,000,000	36,000,000	36,000,000	36,000,000			
Longshoremen and harbor workers' benefits	1,800,000	1,800,000	1,946,000	1,946,000	1,946,000	1,946,000			
Other benefits	11,437,000	11,437,000	10,137,000	10,137,000	10,137,000	10,137,000			
Total	138,387,000	138,387,000	165,000,000	165,000,000	165,000,000	165,000,000			
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
Safety and health standards	4,355,000	4,355,000	4,939,000	4,802,000	4,802,000	4,802,000	−137,000		
Enforcement:									
Federal inspections	29,891,000	29,891,000	37,171,000	35,666,000	45,666,000	42,466,000	+5,295,000	+6,800,000	−$3,200,000
State programs	23,000,000	23,000,000	46,000,000	46,000,000	41,000,000	41,000,000	−5,000,000	−5,000,000	
Training, education, and information	4,491,000	4,491,000	4,892,000	4,874,000	4,874,000	4,874,000	−18,000		
Safety and health statistics	5,141,000	5,141,000	5,531,000	5,526,000	5,526,000	5,526,000	−5,000		
Executive direction and administration	3,530,000	3,530,000	3,967,000	3,948,000	3,338,000	3,338,000	−629,000	−610,000	
Total	70,408,000	70,408,000	102,500,000	100,816,000	105,206,000	102,006,000	−494,000	+1,190,000	−3,200,000
BUREAU OF LABOR STATISTICS									
Manpower and employment	14,876,000	14,876,000	17,033,000	16,990,000	16,990,000	16,990,000	−43,000		
Prices and cost of living	6,780,000	6,780,000	9,125,000	9,063,000	9,063,000	9,063,000	−62,000		
Wages and industrial relations	5,606,000	5,606,000	7,766,000	7,719,000	7,719,000	7,719,000	−47,000		
Productivity and technology	1,803,000	1,803,000	2,125,000	2,106,000	2,106,000	2,106,000	−19,000		
Economic research	1,196,000	1,196,000	1,313,000	1,307,000	1,307,000	1,307,000	−6,000		
Executive direction and staff services	8,439,000	8,439,000	9,714,000	9,676,000	9,548,000	9,548,000	−166,000	−128,000	
Revision of the consumer price index	10,543,000	10,543,000	6,174,000	6,139,000	6,139,000	6,139,000	−35,000		
Total	49,243,000	49,243,000	53,250,000	53,000,000	52,872,000	52,872,000	−378,000	−128,000	

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE I—DEPARTMENT OF LABOR—Continued

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level [1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with— Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPARTMENTAL MANAGEMENT									
Executive direction	$6,248,000	$6,248,000	$7,298,000	$7,006,000	$7,006,000	$7,006,000	−$292,000		
Legal services	7,802,000	7,802,000	9,012,000	8,732,000	7,802,000	8,267,000	−180,000	−$465,000	+$465,000
International labor affairs	2,279,000	2,279,000	3,057,000	2,879,000	2,279,000	2,877,000	−745,000	−2,000	+598,000
Administration and management	8,333,000	8,333,000	10,201,000	10,057,000	9,672,000	9,909,000	−804,000	−148,000	+237,000
Appeals from determination of Federal employee claims	189,000	189,000	260,000	256,000	256,000	256,000	−4,000		
Promoting employment of the handicapped	943,000	943,000	1,270,000	1,270,000	1,270,000	1,270,000			
Total	25,794,000	25,794,000	31,700,000	30,290,000	28,375,000	29,675,000	−2,025,000	−615,000	+1,300,000
Trust fund transfer	*797,000*	*797,000*	*820,000*	*820,000*	*820,000*	*820,000*			
Special Foreign Currency	181,000	181,000	200,000	200,000	200,000	200,000			
Total, Department of Labor: New budget (obligational) authority	3,264,883,000	3,264,883,000	2,999,188,000	3,403,717,000	3,291,207,000	3,356,057,000	+356,869,000	−47,660,000	+64,850,000
Trust fund limitations	*925,963,000*	*925,963,000*	*874,385,000*	*874,385,000*	*1,004,385,000*	*957,885,000*	*+83,500,000*	*+83,500,000*	*−46,500,000*

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Appropriation/activity	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
HEALTH SERVICES ADMINISTRATION									
HEALTH SERVICES									
1. Community health services:									
(a) Comprehensive health grants to States	(90,000,000)	(90,000,000)	(90,000,000)	(2)					
(b) Community health centers	(205,500,000)	(205,000,000)	(200,400,000)	(2)					
(c) Maternal and child health:									
(1) Grants to States	132,678,000	132,678,000	243,951,000	$261,951,000	$281,951,000	$266,951,000	+$23,000,000	+$5,000,000	−$15,000,000
(2) Project grants	111,273,000	111,273,000							
(3) Research and training	21,917,000	21,917,000	21,917,000	21,917,000	25,917,000	25,917,000	+4,000,000	+4,000,000	
(4) Sudden infant death information dissemination				1,000,000	2,000,000	2,000,000	+2,000,000	+1,000,000	
Subtotal	265,868,000	265,868,000	265,868,000	284,868,000	309,868,000	294,868,000	+29,000,000	+10,000,000	−15,000,000
(d) Family planning	(100,615,000)	(100,615,000)	(100,615,000)	(2)	(2)				
(e) Migrant health	(25,000,000)	(23,750,000)	(24,000,000)	(2)	(2)				
(f) Health maintenance organizations	60,200,000 (500,000)	60,200,000 (500,000)	58,000,000 (2,000,000)	18,000,000 (2)	18,000,000 (2)	18,000,000	−40,000,000		
(g) National health service corps	(10,499,000)	(9,849,000)	(9,255,000)	(2)	(2)				
Subtotal	326,068,000	326,068,000	323,868,000	302,868,000	327,868,000	312,868,000	−11,000,000	+10,000,000	−15,000,000
2. Quality assurance	5,613,000	5,613,000	5,774,000	5,774,000	5,774,000	5,774,000			
3. Patient care and special health services	104,668,000	104,663,000	109,184,000	109,184,000	112,684,000	112,684,000	+3,500,000	+3,500,000	
(PHS hospitals)	[86,460,000]	[86,460,000]	[89,015,000]	[89,015,000]	[92,515,000]	[92,515,000]	+[3,500,000]	+[3,500,000]	
4. Buildings and facilities	22,300,000	21,550,000	1,300,000	1,300,000	1,300,000	1,300,000			
5. Program direction	27,298,000 (5,879,000)	27,298,000 (5,879,000)	32,061,000 (4,682,000)	31,508,000 (2)	29,603,000	29,603,000	−2,458,000	−1,905,000	
6. Emergency medical services	27,000,000	27,000,000	27,000,000	37,000,000	37,000,000	37,000,000	+10,000,000		
Total	512,947,000	512,197,000	499,187,000	487,634,000	514,229,000	499,229,000	+42,000	+11,595,000	−15,000,000
Less: Trust fund transfer	−5,613,000	−5,613,000	−5,774,000	−5,774,000	−5,774,000	−5,774,000			
Total	507,334,000	506,584,000	493,413,000	481,860,000	508,455,000	493,455,000	+42,000	+11,595,000	−15,000,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level [1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with— Budget request	Conference agreement compared with— House allowance	Conference agreement compared with— Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
CENTER FOR DISEASE CONTROL									
PREVENTIVE HEALTH SERVICES									
1. Disease control:									
(a) Research grants									
(b) Project grants:									
(1) Venereal disease	$24,800,000	$24,800,000	$24,800,000	$26,000,000	$30,000,000	$28,000,000	+$3,200,000	+$2,000,000	−$2,000,000
(2) Immunization	6,200,000	6,200,000	6,200,000	6,200,000	6,200,000	6,200,000			
(3) Rat control	(13,100,000)	(13,100,000)	(13,100,000)	(2)					
(4) Lead-based paint poison prevention	9,000,000	9,000,000	6,500,000	9,000,000	11,000,000	9,000,000	+2,500,000		−2,000,000
Subtotal	40,000,000	40,000,000	37,500,000	41,200,000	47,200,000	43,200,000	+5,700,000	+2,000,000	−4,000,000
(c) Laboratory improvement	8,527,000	8,527,000	8,668,000	9,368,000	9,368,000	9,368,000	+700,000		
(d) Health education	1,736,000	1,736,000	3,030,000	3,030,000	3,030,000	3,030,000			
(e) Disease surveillance	40,657,000	40,657,000	40,049,000	40,049,000	40,049,000	40,049,000			
Subtotal	90,920,000	90,920,000	89,247,000	93,647,000	99,647,000	95,647,000	+6,400,000	+2,000,000	−4,000,000
2. Occupational health	29,129,000	29,129,000	25,848,000	31,986,000	31,986,000	31,986,000	+6,138,000		
3. Program direction	6,544,000	6,544,000	9,619,000	9,277,000	8,810,000	8,810,000	−809,000	−467,000	
4. Buildings and facilities	2,000,000	2,000,000							
Total	128,593,000	128,593,000	124,714,000	134,910,000	140,443,000	136,443,000	+11,729,000	+1,533,000	−4,000,000
NATIONAL INSTITUTES OF HEALTH [3]									
National Cancer Institute	551,105,000	527,399,000	600,000,000	479,506,000	755,000,000	691,666,000	+91,666,000	+212,160,000	−63,334,000
National Heart and Lung Institute	300,114,000	286,749,000	309,299,000	321,196,000	330,000,000	324,130,000	+14,831,000	+2,934,000	−5,870,000
National Institute of Dental Research	45,561,000	43,955,000	43,959,000	44,388,000	51,000,000	49,864,000	+5,905,000	+5,476,000	−1,136,000
National Institute of Arthritis, Metabolism, and Digestive Diseases	159,622,000	153,736,000	152,961,000	162,207,000	178,000,000	173,121,000	+20,160,000	+10,914,000	−4,879,000
National Institute of Neurological Diseases and Stroke	125,035,000	121,393,000	119,958,000	131,960,000	144,000,000	142,498,000	+22,540,000	+10,538,000	−1,502,000
National Institute of Allergy and Infectious Diseases	114,057,000	111,146,000	110,404,000	105,843,000	122,000,000	119,452,000	+9,048,000	+13,609,000	−2,548,000
National Institute of General Medical Sciences	175,254,000	166,805,000	168,329,000	178,108,000	198,000,000	187,400,000	+19,071,000	+9,292,000	−10,600,000
National Institute of Child Health and Human Development	130,307,000	125,508,000	124,897,000	120,232,000	145,000,000	141,966,000	+17,069,000	+21,734,000	−3,034,000
National Eye Institute	41,682,000	41,228,000	39,947,000	38,878,000	50,000,000	44,133,000	+4,186,000	+5,255,000	−5,867,000
National Institute of Environmental Health Sciences	28,820,000	28,338,000	28,684,000	32,594,000	35,000,000	34,949,000	+6,265,000	+2,355,000	−51,000
Research resources	132,088,000	128,059,000	82,700,000	124,370,000	130,000,000	127,200,000	+44,500,000	+2,830,000	−2,800,000
John E. Fogarty International Center	4,762,000	4,762,000	4,784,000	5,384,000	6,000,000	5,589,000	+805,000	+205,000	−411,000
Total, Research Institutes	1,808,407,000	1,739,078,000	1,785,922,000	1,744,666,000	2,144,000,000	2,041,968,000	+256,046,000	+297,302,000	−102,032,000
National Library of Medicine	26,254,000	26,254,000	27,738,000	21,768,000	29,350,000	28,450,000	+712,000	+6,682,000	−900,000
Buildings and facilities	8,000,000	8,000,000	3,000,000	3,000,000	3,000,000	3,000,000			
Office of the Director	12,993,000	12,993,000	18,124,000	17,894,000	17,000,000	17,000,000	−1,124,000	−894,000	
Total, National Institutes of Health	1,855,654,000	1,786,325,000	1,834,784,000	1,787,328,000	2,193,350,000	2,090,418,000	+255,634,000	+303,090,000	−102,932,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level [1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION									
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH									
1. General mental health:									
(a) Research	$94,611,000	$90,116,000	$84,468,000	$90,116,000	$96,359,000	$93,252,000	+$8,784,000	+$3,106,000	−$3,107,000
(b) Training	101,618,000	100,034,000	65,101,000	85,101,000	104,099,000	94,600,000	+29,499,000	+9,499,000	−9,499,000
(c) Community programs:									
(1) Construction of centers	(15,000,000)	(14,250,000)		([2])					
(2) Staffing of centers	159,914,000	155,513,000	172,053,000	172,053,000	172,053,000	172,053,000			
(3) Mental health of children	20,000,000	19,000,000	26,844,000	26,844,000	26,844,000	26,844,000			
Subtotal	179,914,000	174,513,000	198,897,000	198,897,000	198,897,000	198,897,000			
(d) Management and information	23,163,000	23,163,000	16,753,000	20,253,000	19,240,000	19,240,000	+2,487,000	−1,013,000	
Subtotal	399,306,000	387,856,000	365,219,000	394,397,000	418,595,000	405,989,000	+40,770,000	+11,592,000	−12,606,000
2. Drug abuse:									
(a) Research	36,977,000	36,977,000	34,000,000	34,000,000	34,000,000	34,000,000			
(b) Training	15,571,000	15,138,000	9,969,000	12,500,000	15,571,000	14,035,000	+4,066,000	+1,535,000	−1,536,000
(c) Community programs:									
(1) Project grants and contracts	160,770,000	160,770,000	122,000,000	122,000,000	122,000,000	122,000,000			
(2) Grants to States	15,000,000	15,000,000	35,000,000	35,000,000	35,000,000	35,000,000			
Subtotal	175,770,000	175,770,000	157,000,000	157,000,000	157,000,000	157,000,000			
(d) Management and information	15,571,000	15,571,000	15,646,000	15,646,000	14,864,000	14,864,000	−782,000	−782,000	
Subtotal	243,889,000	243,456,000	216,615,000	219,146,000	221,435,000	219,899,000	+3,284,000	+753,000	−1,536,000
3. Alcoholism:									
(a) Research	8,934,000	8,489,000	10,405,000	10,405,000	11,588,000	10,997,000	+592,000	+592,000	−591,000
(b) Training	7,187,000	6,824,000	1,947,000	6,824,000	8,870,000	7,847,000	+5,900,000	+1,023,000	−1,023,000
(c) Community programs:									
(1) Project grants and contracts	70,526,000	66,956,000	32,051,000	58,908,000	73,908,000	64,908,000	+32,857,000	+6,000,000	−9,000,000
(2) Grants to States	48,000,000	45,600,000	45,600,000	52,000,000	57,000,000	52,000,000	+6,400,000		−5,000,000
Subtotal	118,526,000	112,556,000	77,651,000	110,908,000	130,908,000	116,908,000	+39,257,000	+6,000,000	−14,000,000
(d) Management and information	10,040,000	10,040,000	9,863,000	9,863,000	10,163,000	10,163,000	+300,000	+300,000	
Subtotal	144,687,000	137,909,000	99,866,000	138,000,000	161,529,000	145,915,000	+46,049,000	+7,915,000	−15,614,000
4. Buildings and facilities	200,000	200,000							
5. Program direction	9,146,000	9,146,000	10,462,000	10,058,000	9,555,000	9,555,000	−907,000	−503,000	
Total	797,228,000	778,567,000	692,162,000	761,601,000	811,114,000	781,358,000	+89,196,000	+19,757,000	−29,756,000
SAINT ELIZABETHS HOSPITAL (INDEFINITE)	39,910,000	39,910,000	42,340,000	42,340,000	42,340,000	42,340,000			
Total, Alcohol Drug, Abuse, and Mental Health Administration	837,138,000	818,477,000	734,502,000	803,941,000	853,454,000	823,698,000	+89,196,000	+19,757,000	−29,756,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level [1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
HEALTH RESOURCES ADMINISTRATION									
HEALTH RESOURCES									
1. National health statistics	($6,675,000)	($6,675,000)	($4,200,000)						
2. Comprehensive health planning	(41,883,000)	(41,833,000)							
3. Regional medical programs	(78,512,000)	(74,589,000)							
4. Health services research and evaluation	(16,600,000)	(16,000,000)	(16,000,000)						
	(37,743,000)	(35,105,000)	(26,000,000)						
5. Health manpower:									
(a) Health professions:									
(1) Institutional assistance:									
(i) Capitation grants	(187,277,000)	(185,538,000)	(150,000,000)						
(ii) Start-up and conversion assistance	(6,000,000)	(6,000,000)	(4,700,000)						
(iii) Financial distress grants	(15,000,000)	(15,000,000)	(5,000,000)						
(iv) Special projects	(53,500,000)	(50,826,000)	(37,583,000)						
(Subtotal)	(261,777,000)	(257,364,000)	(197,283,000)	(3)					
(2) Student assistance:									
(i) Loans	(36,000,000)	(36,000,000)	(30,000,000)						
(ii) General scholarships	(15,500,000)	(14,626,000)	(6,900,000)						
(iii) National Health Service scholarships	(5,000,000)	(5,000,000)	(3,000,000)						
(iv) Loan payments	(400,000)	(400,000)	(600,000)						
Subtotal	(51,900,000)	(51,026,000)	(37,500,000)	(3)					
(Subtotal)	(56,900,000)	(56,026,000)	(40,500,000)						
(3) Dental health activities	(9,279,000)	(8,531,000)	(7,842,000)						
Subtotal	(61,179,000)	(59,557,000)	(45,342,000)	(3)	(3)				
(Subtotal)	(327,956,000)	(321,921,000)	(245,625,000)						
(b) Nursing:									
(1) Institutional assistance:									
(i) Capitation grants	(36,150,000)	(34,343,000)							
(ii) Start-up and conversion assistance									
(iii) Financial distress grants	(5,000,000)	(4,750,000)							
(iv) Special projects	(20,000,000)	(19,000,000)	(20,000,000)						
(Subtotal)	(61,150,000)	(58,093,000)	(20,000,000)	(3)	(3)				
(2) Student assistance:									
(i) Loans	(24,000,000)	(22,800,000)	(18,000,000)						
(ii) General scholarships	(20,500,000)	(19,476,000)	(6,000,000)						
(iii) Traineeships	(13,700,000)	(13,016,000)							
(iv) Loan repayments	(1,600,000)	(1,600,000)	(1,600,000)						
Subtotal	(46,100,000)	(43,876,000)	(25,600,000)	(3)	(3)				
(3) Educational research grants and contracts	(7,569,000)	(7,191,000)							
Subtotal	(46,100,000)	(43,876,000)	(25,600,000)	(3)	(3)				
(Subtotal)	(128,519,000)	(122,176,000)	(45,600,000)	(3)	(3)				
(a) Public health	(21,600,000)	(20,520,000)							

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level [1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with— Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
HEALTH RESOURCES ADMINISTRATION—Con.									
(d) Allied health	($36,854,000)	($35,013,000)							
(e) Initiative awards and computer technology	(50,100,000)	(49,950,000)	($39,575,000)						
(f) Family medicine and primary care	(10,000,000)	(9,500,000)	(15,000,000)						
Subtotal	(107,279,000)	(103,433,000)	(70,942,000)	(2)	(2)				
(Subtotal)	(575,029,000)	(559,080,000)	(345,800,000)	(2)	(2)				
8. Health facilities construction:									
(a) Medical facilities:									
(1) Hospitals and public health centers	(41,400,000)	(39,330,000)							
(2) Long-term care facilities	(20,800,000)	(19,760,000)							
(3) Outpatient facilities	(70,000,000)	(66,500,000)							
(4) Rehabilitation facilities	(15,000,000)	(14,250,000)							
(5) Modernization	(50,000,000)	(47,500,000)							
(6) Special projects	(9,500,000)	(9,500,000)							
(Subtotal)	(206,700,000)	(196,840,000)							
(b) Health teaching facilities	(120,000,000)	(114,000,000)							
(c) Interest subsidies	(2,000,000)	(2,000,000)	(2,000,000)						
(Subtotal, health facilities construction)	(2,000,000)	(2,000,000)	(2,000,000)						
(Subtotal)	(328,700,000)	(312,840,000)	(2,000,000)						
9. Program management	(50,597,000)	(49,784,000)	(42,240,000)						
Total	(183,151,000)	(177,892,000)	(143,882,000)	(2)	(2)				
Less: Trust fund transfer	(−8,133,000)	(−8,133,000)	(−8,620,000)						
(Total)	(1,142,006,000)	(1,102,223,000)	(455,920,000)						
Medical and Dental Manpower Act of the District of Columbia					$7,500,000	$7,500,000	+$7,500,000	+$7,500,000	
Payments of sales insufficiencies	4,000,000	4,000,000	4,000,000	$4,000,000	4,000,000	4,000,000			
Total, Health Resources Administration	4,000,000	4,000,000	4,000,000	4,000,000	11,500,000	11,500,000	+7,500,000	+7,500,000	
ASSISTANT SECRETARY FOR HEALTH									
ASSISTANT SECRETARY FOR HEALTH									
1. Program direction	19,373,000	19,373,000	21,399,000	21,279,000	20,215,000	20,215,000	−1,184,000	−1,064,000	
2. Professional standards review organizations (PSRO)	33,670,000	33,670,000	57,900,000	48,349,000	30,000,000	37,000,000	−20,900,000	−11,349,000	+$7,000,000
Total	53,043,000	53,043,000	79,299,000	69,628,000	50,215,000	57,215,000	−22,084,000	−12,413,000	+7,000,000
Less: Trust fund transfer	−16,775,000	−16,775,000	−27,000,000	−27,000,000	−27,000,000	−27,000,000			
Total	36,268,000	36,268,000	52,299,000	42,628,000	23,215,000	30,215,000	−22,084,000	−12,413,000	+7,000,000
Retirement pay and medical benefits for commissioned officers (indefinite)	34,103,000	34,103,000	43,422,000	43,422,000	43,422,000	43,422,000			
Scientific activities overseas (Special foreign currency program)	1,912,000	1,912,000							
Total, Assistant Secretary for Health	72,283,000	72,283,000	95,721,000	86,050,000	66,637,000	73,637,000	−22,084,000	−12,413,000	+7,000,000
Total, Health Agencies	3,405,002,000	3,316,262,000	3,284,134,000	3,298,089,000	3,773,839,000	3,629,151,000	+342,017,000	+331,062,000	−144,688,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

							Conference agreement compared with—		
Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level[1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OFFICE OF EDUCATION									
ELEMENTARY AND SECONDARY EDUCATION									
1. Educationally deprived children (title I)	($1,810,000,000)	($1,719,315,000)	($1,885,000,000)	(2)	(2)				
2. Supplementary services	(146,393,000)	(146,393,000)	(146,393,000)	(2)	(2)				
3. Strengthening State departments of education:									
(a) General support	(36,500,000)	(34,675,000)	(34,675,000)	(2)	(2)				
(b) Comprehensive planning and evaluation	(5,000,000)	(4,750,000)	(4,750,000)	(2)	(2)				
(Subtotal)	(41,500,000)	(39,425,000)	(39,425,000)	(2)	(2)				
4. Bilingual education:									
(a) Local education agency grants	(50,608,000)	(48,477,000)	(38,000,000)	(2)	(2)				
(b) Training grants	(5,320,000)	(5,055,000)	(25,000,000)	(2)	(2)				
(c) Curriculum development	(5,072,000)	(4,818,000)	(7,000,000)	(2)	(2)				
(Subtotal)	(61,000,000)	(58,350,000)	(70,000,000)	(2)	(2)				
5. Right-to-read	12,000,000	12,000,000	12,000,000	$12,000,000	$12,000,000	$12,000,000			
6. Educational broadcasting projects:									
(a) Educational broadcasting facilities	16,500,000	15,675,000	7,000,000	10,000,000	16,000,000	12,000,000	+$5,000,000	+$2,000,000	−$4,000,000
(b) Educational programming	3,000,000	3,000,000	7,000,000	7,000,000	8,500,000	7,000,000			−1,500,000
Subtotal	19,500,000	18,675,000	14,000,000	17,000,000	24,500,000	19,000,000	+5,000,000	+2,000,000	−5,500,000
7. Civil rights advisory services	21,700,000	21,700,000	21,700,000	21,700,000	21,700,000	21,700,000			
8. Follow-through	53,000,000	53,000,000	35,000,000	53,000,000	53,000,000	53,000,000	+18,000,000		
9. Equipment and minor remodeling	(30,000,000)	(28,500,000)	(28,500,000)	(2)	(2)				
10. Drug abuse education	6,000,000	5,700,000							
11. Environmental education	2,000,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000			
12. Nutrition and health	(2,000,000)	(1,900,000)	(1,900,000)	(2)	(2)				
Total	114,200,000	112,975,000	84,600,000	105,600,000	113,100,000	107,600,000	+23,000,000	+2,000,000	−5,500,000
School assistance in federally affected areas:									
1. Maintenance and operations:									
(a) Payments for "A" children	(217,820,000)	(217,820,000)	(229,300,000)	(2)	(2)				
(b) Payments for "B" children	(331,680,000)	(307,096,000)	(40,000,000)	(2)	(2)				
(c) Special provisions	( )	(8,000,000)	(8,000,000)	(2)	(2)				
(d) Payments to other Federal agencies	(41,500,000)	(41,500,000)	(43,000,000)	(2)	(2)				
Subtotal	(591,000,000)	(574,416,000)	(320,300,000)	(2)	(2)				
2. Construction	(19,000,000)	(19,000,000)	(20,000,000)	(2)	(2)				
Total	(610,000,000)	(593,416,000)	(340,300,000)	(2)	(2)				

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level [1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
OFFICE OF EDUCATION—Continued									
ELEMENTARY AND SECONDARY EDUCATION—Continued									
Emergency school aid:									
1. Special projects:									
(a) Metropolitan area projects				(3)	(2)				
(b) Bilingual education projects	($9,958,000)	($9,958,000)		(3)	(2)				
(c) Educational television	(7,468,000)	(7,468,000)		(3)	(2)				
(d) Special programs and projects	(12,447,000)	(12,447,000)		(3)	(3)				
Subtotal	(29,873,000)	(29,873,000)		(2)	(3)				
2. State apportionment:									
(a) Pilot programs	(37,341,000)	(37,341,000)		(3)	(3)				
(b) Special programs and projects	(19,915,000)	(19,915,000)		(3)	(3)				
(c) General grants to local education agencies	(146,875,000)	(146,875,000)		(2)	(3)				
Subtotal	(204,131,000)	(204,131,000)		(2)	(2)				
3. Emergency school assistance activities			($75,000,000)	(3)	(3)				
Total	(234,004,000)	(234,004,000)	(75,000,000)	(3)	(2)				
Education for the Handicapped:									
1. State grant program	(50,000,000)	(47,500,000)	(47,500,000)	(3)	(2)				
2. Special target programs:									
(a) Deaf-blind centers	(14,795,000)	(14,055,000)	(12,000,000)	(3)	(3)				
(b) Early childhood projects	(12,000,000)	(12,000,000)	(14,000,000)	(3)	(3)				
(c) Specific learning disabilities	(3,250,000)	(3,250,000)	(3,250,000)	(3)	(3)				
(d) Regional resource centers	(7,243,000)	(7,243,00C)	(9,243,000)	(3)	(3)				
Subtotal	(37,288,000)	(36,548,000)	(38,493,000)	(2)	(3)				
3. Innovation and development	(9,916,000)	(9,916,000)	(9,916,000)	(3)	(2)				
4. Technology and communications:									
(a) Media services and captioned films	(13,000,000)	(13,000,000)	(13,000,000)	(2)	(3)				
(b) Recruitment and information	(500,000)	(500,000)	(500,000)	(2)	(2)				
Subtotal	(13,500,000)	(13,500,000)	(13,500,000)	(2)	(2)				
5. Special education and manpower development	(41,700,000)	(39,615,000)	(37,700,000)	(3)	(3)				
Total	(152,404,000)	(147,079,000)	(147,109,000)	(3)	(3)				
Occupational, vocational, and adult education:									
1. Grants to States for vocational education:									
(a) Basic vocatioal education programs	419,851,000	405,314,000	415,978,000	$415,978,000	$427,012,000	$420,978,000	+$5,000,000	+$5,000,000	−$6,034,000
(b) Programs for students with special needs	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000			
(c) Consumer and homemaking education	32,625,000	30,994,000	30,994,000	30,994,000	46,000,000	35,994,000	+5,000,000	+5,000,000	−10,006,000
(d) Work-study	8,262,000	7,849,000	7,849,000	7,849,000	10,524,000	9,849,000	+2,000,000	+2,000,000	−675,000
(e) Cooperative education	19,500,000	19,500,000	19,500,000	19,500,000	19,500,000	19,500,000			
(f) State advisory councils	3,204,000	3,044,000	4,316,000	4,316,000	4,316,000	4,316,000			
Subtotal	503,442,000	486,701,000	498,637,000	498,637,000	527,352,000	510,637,000	+12,000,000	+12,000,000	−16,715,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level[1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	Conference agreement compared with— House allowance (9)	Conference agreement compared with— Senate allowance (10)
OFFICE OF EDUCATION—Continued									
ELEMENTARY AND SECONDARY EDUCATION—Continued									
2. Vocational research:									
(a) Innovation	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000			
(b) Curriculum development	4,000,000	4,000,000	4,000,000	1,000,000	1,000,000	1,000,000	−$3,000,000		
(c) Research—grants to States	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000			
Subtotal	38,000,000	38,000,000	38,000,000	35,000,000	35,000,000	35,000,000	−3,000,000		
3. Career education			10,000,000	10,000,000	10,000,000	10,000,000			
4. Education personnel:									
(a) Teacher corps	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000			
(b) Other education professions development:									
(1) Long-term training									
(2) Elementary and secondary	48,660,000	46,229,000	8,139,000	32,655,000	8,139,000	8,139,000		−$24,516,000	
(3) Vocational education	11,860,000	11,268,000		7,000,000	11,860,000	9,000,000	+9,000,000	+2,000,000	−$2,860,000
(4) New careers in education	300,000	286,000							
(5) Higher education	2,100,000	2,100,000		2,100,000	5,000,000	2,100,000	+2,100,000		−2,900,000
Subtotal	62,920,000	59,883,000	8,139,000	41,755,000	24,999,000	19,239,000	+11,100,000	−22,516,000	−5,760,000
Subtotal	100,420,000	97,383,000	45,639,000	79,255,000	62,499,000	56,739,000	+11,100,000	−22,516,000	−5,760,000
5. Adult education:									
(a) Grants to States	(56,300,000)	(53,319,000)	(53,319,000)	(2)	(2)				
(b) Special projects	(7,000,000)	(7,000,000)	(7,000,000)	(2)	(2)				
(c) Teacher training	(3,000,000)	(3,000,000)	(3,000,000)	(2)	(2)				
Subtotal	(66,300,000)	(63,319,000)	(63,319,000)	(2)	(2)				
6. Dropout prevention	(4,000,000)	(4,000,000)	(4,000,000)	(1)	(2)				
7. Ethnic heritage studies	(2,500,000)	(2,375,000)	(..............)	(2)	(2)				
Total	641,862,000	622,084,000	592,276,000	622,892,000	634,851,000	612,376,000	+20,100,000	−10,516,000	−22,475,000
HIGHER EDUCATION									
1. Student assistance:									
(a) Basic opportunity grants (BOG's)	500,000,000	475,000,000	1,300,000,000	650,000,000	685,000,000	660,000,000	−640,000,000	+10,000,000	−25,000,000
(b) Supplemental opportunity grants	210,300,000	210,300,000		240,300,000	240,300,000	240,300,000	+240,300,000		
(c) Work-study	270,200,000	270,200,000	250,000,000	300,200,000	300,200,000	300,200,000	+50,200,000		
(d) Cooperative education	10,750,000	10,750,000	10,750,000	10,750,000	11,250,000	10,750,000			−500,000
(e) Insured loan subsidies	310,000,000	310,000,000	315,000,000	315,000,000	315,000,000	315,000,000			
(f) Direct loans:									
(1) Federal capital contributions	286,000,000	286,000,000		338,500,000	286,000,000	321,000,000	+321,000,000	−17,500,000	+35,000,000
(2) Loans to institutions	2,000,000	2,000,000		2,000,000	2,000,000	2,000,000	+2,000,000		
(3) Teacher cancellations	5,000,000	5,000,000	6,440,000	6,440,000	6,440,000	6,440,000			
Subtotal	293,000,000	293,000,000	6,440,000	346,940,000	294,440,000	329,440,000	+323,000,000	−17,500,000	+35,000,000
(g) Incentive grants for State scholarships	20,000,000	19,000,000		19,000,000	20,000,000	20,000,000	+20,000,000	+1,000,000	
Subtotal	1,614,250,000	1,568,250,000	1,882,190,000	1,882,190,000	1,866,190,000	1,875,690,000	−6,500,000	−6,500,000	+9,500,000
2. Special programs for the disadvantaged	70,331,000	70,331,000	70,331,000	70,331,000	70,331,000	70,331,000			
3. Institutional assistance:									
(a) Strengthening developing institutions	99,992,000	99,992,000	120,000,000	120,000,000	100,000,000	110,000,000	−10,000,000	−10,000,000	+10,000,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level[1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
OFFICE OF EDUCATION—Continued									
ELEMENTARY AND SECONDARY EDUCATION—Continued									
3. Institutional assistance—Con.									
(b) Construction loan subsidies	$31,425,000	$31,425,000	$22,252,000				−$22,252,000		
(c) Language training and area studies	13,360,000	12,693,000	10,000,000	$12,000,000	$15,360,000	$14,000,000	+4,000,000	+$2,000,000	−$1,360,000
(d) University community services	15,000,000	14,250,000		14,250,000	14,250,000	14,250,000	+14,250,000		
(e) Aid to land-grant colleges	10,000,000	9,500,000		9,500,000	12,460,000	9,500,000	+9,500,000		−2,960,000
(f) State postsecondary education commissions	3,000,000	3,000,000		3,000,000	4,000,000	3,000,000	+3,000,000		−1,000,000
(g) Veterans cost of instruction	25,000,000	23,750,000		23,750,000	23,750,000	23,750,000	+23,750,000		
(h) Continuing education projects	250,000	250,000							
Subtotal	198,027,000	194,860,000	152,252,000	182,500,000	169,820,000	174,500,000	+22,248,000	−8,000,000	+4,680,000
4. Personnel development:									
(a) College teacher fellowships	5,806,000	5,806,000	4,000,000	4,000,000	4,000,000	4,000,000			
(b) Public service fellowships				4,000,000	4,000,000	4,000,000	+4,000,000		
(c) Fellowships for disadvantaged	750,000	750,000	750,000	750,000	750,000	750,000			
(d) Mining fellowships				1,000,000	2,000,000	1,500,000	+1,500,000	+500,000	−500,000
(e) Ellender fellowships	500,000	500,000	500,000	500,000	500,000	500,000			
Subtotal	7,056,000	7,056,000	5,250,000	10,250,000	11,250,000	10,750,000	+5,500,000	+500,000	−500,000
Total	1,889,664,000	1,800,497,000	2,110,023,000	2,145,271,000	2,117,591,000	2,131,271,000	+21,248,000	−14,000,000	+13,680,000
Library resources:									
1. Public libraries:									
(a) Services	49,209,000	46,749,000	25,000,000	46,740,000	69,500,000	51,749,000	+26,749,000	+5,000,000	−17,751,000
(b) Construction									
Subtotal	49,209,000	46,749,000	25,000,000	46,749,000	69,500,000	51,749,000	+26,749,000	+5,000,000	−17,751,000
2. School library resources	(95,000,000)	(90,250,000)	(90,250,000)	([2])					
3. College library resources	10,500,000	9,975,000		9,975,000	12,500,000	9,975,000	+9,975,000		−2,525,000
4. Undergraduate instructional equipment	12,500,000	11,875,000		5,000,000	12,500,000	7,500,000	+7,500,000	+2,500,000	−5,000,000
5. Training and demonstrations	4,500,000	4,275,000		2,000,000	5,357,000	3,000,000	+3,000,000	+1,000,000	−2,357,000
Total	76,700,000	72,874,000	25,000,000	63,724,000	99,857,000	72,224,000	+47,224,000	+8,500,000	−27,633,000
Educational activities overseas (Special foreign currency program)	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	1,000,000	−1,000,000		
Salaries and expenses:									
1. Program administration	81,199,000	81,199,000	101,484,000	101,089,000	95,442,000	95,442,000	−6,042,000	−5,647,000	
2. Planning and evaluation	7,219,000	7,219,000	9,000,000	7,219,000	6,858,000	6,858,000	−2,142,000	−361,000	
3. General program dissemination			4,000,000	2,000,000	1,900,000	1,900,000	−2,100,000	−100,000	
4. Advisory committees	1,205,000	1,205,000	1,200,000	1,200,000	1,140,000	1,140,000	−60,000	−60,000	
5. National Center for Education Statistics:									
(a) Surveys and special studies	4,250,000	4,250,000	4,300,000	4,300,000	4,085,000	4,085,000	−215,000	−215,000	
(b) Common core-of-data			1,300,000	500,000	475,000	475,000	−825,000	−25,000	
(c) National achievement study	4,500,000	4,500,000	6,000,000	4,500,000	4,500,000	4,500,000	−1,500,000		
Subtotal	8,750,000	8,750,000	11,600,000	9,300,000	9,060,000	9,060,000	−2,540,000	−240,000	
Total	98,373,000	98,373,000	127,284,000	120,808,000	114,400,000	114,400,000	−12,884,000	−6,408,000	

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level[1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with—		
							Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
HIGHER EDUCATION—Con.									
Student loan insurance fund	$88,668,000	$88,668,000	$115,000,000	$115,000,000	$115,000,000	$115,000,000			
Higher education facilities loan and insurance fund: Participation sales insufficiencies	2,948,000	2,948,000	2,701,000	2,701,000	2,701,000	2,701,000			
Total, Office of Education	2,913,424,000	2,859,419,000	3,058,884,000	3,176,996,000	3,198,500,000	3,156,572,000	+$97,688,000	−$20,424,000	−$41,928,000
NATIONAL INSTITUTE OF EDUCATION									
1. Development	37,528,000	37,528,000	66,732,000	39,800,000		32,200,000	−34,532,000	−7,600,000	+32,200,000
2. Research	21,324,000	21,324,000	37,518,000	23,350,000		20,500,000	−17,018,000	−2,850,000	+20,500,000
3. Dissemination	6,178,000	6,178,000	12,850,000	4,850,000		6,000,000	−6,850,000	+1,150,000	+6,000,000
4. Program direction	10,559,000	10,559,000	12,900,000	12,000,000		11,300,000	−1,600,000	−700,000	+11,300,000
Total	75,589,000	75,589,000	130,000,000	80,000,000		70,000,000	−60,000,000	−10,000,000	+70,000,000
ASSISTANT SECRETARY FOR EDUCATION									
Improvement of post-secondary education	10,000,000	10,000,000	15,000,000	11,500,000	11,500,000	11,500,000	−3,500,000		
Salaries and expenses	2,321,000	2,321,000	3,671,000	2,437,000	2,307,000	2,307,000	−1,364,000	−130,000	
Total, Assistant Secretary for Education	12,321,000	12,321,000	18,671,000	13,937,000	13,807,000	13,807,000	−4,864,000	−130,000	
Total, Education Division	3,001,334,000	2,947,329,000	3,207,555,000	3,270,933,000	3,212,307,000	3,240,379,000	+32,824,000	−30,554,000	+28,072,000
SOCIAL AND REHABILITATION SERVICE									
PUBLIC ASSISTANCE									
1. Maintenance assistance	5,200,252,000	5,200,252,000	4,600,858,000	4,313,000,000	4,313,000,000	4,313,000,000	−287,858,000		
2. Medical assistance	5,000,000,000	5,000,000,000	6,592,134,000	6,293,932,000	6,293,932,000	6,293,932,000	−298,202,000		
3. Social services	1,362,253,000	1,362,253,000	2,000,000,000	1,700,000,000	1,400,000,000	1,400,000,000	−600,000,000	−300,000,000	
4. State and local training	36,699,000	36,699,000	32,578,000	32,578,000	36,699,000	36,699,000	+4,121,000	+4,121,000	
5. Child welfare services	50,000,000	47,500,000	46,000,000	47,500,000	50,000,000	50,000,000	+4,000,000	+2,500,000	
6. Research	8,367,000	8,367,000	9,200,000	9,200,000	9,200,000	9,200,000			
7. Training projects	8,900,000	8,450,000		6,654,000	8,900,000	8,900,000	+8,900,000	+2,246,000	
Total	11,666,471,000	11,663,521,000	13,280,770,000	12,402,864,000	12,111,731,000	12,111,731,000	−1,169,039,000	−291,133,000	
WORK INCENTIVES									
1. Training	250,443,000	250,443,000	190,000,000	190,000,000	140,000,000	140,000,000	−50,000,000	−50,000,000	
2. Child care	90,000,000	90,000,000	90,000,000	90,000,000	70,000,000	70,000,000	−20,000,000	−20,000,000	
Total	340,443,000	340,443,000	280,000,000	280,000,000	210,000,000	210,000,000	−70,000,000	−70,000,000	
REHABILITATION SERVICES									
1. Vocational rehabilitation:									
(a) Basic State grants	650,000,000	650,000,000	680,000,000	680,000,000	680,000,000	680,000,000			
(b) Service projects:									
(1) Innovation and expansion	29,000,000	29,000,000		20,000,000	29,000,000	23,000,000	+23,000,000	+3,000,000	−6,000,000
(2) Deaf-blind center	600,000	600,000	1,780,000	1,780,000	2,000,000	2,000,000	+220,000	+220,000	
(3) Special studies and evaluation	9,700,000	9,700,000	4,120,000	4,120,000	5,120,000	4,120,000			−1,000,000
(4) Training and facilities grants	9,300,000	9,300,000	8,000,000	8,000,000	10,300,000	8,000,000			−2,300,000
Subtotal	48,600,000	48,600,000	13,900,000	33,900,000	46,420,000	37,120,000	+23,220,000	+3,220,000	−9,300,000
(c) Research	20,096,000	20,096,000	20,000,000	20,000,000	23,000,000	20,000,000			−3,000,000
(d) Training	15,572,000	15,572,000	11,500,000	22,200,000	22,200,000	22,200,000	+10,700,000		
Subtotal	734,268,000	7,34268,000	725,400,000	756,100,000	771,620,000	759,320,000	+33,920,000	+3,220,000	−12,300,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMTES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level[1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
SOCIAL AND REHABILITATION SERVICE—Con.									
REHABILITATION SERVICES—Con.									
2. Grants for the developmentally disabled:									
(a) State grants	($32,500,000)	($30,875,000)	($20,875,000)	(2)					
(b) Service projects	12,500,000	12,500,000	12,500,000	$12,500,000	$12,500,000	$12,500,000			
(c) University affiliated facilities	(6,000,000) (4,250,000)	(6,000,000) (4,250,000)	(6,000,000) (4,250,000)	(2) (2)					
Subtotal	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000			
Total, Rehabilitation services	746,768,000	746,768,000	737,900,000	768,600,000	784,120,000	771,820,000	+$33,920,000	+$3,220,000	−$12,300,000
Salaries and expenses	62,604,000	62,604,000	74,103,000	72,620,000	64,419,000	64,419,000	−9,684,000	−8,201,000	
Less: Trust fund transfer	−600,000	−600,000	−600,000	−600,000	−600,000	−600,000			
Total	62,004,000	62,004,000	73,503,000	72,020,000	63,819,000	63,819,000	−9,864,000	−8,201,000	
Total, Social and Rehabilitation Service	12,815,686,000	12,812,736,000	14,372,173,000	13,523,484,000	13,169,670,000	13,157,370,000	−1,214,803,000	−366,114,000	−12,300,000
SOCIAL SECURITY ADMINISTRATION									
Payments to Social Security Trust Funds	3,110,181,000	3,110,181,000	3,345,323,000	3,345,323,000	3,345,323,000	3,345,323,000			
Special benefits for disabled coal miners	1,013,925,000	1,013,925,000	876,089,000	876,089,000	876,089,000	876,089,000			
Supplemental security income program	2,211,636,000	2,211,636,000	4,774,000,000	4,774,000,000	4,774,000,000	4,774,000,000			
Limitation on construction			(8,232,000)	(8,232,000)	(8,232,000)	(8,232,000)			
Limitation on salaries and expenses	(1,887,898,000)	(1,887,898,000)	(2,035,571,000)	(1,992,107,000)	(2,004,729,000)	(2,004,729,000)	(−30,842,000)	(+12,622,000)	
Total, Social Security Administration	6,335,742,000	6,335,742,000	8,995,412,000	8,995,412,000	8,995,412,000	8,995,412,000			
SPECIAL INSTITUTIONS									
American Printing House for the Blind	1,817,000	1,817,000	1,967,000	1,967,000	1,967,000	1,967,000			
National Technical Institute for the Deaf:									
1. Academic program	5,087,000	5,087,000	7,838,000	7,838,000	7,838,000	7,838,000			
2. Construction	1,400,000	1,400,000	1,981,000	1,981,000	1,981,000	1,981,000			
Total	6,487,000	6,487,000	9,819,000	9,819,000	9,819,000	9,819,000			
Gallaudet College:									
1. Academic program	9,027,000	9,027,000	10,349,000	10,291,000	10,349,000	10,349,000		+58,000	
2. Model secondary school	3,975,000	3,975,000	4,415,000	4,408,000	4,415,000	4,415,000		+7,000	
3. Kendall School	2,010,000	2,010,000	2,314,000	2,312,000	2,314,000	2,314,000		+2,000	
4. Construction			10,465,000	10,465,000	10,465,000	10,465,000			
Total	15,012,000	15,012,000	27,543,000	27,476,000	27,543,000	27,543,000		+67,000	
Howard University:									
1. Academic program	45,360,000	45,360,000	48,705,000	48,477,000	48,705,000	48,705,000		+228,000	
2. Construction			12,500,000	12,500,000	12,500,000	12,500,000			
3. Freedmen's Hospital	16,786,000	16,786,000	18,445,000	18,217,000	18,445,000	18,445,000		+228,000	
Total	62,146,000	62,146,000	79,650,000	79,194,000	79,650,000	79,650,000		+456,000	
Total, Special Institutions	85,462,000	85,462,000	118,979,000	118,456,000	118,979,000	118,979,000		+523,000	

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Appropriation/activity	New budget (obligational) authority fiscal year 1974, enacted to date	1974 operating level [1]	Budget estimates of new (obligational) authority fiscal year 1975	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Conference agreement compared with—		
							Budget request	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT									
HUMAN DEVELOPMENT									
1. Child development:									
(a) Head Start	($407,600,000)	($392,100,000)	($430,000,000)	(2)	(2)				
(b) Research, demonstration and evaluation	15,200,000	15,200,000	15,700,000	$15,700,000	$15,700,000	$15,700,000			
(c) Child abuse	4,500,000	4,500,000	14,428,000	15,000,000	15,000,000	15,000,000	+$572,000		
Subtotal	19,700,000	19,700,000	30,128,000	30,700,000	30,700,000	30,700,000	+572,000		
2. Youth development	(10,000,000)	(10,000,000)	(15,000,000)	(2)					
3. Aging programs:									
(a) Community services	96,000,000	96,000,000	96,000,000	96,000,000	105,000,000	105,000,000	+9,000,000	+$9,000,000	
(b) Nutrition	(104,800,000)	(99,600,000)	(99,600,000)	(2)					
(c) Research and demonstrations	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000			
(d) Training	10,000,000	9,500,000		8,000,000	10,000,000	8,000,000	+8,000,000		−$2,000,000
Subtotal	113,000,000	112,500,000	103,000,000	111,000,000	122,000,000	120,000,000	+17,000,000	+9,000,000	−2,000,000
4. Special programs for native Americans	(30,900,000)	(30,900,000)	(32,000,000)	(2)					
5. Salaries and expenses	25,392,000	25,392,000	29,572,000	28,830,000	27,250,000	27,250,000	−2,322,000	−1,580,000	
Total	158,092,000	157,592,000	162,700,000	170,530,000	179,950,000	177,950,000	+15,250,000	+7,420,000	−2,000,000
OFFICE OF THE SECRETARY									
Office for Civil Rights	20,047,000	20,047,000	24,327,000	23,787,000	23,673,000	23,673,000	−654,000	−114,000	
Less; Trust fund transfer	−1,253,000	−1,253,000	−1,466,000	−1,466,000	−1,466,000	−1,466,000			
Total	18,794,000	18,794,000	22,861,000	22,321,000	22,207,000	22,207,000	−654,000	−114,000	
DEPARTMENTAL MANAGEMENT									
1. Executive direction	7,849,000	7,849,000	8,648,000	8,386,000	6,500,000	7,000,000	−1,648,000	−1,386,000	+500,000
2. Public information	1,482,000	1,482,000	1,613,000	1,527,000	1,400,000	1,500,000	−113,000	−27,000	+100,000
3. Field management	8,389,000	8,389,000	9,281,000	9,023,000	6,296,000	7,000,000	−2,281,000	−2,023,000	+704,000
4. Legal services	7,976,000	7,976,000	9,104,000	9,104,000	7,000,000	7,500,000	−1,604,000	−1,604,000	+500,000
5. Financial management:									
(a) Audit	21,331,000	21,331,000	22,684,000	22,684,000	22,684,000	22,684,000			
(b) Other	4,550,000	4,550,000	4,722,000	4,722,000	4,550,000	4,722,000			+172,000
Subtotal	25,881,000	25,881,000	27,406,000	27,406,000	27,234,000	27,406,000			+172,000
6. Administrative management	20,042,000	20,042,000	39,133,000	35,779,000	28,129,000	29,601,000	−9,532,000	−6,178,000	+1,472,000
7. Policy research:									
(a) Sec. 232 of OEO Act	(18,810,000)	(18,810,000)	(20,810,000)	(2)					
(b) Sec. 1110 of Social Security Act	11,000,000	11,000,000	11,000,000	11,000,000	10,450,000	8,450,000	−2,550,000	−2,550,000	−2,250,000
Subtotal	82,619,000	82,619,000	106,185,000	102,225,000	87,009,000	90,977,000	−15,208,000	−11,248,000	+3,968,000
Less: Trust fund transfer	−7,890,000	−7,890,000	−8,255,000	−8,255,000	−8,255,000	−8,255,000			
Total	74,729,000	74,729,000	97,930,000	93,970,000	78,754,000	82,722,000	−15,208,000	−11,248,000	+3,968,000
Total, Office of the Secretary	93,523,000	93,523,000	120,791,000	116,291,000	100,961,000	104,929,000	−15,862,000	−11,362,000	+3,968,000
Total, Department of Health, Education, and Welfare:									
New budget (obligational) authority	25,649,220,000	25,519,781,000	30,264,744,000	29,493,195,000	29,551,118,000	29,424,170,000	−840,574,000	−69,025,000	126,948,000
Trust fund limitations	*1,887,898,000*	*1,887,898,000*	*2,043,803,000*	*2,000,339,000*	*2,012,961,000*	*2,012,961,000*	*−30,842,000*	*+12,622,000*	

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—Continued

TITLE III—RELATED AGENCIES

Appropriation/activity (1)	New budget (obligational) authority fiscal year 1974, enacted to date (2)	1974 operating level[1] (3)	Budget estimates of new (obligational) authority fiscal year 1975 (4)	New budget (obligational) authority recommended in the House bill (5)	New budget (obligational) authority recommended in Senate bill (6)	Conference agreement (7)	Conference agreement compared with— Budget request (8)	House allowance (9)	Senate allowance (10)
RELATED AGENCIES									
ACTION (domestic programs)	$91,760,000	$91,760,000	$102,344,000	$96,000,000	$100,000,000	$100,000,000	−$2,344,000	+$4,000,000	
Cabinet Committee on Opportunities for Spanish-Speaking People	(1,000,000)	(1,000,000)	(1,048,000)	[2]	[2]				
Corporation for Public Broadcasting	50,000,000	47,750,000	60,000,000	60,000,000	65,000,000	62,000,000	+2,000,000	+2,000,000	−3,000,000
Federal Mediation and Conciliation Service	11,900,000	11,900,000	15,970,000	15,521,000	15,521,000	15,521,000	−449,000		
National Commission on Libraries and Information Science	406,000	406,000	502,000	400,000	409,000	409,000	−93,000		
National Labor Relations Board	56,057,000	56,057,000	61,400,000	60,980,000	60,980,000	60,980,000	−420,000		
National Mediation Board	2,930,000	2,930,000	3,206,000	3,186,000	3,186,000	3,186,000	−20,000		
Occupational Safety and Health Review Commission	4,890,000	4,890,000	5,720,000	5,512,000	5,700,000	5,512,000	−208,000		−188,000
Office of Economic Opportunity	(358,800,000)	(349,000,000)		[3]	[3]	[3]			
Railroad Retirement Board:									
Payments for Military Service Credits	22,478,000	22,478,000	3,516,000	3,516,000	3,516,000	3,516,000			
Limitation on Salaries and Expenses	(22,717,000)	(22,717,000)	(26,061,000)	(24,336,000)	(24,336,000)	(24,336,000)	(−1,725,000)		
Soldiers, Sailors and Airmen's Home:									
Operation and Maintenance	13,842,000	13,842,000	14,505,000	14,505,000	14,505,000	14,505,000			
Capital Outlay	(456,000)	456,000							
Total, related agencies: New budget (obligational) authority	254,719,000	252,469,000	267,163,000	259,629,000	268,817,000	265,629,000	−1,534,000	+6,000,000	−3,188,000
Trust fund limitations	(22,717,000)	(22,717,000)	(26,061,000)	(24,336,000)	(24,336,000)	(24,336,000)	(−1,725,000)		
Grand total:									
New budget (obligational) authority	29,165,822,000	29,037,133,000	33,531,095,000	33,156,541,000	33,111,142,000	33,045,856,000	−485,239,000	−110,685,000	−65,286,000
Trust fund limitations	*2,809,015,000*	*2,809,015,000*	*2,915,264,000*	*2,870,075,000*	*3,012,697,000*	*2,966,197,000*	*+50,933,000*	*+96,122,000*	*−46,500,000*

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[1] The enacting clause of the Labor-HEW Appropriation Act, 1974 (Public Law 93-192) permitted, but did not require, the President to withhold not to exceed $400,000,000 from appropriations contained in that act. Further, the enacting clause specifically prohibited the reduction of any activity, program, or project by more than 5 percent.

[2] Not considered due to lack of authorizing legislation.

[3] The House deferred consideration of NIH research contract programs due to lack of authorizing legislation. Subsequent to House action, new legislation was enacted (Public Law 93-352) and is reflected in the Senate subcommittee recommendation.

Mr. BAYH. Mr. President, I would like to extend my appreciation to the distinguished chairman, Senator MAGNUSON, and the ranking minority member, Senator COTTON, for their very fine work in bringing this conference report to the floor. I am especially appreciative of the fine efforts of the conferees in the areas of public service jobs, cancer and other medical research, maternal and child health, experimental projects to bring medical care to medically underserved rural areas, including one project to be set up in the Midwestern part of the United States, as well as the additional funds to serve the Nation's elderly citizens. As the chairman may recall, I submitted to his subcommittee in each of these areas a number of detailed amendments designed to provide a more nearly adequate level of funding for these important programs that serve the poor, the sick, the elderly, and those needing increased educational opportunities. I wish to thank the committee and the conferees for their support of these amendments as well as my proposals for cutting back on overhead bureaucracy and surplus welfare funds.

I ask unanimous consent to include in the RECORD a table showing the Senate increases agreed to in conference for the various medical research programs of the National Institutes of Health.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NATIONAL INSTITUTES OF HEALTH, 1974 AND 1975 PROGRAM AREAS OF SPECIAL CONCERN

[In thousands of dollars]

Appropriation/program	1974	President's 1975 budget request	1975 Senate allowance	1975 conference agreement
NCI:				
Nutrition	$2,700	$2,800	$9,300	$4,300
Cancer task forces	23,239	26,230	33,230	30,230
Smoking and health	7,420	7,600	8,600	8,600
Cancer research centers	80,715	100,834	118,834	115,834
Cancer control	34,055	45,098	53,500	50,098
Cancer construction	27,550	22,000	54,300	38,000
Combined treatment modalities	37,357	43,967	55,467	50,967
Other	306,008	351,471	421,769	393,637
Pap testing			(18,250)	(8,870)
Breast cancer detection and treatment			(46,700)	(31,083)
Subtotal	519,044	600,000	755,000	691,666
NHLI:				
Arteriosclerosis	120,000	127,174	131,600	131,300
Pulmonary disease	41,386	49,140	52,322	51,300
Blood resources and thrombosis	32,241	37,386	40,168	39,400
Sickle cell diseases	16,000	16,000	17,200	16,400
Other	117,663	79,599	88,710	85,730
Subtotal	327,290	309,299	330,000	324,130
NIDR:				
Dental caries	8,886	9,475	11,175	10,800
Periodontal and soft tissue diseases	10,447	9,569	11,403	11,100
Craniofacial anomalies	7,934	7,976	7,799	7,500
Pain control	1,000	950	1,585	1,500
Other	15,646	15,989	19,038	20,100
Subtotal	43,913	43,959	51,000	51,000
NIAMDD:				
Cystic fibrosis	2,525	2,680	2,880	2,680
Arthritis	14,182	13,860	14,304	14,104
Cooley's anemia	1,300	1,300	1,500	1,300
Diabetes	11,097	11,921	14,047	12,997
Digestive diseases	19,901	19,781	22,642	21,817
Kidney disease	18,434	17,658	22,760	21,060
(Artificial kidney)	(3,644)	(3,870)	(5,070)	(4,670)
Nutrition	9,846	9,344	9,108	8,958
Psoriasis	992	998	1,248	1,048
Other	75,141	75,419	89,511	89,157
Subtotal	153,418	152,961	178,000	173,121
NINDS:				
Stroke	8,086	9,902	11,026	10,851
Epilepsy	5,610	6,449	6,540	6,485
Infectious disorders of the nervous system	5,008	5,238	5,743	5,632
Parkinsonism	4,138	3,610	4,956	4,956
Trauma, spinal cord and head injury	6,309	8,386	10,578	10,533
(Regeneration)	(1,097)	(1,545)	(2,005)	(2,005)
Communicative disorders	12,164	12,742	13,783	13,748
Multiple sclerosis	4,770	4,295	7,016	6,967
Cerebral palsy	12,890	12,971	15,425	15,369
(Collaborative perinatal project)	(3,152)	(3,140)	(3,140)	(3,140)
Muscular dystrophy	6,722	7,041	8,016	8,001
Tay sachs	1,347	1,102	1,500	1,500
Other	53,783	48,222	59,417	58,456
Subtotal	120,827	119,958	144,000	142,498
NIAID:				
Asthma and allergic disease centers	3,795	4,251	4,751	4,751
Hepatits	2,286	2,600	3,300	3,000
Influenza and other respiratory infections	3,650	3,710	4,610	4,310
Venereal diseases	$2,937	$3,022	$4,422	$4,122
Other	97,661	96,821	104,917	103,269
Subtotal	110,329	110,404	122,000	119,452
NIGMS:				
Automated clinical laboratories and biomedical engineering	17,693	19,434	22,291	21,911
Pharmacology-toxicology	23,032	21,980	27,820	26,395
Trauma	6,614	11,507	11,676	11,338
Genetics	44,285	45,444	52,612	50,357
Cellular and molecular basis of disease	48,751	50,831	59,832	55,075
MARC	4,019	107	2,750	2,000
Burn centers	386	309	1,600	1,200
Other	17,145	18,717	19,419	19,124
Subtotal	161,925	168,329	198,000	187,400
NICHD:				
Aging	15,809	13,855	15,779	14,949
Growth and development	20,484	20,447	24,658	24,142
Mental retardation	19,802	20,093	23,283	22,754
Population	44,646	45,874	51,903	51,006
Perinatal biology and infant mortality	19,895	20,085	24,743	24,481
(Sudden infant death syndrome)	(4,940)	(4,700)	(5,300)	(5,200)
Other	4,623	4,543	4,634	4,634
Subtotal	125,259	124,897	145,000	141,966
NEI:				
Retinal and choroidal diseases	10,066	8,234	11,503	9,983
Corneal disease	5,831	6,039	7,600	6,596
Diabetic retinopathy	4,200	4,300	5,550	4,995
Cataracts	3,060	2,987	3,730	3,445
Glaucoma	4,641	4,496	5,620	5,185
Other	13,250	13,891	15,997	13,929
Subtotal	41,048	39,947	50,000	44,133
NIEHS:				
EHS centers	3,885	5,100	5,270	5,270
Environmental mutagenesis and reproductive toxicology	1,214	2,800	3,635	3,635
Etiology of environmental diseases & disorders	5,331	4,100	5,490	5,490
Environmental pharmacology and toxicology	6,111	4,334	7,232	7,232
Environmental pathogenesis	1,884	1,810	2,580	2,580
Other	9,809	10,540	10,793	10,742
Vinyl chloride	(146)	(182)	(400)	(400)
Asbestos	(547)	(918)	(1,918)	(1,918)
Sulfur oxide	(660)	(830)	(830)	(830)
Red tide	(9)	(32)	(32)	(32)
Subtotal	28,234	28,684	35,000	34,949
RR:				
Clinical research	41,513	42,485	43,570	42,660
Biotechnology research	12,569	11,945	13,286	12,165
Laboratory animal sciences and primate research	18,153	17,468	18,573	18,573
Minority biomedical support	7,048	7,270	7,781	7,270
Other	48,796	3,532	46,790	46,532
Subtotal	128,079	82,700	130,000	127,200
Total	1,759,366	1,781,138	2,138,000	2,037,515

Mr. MAGNUSON. Mr. President, because some Senators would like to be present when we take up this bill in detail, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I yield, without losing my right to the floor, to the Senator from Michigan, who has another important and timely matter which should be brought before the Senate.

SAFE DRINKING WATER ACT

Mr. HART. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 433.

The PRESIDING OFFICER (Mr. DOMENICI) laid before the Senate the amendments of the House of Representatives to the bill (S. 433) to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes, as follows: Strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION. 1. This Act may be cited as the "Safe Drinking Water Act".

PUBLIC WATER SYSTEMS

SEC. 2. (a) The Public Health Service Act is amended by inserting after the title XIII the following new title:

"TITLE XIV—SAFETY OF PUBLIC WATER SYSTEMS

"PART A—DEFINITIONS

"DEFINITIONS

"SEC. 1401. For purposes of this title:

"(1) The term 'primary drinking water regulation' means a regulation which—

"(A) applies to public water systems;

"(B) specifies contaminants which, in the judgment of the Administrator, may have any adverse effect on the health of persons;

"(C) specifies for each such contaminant either—

"(i) a maximum contaminant level, if, in the judgment of the Administrator, it is economically and technologically feasible to ascertain the level of such contaminant in water in public water systems, or

"(ii) if, in the judgment of the Administrator it is not economically or technologically feasible to so ascertain the level of such contaminant, each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412; and

"(D) contains criteria and procedures to assure a supply of drinking water which dependably complies with such maximum contaminant levels; including quality control and testing procedures to insure compliance with such levels and to insure proper operation and maintenance of the system, and requirements as to (i) the minimum quality of water which may be taken into the system and (ii) siting for new facilities for public water systems.

"(2) The term 'secondary drinking water regulation' means a regulation which applies to public water systems and which specifies the maximum contaminant levels which, in the judgment of the Administrator, are requisite to protect the public welfare. Such regulations may apply to any contaminant in drinking water (A) which may adversely affect the odor or appearance of such water and consequently may cause a substantial number of the persons served by the public water system providing such water to discontinue its use, or (B) which may otherwise adversely affect the public welfare. Such regulations may vary according to geographic and other circumstances.

"(3) The term 'maximum contaminant level' means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

"(4) The term 'public water system' means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. Such terms includes (A) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (B) any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system.

"(5) The term 'supplier of water' means any person who owns or operates a public water system.

"(6) The term 'contaminant' means any physical, chemical, biological, or radiological substance or matter in water.

"(7) The term 'Administrator' means the Administrator of Environmental Protection Agency.

"(8) The term 'Agency' means the Environmental Protection Agency.

"(9) The term 'Council' means the National Drinking Water Advisory Council established under section 1446.

"(10) The term 'municipality' means a city, town, or other public body created by or pursuant to State law, or an Indian tribal organization authorized by law.

"(11) The term 'Federal agency' means any department, agency, or instrumentality of the United States.

"(12) The term 'person' means an individual, corporation, company, association, partnership, State, or municipality.

"PART B—PUBLIC WATER SYSTEMS

"COVERAGE

"SEC. 1411. Subject to sections 1415 and 1416, national primary drinking water regulations under this part shall apply to each public water system in each State; except that such regulations shall not apply to a public water system—

"(1) which consists only of distribution and storage facilities (and does not have any collection and treatment facilities);

"(2) which obtains all of its water from, but is not owned or operated by, a public water system to which such regulations apply; and

"(3) which does not sell water to any person.

"NATIONAL DRINKING WATER REGULATIONS

"SEC. 1412. (a) (1) The Administrator shall publish proposed national interim primary drinking water regulations within 90 days after the date of enactment of this title. Within 180 days after such date of enactment, he shall promulgate such regulations with such modifications as he deems appropriate. Regulations under this paragraph may be amended from time to time.

"(2) National interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on the date of enactment of this title.

"(3) The interim primary regulations first promulgated under paragraph (1) shall take effect not later than one year after the date of their promulgation.

"(b) (1) (A) Within 10 days of the date the report on the study conducted pursuant to subsection (e) is submitted to Congress, the Administrator shall publish in the Federal Register, and provide opportunity for comment on, the—

"(i) proposals in the report for recommended maximum contaminant levels for national primary drinking water regulations, and

"(ii) list in the report of contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(B) Within 90 days after the date the Administrator makes the publication required by subparagraph (A), he shall by rule establish recommended maximum contaminant levels for each contaminant which, in his judgment based on the report on the study conducted pursuant to subsection (e), may have any adverse effect on the health of persons. Each such recommended maximum contaminant level shall be set at a level at which, in the Administrator's judgment based on such report, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. In addition, he shall, on the basis of the report on the study conducted pursuant to subsection (e), list in the rules under this subparagraph any contaminant the level of which cannot be accurately enough measured in drinking water to establish a recommended maximum contaminant level and which may have any adverse effect on the health of persons. Based on information available to him, the Administrator may by rule change recommended levels established under this subparagraph or change such list.

"(2) On the date the Administrator establishes pursuant to paragraph (1) (B) recommended maximum contaminant levels he shall publish in the Federal Register proposed revised national primary drinking water regulations (meeting the requirements of paragraph (3)). Within 180 days after the date of such proposed regulations, he shall promulgate such revised drinking water regulations with such modifications as he deems appropriate.

"(3) Revised national primary drinking water regulations promulgated under paragraph (2) of this subsection shall be primary drinking water regulations which specify a maximum contaminant level or require the use of treatment techniques for each contaminant for which a recommended maximum contaminant level is established or which is listed in a rule under paragraph (1) (B). The maximum contaminant level specified in a revised national primary drinking water regulation for a contaminant shall be as close to the recommended maximum contaminant level established under paragraph (1) (B) for such contaminant as is feasible. A required treatment technique for a contaminant for which a recommended maximum contaminant level has been established under paragraph (2) shall reduce such contaminant to a level which is as close to the recommended maximum contaminant level for such contaminant as is feasible. A required treatment technique for a contaminant which is listed under paragraph (1) (B) shall require treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible. For purposes of this paragraph, the term 'feasible' means feasible with the use of technology, treatment techniques, and other means, which the Administrator finds are generally available (taking cost into consideration).

"(4) Revised national primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, and other means permit greater protection of the health of persons, but in any event such regulations shall be reviewed at least once every 5 years.

"(5) Revised national primary drinking water regulations promulgated under this subsection (and amendments thereto) shall take effect not later than 1 year after the date of their promulgation. Regulations under subsection (a) shall be superseded by regulations under this subsection to the extent provided by the regulations under this subsection.

"(c) The Administrator shall publish proposed national secondary drinking water regulations within 270 days after the date of enactment of this title. Within 90 days after publication of any such regulation, he shall promulgate such regulation with such modifications as he deems appropriate. Regulations under this subsection may be amended from time to time.

"(d) Regulations under this section shall be prescribed in accordance with section 553 of title 5, United States Code (relating to rulemaking). In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary and the National Drinking Water Advisory Council.

"(e) (1) The Administrator shall enter into appropriate arrangements with the National Academy of Sciences (or with another independent scientific organization if appropriate arrangements cannot be made with such Academy) to conduct a study to determine (A) the maximum contaminant levels which should be recommended under subsection (b) (2) in order to protect the health of persons from any known or anticipated adverse effects, and (B) the existence of any contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(2) The result of the study shall be reported to Congress no later than 2 years after the date of enactment of this title. The report shall contain (A) a summary and evaluation of relevant publications and unpublished studies; (B) a statement of methodologies and assumptions for estimating the levels at which adverse health effects may occur; (C) a statement of methodologies and assumptions for estimating the margin of safety which should be incorporated in the national primary drinking water regulations; (D) proposals for recommended maximum contaminant levels for national primary drinking water regulations, based on the methodologies, assumptions, and studies referred to in clauses (A), (B), and (C) and in paragraph (4); (E) a list of contaminants the level of which in drinking water cannot be determined but which may have an adverse effect on the health of persons; and (F) recommended studies and test protocols for future research on the health effects of drinking water contaminants, including a list of the major research priorities and estimated costs necessary to conduct such priority research.

"(3) In developing its proposals for recommended maximum contaminant levels under paragraph (2)(D) the National Academy of Sciences (or other organization preparing the report) shall evaluate and explain (separately and in composite) the impact of the following considerations:

"(A) The existence of groups or individuals in the population which are more susceptible to adverse effects than the normal healthy adult.

"(B) The exposure to contaminants in other media than drinking water (including exposures in food, in the ambient air, and in occupational settings) and the resulting body burden of contaminants.

"(C) Synergistic effects resulting from exposure to or interaction by two or more contaminants.

"(D) The contaminant exposure and body burden levels which alter physiological function or structure in a manner reasonably suspected of increasing the risk of illness.

"(4) In making the study under this subsection, the National Academy of Sciences (or other organization) shall collect and correlate (A) morbidity and mortality data and (B) monitored data on the quality of drinking water. Any conclusion based on such correlation shall be included in the report of the study.

"(5) Neither the report of the study under this subsection nor any draft of such report shall be submitted to the Office of Management and Budget or to any other Federal agency (other than the Environmental Protection Agency) prior to its submission to Congress.

"(6) Of the funds authorized to be appropriated to the Administrator by this title, such amounts as may be required shall be available to carry out the study and to make the report direct by paragraph (2) of this subsection.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1413. (a) For purposes of this title, a State has primary enforcement responsibility for public water systems during any period for which the Administrator determines (pursuant to regulations prescribed under subsection (b) that such State—

"(1) has adopted drinking water regulations which (A) in the case of the period beginning on the date the national interim primary drinking water regulations are promulgated under section 1412 and ending on the date such regulations take effect are no less stringent than such regulations, and (B) in the case of the period after such effective date are no less stringent than the interim and revised national primary drinking water regulations in effect under such section;

"(2) has adopted and is implementing adequate procedures for the enforcement of such State regulations, including conducting such monitoring and making such inspections as the Administrator may require by regulation;

"(3) will keep such records and make such reports with respect to its activities under paragraphs (1) and (2) as the Administrator may require by regulation; and

"(4) if it permits variances or exemptions, or both, from the requirements of its drinking water regulations which meet the requirements of paragraph (1), permits such variances and exemptions under conditions and in a manner which is not less stringent than the conditions under, and the manner in which variances and exemptions may be granted under sections 1415 and 1416.

"(b)(1) The Administrator shall, by regulation (proposed within 180 days of the date of the enactment of this title), prescribe the manner in which a State may apply to the Administrator for a determination that the requirements of paragraphs (1), (2), (3), and (4) of subsection (a) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Administrator may determine that such requirements are no longer met. Such regulations shall require that before a determination of the Administrator that such requirements are no longer met with respect to a State may become effective, the Administrator shall notify such State of the determination and the reasons therefor and shall provide an opportunity for public hearing on the determination. Such regulations shall be promulgated (with such modifications as the Administrator deems appropriate) within 90 days of the publication of the proposed regulations in the Federal Register. The Administrator shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this paragraph. Such notice shall contain a copy of the regulations and shall specify a State's authority under this title when it is determined to have primary enforcement responsibility for public water systems.

"(2) When an application is submitted in accordance with the Administrator's regulations under paragraph (1), the Administrator shall within 90 days of the date on which such application is submitted (A) make the determination applied for, or (B) determine that he is unable to make such determination and notify the applicant in writing of the reasons for his inability to make such determination.

"FAILURE BY STATE TO ASSURE ENFORCEMENT OF DRINKING WATER REGULATIONS

"SEC. 1414. (a)(1)(A) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for public water systems (within the meaning of section 1413(a)) that any public water system—

"(i) for which a variance under section 1415 or an exemption under section 1416 is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(ii) for which a variance under section 1415 or an exemption under section 1416 is in effect, does not comply with any schedule, control measure, or other requirement imposed pursuant thereto,

he shall so notify the State and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with such regulation or requirement by the earliest feasible time.

"(B) If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of the notice given pursuant to subparagraph (A), he shall give public notice of such finding and request the State to report within fifteen days from the date of such public notice as to the steps being taken to bring the system into compliance (including reasons for anticipated steps to be taken to bring the system into compliance and for any failure to take steps to bring the system into compliance). If—

"(i) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to subparagraph (A), and

"(ii)(I) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence, or

"(II) the State submits such report within such period but the Administrator, after considering the report, determines that by failing to implement by such sixtieth day adequate procedures to bring the system into compliance by the earliest feasible time the State abused its discretion in carrying out primary enforcement responsibility for public water systems,

the Administrator may commence a civil action under subsection (b).

"(2) Whenever, on the basis of information available to him, the Administrator finds during a period during which a State does not have primary enforcement responsibility for public water systems that a public water system in such State—

"(A) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(B) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is in effect, does not comply with any schedule, control measure, or other requirement imposed pursuant thereto,

he may commence a civil action under subsection (b).

"(b) The Administrator may bring a civil action in the appropriate United States district court to require compliance with a national primary drinking water regulation or with any schedule, control measure, or other requirement imposed pursuant to a variance or exemption granted under section 1415 or 1416 if—

"(1) authorized under paragraph (1) or (2) of subsection (a), or

"(2) if requested by (A) the chief executive officer of the State in which is located the public water system which is not in compliance with such regulation or requirement, or (B) the agency of such State which has jurisdiction over compliance by public water systems in the State with national primary drinking water regulations or State drinking water regulations.

The court may enter such judgment as protection of public health may require, taking into consideration the time necessary to comply and the availability of alternative water supplies.

"(c) Each owner or operator of a public water system shall give notice to the persons served by it—

"(1) of any failure on the part of the public water system to—

"(A) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation, or

"(B) perform monitoring required by section 1445(a), and

"(2) if the public water system is subject to a variance granted under section 1415(a)(1)(A) or 1415(a)(2) for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 1416, of—

"(A) the existence of such variance or exemption, and

"(B) any failure to comply with the requirements of any schedule or control measure prescribed pursuant to the variance or exemption.

The Administrator shall by regulation prescribe the form and manner for giving such notice. Such notice shall be given not less than once every 3 months, shall be given by publication in a newspaper of general circulation serving the area served by each such water system (as determined by the Administrator), and shall be furnished to the other communications media serving such area. If the water bills of a public water system are issued more often than once every 3 months, such notice shall be included in at least one water bill of the system every 3 months, and if a public water system issues its water bills less often than once every 3 months, such notice shall be included in each of the water bills issued by the system. Any person who willfully violates this subsection or regulations thereunder shall be fined not more than $5,000.

"(d) Whenever, on the basis of information available to him, the Administrator finds that within a reasonable time after national secondary drinking water regulations have been promulgated, one or more public water systems in a State do not comply with such secondary regulations, and that such noncompliance appears to result from a failure of such State to take reasonable action to assure that public water systems throughout such State meet such secondary regulations, he shall so notify the State.

"(e) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting drinking water regulations or public water systems but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"(f) If the Administrator makes a finding of noncompliance (described in subparagraph (A) or (B) of subsection (a)(1)) with respect to a public water system in a State which has primary enforcement responsibility, the Administrator may, for the purpose of assisting that State in carrying out such responsibility and upon the petition of such State or public water system or persons served by such system, hold, after appropriate notice, public hearings for the purpose of gathering information from technical or other experts, Federal, State, or other public officials, representatives of such public water system, persons served by such system, and other interested persons on—

"(1) the ways in which such system can within the earliest feasible time be brought into compliance with the regulation or requirement with respect to which such finding was made, and

"(2) the means for the maximum feasible protection of the public health during any period in which such system is not in compliance with a national primary drinking water regulation or requirement applicable to a variance or exemption.

On the basis of such hearings the Administrator shall issue recommendations which shall be sent to such State and public water system and shall be made available to the public and communications media.

"VARIANCES

"Sec. 1415. (a) Notwithstanding any other provision of this part, variances from national primary drinking water regulations may be granted as follows:

"(1) (A) A State which has primary enforcement responsibility for public water systems may grant one or more variances from an applicable national primary drinking water regulation to one or more public water systems within its jurisdiction which, because of characteristics of the raw water sources which are reasonably available to the systems, cannot meet the requirements respecting the maximum contaminant levels of such drinking water regulation despite application of the technology, treatment techniques, or other means, which the Administrator finds are generally available (taking costs into consideration). A variance granted under this subparagraph shall be conditioned on each system to which it applies implementing such control measures as the State finds can be complied with during the period the variance is in effect.

"(B) A State which has primary enforcement responsibility for public water systems may grant to one or more public water systems within its jurisdiction one or more variances from any provision of a national primary drinking water regulation which requires the use of a specified treatment technique with respect to a contaminant if the public water system applying for the variance demonstrates to the satisfaction of the State that such treatment technique is not necessary to protect the health of persons because of the nature of the raw water source of such system. A variance granted under this subparagraph shall be conditioned on such monitoring and other requirements as the Administrator may prescribe.

"(C) Before a variance proposed to be granted by a State under subparagraph (A) or (B) may take effect, such State shall provide notice and opportunity for public hearing on the proposed variance. A notice given pursuant to the preceding sentence may cover the granting of more than one variance and a hearing held pursuant to such notice shall include each of the variances covered by the notice. The State shall promptly notify the Administrator of all variances granted by it. Such notification shall contain the reason for the variance and documentation of the need for the variance.

"(D)(i) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting variances under subparagraph (A) or (B) or that in a substantial number of cases the State has failed to impose reasonable control measures or monitoring or other requirements during the period the variances are in effect, the Administrator shall notify the State of his finding. Such notice shall—

"(I) identify each public water system with respect to which the finding was made,

"(II) specify the reasons for the finding, and

"(III) as appropriate, propose revocations of specific variances or propose revised control measures or monitoring or other requirements for specific public water systems granted variances, or both.

"(ii) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to clause (i) of this subparagraph. After a hearing on a notice pursuant to such clause, the Administrator shall (I) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (II) promulgate (with such modifications as he deems appropriate) such variance revocations and revised variance control measures or other requirements proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to clause (i) of this subparagraph, the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(iii) If a State is notified under clause (i) of this subparagraph of a finding of the Administrator made with respect to a variance granted a public water system within that State or to a control measure or other requirement for a variance and if, before a revocation of such variance or a revision of such control measure or other requirement promulgated by the Administrator takes effect, the State takes corrective action with respect to such variance or control measure or other requirement which the Administrator determines makes his finding inapplicable to such variance or control measure or other requirements, the Administrator shall rescind the application of his finding to that variance or control measure or other requirement. No variance revocation or revised control measure or other requirement may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised control measure or other requirement was proposed.

"(2) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to grant variances in such State as the State would have under paragraph (1) if it had primary enforcement responsibility.

"(3) The Administrator may grant a variance from any treatment technique requirement of a national primary drinking water regulation upon a showing by any person that an alternative treatment technique not included in such requirement is at least as efficient in lowering the level of the contaminant with respect to which such requirement was prescribed. A variance under this paragraph shall be conditioned on the use of the alternative treatment technique which is the basis of the variance.

"(b) Any control measure or other requirement on which a variance granted under this section is conditioned may be enforced under section 1414 as if such control measure was part of a national primary drinking water regulation.

"(c) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401(1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

"EXEMPTIONS

"Sec. 1416. (a) A State which has primary enforcement responsibility may exempt any public water system within the State's jurisdiction from any requirement respecting a maximum contaminant level or any treatment technique requirement, or from both, of an applicable national primary drinking water regulation upon a finding that—

"(1) due to compelling factors (which may include economic factors), the public water system is unable to comply with such contaminant level or treatment technique requirement, and

"(2) the public water system was in operation on the effective date of such contaminant level or treatment technique requirement.

"(b)(1) If a State grants a public water system an exemption under subsection (a), the State shall prescribe, within one year of the date the exemption is granted, a schedule for—

"(A) compliance (including increments of progress) by the public water system with each contaminant level requirement and treatment technique requirement with respect to which the exemption was granted, and

"(B) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement or treatment technique requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subsection may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice.

"(2)(A) A schedule prescribed pursuant to this subsection for a public water system granted an exemption under subsection (a) shall require compliance by the system with each contaminant level and treatment technique requirement with respect to which the exemption was granted as expeditiously as practicable (as the State may reasonably determine) but (except as provided in subparagraph (B))—

"(i) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by the interim national primary drinking water regulations promulgated under section 1412(a), not later than January 1, 1981; and

"(ii) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, not later than seven years after the date such requirement takes effect.

"(B) Notwithstanding clauses (i) and (ii) of subparagraph (A) of this paragraph, the final date for compliance prescribed in a schedule prescribed pursuant to this subsection for an exemption granted for a public water system which (as determined by the State granting the exemption) has entered into an enforceable agreement to become a part of a regional public water system shall—

"(i) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by interim national primary drinking water regulations, be not later than January 1, 1983; and

"(ii) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, be not later than nine years after such requirement takes effect.

"(3) Each public water system's exemption granted by a State under subsection (a) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to this subsection. The requirements of each schedule prescribed by a State pursuant to this subsection shall be enforceable by the State under its laws. Any requirement of a schedule on which an exemption granted under this section is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

"(4) Each schedule prescribed by a State pursuant to this subsection shall be deemed approved by the Administrator unless the exemption for which it was prescribed is revoked by the Administrator under subsection (d)(2) or the schedule is revised by the Administrator under such subsection.

"(c) Each State which grants an exemption under subsection (a) shall promptly notify the Administrator of the granting of such exemption. Such notification shall contain the reasons for the exemption and document the need for the exemption.

"(d)(1) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of exemptions and schedules as he deems necessary to carry out the purposes of this title.

"(2)(A) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting exemptions under subsection (a) or failed to prescribe schedules in accordance with subsection (b), the Administrator shall notify the State of his finding. Such notice shall—

"(i) identify each exempt public water system with respect to which the finding was made,

"(ii) specify the reasons for the finding, and

"(iii) as appropriate, propose revocations of specific exemptions or propose revised schedules for specific exempt public water systems, or both.

"(B) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to subparagraph (A). After a hearing on a notice pursuant to subparagraph (A), the Administrator shall (i) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (ii) promulgate (with such modifications as he deems appropriate) such exemption revocations and revised schedules proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to subparagraph (A), the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(C) If a State is notified under subparagraph (A) of a finding of the Administrator made with respect to an exemption granted a public water system within that State or to a schedule prescribed pursuant to such an exemption and if before a revocation of such exemption or a revision of such schedule promulgated by the Administrator takes effect the State takes corrective action with respect to such exemption or schedule which the Administrator determines makes his finding inapplicable to such exemption or schedule, the Administrator shall rescind the application of his finding to that exemption or schedule. No exemption revocation or revised schedule may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule was proposed.

"(e) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401(1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

"(f) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to exempt public water systems in such State from maximum contaminant level requirements and treatment technique requirements under the same conditions and in the same manner as the State would be authorized to grant exemptions under this section if it had primary enforcement responsibility.

"PART C—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

"REGULATIONS FOR STATE PROGRAMS

"SEC. 1421. (a)(1) The Administrator shall publish proposed regulations for State underground injection control programs within 180 days after the date of enactment of this title. Within 180 days after publication of such proposed regulations, he shall promulgate such regulations with such modifications as he deems appropriate. Any regulation under this subsection may be amended from time to time.

"(2) Any regulation under this section shall be proposed and promulgated in accordance with section 553 of title 5, United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary, the National Drinking Water Advisory Council, and other appropriate Federal entities and with interested State entities.

"(b)(1) Regulations under subsection (a) for State underground injection programs shall contain minimum requirements for effective programs to prevent underground injection which endangers drinking water sources within the meaning of subsection (d)(2). Such regulations shall require that a State program, in order to be approved under section 1422—

"(A) shall prohibit, effective three years after the date of the enactment of this title, any underground injection in such State which is not authorized by a permit issued by the State (except that the regulations may permit a State to authorize underground injection by rule);

"(B) shall require (i) in the case of a program which provides for authorization of underground injection by permit, that the applicant for the permit to inject must satisfy the State that the underground injection will not endanger drinking water sources, and (ii) in the case of a program which provides for such an authorization by rule, that no rule may be promulgated which authorizes any underground injection which endangers underground water sources;

"(C) shall include inspection, monitoring, record-keeping, and reporting requirements; and

"(D) shall apply (i) as prescribed by section 1447 (b), to underground injections by Federal agencies, and (ii) to underground injections by any other person whether or not occurring on property owned or leased by the United States.

"(2) Regulations of the Administrator under this section for State underground injection control programs may not prescribe requirements which interfere with or impede—

"(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(B) any underground injection for the secondary or tertiary recovery of oil or natural gas, unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection.

"(c)(1) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)) temporary permits for underground injection which may be effective until the expiration of four years after the date of enactment of this title, if—

"(A) the Administrator finds that the State has demonstrated that it is unable and could not reasonably have been able to process all permit applications within the time available;

"(B) the Administrator determines the adverse effect on the environment of such temporary permits is not unwarranted;

"(C) such temporary permits will be issued only with respect to injection wells in operation on the date on which such State's permit program approved under this part first takes effect and for which there was inadequate time to process its permit application; and

"(D) the Administrator determines the temporary permits require the use of adequate safeguards established by rules adopted by him.

"(2) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i), but after reasonable notice and public hearing, one or more temporary permits each of which is applicable to a particular injection well and to the underground injection of a particular fluid and which may be effective until the expiration of four years after the date of enactment of this title, if the State has found, on the record of such hearing—

"(A) that technology (or other means) to permit safe injection of the fluid in accordance with the applicable underground injection control program is not generally available (taking costs into consideration);

"(B) that injection of the fluid would be less harmful to health than the use of other available means of disposing of waste or producing the desired product; and

"(C) that available technology or other means have been employed (and will be employed) to reduce the volume and toxicity of the fluid and to minimize the potentially adverse effect of the injection on the public health.

"(d) For purposes of this part:

"(1) The term 'underground injection' means the subsurface emplacement of fluids by well injection.

"(2) Underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1422. (a) Within 180 days after the date of enactment of this title, the Administrator shall list in the Federal Register each State for which in his judgment a State underground injection control program may be necessary to assure that underground injection will not endanger drinking water sources. Such list may be amended from time to time.

"(b)(1)(A) Each State listed under subsection (a) shall within 270 days after the date of promulgation of any regulation under section 1421 (or, if later, within 270 days after such State is first listed under subsection (a)) submit to the Administrator an application which contains a showing satisfactory to the Administrator that the State—

"(i) has adopted after reasonable notice and public hearings, and will implement, an underground injection control program which meets the requirements of regulations in effect under section 1421; and

"(ii) will keep such records and make such reports with respect to its activities under its underground injection control program as the Administrator may require by regulation.

"(B) Within 270 days of any amendment of a regulation under section 1421 revising or adding any requirement respecting State underground injection control programs, each State listed under subsection (a) shall submit (in such form and manner as the Administrator may require) a notice to the Administrator containing a showing satisfactory to him that the State underground injection control program meets the revised or added requirement.

"(2) Within ninety days after the State's application under paragraph (1)(A) or notice under paragraph (1)(B) and after reasonable opportunity for presentation of views, the Administrator shall by rule either approve, disapprove, or approve in part and disapprove in part, the State's underground injection control program.

"(3) If the Administrator approves the State's program under paragraph (2), the State shall have primary enforcement responsibility for underground water sources until such time as the Administrator determines, by rule, that such State no longer meets the requirements of clause (i) or (ii) of paragraph (1)(A) of this subsection.

"(4) Before promulgating any rule under paragraph (2) or (3) of this subsection, the Administrator shall provide opportunity for public hearing respecting such rule.

"(c) If the Administrator disapproves a State's program (or part thereof) under subsection (b)(2), if the Administrator determines under subsection (b)(3) that a State no longer meets the requirements of clause (i) or (ii) of subsection (b)(1)(A), or if a State fails to submit an application or notice before the date of expiration of the period specified in subsection (b)(1), the Administrator shall by regulation within 90 days after the date of such disapproval, determination, or expiration (as the case may be) prescribe (and may from time to time by regulation revise) a program applicable to such State meeting the requirements of section 1421(b). Such program may not include requirements which interfere with or impede—

"(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(2) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection. Such program shall apply in such State to the extent that a program adopted by such State which the Administrator determines meets such requirements is not in effect. Before promulgating any regulation under this section, the Administrator shall provide opportunity for public hearing respecting such regulation.

"(d) For purposes of this title, the term 'applicable underground injection control program' with respect to a State means the program (or most recent amendment thereof) (1) which has been adopted by the State and which has been approved under subsection (b), or (2) which has been prescribed by the Administrator under subsection (c).

"FAILURE OF STATE TO ASSURE ENFORCEMENT OF PROGRAM

"SEC. 1423. (a)(1) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3)) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement, he shall so notify the State and the person violating such requirement. If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of such notice, he shall give public notice of such finding and request the State to report within 15 days after the date of such public notice as to the steps being taken to bring such person into compliance with such requirement (including reasons for anticipated steps to be taken to bring such person into compliance with such requirement and for any failure to take steps to bring such person into compliance with such requirement). If—

"(A) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to the first sentence of this paragraph, and

"(B)(i) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence, or

"(ii) the State submits such report within such period but the Administrator, after considering the report, determines that by failing to take necessary steps to bring such person into compliance by such sixtieth day the State abused its discretion in carrying out primary enforcement responsibility for underground water sources,

the Administrator may commence a civil action under subsection (b)(1).

"(2) Whenever the Administrator finds during a period during which a State does not have primary enforcement responsibility for underground water sources that any person subject to any requirement of any applicable underground injection control program in such State is violating such requirement, he may commence a civil action under subsection (b)(1).

"(b)(1) When authorized by subsection (a), the Administrator may bring a civil action under this paragraph in the appropriate United States district court to require compliance with any requirement of an applicable underground injection control program. The court may enter such judgment as protection of public health may require, including, in the case of an action brought against a person who violates an applicable requirement of an underground injection control program and who is located in a State which has primary enforcement responsibility for underground water sources, the imposition of a civil penalty of not to exceed $5,000 for each day such person violates such requirement after the expiration of 60 days after receiving notice under subsection (a)(1).

"(2) Any person who violates any requirement of an applicable underground injection control program to which he is subject during any period for which the State does not have primary enforcement responsibility for underground water sources, shall be subject to a civil penalty of not more than $5,000 per day. In addition, if such violation or failure to comply is willful, such person shall be punished by a fine of not more than $5,000 per day.

"(c) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting underground injection but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"INTERIM REGULATION OF UNDERGROUND INJECTIONS

"SEC. 1424. (a)(1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and ending on the date on which the applicable underground injection control program covering such area takes effect unless a permit for the operation of such well has been issued by the Administrator under subsection (b). The Administrator may so designate an area within a State if he finds that the area has one aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health.

"(2) Upon receipt of a petition under paragraph (1) of this subsection, the Administrator shall publish it in the Federal Register and shall provide an opportunity to interested persons to submit written data, views, or arguments thereon. Not later than the 30th day following the date of the publication of a petition under this paragraph in the Federal Register, the Administrator shall either make the designation for which the petition is submitted or deny the petition.

"(b)(1) During the period beginning on the date an area is designated under subsection (a) and ending on the date the applicable underground injection control program covering such area takes effect, no new underground injection well may be operated in such area unless the Administrator has issued a permit for such operation.

"(2) Any person may petition the Administrator for the issuance of a permit for the operation of such a well in such an area. A petition submitted under this paragraph shall be submited in such manner and contain such information as the Administrator may require by regulation. Upon receipt of such a petition, the Administrator shall publish it in the Federal Register. The Administrator shall give notice of any proceeding on a petition and shall provide opportunity for agency hearing. The Administrator shall act upon such petition on the record of any hearing held pursuant to the preceding sentence respecting such petition. Within 120 days of the publication in the Federal Register of a petition submitted under this paragraph, the Administrator shall either issue the permit for which the petition was submitted or shall deny its issuance.

"(3) The Administrator may issue a permit for the operation of a new underground injection well in an area designated under subsection (a) only if he finds that the operation of such well will not cause contamination of the aquifer of such area so as to create a significant hazard to public health. The Administrator may condition the issuance of such a permit upon the use of such control measures in connection with the operation of such well, for which the permit is to be issued, as he deems necessary to assure that the operation of the well will not contaminate the aquifer of the designated area in which the well is located so as to create a significant hazard to public health.

"(c) Any person who operates a new underground injection well in violation of subsection (b) shall be subject to a civil penalty of not more than $5,000 for each day in which such violation occurs. In addition, if such violation is willful, such person shall be punished by a fine of not more than $5,000 for each day in which such violation occurs. If the Administrator has reason to believe that any person is violating or will violate subsection (b), he may petition the United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce such subsection.

"(d) For purposes of this section, the term 'new underground injection well' means an underground injection well whose operation was not approved by appropriate State and Federal agencies before the date of enactment of this title.

"(e) If the Administrator determines, on his own initiative or upon petition, that an area has an aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health, he shall publish notice of that determination in the Federal Register. After the publication of any such notice, no commitment for Federal financial assistance (through a grant, contract, loan guarantee, or otherwise) may be entered into for any project which the Administrator determines may contaminate such aquifer through a recharge zone.

"PART D—EMERGENCY POWERS

"EMERGENCY POWERS

"SEC. 1431. (a) Notwithstanding any other provision of this title, the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system may present an imminent and substantial endangerment to the health of persons, and that appropriate State and local authorities have not acted to protect the health of such persons, may take such actions as he may deem necessary in order to protect the health of such persons. To the extent he determines it to be practicable in light of such imminent endangerment, he shall consult with the State and local authorities in order to confirm the correctness of the information on which action proposed to be taken under this subsection is based and to ascertain the action which such authorities are or will be taking. Such action may include (but shall not be limited to) (1) issuing such orders as may be necessary to protect the health of persons who are or may be users of such system (including travelers), and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction.

"(b) Any person who willfully violates or fails or refuses to comply with any order issued by the Administrator under subsection (a)(1) shall be punished by a fine of not more than $5,000 per day of violation.

"PART E—GENERAL PROVISIONS

"ASSURANCE OF AVAILABILITY OF ADEQUATE SUPPLIES OF CHEMICALS NECESSARY FOR TREATMENT OF WATER

"SEC. 1441. (a) If any person who uses chlorine, activated carbon, lime, ammonia, soda ash, potassium permanganate, caustic soda, or other chemical or substance for the purpose of treating water in any public water system or in any public treatment works determines that the amount of such chemical or substance necessary to effectively treat such water is not reasonably available to him or will not be so available to him when required for the effective treatment of such water, such person may apply to the Administrator for a certification (hereinafter in this section referred to as a 'certification of need') that the amount of such chemical or substance which such person requires to effectively treat such water is not reasonably available to him or will not be so available when required for the effective treatment of such water.

"(b)(1) An application for a certification of need shall be in such form and submitted in such manner as the Administrator may require and shall (A) specify the persons the applicant determines are able to provide the chemical or substance with respect to which the application is submitted, (B) specify the persons from whom the applicant has sought such chemical or substance, and (C) contain such other information as the Administrator may require.

"(2) Upon receipt of an application under this section, the Administrator shall (A) publish in the Federal Register a notice of the receipt of the application and a brief summary of it, (B) notify in writing each person whom the President or his delegate (after consultation with the Administrator) determines could be made subject to an order required to be issued upon the issuance of the certification of need applied for in such application, and (C) provide an opportunity for the submission of written comments on such application. The requirements of the preceding sentence of this paragraph shall not apply when the Administrator for good cause finds (and incorporates the finding with a brief statement of reasons therefor in the order issued) that waiver of such requirements is necessary in order to protect the public health.

"(3) Within 30 days after—

"(A) the date a notice is published under paragraph (2) in the Federal Register with respect to an application submitted under this section for the issuance of a certification of need, or

"(B) the date on which such application is received if as authorized by the second sentence of such paragraph no notice is published with respect to such application,

the Administrator shall take action either to issue or deny the issuance of a certification of need.

"(c)(1) If the Administrator finds that the amount of a chemical or substance necessary for an applicant under an application submitted under this section to effectively treat water in a public water system or in a public treatment works is not reasonably available to the applicant or will not be so available to him when required for the effective treatment of such water, the Administrator shall issue a certification of need. Not later than seven days following the issuance of such certification, the President or his delegate shall issue an order requiring the provision to such person of such amounts of such chemical or substance as the Administrator deems necessary in the certification of need issued for such person. Such order shall apply to such manufacturers, producers, processors, distributors, and repackagers of such chemical or substance as the President or his delegate deems necessary and appropriate, except that such order may not apply to any manufacturer, producer, or processor of such chemical or substance who manufactures, produces, or processes (as the case may be) such chemical or substance solely for its own use. Persons subject to an order issued under this section shall be given a reasonable opportunity to consult with the President or his delegate with respect to the implementation of the order.

"(2) Orders which are to be issued under paragraph (1) to manufacturers, producers, and processors of a chemical or substance shall be equitably apportioned, as far as practicable, among all manufacturers, producers, and processors of such chemical or substance; and orders which are to be issued under paragraph (1) to distributors and repackagers of a chemical or substance shall be equitably apportioned, as far as practicable, among all distributors and repackagers of such chemical or substance. In apportioning orders issued under paragraph (1) to manufacturers, producers, processors, distributors, and repackagers of chlorine, the President or his delegate shall, in carrying out the requirements of the preceding sentence, consider—

"(A) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

"(B) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

"(C) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

"(3) Subject to subsection (f), any person for whom a certification of need has been issued under this subsection may upon the expiration of the order issued under paragraph (1) upon such certification apply under this section for additional certifications.

"(d) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange a chemical or substance subject to an order issued pursuant to subsection (c)(1), that such delay or failure was caused solely by compliance with such order.

"(e)(1) Whoever knowingly fails to comply with any order issued pursuant to subsection (c)(1) shall be fined not more than $5,000 for each such failure to comply.

"(2) Whoever fails to comply with any order issued pursuant to subsection (c)(1) shall be subject to a civil penalty of not more than $2,500 for each such failure to comply.

"(3) Whenever the Administrator or the President or his delegate has reason to believe that any person is violating or will violate any order issued pursuant to subsection (c)(1), he may petition a United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce the provision of such order.

"(f) No certification of need or order issued under this section may remain in effect—

"(1) for more than one year, or

"(2) after June 30, 1977,

whichever occurs first.

"RESEARCH, TECHNICAL ASSISTANCE, INFORMATION TRAINING OF PERSONNEL

"SEC. 1442. (a)(1) The Administrator may conduct research, studies, and demonstrations relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and other impairments of man resulting directly or indirectly from contaminants in water, or to the provision of a dependably safe supply of drinking water, including—

"(A) improved methods (i) to identify and measure the existence of contaminants in drinking water (including methods which may be used by State and local health and water officials), and (ii) to identify the source of such contaminants;

"(B) improved methods to identify and measure the health effects of contaminants in drinking water;

"(C) new methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove contaminants from water;

"(D) improved methods for providing a dependably safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing the health related hazards of drinking water; and

"(E) improved methods of protecting underground water sources of public water systems from contamination.

"(2) The Administrator shall, to the maximum extent feasible, provide technical assistance to the States and municipalities in the establishment and administration of public water system supervision programs (as defined in section 1443(c)(1)).

"(3) The Administrator shall conduct studies, and make periodic reports to Congress, on the costs of carrying out regulations prescribed under section 1412.

"(4) The Administrator shall conduct a survey and study of—

"(A) disposal of waste (including residential waste) which may endanger underground water which supplies, or can reasonably be expected to supply, any public water systems, and

"(B) means of control of such water disposal. Not later than one year after the date of enactment of this title, he shall transmit to the Congress the results of such survey and study, together with such recommendations as he deems appropriate.

"(5) The Administrator shall carry out a study of methods of underground injection which do not result in the degradation of underground drinking water sources.

"(6) The Administrator shall carry out a study of methods of preventing, detecting, and dealing with surface spills of contaminants which may degrade underground water sources for public water systems.

"(7) The Administrator shall carry out a study of virus contamination of drinking water sources and means of control of such contamination.

"(8) The Administrator shall carry out a study of the nature and extent of the impact on underground water which supplies or can reasonably be expected to supply public water systems of (A) abandoned injection or extraction wells; (B) intensive application of pesticides and fertilizers in underground water recharge areas; and (C) ponds, pools, lagoons, pits, or other surface disposal of contaminants in underground water recharge areas.

"(9) The Administrator shall conduct a comprehensive study of public water supplies and drinking water sources to determine the nature, extent, sources of and means of control of contamination by chemicals or other substances suspected of being carcinogenic. Not later than six months after the date of enactment of this title, he shall transmit to the Congress the initial results of such study, together with such recommendations for further review and corrective action as he deems appropriate.

"(b) In carrying out this title, the Administrator is authorized to—

"(1) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water together with appropriate recommendations in connection therewith;

"(2) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to the purposes of this title;

"(3) make grants to, and enter into contracts with, any public agency, educational institution, and any other organization, in accordance with procedures prescribed by the Administrator, under which he may pay all or a part of the costs (as may be determined by the Administrator) of any project or activity which is designed—

"(A) to develop, expand, or carry out a program (which may combine training education and employment) for training persons for occupations involving the public health aspects of providing safe drinking water;

"(B) to train inspectors and supervisory personnel to train or supervise persons in occupations involving the public health aspects of providing safe drinking water; or

"(C) to develop and expand the capability of programs of States and municipalities to carry out the purposes of this title (other than by carrying out State programs of public water system supervision or underground water source protection (as defined in section 1443(d))).

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1975; $25,000,000 for the fiscal year ending June 3, 1976; and $35,000,000 for the fiscal year ending June 3, 1977.

"GRANTS FOR STATE PROGRAMS

"SEC. 1443. (a)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out public water system supervision programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within one year from the date of such grant a public water system supervision program, and

"(B) will, within that one year, assume primary enforcement responsibility for public water systems within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than one year after the date of the State's first grant unless the State has assumed primary enforcement responsibility for public water systems within the State.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, a public water system supervision program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, number of public water systems, and other relevant factors. To the extent the applicable appropriation permits, the allotment of a State for any fiscal year shall not be less than $50,000.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for the fiscal year ending June 3, 1977.

"(b)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out underground water source protection programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within two years from the date of such grant an underground water source protection, and

"(B) will, within such two years, assume primary enforcement responsibility for underground water sources within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than two years after the date of the State's first grant unless the State has assumed primary enforcement responsibility for underground water sources within the State.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, an underground water source protection program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the State on the basis of population, geographical area, and other relevant factors.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, and $7,500,000 for the fiscal year ending June 30, 1977.

"(c) For purposes of this section:

"(1) The term 'public water system supervision program' means a program for the adoption and enforcement of drinking water regulations (with such variances and exemptions from such regulations under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416) which are no less stringent than the national primary drinking water regulations under section 1412, and for keeping records and making reports required by section 1413(a)(3).

"(2) The term 'underground water source protection program' means a program for the adoption and enforcement of a program which meets the requirements of regulations under section 1421 and for keeping records and making reports required by section 1422(b)(1)(A)(ii).

"SPECIAL STUDY AND DEMONSTRATION PROJECT GRANTS; GUARANTEED LOANS

"SEC. 1444. (a) The Administrator may make grants to any person for the purposes of—

"(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology for providing a dependably safe supply of drinking water to the public; and

"(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health implications involved in the reclamation, recycling, and reuse of waste waters for drinking and the processes and methods for the preparation of safe and acceptable drinking water.

"(b) Grants made by the Administrator under this section shall be subject to the following limitations:

"(1) Grants under this section shall not exceed 66⅔ per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

"(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

"(3) Grants under this section shall not be made for any project unless the Administrator determines, after consulting the National Drinking Water Advisory Council, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

"(4) Priority for grants under this section shall be given where there are known or potential public health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology.

"(c) For the purposes of making grants under subsections (a) and (b) of this section there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1975; and $7,500,000 for the fiscal year ending June 30, 1976; and $10,000,000 for the fiscal year ending June 30, 1977.

"(d) The Administrator during the fiscal years ending June 30, 1975, and June 30, 1976, shall carry out a program of guaranteeing loans made by private lenders to small public water systems for the purpose of enabling such systems to meet national primary drinking water regulations (including interim regulations) prescribed under section 1412. No such guarantee may be made with respect to a system unless (1) such system cannot obtain financial assistance necessary to comply with such regulations from any other source, and (2) the Administrator determines that any facilities constructed with a loan guaranteed under this subsection is not likely to be made obsolete by subsequent changes in primary regulations. The aggregate amount of indebtedness guaranteed with respect to any system may not exceed $50,000. The aggregate amount of indebtedness guaranteed under this subsection may not exceed $50,000,000. The Administrator shall prescribe regulations to carry out this subsection.

"RECORDS AND INSPECTIONS

"SEC. 1445. (a) Every person who is a supplier of water, who is or may be otherwise subject to a primary drinking water regulation prescribed under section 1412 or to an applicable underground injection control program (as defined in section 1422(c)), who is or may be subject to the permit requirement of section 1424 or to an order issued under section 1441, or who is a grantee, shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Administrator may reasonably require by regulation to assist him in establishing regulations under this title, in determining whether such person has acted or is acting in compliance with this title, or in administering any program of financial assistance under this title.

"(b)(1) Except as provided in paragraph (2), the Administrator, or representatives of the Administrator duly designated by him, upon presenting appropriate credentials and a written notice to any supplier of water or other person subject to a primary drinking water regulation prescribed under section 1412 or applicable underground injection control program (or person in charge of any of the property of such supplier or other person), is authorized to enter any establishment or facility or other property of such supplier or other person in order to determine whether such supplier or other person has acted or is acting in compliance with this title, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, or in order to test any feature of a public water system, including its raw water source. The Administrator or the Comptroller General (or any representative designated by either) shall have access for the purpose of audit and examination to any records, reports, or information of a grantee which are required to be maintained under subsection (a) or which are pertinent to any financial assistance under this title.

"(2) No entry may be made under the first sentence of paragraph (1) in any State which has primary enforcement responsibility for public water systems unless, before written notice of such entry is made, the Administrator (or his representative) notifies the State agency charged with responsibility for safe drinking water of the reasons for such entry. The Administrator shall, upon a showing by the State agency that such an entry will be detrimental to the administration of the State's program of primary enforcement responsibility, take such showing into consideration in determining whether to make such entry.

"(c) Whoever fails or refuses to comply with any requirement of subsection (a) or to allow the Administrator, the Comptroller General, or representatives of either, to enter and conduct any audit or inspection authorized by subsection (b) shall be fined not more than $5,000.

"(d)(1) Subject to paragraph (2), upon a showing satisfactory to the Administrator by any person that any information required under this section from such person, if made public, would divulge trade secrets or secret processes of such person, the Administrator shall consider such information confidential in accordance with the purposes of section 1905 of title 18 of the United States Code. If the applicant fails to make a showing satisfactory to the Administrator, the Administrator shall give such applicant thirty days' notice before releasing the information to which the application relates (unless the public health or safety requires an earlier release of such information).

"(2) Any information required under this section may be disclosed (1) to other officers, employees, or authorized representatives of the United States concerned with carrying out this title, (2) when relevant in any proceeding under this title, or (3) to the extent it deals with the level of contaminants in drinking water. For purposes of this subsection the term 'information required under this section' means any papers, books, documents, or information, or any particular part thereof, reported to or otherwise obtained by the Administrator under this section.

"(e) For purposes of this section, (1) the term 'grantee' means any person who applies for or receives financial assistance, by grant, contract, or loan guarantee under this title, and (2) the term 'person' includes a Federal agency.

"NATIONAL DRINKING WATER ADVISORY COUNCIL

"SEC. 1446. (a)(1) There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply. Each member of the Council shall hold office for a term of three years, except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(2) the terms of the members first taking office shall expire as follows: Five shall expire three years after the date of enactment of this title, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment. The members of the Council shall be eligible for reappointment.

"(b) The Council shall advise, consult with, and make recommendations to, the Administrator on matters relating to activities, functions, and policies of the Agency under this title.

"(c) Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(d) Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.

"FEDERAL AGENCIES

"SEC. 1447. (a) Each Federal agency having jurisdiction over any federally owned or maintained public water system shall comply with all national primary drinking water regulations in effect under section 1412.

"(b)(1) Each Federal agency shall comply with any applicable underground injection control program, and shall keep such records and submit such reports as may be required under such program.

"(2) The Administrator shall waive compliance with paragraph (1) of this subsection upon request of the Secretary of Defense and upon a determination by the President that the requested waiver is necessary in the interest of national security. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this title. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national security purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national security, in which event the Administrator shall submit notice to the Armed Services Committee of the Senate and House of Representatives.

"GENERAL PROVISIONS

"SEC. 1448. (a)(1) The Administrator is authorized to prescribe such regulations as are necessary or appropriate to carry out his functions under this title.

"(2) The Administrator may delegate any of his functions under this title (other than prescribing regulations) to any officer or employee of the Agency.

"(b) The Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this title.

"(c) Upon the request of a State or interstate agency, the Administrator may assign personnel of the Agency to such State or interstate agency for the purposes of carrying out the provisions of this title.

"(d)(1) The Administrator may make payments of grants under this title (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as he may determine.

"(2) Financial assistance may be made available in the form of grants only to individuals and nonprofit agencies or institutions. For purposes of this paragraph, the term 'nonprofit agency or institution' means an agency or institution no part of the net earnings of which inure, or may lawfully inure, to the benefit of any private shareholder or individual.

"(e) The Administrator shall take such action as may be necessary to assure compliance with provisions of the Act of March 3, 1931 (known as the Davis-Bacon Act; 40 U.S.C. 276a–276a(5)). The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and function set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(f) The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this title to which the Administrator is a party. Unless, within a reasonable time, the Attorney General notifies the Administrator that he will appear in such action, attorneys appointed by the Administrator shall appear and represent him.

"(g) The provisions of this title shall not be construed as affecting any authority of the Administrator under part G of title III of this Act.

"(h) Not later than April 1 of each year, the Administrator shall submit to the Congress a report respecting the activities of the Agency under this title and containing such recommendations for legislation as he considers necessary. The report of the Administrator under this subsection which is due not later than April 1, 1975, and each subsequent report of the Administrator under this subsection shall include a statement on the actual and anticipated cost to public water systems in each State of compliance with the requirements of this title. The Office of Management and Budget may review any report required by this subsection before its submission to Congress, but the Office may not revise any such report, require any revision in any such report, or delay its submission beyond the day prescribed for its submission, and may submit to Congress its comments respecting any such report.

"(i)(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

"(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of drinking water regulations or underground injection control programs of a State,

"(B) testified or is about to testify in any such proceeding, or

"(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this title.

"(2)(A) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

"(B)(i) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(ii) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (III) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (III) compensatory damages, and (IV) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(3)(A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

"(B) An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

"(4) Whenever a person has failed to comply with an order issued under paragraph (2)(B), the Secretary shall file a civil action in the United States District Court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this paragraph shall be heard and decided expeditiously.

"(5) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28 of the United States Code.

"(6) Paragraph (1) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this title."

(b) Section 2(f) of the Public Health Service Act is amended by inserting "(1)" after "except that" and by inserting before the semicolon at the end thereof the following: ", and (2) as used in title XIV such term includes Guam, American Samoa, and the Trust Territory of the Pacific islands".

RURAL WATER SURVEY

SEC. 3. (a) The Administrator of the Environmental Protection Agency shall (after consultation with the Secretary of Agriculture and the several States) enter into arrangements with public or private entities as may be appropriate to conduct a survey of the quantity, quality, and availability of rural drinking water supplies. Such survey shall include, but not be limited to, the consideration of the number of residents in each rural area—

(1) presently being inadequately served by a public or private drinking water supply system, or by an individual home drinking water supply system;

(2) presently having limited or otherwise inadequate access to drinking water;

(3) who, due to the absence or inadequacy of a drinking water supply system, are exposed to an increased health hazard; and

(4) who have experienced incidents of chronic or acute illness, which may be attributed to the absence or inadequacy of a drinking water supply system.

(b) Such survey shall be completed within eighteen months of the date of enactment of this Act and a final report thereon submitted, not later than six months after the completion of such survey, to the President for transmittal to the Congress. Such a report shall include recommendations for improving rural water supplies.

(c) There are authorized to be appropriated to carry out the provisions of this section $1,000,000 for the fiscal year ending June 30, 1975; $2,000,000 for the fiscal year ending June 30, 1976; and $1,000,000 for the fiscal year ending June 30, 1977.

BOTTLED DRINKING WATER

SEC. 4. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 409 the following new section:

"BOTTLED DRINKING WATER STANDARDS

"SEC. 410. Whenever the Administrator of the Environmental Protection Agency prescribes interim or revised national primary drinking water regulations under section 1412 of the Public Health Service Act, the Secretary shall consult with the Administrator and within 180 days after the promulgation of such drinking water regulations either promulgate amendments to regulations under this chapter applicable to bottled drinking water or publish in the Federal Register his reasons for not making such amendments.".

Amend the title so as to read: "An Act to amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes."

Mr. HART. Mr. President, the Safe Drinking Water Act has been before Congress for some 4 years. There has been an intense effort to resolve the items in disagreement. One that was of particular concern to the Senator from New Hampshire, the ranking member of the Committee on Commerce, and the Senator from Alaska (Mr. STEVENS) was the inclusion by the Senate of a requirement that not less than 1 percent of the program grant money be available to each State. That, Mr. President, has been and is included in the amendment which I shall offer.

Mr. President, I move that the Senate concur in the amendments of the House with an amendment.

The PRESIDING OFFICER. The clerk will report.

The second assistant legislative clerk read as follows:

In lieu of the matter proposed to be inserted by the amendment of the House of Representatives to the text of the bill insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Safe Drinking Water Act".

PUBLIC WATER SYSTEMS

SEC. 2. (a) The Public Health Service Act is amended by inserting after title XIII the following new title:

"TITLE XIV—SAFETY OF PUBLIC WATER SYSTEMS

"PART A—DEFINITIONS

"DEFINITIONS

"SEC. 1401. For purposes of this title:

"(1) The term 'primary drinking water regulation' means a regulation which—

"(A) applies to public water systems;

"(B) specifies contaminants which, in the judgment of the Administrator, may have any adverse effect on the health of persons;

"(C) specifies for each such contaminant either—

"(i) a maximum contaminant level, if, in the judgment of the Administrator, it is economically and technologically feasible to ascertain the level of such contaminant in water in public water systems, or

"(ii) if, in the judgment of the Administrator, it is not economically or technologically feasible to so ascertain the level of such contaminant, each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412; and

"(D) contains criteria and procedures to assure a supply of drinking water which dependably complies with such maximum contaminant levels; including quality control and testing procedures to insure compliance with such levels and to insure proper operation and maintenance of the system, and requirements as to (i) the minimum quality of water which may be taken into the system and (ii) siting for new facilities for public water systems.

"(2) The term 'secondary drinking water regulation' means a regulation which applies to public water systems and which specifies the maximum contaminant levels which, in the judgment of the Administrator, are requisite to protect the public welfare. Such regulations may apply to any contaminant in drinking water (A) which may adversely affect the odor or appearance of such water and consequently may cause a substantial number of the persons served by the public water system providing such water to discontinue its use, or (B) which may otherwise adversely affect the public welfare. Such regulations may vary according to geographic and other circumstances.

"(3) The term 'maximum contaminant level means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

"(4) The term 'public water system' means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. Such term includes (A) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (B) any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system.

"(5) The term 'supplier of water' means any person who owns or operates a public water system.

"(6) The term 'contaminant' means any physical, chemical, biological, or radiological substance or matter in water.

"(7) The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(8) The term 'Agency' means the Environmental Protection Agency.

"(9) The term 'Council' means the National Drinking Water Advisory Council established under section 1446.

"(10) The term 'municipality' means a city, town, or other public body created by or pursuant to State law, or an Indian tribal organization authorized by law.

"(11) The term 'Federal agency' means any department, agency, or instrumentality of the United States.

"(12) The term 'person' means an individual, corporation, company, association, partnership, State, or municipality.

"PART B—PUBLIC WATER SYSTEMS

"COVERAGE

"SEC. 1411. Subject to sections 1415 and 1416, national primary drinking water regulations under this part shall apply to each public water system in each State; except that such regulations shall not apply to a public water system—

"(1) which consists only of distribution and storage facilities (and does not have any collection and treatment facilities);

"(2) which obtains all of its water from, but is not owned or operated by, a public water system to which such regulations apply;

"(3) which does not sell water to any person; and

"(4) which is not a carrier which conveys passengers in interstate commerce.

"NATIONAL DRINKING WATER REGULATIONS

"SEC. 1412. (a) (1) The Administrator shall publish proposed national interim primary drinking water regulations within 90 days after the date of enactment of this title. Within 180 days after such date of enactment, he shall promulgate such regulations with such modifications as he deems appropriate. Regulations under this paragraph may be amended from time to time.

"(2) National interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on the date of enactment of this title.

"(3) The interim primary regulations first promulgated under paragraph (1) shall take effect eighteen months after the date of their promulgation.

"(b) (1) (A) Within 10 days of the date the report on the study conducted pursuant to subsection (e) is submitted to Congress, the Administrator shall publish in the Federal Register, and provide opportunity for comment on, the—

"(i) proposals in the report for recommended maximum contaminant levels for national primary drinking water regulations, and

"(ii) list in the report of contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(B) Within 90 days after the date the Administrator makes the publication required by subparagraph (A), he shall by rule establish recommended maximum contaminant levels for each contaminant which, in his judgment based on the report on the study conducted pursuant to subsection (e), may have any adverse effect on the health of persons. Each such recommended maximum contaminant level shall be set at a level at which, in the Administrator's judgment based on such report, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. In addition, he shall, on the basis of the report on the study conducted pursuant to subsection (e), list in the rules under this subparagraph any contaminant the level of which cannot be accurately enough measured in drinking water to establish a recommended maximum contaminant level and which may have any adverse effect on the health of persons. Based on information available to him, the Administrator may by rule change recommended levels established under this subparagraph or change such list.

"(2) On the date the Administrator establishes pursuant to paragraph (1) (B) recommended maximum contaminant levels he shall publish in the Federal Register proposed revised national primary drinking water regulations (meeting the requirements of paragraph (3)). Within 180 days after the date of such proposed regulations, he shall promulgate such revised drinking water regulations with such modifications as he deems appropriate.

"(3) Revised national primary drinking water regulations promulgated under paragraph (2) of this subsection shall be primary drinking water regulations which specify a maximum contaminant level or require the use of treatment techniques for each contaminant for which a recommended maximum contaminant level is established or which is listed in a rule under paragraph (1) (B). The maximum contaminant level specified in a revised national primary drinking water regulation for a contaminant shall be as close to the recommended maximum contaminant level established under paragraph (1) (B) for such contaminant as is feasible. A required treatment technique for a contaminant for which a recommended maximum contaminant level has been established under paragraph (1) (B) shall reduce such contaminant to a level which is as close to the recommended maximum contaminant level for such contaminant as is feasible. A required treatment technique for a contaminant which is listed under paragraph (1) (B) shall require treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible. For purposes of this paragraph, the term 'feasible' means feasible with the use of the best technology, treatment techniques, and other means, which the Administrator finds are generally available (taking cost into consideration).

"(4) Revised national primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, and other means permit greater protection of the health of persons, but in any event such regulations shall be reviewed at least once every 3 years.

"(5) Revised national primary drinking water regulations promulgated under this subsection (and amendments thereto) shall take effect eighteen months after the date of their promulgation. Regulations under subsection (a) shall be superseded by regulations under this subsection to the extent provided by the regulations under this subsection.

"(6) No national primary drinking water regulation may require the addition of any substance for preventive health care purposes unrelated to contamination of drinking water.

"(c) The Administrator shall publish proposed national secondary drinking water regulations within 270 days after the date of enactment of this title. Within 90 days after publication of any such regulation, he shall promulgate such regulation with such modifications as he deems appropriate. Regulations under this subsection may be amended from time to time.

"(d) Regulations under this section shall be prescribed in accordance with section 553 of title 5, United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary and the National Drinking Water Advisory Council.

"(c)(1) The Administrator shall enter into appropriate arrangements with the National Academy of Sciences (or with another independent scientific organization if appropriate arrangements cannot be made with such Academy) to conduct a study to determine (A) the maximum contaminant levels which should be recommended under subsection (b)(2) in order to protect the health of persons from any known or anticipated adverse effects, and (B) the existence of any contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(2) The result of the study shall be reported to Congress no later than 2 years after the date of enactment of this title. The report shall contain (A) a summary and evaluation of relevant publications and unpublished studies; (B) a statement of methodologies and assumptions for estimating the levels at which adverse health effects may occur; (C) a statement of methodologies and assumptions for estimating the margin of safety which should be incorporated in the national primary drinking water regulations; (D) proposals for recommended maximum contaminant levels for national primary drinking water regulations, based on the methodologies, assumptions, and studies referred to in clauses (A), (B), and (C) and in paragraph (4); (E) a list of contaminants the level of which in drinking water cannot be determined but which may have an adverse effect on the health of persons; and (F) recommended studies and test protocols for future research on the health effects of drinking water contaminants, including a list of the major research priorities and estimated costs necessary to conduct such priority research.

"(3) In developing its proposals for recommended maximum contaminant levels under paragraph (2)(D) the National Academy of Sciences (or other organization preparing the report) shall evaluate and explain (separately and in composite) the impact of the following considerations:

"(A) The existence of groups or individuals in the population which are more susceptible to adverse effects than the normal healthy adult.

"(B) The exposure to contaminants in other media than drinking water (including exposures in food, in the ambient air, and in occupational settings) and the resulting body burden of contaminants.

"(C) Synergistic effects resulting from exposure to or interaction by two or more contaminants.

"(D) The contaminant exposure and body burden levels which alter physiological function or structure in a manner reasonably suspected of increasing the risk of illness.

"(4) In making the study under this subsection, the National Academy of Sciences (or other organization) shall collect and correlate (A) morbidity and mortality data and (B) monitored data on the quality of drinking water. Any conclusions based on such correlation shall be included in the report of the study.

"(5) Neither the report of the study under this subsection nor any draft of such report shall be submitted to the Office of Management and Budget or to any other Federal agency (other than the Environmental Protection Agency) prior to its submission to Congress.

"(6) Of the funds authorized to be appropriated to the Administrator by this title, such amounts as may be required shall be available to carry out the study and to make the report directed by paragraph (2) of this subsection.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1413. (a) For purposes of this title, a State has primary enforcement responsibility for public water systems during any period for which the Administrator determines (pursuant to regulations prescribed under subsection (b)) that such State—

"(1) has adopted drinking water regulations which (A) in the case of the period beginning on the date the national interim primary drinking water regulations are promulgated under section 1412 and ending on the date such regulations take effect are no less stringent than such regulations, and (B) in the case of the period after such effective date are no less stringent than the interim and revised national primary drinking water regulations in effect under such section;

"(2) has adopted and is implementing adequate procedures for the enforcement of such State regulations including conducting such monitoring and making such inspections as the Administrator may require by regulation;

"(3) will keep such records and make such reports with respect to its activities under paragraphs (1) and (2) as the Administrator may require by regulation;

"(4) if it permits variances or exemptions, or both, from the requirements of its drinking water regulations which meet the requirements of paragraph (1), permits such variances and exemptions under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416; and

"(5) has adopted and can implement an adequate plan for the provision of safe drinking water under emergency circumstances.

"(b)(1) The Administrator shall, by regulation (proposed within 180 days of the date of the enactment of this title), prescribe the manner in which a State may apply to the Administrator for a determination that the requirements of paragraphs (1), (2), (3), and (4) of subsection (a) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Administrator may determine that such requirements are no longer met. Such regulations shall require that before a determination of the Administrator that such requirements are met are no longer met with respect to a State may become effective, the Administrator shall notify such State of the determination and the reasons therefor and shall provide an opportunity for public hearing on the determination. Such regulations shall be promulgated (with such modifications as the Administrator deems appropriate) within 90 days of the publication of the proposed regulations in the Federal Register. The Administrator shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this paragraph. Such notice shall contain a copy of the regulations and shall specify a State's authority under this title when it is determined to have primary enforcement responsibility for public water systems.

"(2) When an application is submitted in accordance with the Administrator's regulations under paragraph (1), the Administrator shall within 90 days of the date on which such application is submitted (A) make the determination applied for, or (B) deny the application and notify the applicant in writing of the reasons for his denial.

"FAILURE BY STATE TO ASSURE ENFORCEMENT OF DRINKING WATER REGULATIONS

"SEC. 1414. (a)(1)(A) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for public water systems (within the meaning of section 1413(a)) that any public water system—

"(i) for which a variance under section 1415 or an exemption under section 1416 is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(ii) for which a variance under section 1415 or an exemption under section 1416 is in effect, does not comply with any schedule, or other requirement imposed pursuant thereto,

he shall so notify the State and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with such regulation or requirement by the earliest feasible time.

"(B) If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of the notice given pursuant to subparagraph (A), he shall give public notice of such finding and request the State to report within fifteen days from the date of such public notice as to the steps being taken to bring the system into compliance (including reasons for anticipated steps to be taken to bring the system into compliance and for any failure to take steps to bring the system into compliance). If—

"(i) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to subparagraph (A); and

"(ii) (α) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence; or

"(β) the State submits such report within such period but the Administrator, after considering the report, determines that the State abused its discretion in carrying out primary enforcement responsibility for public water systems by both—

(I) failing to implement by such sixtieth day adequate procedures to bring the system into compliance by the earliest feasible time, and

(II) failing to assure by such day the provision through alternative means of safe drinking water by the earliest feasible time;

the Administrator may commence a civil action under subsection (b).

"(2) Whenever, on the basis of information available to him, the Administrator finds during a period during which a State does not have primary enforcement responsibility for public water systems that a public water system in such State—

"(A) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(B) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is in effect, does not comply with any schedule or other requirement imposed pursuant thereto,

he may commence a civil action under subsection (b).

"(b) The Administrator may bring a civil action in the appropriate United States district court to require compliance with a national primary drinking water regulation or with any schedule or other requirement imposed pursuant to a variance or exemption granted under section 1415 or 1416 if—

"(1) authorized under paragraph (1) or (2) of subsection (a), or

"(2) if requested by (A) the chief executive officer of the State in which is located the public water system which is not in compliance with such regulation or requirement, or (B) the agency of such State which has jurisdiction over compliance by public water systems in the State with national primary drinking water regulations or State drinking water regulations.

The court may enter, in an action brought under this subsection, such judgment as protection of public health may require, taking into consideration the time necessary to comply and the availability of alternative water supplies; and, if the court determines that there has been a willful violation of the regulation or schedule or other requirement with respect to which the action was brought, the court may, taking into account the seriousness of the violation, the population at risk, and other appropriate factors, impose on the violator a civil penalty of not to exceed $5,000 for each day in which such violation occurs.

"(c) Each owner or operator of a public water system shall give notice to the persons served by it—

"(1) of any failure on the part of the public water system to—

"(A) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation, or

"(B) perform monitoring required by section 1445(a), and

"(2) if the public water system is subject to a variance granted under section 1415 (a)(1)(A) or 1415(a)(2) for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 1416, of—

"(A) the existence of such variance or exemption, and

"(B) any failure to comply with the requirements of any schedule prescribed pursuant to the variance or exemption.

The Administrator shall by regulation prescribe the form and manner for giving such notice. Such notice shall be given not less than once every 3 months, shall be given by publication in a newspaper of general circulation serving the area served by each such water system (as determined by the Administrator), shall be furnished to the other communications media serving such area, and shall be furnished to the communications media as soon as practicable after the discovery of the violation with respect to which the notice is required. If the water bills of a public water system are issued more often than once every 3 months, such notice shall be included in at least one water bill of the system every 3 months, and if a public water system issues its water bills less often than once every 3 months, such notice shall be included in each of the water bills issued by the system. Any person who willfully violates this subsection or regulations thereunder shall be fined not more than $5,000.

"(d) Whenever, on the basis of information available to him, the Administrator finds that within a reasonable time after national secondary drinking water regulations have been promulgated, one or more public water systems in a State do not comply with such secondary regulations, and that such noncompliance appears to result from a failure of such State to take reasonable action to assure that public water systems throughout such State meet such secondary regulations, he shall so notify the State.

"(e) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting drinking water regulations or public water systems, but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"(f) If the Administrator makes a finding of noncompliance (described in subparagraph (A) or (B) of subsection (a)(1)) with respect to a public water system in a State which has primary enforcement responsibility, the Administrator may, for the purpose of assisting that State in carrying out such responsibility and upon the petition of such State or public water system or persons served by such system, hold, after appropriate notice, public hearings for the purpose of gathering information from technical or other experts, Federal, State, or other public officials, representatives of such public water system, persons served by such system, and other interested persons on—

"(1) the ways in which such system can within the earliest feasible time be brought into compliance with the regulation or requirement with respect to which such finding was made, and

"(2) the means for the maximum feasible protection of the public health during any period in which such system is not in compliance with a national primary drinking water regulation or requirement applicable to a variance or exemption.

On the basis of such hearings the Administrator shall issue recommendations which shall be sent to such State and public water system and shall be made available to the public and communications media.

"VARIANCES

"Sec. 1415. (a) Notwithstanding any other provision of this part, variances from national primary drinking water regulations may be granted as follows:

"(1)(A) A State which has primary enforcement responsibility for public water systems may grant one or more variances from an applicable national primary drinking water regulation to one or more public water systems within its jurisdiction which, because of characteristics of the raw water sources which are reasonably available to the systems, cannot meet the requirements respecting the maximum contaminant levels of such drinking water regulation despite application of the best technology, treatment techniques, or other means, which the Administrator finds are generally available (taking costs into consideration). Before a State may grant a variance under this subparagraph, the State must find that the variance will not result in an unreasonable risk to health. If a State grants a public water system a variance under this subparagraph, the State shall prescribe within one year of the date the variance is granted, a schedule for—

"(i) compliance (including increments of progress) by the public water system with each contaminant level requirement with respect to which the variance was granted, and

"(ii) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subparagraph may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice. A schedule prescribed pursuant to this subparagraph for a public water system granted a variance shall require compliance by the system with each contaminant level requirement with respect to which the variance was granted as expeditiously as practicable (as the State may reasonably determine).

"(B) A State which has primary enforcement responsibility for public water systems may grant to one or more public water systems within its jurisdiction one or more variances from any provision of a national primary drinking water regulation which requires the use of a specified treatment technique with respect to a contaminant if the public water system applying for the variance demonstrates to the satisfaction of the State that such treatment technique is not necessary to protect the health of persons because of the nature of the raw water source of such system. A variance granted under this subparagraph shall be conditioned on such monitoring and other requirements as the Administrator may prescribe.

"(C) Before a variance proposed to be granted by a State under subparagraph (A) or (B) may take effect, such State shall provide notice and opportunity for public hearing on the proposed variance. A notice given pursuant to the preceding sentence may cover the granting of more than one variance and a hearing held pursuant to such notice shall include each of the variances covered by the notice. The State shall promptly notify the Administrator of all variances granted by it. Such notification shall contain the reason for the variance (and in the case of a variance under subparagraph (A), the basis for the finding required by that subparagraph before the granting of the variance) and documentation of the need for the variance.

"(D) Each public water system's variance granted by a State under subparagraph (A) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to that subparagraph. The requirements of each schedule prescribed by a State pursuant to that subparagraph shall be enforceable by the State under its laws. Any requirement of a schedule on which a variance granted under that subparagraph is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

"(E) Each schedule prescribed by a State pursuant to subparagraph (A) shall be deemed approved by the Administrator unless the variance for which it was prescribed is revoked by the Administrator under subparagraph (G) or the schedule is revised by the Administrator under such subparagraph.

"(F) Not later than 18 months after the effective date of the interim national primary drinking water regulations, the Administrator shall complete a comprehensive review of the variances granted under subparagraph (A) (and schedules prescribed pursuant thereto) and under subparagraph (B) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of variances and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (i) provide information respecting the location of data and other information respecting the variances to be reviewed (including data and other information concerning new scientific matters bearing on such variances), and (ii) advise of the opportunity to submit comments on the variances reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

"(G)(i) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting variances under subparagraph (A) or (B) or that in a substantial number of cases the State has failed to prescribe schedules in accordance with subparagraph (A), the Administrator shall notify the State of his findings. In determining if a State has abused its discretion in granting variances in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the variances and if the requirements applicable to the granting of the variances were complied with. A notice under this clause shall—

"(I) identify each public water system with respect to which the finding was made,

"(II) specify the reasons for the finding, and

"(III) as appropriate, propose revocations of specific variances or propose revised schedules or other requirements for specific public water systems granted variances, or both.

"(ii) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to clause (i) of this subparagraph. After a hearing on a notice pursuant to such clause, the Administrator shall (I) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (II) promulgate (with such modifications as he deems appropriate) such variance revocations and revised schedules or other requirements proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to clause (i) of this subparagraph, the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(iii) If a State is notified under clause (i) of this subparagraph of a finding of the Administrator made with respect to a variance granted a public water system within that State or to a schedule or other requirement for a variance and if, before a revocation of such variance or a revision of such schedule or other requirement promulgated by the Administrator takes effect, the State takes corrective action with respect to such variance or schedule or other requirement which the Administrator determines makes his finding inapplicable to such variance or schedule or other requirement, the Administrator shall rescind the application of his finding to that variance or schedule or other requirement. No variance revocation or revised schedule or other requirement may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule or other requirement was proposed.

"(2) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to grant variances in such State as the State would have under paragraph (1) if it had primary enforcement responsibility.

"(3) The Administrator may grant a variance from any treatment technique requirement of a national primary drinking water regulation upon a showing by any person that an alternative treatment technique not included in such requirement is at least as efficient in lowering the level of the contaminant with respect to which such requirement was prescribed. A variance under this paragraph shall be conditioned on the use of the alternative treatment technique which is the basis of the variance.

"(b) Any schedule or other requirement on which a variance granted under paragraph (1)(B) or (2) of subsection (a) is conditioned may be enforced under section 1414 as if such schedule or other requirement was part of a national primary drinking water regulation.

"(c) If an application for a variance under subsection (a) is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

"(d) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401 (1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

"EXEMPTIONS

"SEC. 1416. (a) A State which has primary enforcement responsibility may exempt any public water system within the State's jurisdiction from any requirement respecting a maximum contaminant level or any treatment technique requirement, or from both, of an applicable national primary drinking water regulation upon a finding that—

"(1) due to compelling factors (which may include economic factors), the public water system is unable to comply with such contaminant level or treatment technique requirement,

"(2) the public water system was in operation on the effective date of such contaminant level or treatment technique requirement, and

"(3) the granting of the exemption will not result in an unreasonable risk to health.

"(b)(1) If a State grants a public water system an exemption under subsection (a), the State shall prescribe, within one year of the date the exemption is granted, a schedule for—

"(A) compliance (including increments of progress) by the public water system with each contaminant level requirement and treatment technique requirement with respect to which the exemption was granted, and

"(B) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement or treatment technique requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subsection may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice.

"(2)(A) A schedule prescribed pursuant to this subsection for a public water system granted an exemption under subsection (a) shall require compliance by the system with each contaminant level and treatment technique requirement with respect to which the exemption was granted as expeditiously as practicable (as the State may reasonably determine) but (except as provided in subparagraph (B))—

"(i) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by the interim national primary drinking water regulations promulgated under section 1412 (a), not later than January 1, 1981; and

"(ii) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, not later than seven years after the date such requirement takes effect.

"(B) Notwithstanding clauses (i) and (ii) of subparagraph (A) of this paragraph, the final date for compliance prescribed in a schedule prescribed pursuant to this subsection for an exemption granted for a public water system which (as determined by the State granting the exemption) has entered into an enforceable agreement to become a part of a regional public water system shall—

"(i) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by interim national primary drinking water regulations, be not later than January 1, 1983; and

"(ii) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, be not later than nine years after such requirement takes effect.

"(3) Each public water system's exemption granted by a State under subsection (a) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to this subsection. The requirements of each schedule prescribed by a State pursuant to this subsection shall be enforceable by the State under its laws. Any requirement of a schedule on which an exemption granted under this section is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

"(4) Each schedule prescribed by a State pursuant to this subsection shall be deemed approved by the Administrator unless the exemption for which it was prescribed is revoked by the Administrator under subsection (d)(2) or the schedule is revised by the Administrator under such subsection.

"(c) Each State which grants an exemption under subsection (a) shall promptly notify the Administrator of the granting of such exemption. Such notification shall contain the reasons for the exemption (including the basis for the finding required by subsection (a)(3) before the exemption may be granted) and document the need for the exemption.

"(d)(1) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of exemptions and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (A) provide information respecting the location of data and other information respecting the exemptions to be reviewed (including data and other information concerning new scientific matters bearing on such exemptions), and (B) advise of the opportunity to submit comments on the exemptions reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

"(2)(A) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting exemptions under subsection (a) or failed to prescribe schedules in accordance with subsection (b), the Administrator shall notify the State of his finding. In determining if a State has abused its discretion in granting exemptions in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the exemptions and if the requirements applicable to the granting of the exemptions were complied with. A notice under this subparagraph shall—

"(i) identify each exempt public water system with respect to which the finding was made,

"(ii) specify the reasons for the finding, and

"(iii) as appropriate, propose revocations of specific exemptions or propose revised schedules for specific exempt public water systems, or both.

"(B) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to subparagraph (A). After a hearing on a notice pursuant to subparagraph (A), the Administrator shall (i) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (ii) promulgate (with such modifications as he deems appropriate) such exemption revocations and revised schedules proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to subparagraph (A), the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(C) If a State is notified under subparagraph (A) of a finding of the Administrator made with respect to an exemption granted a public water system within that State or to a schedule prescribed pursuant to such an exemption and if before a revocation of such exemption or a revision of such schedule promulgated by the Administrator takes effect the State takes corrective action with respect to such exemption or schedule which the Administrator determines makes his finding inapplicable to such exemption or schedule, the Administrator shall rescind the application of his finding to that exemption or schedule. No exemption revocation or revised schedule may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule was proposed.

"(e) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401 (1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

"(f) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to exempt public water systems in such State from maximum contaminant level requirements and treatment technique requirements under the same conditions and in the same manner as the State would be authorized to grant exemptions under this section if it had primary enforcement responsibility.

"(g) If an application for an exemption under this section is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

"PART C—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

"REGULATIONS FOR STATE PROGRAMS

"SEC. 1421. (a)(1) The Administrator shall publish proposed regulations for State undergound injection control programs within 180 days after the date of enactment of this title. Within 180 days after publication of such proposed regulations, he shall promulgate such regulations with such modifications as he deems appropriate. Any regulation under this subsection may be amended from time to time.

"(2) Any regulation under this section shall be proposed and promulgated in accordance with section 553 of title 5, United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary, the National Drinking Water Advisory Council, and other appropriate Federal entities and with interested State entities.

"(b)(1) Regulations under subsection (a) for State underground injection programs shall contain minimum requirements for effective programs to prevent underground injection which endangers drinking water sources within the meaning of subsection (d)(2). Such regulations shall require that a State program, in order to be approved under section 1422—

"(A) shall prohibit, effective three years after the date of the enactment of this title, any underground injection in such State which is not authorized by a permit issued by the State (except that the regulations may permit a State to authorize underground injection by rule);

"(B) shall require (i) in the case of a program which provides for authorization of underground injection by permit, that the applicant for the permit to inject must satisfy the State that the underground injection will not endanger drinking water sources, and (ii) in the case of a program which provides for such an authorization by rule, that no rule may be promulgated which authorizes any underground injection which endangers drinking water sources;

"(C) shall include inspection, monitoring, recordkeeping, and reporting requirements; and

"(D) shall apply (i) as prescribed by section 1447 (b), to underground injections by Federal agencies, and (ii) to underground injections by any other person whether or not occurring on property owned or leased by the United States.

"(2) Regulations of the Administrator under this section for State underground injection control programs may not prescribe requirements which interfere with or impede—

"(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection.

"(c)(1) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)) temporary permits for underground injection which may be effective until the expiration of four years after the date of enactment of this title, if—

"(A) the Administrator finds that the State has demonstrated that it is unable and could not reasonably have been able to process all permit applications within the time available;

"(B) the Administrator determines the adverse effect on the environment of such temporary permits is not unwarranted;

"(C) such temporary permits will be issued only with respect to injection wells in operation on the date on which such State's permit program approved under this part first takes effect and for which there was inadequate time to process its permit application; and

"(D) the Administrator determines the temporary permits require the use of adequate safeguards established by rules adopted by him.

"(2) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)), but after reasonable notice and public hearing, one or more temporary permits each of which is applicable to a particular injection well and to the underground injection of a particular fluid and which may be effective until the expiration of four years after the date of enactment of this title, if the State finds, on the record of such hearing—

"(A) that technology (or other means) to permit safe injection of the fluid in accordance with the applicable underground injection control program is not generally available (taking costs into consideration);

"(B) that injection of the fluid would be less harmful to health than the use of other available means of disposing of waste or producing the desired product; and

"(C) that available technology or other means have been employed (and will be employed) to reduce the volume and toxicity of the fluid and to minimize the potentially adverse effect of the injection on the public health.

"(d) For purposes of this part:

"(1) The term 'underground injection' means the subsurface emplacement of fluids by well injection.

"(2) Underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1422. (a) Within 180 days after the date of enactment of this title, the Administrator shall list in the Federal Register each State for which in his judgment a State underground injection control program may be necessary to assure that underground injection will not endanger drinking water sources. Such list may be amended from time to time.

"(b)(1)(A) Each State listed under subsection (a) shall within 270 days after the date of promulgation of any regulation under section 1421 (or, if later, within 270 days after such State is first listed under subsection (a)) submit to the Administrator an application which contains a showing satisfactory to the Administrator that the State—

"(i) has adopted after reasonable notice and public hearings, and will implement, an underground injection control program which meets the requirements of regulations in effect under section 1421; and

"(ii) will keep such records and make such report with respect to its activities under its underground injection control program as the Administrator may require by regulation.

"(B) Within 270 days of any amendment of a regulation under section 1421 revising or adding any requirement respecting State underground injection control programs, each State listed under subsection (a) shall submit (in such form and manner as the Administrator may require) a notice to the Administrator containing a showing satisfactory to him that the State underground injection control program meets the revised or added requirement.

"(2) Within ninety days after the State's application under paragraph (1)(A) or notice under paragraph (1)(B) and after reasonable opportunity for presentation of views, the Administrator shall by rule either approve, disapprove, or approve in part and disapprove in part, the State's underground injection control program.

"(3) If the Administrator approves the State's program under paragraph (2), the State shall have primary enforcement responsibility for underground water sources until such time as the Administrator determines, by rule, that such State no longer meets the requirements of clause (i) or (ii) of paragraph (1)(A) of this subsection.

"(4) Before promulgating any rule under paragraph (2) or (3) of this subsection, the Administrator shall provide opportunity for public hearing respecting such rule.

"(c) If the Administrator disapproves a State's program (or part thereof) under subsection (b)(2), if the Administrator determines under subsection (b)(3) that a State no longer meets the requirements of clause (i) or (ii) of subsection (b)(1)(A), or if a State fails to submit an application or notice before the date of expiration of the period specified in subsection (b)(1), the Administrator shall by regulation within 90 days after the date of such disapproval, determination, or expiration (as the case may be) prescribe (and may from time to time by regulation revise) a program applicable to such State meeting the requirements of section 1421(b). Such program may not include requirements which interfere with or impede—

"(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(2) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection. Such program shall apply in such State to the extent that a program adopted by such State which the Administrator determines meets such requirements is not in effect. Before promulgating any regulation under this section, the Administrator shall provide opportunity for public hearing respecting such regulation.

"(d) For purposes of this title, the term 'applicable underground injection control program' with respect to a State means the program (or most recent amendment thereof) (1) which has been adopted by the State and which has been approved under subsection (b), or (2) which has been prescribed by the Administrator under subsection (c).

"FAILURE OF STATE TO ASSURE ENFORCEMENT OF PROGRAM

"SEC. 1423. (a)(1) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3)) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement, he shall so notify the State and the person violating such requirement. If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of such notice, he shall give public notice of such finding and request the State to report within 15 days after the date of such public notice as to the steps being taken to bring such person into compliance with such requirement (including reasons for anticipated steps to be taken to bring such person into compliance with such requirement and for any failure to take steps to bring such person into compliance with such requirement). If—

"(A) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to the first sentence of this paragraph, and

"(B)(i) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence, or

"(ii) the State submits such report within such period but the Administrator, after considering the report, determines that by failing to take necessary steps to bring such person into compliance by such sixtieth day the State abused its discretion in carrying out primary enforcement responsibility for underground water sources, the Administrator may commence a civil action under subsection (b)(1).

"(2) Whenever the Administrator finds during a period during which a State does not have primary enforcement responsibility for underground water sources that any person subject to any requirement of any applicable underground injection control program in such State is violating such requirement, he may commence a civil action under subsection (b)(1).

"(b)(1) When authorized by subsection (a), the Administrator may bring a civil action under this paragraph in the appropriate United States district court to require compliance with any requirement of an applicable underground injection control program. The court may enter such judgment as protection of public health may require, including, in the case of an action brought against a person who violates an applicable requirement of an underground injection control program and who is located in a State which has primary enforcement responsibility for underground water sources, the imposition of a civil penalty of not to exceed $5,000 for each day such person violates such requirement after the expiration of 60 days after receiving notice under subsection (a)(1).

"(2) Any person who violates any requirement of an applicable underground injection control program to which he is subject during any period for which the State does not have primary enforcement responsibility for underground water sources (A) shall be subject to a civil penalty of not more than $5,000 for each day of such violation, or (B) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (B), be fined not more than $10,000 for each day of such violation.

"(c) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting underground injection but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"INTERIM REGULATION OF UNDERGROUND INJECTIONS

"SEC. 1424. (a)(1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and ending on the date on which the applicable underground injection control program covering such area takes effect unless a permit for the operation of such well has been issued by the Administrator under subsection (b). The Administrator may so designate an area within a State if he finds that the area has one aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health.

"(2) Upon receipt of a petition under paragraph (1) of this subsection, the Administrator shall publish it in the Federal Register and shall provide an opportunity to interested persons to submit written data, views, or arguments thereon. Not later than the 30th day following the date of the publication of a petition under this paragraph in the Federal Register, the Administrator shall either make the designation for which the petition is submitted or deny the petition.

"(b)(1) During the period beginning on the date an area is designated under subsection (a) and ending on the date the applicable underground injection control program covering such area takes effect, no new underground injection well may be operated in such area unless the Administrator has issued a permit for such operation.

"(2) Any person may petition the Administrator for the issuance of a permit for the operation of such a well in such an area. A petition submitted under this paragraph shall be submitted in such manner and contain such information as the Administrator may require by regulation. Upon receipt of such a petition, the Administrator shall publish it in the Federal Register. The Administrator shall give notice of any proceeding on a petition and shall provide opportunity for agency hearing. The Administrator shall act upon such petition on the record of any hearing held pursuant to the preceding sentence respecting such petition. Within 120 days of the publication in the Federal Register of a petition submitted under this paragraph, the Administrator shall either issue the permit for which the petition was submitted or shall deny its issuance.

"(3) The Administrator may issue a permit for the operation of a new underground injection well in an area designated under subsection (a) only if he finds that the operation of such well will not cause contamination of the aquifer of such area so as to create a significant hazard to public health. The Administrator may condition the issuance of such a permit upon the use of such control measures in connection with the operation of such well, for which the permit is to be issued, as he deems necessary to assure that the operation of the well will not contaminate the aquifer of the designated area in which the well is located so as to create a significant hazard to public health.

"(c) Any person who operates a new underground injection well in violation of subsection (b)(1) shall be subject to a civil penalty of not more than $5,000 for each day in which such violation occurs, or (2) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (1), be fined not more than $10,000 for each day in which such violation occurs. If the Administrator has reason to believe that any person is violating or will violate subsection (b), he may petition the United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce such subsection.

"(d) For purposes of this section, the term 'new underground injection well' means an underground injection well whose operation was not approved by appropriate State and Federal agencies before the date of the enactment of this title.

"(e) If the Administrator determines, on his own initiative or upon petition, that an area has an aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health, he shall publish notice of that determination in the Federal Register. After the publication of any such notice, no commitment for Federal financial assistance (through a grant, contract, loan guarantee, or otherwise) may be entered into for any project which the Administrator determines may contaminate such aquifer through a recharge zone so as to create a significant hazard to public health, but a commitment for Federal financial assistance may, if authorized under another provision of law, be entered into to plan or design the project to assure that it will not so contaminate the aquifer.

"PART D—EMERGENCY POWERS

"EMERGENCY POWERS

"SEC. 1431. (a) Notwithstanding any other provision of this title, the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system may present an imminent and substantial endangerment to the health of persons, and that appropriate State and local authorities have not acted to protect the health of such persons, may take such actions as he may deem necessary in order to protect the health of such persons. To the extent he determines it to be practicable in light of such imminent endangerment, he shall consult with the State and local authorities in order to confirm the correctness of the information on which action proposed to be taken under this subsection is based and to ascertain the action which such authorities are or will be taking. The action which the Administrator may take may include (but shall not be limited to) (1) issuing such orders as may be necessary to protect the health of persons who are or may be users of such system (including travelers), and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction.

"(b) Any person who willfully violates or fails or refuses to comply with any order issued by the Administrator under subsection (a)(1) may, in an action brought in the appropriate United States district court to enforce such order, be fined not more than $5,000 for each day in which such violation occurs or failure to comply continues.

"PART E—GENERAL PROVISIONS

"ASSURANCE OF AVAILABILITY OF ADEQUATE SUPPLIES OF CHEMICALS NECESSARY FOR TREATMENT OF WATER

"SEC. 1441. (a) If any person who uses chlorine, activated carbon, lime, ammonia, soda ash, potassium permanganate, caustic soda, or other chemical or substance for the purpose of treating water in any public water system or in any public treatment works determines that the amount of such chemical or substance necessary to effectively treat such water is not reasonably available to him or will not be so available to him when required for the effective treatment of such water, such person may apply to the Administrator for a certification (hereinafter in this section referred to as a 'certification of need') that the amount of such chemical or substance which such person requires to effectively treat such water is not reasonably available to him or will not be so available when required for the effective treatment of such water.

"(b)(1) An application for a certification of need shall be in such form and submitted in such manner as the Administrator may require and shall (A) specify the persons the applicant determines are able to provide the chemical or substance with respect to which the application is submitted, (B) specify the persons from whom the applicant has sought such chemical or substance, and (C) contain such other information as the Administrator may require.

"(2) Upon receipt of an application under this section, the Administrator shall (A) publish in the Federal Register a notice of the receipt of the application and a brief summary of it, (B) notify in writing each person whom the President or his delegate (after consultation with the Administrator) determines could be made subject to an order required to be issued upon the issuance of the certification of need applied for in such application, and (C) provide an opportunity for the submission of written comments on such application. The requirements of the preceding sentence of this paragraph shall not apply when the Administrator for good cause finds (and incorporates the finding with a brief statement of reasons therefor in the order issued) that waiver of such requirements is necessary in order to protect the public health.

"(3) Within 30 days after—

"(A) the date a notice is published under paragraph (2) in the Federal Register with respect to an application submitted under this section for the issuance of a certification of need, or

"(B) the date on which such application is received if as authorized by the second sentence of such paragraph no notice is published with respect to such application, the Administrator shall take action either to issue or deny the issuance of a certification of need.

"(c)(1) If the Administrator finds that the amount of a chemical or substance necessary for an applicant under an application submitted under this section to effectively treat water in a public water system or in a public treatment works is not reasonably available to the applicant or will not be so available to him when required for the effective treatment of such water, the Administrator shall issue a certification of need. Not later than seven days following the issuance of such certification, the President or his delegate shall issue an order requiring the provision to such person of such amounts of such chemical or substance as the Administrator deems necessary in the certification of need issued for such person. Such order shall apply to such manufacturers, producers, processors, distributors, and repackagers of such chemical or substance as the President or his delegate deems necessary and appropriate, except that such order may not apply to any manufacturer, producer, or processor of such chemical or substance who manufactures, produces, or processes (as the case may be) such chemical or substance solely for its own use. Persons subject to an order issued under this section shall be given a reasonable opportunity to consult with the President or his delegate with respect to the implementation of the order.

"(2) Orders which are to be issued under paragraph (1) to manufacturers, producers, and processors of a chemical or substance shall be equitably apportioned, as far as practicable, among all manufacturers, producers, and processors of such chemical or substance; and orders which are to be issued under paragraph (1) to distributors and repackagers of a chemical or substance shall be equitably apportioned, as far as practicable, among all distributors and repackagers of such chemical or substance. In apportioning orders issued under paragraph (1) to manufacturers, producers, processors, distributors, and repackagers of chlorine, the President or his delegate shall, in carrying out the requirements of the preceding sentence, consider—

"(A) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

"(B) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

"(C) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

"(3) Subject to subsection (f), any person for whom a certification of need has been issued under this subsection may upon the expiration of the order issued under paragraph (1) upon such certification apply under this section for additional certifications.

"(d) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange a chemical or substance subject to an order issued pursuant to subsection (c)(1), that such delay or failure was caused solely by compliance with such order.

"(e)(1) Whoever knowingly fails to comply with any order issued pursuant to subsection (c) (1) shall be fined not more than $5,000 for each such failure to comply.

"(2) Whoever fails to comply with any order issued pursuant to subsection (c)(1) shall be subject to a civil penalty of not more than $2,500 for each such failure to comply.

"(3) Whenever the Administrator or the President or his delegate has reason to believe that any person is violating or will violate any order issued pursuant to subsection (c)(1), he may petition a United States district court to issue a temporary restraining order or preliminary or permanent injunction (including a mandatory injunction) to enforce the provision of such order.

"(f) No certification of need or order issued under this section may remain in effect—

"(1) for more than one year, or

"(2) after June 30, 1977, whichever occurs first.

"RESEARCH, TECHNICAL ASSISTANCE, INFORMATION TRAINING OF PERSONNEL

"SEC. 1442. (a)(1) The Administrator may conduct research, studies, and demonstrations relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and other impairments of man resulting directly or indirectly from contaminants in water, or to the provision of a dependably safe supply of drinking water, including—

"(A) improved methods (i) to identify and measure the existence of contaminants in drinking water (including methods which may be used by State and local health and water officials), and (ii) to identify the source of such contaminants;

"(B) improved methods to identify and measure the health effects of contaminants in drinking water;

"(C) new methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove contaminants from water;

"(D) improved methods for providing a dependably safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing the health related hazards of drinking water; and

"(E) improved methods of protecting underground water sources of public water systems from contamination.

"(2) The Administrator shall, to the maximum extent feasible, provide technical assistance to the States and municipalities in the establishment and administration of public water system supervision programs (as defined in section 1443(c)(1)).

"(3) The Administrator shall conduct studies, and make periodic reports to Congress, on the costs of carrying out regulations prescribed under section 1412.

"(4) The Administrator shall conduct a survey and study of—

"(A) disposal of waste (including residential waste) which may endanger underground water which supplies, or can reasonably be expected to supply, any public water systems, and

"(B) means of control of such waste disposal. Not later than one year after the date of enactment of this title, he shall transmit to the Congress the results of such survey and study, together with such recommendations as he deems appropriate.

"(5) The Administrator shall carry out a study of methods of underground injection which do not result in the degradation of underground drinking water sources.

"(6) The Administrator shall carry out a study of methods of preventing, detecting, and dealing with surface spills of contaminants which may degrade underground water sources for public water systems.

"(7) The Administrator shall carry out a study of virus contamination of drinking water sources and means of control of such contamination.

"(8) The Administrator shall carry out a study of the nature and extent of the impact on underground water which supplies or can reasonably be expected to supply public water systems of (A) abandoned injection or extraction wells; (B) intensive application of pesticides and fertilizers in underground water recharge areas; and (C) ponds, pools, lagoons, pits, or other surface disposal of contaminants in underground water recharge areas.

"(9) The Administrator shall conduct a comprehensive study of public water supplies and drinking water sources to determine the nature, extent, sources of and means of control of contamination by chemicals or other substances suspected of being carcinogenic. Not later than six months after the date of enactment of this title, he shall transmit to the Congress the initial results of such study, together with such recommendations for further review and corrective action as he deems appropriate.

"(b) In carrying out this title, the Administrator is authorized to—

"(1) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water together with appropriate recommendations in connection therewith;

"(2) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to the purposes of this title;

"(3) make grants to, and enter into contracts with, any public agency, educational institution, and any other organization, in accordance with procedures prescribed by the Administrator, under which he may pay all or a part of the costs (as may be determined by the Administrator) of any project or activity which is designed—

"(A) to develop, expand, or carry out a program (which may combine training education and employment) for training persons for occupations involving the public health aspects of providing safe drinking water;

"(B) to train inspectors and supervisory personnel to train or supervise persons in occupations involving the public health aspects of providing safe drinking water; or

"(C) to develop and expand the capability of programs of States and municipalities to carry out the purposes of this title (other than by carrying out State programs of public water system supervision or underground water source protection (as defined in section 1443(d))).

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1975; $25,000,000 for the fiscal year ending June 30, 1976; and $35,000,000 for the fiscal year ending June 30, 1977.

"GRANTS FOR STATE PROGRAMS

"Sec. 1443. (a)(1) For allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out public water system supervision programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within one year from the date of such grant a public water system supervision program, and

"(B) will, within that one year, assume primary enforcement responsibility for public water systems within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than one year after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for public water systems within the State.

No State shall receive less than 1 per centum of the annual appropriation for grants under paragraph (1): *Provided*, That the Administrator may, by regulation, reduce such percentage in accordance with the criteria specified in this paragraph: *And provided further*, That such percentage shall not apply to grants allotted to Guam, American Samoa, or the Virgin Islands.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, a public water system supervision program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, number of public water systems, and other relevant factors. To the extent the applicable appropriation permits, the allotment of a State for any fiscal year shall not be less than $50,000.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for the fiscal year ending June 30, 1977.

"(b)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out underground water source protection programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within two years from the date of such grant an underground water source protection, and

"(B) will, within such two years, assume primary enforcement responsibility for underground water sources within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than two years after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for underground water sources within the State.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, an underground water source protection program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, and other relevant factors.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, and $7,500,000 for the fiscal year ending June 30, 1977.

"(c) For purposes of this section:

"(1) The term 'public water system supervision program' means a program for the adoption and enforcement of drinking water regulations (with such variances and exemptions from such regulations under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416) which are no less stringent than the national primary drinking water regulations under section 1412, and for keeping records and making reports required by section 1413(a)(3).

"(2) The term 'underground water source protection program' means a program for the adoption and enforcement of a program which meets the requirements of regulations under section 1421 and for keeping records and making reports required by section 1422(b)(1)(A)(ii).

"SPECIAL STUDY AND DEMONSTRATION PROJECT GRANTS; GUARANTEED LOANS

"Sec. 1444. (a) The Administrator may make grants to any person for the purposes of—

"(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology for providing a dependably safe supply of drinking water to the public; and

"(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health implications involved in the reclamation, recycling, and reuse of waste waters for drinking and the processes and methods for the preparation of safe and acceptable drinking water.

"(b) Grants made by the Administrator under this section shall be subject to the following limitations:

"(1) Grants under this section shall not exceed $66\frac{2}{3}$ per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

"(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

"(3) Grants under this section shall not be made for any project unless the Administrator determines, after consulting the National Drinking Water Advisory Council, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

"(4) Priority for grants under this section shall be given where there are known or potential public health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology.

"(c) For the purposes of making grants under subsections (a) and (b) of this section there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1975; and $7,500,000 for the fiscal year ending June 30, 1976; and $10,000,000 for the fiscal year ending June 30, 1977.

"(d) The Administrator during the fiscal years ending June 30, 1975, and June 30, 1976, shall carry out a program of guaranteeing loans made by private lenders to small public water systems for the purpose of enabling such systems to meet national primary drinking water regulations (including interim regulations) prescribed under section 1412. No such guarantee may be made with respect to a system unless (1) such system cannot reasonably obtain financial assistance necessary to comply with such regulations from any other source, and (2) the Administrator determines that any facilities constructed with a loan guaranteed under this subsection is not likely to be made obsolete by subsequent changes in primary regulations. The aggregate amount of indebtedness guaranteed with respect to any system may not exceed $50,000. The aggregate amount of indebtedness guaranteed under this subsection may not exceed $50,000,000. The Administrator shall prescribe regulations to carry out this subsection.

"RECORDS AND INSPECTIONS

"Sec. 1445. (a) Every person who is a supplier of water, who is or may be otherwise subject to a primary drinking water regulation prescribed under section 1412 or to an applicable underground injection control program (as defined in section 1422(c)), who is or may be subject to the permit requirement of section 1424 or to an order issued under section 1441, or who is a grantee, shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Administrator may reasonably require by regulation to assist him in establishing regulations under this title, in determining whether such person has acted or is acting in compliance with this title, or in administering any program of financial assistance under this title.

"(b)(1) Except as provided in paragraph (2), the Administrator, or representatives of the Administrator duly designated by him, upon presenting appropriate credentials and a written notice to any supplier of water or other person subject to a national primary drinking water regulation prescribed under section 1412 or applicable underground injection control program (or person in charge of any of the property of such supplier or other person), is authorized to enter any establishment, facility, or other property of such supplier or other person in order to determine whether such supplier or other person has acted or is acting in compliance with this title, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, or in order to test any feature of a public water system, including its raw water source. The Administrator or the Comptroller General (or any representative designated by either) shall have access for the purpose of audit and examination to any records, reports, or information of a grantee which are required to be maintained under subsection (a) or which are pertinent to any financial assistance under this title.

"(2) No entry may be made under the first sentence of paragraph (1) in an establishment, facility, or other property of a supplier of water or other person subject to a national primary drinking water regulation if the establishment, facility, or other property is located in a State which has primary enforcement responsibility for public water systems unless, before written notice of such entry is made, the Administrator (or his representative) notifies the State agency charged with responsibility for safe drinking water of the reasons for such entry. The Administrator shall, upon a showing by the State agency that such an entry will be detrimental to the administration of the State's program of primary enforcement responsibility, take such showing into consideration in determining whether to make such entry. No State agency which receives notice under this paragraph of an entry proposed to be made under paragraph (1) may use the information contained in the notice to inform the person whose property is proposed to be entered of the proposed entry; and if a State agency so uses such information, notice to the agency under this paragraph is not required until such time as the Administrator determines the agency has provided him satisfactory assurances that it will no longer so use information contained in a notice under this paragraph.

"(c) Whoever fails or refuses to comply with any requirement of subsection (a) or to allow the Administrator, the Comptroller General, or representatives of either, to enter and conduct any audit or inspection authorized by subsection (b) may be fined not more than $5,000.

"(d)(1) Subject to paragraph (2), upon a showing satisfactory to the Administrator by any person that any information required under this section from such person, if made public, would divulge trade secrets or secret processes of such person, the Administrator shall consider such information confidential in accordance with the purposes of section 1905 of title 18 of the United States Code. If the applicant fails to make a showing satisfactory to the Administrator, the Administrator shall give such applicant thirty days' notice before releasing the information to which the application relates (unless the public health or safety requires an earlier release of such information).

"(2) Any information required under this section (A) may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this title or to committees of the Congress, or when relevant in any proceeding under this title, and (B) shall be disclosed to the extent it deals with the level of contaminants in drinking water. For purposes of this subsection the term 'information required under this section' means any papers, books, documents, or information, or any particular part thereof, reported to or otherwise obtained by the Administrator under this section.

"(e) For purposes of this section, (1) the term 'grantee' means any person who applies for or receives financial assistance, by grant, contract, or loan guarantee under this title, and (2) the term 'person' includes a Federal agency.

"NATIONAL DRINKING WATER ADVISORY COUNCIL

"SEC. 1446. (a)(1) There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply. Each member of the Council shall hold office for a term of three years, except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(2) the terms of the members first taking office shall expire as follows: Five shall expire three years after the date of enactment of this title, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

The members of the Council shall be eligible for reappointment.

"(b) The Council shall advise, consult with, and make recommendations to, the Administrator on matters relating to activities, functions, and policies of the Agency under this title.

"(c) Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(d) Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.

"FEDERAL AGENCIES

"SEC. 1447. (a) Each Federal agency having jurisdiction over any federally owned or maintained public water system shall comply with all national primary drinking water regulations in effect under section 1412, and each Federal agency shall comply with any applicable underground injection control program, and shall keep such records and submit such reports as may be required under such program.

"(b) The Administrator shall waive compliance with subsection (a) upon request of the Secretary of Defense and upon a determination by the President that the requested waiver is necessary in the interest of national security. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this title. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national security purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national security, in which event the Administrator shall submit notice to the Armed Services Committee of the Senate and House of Representatives.

"JUDICIAL REVIEW

"SEC. 1448. (a) A petition for review of—

"(1) action of the Administrator in promulgating any national primary drinking water regulation under section 1412, any regulation under section 1413(b)(1), any regulation under section 1414(c), any regulation for State underground injection control programs under section 1421, or any general regulation for the administration of this title may be filed only in the United States Court of Appeals for the District of Columbia Circuit; and

"(2) action of the Administrator in promulgating any other regulation under this title, issuing any order under this title, or making any determination under this title may be filed only in the United States court of appeals for the appropriate circuit.

Any such petition shall be filed within the 45-day period beginning on the date of the promulgation of the regulation or issuance of the order with respect to which review is sought or on the date of the determination with respect to which review is sought, and may be filed after the expiration of such 45-day period if the petition is based solely on grounds arising after the expiration of such period. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(b) The United States district courts shall have jurisdiction of actions brought to review (1) the granting of, or the refusing to grant, a variance or exemption under section 1415 or 1416 or (2) the requirements of any schedule prescribed for a variance or exemption under such section or the failure to prescribe such a schedule. Such an action may only be brought upon a petition for review filed with the court within the 45-day period beginning on the date the action sought to be reviewed is taken or, in the case of a petition to review the refusal to grant a variance or exemption or the failure to prescribe a schedule, within the 45-day period beginning on the date action is required to be taken on the variance, exemption, or schedule, as the case may be. A petition for such review may be filed after the expiration of such period if the petition is based solely on grounds arising after the expiration of such period. Action with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(c) In any judicial proceeding in which review is sought of a determination under this title required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as to the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

"CITIZEN'S CIVIL ACTION

"SEC. 1449. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf—

"(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any requirement prescribed by or under this title, or

"(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this title which is not discretionary with the Administrator.

No action may be brought under paragraph (1) against a public water system for a violation of a requirement prescribed by or under this title which occurred within the 27-month period beginning on the first day of the month in which this title is enacted. The United States district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce in an action brought under this subsection any requirement prescribed by or under this title or to order the Administrator to perform an act or duty described in paragraph (2), as the case may be.

"(b) No civil action may be commenced—

"(1) under subsection (a)(1) of this section respecting violation of a requirement prescribed by or under this title—

"(A) prior to sixty days after the plaintiff has given notice of such violation (i) to the Administrator, (ii) to any alleged violator of such requirement and (iii) to the State in which the violation occurs, or

"(B) if the Administrator, the Attorney General, or the State has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such requirement, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the Administrator.

Notice required by this subsection shall be given in such manner as the Administrator shall prescribe by regulation.

"(c) In any action under this section, the Administrator or the Attorney General, if not a party, may intervene as a matter of right.

No person may commence a civil action under subsection 1415 or 1416 for a variance or exemption, unless such person shows to the satisfaction of the court that the State has in a substantial number of cases failed to prescribe such schedules.

"(d) The court, in issuing any final order in any action brought under subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any requirement prescribed by or under this title or to seek any other relief.

"GENERAL PROVISIONS

"SEC. 1450. (a)(1) The Administrator is authorized to prescribe such regulations as are necessary or appropriate to carry out his functions under this title.

"(2) The Administrator may delegate any of his functions under this title (other than prescribing regulations) to any officer or employee of the Agency.

"(b) The Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this title.

"(c) Upon the request of a State or interstate agency, the Administrator may assign personnel of the Agency to such State or interstate agency for the purposes of carrying out the provisions of this title.

"(d)(1) The Administrator may make payments of grants under this title (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as he may determine.

"(2) Financial assistance may be made available in the form of grants only to individuals and nonprofit agencies or institutions. For purposes of this paragraph, the term 'nonprofit agency or institution' means an agency or institution no part of the net earnings of which inure, or may lawfully inure, to the benefit of any private shareholder or individual.

"(e) The Administrator shall take such action as may be necessary to assure compliance with provisions of the Act of March 3, 1931 (known as the Davis-Bacon Act; 40 U.S.C. 276a–276a(5)). The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(f) The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this title to which the Administrator is a party. Unless, within a reasonable time, the Attorney General notifies the Administrator that he will appear in such action, attorneys appointed by the Administrator shall appear and represent him.

"(g) The provisions of this title shall not be construed as affecting any authority of the Administrator under part G of title III of this Act.

"(h) Not later than April 1 of each year; the Administrator shall submit to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives a report respecting the activities of the Agency under this title and containing such recommendations for legislation as he considers necessary. The report of the Administrator under this subsection which is due not later than April 1, 1975, and each subsequent report of the Administrator under this subsection shall include a statement on the actual anticipated cost to public water systems in each State of compliance with the requirements of this title. The Office of Management and Budget may review any report required by this subsection before its submission to such committees of Congress, but the Office may not revise any such report, require any revision in any such report, or delay its submission beyond the day prescribed for its submission, and may submit to such committees of Congress its comments respecting any such report.

"(i)(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

"(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of drinking water regulations or underground injection control programs of a State,

"(B) testified or is about to testify in any such proceeding, or

"(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this title. "(2)(A) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

"(B)(i) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(ii) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (II) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (III) compensatory damages, and (IV) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(3)(A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

"(B) An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

"(4) Whenever a person has failed to comply with an order issued under paragraph (2)(B), the Secretary shall file a civil action in the United States District Court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this paragraph shall be heard and decided expeditiously.

"(5) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28 of the United States Code.

"(6) Paragraph (1) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this title."

(b) Section 2(f) of the Public Health Service Act is amended by inserting "(1)" after "except that" and by inserting before the semicolon at the end thereof the following: ", and (2) as used in title XIV such term includes Guam, American Samoa, and the Trust Territory of the Pacific Islands".

RURAL WATER SURVEY

SEC. 3. (a) The Administrator of the Environmental Protection Agency shall (after consultation with the Secretary of Agriculture and the several States) enter into arrangements with public or private entities as may be appropriate to conduct a survey of the quantity, quality, and availability of rural drinking water supplies. Such survey shall include, but not be limited to, the consideration of the number of residents in each rural area—

(1) presently being inadequately served by a public or private drinking water supply system, or by an individual home drinking water supply system;

(2) presently having limited or otherwise inadequate access to drinking water;

(3) who, due to the absence or inadequacy of a drinking water supply system, are exposed to an increased health hazard; and

(4) who have experienced incidents of chronic or acute illness, which may be attributed to the absence or inadequacy of a drinking water supply system.

(b) Such survey shall be completed within eighteen months of the date of enactment of this Act and a final report thereon submitted, not later than six months after the completion of such survey, to the President for transmittal to the Congress. Such report shall include recommendations for improving rural water supplies.

(c) There are authorized to be appropriated to carry out the provisions of this section $1,000,000 for the fiscal year ending June 30, 1975; $2,000,000 for the fiscal year ending June 30, 1976; and $1,000,000 for the fiscal year ending June 30, 1977.

BOTTLED DRINKING WATER

SEC. 4. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 409 the following new section:

"BOTTLED DRINKING WATER STANDARDS

"SEC. 410. Whenever the Administrator of the Environmental Protection Agency prescribes interim or revised national primary drinking water regulations under section 1412 of the Public Health Service Act, the Secretary shall consult with the Administrator and within 180 days after the promulgation of such drinking water regulations either promulgate amendments to regulations under this chapter applicable to bottled drinking water or publish in the Federal Register his reasons for not making such amendments.".

Mr. HART. Mr. President, the Safe Drinking Water Act has been before the Congress for some 4 years. It is legislation which has received careful consideration on both sides of the Capitol. The Senate has passed the legislation twice, once in the 92d Congress and again on June 22, 1973. Just this last Tuesday, the House of Representatives passed its version of the bill. It is because this legislation is so vitally needed that I have offered the amendment to the House amendment which should assure, if approved by the Congress, that the legislation go promptly to the President's desk.

The need for vast improvement in our drinking water supplies has been well documented in recent years. Dating from the first major comprehensive study of drinking water systems, the community water supply study conducted by HEW in 1970, study after study has indicated that our confidence in drinking water is often misplaced.

For example, the 1970 study of 969 water supply systems indicated that 36 percent of the tap water samples exceed current standards applicable to water served aboard interstate carriers. Extrapolated to the country as a whole, as many as 8 million people could be served water which is potentially dangerous. Physical facilities were poorly constructed, unqualified operators were manning water treatment plants, State inspections were deficient, and a number of other inadequacies were pointed out.

EPA data indicates that in excess of 130 disease outbreaks attributable to bad drinking water were detected between 1961 and 1970 affecting some 46,000 people. Twenty deaths occurred.

The most recent discovery that in the presence of chlorine, certain organic materials contained in raw water sources could form suspected carcinogens can only speak to the urgency with which we must increase our research efforts and our ability to remove harmful materials from drinking water.

My motion would accept the House amendment to the Senate bill with an amendment. Quite frankly, the House of Representatives has labored on a product which reflects much thought and effort. As the changes necessary to the House bill to bring it closer to conformity with the Senate bill are not extensive, the expedited procedure of accepting the House bill with amendment would not subject yet another bill to a conference committee with all of the resultant delays and problems suggested by that procedure.

In addition, however, it does serve the very useful purpose of giving the Congress an opportunity to override a Presidential veto, should that occur. While this Congress probably has 3 full weeks of life remaining, it is important that both the Senate and the House of Representatives act on this legislation without delay.

As the House of Representatives could well be distracted from legislative business for much of next week due to organizational meetings for the 94th Congress and other activities, they must act on this bill soon so that the final product may be messaged to the President in time for him to be required to take affirmative action either approving or vetoing the legislation. If we were to wait until the week of December 9, insufficient time would remain for the return of the bill to the Congress should the President choose to do so. It should also be said that representatives of the President have so threatened a veto with respect to this legislation.

The amendment I propose to the House amendment is not extensive. It has been worked out in concert with the leadership of the House Interstate and Foreign Commerce Committee by whom this legislation was considered in the House. In fact, I believe it is fair to say that the compromises struck by this amendment will have broad support in the House of Representatives while moving closer to the principles embodied in the Senate bill on a number of important points. In fact, I believe it is fair to say that the compromises struck are very close to those which might emerge from a committee of conference had one been appointed to consider the conflicting versions.

It would be useful to briefly explain the bill's major provisions and how they differ from the similar provisions of the Senate-passed bill. Having done this, I will then ask that a rather extensive discussion and explanation of the proposed amendments be inserted in the RECORD.

STANDARD SETTING AUTHORITY

The proposed amendment authorizes the Environmental Protection Agency to set primary and secondary drinking water regulations. Primary regulations would specify the maximum level of contaminants in drinking water which shall protect health to the extent feasible using technology and treatment techniques which the Administrator finds are generally available. Costs are to be taken into consideration but it is envisioned that the standards will be based on a best case assumption with respect to the ability of a city to impose treatment technology. For those cities with lesser capabilities, an exemption and variance procedure is designed to provide relief.

In any case in which contaminant detection methods are faulty, the standards are to require treatment techniques which will lead to a reduction in the level of contaminants to the maximum extent feasible.

In addition, EPA would set secondary standards which are basically asthetic standards and which shall only be recommended guidelines to the States and the water supply systems under their jurisdiction.

EXCEPTIONS AND VARIANCES

In order to provide relief for those water supply systems which are less able to afford treatment technology than the best case situation which forms the basis for the national primary standards, a variance and exemption procedure is authorized by the amendment. This is consistent with the House-passed version of the bill with some additions worked out which would assure that the public health would reasonably be protected under these procedures.

If intake water quality to a water supply system is of such poor quality that a water supply system simply could not afford to meet the standards, the States could grant variances or exemptions from the national primary requirements to the extent that unreasonable threats to public health would be avoided. In each case, schedules would be required of the system which would bring them into compliance as soon as is feasible and at a rate which avoids unreasonable threats to health.

FEDERAL ENFORCEMENT OF DRINKING WATER STANDARDS

Under the Senate bill, the Administrator is authorized to enforce the primary drinking water standards if they extend beyond 30 days after he gives notification to the State in which the water system is operating and that appropriate remedial action has not been taken to prevent any unreasonable danger to public health.

The proposed amendment does not authorize EPA to enforce until 60 days after notification has taken place and in addition, Federal enforcement could only take place if: First, the State fails to submit a report to EPA as to the steps being taken to bring the system into compliance or; second, the State has "abused its discretion in carrying out primary enforcement responsibility." While this enforcement responsibility is obviously something less than was envisioned in the Senate bill and is one of the major differences between the two bills, there are a number of mitigating factors which makes the enforcement procedure satisfactory.

First, the Administrator is still authorized to act in cases of imminent and substantial danger without the waiting period and notification requirements. As defined in the House report on this bill, this authority is broad in scope and provides a necessary enforcement tool for the Administrator. As we understand from the language, it confers upon EPA the authority to act in any case where the danger to be realized will occur prior to the run of procedures necessary to stop the violation. In my view, a danger will be substantial in virtually all instances when the violation of a standard involves a public health threat and there are not other factors present which might make the risk acceptable.

In the context of the regular enforcement procedure, if a violation occurs or if public health threats are posed in the absence of a standard, and the dangers will become manifest prior to the run of the normal enforcement procedures, EPA would be authorized to take action under the emergency powers section of the legislation unless there are mitigating circumstances which would render the hazards acceptable.

PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

The Senate bill contains merely a study of the problem of underground drinking water contamination without regulatory authority. This is not to say that the record of the Committee on Commerce in considering this legislation did not make a showing of a need for regulation. The reason the Committee on Commerce and the Senate did not include a regulatory provision in its bill was because of a desire to test the effectiveness of existing law in coping with the problem. Since that time, it has become apparent that existing law is not sufficient in this area and this has been thoroughly documented in the documents of the House of Representatives accompanying this legislation. In fact, an opinion of the acting Deputy General Counsel, which, No. 590, issued December 13, 1973, states that the regulation of deep well injection under the Federal Water Pollution Control Act is not authorized if not in conjunction with a discharge into navigable waters. Obviously, most if not all of the discharges into underground water sources may not reach navigable waters and the burden of proving so would be extremely difficult.

The provision gives primary enforcement authority for the regulation of underground injection to the States in accordance with EPA guidance regulations. In order that the production of oil and gas would not be unduly hampered, the injection of brine incidental with the production of oil and gas and the injection of materials to accomplish secondary and tertiary recovery of oil or natural gas could not be regulated unless such requirements are essential to assure that underground sources of drinking water will not be endangered.

LOAN GUARANTEES

The amendment contained a provision of the House bill which authorizes EPA to guarantee loans of up to $50,000 per drinking water system in order to comply with the requirements of this act. A total indebtedness of not to exceed $50 million would be authorized to be guaranteed by EPA within the next 2 years. In my view, while most systems will be able to finance their needed improvements through user charge fees, this financial assistance program is indeed welcome and should be utilized primarily by extremely small water supply systems.

CHLORINE ALLOCATION

The Senate version of the Safe Drinking Water Act does not contain a provision of standby chlorine allocation authority as the chlorine shortage had not become apparent at the time the Senate bill had been passed. Subsequently, however, the Senate did pass S. 2846 which would provide such standby authority. As the House bill contains standby authority for the allocation of chlorine and other chemicals essential to water treatment, the proposed amendment contains the House provision.

Mr. President, the balance to be sought between the legitimate responsibility of the States to protect drinking water sources and Federal backup enforcement is a proper one. The States must assume primary responsibility for the implementation of the policies set out in this legislation. The Federal Government obviously cannot police each and every drinking water supply system in this country. It is hoped that a close working partnership will evolve through the programs authorized by this legislation. The task can get underway none too soon and I would urge the Senate to adopt this amendment so that we may get on with it.

Mr. President, I ask unanimous consent that a more lengthy discussion of the provisions of the proposed amendment be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD as follows:

NATIONAL DRINKING WATER REGULATION (SECTION 1412)

This section establishes the procedures by which national drinking water regulation will be established both initially and in the future. Two types of regulations are authorized.

First, national interim primary regulations will be developed rather quickly because existing efforts underway within EPA are designed to suffice for the interim regulations.

Second, revised national primary drinking water regulations will be developed following consultation with a committee of the National Academy of Sciences.

The standard for both national interim primary drinking water regulations and revised national primary drinking water regulations is that health shall be protected to the extent feasible. Obviously, as the determinations vary upon the feasibility of a standard is governed not only by the cost of compliance but also with the extent of health risk, balancing between health risks on the one side and the cost of compliance on the other side must be weighed. Where health risks are great, higher costs may be incurred, perhaps even to the point of requiring alternative sources of drinking water.

This section also states that revised national primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, or the means permit greater protection of the health of persons. The regulations are to be reviewed at least once every three years. As not only the changes in technology may force revisions in standards but increased knowledge with respect to health effects as well, this provision is not meant to be exclusive as far as the triggering mechanism for greater protection of the health of persons. Greater health risk could likewise trigger an amendment of the regulations.

ENFORCEMENT MECHANISMS (SECTIONS 1413 AND 1414)

The enforcement mechanisms specified under the amendment envisions primary responsibility for enforcement of primary regulations will rest with the States.

Section 1413 specifies the criteria which will determine if a State will have primary enforcement responsibilities for the purposes of the Act. Each State must adopt regulations which are no less stringent than the federal regulations and must have adequate procedures for the enforcement of State regulations including monitoring and inspections.

The State must also keep such records and make such reports with respect to its activities that the Administrator may require and must not permit variances or exemptions under sections 1415 and 1416 in a manner contrary with those sections.

Finally, the State must have adopted and be able to implement an adequate plan for the provision of safe drinking water during emergency circumstances, including floods, earthquakes, and other natural and man-made disasters or other emergencies.

This section also contains direction for the manner in which State enforcement plans are to be approved or approval withdrawn. Such actions can only take place after notification by the States and following an opportunity for a public hearing on the determination.

Section 1414 specifies the instances in which failure by a State to assure enforcement of drinking water regulations will result in federal enforcement.

If EPA finds a violation of national primary standards or of a compliance schedule of the requirements imposed under the variances and exemptions procedures of sections 1415 or 1416, the Administrator is to notify the State and provide advice and assistance to the state to bring the system into compliance.

If the failure to comply extends beyond 30 days, the Administrator is to give public notice of the finding and request the State to report within 15 days after such notice of the steps being taken.

If the failure to comply extends beyond the sixtieth day following the initial notice and the State has failed to submit the required report or has submitted the report but the Administrator has determined that the estate has abused its discretion in carrying out primary enforcement responsibility, the Administrator may commence a civil action in accordance with this section. In determining whether the State has abused its discretion, EPA must determine that the State has failed to implement by such sixtieth day adequate procedures to bring the system into compliance by the earliest feasible time and that the system has failed to assure by such 60th day the provision to alternative means of safe drinking water by the earliest feasible time. Again, the determination of what the earliest feasible time may be must take not only the cost of compliance into consideration but the extent of health threat as well. Thus, the ability of a public water supply system to finance improvements in its water supply system or to providing alternative means of providing safe drinking water must be tempered by the threat to health arising from such violation.

This section also requires that each owner or operator of a public water system shall give notice of failures to comply with national standards or the monitoring required by section 1445(a) and to give notice of violations of a variance or exemption compliance schedule under section 1415 or 1416. Notice would be furnished to the communications media by such supplier as soon as practicable after the discovery of the violation. It is anticipated that the Environmental Protection Agency will by regulation be more specific with respect to these requirements so that undue delay is not encountered and that the release of the information will be timely enough to be of value to consumers.

Persons who willfully violate the notice requirements or regulations issued thereunder shall be fined not more than $5,000. It is understood that a "fine" in this case and elsewhere in the bill refers to a criminal fine.

VARIANCES AND EXEMPTIONS (SECTIONS 1415 AND 1416)

Sections 1415 and 1416 describe the two very similar procedures for granting variances and exemptions from the National Primary Drinking Water regulations.

The purpose of the variance procedure is to provide relief in those cases where raw water supply is of such poor quality that the system cannot meet the requirements. A variance may not be granted for such proposes unless the State has found that the variance will not result in an unreasonable risk to health.

A risk to health is to be presumed to be unreasonable unless there are costs involved which clearly exceed the health benefits to be derived.

Variances may also be granted from the requirements of the National Primary Drinking Water regulations for the use of a particular treatment technique if the raw water for such system is such quality as to make the treatment technique requirement unnecessary.

Exemptions granted under section 1416 may be granted to a water system by a State is due to compelling factors the public water system is unable to comply with any national primary drinking water regulation. Again, before granting an exemption, the State must find that the system was in operation on the effective date of the requirement and that the granting of the exemption will not result in an unreasonable risk to health. Exemptions may only be granted through January 1, 1981, unless the system will become part of a regional system in which case the exemption may be granted until January 1, 1983.

The EPA Administrator is authorized to intervene in both the variance and the exemptions procedures if he finds that in a substantial number of instances, the State has abused its discretion in granting variances or exemptions. In determining whether a State has abused its discretion in a substantial number of instances, the Administrator is to consider the number of persons who are affected by the variances or exemptions and if the requirements applicable to the granting of the variances or exemptions were complied with. Thus a single improperly granted variance or exemption could become the object of intervention if the variance or exemption affected a substantial number of persons. Similarly, as the health risk created by improperly granted variances or exemptions is increased, the number of affected persons sufficient to authorize intervention by the Administrator is decreased.

In the case of both variances and exemptions, the State must specify a compliance schedule including interim control measures which must achieve compliance in a manner which will not result in an unreasonable threat to public health. The compliance schedules would specify milestones along the schedule for compliance. The control measures specified would be designed to achieve those milestones.

The EPA Administrator is required to conduct a comprehensive review of the variances and exemptions granted under the two sections not later than 18 months after the effective date of the interim National Primary Drinking Water Regulations and shall conduct subsequent reviews to be completed within each 3 year period following the completion of the initial review. Before conducting any review the Administrator is to publish notice of a proposed review in the Federal Register. Such notice is to be as useful as possible to those who would comment upon his review and shall provide information respecting the location of data and of the opportunity to submit comments on the variances reviewed.

As stated in the report of the House Interstate and Foreign Commerce Committee, variances and exemptions are not to be granted for new facilities. As the House report implies, variances or exemptions should not for expansions of existing plants as well.

As such type of exemptions and variances are not authorized, EPA would not be expected to go through the normal review procedure for intervening in the variances and grants procedure. Rather, EPA would be authorized to initiate enforcement action directly.

Furthermore, it is understood that the existence of a variance or exemption procedure in no way affects any rights which a plaintiff in a common law or other suit may have against a polluter or other person responsible for poor water quality. In other words, if a supplier of water has brought an action against a polluter for polluting its water supply, the existence of a variance or exemption procedure does not relieve the polluter from any responsibilities or liabilities he may have in the absence of the variance or exemption procedure.

PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER (SECTION 1421–1424)

These sections of the proposed amendment establish the procedure whereby underground sources of drinking water will be protected through State enforcement efforts with Federal backup enforcement if the States don't act in a timely fashion.

EPA is to publish regulations for State underground programs within 180 days after enactment of this title. The regulations are to prohibit underground injection if such injection may result in the presence in underground water of any contaminant which may result in any drinking water system not complying with any national primary drinking water regulation. A number of other requirements are made as well.

A State would be primarily responsible for enforcement of the regulations if it submits an application to the Administrator and shows that it will implement programs meeting the requirements and will keep records and make such reports with respect to its activities as may be required by regulation.

Underground injection control will not apply to injection of brine or other fluids which are produced incidental to the production of oil or natural gas or any other underground injection for secondary or tertiary recovery of oil or gas unless such requirements are essential to assuring that underground sources of drinking water will not be endangered. Federal enforcement would be authorized under the same type of conditions described in section 1414 above.

Finally, these provisions provide for the designation of areas in which no new underground injection may be operated during the period between the date of designation and ending on the date when the State undertakes an underground injection program. In any such area, no new underground injection may take place unless a permit is granted by the Administrator. The Administrator is authorized to designate such areas if the area has one aquifer which is the sole source of drinking water for the area and which if contaminated would present a significant public health hazard.

EMERGENCY POWERS (SECTION 1431)

This section authorized the Administrator to take action in situations when imminent and substantial endangerment to the health of persons is presented and appropriate State and local authorities have not acted to protect the health of such persons. The Administrator would be authorized to take such action as he may deem necessary in order to protect the health of such persons. He may issue such orders as may be necessary and may commence a civil action for appropriate relief including a restraining order for a permanent or temporary injunction. For reasons specified earlier, it is anticipated that the emergency power section of the proposed amendment would be useful to the Administrator in preventing public health threats.

Department of Commerce) shall issue an order requiring the mandatory provision of such chemicals to the person for which certification has been granted.

President or his delegate (presumably the

ASSURANCE OF AVAILABILITY OF ADEQUATE SUPPLIES OF CHEMICALS NECESSARY FOR THE TREATMENT OF WATER (SECTION 1441)

This section provides for the mandatory allocation by the President of chlorine and other chemicals or substances used for the purpose of treating water in any public water system or any public treatment works.

Upon an application of any person who uses such chemicals for the treating of water in any public water supply, the Administrator would be authorized to make a finding of need for such chemicals. Following the issuance of a need by the Administrator, the

RESEARCH, TECHNICAL ASSISTANCE, INFORMATION, TRAINING OF PERSONNEL (SECTION 1442)

This section authorizes the Administrator to conduct research, studies, and demonstrations related to contaminants in drinking water and the provision of a dependably safe supply of drinking water. In addition, the section authorizes the Administrator to collect and make available research and other technical information to persons having a need for such information and to make grants and enter into contracts for the purpose of developing, expanding, and carrying out programs for training persons for occupations involved with safe drinking water.

GRANTS FOR STATE PROGRAMS (SECTION 1443)

As in the Senate passed bill, the proposed amendment contains the authority for the Administrator to make grants to carry out public water system supervision programs. Many additional requirements will be placed on the states so that they may retain their primary enforcement authority and perform other duties and responsibilities under the Act. With the necessary amount of Federal backup enforcement of standards, it is incumbent upon Federal Government to aid the States in carrying out their programs in order to avoid pressures at the State level to turn over the drinking water program to the Federal Government. The provision of program grants to the States is designed to avert that possibility.

SPECIAL STUDY AND DEMONSTRATION PROJECT GRANTS GUARANTEED LOANS (SECTION 1444)

This section authorizes the Administrator to make grants for the purpose of developing and demonstrating new technology. Grants shall not exceed two-thirds of the cost of the construction of the facility, and 75% of any other cost.

Priority is to be given for grants under this section where there are known potential public health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology. Obviously, this is intended to apply to the existence of asbestos particles in the water supply of Duluth, Minnesota. The existence of such a project in Duluth, Minnesota is not in any way intended to affect any responsibilities which the Reserve Mining Company may have for the presence of asbestos in the drinking water of Duluth, Minnesota. Rather, it is proper that this type of special study be conducted and it is coincidental that this type of study will be conducted in Duluth, Minnesota.

RECORD AND INSPECTIONS (SECTION 1445)

This section contains record keeping provisions applicable to persons who are suppliers of water and makes provision for the inspection of facilities by the Administrator of the Environmental Protection Agency.

The amendment contains a modified provision of the House-passed bill which requires that before entry is made by the Administrator in any establishment, facility or other property of a supplier of water, the Administrator or his representative must notify the State agency with jurisdiction over the water supplier. Upon a showing by the State that such entry will be detrimental to the administration of the State's program, the Administrator shall take such showing into consideration in determining whether to make such entry. State agencies would be prohibited from notifying suppliers of water of the information supplied to the State in the notice from the Administrator. If the State agency so uses such information, notice is no longer required until the State has shown satisfactorily to the Administrator that it will no longer so use the information.

It is not intended that these requirements will present any great burden to the Administrator in carrying out the duties under this Act. For example, if an unforeseen inspection is necessary, a simple telegram to the State agency will satisfy the notification requirements. Furthermore, any consultation that might occur subsequent to such notification could well take place by telephone.

NATIONAL DRINKING WATER ADVISORY COUNCIL (SECTION 1446)

This section establishes a National Drinking Water Advisory Council for the purpose of advising the Administrator on his scientific duties under the Act. It is envisioned that the National Drinking Water Advisory Council will offer advice only on matters of science as opposed to matters of public policy. Because of the threat of carcinogenic materials in drinking water it is expected that experts on carcinogenosis (from the National Cancer Institute or elsewhere) will be represented at the Council.

The Council is to consist of 15 members, five of which shall be appointed from appropriate State and local agencies, five of which shall be appointed from representatives from private organizations, and five members of the general public.

It is expected that the Drinking Water Advisory Council will be balanced with respect to the various interests having to do with drinking water without the dominant influence of drnking water suppliers or State or local regulators.

FEDERAL AGENCIES (SECTION 1447)

Federal agencies would be required to comply with all national primary drinking water regulations and underground injection control programs. Any provision for waivers of compliance in the interest of national security are provided.

JUDICIAL REVIEW (SECTION 1448)

This section provides for judicial review of regulations drawn by the Administrator under the Act and certain activities of the States with respect to variances and exemptions and compliance schedules developed thereunder.

In general, the judicial review provisions follow closely those contained in the Clean Air Act.

CITIZENS CIVIL ACTION (SECTION 1449)

This section authorizes citizens' civil action against persons who are alleged to be in violation of any requirement under this title or against the Administrator where there is alleged his failure to perform mandatory duties under this title.

Actions may not be brought against a public water system during the 27 month period beginning on the first day of the month which this title is enacted.

Generally, the citizen suit provisions of this section are similar to those contained in the Clean Air Act, the Federal Water Pollution Control Act, and the Noise Control Act.

GENERAL PROVISIONS (SECTION 1450)

This section contains general information to effectuate the proper administration of the proposed amendment.

Importantly, it contains a prohibition against discharging or otherwise discriminating against any employee if such employee has involved himself in a proceeding under this title, testifies or is about to testify in any such proceeding, or assist or participate or is about to assist or participate in any manner in a proceeding under this title. A grievance procedure before the Secretary of Labor is provided.

RURAL WATER SURVEY (SECTION 3)

This section requires the Administrator of EPA after consultation with the Secretary of Agriculture to conduct a survey of rural drinking water supplies with respect to quality, quantity, and availability. Such survey shall be completed within 18 months after the date of enactment and a final report submitted to the President for transmittal to the Congress within six months.

BOTTLED DRINKING WATER (SECTION 4)

This section requires the Secretary of Health, Education, and Welfare to conform his regulations with respect to bottled drinking water to those contained in the National Primary Drinking Water Standards under section 1412 of this Act, or to publish in the Federal Register his reasons for not making any such changes.

Mr. COTTON. Will the Senator yield for a question?

Mr. HART. Yes, I yield.

Mr. COTTON. The amendment the Senator is offering to the bill is, I understand from a previous conference with him—but I wish to get it into the RECORD—an amendment which was adopted when the Senate passed this bill earlier and which was proposed by the Senator from Alaska (Mr. STEVENS), myself, and I believe, five other Senators who were concerned about small States. As I recall it would provide that no State would get less than 1 percent of the total sum of grants to States provided for in the bill, and thereby insure that small or less populated States received equitable treatment. Is that the amendment?

Mr. HART. Mr. President, the amendment includes the Stevens proposal, which was supported by the Senator from New Hampshire and others. The requirement is that not less than 1 percent of the program grant money be available to each State.

Mr. COTTON. But, does the amendment you are offering also include other matters?

Mr. HART. It does. If a fuller discussion of those is required——

Mr. COTTON. I am not questioning the Senator. I have great confidence in the complete frankness and integrity of the Senator from Michigan. He has always, in my association with him, both in the committee and in the Senate, put the cards on the table and been completely frank. Are there any radical changes resulting from the amendment?

Mr. HART. Mr. President, grateful as I am to the Senator from New Hampshire for his kind remarks, I am now compelled to say that I am not sure exactly of every name in the House bill. I am assured by the staff of the Committee on Commerce that the amendment which I urge the Senate now to adopt is consistent with the position taken by the Senator, but does reflect a useful accommodation, incorporating much of the thought, effort and wisdom that has been developed on the House side.

Mr. COTTON. I say to the Senator from Michigan that I now have before me a list of the several changes included in the Senator's amendment, which was handed to me by the committee's minority counsel. I say frankly that I see some that might prove a danger when this bill gets to the White House. But, at this time, I am not going to hold up consideration of our labor-HEW conference report by going into extensive arguments upon these several changes.

I do not say that this bill could not be passed, or that the President will veto it, but certainly the changes proposed in the amendment may raise some opposition when it gets to the White House.

As I hurriedly glance over the changes made by this amendment, I, too, cannot see all the cards in the deck. Unfortunately, we sometimes have to legislate in this manner. It is a bill that has been pending for a long time. It is a bill the fundamental purpose of which is obviously highly desirable. It is a bill that would be pretty hard to vote against because of the skillful title—the Safe Drinking Water Act—attached to it.

After all, if one votes against safe drinking water, it is like voting against home and mother. I therefore, shall not be disposed at this time to hold up the procedure by going into these matters.

I think that, also playing with the cards on the table, one purpose of pushing this bill through like this—that is, by simply amending the House-passed substitute text and returning it to the other body—is that if the bill were delayed too long, it might be subject to a pocket veto. And the proponents of the bill want to avoid that prospect.

Mr. HART. That is correct.

Mr. COTTON. I can understand that attitude. I feel that if there is to be a veto of a bill, we should have a chance to act upon it. It is unfortunate when we have pocket vetoes at the end of a session.

I shall not oppose the amendment. However, I do feel that I should sound the warning which I stated earlier.

I deeply appreciate the fact that the Senator did include in the amendment the provision for a 1-percent minimum on grants to protect smaller States in which I was much interested on behalf of my own State.

Mr. HART. Mr. President——

Mr. MAGNUSON. Will the Senator yield for a half minute?

Mr. HART. Yes.

Mr. MAGNUSON. I wish to assure the Senator from Michigan that he has 52 cards in his deck, and there are no jokers.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan (Mr. HART).

The motion was agreed to.

Mr. HART. I thank the Senator from New Hampshire.

ADJOURNMENT OF THE TWO HOUSES OVER THE THANKSGIVING HOLIDAY

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 689.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 689, which will be stated.

The assistant legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Tuesday, November 26, 1974, it stand adjourned until 12 o'clock meridian Tuesday, December 3, 1974.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 4, strike out "1974" and insert: "1974, and that when the Senate adjourns on Tuesday, November 26, 1974, it stand adjourned until 12 o'clock noon on Monday, December 2, 1974."

SEC. 2. Ordered, That during the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be authorized to receive messages, including veto messages, from the President of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 689), as amended, was agreed to as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Tuesday, November 26, 1974, it stand adjourned until 12 o'clock meridian Tuesday, December 3, 1974, and that when the Senate adjourns on Tuesday, November 26, 1974, it stands adjourned until 12 o'clock noon on Monday, December 2, 1974."

SEC. 2. Ordered, That during the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be authorized to receive messages, including veto messages, from the President of the United States.

The title was amended, so as to read: "Concurrent resolution providing for an adjournment of the two Houses over the Thanksgiving Holiday, 1974."

LABOR, HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATIONS, 1975—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15580) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. The question is on the conference report on the Labor-HEW bill.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COTTON. Mr. President, a parliamentary inquiry.

Is this the yeas and nays on the Labor-HEW conference report?

The PRESIDING OFFICER. It is the Chair's understanding that it is a request for the yeas and nays on the final passage of the adoption of the conference report on Labor-HEW appropriations.

Mr. COTTON. We have 30 minutes apiece, and I have a request from one Senator for 5 minutes.

The PRESIDING OFFICER. There are no time limitations.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield the Senator from Oklahoma 5 minutes. We each had 30 minutes, did we not? I yield 5 minutes of my time.

Mr. BARTLETT. Mr. President, I would like to make these preliminary remarks, then yield to the Senator from Rhode Island, and then resume my remarks.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. MAGNUSON. Mr. President, in the interests of proper procedure, I move that the Senate agree to the conference report on the Labor-HEW appropriation bill.

The PRESIDING OFFICER (Mr. DOMENICI). That is the pending question, on which the yeas and nays have been ordered.

Mr. BARTLETT. Mr. President, the Senate version of the bill contained a prohibition on the use of any Labor-HEW funds for abortions other than those to save the lives of mothers. This amendment was agreed to by a voice vote, after the Senate, by a vote of 50 to 34, voted against laying the amendment on the table.

I am deeply disappointed, Mr. President, that the conference committee on the Labor-HEW bill deleted the amendment prohibiting the use of HEW funds for the performance of abortions. This is particularly disappointing because the chairman vowed on the Senate floor to make every effort to retain that provision.

I understand, Mr. President, that the consideration of this amendment was in executive session. I have heard that there was no vote on it, but I wonder if the chairman could describe for me what consideration there was of this amendment by the conference committee, in making their decision.

Mr. MAGNUSON. Mr. President, I can answer the question of the Senator from Oklahoma.

In the first place, the Senator from Washington feels that this matter does not belong on an appropriation bill. The House conferees were adamant about the fact that it was a legislative matter, on which hearings are being and will be held.

They were adamant. We discussed it

for many hours in the executive session. The trouble with this whole bill—we did not have too much trouble with the money items in the bill; we agreed on those, with the cooperation of the administration, but we spent most of our time in conference—the conference has been going on for 6 weeks, whenever we could get together—on legislative matters in the bill. We had the OSHA, the 25 versus 0; we had a busing amendment; we had this amendment; we had an amendment arguing about what computers should be used for social security, which is a legislative matter.

We had seven major legislative matters, and we sat almost as a legislative committee. But the consensus of opinion of the House conferees and of a majority of the Senate conferees was that although some were sympathetic with this amendment and some were not, all of us felt this was a money bill we were considering.

I remember what happened. Senator Cotton and I heard a lot of testimony. People came up who were very emotional on both sides of the issue. We can understand this. We asked them, "Why do you come here? Why do you not go to the legislative committee?"

Both sides said, "We could not get anywhere with the legislative committee on either view." This is very strange. I think they used the plea, "This is the only way we have to move." I think the Senator from Oklahoma himself said that at one time.

So we went to conference, and we spent more time on this amendment than we did on the rest of the bill. I tried hard to sustain the Senate position in conference. So did Senator Cotton, although we both agreed that it hardly belonged on an appropriation bill. But we tried to sustain it. We would never have had a bill if we did not compromise, we would have had a continuing resolution, if we had persisted.

This is my best analysis of the consideration of the Senate amendment.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. BARTLETT. I yield.

Mr. PASTORE. Mr. President, I know that our colleague from Oklahoma is somewhat disappointed that the amendment was not included in the conference report, but I am refreshed by the language in the report, which reads:

> A majority of the Conferees strongly support the apparent intent of the Senate amendment to prohibit the use of public funds to pay for or encourage abortions. Nevertheless, they are persuaded that an annual appropriation bill is an improper vehicle for such a controversial and far-reaching legislative provision.

I assure the Senator from Oklahoma that in the future we shall pursue this matter in regular form. I congratulate the members of the conference on this strong statement of their concern.

Mr. HELMS. Mr. President, the deletion of the Bartlett amendment from the Labor-HEW bill raises a number of serious matters that go to the very heart of our political system. On September 17, 1974, the Senate passed the Bartlett amendment by a margin of 50 to 34 votes, not counting those Members absent who were recorded as favoring the amendment. Since that time, various interests which are outside of the Congress and are not responsible to the people of this Nation for their actions, have attempted to defeat the Bartlett amendment through their offices of the Federal Government. Such actions are to be viewed with distrust and alarm.

Within a week after we passed the Bartlett amendment, an unsigned memorandum from the Department of Health, Education, and Welfare was sent to the members of the conference committee, which implicitly suggests that the Bartlett amendment should be rejected on economic grounds. Viewing the Bartlett amendment from the perspective of the cash register, the HEW memorandum pushes aside the vital question of morality and makes the observation that—

> Medicaid is currently financing between 222,000 and 278,000 abortions annually at a cost of $40 to $50 million. For each pregnancy among Medicaid elegible women that is brought to term, it is estimated that the first year costs to Federal, State, and local governments for maternity and pediatric care and public assistance is approximately $2,200.

By this manner of reasoning, Mr. President, we would be well advised to increase the number of abortions and encourage more young mothers to kill their unborn all in the name of the almighty dollar. This anitque philosophy of placing financial considerations above the humane, Mr. President, was rejected by this Nation years ago, and I submit to you that the concept of ethics upon which this memorandum is based is repugnant to the moral and religious principles upon which this Nation is established. We are in favor of a free economy, but we are also in favor of a humane economy. We went to war in 1942 to defend these beliefs and we must wage war now against a bankrupt system of human values that is rapidly sending more and more of our future generation down to a dusty, anonymous grave. Is life so cheap in this country that we can no longer afford to bring children into this world? I do not believe it, Mr. President, and I do not think that anyone else in this Chamber believes it.

Nor am I persuaded by the legal memorandum that our Congressional Research Service sent to the members of the conference committee that was calculated to cast a shadow of doubt over the constitutionality of the Bartlett amendment. As I pointed out in my statement on November 20, in response to this second memorandum, the legal brief against the Bartlett amendment presents not only a biased case against the Bartlett amendment, but an incorrect one at that. Mr. President, I ask unanimous consent that my remarks of November 20, 1974, be printed in the Record at the conclusion of these remarks.

Nor am I impressed by the reasoning that is contained in the conference report on the Labor-HEW appropriation bill. Straining credulity, reaching for every straw in the wind that HEW and the Congressional Research Service have blown through the Halls of Congress, the conference report states that—

> Although a majority of the conferees strongly support the apparent intent of the Senate amendment to prohibit the use of public funds to pay for or encourage abortions, that they are nevertheless persuaded that an annual appropriation bill is an improper vehicle for such a controversial and far-reaching legislative provision whose implications and ramifications are not clear, whose constitutionality has been challenged, and on which no hearings have been held.

As my colleagues are aware, this kind of an argument was offered against the Bartlett amendment and rejected during full, open, and frank debate in the Senate. At that time, it was pointed out—and I shall say it again—that the mere deletion of categories of funding is not substantive legislation; otherwise we would be unable to place any limitations in any appropriations bill.

Ignoring these considerations, and bowing to the lawmakers in the Federal bureaucracy, a minority of legislators meeting behind closed doors in executive session have attempted to contravene the majority will of the Senate.

I oppose this defiant disregard for the democratic process, and I urge my colleagues to defeat this conference report and thereby defend the will of the Senate.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COTTON. I would like to add to the statements of the chairman and of the Senator from Rhode Island that I, too, favored the prohibition against the use of public funds to perform abortions. I, too, agreed with the chairman and the other Members that the appropriation bill was not the place to handle this matter. It should and must be handled by legislative committees and thrashed out by them.

The words of the report as just read by the Senator from Rhode Island, I note, do emphasize that a majority of the conferees—I think it was true that it was a majority of the conferees, both those on the part of the House and those on the part of the Senate—favored this prohibition, but did not feel that it was properly a part of an appropriation bill.

If we keep on, we will be doing all our legislative business in Senate appropriation bills.

I was particularly interested myself because in my own State our department of welfare backed, I believe, by the Governor, is seeking to put a rule and seeking to put a prohibition on the use of welfare funds, to pay for abortions.

So I compliment the Senator from Oklahoma for his stout and determined leadership in this matter, and I assure him that we did not sell him down the river; that this was a situation that we had to confront. If we opened the floodgates, as the chairman has said, there were half a dozen other purely legislative proposals that we would be fighting out in an appropriation bill.

Mr. BARTLETT. Mr. President, I certainly appreciate the support that the

Senator from New Hampshire gives to the amendment, and I also appreciate the support that the majority of the conferees have indicated for the amendment.

But, and I quote now from the report:

> A majority of the Conferees strongly support the apparent intent of the Senate amendment to prohibit the use of public funds to pay for or encourage abortions. Nevertheless, they are persuaded that an annual appropriation bill is an improper vehicle for such a controversial and far-reaching legislative provision whose implications and ramifications are not clear, whose constitutionality has been challenged and on which no hearings have been held.

Obviously, the most disturbing aspect of this conference committee report is that the Federal Government will continue to use millions of dollars in taxpayers' money to pay for aborting the unborn child of the poor. In 1973, HEW paid out approximately $50 million for over 250,000 abortions. I assume that HEW would spend at least that much money and will pay for at least that many more abortions during this fiscal year as a result of this conference report, and the action that will be forthcoming by this body very shortly.

Further, I am disappointed in the rationalization or, more appropriately, I would call it the copout, by the conference.

I would ask for the attention of the chairman or the ranking member. First, the report says that this appropriation bill is an inappropriate vehicle for the amendment. The distinguished Senator from New Hampshire just reiterated that a moment ago. But I ask both Senators is there any more appropriate place to cut off HEW funds than in an HEW appropriations bill?

Additionally, the conference adopted an amendment to the OSHA legislation with almost identical language to that amendment, and I quote:

> That none of the funds appropriated by this act shall be used to require recordkeeping and reporting under the Occupational Safety and Health Act of 1970 from employers or ten or fewer employees and such exclusion shall be governed by the current rules and regulations in CFR Title 29, Chapter XVII, Part 1904.15.

I ask the chairman and the ranking member if this provision is any less legislative than the one the conference rejected.

Mr. COTTON. Mr. President, if I may have a moment, may I say to my friend, the Senator from Oklahoma, that there is a real distinction between the two because the action in regard to the keeping of records had to do with the internal bookkeeping of that department and was strictly to save the useless expenditure of considerable sums of money in cases where they were not necessary.

On the matter of the abortion provision, it was not a satisfactory way of settling the question because it will only last for a year. It only affects the money in this particular bill. This is just an annual appropriation. Had it been adopted and had it been approved, not only is there some question, I think, about the possibility of its constitutionality, but it would expire at the end of fiscal 1975, and then we have to fight the battle every year on every appropriation bill.

The way to deal with this abortion matter where the States do not—and I think my State is trying to deal with it—is to nail it down and make it permanent and lay it down as a principle of government. To do this we must handle it in a legislative bill so that it will be permanent unless Congress revises it. To try to handle this on an appropriation bill would be just a temporary expedient at best.

Mr. BARTLETT. I say to my good friend, the Senator from New Hampshire, that I agree that the provision to exempt funds from HEW in funding abortions would last for 1 year. But that was not the reason that was given in the report. I do say that the reason given in the report as No. 1 was that it was inappropriate and, I think, the action taken by the conference committee was identical because it cut off funds for OSHA in certain cases.

Now, next, I would like to mention the constitutionality that I think the Senator mentioned, which is also in the report, and which I read. Mr. President, this argument was raised on the Senate floor and was rejected by a majority of this body.

Last, and equally as weak as the other arguments, the report suggests that because no hearings were held—and I would appreciate the chairman's attention and that of the ranking member—that this amendment should be deleted.

Mr. President, one of the shocking things that came out of the floor debate on the amendment was the fact that there has never been a hearing held on the funding of abortions. We are spending $50 million a year on abortions, and there has never been a hearing. So, obviously, the conference determined, Mr. President, that if there had been no hearings then, when in doubt, spend.

It will be recalled that this came out on the floor discussion of the amendment, and that I asked that hearings be held so that the consideration could be made as to whether or not abortions should be funded, and to discuss all aspects of it, but the chairman did not see fit to setting it aside until such time as hearings could be held.

Mr. MAGNUSON. Is the Senator talking about me?

Mr. BARTLETT. Yes.

Mr. MAGNUSON. We had hearings. We heard a lot of witnesses on this issue.

Mr. BARTLETT. As I recall the Senator's statement before he said he had never had hearings.

Mr. MAGNUSON. I think the Senator is very unfair. We listened to all kinds of people on this abortion matter. What we did not do is hold hearings on the Bartlett amendment.

Mr. BARTLETT. If I remember the Senator correctly——

Mr. MAGNUSON. What the Senator is talking about is he should amend a legislative act, this is what is causing the trouble.

We had hearings. We had people come to us, and one time they caused a stir because we did not hear them all on one afternoon and had to put some of them over to the next day. They were there all through the hearings. So do not stand up and say anybody refused to have hearings on this matter. We heard from them all, all that came here.

Mr. BARTLETT. What I am saying is, I would like to say it so that the Senator can hear it and if he wants to refute, fine. I am saying the Senator said when we discussed this before, "We did not have hearings on abortions in connection with the HEW funds."

Mr. MAGNUSON. We did not hold departmental hearings—but the record contains HEW's views.

We heard all public witnesses. We heard witnesses galore on this matter.

Mr. BARTLETT. I think the Senator had hearings on another aspect of this, if I remember what he said.

Mr. MAGNUSON. Well, the Senator should have been up to our hearings. Where was the Senator?

Mr. BARTLETT. I am quoting what the Senator told me on the floor.

Mr. MAGNUSON. The Senator was not there. We had hearings on the issue—not the Bartlett amendment. We had a rumpus up there for 2 days, people on both sides of this, and we kept saying, "You ought to be up before the legislative committees."

Now, do not stand up on the floor and say that anybody said we did not have any hearings. That is not true.

Mr. BARTLETT. All right. If the Senator had hearings on abortions, then why would they put in the conference committee report that hearings had not been held and that they should be held so that this amendment could be considered?

Mr. MAGNUSON. Well, we are not a legislative committee——

Mr. BARTLETT. I would, Mr. President, refer the Senator to his statement.

Mr. MAGNUSON. We said hearings should be held before the appropriate committee, that is what we said. Do not stand up and say that that is not true.

Mr. BARTLETT. Well, if what I said is incorrect, I will correct the record and thoroughly apologize.

Mr. MAGNUSON. The Senator does not have to correct the record: the Senator may be interpreting it wrong.

Mr. BARTLETT. I am talking about the record I am making right now, but I will look at the record and if it is not the way the Senator says, I will bring it to the Senator's attention.

Mr. President, I naturally am in favor of hearings because I suggested that we have them on this subject and I hope that there will be hearings on this matter early next year, if that is the request and suggestion of the conference committee.

I would like to put my colleagues on notice that I will introduce this same amendment as an amendment to an appropriate authorization bill for labor, HEW, or as a bill, and would ask for hearings, that they be held, and would be happy to participate in those hearings.

Mr. MAGNUSON. I will join the Senator in having legislative hearings and I will go and help testify, but they should hear this matter. What is the Senator talking about an appropriations bill for? We will hear all these witnesses again on this issue, unless it is resolved by legislation.

Mr. BARTLETT. If I said "appropriations," I did not mean to. I thought I said "authorization." I am trying to follow the dictates.

Mr. MAGNUSON. Perhaps I am incorrect, so we are both even.

Mr. BARTLETT. Well, we will find out who is right and who is wrong and, certainly, if I was wrong, I apologize, and I will correct my record that I am making here now.

But I would like to say, Mr. President, that I intend to vote no on the adoption of the conference committee report, if I have the opportunity. I may be in the chair.

I also intend to vote "no," on the final passage of the conference committee report.

Passage of this report means the taking of lives of hundreds of thousands of unborn children of the poor and my conscience will not let me cast a vote to continue spending the taxpayer's money for this purpose.

Mr. COTTON. Mr. President, I would like 1 minute simply to say that the chairman of the committee covered this bill in his statement very thoroughly.

It is, in my opinion, a good bill. We have tried to deal with it in a restrained manner, but I think we have been just as generous as we could be for the very many fine and important programs in the field of health, the field of education, and, as far as we were able, in the field of welfare.

Now, there was a good deal of argument about whether we were within the budget or exceeded the budget, and that all depended on whether or not we had made a proper or accurate prognostication of how much money we would have to pay the States for welfare.

We could only guess at that, and that was going to be the ground on which we would have, once more, as we have had year after year, a Presidential veto, which we wished to avoid.

Mr. PASTORE. I merely want the record to show that I am very much in favor of this conference report. If I am not here to vote on it, that I am in favor of it. I want the record to show that.

The PRESIDING OFFICER. The record will so show.

The Senator from New Hampshire.

Mr. COTTON. Mr. President, the Member of the House, the gentleman from Illinois, Mr. MICHEL, deserves a great deal of credit for having been the first to suggest—later it was carefully refined by all of us—the language in the bill which calls for a careful analysis of the report sometime early next January from the Comptroller General. He will report as to the probable accuracy of our estimate of what will be required for public assistance, an obligation that we have no control over and that we can only estimate. There is also a provision that, in the meantime, the President could defer enough money in the bill to offset any unanticipated welfare increase, but he would consult with us, with the committee, with the Congress, on any deferrals and on any action he proposed.

Now, by doing that, we have a good bill and for the first time a bill which we have every reason to believe, from information from the White House, that the President will sign. So we will not be using a continuing resolution, which is not adopted, on the very important work under this bill and in the Department of HEW.

I think the chairman of our committee, the Senator from Washington, should be congratulated and commended because of the care in which he conducted this whole matter which has been a most discouraging thing through the years.

He has had to sustain veto after veto and pass another bill, act under a continuing resolution, and his refinement of the language suggested by the Congressman from Illinois made this, I think, a very safe and logical solution of the problem without cutting unnecessarily into the vital programs in the bill.

I congratulate the Senator on it. Again, I thank him for his kind words to me. It has been a privilege to serve under his leadership all these years and he never did a better job than he did this year with this bill.

It is a good conference report and I hope it will be adopted.

Mr. JAVITS. Mr. President, I wish to make a few comments on this report and also to ask a question or two of the chairman.

For one, Mr. President, I would like to join all other colleagues in complimenting both our chairman, Senator MAGNUSON, and the ranking member, Senator COTTON, on the enormous job they did, and, on the whole, a very outstanding one for us all. We have been over this ground before, and I repeat it again.

Second, before I deal with one or two specific matters, I would like especially to commend these two gentlemen who led the conference and the conferees for the disposition of matters relating to manpower training and employment, at a critical time like this to have carried so many points as well as they did in favor of more public service jobs, better conditions to deal with the unemployment situation in respect of training, including some money for particular programs which many of us place very high, like the Opportunities Industrialization Centers, the jobs for progress, the ex-offenders and bilingual program and the job corps, was a very fine job for all of us, indeed, and I congratulate them on it.

Mr. President, I am especially pleased with the action of the committee of conference with respect to provisions for programs under the Comprehensive Employment and Training Act of 1973.

For that act, the conference report includes $2,400,000,000, or $50,000,000 below the House allowance of $2,450,000,000 and $75,000,000 above the Senate allowance of $2,325,000,000.

The conference bill will provide the following basic amounts:

Title I—$1,580,000,000, for job training and transitional public service employment programs conducted by some 400 State and local governmental prime sponsors. The House had $1,680,000,000; the Senate had $1,505,000,000.

Title II—$400,000,000, for public employment programs in areas of "substantial unemployment," that in areas where the unemployment rate is 6.5 percent or more for 3 consecutive months. This amount could create approximately 57,100 public service jobs. The House had $350,000,000; the Senate had $400,000,000.

Title III—$420,000,000, special Federal activities—such as Opportunities Industrialization Centers, OIC; Jobs for Progress, SER; ex-offenders and bilingual programs; and IV—Job Corps. Both the House and Senate had $420,000,000.

Actually the Senate amount for title I of $1,505,000,000 and $420,000,000 for titles III and IV, represented increases from the Senate Appropriations Committees recommendations for those authorities; Senator KENNEDY and I had introduced an amendment to restore the House amounts in each case, but settled with the committee on half the total additional amount we had sought—$175 million out of $350 million. Of the $175 million we added, $155 million was applied to title I and $20 million to titles III and IV.

Mr. President, while I would have preferred to have the House prevail on title I, I am pleased that through our efforts, the gap was narrowed, and I commend the committee of conference for the result, which is closer to the House amount than to the Senate's.

These will be very important funds in insuring the implementation of the Comprehensive Employment and Training Act of 1973, which is in its first full year of operation.

However, with unemployment in October at a rate of 6.2 percent—now over the threshold level—much stronger efforts are needed, and I am pleased to report to the Senate that discussions are now underway with the administration toward the objective of enactment of a new "stand-by" authority before we leave this December to greatly increase public service employment opportunities as well as unemployment benefits.

The three bills under consideration are:

S. 2993, the Emergency Energy Employment Assistance Act of 1974, which I introduced with 14 cosponsors, to provide $4 billion for the creation of approximately 500,000 to 600,000 public service jobs should unemployment nationally be 6 percent or more for 3 consecutive months.

S. 4079, the Emergency Public Service Employment Act of 1974, introduced by Senator NELSON, myself, and two others which would provide a total of $4 billion for approximately 500,000 to 600,000 public service jobs triggered as follows: $500 million at 4.5 percent national unemployment; $500 million at 5 percent; $1 billion at 5.5 percent; and $2 billion at 6 percent; in each case, an average for 3 consecutive months.

S. 4129, the National Employment Assistance Act of 1974—the administrations proposal—introduced by Senator Taft and three others, which would establish a special unemployment assistance program, and a "community improvement" program for approximately 370,000 public service jobs—the latter with an authorization of $2.25 billion triggered as follows: $500 million at 6 percent; $750 million at 6.5 percent, and $1 billion at 7 percent.

We have had already three hearings on these measures.

It is my hope that we will have markup in the Subcommittee on Employment, Poverty, and Migratory Labor as early as next week, and that a meaningful provision will be made before the close of this session.

Mr. President, even as we press for new legislation to deal with mounting unemployment, I want to commend the chairman of the Senate conferees, Mr. Magnuson; the ranking Republican, Senator Cotton, and the other Senate conferees for this result.

The two points that I wish to raise are these: First, with respect to the striking out—and Senator Pell is on the floor—of a particular provision respecting constitutional rights, which is contained in the manager's report at page 20 and relates to amendment No. 97.

The question that I would like to ask the manager, because I believe it is very important, relates to the provision of the Senate bill which read as follows:

> No provision or prohibition in this Act shall prohibit the implementation of rights guaranteed by the Constitution.

Obviously, that is a precatory statement. It really is not necessary. Yet when it is included and you strike it out, there may be an implication drawn which was not intended by the conferees.

Question, therefore: Did the conferees strike out the above language simply because it is unnecessary and surplusage? That seems to be the obvious reason since the basic and overarching law of our country is that the rights guaranteed by the Constitution are superior to any other law and cannot be abridged by a law.

Am I correct in that judgment or was there some substantive reason for the strikeout?

Mr. MAGNUSON. The House insisted that this was redundant; that it was not necessary. We were having enough trouble with legislation without trying to amend the Constitution. We do not think we could have done that anyway.

Mr. JAVITS. I thank my colleague very much and I am glad he agrees with my interpretation in this matter.

The other thing relates to a particular matter of my own in New York, which I would like to lay before the conferees, first stating that the provision here in the conference report for the National Cancer Institute is unequivocal. It does not have any reservations or change laws of any kind.

It is contained at page 10, lines 22 to 25 of the bill.

Nonetheless, I am advised by Columbia University, under the hand of the vice president for health sciences, that a cancer research center which they are building at a cost of $32 million with the Federal Government contribution at the funding level of $5,890,000, which comes out of funds for fiscal 1975, is being resisted in the Office of Management and Budget on the ground that the President's budget has laid down some fundamental restriction about construction.

This goes right to the impoundment controversy in which the courts have generally held with us, and in which our new budget control bill requires rescissions rather than impoundments if there is any particular item.

All that I wanted to know is that the conferees had no intention whatever in affecting the law upon this subject in any part of the work which they did. Does the law stand exactly as it is?

Mr. MAGNUSON. The law does stand exactly as it is.

I want to suggest that what is bothering us now is just today we received a rescission message from the President taking $39 million out of the $600 million. That is our problem.

Mr. JAVITS. But we would have to pass that. It is not effective until we do.

Mr. MAGNUSON. Yes. We can reject it if we want to.

Mr. JAVITS. That is exactly the point I am making.

Mr. MAGNUSON. We have not touched that power of Congress.

Mr. JAVITS. I just wish to reassure myself that by putting up $26 million themselves they are not fouled up by something that they had no notice of whatsoever.

The law extending the National Cancer Act provides Public Law 93–352, at pertinent part thereof the authority, and I quote:

> To award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program.

The approved grant clearly meets such criteria and any failure to proceed with funding I believe violates the spirit and letter of the law. I would urge OMB to reconsider its views.

Mr. President, I ask unanimous consent that the full text of the letter from Dr. Marks, vice president for health science, Columbia University in the city of New York, which thoughtfully articulates the concerns I have expressed, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Columbia University,
New York, N.Y., November 4, 1974.

Senator Jacob Javits,
Old Senate Office Building,
Washington, D.C.

Dear Senator Javits: I am writing in follow-up to conversations which both Dr. William McGill, President of Columbia University, and I have had with Mr. Cutler in reference to the construction grant application for the Cancer Research Center at Columbia University's College of Physicians and Surgeons. (The reference number for this grant is 1–C06–CA16604–01). On October 15, 1974, we received a letter from the National Cancer Institute informing us that the National Cancer Advisory Board, at its October 1974 meeting, recommended approval of our construction grant application at the funding level of $5,890,095. The grant will be supported from funds for fiscal year 1975, which have yet to be allocated.

I am writing to request your assistance with respect to the appropriation for this approved project. The Cancer Research Center Research Laboratories, for which these construction funds are approved, will occupy the upper buildings of the Augustus Long Library-Health Sciences Center, which is being constructed at the Columbia-Presbyterian Medical Center. The Trustees of Columbia University have committed to the construction of this new facility, the total cost of which somewhat exceeds $32 million, to provide the vitally needed facilities for health professional education in the lower building, and the research laboratories of the Cancer Research Center in the upper building of this structure. The building costs are estimated on bases of agreements which expire on or about December 15, 1974. This is what is presenting us with the current problem. If the awarded construction grant for the Cancer Research Center Research Laboratories is not funded on or shortly after January 1, 1975, we will be forced to renegotiate our construction contract. This will lead to marked increases in cost owing to the fact that our present contracts were negotiated prior to the energy crisis and the particularly sharp rises in construction costs of the past 18 months. We are deeply concerned that if we cannot go forward with the present construction schedule, the renegotiated contracts may be at a cost level which will force significant curtailments in the program for the Cancer Research Center, and jeopardize the entire effort to which the University is committed and for which the National Cancer Institute has approved funding.

We, therefore, respectfully request your help in the following specific matters. First, with respect to the appropriation bill for the Department of Health, Education and Welfare, there are two aspects of this appropriation bill which are of concern. The language in the President's budget limits funding authority for construction to alteration and modernization. It is clear that the National Cancer Act as revised in 1974 in Section 410(9) states that the government is "to award grants for new construction". Accordingly, the President's Budget language appears to be in conflict with that of the National Cancer Act as revised. This dichotomy in language should be resolved, and, hopefully, in favor of the language of the National Cancer Act, which was the intent of the Congress and, we believe, in the best interests of the Country. As you are aware, the appropriation bill for fiscal 1975 for HEW has not been reported out of the House-Senate Conference Committee. Any action on your part which could facilitate the reporting out of this bill and its passage would be extremely important.

Secondly, specifically with respect to the construction grant award for the Cancer Research Center Laboratories at the Columbia-Presbyterian Medical Center, we have been informed that the National Cancer Institute is of the opinion that our construction program qualifies under the guidelines of the Department of Health, Education and Welfare manual set for defining funding eligible under alterations and renovation. This is because we are taking existing space, that is seven floors of the upper building of the newly constructed Health Sciences Center, and developing it into meaningful Cancer Research Center laboratories. The National Cancer Institute has asked that the Office of Management and Budget concur with the NCI recommendation that our construction be eligible for funding under alterations and renovations. This is important, because if indeed the language in the President's budget prevails, our program would still be eligible for funding once the appropriate appropriation for HEW has been made.

We are deeply appreciative of your continued efforts on behalf of our State and your concern and effective leadership with respect to issues related to health.

With warm regards,
Sincerely,
PAUL A. MARKS, M.D.,
Vice President for Health Sciences.

Mr. JAVITS. Mr. President, I again congratulate my colleagues, and congratulate them on this conference report.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I rise to express my disappointment that the Senate conferees did not go along with an amendment to that provision in the House bill that granted the small businessman's exemption to the OSHA law.

I read the account in the local paper. It states that this exemption, employers of 25 or fewer employees, would involve some 90 percent of all employees. The choice before Congress was not 25 or nothing.

The Senate has acted in the field a number of times. Something over a year ago the Senate passed an exemption for seven employees. The reason it never became law was that the bill was vetoed, and I think we went on with a continuing resolution.

When this particular appropriation was up last year, several amendments were considered, and a near majority of the Senate voted in favor of such exemption.

I believe it was incumbent on the conferees to yield to the House with an amendment and provide a small businessman's exemption. Any exemption would have been worthwhile.

There has been an inclination to ridicule an exemption of three employees. But it would have taken out of the purview of the Federal law those small businesses where there is no one working there except for the boss and probably members of his own family.

I do not agree with the contention that the only people in the world who are interested in safety are bureaucrats in Washington. Every employee is interested, and so is every employer.

If you have a small business where a man runs it and he has one employee and that employee happens to be his son, I believe that that employer is going to be more interested in safety than any other employer in the United States because his whole payroll is very near and dear to him.

What we are doing is saying that the Government in Washington has the competence to police every small business at the crossroads. It cannot be done. They cannot secure that many competent investigators.

We have had hearing after hearing before the legislative committee pointing out the harshness, the injustice, the stupidity, and the harassment involved in reference to this law.

As we concluded our hearings, after bringing witnesses many hundreds of miles to tell their story, they are thanked for their helpful information, and then nothing happens.

I hope the Senate conferees will not take the position that they had difficulty with the House in getting the House to take their own amendment.

This Senate had gone on record in a previous bill with an exemption of seven. I am not contending that they should have gone along with the 25. But I believe that what has been done is unfair to the small business operators over the country. I know it cannot be changed now, but let the record stand that this Congress does not care at all about that great army of small business operators who, after all, transact most of the business of the country, and who do not have big departments, the staffs, and the lawyers so that they can comply with Federal regulations.

And let it stand that there are people who believe that an all-knowing, all-wise Federal Government has to police every business with one or two employees.

It is ridiculous. Let somebody else defend the record; I cannot.

Mr. PASTORE. Vote.

Mr. COTTON. Just one moment on that point. I voted with the Senator from Nebraska.

Mr. CURTIS. I am aware of that, and I appreciate it.

Mr. COTTON. I felt that there should be an exemption of at least three employees.

However, let me call the attention of the Senate to this: In the first place, we did carefully separate the people who are going to do the inspecting from the people who are going to levy the penalty.

In the second place, it was and should be a matter of legislative history—it was my understanding, and perhaps I was remiss; I thought it was going to be in the report—that the idea is this, and it was advanced as a compromise, I believe, by one of the House conferees: that we relieve these small businesses from this burden of writing reports and reports and reports, studying all these reams of literature about the rules; that it was the intent of the committee that in the case of the small business with few employees, unless fatalities occurred or serious accidents that would direct the attention of the enforcers to carelessness in that particular business, they would not have to be, nor would they have need for, traveling around inspecting all these businesses, but only those that for some reason had a bad record.

That was the discussion in the conference. It was my understanding that it was going to be touched upon in the report, but I do want it to appear as part of the legislative history of this bill.

Many members of the Senate conferees—not this one, but some of them—did not want to yield to put it up to 10 or 7 or 8. It was felt that if they were relieved from the recordkeeping, only those small businesses where something had occurred that indicated that carelessness was endangering the lives of the employees would have to be inspected.

Mr. HARRY F. BYRD, JR. Mr. President, if I read the figures accurately—and if my understanding is not correct, the chairman of the committee can correct me—the proposed legislation provides for an increase in spending of $3.8 billion for fiscal 1975 over fiscal 1974. Percentagewise, that is a 13 percent increase. If one includes the supplemental, the increase in spending would be $4.3 billion, or 15 percent.

Mr. HUGHES. Mr. President, although the Labor-HEW appropriations bill contains most of the money for programs to which I am deeply dedicated, I cannot, in good conscience, support final passage. The revelation that medicaid is financing over 200,000 abortions a year is shocking to me and to millions of other Americans who view abortion as a denial of the sanctity of life.

When the funding of the many life-saving health programs covered by this measure are at dangerously low levels, the expenditure of $40 million a year for abortions illustrates all too well the growing insensitivity of our society to human life. How much more humane it would have been to spend this amount of money in counseling, in family life preparation, and for adoption services where called for. Abortion is simply not the acceptable solution to the unwanted child, whether for the rich or the poor, and I cannot agree to legitimizing a practice which is contrary to my belief in the sanctity of human life.

I have the utmost compassion for the thousands of women in our society who fear the consequences of bearing a child, for our society has not dealt kindly with them. We scorn the unwed mother; we heap abuse on the poor for having too many children; we treat the rape victim as someone unclean. But the answer is not to deny life—it lies in society's purging itself of its cruelties, of its own recognition that every human life—however conceived and born—is precious, and deserving of all the love and tenderness we can give.

We should turn our scorn into understanding; we should give assistance rather than abuse; and we should replace ignorance with knowledge. There are programs in this bill which do try to do these things, though they are, as always, pitifully underfunded. Funding abortions as an alternative to doing what we know is right is very simply a denial of all the human spirit stands for, and with great sadness, therefore, I must cast my vote against the one appropriations bill which does attempt to deal with society's ill-health, ignorance, and poverty.

Mr. STEVENS. Mr. President, this year the Labor-HEW Subcommittee of the Appropriations Committee conducted extensive hearings on the causes of the rapidly mounting costs incurred by the Social Security Administration to administer the medicare program.

Those hearings documented the need for more extensive congressional oversight of the medicare program. Although there are several problems in this area, one of these deserves particular mention here since it is subject to some discussion in the conference report. In brief, this problem has not been resolved and indeed it is compounded because the Social Security Administration made the unilateral determination that they will not require their prime contractors to fully comply with GSA procurement regulations. These GSA regulations would normally require HEW to mandate competition in the procurement of all goods and services attendant to the administration of medicare; however, the present administrators of medicare claim that law granted the carriers an exemption from these regulations. The effect of this purported exemption is to allow HEW to pay a subsidy to certain major medicare carriers—the Blue Cross or Blue Shield plans in several States—when these carriers propose to move certain subcontracted functions "in-house." The effect of an HEW payment to these carriers in these circumstances is to increase the costs to the Government without any corresponding increase in value received by the Government. More seriously, the Federal Government is subsidizing one party in a heretofore competitive situation to the detriment of any prior subcontractor. Naturally, we expect the Congress to mandate a reversal of this obvious inequity next year. I ask unanimous consent to have printed in the RECORD copies of the pertinent correspondence for the evaluation of my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., November 15, 1974.
Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to your request, and based on our understanding of the circumstances relating to the proposed acquisition of ADP equipment and services by Blue Cross/Blue Shield in conjunction with a Federal Government program, we find that the provisions of FMC 74-5, "Management, Acquisition, and Utilization of Automatic Data Processing (ADP)", do apply.

We refer you to section 4, "Applicability and scope," section a, which reads:

"These policies apply to all Federal agencies and to Government contractors (including educational institutions and other nonprofit organizations) who operate ADP in the performance of work under cost-reimbursement type contracts or subcontracts, or when the ADP is Government furnished equipment provided under a contract with the Government, and the equipment or system is:

(1) Leased and full lease costs are paid by the Government under one or more contracts; or

(2) Purchased by the contractor for the account of the Government or title will pass to the Government."

If we can be of further assistance, please let us know.

Sincerely,

DWIGHT A. INK,
Deputy Administrator.

THE COMMISSIONER OF SOCIAL SECURITY,
Baltimore, Md., November 21, 1974.
Mr. JAMES R. CALLOWAY,
Chief Counsel and Staff Director, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CALLOWAY: Gary Sellers of your staff and Ron Davis of our staff have had several recent conversations concerning the effect of GSA Federal Manual Circular 74-5 on the questions and issues to which the so-called "Stevens" amendment to H.R. 15580 is directed. As I understand it, two questions have been asked:

1. Would not the GSA circular require Medicare carriers to compete with third parties in order to establish the cost effectiveness of any proposal on their part to convert from the use of a third party subcontractor for their Medicare claims processing to their own in-house operation of the same claims processing?

2. Would not the GSA circular specifically negate SSA's earlier concurrence in Pennsylvania Blue Shield's decision to convert to an in-house operation without competition (but with an SSA-approved cost-benefit analysis)?

If these two questions were answered in the affirmative, it is assumed that the intent of the amendment now pending before the House-Senate Conference on Labor-HEW Appropriations would be satisfied.

I do not yet have a final legal opinion from the HEW General Counsel (one has been requested), but in order to aid you and others participating in the Conference, I am providing my own considered opinion of the effect and consequences of GSA Circular 74-5—subject to changes following advice of the HEW General Counsel and others whose advice will be sought. I would note that I have reviewed the GSA circular, as published in the Federal Register, as well as earlier GAO and other comments on the Medicare provisions of the Social Security Act related to Federal procurement regulations. I am also familiar with GSA Deputy Administrator Ink's response to Senator McClellan dated November 15, 1974.

Speaking to the questions cited above, it is my opinion that—

The GSA circular cannot change the basic Social Security Act, which has been consistently interpreted as requiring the establishment of a relationship between Government and the carriers *based on other than competition*. To require the carriers themselves to compete with other carriers or with other third parties for the performance of the basic service that they are expected to provide the Government—claims processing * (whether or not using a computer)—would, I believe, be contrary to the specific intent of the Social Security Act, the administration of which is the responsibility of this agency. I do think the regulation has some force and effect concerning carriers and their relationship with the Government, but not to the extent that carriers themselves would be denied a choice as to whether they wish to conduct their affairs using their own resources and skills or whether they wish to conduct them using a third party.

Based on a cursory review, I doubt that the existence of the regulation will materially affect the basic question of Pennsylvania Blue Shield conversion to an "in-house" operation. It might have some effect on other aspects of the case which I will discuss in a moment.

Let me describe in greater detail the extent to which we think the GSA regulation might have an effect and the extent to which we doubt that it has an effect. We think the regulation clearly governs Medicare carriers wherever and whenever the carriers choose to lease or purchase a computer and related equipment for the execution of their claims processing service on behalf of the Government—when that computer is dedicated full time to Medicare. In these circumstances, the GSA circular would require that competitive procedures be used. We have not made this a requirement of Medicare contracts, but are prepared to do so immediately. The regulation also would require competition in those cases where a carrier wishes to contract with a third party for data processing services. This is a requirement of our existing contracts with Medicare carriers, and it is our opinion that we are in full compliance with both the letter and intent of the GSA regulation.

By the same token, we think the GSA regulation has the competitive effect discussed above wherever the carrier chooses to procure the design, preparation or maintenance of software. Again, it is our opinion that our existing contracts with carriers require the competition called for in the GSA regulation.

With the provisions of the GSA circular satisfied in these regards, the basic question remaining would therefore appear to be isolated to its application in those circumstances in which a carrier wished to convert his EDP claims processing operation from a subcontracted to an "in-house" operation. It is our view that both by the terms of the law (Section 1842 of the Social Security Act) and the contract between the carrier and the Government, the decision of a carrier to shift to an in-house operation is not subject to the competitive process in the strictest sense of the term. The Government has the authority, as expressed in the contract with the carrier, to approve the conversion to an in-house operation and to withhold approval if the carrier cannot demonstrate through cost analyses that such a conversion would be cost-effective. We do not believe, however, that the law permits—or that the GSA regulation can require (if they ever meant to do so)—that the basis for cost reimbursement to the carrier for in-house performance of EDP claims processing services is to be established through a competitive bidding process. To require the carrier to "compete" in this sense for a major portion of his contractual function would be contrary to our understanding of the meaning and intent of Section 1842 of the Social Security Act. This provision has been interpreted previously by the HEW General Counsel as being beyond the reach of Federal procurement regulations with respect to requirements for formal advertising and competition of the basic prime contract. This conclusion on the part of the General Counsel has been reviewed by the General Accounting Office (in January of 1974), and they confirmed the HEW Counsel's conclusion.

On the other hand, both this office and the HEW General Counsel have concluded that Federal procurement regulations do apply to the extent that they do not conflict with the Social Security Act. We see no inconsistency between the law and the GSA circular as it applies to requiring competitive procedures in the procurement or leasing by a carrier of computers, related equipment, software, or data processing services.

Insofar as the proposal of Pennsylvania Blue Shield to convert from a subcontracted to an in-house EDP claims processing operation is concerned, we therefore believe that our authority under the law and the circular extends to a determination by the Government that the Pennsylvania proposal is cost effective, and, if possible, the establishment of a requirement that computer equipment or software required for such a conversion be obtained competitively. The basis for the Pennsylvania case and later cases like it would be the Government's approval that the decision is cost effective. We have examined the Pennsylvania proposal, as you know, and found that it is cost-effective. Thus, except for the computer acquisition question, we can find no basis for changing the status of the Pennsylvania plan. We will attempt to introduce the requirement that computer and associated equipment be obtained competitively, if this is possible given the fact that we now have an existing contract with Pennsylvania that does not include the requirement.

I am sincerely sorry that we cannot find a basis for satisfying the intent of the so-called Stevens amendment through application of the GSA regulation.

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* Claims processing is but one of a number of special services provided by carriers, all of which are interdependent and integral. These include determination of reasonable charges and medical necessity, etc.

I have asked our General Counsel to examine the question, and if he provides me with any other basis for action, we will advise you immediately.

Sincerely yours,

JAMES B. CARDWELL.

P.S.—*Of course it goes without saying that* we would abide by the draft report language previously discussed if that language is included in the final report. I believe the position expressed in this letter is entirely consistent with that language.

Mr. GOLDWATER. Mr. President, if the distinguished Senator from Washington (Mr. MAGNUSON) would give me his attention, I would like to use the occasion of the Senate's action on H.R. 15580, the Labor-HEW Appropriations Act, to ask him a question about the proper function of the Social Security Administration, whose appropriations are provided by the act.

As an introduction to my question, I would advise my friend from Washington that I have been seeking from the Social Security Administration since March, without success, an actuarial cost estimate, including the basic assumptions used by the Government in arriving at its estimate, of my bill, S. 3065, to eliminate the retirement test of the Social Security Act for workers aged 65 and over.

On March 12 of this year, my office was given a $2–2.1 billion estimate of the total cost in a telephone conversation with the Office of the Actuary, but I have never received an official, written reply specifically identifying the basic assumptions and projections used by the Social Security Administration in calculating cost.

For example, I believe it is important for Congress to know, in considering my proposal, whether the cost estimate takes account of any Federal income tax payments which would be returned to the U.S. Treasury by older people who continue or resume work under my bill. Also, it would be helpful to know whether the Government's estimate adequately considers the income from continued wage taxes which these older workers would pay.

To clarify these points and try to obtain for Congress a complete and accurate cost estimate of S. 3065, which has the great interest of millions of older citizens, I sent a follow-up letter on March 29 to Commissioner Cardwell asking that the Social Security Administration provide me with a thorough actuarial cost study of the bill.

Now, it is my understanding that the Social Security Administration can and should properly furnish the Congress with complete and pertinent cost data of this type regarding pending legislation, upon request. It is also my understanding that the Government has had a reasonable time to be forthcoming with the data in this instance, which was requested 8 months ago. I would like to know if the distinguished chairman of the Appropriations Subcommittee agrees with my understanding?

Mr. MAGNUSON. Mr. President, I understand the Senator's concern. We contacted the staff at the Social Security Administration yesterday, and they tell us that they have finished an estimate of the additional benefit expenditures for 1975 resulting from repeal of the retirement test for workers aged 65 and older. A report on this estimate will be sent to the Senator from Arizona next week. The Social Security staff is continuing to work on his request for an estimate of the additional wage taxes that would result from repeal of the retirement test. In line with his request to the General Accounting Office, the Social Security staff have been working closely with GAO staff on both of these estimates.

Mr. PROXMIRE. Mr. President, it is my understanding that the conference agreed on an increased appropriation for digestive diseases research of $2 million over the administration request.

Mr. MAGNUSON. That is correct.

Mr. PROXMIRE. It is my further understanding that the noncontract funds increases were one-third of the Senate increase over the House bill, and that inasmuch as the Senate report earmarked $1 million for research into diarrhea, ileitis and colitis, we can expect approximately one-third of that amount to be spent on new initiatives in the field of diarrhea, ileitis and colitis this year, if sufficiently good research proposals are available to fund.

Mr. MAGNUSON. That is correct.

The PRESIDING OFFICER (Mr. WEICKER). The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. MONDALE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), the Senator from California (Mr. TUNNEY), the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Colorado (Mr. HASKELL), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Florida (Mr. GURNEY), and the Senator from Oregon (Mr. HATFIELD), are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 68, nays 17, as follows:

[No. 508 Leg.]

YEAS—68

Abourezk
Aiken
Baker
Bayh
Beall
Bellmon
Bible
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cook
Cotton
Cranston
Dole
Domenici
Ervin
Fannin
Fong
Gravel
Griffin
Hansen
Hart
Hartke
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
McClellan
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Weicker
Williams
Young

NAYS—17

Allen
Bartlett
Biden
Buckley
Byrd, Harry F., Jr.
Chiles
Curtis
Goldwater
Helms
Hughes
Mansfield
McClure
Nunn
Proxmire
Scott, William L.
Thurmond
Tower

NOT VOTING—15

Bennett
Bentsen
Church
Dominick
Eagleton
Eastland
Fulbright
Gurney
Haskell
Hatfield
Mathias
Mondale
Ribicoff
Symington
Tunney

So the conference report was agreed to.

Mr. MONTOYA. Mr. President, I move that the Senate concur in the amendments of the House of Representatives to the amendments of the Senate numbered 9, 53, 57, 58, 66, and 98.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment, as follows:

Strike out the matter stricken by said amendment, and insert:

None of the funds appropriated in this Act shall be used to require recordkeeping and reporting under the Occupational Safety and Health Act of 1970 from employers of ten or fewer employees, and such exclusion shall be governed by the current rules and regulations in CFR, Title 29, Chapter XVII, Part 1904.15.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: $612,376,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 57 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: $648,500,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 58 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: students who were enrolled at institutions of higher education prior to April 1, 1973.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 66 to the aforesaid bill, and concur therein with an amendment, as follows:

Strike out the matter stricken by said amendment, and insert:

NATIONAL INSTITUTE OF EDUCATION

For carrying out section 405 of the General Education Provisions Act, including rental of conference rooms in the District of Columbia, $70,000,000: *Provided,* That none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee of said laboratory, center, or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the

Director of the National Institute of Education.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 98 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the section number proposed in said amendment, insert: 412

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

EXTENSION OF AUTHORIZATIONS—REHABILITATION ACT OF 1973

Mr. CRANSTON. Mr. President, I ask that the chair lay before the Senate the message from the House of Representatives on H.R. 17503, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER (Mr. WEICKER) laid before the Senate H.R. 17503, a bill to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Services Administration to the office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the Blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. HUGH SCOTT. Mr. President, will the Senator from California yield briefly, so that I may make an inquiry of the distinguished majority leader?

Mr. CRANSTON. Of course.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise in the spirit of Thanksgiving to inquire of the distinguished majority leader whether we are meeting tomorrow, or whether we can be turkey-bound. I do not make that statement in any political or policy context.

Mr. MANSFIELD. Mr. President, I am delighted, for once, to convey a little good news to the Republican leader of the Senate.

There will be no meeting of the Senate tomorrow. The concurrent resolution has been agreed to which will put us into recess from the close of business tonight until Monday noon.

On Monday, after the two leaders have been recognized and a special order has been fulfilled, at the time morning business is concluded, the Senate will turn automatically to the consideration of Calendar No. 1121, H.R. 10337, the so-called Navajo-Hopi bill.

The Senate today passed a joint resolution, after consultation with the joint leadership of the House of Representatives, which designates January 14 as the day on which the 94th Congress will convene.

Mr. HUGH SCOTT. At noon?

Mr. MANSFIELD. At noon on that date. It is hoped that after we come back, it will be possible to finish with the strip mining bill, if the conferees ever reach agreement; that we will be able to dispose of the Rockefeller nomination; and that we will consider the trade bill and sundry odds and ends in the meantime.

Mr. HUGH SCOTT. I understand that there may be a possibility of some energy legislation. That still could happen?

Mr. MANSFIELD. That is right. The joint leadership has been informed that the House will not take up the veto of the GI education bill until Tuesday. It is quite possible that we will take it up in the Senate on Tuesday, if the House overrides.

Mr. HUGH SCOTT. I understand that a cloture motion is likely to be filed today, if it has not already been filed, on the Export-Import Bank bill, which will then come up on Tuesday, 1 hour after we convene; is that correct?

Mr. MANSFIELD. That is correct.

Mr. HUGH SCOTT. One other thing. So that Senators may make their plans, I believe that some Senators will have obligations which they cannot avoid for Friday, December 6. Therefore I understand it is unlikely that there will be a Senate session that day. Can the Senator confirm that?

Mr. MANSFIELD. There will be no session on Friday, December 6, because unfortunately the Democrats are having a miniconvention in Kansas City on that date. Personally, I believe——

Mr. HUGH SCOTT. They cannot miniskirt it, I understand; they have got to have it?

Mr. MANSFIELD. Well, they are going to have it, anyway. Frankly, I believe in 4-year conventions; they are bad enough.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

EXTENSION OF AUTHORIZATIONS, REHABILITATION ACT OF 1973

The Senate continued with the consideration of the bill (H.R. 17503) to extend the Authorizations of Appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Service Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes, to amend the Randolph-Sheppard Act for the Blind, to strengthen the program authorized thereunder, and to provide for the convening of a White House Conference on Handicapped Individuals.

Mr. CRANSTON. Mr. President, this action on this bill has been cleared on both sides of the aisle. The House of Representatives has just passed the bill. It is identical to the bill on rehabilitation that was passed overwhelmingly over the President's veto.

We are taking the course of passing a new identical bill to avoid any legal implication that might develop over that veto and the override, and to insure rapid implementation of the provisions of the bill.

I understand that the President acquiesces in this process and will either sign the bill or simply let it become law without his signature.

I would like to thank the distinguished Senator from West Virginia (Mr. RANDOLPH) for his always very effective leadership in this field and for all his great work on this particular measure.

I would also like to thank Senator STAFFORD for his wonderful cooperation and leadership from the minority side.

And I would like to thank the House and the Senate leadership for their helpfulness in moving and expediting this particular legislation.

This bill is identical to H.R. 14225, passed by the House on November 20, 1974, and by the Senate on November 21, 1974, on reconsideration, the objections of the President to the contrary notwithstanding. The Presidential veto was overridden by a vote of 398 for, 7 against, in the House of Representatives on November 20, 1974, and by a vote of 90 for, 1 against, in the Senate on November 21, 1974.

The committee was prompted to seek the adoption of this measure due to the highly unusual circumstances surrounding the veto and its override.

On October 29, 1974, the President returned to the Clerk of the House of Representatives, a message to the House of Representatives accompanying H.R. 14225. That message stated, in part:

> I am today returning, without my approval, H.R. 14225, the Rehabilitation Act and Randolph-Sheppard Act Amendments of 1974, and the White House Conference on Handicapped Individuals Act. I am advised by the Attorney General and I have determined that the absence of my signature from this bill prevents it from becoming law. Without in any way qualifying this determination, I am also returning it without my approval to those designated by Congress to receive messages at this time.

Further, in his message setting out his program of legislation for the Congress, transmitted to the Congress on November 18, 1974, the President stated:

> During the adjournment, it was necessary for me to pocket veto five bills. Two were private relief measures and three were legislative issues: National Wildlife Refuge System, Farm Labor Contractor Registration, and Rehabilitation Act Amendments.
>
> I have determined on advice of the Attorney General that the absence of my signature from these bills prevented them from becoming law. Without in any way qualifying this determination, I also returned them without approval to those designated by the Congress to receive messages during the adjournment period. If the Congress should elect to challenge these vetoes by overriding them, there could be a prolonged legal uncertainty over this legislation. However, I would welcome new legislation to replace the measures which were vetoed.

Thus, the President has determined that his veto of H.R. 14225 during the congressional election recess was a pocket veto. The Congress by its override of the veto has determined that the veto was a regular ("return") veto and not a pocket veto. Without in any way qualifying this determination, the committee took this unusual action to report, and to recommend passage of, this original bill in order to assure the speedy implementation of its provisions.

I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I appreciate the words spoken by the Senator from California (Mr. CRANSTON) who, the record will indicate, through the month and the weeks held the hearings and managed the measure, and now, in this final 2 or 3 minutes, we will achieve the legislative course which, frankly, the President of the United States has, in a sense, agreed to.

Mr. President, Senators are aware that the veto of H.R. 14225, the Rehabilitation Act Amendments of 1974, was overridden on Thursday, November 21, 1974. In my opinion, the measure became a public law on that date. The President disagrees and has indicated he will not implement H.R. 14225.

Under these highly unusual circumstances, and in order to obtain prompt implementation of that necessary legislation without going through a protracted legal determination, members of the Committee on Education and Labor in the House of Representatives, and the Committee on Labor and Public Welfare in the Senate agreed to bring to their respective bodies a clean bill identical to H.R. 14225.

On yesterday, November 25, Representatives BRADEMAS, PERKINS, and QUIE, House conferees on H.R. 14225, introduced H.R. 17503. This morning the Committee on Education and Labor agreed to immediately report that measure to the House. This afternoon, by unanimous consent, the House of Representatives adopted H.R. 17503 and sent it to the Senate for approval.

Meanwhile, the Committee on Labor and Public Welfare has reported a clean bill, S. 4194, again identical to H.R. 14225. The report, Senate Report 93-1297, has been filed, and reflects the conference agreement on H.R. 14225 as well as a discussion of the President's veto of that measure.

Mr. President, the pending measure is brought to the Senate as a procedure by which the will of the Congress, with respect to amendments to the 1973 Rehabilitation Act, amendments to the Randolph-Sheppard Act, and the White House Conference on Handicapped Individuals, may be accomplished.

I think it is important for me, as chairman of the Subcommittee on the Handicapped, with the Senator from California and the Senator from Vermont on the floor, to say that I believe that commendation to the Chief Executive of the United States is merited in a matter of this kind.

Of course, those in the administration who advised the President, I think, advised him unwisely. The vote in the House on the conference report on this important legislation, 398 to 7, and the vote here in the Senate of 90 to 1, were clear indications to the President of the will of Congress. It was in nowise partisan. It was not Democratic nor Republican in opposition. It was, in a sense, the working of Congress, believing that almost 26 million handicapped Americans were deserving of the progressive programs that were outlined in the three titles of that measure.

I feel that it is appropriate also to commend Chairman PERKINS, Mr. BRADEMAS and Mr. QUIE who have shown initiative earlier today in the House, with their colleagues, in bringing to passage this measure.

Now, with our vote, a unanimous vote within the Senate, why, it will go to the White House. I personally doubt that the President will sign the measure, but he will permit it to become law without his signature.

So again I commend all those in the executive and the legislative branches who have worked until this minute to bring into being something that in the years ahead will reflect great credit on all who bring to a subject of this kind a certain very substantial degree of working for the needs of humanity.

Mr. STAFFORD. Mr. President, I want to join in what my distinguished colleagues have said. It has been a great pleasure to work with the distinguished chairman of the subcommittee, the Senator from West Virginia (Mr. RANDOLPH), and the Senator from California (Mr. CRANSTON) who have been most cooperative in the working of the legislation. I join them in pleasure that the matter is being worked out in this practical way so that the legislation can be implemented, and programs can be put into effect.

I personally am very gratified, too, that the President, while I join with Senator RANDOLPH in believing that he probably will not sign the bill, will permit it to become law without his signature, and I am gratified that he is following this course, which is the obvious practical way out of the parliamentary and legalistic snarls that we earlier seemed to be getting into.

So I am delighted that we were able to handle this matter in this way, and I am very grateful that the President has joined in following this procedure.

I thank the Senator for yielding.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 17503) was ordered to a third reading, was read the third time, and passed.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE, THE PRESIDENT PRO TEMPORE OR THE ACTING PRESIDENT PRO TEMPORE TO TAKE CERTAIN ACTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House during the adjournment of the Senate, and that the President pro tempore or the Acting President pro tempore be authorized to sign duly enrolled bills.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

NATIONAL INDEPENDENT REFINERY DEVELOPMENT ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1227, S. 2743.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill, S. 2743 to establish a program of loan guarantees to enable independent refiners of crude oil to construct or acquire new or expanded refining facilities in the United States, with an amendment.

The Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Independent Refinery Development Act of 1974."

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "Administrator" means the Administrator of the Federal Energy Administration;

(b) The term "affiliate" means any person that controls, is controlled by, or is under common control with, another person;

(c) The term "independent refiner" means either (1) a crude oil refiner that, together with its affiliates, obtained in the calendar quarter that ended immediately prior to the date of enactment of this Act more than 70 per centum of the crude oil refined by such refiner and its affiliates during such quarter from producers that were not directly or indirectly controlled by such refiner or its affiliates during such quarter; or (2) a person who, together with his affiliates, produced as owner or operator, in the calendar quarter that ended immediately prior to the date on which an application for a guarantee under this Act was submitted, less than one hundred thousand barrels of crude oil per day: *Provided, however,* That notwithstanding the provisions of clause (1) of this definition, no refiner that, together with its affiliates, produced as owner or operator in the calendar quarter that ended immediately prior to the enactment of this Act more than five hundred thousand barrels of crude oil per day shall be deemed an independent refiner;

(d) The term "independent refinery" means a crude oil refinery by an independent refiner;

(e) The term "obligation" means any note, bond, debenture, or other evidence of indebtedness issued for one of the purposes specific in section 5(a) of this Act;

(f) The term "obligor" means any party primarily liable for payment of the principal of or interest on any obligation;

(g) The term "obligee" means the holder of an obligation;

(h) The term "actual cost" of an independent refinery as of any specified date means the aggregate, as determined by the Administrator, of (i) all amounts paid by or for the account of the obligor on or before that date, and (ii) all amounts that the obligor is then obligated to pay from time to time thereafter, for the construction of such independent refinery;

(i) The term "depreciated actual cost" of an independent refinery means the actual cost of the independent refinery depreciated on a basis determined by the Administrator;

(j) The term "construction" means the design, construction, and equipping of new refinery capacity by an independent refiner, including expansion of an existing independent refinery; and

(k) The term "United States" means each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

FEDERAL INDEPENDENT REFINERY FINANCING FUND

SEC. 3. There is created a Federal Independent Refinery Financing Fund (hereinafter referred to as the "fund") which shall be used by the Administrator as a revolving fund for the purpose of carrying out the provisions of this Act, and there shall be allocated to such fund the sum of $10,000,000 out of funds made available to the Administrator under the appropriation authorized by section 10 of this Act. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

AUTHORIZATION OF ADMINISTRATOR TO GUARANTEE OBLIGATIONS

SEC. 4. (a) The Administrator is authorized to guarantee, and to enter into commitments to guarantee, the payment of the interest on, and the unpaid balance of the principal of, any obligation which is eligible to be guaranteed under this Act.

(b) No obligation shall be guaranteed under this Act unless the obligor conveys or agrees to convey to the Administrator such security interest, which may include a mortgage on an independent refinery, as the Administrator may reasonably require to protect the interest of the United States.

(c) The Administrator shall not guarantee the principal of obligations in an amount in excess of 75 per centum of the amount, as determined by the Administrator (which determination shall be conclusive), paid by, or for the account of, the obligor for the construction of the independent refinery with respect to which a security interest has been conveyed to the Administrator.

(d) The full faith and credit of the United States is pledged to the payment of all guarantees made under this Act with respect to both principal and interest, including interest, as may be provided for in the guarantee, accruing between the date of default under a guaranteed obligation and the payment in full of the guarantee: *Provided, however,* That the provisions of this subsection shall not apply to a guarantee of an obligation issued with respect to an independent refinery if the Administrator proves that a default with respect to that obligation was caused principally by factors other than the inability of such independent refinery, after reasonable good faith efforts, to obtain adequate supplies of crude oil for such independent refinery.

(e) The Administrator, by agreement with the obligor and the obligee or its agent, may specify the refinery throughput volume below which any default occurring within a period fixed by such agreement shall be conclusively presumed not to be caused principally by factors other than the inability of an independent refinery, after reasonable good faith efforts, to obtain adequate supplies of crude oil for a specified refinery.

(f) Any guarantee, or commitment to guarantee, made by the Administrator under this Act shall be conclusive evidence of the eligibility of the obligations for such guarantee; and the validity of any guarantee, or commitment to guarantee, so made shall be incontestable except to the extent provided in subsection (d) of this section.

(g) The aggregate unpaid principal amount of the obligations guaranteed under this section and outstanding at any one time shall not exceed $2,000,000,000.

ELIGIBILITY FOR AND TERMS OF GUARANTEE

SEC. 5. (a) Pursuant to the authority granted under section 4 of this Act, the Administrator, upon such terms as he shall prescribe, may guarantee, or make a commitment to guarantee, payment of the principal of, and interest on, an obligation that aids in—

(1) financing construction of an independent refinery located in the United States;

(2) financing the purchase of independent refineries therefore acquired by the fund under the provisions of section 6 of this Act;

(3) refinancing existing obligations issued for one of the purposes specified in (1) or (2), whether or not guaranteed under this Act, if such obligations were incurred for the purpose of obtaining temporary funds with the view of refinancing pursuant to this Act; or

(4) refinancing existing obligations issued for one of the purposes specified in (1) or (2), if such obligation is guaranteed pursuant to this Act.

(b) Obligations guaranteed under this Act—

(1) shall have an obligor approved by the Administrator as responsible and possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the independent refinery that serves as security for the guarantee of the Administrator;

(2) subject to the provisions of subsection (c) of this section, shall be in an aggregate principal amount that does not exceed 75 per centum of the actual cost or depreciated actual cost, as determined by the Administrator, of the independent refinery that is used as security for the guarantee of the Administrator;

(3) shall have maturity dates satisfactory to the Administrator;

(4) shall provide for payments by the obligor satisfactory to the Administrator; and

(5) shall bear interest (exclusive of charges for the guarantee and service charges, if any) at rates not to exceed such per centum per annum on the unpaid principal as the Administrator determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the Administrator.

(c) No commitment to guarantee an obligation shall be made by the Administrator unless he finds, at or prior to the time such commitment is made, that the property or project with respect to which the obligation will be executed will be, in his opinion, economically sound and in the national interest; and no obligation, unless made pursuant to a prior commitment, shall be guaranteed unless the Administrator finds, at or prior to the time the guarantee becomes effective, that the property or project with respect to which the obligation is executed will be, in his opinion, economically sound and in the national interest.

(d) The Administrator is authorized to fix a fee for the guarantee of an obligation under this Act. Such fee shall not be less than one quarter of 1 per centum per annum nor more than 1 per centum per annum of the average principal amount of such obligation outstanding, excluding the average amount on deposit in an escrow fund created under section 8 of this Act. Fee payments shall be made by the obligor to the Administrator when moneys are first advanced under a guaranteed obligation and at least sixty days prior to each anniversary date thereafter. All fees shall be computed and shall be payable to the Administrator under such regulations as the Administrator may prescribe.

(e) The Administrator shall charge and collect from the obligor such amounts as he may deem reasonable for the investigation of applications for a guarantee, for the appraisal of properties offered as security for a guarantee, for the issuance of commitments, for services in connection with the escrow fund authorized by section 8 of this Act, and for the inspection of such properties during construction: *Provided, however,* That such charges shall not aggregate more than one-half of 1 per centum of the original principal amount of the obligations to be guaranteed.

(f) All moneys received by the Administrator under the provisions of sections 2 to 7 and 10 of this Act shall be deposited in the fund.

(g) Obligations guaranteed under this Act and agreements relating thereto shall contain such other provisions with respect to the protection of the security interests of the United States (including acceleration and subrogation provisions and the issuance of notes by the obligor to the Administrator), liens and releases of liens, payments of taxes, and such other matters as the Administrator may, in his discretion, prescribe.

DEFAULTS

SEC. 6. (a) In the event of a default that has continued for thirty days in any payment by the obligor of principal or interest due under an obligation guaranteed under this Act, the obligee or his agent shall have the right to demand, at or before the expiration of such period as may be specified in the guarantee or related agreements, payment by the Administrator of amounts then due under the obligation. Within such period as may be specified in the guarantee or related agreements, the Administrator shall promptly pay to the obligee or his agent such amounts or, at the Administrator's option the unpaid principal amount of said obligation and unpaid interest thereon to the date of payment: *Provided, however,* That the Administrator shall not be required to make such payment if, prior to the expiration of said period, he shall find that there was no default by the obligor in the payment of principal or interest or that such default has been remedied prior to any such demand.

(b) In the event of a default under a mortgage, loan agreement, or other security agreement between the obligor and the Administrator, the Administrator may notify the obligee or his agent of such default and the obligee or his agent shall have the right to demand at or before the expiration of such period as may be specified in the guarantee or related agreements payment by the Administrator of amounts then due under the obligation. In such event, within such period as may be specified in the guarantee or related agreements the Administrator shall promptly pay to the obligee or his agent such amounts or, at the Administrator's option, the unpaid principal amount of said obligation and unpaid interest thereon to the date of payment.

(c) In the event of any payment by the Administrator under subsection (a) or (b) of this section, the Administrator shall have all rights in any security held by him relating to his guarantee of such obligations as are conferred upon him under any security agreement with the obligor. Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of property by the United States, the Administrator shall have the right, in his discretion, to complete, recondition, reconstruct, renovate, repair, maintain, operate, lease, or sell any property acquired by him pursuant to a security agreement with the obligor. The terms of the sale shall be as approved by the Administrator.

(d) Any amount required to be paid by the Administrator pursuant to subsection (a) or (b) of this section shall be paid in cash. If at any time the moneys in the fund authorized by section 3 of this Act are not sufficient to pay any amount the Administrator is required to pay by subsection (a) or (b) of this section, the Administrator is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued hereunder and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Funds borrowed under this section shall be deposited in the fund and redemptions of such notes and obligations shall be made by the Administrator from such fund.

(e) In the event of a default under any guaranteed obligation or any related agreement, the Administrator shall take such action against the obligor or any other parties liable thereunder that, in his discretion, may be required to protect the interest of the United States. Any suit may be brought in the name of the United States or in the name of the obligee, and the obligee shall make available to the United States all records and evidence necessary to prosecute any such suit. The Administrator shall have the right, in his discretion, to accept a conveyance of title to and possession of property from the obligor or other parties liable to the Administrator and may purchase the property for an amount not greater than the unpaid principal amount of such obligation and interest thereon. In the event the Administrator shall receive through the sale of property an amount of cash in excess of any payment made to an obligee under subsection (a) or (b) and the expenses of collection of such amounts, he shall pay such excess to the obligor.

(f) Notwithstanding the provisions of subsections (a) and (b) of this section, the Administrator shall not be required to make payment pursuant to said subsections with respect to a default if he determines, at or before the expiration of such period as may be specified in the guarantee or related agreements, that such default was caused principally by factors other than the inability of the independent refinery with respect to which the obligation was issued, after reasonable good faith efforts, to obtain adequate supplies of crude oil for such independent refinery. In the event the Administrator makes such a determination, the obligee or its agent shall have all rights in any security held by the Administrator relating to the Administrator's guarantee of obligations as are conferred upon the obligee or its agent under any security agreement with the obligor that has been approved by the Administrator or as to which the Administrator is a party. Nothing contained in this subsection shall limit the rights of any person to assert obligations incurred by the Administrator and the United States pursuant to a guarantee made pursuant to section 4 of this Act.

OFFENSES AND PENALTIES

Sec. 7. Whoever (i) for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that an obligation relating to such loan or advance of credit shall be offered to or accepted by the Administrator to be guaranteed, (ii) for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage relating to an obligation guaranteed by the said Administrator or the acceptance, release, or substitution of any security on such a loan or advance of credit, or (iii) for the purpose of influencing in any way the action of said Administrator under this Act—

(A) makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published, any statement knowing the same to be false, or

(B) alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited any instrument, paper, or document, or

(C) utters, publishes, or passes as true, or causes to be uttered, published, or passes as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or

(D) willfully overvalues any security, asset, or income shall be guilty of a misdemeanor. Whenever any natural person is found guilty in any district court of the United States of any act or acts declared in this section to constitute a misdemeanor, he shall be punished by a fine of not more than $10,000, or by imprisonment for not less than one year or more than five years, or by both fine and imprisonment. Whenever any corporation is found guilty of any act or acts declared in this section to be lawful, such corporation shall be punished by a fine of not more than $25,000.

ESCROW FUND

Sec. 8. (a) If the proceeds of an obligation guaranteed under this Act are to be used to finance the construction of an independent refinery that will serve as security for the guarantee of the Administrator, the Administrator is authorized to accept and hold, in escrow under an escrow agreement with the obligor, a portion of the proceeds of all obligations guaranteed under this Act whose proceeds are to be so used that is equal to: (i) the excess of the principal amount of all obligations whose proceeds are to be so used over 75 per centum of the amount paid by or for the account of the obligor for the construction of the independent refinery, (ii) with such interest thereon, if any, as the Administrator may require: *Provided, however,* That in the event the security for the guarantee of an obligation by the Administrator relates both to an independent refinery to be constructed and to a completed independent refinery, the principal amount of such obligation shall be prorated for purposes of this subsection (a) under regulations prescribed by the Administrator.

(b) The Administrator may invest and reinvest all or any part of the escrow fund in obligations of the United States with such maturities that the escrow fund will be available as required for purposes of the escrow agreement.

(c) The escrow agreement shall contain such other terms as the Administrator may consider necessary or desirable.

RULES AND REGULATIONS

Sec. 9. The Administrator is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this Act.

APPROPRIATIONS

Sec. 10. There is authorized to be appropriated the sum of $10,000,000 and such further sums as may be necessary to carry out the provisions of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUALIFICATION OF EDUCATIONAL PERSONNEL

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 342.

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the amendment of the Senate to the bill (H.R. 342) to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, as follows:

Page 11, line 9 of the Senate engrossed amendment, strike out "who holds—", and insert: "who—".

Page 11, line 10 of the Senate engrossed amendment, immediately after ""(1)", insert: "holds".

Page 11, line 15 of the Senate engrossed amendment, strike out "or".

Page 11, line 16 of the Senate engrossed amendment, immediately after ""(2)", insert: "holds".

Page 11, line 22 of the Senate engrossed amendment, strike out "this Act." and insert: "this Act; or."

"(3) presents evidence of completion of a curriculum of study acceptable to the Commissioner, taken subsequent to a bachelor's degree in psychology, in courses related to psychology from an institution outside the United States acceptable to the Commissioner, and has engaged in psychological practice acceptable to the Commissioner for at least seven years prior to the filing of such application pursuant to this Act."

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendments of the House.

The **PRESIDING OFFICER.** The question is on agreeing to the motion.

The motion was agreed to.

ORDER FOR ADJOURNMENT UNTIL MONDAY, DECEMBER 2, 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this evening it stand in adjournment until Monday next under House Concurrent Resolution 689.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. That House concurrent resolution is still in the House.

ORDER FOR RECOGNITION OF SENATOR MANSFIELD AND DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS ON MONDAY, DECEMBER 2, 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the joint leaders have been recognized under the usual procedure that the Senator from Montana, now speaking, the recognized for not to exceed 15 minutes. Following that there be a 15-minute interlude for the conduct of morning business with a time limitation of 3 minutes for each speech.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY, DECEMBER 2, 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin (Mr. PROXMIRE) also be recognized before the beginning of morning business for a period of not to exceed 15 minutes at that time.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **ROBERT C. BYRD** subsequently said: Mr. President, I ask unanimous consent that the order for recognition of Mr. MANSFIELD and then Mr. PROXMIRE on next Monday be reversed.

The **PRESIDING OFFICER.** Without objection, it so ordered.

ORDER OF BUSINESS

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the Senate now return to the consideration of the conference report on the Export-Import Bank.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

Mr. **PACKWOOD.** Mr. President, I send to the desk a cloture motion and ask that it be stated.

The **PRESIDING OFFICER.** Without objection, the cloture motion will be stated.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, Export-Import Bank Act Amendment:

Bob Packwood, Robert Griffin, John Tower, Hugh Scott, Mike Mansfield, Jacob K. Javits, Adlai Stevenson, Lee Metcalf, John O. Pastore, Charles Percy, Daniel K. Inouye, Harold E. Hughes, Lowell Weicker, Edmund S. Muskie, Joseph M. Montoya, Howard H. Baker, Jr., Robert Taft, Bill Brock, Edward W. Brooke.

Mr. **HARRY F. BYRD, JR.** Mr. President, I, of course, have no objection to a cloture motion being filed.

I would point out for the record that the conference report on the extension of the Export-Import Bank was made the pending business just today at the hour of approximately 12:30. Within a matter of minutes it was superseded by the Navajo-Hopi Indian bill. After much discussion on that, it was then again made the pending business at something around 1:15, as I recall. Then the Senator from Virginia entered into or rather addressed a series of questions to the distinguished Senator from Illinois.

Those questions dealt with a complex part of the bill, the bill itself is complex as are all the operations of the Export-Import Bank.

The Senator from Virginia had the opportunity to query the Senator from Illinois for something like 40 or 45 minutes, estimating the time. Then the distinguished senior Senator from Washington requested that the Export-Import Bank legislation be set aside and that the conference report on HEW be taken up.

The Senate then proceeded to consider the conference report on HEW, several other conference reports, and has just this moment at the time the cloture petition was filed gotten back to consideration of the Export-Import Bank conference report.

It is somewhat strange, it seems to me, to file a cloture petition so soon after a piece of legislation is laid before the Senate and when there has been virtually no discussion of that legislation other than maybe something approaching an hour or slightly over an hour.

As I say, I have no objection, of course, to the petition being filed, but I did think the RECORD should show how little discussion there has been in the Senate on it.

As a matter of fact, I was prepared, and it is too late now, but I was prepared to vote today on a motion to table, but several of my colleagues who could not be here today urged I not do it.

So I think we could have disposed of it today.

Mr. **PACKWOOD.** Mr. President, in response to the Senator from Virginia, it is fair to say the issues we have talked about for an hour or two or three today, however long it might have been, have been talked and retalked and retalked about on this floor. The same issues have been talked about for many, many hours this summer and fall.

We have extended the Export-Import Bank's termination date twice. The issues that we are debating today are quite familiar to all of us, and I do not see any point in going on with extended debate on a topic we have had extensive debate on over the past 4 or 5 months.

Mr. **HARRY F BYRD, JR.** As mentioned earlier, a vote should come very quickly next week on a motion to table, but aside from that, the Senator from Oregon said that all of this is familiar ground.

Well, just in the first question that I put today to the Senator from Illinois, a brand new point was developed, brand new information was developed, which the Senate never before had had available to it.

I say that a bill of this magnitude, and I might point out that there are $25 billion involved in this legisaltion, $25 billion of U.S. tax funds, and if Congress is going to consider legislation of that magnitude we better take just a little bit of time to understand just what it is doing.

Mr. **PACKWOOD.** Mr. President, to keep the record straight, it is not $25 billion of tax funds.

This is not an income tax. This is not a sales tax. These are bonds that are being sold and this Bank breaks even.

I do not want to leave the impression that we are dealing with taxes, $25 billion.

Mr. **HARRY F. BYRD, JR.** I am glad the Senator developed that point because the Export-Import Bank, the way it gets its money, goes into the money market and sells bonds backed by the full faith and credit of the people of the United States.

The more that Bank goes into the money market, the more it forces an upward pressure on interest rates.

The Federal Government today borrows 62 percent of all the lendable funds—62 percent of all the lendable funds. So, I say that the Government itself, by this smashing amount of borrowing, represents a major reason for these tremendous interest rates.

It is obvious when the Federal Government goes into the money markets for such vast sums that the upward pressure on interest rates is very severe.

I think it is very easy to understand why the young couple trying to buy a home, obtain funds to buy a home, finds it very difficult to do that and can only do it at very high interest rates, why businessmen seeking to go into the private money markets to develop their business find it very difficult to do.

So on the Export-Import Bank—and I have been a supporter of that Bank and I am now a supporter of that Bank; I do not propose that the Bank should not continue to operate—I do contend that there must be some limit on it.

As a businessman, in my own business I do not give blank checks and in handling the tax funds of the American people I do not think Congress should give blank checks, and I think that this legislation should require and should place a ceiling. That is what the major fight is about.

Mr. **STEVENSON.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. **ALLEN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **LONG.** Will the Senator yield for a moment?

Mr. **ALLEN.** Yes.

PERMISSION TO FILE REPORT OF THE COMMITTEE ON FINANCE ON TRADE REFORM ACT OF 1974

Mr. **LONG.** Mr. President, on behalf of the Senate Committee on Finance, I ask unanimous consent that I be permitted to file the committee report on the bill The Trade Reform Act of 1974.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **LONG.** Mr. President, this report will be good news to American businessmen interested in expanding trade with other nations around the world. I heartily approve of everything in the bill, with the exception of its title.

I believe we should amend the rules of the Senate to require that major legislation that might bear any controversy of any nature at all should have a neutral title.

I object to any bill that bears the name "reform" because to me it represents a certain amount of intellectual arrogance to presume that those of us who recommend a piece of legislation to the Senate are completely right in what we propose, and those who might differ with us might not be right.

I would hope that in time we would pass a rule of the Senate that, if there are any objections, the title of a bill should be written by the Parliamentarian to be neutral so that those who might not agree with the legislation might have equal claim to righteousness as those who differ with it.

This bill was reported by the Committee on Finance by a unanimous vote. There are things in the bill that Senators will want to change. I cheerfully await their amendments. We have worked long and hard on this bill, and this is the best the committee could do for the moment.

I would say to all Senators that passage of this bill would require a lot of cooperation. The bill is about 300 pages long. The committee report is 311 pages. It is a bill that the President would like to sign.

A bill of this sort, particularly late in the session as is the case today, tends to attract the amendments of people who would like to see their favorite legislative proposal reach the President's desk.

If the Senate should yield to the temptation of adding irrelevant amendments to this bill, it will impede the progress of the bill.

I am trying to say that other Senators will feel privileged to offer similar amendments. I, for one, would feel that I must offer a number of revenue amendments to the bill which are not, strictly speaking, germane to this bill.

We of the Committee on Finance have already agreed that there are a number of revenue amendments that we would like to add to the bill if the Senate sees fit to depart from a germaneness rule that could meet the germaneness test imposed by the Parliamentarian on unanimous-consent requests.

I simply would say that I believe if the Senate is not going to confine itself to a germaneness rule, every Senator, including the floor manager of the bill, ought to have the same right to offer amendments that are not germane.

A meeting is scheduled in Washington at which the President will address people who will be coming to town to discuss this legislation.

In the hope that this legislation will become law they have indicated that they hope the bill can be passed without crippling amendments. I personally do not believe that any amendment that has to do with trade, in the strictly germane sense, would prevent this bill from becoming law. I do very seriously doubt that this bill will become law if the parts on which there are to be riders to carry everyone's pet amendment could muster a majority vote in the Senate.

It has been my experience that usually when we add those amendments to the bill, at some point those amendments must come off. Otherwise, the bill cannot be passed.

I see the Senator from Alabama in the Chamber at this moment. I recall so well how fiercely he had resisted efforts to expand debt limit bills to include campaign financing proposals, even though those amendments would be revenue-type amendments.

I simply submit this concern to the majority leader, whom I am happy to see in the Chamber at the moment, and the conscience of the Senate if we want to expand this bill to include subjects which are not strictly, in a narrow sense, germane to the bill. If we do that, I must say that the likelihood of this bill becoming law this year will be diminished. If the Senate is going to engage in a Christmas tree operation—and I have been a party to those things in years gone by—I, for one, would not like to come to the party without a present. I, too, would like to participate in the party, and I think everybody else would.

Mr. ALLEN. Will the Senator yield?

Mr. LONG. I yield.

Mr. ALLEN. The Senator has made reference to the fact that the Senator from Alabama has proposed riders to debt limit bills.

The Senator from Alabama would like to point out something of a distinction between the so-called trade bill and the "must" legislation that the Senator from Alabama thought ought to be confined to "must" legislation.

Important as this trade bill is, it does not have to be enacted into law in order for the Government to continue operating. The Senator from Alabama, therefore, might not have the same view with respect to riders to this bill. As a matter of fact, he may have a few riders he might want to add himself.

I think this bill comes before the Senate with everybody having an opportunity to file whatever he wanted to file. If too many riders are added and the bill sinks, perhaps the Senator from Louisiana will come back in the 94th Congress with a bill and have a little more time to discuss the matter and amend it on the floor with a little more care.

Mr. LONG. It might serve a purpose——

Mr. ALLEN. I think it could.

Mr. LONG. To consider the bill in the next Congress, and I do not say it would not. I am not persuaded that this is the best bill I have ever handled on the floor of the Senate.

I think that the discussion that would result would point out areas that could possibly be improved, and nothing but good could come of the discussion on the bill.

Mr. ALLEN. I agree with the Senator on that point.

Mr. LONG. It might serve a purpose to expand this on the trade bill. Only time will tell.

Frankly, I think we ought to advise every Senator that his rights are no better than any other Senator's and that if we are going to permit one Senator to offer and have considered on its merits an amendment that is not germane to the bill, other Senators should be accorded the same privilege. I would not want to deny them that right without discussing it on the floor of the Senate and meeting these problems when we ask for a unanimous-consent agreement. I anticipate that this bill will probably require a unanimous-consent agreement at some point, if it is going to become law.

Mr. ALLEN. If there is no necessity for the unanimous-consent agreement on a limitation of time, of course, as the Senator well knows, it would not be necessary for the amendments to be germane. We might have to pick and choose as to a time limit for a nongermaneness rule.

Mr. LONG. I agree with the Senator.

I simply want to make the observation that at some point we will have to ask for a unanimous-consent agreement. When we ask for a unanimous-consent agreement, that carries with it a germaneness rule, because, historically, it has been insisted by Senators who want to oppose an amendment they have not seen that the amendments must be germane to the bill, so that they would be in a position to protect themselves.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I have watched the diligence and patience that the chairman of the Committee on Finance has exhibited in the handling of this very complex and complicated piece of legislation, the trade reform bill. The committee, under Senator LONG's leadership, has met long hours, many days, over weeks and months, going back to March or April. I cannot remember which, but it has been a long time. The chairman has shown great patience and kindness to his committee members. Yet, he has also expedited the work of the committee. I just want to commend him as he brings this bill to the floor of the Senate today.

Speaking of patience, I do not know of any two more patient individuals I have ever met than the majority leader and the assistant majority leader. That was exhibited in a very difficult situation which the majority leader had to handle this morning.

Mr. ALLEN. I thank the distinguished Senator from Virginia. I, too, commend the distinguished Senator from Louisiana for the leadership he displays on the floor of the Senate and in committee. He has done a masterful job in bringing this complex bill to the floor of the Senate for consideration. I commend him for his great efforts in that regard.

(At this point, Mr. HATHAWAY assumed the chair.)

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. FANNIN. Mr. President, I wish to join my colleagues in praising the distinguished chairman of the Committee on Finance for his diligent work on this trade bill. He spent hours and hours, days and weeks and months, in carrying through the work that was involved in hammering out a trade bill that he and the other members of the committee thought would be very helpful to this Nation as well as to the other countries of the world that will be dealing with this country.

It was not an easy task. There were many controversial issues, some of them still to be resolved. But he was always willing to listen and to hold extensive hearings. Not only did he listen to the members of the committee and other Members of the Senate, but also, he was willing to have testimony from people who agreed with the bill, people who disagreed with it, people who had suggestions that they thought were beneficial. He accepted some of the suggestions and turned down others, so far as his recommendation to the committee was concerned.

I certainly want to pay tribute to the distinguished chairman of our committee for his work in bringing out a trade bill that has been long sought by many in Congress and certainly by many in the business community as well as in other sectors of our economy.

Mr. LONG. Mr. President, I thank the distinguished Senator from Arizona and the distinguished Senator from Virginia for the very kind remarks. They have made very significant suggestions with regard to this bill which are contained in the bill and the committee report. I thank the Senator from Alabama for his usual courtesy and kindness.

I am sure that we have improved on the bill. I am sure that this is a much better bill than the House sent to us. I do not say that with any reflection on the House of Representatives. They improved on the bill that was recommended to them; and when our turn came, if we could not make some useful suggestions, we would not be worth our keep.

I think the bill represents one of the longest strides that has been made in my years in the Senate toward Congress regaining some of the powers it surrendered to the executive branch, which are long overdue in returning to Congress, rather than simply residing forever at the other end of Pennsylvania Avenue.

In that general area, this bill, in my judgment, is a far-reaching and very significant piece of legislation. I believe that in other ways we have made some very useful and worthwhile suggestions.

I hope the bill becomes law as recommended. As I say, it is not a perfect piece of legislative handiwork. I am sure that the Senate can improve on it. I think we have justified the long time we have taken in working on the bill, because I know that we have made it a much better bill from the Senate point of view than it was when it arrived from the House of Representatives.

Mr. ALLEN. Mr. President, I also want to commend the distinguished Senator from Louisiana on his mastery of the subject of Federal taxation. I recall the satisfaction and pleasure and amazement I derived when I saw the distinguished Senator from Louisiana handle the first tax reform bill that came before the Senate since I have been in the Senate—the tax reform bill of 1969. More than 75 amendments were offered, on every conceivable subject, and the distinguished Senator from Louisiana had expert knowledge on each matter under discussion that was considered by those amendments. I was very pleased to see how he handled the bill.

EXEMPT ENHANCED RECOVERY OIL PRODUCTION FROM PRICE CONTROLS

Mr. BARTLETT. Mr. President, during the last 2 years, I have given many speeches before this distinguished body supporting a free market for energy in the United States, because, without a free market, this country would not have adequate supplies of energy in a reasonably short time or probably ever.

A free market is necessary to permit the normal forces of supply and demand to respond to price. This is the most efficient way to allocate scarce resources and to solicit additional supplies. The U.S. Senate, by its past actions, believes this, except in the most important case of all—energy.

We, in Congress, have a duty, which we have ignored for many years, to insure the availability of adequate supplies of energy for the American consumer. The long run consequences of energy shortages would be far more debilitating to our economy than the short term and shortsighted policies of maintaining an artificial low price for energy.

The time of cheap energy in this country and in the world is over. The Members of Congress should explain this fact to the American people. We should not continue to suggest that additional supplies are forthcoming when prices are reduced and controlled. This is misleading the American people, for they will be expecting something for nothing.

The quickest way to achieve energy self-sufficiency for this country is to establish a free market for energy. To continue as we have in the past with Government regulations and price controls would eventually ruin our domestic economy. If we continue to follow these shortsighted policies, the American people would be faced with even greater unemployment, continued high inflation and a lower standard of living.

In the United States today the price of over 60 percent of our domestic crude oil production is controlled. This two-tier system of crude oil pricing has caused tremendous inequities for producers and refiners of petroleum, and, it retards progress toward achieving energy self-sufficiency.

While I support a free market for all domestic crude oil production, I recognize that the Congress and the administration do not favor decontrolling all crude production at this moment. A logical next step, then, is to exempt from price controls all crude oil produced by secondary and tertiary recovery methods.

There are very sound reasons for this. The capital and operating costs of these methods are high and the known volumes of oil which can be recovered by applying enhanced recovery techniques are tremendous.

It is estimated that 434 billion barrels of crude oil in place have been discovered in the United States. Of this approximately 100 billion barrels have been produced to date. At the current controlled price of oil, an estimated 40 billion additional barrels will probably be recovered. This brings the total ultimate recovery at the current oil price to about 140 billion barrels, only a 32 percent ultimate recovery.

Since 68 percent of the oil discovered to date will remain in the ground, there is obviously a tremendous potential for additional recovery from known fields by both the more sophisticated, enhanced recovery methods and by additional application of the conventional techniques like waterflooding.

Experts estimate that from tertiary recovery methods alone as much as 60 billion additional barrels can be recovered from existing fields, provided adequate economic incentives exist. This volume of oil is approximately 6 times the current estimate of proven reserves of the North Slope of Alaska and is equivalent to 10 years of supply at current consumption rates. This estimated volume of additional recovery will increase further as new oil fields are discovered and new technology is developed.

To date, however, there has been little application of the more sophisticated enhanced recovery methods even though there is potential for significant additional recovery. This is because these methods are much more expensive than the conventional techniques.

The operating costs of secondary operations on a per barrel basis have historically been about double primary production costs. The operating costs of the more sophisticated tertiary-type projects are up to four times primary cost.

It is not difficult to understand why enhanced recovery projects cost more than primary production. Facilities must first be installed to handle both the injection fluids and the additional volumes of produced fluids. Also, a significant number of additional wells must be operated—producing wells, injection wells, source wells and, in some cases, disposal wells. In the more sophisticated techniques, additives to the injection fluid itself must be purchased.

Not only are the basic costs high, but recently there have been large cost increases in the equipment and services necessary to conduct these projects.

For instance, one small oil company in Oklahoma indicated that the cost of corrosion inhibitors increased 38 percent, sucker rods 70 percent, and pumping units 65 percent over the last 9 months. These items are among the major cost items of an enhanced recovery project.

It is imperative in these times of a severe domestic energy shortage that we encourage enhanced recovery operations, including the proven techniques such as waterflooding. Allowing a free market price for oil produced by these methods will, more than anything else, provide this incentive. This is not asking for a subsidy, but a free market will remove the present shackles.

In the United States, oil subsidy programs have been enacted before as incentives to increase production. Late in World War II there was a subsidy program financed by the taxpayer for stripper wells. Oil produced from a stripper well received up to 75 cents extra per barrel depending on the well's location and rate. During this 2-year emergency period, an additional $64,900,000 was paid for 176,800,000 barrels of stripper oil.

Many people recognize the necessity of freeing enhanced recovery production from price controls, but some say this should apply prospectively, and not to existing projects.

With a free market the lives of many existing fields with present enhanced recovery projects would be lengthened. Crude oil produced from a field with an enhanced recovery project will decline until the economic limit is reached. When the operating costs for a project exceed its income, operations will be terminated leaving producible crude oil in the ground. Congress recognized the importance of this type of incentive when the stripper well exemption was passed last year.

Because the operating costs of the many existing enhanced recovery projects are high, these projects may reach their economic limit without qualifying for the stripper well exemption. Because of the price differential between old oil and new oil, it would take an 18-barrel-per-day well producing nonexempt crude to be the economic equivalent of a 9-barrel-per-day stripper well.

If only prospective projects are exempted, an operator of an existing project would not be encouraged to expand his project. This is important because the expansion of existing projects is one of the quickest ways to increase our current producing rate. With the cost increases I have just described, it would be difficult, if not impossible, to expand economically an existing project at the controlled oil price.

It is very important that a significant step be taken toward a free market for all domestically produced crude oil. Price controls on all oil produced by enhanced recovery methods, both the conventional, proven techniques and the more sophisticated, relatively untried techniques, must be lifted. This will encourage a faster development of known reserves. It will make available to producers a larger cash flow and will expedite financing of many projects. An increase in domestic oil production will occur much sooner than it would if there is less capital available for investment.

For a similar reason the exemption should not be limited to the difference between enhanced recovery production and estimated primary production. Not only would capital be reduced, but to attempt to define this incremental production, to everyone's satisfaction, on a reservoir-by-reservoir basis would become an engineering nightmare, and would result in endless administrative problems and probably in litigation in the courts.

Exempting the price of crude oil produced by enhanced recovery methods will encourage new projects to be initiated. Many secondary and tertiary projects are shelved because of unfavorable economics. At the present controlled price of old oil, the high investment and high operating costs cannot be justified in many cases.

In fact, the present two-tier system is a disincentive to stripper well operators. They are hesitant to initiate new projects or join units because their production might increase to the extent that the wells would no longer be stripper wells and would no longer receive exempt crude oil prices.

The current shortage of drilling rigs, workover rigs, and oil country tubular goods makes enhanced recovery project important in using existing assets effectively. Most of the wells that would be involved in these projects have already been drilled and cased. Previous oil producing wells can even be used for the purpose of injecting fluids. Therefore, a minimum amount of tubing and casing and a limited number of drilling rigs would be necessary to expand or initiate enhanced recovery projects. These limited, but very valuable, resources can then be effectively employed in the equally important tasks of exploring for and developing new oil fields.

Conservation of our available financial and natural resources is another important aspect of exempting enhanced recovery projects from price controls. Generally, a petroleum reservoir can be produced more efficiently with greater ultimate recovery of oil and at a faster rate for a longer period of time if an enhanced recovery project is initiated early in the life of a reservoir. Waiting until the project reaches its economic limit before initiating a secondary or a tertiary project not only results in less oil, but also wastes capital because a secondary project is not necessary if a tertiary-type project is initiated early.

A good potential for making profit must exist before some operators would initiate an enhanced recovery project early in the life of a field. An enhanced recovery project, and especially the more sophisticated projects, are not only costly to initiate and to operate but are also risky from a production standpoint.

Some of these techniques are still in the developmental and testing stages. Even after a project is started a significant amount of time, up to a year or two, elapses before a production rate gain is expected.

Free market pricing for crude oil produced by enhanced recovery methods will provide additional impetus for the research and field testing necessary to improve and evaluate existing technology and to develop new technology. The research effort and manpower requirements necessary to develop this technology are massive. Many technically competent individuals must be attracted to the petroleum industry. The capital requirements necessary to train these individuals and to support this tremendous research effort will have to be financed by the cash flow from existing production.

In the short term, exempting enhanced recovery projects from price controls will not greatly increase consumer prices and in the long term will lead to lower energy prices than there would be otherwise. There are about 2 million barrels per day of current nonexempt crude being produced in enhanced recovery projects. If all this oil is decontrolled, which will bring the domestic exempt crude to about 60 percent of total domestic production, product prices will increase only a modest 1.5 cents per gallon.

In the long run, any additional oil produced by enhanced recovery methods will replace even higher priced foreign imports. Exempt crude in the United States is currently running about $10.50 per barrel, while the landed price of foreign crude averages about $11.70 per barrel. Increased production of domestic crude will improve our balance of payments problems and reduce inflation. Further shortages of energy will cause greater inflation, more unemployment and a lower standard of living for the American people.

With the economic incentives provided by a free market, expanded interest in advanced recovery techniques and a greater effort in research and development there will be even greater progress toward recovering the very last drop of oil from our existing and potential oil fields.

THE PRESIDENT'S TRIP TO THE FAR EAST

Mr. **MANSFIELD.** Mr. President, this morning I had the privilege, along with other Members of the House and the Senate, to attend a meeting at the White House. At that time President Ford gave us the benefit of his views on the trade bill, other legislative matters, and specifically his journey to the Far East. I was one of those who was concerned before President Ford undertook his journey to the Far East, because I felt that there was the possibility of disorders of various kinds in Japan. I was not too sure about the wisdom of the visit to South Korea, and, then to Vladivostok, a part of the old Manchu Empire, and in close proximity to the present-day Sino-Russian border.

However, with the benefit of hindsight I am happy that President Ford made the trip to Japan, Korea, and the Soviet Union. I think it did a great deal to cement Japanese-American relations; a visit that marked the occasion of the first President of the United States to enter that country.

I think that the strategic concept between the two countries remains intact and, certainly, the talks which the President had covering energy and trade could well be beneficial.

In Korea, the President had a chance to inspect and visit Inchon and mix with the American troops there. He spoke very highly of their ability and their readiness, and seemed to be very much impressed with those elements of our armed services in that country.

From there, he went to Vladivostok and, on the basis of his report, I am greatly encouraged by the results of his meetings with Brezhnev. As the President said, it was a working trip and, as soon as he deplaned at the airfield outside of Vladivostok, he entrained to the chief naval seaport of the Soviet Union in the Far East, spent an hour and a half or so in conference with Chairman Brezhnev, and later that evening, had a meeting which began before 5 o'clock and extended until 12:10 the next morning.

Then, at 10 o'clock, he took up the cudgel again and the preparatory work bore fruit. Out of it came an agreement which we know of in general terms and which will be in printed form within the next week or 10 days so that, at that time, Chairman Brezhnev and President Ford will be able to confirm more fully and completely what they had entered into by way of verbal agreements.

The President, in his talk to the Members of Congress who were present, sounded very encouraging and, speaking personally, I was very much encouraged by what he had to report to us. It is not possible to give the figures or the details at this time as they were elucidated by the President, but from my point of view, at least, they were most encouraging and indicated that in a very short while, President Ford had accomplished a great deal, when we consider the meetings between Chairman Brezhnev and the President of the United States begun about 3 years ago.

I wish to take this means to say that I am pleased, on the basis of what knowledge I have to date, with the progress which the President has made. Again I am glad that he made the trip and delighted that he returned safely. Hopefully, what he was able to accomplish in his trip to these three countries will bear more fruit in the years ahead. Out of the equivalence which has resulted because of the meetings between the Russians and the Americans, it is to be hoped that in time, equivalence will mean more than limitation and it will be possible to bring about a reduction of arms on a mutually agreeable basis in the years ahead. Otherwise, Mr. President, the prospect is for continued spending on a grand scale for weapons which become obsolete in a very short time and the spending of funds which could be better used for the betterment, on a constructive basis, for the people of both countries.

The trip is over. The President is home. We are glad he is back; we are glad he went. I think he has been most successful.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL TIME FOR COMMITTEE REPORT ON S. 3394

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, during the Thanksgiving Day recess, the Committee on Foreign Relations be authorized to file its report on S. 3394, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Monday, the Senate will convene at the hour of 12 noon. After the two leaders or their designees have been recognized under the standing order, Mr. PROXMIRE will be recognized for not to exceed 15 minutes; after which, the distinguished majority leader will be recognized for not to exceed 15 minutes; after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of routine morning business, the Senate will resume the consideration of Calendar Order No. 1121, H.R. 10337, the Navajo-Hopi bill, on which there is a time limitation agreement.

On the disposition of that bill, the Senate will resume consideration of the Eximbank conference report.

No rollcall votes will occur on Monday next prior to the hour of 4 p.m., but rollcall votes are anticipated that day.

On Tuesday next a vote will occur on the overriding of the President's veto of the GI education bill. Under the Constitution, that vote must be a rollcall vote. Also during that day a vote will occur on the motion to invoke cloture on the Eximbank conference report. So there will be rollcall votes on Tuesday.

ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of House Concurrent Resolution 689, as amended, that the Senate stand in adjournment until the hour of 12 o'clock noon on Monday next.

The motion was agreed to; and at 5:21 p.m., the Senate adjourned until Monday, December 2, 1974, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate November 26, 1974:

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Harold G. Moore, 401-16-2390, U.S. Army.

In the Air Force

The following-named officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

DENTAL CORPS

To be captain

Hopton, Harry S., 447-38-7114.
Sarg, Ronald G., 089-34-4233.

To be first lieutenant

Grant, William T., 261-88-5916.
Howard, James H., 218-52-5464.

The following-named persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10 United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Bloom, Irving B., 361-16-4313.
Cunningham, James R., 524-16-1496.
Diorio, Carmine D., 154-14-9203.
Goodwin, Martin B., 462-46-6043.
Hombs, Addison, 487-24-6125.
Humphreys, Roderick J., 008-14-3817.
McLaughlin, Lloyd A., 439-03-7269.
Oppen, Melvin G., 469-20-6799.
Owen, George F., Jr., 246-12-0002.
Parker, Robert W., 487-12-2094.
Rabak, David W., 532-12-4070.
Sellers, Francis M., 303-22-2207.
Weeks, Byron T., 519-26-3380.
Wonderly, Robert O., 499-10-3297.

To be lieutenant colonel

Dunne, John V., 093-28-9768.
Rincon, Ruben G., 074-36-5191.
Gallagher, Richard A., 215-38-2517.
Workman, Frederick C., Sr., 567-42-2816.

The following-named persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of section 8444 and 8447, title 10, United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be lieutenant colonel

Dyer, John T., 408-48-2287.
Ngo, Narcisco L., 105-42-3128.
Pappu Suri (NMN), 362-44-6836.
Rincon, Ruben G., 074-36-5191.

The following-named officer for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Sharp, Charles L., 493-30-6520.

The following-named officers for promotion in the Air Force Reserve, under the provisions of setcions 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Dickson, Foster N., 460-46-0811.
Glover, William F., Jr., 242-52-9110.
Julian, Richard O., 556-40-7536.
Maier, Oliver A., 473-44-5484.
McNeil, James R., 481-38-0762.

CHAPLAIN CORPS

Smith, Joel R., 419-36-1757.

MEDICAL CORPS

Spence, Michael B., 316-40-7587.

NURSE CORPS

Ford, Joan D., 185-24-7667.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

First lieutenant to captain

Aanstad, William L., 560-70-4910.
Aarnio, Paul R., 158-32-6690.
Abate, Nicholas, 062-36-5873.
Abbey, Robert D., 150-30-4932.
Abbott, John F., 402-60-8465.
Abbott, Milton E., 446-38-3602.
Abelson, Steven J., 104-36-8744.

Abernathy, Bobby J., 486–46–2052.
Abram, Leslie D., 513–34–6840.
Abramson, Bruce D., 521–64–7069.
Ackert, James E., 324–38–5602.
Acree, William A., 240–74–0605.
Adams, David H., 484–62–6771.
Adleman, Ronald W., 522–54–2478.
Ahern, Daniel B., 565–64–0395.
Alber, Steven C., 539–46–9141.
Albers, Robert M., 493–46–9557.
Albright, William A., 430–28–9176.
Alcala, Gabriel J., 515–42–1425.
Alder, Gordon S., 325–38–5656.
Aldrich, Kenneth H., 284–44–0644.
Alexander, David W., 526–70–4796.
Alexander, Dean C., 462–70–0303.
Alexander, Michael D., 420–44–9757.
Alexander, Roger A., 258–66–7240.
Alexander, William D., Jr., 257–60–8642.
Allard, David C., 521–68–7883.
Allen, David K., 551–56–9894.
Allen, John C., 147–32–8855.
Allen, Robert G., Jr., 156–38–3996.
Allen, William R., 235–68–3486.
Allenson, Stephen P., 088–34–8449.
Alley, Michael L., 533–40–6394.
Allhoff, Francis H., Jr., 500–48–1767.
Almond, Edward E., Jr., 339–28–1831.
Alsup, Larry W., 440–46–3470.
Altadonna, Lynn P., 161–36–9408.
Altemose, James L., 421–62–6237.
Altiere, Michael P., 150–40–4658.
Altus, Robert W., 447–46–3640.
Alwine, Dennis C., 536–40–5879.
Anders, Gregory E., 344–36–7524.
Anderson, Charles R., Jr., 437–66–4885.
Anderson, Charles E., 009–30–7116.
Anderson, Glen M., 483–58–3497.
Anderson, John W., 540–52–2492.
Anderson, Jon G., 516–38–2689.
Anderson, Kimmel R., 443–46–5705.
Anderson, Mark S., 287–40–7900.
Anderson, Phillip G., 347–34–4529.
Anderson, Ronald A., 476–48–5065.
Anderson, Wayne H., 503–38–0300.
Andes, Randy T., 574–16–2558.
Andrea, Ronald L., 225–64–7158.
Andrejak, Gary E., 363–44–4192.
Andrews, William J., 228–62–2491.
Anthony, Michael D., 275–40–0385.
Applegate, William J., 153–40–2649.
Applewhite, Jim R., 451–46–8262.
Aramanda, Michael G., 061–34–1242.
Archambault, George F., Jr., 215–46–0930.
Ard, Billy C., 254–48–6169.
Arkfeld, Gerald L., Jr., 508–54–5243.
Armburst, John S., 515–44–0157.
Armington, Judie A., 557–54–1884.
Armour, Harold M., Jr., 438–66–7327.
Armstrong, Bill L., 535–46–4161.
Armstrong, Donald J., Jr., 507–52–7709.
Armstrong, Michael E., 557–58–6927.
Arneson, Paul S., 474–50–9555.
Ashmore, Frederick M., 418–60–8749.
Atwood, Charles R., 365–44–8939.
Au Patrick A., 572–74–4990.
Aubrey, James R., 206–34–3772.
Austin, James R., 243–62–7978.
Avery, Sanders L., 258–74–4272.
Ayen, William E., 396–46–4381.
Aylsworth, George W., 438–70–2935.
Ayres, Timothy R., 463–64–8478.
Babcock, Richard R., Jr., 228–58–9049.
Bachrach, William, 118–26–7521.
Baer, Craig A., 366–50–3933.
Bagby, Richard C., Jr., 238–68–7154.
Baggett, Roy G., 435–52–4230.
Bailey, Brooke P., 553–66–0591.
Bailey, Bryson R., Jr., 536–42–0247.
Bailey, Edward L., Jr., 113–38–2132.
Bailey, James H., 549–54–3223.
Bailey, Steven D., 562–58–0390.
Baird, Arthur D., 427–72–5562.
Baird, Wayne J., 462–80–6854.
Baker, Gary E., 463–74–9209.
Baker, John P., III, 194–36–5743.
Baker, John R., 124–38–5720.
Baker, Michael D., 564–64–5806.
Baker, Norman R., 181–34–6936.
Baker, Samuel B., 266–68–2838.
Baker, Vincent T., 481–56–0760.
Baker, William H., 437–62–4489.
Bala, Walter A., 347–38–6000.
Balander, Charles D., 504–24–5676.
Balazs, Brent W., 362–48–4165.
Ballard, Buddie C., 416–42–7381.
Ballard, Laurence L., Jr., 510–46–9983.
Ballew, William L., 410–52–5445.
Balthun, Wayne E., 354–36–9269.
Bangs, Terry L., 264–70–9903.
Bannon, Edward A., 045–36–6381.
Barazzotto, Richard A., 107–34–6758.
Barber, Joan E., 244–66–5899.
Barclay, Robert L., 017–32–3607.
Barco, Leroy G., 561–58–4302.
Barker, Daniel J., 585–10–4066.
Barnard, Douglas M., 001–32–8601.
Barnes, Larry R., 552–66–6872.
Barnett, Barbara J., 191–34–7600.
Barr, Robert D., 457–74–2058.
Barrett, Donald E., 507–56–7654.
Barrett, Ewing D., Jr., 410–66–7936.
Barrett, Robert M., Jr., 559–58–4889.
Barrows, Donald K., 543–52–0915.
Bartanowicz, Robert S., 266–62–3378.
Bartlett, Michael D., 268–42–7688.
Bassett, Frederick E., 521–66–3192.
Bassett, Kenneth R., 490–48–1103.
Bassett, Kenneth W., 027–34–0540.
Batchelder, Floyd P., 002–32–6214.
Batchelor, John D., 156–34–8468.
Bates, Eugene F., 486–50–6912.
Bates, Francis C., 086–36–8571.
Batstone, Brian G., 266–68–4523.
Bauer, George C., III, 071–38–1333.
Bauer, Jon C., 097–34–8916.
Bauer, Lee A., 322–36–0134.
Bauer, Stephen A., 342–38–9667.
Baugh, John R., 462–72–1601.
Baughn, Donald T., 512–44–0257.
Baxa, Jon E., 389–42–1336.
Bayley, John S., 104–30–9496.
Bays, John F., Jr., 223–64–3122.
Bazar, William A., 566–62–9859.
Bean, Gary P., 497–50–0711.
Bean, William R., Jr., 467–68–0501.
Beanblossom, Bobby V., 544–42–4730.
Beauregard, Alfred J., 507–58–3355.
Beck, Christopher A., 163–36–2312.
Beck, Theodore P., 517–48–2064.
Becker, Allan R., 394–44–7234.
Beckner, Malcolm K., 307–48–7260.
Bednarz, Michael H., 271–46–2924.
Bedwell, James W., 499–46–8550.
Beekman, William D., 299–42–0946.
Beemer, James E., 271–40–8594.
Beens, Lynn R., 529–64–9069.
Begert, William J., 003–32–2790.
Behr, Robert D., 291–42–0207.
Beishke, John J., Jr., 151–34–7046.
Bell, Charles T., 421–62–8684.
Bell, Edwin M., Jr., 260–70–2292.
Bell, Robert L., 576–46–8465.
Bellen, Jerome T., 571–60–3991.
Bellinger, Robert W., 536–42–6921.
Belwood, Lloyd E., 404–66–4186.
Beneville, John P., 523–54–9479.
Benton, Jeffrey C., 447–46–3614.
Benton, Richard D., 109–34–6962.
Berger, James C., 523–58–1590.
Berndt, William L., 278–36–9336.
Berner, Brent A., 524–50–3606.
Bernott, Michael J, 369–46–8097.
Berry, Alan L., 562–64–8108.
Bertini, Francis A., 100–34–2373.
Berven, Wynn M., 480–48–9706.
Bessom, Roger A., 560–62–5028.
Bethart, Edgar J., Jr., 582–90–6846.
Bettcher, James R., 526–48–0192.
Bettencourt, Manuel J., Jr., 252–70–0587.
Betts, Charles C., Jr., 424–58–4468.
Bidzila, Joetta A., 161–34–9417.
Bierer, Lindsey E., III., 186–34–3772.
Billick, Donald M., 571–66–3862.
Birk, Frank T., 024–34–4452.
Bishop, Gerald K., 507–58–4302.
Bishop, Harold T., 404–62–2766.
Bitner, Charles B., 527–68–3060.
Black, William A., 186–36–8829.
Blackman, Robert M., Jr., 245–70–3136.
Blaha, James L., Jr., 227–56–9373.
Blair, Charles W., 256–72–2681.
Blair, James R., III, 522–60–6193.
Blamey, John T., 510–46–7485.
Blanchard, Warren C., Jr., 114–34–1389.
Blank, Richard A., 576–46–4175.
Blau, Frank M., Jr., 391–42–8700.
Bloom, Richard L., 571–64–6431.
Bloomer, David A., 456–74–5588.
Blumberg, Alvin E., Jr., 414–70–4417.
Bogart, David B., 584–03–5175.
Boggan, James F., 436–66–7706.
Bohman, Richard T., 041–34–3351.
Bohnsack, Richard D., 356–34–8538.
Bolalek, Philip J., 081–36–9466.
Boland, Thomas R., 196–36–2182.
Bole, Samuel J., 521–60–2785.
Bonebrake, Galen D., 186–34–0779.
Boneske, Franklin, 100–36–7413.
Bonfiglio, Victor J., 227–60–0020.
Bonin, Martin E., 575–42–5858.
Bonitz, William A., 509–46–9535.
Bonner, Barry D., 509–50–6488.
Bonner, John H., 467–70–4151.
Booker, John C., Jr., 457–78–4890.
Booker, Michael P., 449–76–1488.
Booker, Richard L., 446–46–2530.
Booth, Richard T., 218–30–5515.
Booth, Robert T., 414–54–1745.
Boots, Robert J., 003–34–9226.
Borah, Steve B., 271–42–9040.
Bordenave, Robert J., 470–52–1336.
Bortfeld, Stephen R., 570–62–4039.
Bossart, Roger A., 178–36–7777.
Bostick, James K., 500–48–0595.
Boswell, Irvin W., III, 255–68–6245.
Boswell, James W., 452–66–5018.
Botta, Joseph E., 209–34–0868.
Botula, Charles, III, 130–34–8122.
Boudreaux, Lionel P., III, 438–64–3818.
Bourke, Thomas J., 183–30–0499.
Bourland, Michael V., 450–68–2689.
Bowen, Jack E., 458–74–0646.
Bowers, Ralph K., 509–46–2339.
Bowles, Ralph D., 258–66–5429.
Bowles, Robert J., 020–34–5630.
Bowling, Vernon B., 266–62–4091.
Bowman, William R., 457–74–3068.
Boyer, David G., 214–50–5482.
Brackett, Howard R., Jr., 028–32–3807.
Brackin, William W., 419–44–4988.
Bradford, Craig S., 548–62–1924.
Bradley, Edward L., 316–46–3201.
Bradley, Gerald H., 404–60–8547.
Brady, Doyle E., 522–58–0446.
Braley, Howard J., 008–30–3020.
Brandt, Arthur J., III, 386–46–0865.
Brandt, Larry C., 249–72–4554.
Bras, Victor D., 098–36–7641.
Brasch, Randolph R., 091–36–2845.
Brashear, Dick D., II, 459–74–5737.
Brauer, Harold E., 516–50–7933.
Braunreiter, John D., 468–48–3026.
Breeden, Herbert D., 486–46–9866.
Breen, Paul M., 017–34–6345.
Breese, David L., 287–42–6686.
Brennan, Edward J., 407–62–6310.
Brenneman, Glenn B., 207–30–5814.
Breshears, George C., 428–84–0637.
Brewer, Donald R., 424–42–1753.
Brewer, Edward G., 131–34–2051.
Brewer, Gordon L., Jr., 257–66–6282.
Brewer, Lewis G., 234–74–1865.
Brewer, Richard R., 460–74–8520.
Brezina, Gerald W., 270–40–2383.
Bridal, Donald D., 448–46–7035.
Bristow, Richard D., 267–74–3632.
Broadstreet, Ralph E., 559–58–9502.
Broas, Michael J., 366–48–1770.
Brock, Ronald O., 237–70–7996.
Brod, Thomas J., 154–36–4062.
Brogan, Dennis M., 076–36–2101.
Broome, William M., 241–74–9196.
Broussard, Raymond D., 260–72–7883.
Brower, Stephen A., 574–18–3198.
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Meines, William H., 503–34–3425.
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Menarchik, Edward D., 186–34–3035.
Mengelson, William G., 178–32–1891.
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Merlin, Richard H., 262–74–8791.
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Metz, Alfred P., 298–38–2407.
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Rheinscheld, Mary J., 513-42-5849.
Rogenes, Kathryn A., 502-48-5188.
Schneider, Penelope B., 393-40-5054.
Smith, Elizabeth J., 405-54-3579.
Taylor, Louetta B., 244-56-2599.
Tripp, Marsha B., 209-30-0514.
Usry, Robert E., 257-72-9828.
Weidauer, Harvey E., 504-30-5392.
Widmer, Karan D., 585-05-5861.
Wolfard, Judith A., 296-42-5411.

MEDICAL SERVICE CORPS

Baker, David J., 217-46-7801.
Baldwin, George A. III, 021-32-7838.
Bauer, John W., 315-44-3802.
Best, Gordon W., 535-40-2640.
Breuder, Andrew J., 140-38-5851.
Chevalier, Jimmy E., 507-54-2841.
Cleary, John J. Jr., 496-46-4655.
Daft, Rodger H., 492-48-7988.
Dalton, James D., 524-40-3506.
Draper, Richard P., 261-70-0254.
Dunkle, Jeffrey H., 008-36-0311.
Elder, Timothy J., 193-36-8470.
Escueta, Franklin T., 334-28-6142.
Gleason, Stephen D., 512-42-6210.
Grassman, Eric D., 521-52-4873.
Hardy, William R., 532-46-3996.
Hauser, Robert S., 331-30-7459.
Hobbs, Edmund R., 458-774-3223.
Holes, John E., 471-50-1996.
Hunter, Harold H., Jr., 251-76-1865.
Karahalis, George G., 028-36-2574.
Kinder, Curtis J., Jr., 439-62-0491.
Kramer, Thomas N., 314-46-1231.
Labash, John D., 209-34-7515.
Lothes, John E., 233-62-4246.
Lyons, Michael W., 544-50-5445.
Maraz, Ronald N., 146-30-7955.
Maso, Eugene C., 147-34-1609.
Maxwell, William K., 514-44-3293.
Miller, Donald G., 429-90-4128.
Moss, Robert J., Jr., 229-66-3095.
Partridge, Stephen L., 065-36-4736.
Perkins, Edward W., 003-32-6504.
Raddin, James H., Jr., 585-09-4054.
Rep, Gerald T., 397-42-1595.
Romberg, Gary P., 520-50-3270.
Sanders, Jimmy D., 420-54-8101.
Seaman, John M., 547-68-1913.
Shore, John W., 003-32-2154.
Snyder, Allen T., 461-80-5481.
Starr, Gerald A., 527-48-0316.
Stilley, John F., 504-52-3756.
Sykes, Norman J., Jr., 254-70-1843.
Szwast, Gary W., 256-66-5818.
Tedor, John B., 202-34-6746.
Troyer, John E., 314-44-1991.
Vojtasko, Michael C., 159-36-9612.
Willauer, Glenn R., 126-34-5988.

VETERINARY CORPS

Booker, Jasper L., Jr., 230-60-6213.
Brock, Samuel L., 312-52-6919.
Eisenbrandt, David L., 491-48-0742.
Grube, Steven G., 506-60-8156.
Hall, James E., 481-54-8170.
Hartshorn, Rodney D., 570-72-6941.
Ksiazek, Thomas G., 514-44-5747.
Letscher, Robert M., 466-70-6788.
Mills, Andrew C. S., 420-56-7686.
Schnarr, John T., 310-48-8118.
Stamp, Gary L., 360-32-0476.
Warner, Ronald D., 298-44-5283.
Wright, James H., 449-76-2662.

BIOMEDICAL SCIENCES CORPS

Brown, Phillip G., 439-60-9353.
Burr, John G., 021-36-4103.
Buth, Jonathan A., 39-40-7608.
Cairney, William J., 153-34-3903.
Charpentier, Diane M., 264-62-6717.
Christensen, William D., 121-36-2890.
Collins, Richard, 366-38-6345.
Costello, Richard J., 170-36-7350.
Craig, Gerald H., 505-54-3876.
Crigler, Joseph C., 228-54-9338.
Curry, Charles L., 499-48-9315.
Greene, John R., Jr., 559-62-5632.
Hiatt, Victor E., 474-56-0300.
Hinders, Douglas E., 468-44-3306.
Hull, Warren R., 435-64-9912.
Hundley, Kenneth E., 228-52-0741.
Jackson, Jerry W., 450-66-0460.
Kreig, Richard E., Jr., 138-34-2819.
Leone, Charles H., 111-34-6602.
McElwey, David W., 031-34-6007.
McNutt, Gary R., 271-42-0426.
Orrell, Doyle L., 515-40-5354.
Ray, William C., 485-40-8733.
Schiller, Ronald L., 486-50-9880.
Shaver, Neil C., 570-54-6647.
Sherman, Robert E., 585-03-0473.
Shingler, Larry H., 287-34-2531.
Sutay, Robert J., 098-38-6703.
Valder, Stephen M., 505-50-4339.
Vanek, Kenneth N., 455-74-5940.
Varner, Harold L., 453-42-3294.
Weisenfels, Charles W., III, 490-48-6649.
Woessner, William M., 223-56-8146.
Wolcott, John H., 284-36-1522.

The following officer for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be first lieutenant

Calligan, Michael P., 484-48-9427.

The following Air Force officer for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be captain

Nash, Peter R., 517-50-3088.

EXTENSIONS OF REMARKS

ALL AMERICA CITY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, the city of Fall River, Mass., has been honored by being selected as one of 21 finalists among more than 500 communities which sought designation this year as "All America City."

Fall River, once the cotton textile manufacturing center of the world, has suffered more than its share of economic hardship. But it is a community that has refused to give up.

In this time of economic difficulty throughout our country, Fall River, serves as an example to the Nation of what one community—with spirit, hard work and perseverance—can accomplish.

I commend to my colleagues the following reports from the Fall River Herald News on the city's official presentation last week to the "All America City" award judges meeting at the 90th National Conference on Government in San Diego. Included is the text of an eloquent address to the judges by Henry S. Gillet, Jr., special assistant to Fall River Mayor Wilfred C. Driscoll.

The material follows:

[From the Fall River, Mass., Herald News, Nov. 18, 1974]

FALL RIVER BIDS FOR ALL AMERICA CITY RECOGNITION

SAN DIEGO.—The years of "apathy and negativism" have ended and, instead a "fresh and stimulating attitude" has swept over the City of Fall River, Mass., to move the community forward.

Such was the thrust of an address today by Henry S. Gillet Jr., special assistant to the mayor, before a panel of judges at the All-America city competition taking place here.

Awards—to be announced at a later date—will go to cities and towns deemed to best exemplify the ideal of active citizen roles in the betterment of community life.

Gillet held to a theme that Fall River has overcome decades of loss of confidence following the decline of the textile industry and in the wake of the Great Depression. He spoke of a city "that refused to die" and which has now "turned the tide of destiny and is on the way back."

Illustrating the many public and private programs and projects helping in the city's recovery, Gillet asserted that "we look forward with enthusiasm to the challenges and promises of the tomorrows."

Mayor Driscoll and Gillett, chairman of the Model Cities Board in Fall River, led a municipal delegation of 16 officials to present the city's case for All-American selection.

Fall River is one of 21 finalists out of more than 500 communities which had sought the designation from the National Municipal League.

To promote an image of the city "Moving in New Directions," a presentation of 130 slides will be made to show progress in achieving a rebirth of Fall River. Other aspects of the city's bid for All-America status include a special display booth focusing on major municipal projects.

In a bid to emphasize the extent of citizen contribution in the renewal of the community. Model Cities leaders pointed to the MC Health Center services here, the summer Re-Creation Program over the past several years and the Community Service Officer Program.

Slides were utilized the magnitude of urban improvement by acquainting competition judges with work on the new city hall, high school, water filtration plant, Central Business District project, Battleship Cove and still other advancements in the city.

Public and private endeavors being shown in the 10-minute slide show Highland Heights facility for the physically impaired, Royal Crest Apartments, Milliken Apartments and Riverview Towers.

The only other New England city to reach the finals is Gardner, Mass.

Fall River has a "resource group" of Model Cities and other community officials in answer questions from a jury which will judge the competition.

The city's delegation consists of Mayor Driscoll; Gillet; Executive Director Paul Poulos of the Model Cities Program; Assistant Executive Director Thomas McCloskey; City Council President Britland and Councilors Camara and Lincoln, City Clerk Joseph F. Doran.

Corporation Counsel Daniel A. Sullivan; Industrial Agent George Darmody; Chairman Ronald Lowenstein of the Redevelopment Authority; Robert Murray, president of Truesdale Hospital and who was chairman of the original Model Cities task force.

Juan DeLon, director of the MC recreation program; President Robert Karam of the Greater Fall River Re-Creation Committee; Director Patrick Lowney of the Law Enforcement Assistance Administration, and George Berube of the Community Service Office.

[From the Fall River, Mass., Herald News, Nov. 18, 1974]

A FALL RIVER THAT REFUSED TO DIE

(NOTE.—This is the text of the presentation in behalf of Fall River's bid for choice by the National Municipal League for the 1974–75 All America City Award. The address was delivered in San Diego, Calif., this afternoon by Henry S. Gillet Jr., special assistant to the mayor.)

On behalf of my community, I am indebted to the National Municipal League for the opportunity to appear before such a distinguished group as the All-America City jury and bring to you the story of a city that for too long has been beaten down from within a city caught in the full throes of a depression that wouldn't release its grasp, a city that has experienced the maternalistic hurt of watching its lifeblood moving away.

However, I come before you with an abundance of pride because I speak of a Fall River, Massachusetts that refused to die, I speak today of a community that turned the tide of destiny and is on the way back.

It wasn't too long ago that we looked with self-pity at the glorious by-gone yesterdays. Today, with great pride, we look forward with enthuiasm to the challenges and promises of the tomorrows.

In the 1920's, Fall River's population of 130,000 basked in the prosperity that came with being the cotton textile manufacturing center of the world. The immigrants came and augmented the existing work force.

Manufacturing operations were liquidated as the industry moved South, spilling upon a single-industry town an overabundance of manpower and empty mill buildings.

The downward national economy of the depression years compounded Fall River's problem. The city earned the dubious distinction of being the only community in the commonwealth to suffer the embarrassment of bankruptcy and succumbed to the most debilitating period in its history—state-appointed finance board that ruled for a decade.

This group was charged with the responsibility of righting a fiscally floundering ship and the members carried out this responsibility well. The books were balanced, but the effects are with us these 30-some years later.

The purse strings were pulled so tightly that the city was barely capable of limping along.

It wasn't until Fall River entered the post-war period that the stark realization took focus. The years of the finance board and its tight austerity had taken their toll. Fall River was far in arrears of other communities.

Unable to effect improvements or growth patterns, city fathers were forced to devote full attention to maintaining old and tired facilities and services. Any attention to planning for the future was considered a fantasy.

The exodus of the college age and the newly married was marked. The city was left with a dis-proportionate population of the very young and the very old with a mixture of the welfare-supported and a large immigrant population.

The industrial gap was filled by the needle trade industry shifting the focus of complexion to a female-oriented base, severely eroding the opportunity for male employment.

An attitude of apathy and negativism existed, modified only by those with visions of a proud community fighting back, their uphill climb punctuated by self pride and an abundance of perseverance.

These visionaries have prevailed. It is difficult to fix when and where the tide of attitude was turned. But, it was turned. And, where apathy and negativism once prevailed, we now have an attitude that demonstrates that an involved citizenry can get the wheels turning.

A survey of the Model Cities area indicated a glaring need for preventive health care. Neighborhood residents and representatives of the health community collaborated in the development of a neighborhood center, achieved Model Cities funding, and began providing comprehensive medical, dental and health education services.

Early opposition from the medical-dental community was alleviated when the center demonstrated competent and quality medical care delivery.

A neighborhood corporation now operates the center, thus providing direct citizen input in the ongoing planning, evaluation and operation. The need for special detection clinics was identified last year, and a program was established. It is estimated that 16,000 persons will have utilized the health center this year.

And, if success ever breeds and demands further success, the recreation—Re-Creation program is a perfect example.

Responding to a clearly-established need for recreational opportunities beyond those provided through organized sports programs, a small group of residents organized and planned summer activities designed to reach residents of all ages under Re-Creation '71.

Operating on a very limited budget, but with a lot of help from a lot of volunteers, they put together a program of success that stimulated public response.

As the program grew in 1972, 1973, and 1974, so did financial support from the community. This past summer, more than 65,000 persons were involved, attracted, and entertained by the program.

The year-round recreation program that was born of the interests and efforts in the summer Re-Creation programs this year is offering 42 different programs and activities, reaching an estimated 17,500 persons ranging in age from 4 to 75.

Vitally concerned with an increasing rate of crime in public housing neighborhoods, members of tenant associations and ad-hoc groups cooperatively petitioned local, state, and federal agencies for the development of a community service officer program.

Law Enforcement Assistance Administration (LEAA) funds were attracted and nine Community Service Officers (CSO) were employed with the responsibility of curbing crime, eliminatng tension in conflict situations, and initiating youth development and recreational programs.

The program is credited with effecting a 67 per cent reduction of crime in the target areas.

The Citizens further initiated and formulated an elected policy and screening board that is responsible for program policy of CSO's.

We were limited in our application to speaking of three activities. We selected the more visual and high impact projects of which we're very proud. It should be emphasized that these projects represent the result, or product, of a more meaningful occurrence—the process of citizen participation. It is this very process that is providing the foundation for many worthwhile products that are being realized in Fall River today.

Citizen participation in and of itself neither stemmed nor reversed the course of Fall River's destiny. There were too many other factors. But the citizen participation process bred a new localism that does underline Fall River's dedication to return to prominence.

Today, with the full accord of its citizenry, Fall River has more than $70 million of capital improvements under development.

We have under construction a city hall that will become the nation's only municipal center built over a federal highway. The $22.5 million Fall River High School will be New Englands largest secondary educational complex.

The $12 million Central Business District urban renewal project will provide a welcomed face-lifting to the city's principal commercial district.

The citizens of Fall River take justifiable pride in these endeavors just as they take justifiable pride in Highland Heights, the nation's first public housing for the physically impaired, and the Citizen's Scholarship Foundation that was born in Fall River.

Highland Heights was constructed by HUD, but only when sold upon the dream of a handful of dedicated Fall Riverites who saw a glaring void in government's delivery of needed services.

The Citizen's Scholarship Foundation speaks for itself.

Or rather, the 300 CSF chapters in 35 states echo what a group of Fall Riverites undertook when they collected nickles, dimes, and dollars to send needy students to college and then sold the rest of the nation of the benefits of this collective endeavor.

In closing, let me tell you that Fall River has suffered severely over the years, a suffering that bred apathy and negativism.

But, with this suffering has come the hard-earned realization that for the city to survive and grow, the thrust must come from within.

Fall River's nomination as a finalist in the All-America City competition has had a stimulating and beneficial effect on the community.

Newspaper editorials and letters of endorsement and support from a representative cross-section of the community have generated considerable ethusiasm and self-pride. This cross-section represents public and private agencies and organizations, labor, management, and the business community, citizen groups, and residents.

This endeavor to achieve justifiable recognition dovetails beautifully with the Fall River Chapter of Commerce "Best Things in Life Are Here" campaign.

Back Home, thousands of Fall Riverites are wearing the same lapel pins that you see the Fall River delegation wearing today.

The logo and "Fall River Moving in New Directions" theme are typical of the new spirit of city pride.

We've had problems in Fall River. We have a lot of problems yet.

But the fresh and stimulating attitude of the "new localism" affords us the opportunity to rid ourselves of the public apathy bred for too long a period of time by frustration and self-pity.

Fall River's selection as an All-America City is essential to providing the necessary psychological impetus as the city enters a very important tacet of its history—the community development program, a program that places heavy reliance upon citizen participation.

Tomorrow night, on the opposite coast of this great nation, the residents of Fall River will be gathering, pooling their collective efforts, enthusiasm, interest, and dedication as our community development program is launched by going into the neighborhoods, soliciting the participation, the involvement, and the assistance of all residents.

Give the demonstration of what can be accomplished by wide-spread involvement, the residents of our city are taking another giant stride forward in the effort to return Fall River, Massachusetts, to its rightful role among the great communities of this great nation.

[From the Fall River (Mass.) Herald-News, Nov. 19, 1974]

SECOND LANGUAGE PROGRAM HERE INTERESTS ALL AMERICA CITY JURY

SAN DIEGO.—The Model Cities medical program and teaching of English as a second language at Fall River, Mass., drew rapt attention of the All-American Cities judges Monday at the 90th Conference on Government.

Fall River is one of 21 finalists making presentations at the conference sponsored by the National Municipal League.

Pollster George Gallup, who heads the judging panel, praised the 21 cities selected because "competition was keener than ever this year, with more applications than before."

In his presentation Henry S. Gillet Jr., president of the Model Cities Board, described in detail the medical program which provides care for the poor on a sliding-fee basis which would continue after government grants end.

Gillet explained Fall River's plans to implement revenue sharing in its community development program with such a large number of citizens whose primary language is other than English.

Gillet distributed among the judges a special supplement published in the Fall River Herald-News explaining the revenue sharing and citizen participation—a supplement printed in Portuguese as well as English.

"Although they were started with federal funds, the components of the program have earned the respect of the community and as a result can be carried on should there be an end to federal funds," Gillet said.

He also explained the community service officer, a program which puts community service offices into low-income housing projects to help with recreation and cultural programs and in law enforcement.

The program of re-creation, a summer recreation program established by Fall River citizens with donations solicited by the public and now financed by the Model Cities agencies, also was explained.

Evelyn Kaplan, president of the California League of Women Voters, said the English as a second language program was unique and admirable.

Gillet was introduced by Mayor Wilfred C. Driscoll.

In the next few weeks, the judges plan to make unannounced visits to the 21 finalist cities and narrow the field before announcing which cities finally come out on top.

KING CAUCUS AND THE 94TH CONGRESS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, on June 19, 1974. I stood in this well and warned of the reemergence of King Caucus in the House of Representatives, reminiscent of the 1911–16 era in which the Democratic Caucus ran roughshod over the legislative process by dictating the legislative business of the House and even rewriting committee bills behind closed caucus doors and then imposing binding instructions on Democrats in committees and on the floor to insure obedience to King Caucus. As I pointed out in my remarks of this past summer:

> There is already considerable evidence accumulating that indicates King Caucus is making a comeback, and in all the worst sense of that term, including secrecy, strict party unity and discipline, disregard for minority rights, restraints on the free operation of the legislative process in committees and on the floor, and resistance to meaningful reforms.

I went on to warn that the reemergence of King Caucus as the secret and dictatorial super-committee of the House would only exacerbate the current crisis of confidence in Congress which is due in part to the lack of openness and accountability. I noted that:

> It is ironic at a time when the other party is claiming credit for all the "sunshine" in the House, that it is simultaneously moving to deeper and darker recesses of its caucus to design and dictate the legislative business of the Congress and the country.

Typical of this was the successful efforts of the Democratic Caucus to delay a bipartisan committee reform bill for 6 months by secret caucus vote and binding instructions on Rules Committee Democrats, and then emerging from the bowels of the caucus with a gutted substitute which precluded House consideration of the bipartisan resolution.

Spurred on by this victory over the proponents of House reform, King Caucus promises to be even more powerful and ruthless in the 94th Congress. I have just secured a copy of the "Tentative Caucus Agenda" for early December and "Reform Proposals," issued by the Democratic Study Group. Included in these so-called "reform" proposals is one to restore proxy voting in committees, even though this House voted 196 to 166 for an amendment to the Hansen substitute to completely eliminate proxy voting. All this is reminiscent of our experience in the 92d Congress when the Democratic Caucus bound its membership to delete from the rules of the new House a minority staffing provision adopted as part of the Legislative Reorganization Act of 1970.

And the prospect is still real that the caucus may again resort to this device of binding its members' votes on the floor when it comes to adopting the rules of the new House. For another of the proposed DSG "reforms," while prohibiting the caucus from binding Members on floor votes on "substantive legislative issues," would still permit binding "on procedural or House rules matters."

Moreover, it is apparent from the DSG shopping list that another King Caucus device will be used more frequently in the 94th Congress. For one of the proposed DSG reforms reads:

> Adopt new Caucus rule setting forth produce for binding members of a committee if so ordered by a majority of the entire Caucus (148) or 66 percent of those present and voting, whichever is less.

When this caucus rule is combined with the proposed shift of committee assignments from the Ways and Means Committee to the Democratic Steering and Policy Committee, it becomes apparent that the DSG is moving to resolve the questions raised in its report of June 4, 1974, entitled, "Caucus Instruction and Binding Actions." In that report the DSG advanced the proposition that Democrats owe their committee assignments to the caucus, and thus, as members of a committee they represent the caucus. In other words, their primary allegiance in voting in committee should be to the caucus rather than to conscience or constituency.

If a member refuses to abide by caucus instructions in committee voting, he may be disciplined by the caucus, including demotion in seniority, removal from the committee, or even expulsion from the caucus under caucus rule No. 2. The theory behind such instructions is that they are mere procedural devices to bring party programs and policies to the floor.

Who determines what the party policy is with respect to a particular proposition pending in a committee? According to the proposed rule, it is what as few as 98 caucus Democrats—or 66 percent of a quorum—say it is at any point in time. In other words, 98 of the 294 caucus Democrats or 33 percent of the total caucus membership may issue binding instructions on the Democratic members of any standing committee of the House. Not only does this device severely limit committee flexibility and deny Democratic members the free exercise of their individual judgment and expertise, it can ultimately prevent the full House from working its will on legislation. This is because caucus instructions can also be used to bind the Rules Committee Democrats in setting conditions for floor consideration of a bill—whether a caucus-favored substitute should receive first consideration, that is, committee reform, or whether only certain caucus-favored amendments can be offered on the floor, that is, the oil tax bill.

Through this "mere procedural device" of binding caucus instructions in committee, as few as 22 percent of the total House membership—98 out of 435—can dictate the substance of legislation to be reported to the full House and then limit the opportunity of the House to change the bill once it does reach the floor. While some would argue that caucus rule is synonymous with majority rule, I think the above illustration clearly demonstrates how a secretive and powerful minority of just 22 percent can effectively thwart the will of the real majority in the House. This is the specter of King Caucus about which I have previously warned.

But that is not all. King Caucus has more in store for the 94th Congress according to the DSG "reform proposals." At present the caucus has a rule providing that if 50 caucus members petition the caucus on behalf of certain amendments to a bill which would otherwise be brought to the floor under a closed rule, a majority of those present and voting in caucus may instruct the Democrats on the Rules Committee to make those amendments in order. In addition to this caucus rule, which presumably will be retained, the DSG is proposing that the House rules be changed to permit the automatic offering of any amendment to an otherwise closed bill if 20 percent of the members of the committee reporting the bill support the amendment. While this is designed to protect a significant minority on a committee, it would still preclude those not on the committee from offering germane amendments on the floor.

Finally, in what is probably the most outrageous and undemocratic proposal I have ever seen, the DSG proposes that the caucus:

> Adopt new House rule requiring *a permanent 2-1 majority ratio on Rules, Ways and Means, and Appropriations, regardless of overall House ratio.*

Not only is this blatantly unconstitutional since no House can adopt rules which are permanently binding in future Congresses, but it in effect disenfranchises a portion of the minority party in the House whenever its ratio is greater than one-third, and on two of the most important committees established under our constitutional authority to raise revenues and appropriate money. When one considers that most tax bills are considered under a closed rule with no opportunity for amendment, it becomes readily apparent how, under such a proposed rule, a substantial portion of the American people could be denied representation in writing our tax laws. This so-called Democratic reform would be a democratic deform since it would pervert our whole concept of democratic representation.

Mr. Speaker, it is clear from these proposed new attempts of King Caucus to strengthen his stranglehold on the legislative process that some have learned little from our recent nightmare. For King Caucus epitomizes secret government, abuse of power, and the subversion of the democratic process. It is one thing for each party in the House to formulate its policies and programs and make recommendations for procedural changes; but it is quite another to permit a minority of either party to impose its will on the full House by granting dictatorial powers to a party caucus. All our past and future efforts to make this a more open and accountable House will be meaningless if the major decisions are made behind closed caucus doors. During the first reign of King Caucus, Democratic Speaker Champ Clark said:

> All this talk of secrecy is of no avail. The people of the United States want to know what Congress does. They are much more interested in results than in the methods by which those results are worked out.

This same attitude seems to be taking hold again within the Democratic Party, but I would suggest the American people will not stand for it. Yes, they want results, but they also want to know how those results are arrived at. They will no longer tolerate results which are predetermined in secret caucus and they will not accept the premise that their representatives owe a higher allegiance to their party caucus than to their constituents when it comes to voting in their committees. The people want an open and accountable Congress, accountable first and foremost to the people.

I would suggest that when the new Congress convenes, that we first adopt the rules of the preceding Congress, including all those adopted in House Resolution 988, and that we send additional reform proposals from both parties to the House Rules Committee which retains original jurisdiction over the rules of the House. It is irresponsible and imprudent to adopt new rules on the very first day of a new Congress through a resolution which has been reported not from the Rules Committee, but from the Democratic caucus. Under this procedure only an hour of debate time has been permitted in the past, and with no opportunity for amendment. I would further suggest that this procedure is of dubious constitutionality since article I, section 5 of this Constitution states that:

> Each House may determine the rules of its proceedings.

If the proposed rules which are presented are only the product of one party's caucus and there is no opportunity for all 435 Members to either participate in their formulation or at least offer amendments on the floor, it is clear that the House in effect is being denied its full right to determine its own rules.

The logical and more constitutional course would be to adopt the rules of the previous Congress and then instruct the duly authorized Rules Committee to report back by a date certain its recommended changes on the basis of the proposals of the two parties and individual Members. Furthermore, such a procedure should allow for more adequate debate time as well as for amendments. This would insure that any rules changes proposed by either party but deleted by the Rules Committee could still be offered and voted on by the full House.

Mr. Speaker, I would hope that the Members of the 94th Congress will reject the proposed efforts to further strengthen King Caucus in the name of reform since caucus rule of the House would destroy the objectives of the reforms we have adopted in the past and make it all the more difficult in the future to conduct our legislative business freely and openly. Let us instead work together on a bipartisan basis in the open forum of our legislative committees to both reform the House and fashion solutions to the problems of our times.

At this point in the Record, Mr. Speaker, I include the full text of the DSG "reform proposals":

Reform Proposals

Shift Committee on Committees from Ways and Means to Steering & Policy Committee. Replace Podell, Hansen & Owens and use present committee to make 94th Congress assignments.

Expand Ways & Means from 25 to 37.

Mandate leadership to obtain party ratios of "2 to 1 plus 1" (or not less than 67.2%) on all committees.

Require Caucus votes on Appropriations subcommittee chairmen same as for full committee chairmen.

Proxy compromise. Permit proxies if in writing and for specific purpose and/or if member is at another committee meeting or on official committee business elsewhere.

Adopt new Caucus rule setting forth procedure for binding members of a committee if so ordered by a majority of the entire Caucus (148) or 66% of those present and voting, whichever is less.

Prohibit Caucus from binding members on floor votes on substantive legislative issues. Binding on procedural or House rules matters would still be permitted, however.

Strengthen open committee rule by requiring a vote at start of each separate meeting rather than permitting one vote to close all meetings dealing with a particular measure. Also require transcript of any open meeting be available for public inspection.

New Caucus rule requiring that each member of a committee be entitled to a subcommittee assignment in order of seniority before any member is given a second assignment.

Instruct Hansen to make study & report on compliance with Caucus rules *prior* to Caucus votes on chairmen.

Set an age and/or term limit on committee chairmen.

Limit use of Closed Rules with new House Rule which would permit 20% of members of a committee to offer an amendment despite closed rule.

Adopt new House rule requiring a permanent 2–1 majority ratio on Rules, Ways & Means, and Appropriations regardless of overall House ratio.

Extend open meeting rule to conferences.

LIEUTENANT GENERAL CARROLL SPEAKS OUT ON NATIONAL SECURITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. ASHBROOK. Mr. Speaker, Lt. Gen. Joseph E. Carroll has a long and distinguished record of serving our Nation. Among other positions, he has been Director of the Defense Intelligence Agency in the Department of Defense, Deputy Commander and Chief of Staff for the U.S. Air Force in Europe, and a member of the U.S. Intelligence Board. In late 1969, he retired as a lieutenant general in the U.S. Air Force.

Lieutenant General Carroll's background certainly qualifies him as an expert on our national security and defense needs. Consequently I am including in the Record a speech he delivered on September 18, 1974, before the American Society for Industrial Security.

His speech, entitled "National Security in Transition," warns that our Nation is sliding toward a position of military inferiority vis-a-vis the Soviet Union. If we fail to respond effectively to this threat, our Nation risks national obliteration.

Following is the text of Lieutenant General Carroll's speech:

National Security in Transition

It has been excuciatingly clear for some time that our national security is in a state of transition, particularly as regards the Soviet Union. A transition from a monopoly of power, to a clear and overwhelming superiority of power, to a diminishing predominance of power, to parity or equality of power—which looking through rose colored glasses is where we hopefully stand today, but possibly only momentarily, because the downward trend continues leading inexorably—unless stopped—to a posture of military inferiority with all the horrifying consequences that could entail.

How could this come about? How could this happen to the great United States? Ever since the founding of this Nation the preservation of our national security has been of the highest priority—at least when the chips were down. The tone for this was set by George Washington way back in 1793 when he told the United States Congress:

"There is a rank due the United States among nations, which will be withheld, if not absolutely lost, by reputation for weakness. If we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war".

Ever since the days of George Washington—until now—the status of our national security has been fully adequate, and we have prospered as a nation. Oh, at times our military readiness status at the outbreak of hostilities was not what it should have been, but blessed by our geographic location, our natural resources, our vast industrial capacity, our national will to rally in the face of clear and present danger, and above all the *time* which was inherent in the nature of warfare until recently, we always prevailed.

But, in this day and age the problem is infinitely more complex and more grievous. And the complexities must be recognized and placed in realistic perspective if as a nation we are to survive.

The fact of the matter is that national security considerations are in another form of transition, a transition from a traditional, standardized era of the past to a radically new, dynamic, uncharted era of the future.

As we assemble here this afternoon, I truly believe we are met in the most dynamic, most challenging era in the history of the human race.

In recent days man has pierced the sonic barrier, he has solved and harnessed the mystery of the atom. He has developed thermonuclear weapons. He has created inter-continental ballistic missiles. He is making gigantic strides into space. He is literally walking on the moon, and even now he is probing further and further into the mysteries of the universe . . . all of these things hitherto denied to man since the beginning of time.

As we reflect on all this, it is awe inspiring—isn't it—when we observe that in our generation the scientific and technological advances made by man totally eclipse the sum total of all previous gains made in the 6,000 years of recorded history . . . All of this in your time and mine.

Preeminent among these gains is the fantastic, literally incomprehensible power which man now possesses. Power so vast, so potentially catastrophic that it threatens not merely the well being but the very survival of the world as we know it. This is what science and technology have given to man. But, science and technology are neutral. It is man who uses such advances for good, or for evil. And, since in the past, man unfortunately, has always eventually used to the very full the power that was his against his fellow man, it should be clearly evident that man must now change his ways, and that he must learn to compose differences between people and between nations someway short of conflict and war. In other words, he must learn to pierce the barrier of violent controversy. We must develop a moral responsibility to match the vast power that is now his. He must recognize that man's new-found dominion over nature and its forces is a gift of divine grace and must be used for the benefit and not the destruction of human society.

This is nice rhetoric—incontrovertible as an abstract theological or philosophical expression of imperative need. But, considering man's past performance how can we realistically hope that he will make the required change for the better? But, considering the ultimate alternative, the horrors of nuclear war, we've got to try. This illustrates the importance of the SALT talks, the strategic arms limitation negotiations which at this very moment are resuming in Geneva.

This alone could justify our continued participation in the thus far pathetic United Nations. Yes, we've got to try. But we must not let pious thoughts or wishful thinking, or do-good impulses becloud the present realities of life on this earth. Our preservation as a people and a nation must come first and to this end the maintenance of a strong—second to none—national defense capability is a continuing imperative. George Washington bespoke the lessons of history when he said the only way to secure peace is to be strong.

Well, I have spoken of an unparalleled scientific and technological revolution which has posed new critical dimensions in man's relationship to man and in national security considerations.

And lo and behold! If we look around us we can see another dynamic force moving in the world, and particularly in this country, one also unparalleled in its scope and intensity, one also having a forceful impact on the old order of things and on man's relationship to man. I refer to what I shall describe as the sociological revolution which is sweeping the world, extending to all corners of the earth, and affecting every facet of the conduct of human affairs. While fraught with controversy, turmoil and uncertainty, repressions and excesses, underlying and sparking this dynamic movement are the human aspirations of all the people, a belated clamoring for a practical recognition of the dignity of the individual and an application of the precepts of justice and charity in the total conduct of human affairs.

In our democracy the social changes which have evolved from this dynamic movement and which are picking up erratic momentum have had a profound impact on our society and on our goals as a nation. These changes are evident in long overdue civil rights legislation, in vast and uncontrolled expenditures for health, education and welfare programs, for housing and urban development programs and the like.

Desirable as are these social objectives, they have caused a shifting in priorities—and national security considerations while continuing to receive sanctimonious lip service are actually being relegated to a back seat.

Not so in a communist state such as the Soviet Union. Oh, there are some limited stirrings of a desire for social change and a betterment of the lot of the people, but in the Soviet Union the aspirations of the people are totally subjugated to the dominance of the dictatorship state and priorities as regards the build up of military power are being expanded and intensified rather than diminished.

And finally here in this country, undermining the health of our economy and further complicating considerations of national security, is our critical problem of inflation. Perhaps, and hopefully in the near future, our new President will come forth with a meaningful program to cope with inflation. But, it is almost axiomatic that part of the remedy for our ailment must lie in the substantial reduction of federal spending. This will inevitably generate more conflict between the early attainment of social objectives and the preservation of an adequate national defense posture. Even now pressures are mounting to still further reduce already inadequate defense appropriations.

There are good and strong reasons for reducing Federal spending, but I would hope that the American people, our legislators in Congress and our President in the White House will not become so confused and beset by competing objectives that they lose sight of the fact that "the security of the Nation remains the paramount function of government," and must be accorded realistic priority.

All of which brings us to the nub of the problem. What is the status of our national security today? How do our military capabilities compare with those of our principal potential enemy, an aggressive antagonist, the Soviet Union.

Twenty years ago the Soviet Union was in a position of absolute inferiority. The gap between their military capabilities and ours was so vast it appeared they could not possibly ever catch up. But, the Soviets had the determination to try! And like Avis, being second best, they tried harder to catch up than we did to maintain our lead. And they have not only done so, but even now, because of inadequate response on our part, they are in process of forging ahead.

Our national strategy over this period of time was obligingly accommodated to serve this Soviet progress. You will recall:

1. The Eisenhower strategy: 1953–1960:

It was one of "massive retaliation" with credibility contingent on nuclear superiority.

2. The Kennedy-Johnson strategy: 1961–1968:

It was one of flexible, graduated response, and strategic deterrent with credibility contingent on assured destruction.

3. The Nixon strategy: 1968–present:

This was a sort of continuation of the strategic deterrent concept but credibility is now described as being contingent upon "sufficiency." Which I suppose means enough is enough.

Inherent in both the "assured destruction" and "sufficiency" concept is an acceptance of parity or equality between us and the Soviet Union. We are deterred. They are deterred. (Shades of the days of King Arthur and Camelot. And we can live happily ever after . . .)

But will it stay that way? We are willing to have it so, and to place our hopeful faith in successful strategic arms limitation talks. But, how about the Soviets? How do they feel about status quo? Despite wishful protestations to the contrary by a disturbing number of people in high places, can the Mexican stand-off, the uneasy and precarious balance, which now presumably exists, be upset by the Soviets continuing their all out forward drive to go from "sufficiency" to "supremacy"? Bear in mind that throughout the history of warfare that which has been sufficient today becomes tragically insufficient tomorrow!

On March 12, 1971 the Pentagon released a 35-page statement entitled "The Shifting Balance of Military Power." The findings of the report were as follows:

1. The growing Soviet superiority in intercontinental ballistic missiles.

2. The Soviet commitment of greater resources than the United States to the development of strategic offensive and defensive weapons and their deployment.

3. The possibility that present U.S. technological superiority will be lost to the Soviet Union.

4. The convincing evidence that the Soviets seek a preemptive first strike capability.

5. The rapidly expanding Soviet naval capability.

6. The mounting hostility of segments of the public toward the military, the defense establishment and the "military industrial complex" without due recognition that sustained irresponsible criticism could undermine and weaken the only forces which provide security for the United States.

The summary then said:

"If these trends continue, the United States will become a second-rate power incapable of insuring the future security and freedom of its people." That was in 1971. Unhappily that trend has continued.

Having achieved parity, having reached the plateau of mutual deterrence where we are willing to rest the Soviets have kept driving forward. For example, SALT I, the first strategic arms limitation agreement entered into in 1972 gave the Soviets, because they had chosen to build more powerful boosters than we did, a four to one advantage over the U.S. in missile payload or throw weight. Initially the Soviets translated this payload advantage into much higher yield and thus more destructive weapons. But since then they have developed a MIRV capability, that is, how to project multiple independently targeted re-entry vehicles and they now have the option of translating their superiority in throw weight into both numbers of warheads and megatonnage—well in excess of our capabilities.

In today's technological world nothing stands still, not even if you hopefully wish it to do so. While we have no, I repeat, no new ICBMs under development, and have cancelled all programs for new guidance and warhead improvements, in recent months the Soviets have tested not one, not two, but at least four new generation ICBMs. While we have been reluctantly funding a new bomber, the B–1, and an improved submarine missile program, the Trident, at minimum levels the Soviets have developed their rough counterparts—the backfire bomber and the submarine launched SS–N–8 missile—5 years before our systems can become operational. They have achieved all this and more not because of any technical superiority but merely because they had the will to do so, because they were willing to invest the required sums in these systems and we were not. As indicative of the disparity in effort between them and us, the cost of a single test of any one of the new Soviet ICBMs exceeds the projected F.Y. '75 funding for all advanced ICBM concepts in the U.S.!

Exemplified here is the story of our "national security in transition", penny-wise and pound-foolish!

During the period of time when the Soviets were breaking out of their inferior position—between 1953 and 1963—spending for national defense in this country increased 12%. But increases in non-defense expenditures was 94%. And still the clamor was heard to reduce military expenditures. And this pattern has held ever since despite the alarming growth of Soviet power.

Exactly 1 month ago today Secretary of Defense James R. Schlesinger stated in a C.B.S. "Face the Nation" television program:

". . . I would say that by almost all criteria and particularly long run criteria, the Soviets potentially are ahead in terms of numbers, in terms of throw weight. At the present time we have a balance . . . over the longer haul the criterion of the effectiveness of missile forces, as technologies become equivalent on both sides, is throw weight, and the Soviets already possess a substantial advantage in throw weight—and their new missile force will have an even greater advantage."

The Secretary of Defense continued:

"The United States has reduced its expenditures on strategic arms to about 40% of what it was a decade or a decade and a half ago . . . if one has the vision of the United States being the first class power in the world, we cannot accept these cuts year after year. In fiscal year 1968 the Department of Defense drew about 10% of the manpower of the Nation; we are (now) down to 5% of the manpower of the nation. We are at a lower level in terms of GNP, in terms of manpower, in terms of almost any indicator in relation to the economy than we have been since prior to the Korean War, and each year there's a tendency toward annual cutbacks to fund something. In the long run we cannot live with it. . . ."

All of which means that time is running out on us.

I think that as a people, part of our problem is conceptual. In recent times we have all observed in our Nation to our chagrin and consternation, the uncovering on the part of highly placed people of, immoral, amoral, fraudulent, conspiratorial acts—many in the perverted name of national security. This has led to a cynicism so deep that many people have lost faith in Government, in public officials, in traditional institutions, and the term national security has tended to lose its patriotic appeal.

Then, too, in our life time we have been the most affluent, most powerful nation on earth. We have been number 1. And, no other nation or combination of nations could threaten us militarily. This notion is so deeply imbedded in us that we unconsciously tend to deprecate or even ignore—like an ostrich with head in the sand—the incontrovertible evidence that another nation, a potential antagonist, is rapidly becoming more powerful than we are.

If we will but open our eyes and our minds we will see that we are confronted with the most critical danger in the history of any nation, and that if we fail to respond effectively to it we are courting the greatest price that any nation can pay—national obliteration.

In this time of crisis where do we place our faith?

1. In the United Nations? God forbid. The U.N. is at best a propaganda forum. A place to make virtuous speeches and temporary compromise about relatively minor issues—not major issues between nations.

2. In the good faith, the good will, the forebearance, the basic morality of the Soviet Union and its Communist cohorts? God doubly forbid! To do so would be to ignore the brutally aggressive track record of the Soviet Union and all the bitter lessons of history.

3. Or in the development and maintenance of a clearly adequate national defense posture?

The more powerful a nation is, the more affluent a nation is, the more influential a nation is in world affairs, the greater the need for a clearly adequate national security.

National security is a composite of many things, but throughout history its most important, indispensable, characteristic has been determination to be strong. Will to win.

Which means that as we the American people measure up to the annihilating threat posed by the Soviet Union so shall we survive or disappear as a nation.

We, who are the prime target of an antagonist whose avowed goal is total power, might profitably reflect upon the unhappy fate of Olynthus, the ancient city state which was overrun and destroyed by Philip of Macedon. On the morrow of their misfortune those few who survived could belatedly think of many things which, if foreseen and acted upon could have saved them from destruction. Might it not be well for us to reflect upon the still valid comments of Demosthenes, the ancient Greek philosopher who, in commenting on the tragic fate of Olynthus said:

"While the boat is undamaged then is the time for the sailor and helmsman and all aboard to show unceasing vigilance and prevent anyone from upsetting it, either purposefully or accidentally. But, when the sea has overwhelmed it all effort is in vain."

In his analogy, of course, Demosthenes was referring to a ship of state, and our ship of state is indeed moving into troubled waters.

At the time of the American Revolution, just as our country was being born as a nation, a distinguished Englishman, Edward Gibbon wrote a several volume history entitled "The Decline and Fall of the Roman Empire". In these luminous pages he traced centuries of Roman rule and between these covers he compressed what is, perhaps, the greatest story ever told of these once great people.

But history is not a set of books. It is people who live, who love, who fight, who aspire and who finally die. A set of books only record these things. And may I presume to remind you that, like the Romans of old, we are living in the midst of great history in the making. We are participating in it and we are aiding in shaping its course. We do not hold with the Communist theory of historical determinism. We know that man by exercise of his free will determines the course of history. And we must will it that our national security will be sustained in the competition which the Soviet Union has thrust upon us. No matter what form the struggle takes we must meet it with a more firm devotion to belief and a more faithful dedication to cause. This we must do! Else some day, some place, some historian may well begin the narrative of the history of the United States with the words "once upon a time . . ."

Ladies and gentlemen, this, as I see it, is national security in transition. Where it is transiting to remains to be seen.

Thank you for listening.

ECONOMIC SUGGESTIONS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. HELSTOSKI. Mr. Speaker, for several years now our Nation has been confronted by a variety of economic problems and no easy or quick solutions have been forthcoming. While I disagree with many of the President's recent economic proposals, I do commend him for his desire to establish a national dialog on inflation and its effects. Our economic problems are so widespread, that every segment of the American public, I believe, can offer some insight into the situation.

Today I would like to share some information I received recently from Samuel G. Blumenfeld of Blumenfeld & Co. of Millburn, N.J. Mr. Blumenfeld is a CPA who for many years has demonstrated a keen understanding of the forces that shape our economy. Hence, today I would like to take this opportunity to share with my colleagues some suggestions Mr. Blumenfeld made recently to President Ford. Mr. Blumenfeld's letter follows:

SEPTEMBER 25, 1974.

Mr. GERALD R. FORD,
President, United States of America,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: I realize that many papers will be submitted to you on our economic situation and since you have indicated a receptiveness to informed suggestions, I hope that you will therefore find time to read this letter, written from the vantage of fifty years of experience as a pragmatic accountant-economist. My knowledge and conclusions are based upon living with the problems of small business and not from the ivory-towered, rarified atmosphere of affluent, big-business-oriented economists, one of whom arrogantly compared the plight of stockbrokers with the unemployed and low-income workers.

In this letter I will try to briefly analyze the causes, effects and possible solutions to our present economic doldrums—as follows:

AS TO CAUSES

A very important matter to reflect on is that everything we need for our basic existence—food-drink-clothing-shelter-transportation and life's amenities, come originally in their raw states from the Earth, Free!

Our task is to convert such raw materials into finished products for man's uses. In a country like the United States, so abundantly blessed with natural resources, why then should we suffer any unemployment or that so many persons are ill-housed, ill-clothed or ill-fed? No matter what product is produced from the Earth, such product is created for the ultimate use of the consumer.

Basically these original raw materials are turned into finished products, controlled and eventually distributed to the ultimate consumer by big business. While labor is utilized in these steps, big business will only produce goods that must yield a profit, the bigger the better. Big business will slow down or stop production when profits slacken or disappear, with resultant unemployment, reduced consumption, greater deprivation to the worker and cyclical depression.

Money without goods to buy is valueless. To limit the availability of money to purchase goods is self-defeating.

While Mother Earth stores all of these raw materials free, no effort is made by government or big business to maintain an even flow of productivity, so as to ensure steady employment, production and consumption.

It is estimated that the small business man, ordinary worker and lower echelon executive is but three to six months removed from welfare status should he lose his business or job and have to live on his savings.

Many years ago Commodore Vanderbilt, the builder and dominant ruler of the New York Central Railroad, was asked during an investigation of the basis for determining rate schedules charged to his rail customers, answered with the now-famous quote "We charge all the traffic will bear."

All through economic history, prices of goods and services were based upon competition in the open market place. As businesses became bigger and acquired controls of natural resources and the market place, monopolistic practices created "administrative" pricing, policies, as defined by the late Senator Estes Kefauver, that violated competitive concepts and created unconscionable high prices and profits.

The writer has been shocked over the years by the intense greed of our giant industries and banks, as reflected in their annual operating statements when compared to the low operating income reported by the retailing and other competitive businesses.

Many economists blame the great increase in inflationary prices on the 1973–1974 energy crisis. A study of the "consumer price index" reveals a steady perceptible increase since the end of World War 2, but more greatly accelerated under the Nixon Administration.

A contributing factor to our present depressing economy is the high interest rates.

The Federal Reserve, bankers and economists claim that tight money requires high interest rates. The rationale is that high interest rates will discourage borrowing. This is specious reasoning as I don't know of any businessman, big or small, who will hesitate to borrow money to meet his needs, no matter how high the interest rates. Such increases in costs are only passed on to the ultimate consumer—who carries the real burden anyway.

An article I wrote on that subject appeared in the Congressional Record on September 21, 1966, at a time when interest rates, while lower than the present rates, were creating concern. The enclosed copy of this revealing article and prediction is very pertinent to today's situation.

If one word can describe the root cause of our present economic dilemma it is GREED. Greed as practiced by our large monopolistic corporations and the big banks, and condoned by governmental inaction.

The present income tax laws have also contributed to a decline in construction, by just a few illustrations, as follows:

High capital gains rates

In former years I have known of builders who have sold off properties to obtain needed working capital for larger projects, thus pyramiding their own growth. With tax rates as high as 40% or so, these builders are marking time.

In addition to these new higher capital gains rates, Congress is taxing as ordinary income any accelerated depreciation taken on commercial projects when sold. Thus the source of working capital is dried up, as the builder does not want to face the combined imposition of an increase in capital gains tax rates and the taxing of his accelerated depreciation at ordinary rates. We must remember that accelerated depreciation was originally written into the Revenue Act to encourage building programs as an aid to our economy.

Such high capital gains have also slowed down security transactions forcing investors to lock-in their investments where a substantial gain is indicated.

Interest deduction limitations on Net Leases

As you may be aware, an individual who pays interest on property mortgages subject to a net lease, may only deduct 50% of such interest in excess of an allowance of $25,000.00, subject to the carry-forward of such disallowance in future years—if ever.

Assuming a million dollar mortgage at 9½% on such a lease, the owner can only deduct $60,000.00 currently, total interest of $95,000.00 less 50% of the excess of $95,000.00 over the allowance of $25,000.00. So that the property owner could lose the $35,000.00 he actually paid as interest on the mortgage as an expense deduction.

Some builders plan their programs on the basis of tax considerations about in this specific example they are hesitant about foregoing the deduction of actual expense deductions.

So here too we see a deterrent to our economy because of unfair, unreasonable and unthinking tax situations.

All of these bits and pieces add up to the whole picture of a mismanaged economy, both by big business, the banks and the national administration.

AS TO EFFECTS

Runaway prices and arbitraary high interest rates are eroding the income and savings of the worker and low-level executive and small business man. Reduced purchasing power is lowering the standards of living for the great American masses, and depriving the masses of decent nourishment.

Some of our home and industrial builders are being charged as much as 15½% per annum on construction financing. These unusually high rates must of course be reflected in higher operating costs and passed on to the ultimate tenant or buyer. In addition, here in New Jersey, the permissable mortgage interest rates have been increased to 9½% and even at that rate, mortgage financing is difficult to obtain as bankers can earn more money in other areas.

The inflationary spiral and inordinately high mortgage interest rates have brought the housing industry to a virtual standstill, an industry that is one of the great pillars of our economy.

As an example, permit me to relate the experience of one of New Jersey's fine home-builders who presently has about 15 homes in the $75,000.00 category in his inventory. His investment in these homes and the land totals more than one million dollars. Despite the fact that he has invested a great deal of his own funds in the project, he still owes some $350,000.00 on construction mortgages, borrowed at an average rate of 15%. Because of the large down payment requirements today and the high prevailing 9½% mortgage interest rates, sales are now nonexistent. And he is feeling the pinch.

Also, permit me to illustrate the effects of a 9½% as against a normal 6% mortgage interest rate.

The monthly payments on a $30,000.00 25 year mortgage would be $68.81 more or $825.72 per year and on a $40,000.00 mortgage the monthly payments would be $91.75 more or $1,101.00 per year. Even the higher salaried person for whom these homes are meant, cannot afford to purchase and carry these homes.

Even for less expensively priced homes the same situation prevails. People can not afford to buy homes, thus creating stagnation not only with home-builders but extending all the way to suppliers, lumber mills, steel mills, appliances and furniture. And to millions of workers.

Another illustration I would like to furnish you with, involves a builder of industriaal plants. This firm (not a corporation) has invested over one million dollars in certificates of deposits with banks at an average rate of 12% and has temporarily ceased building operations. While 12% is a high interest rate these people are aware of the fact that their net, after income taxes, still indicates an erosion of the value of their investment. Here too, these people do not want to pay 14–15% for construction money and 10% for permanent mortgage financing. They are awaiting for a hoped-for reduction in interest rates in order to make any building project viable.

We have witnessed the vast outflow of funds from savings institutions into U.S. Treasury obligations, bank notes all in small denominations and in bank certificates of deposits in excess of $100,000.00. The Treasury Department has permitted the savings institutions to increase their highest rates to depositors to 7½%, yet despite this there has been a great outflow of such deposits. One must realize that a great source for residential mortgage financing has been from savings institutions, so how can we expect mortgage interest rates to be lower, when these institutions have to pay such high interest rates to their depositors?

In competition for investing funds, the federal government, states, and municipalities have increased their interest rates to as much as 8% and more, thus greatly increasing the size of governmental budgets and taxes.

Large corporations and utilities are offering investors bonds yielding very high interest rates also.

These high interest rates are of course considered costs of operations and again are being passed on to the consumer.

While I feel personally disheartened by such events, I have encouraged clients to invest in high-paying obligations and have even helped organize small syndicates to invest in bank certificates of deposits yielding as much as 12%. My contacts agree with me that we would rather earn no more than 6% on our investments so that our economy will be stabilized, and that funds would again flow into savings institutions to enable them to invest again in mortgages and stimulate home-buying.

May I digress a bit to relate an experience of mine during 1947–1948? In order to encourage residential construction, homes and garden apartments, the Congress legislated Section 608 under the Federal Housing Adminstration Act. The F.H.A. guaranteed the underlying mortgages to lending institutions. A client of ours borrowed about two million dollars at a total interest of 5½%, even including the mortgage insurance premium. On top of that, because of the competition among lending institutions for this type of investment, our client received a cash premium, or kickback—quite legal of nearly 5% of the total amount of the mortgage.

This type of easy credit availability encouraged a tremendous building boom that lasted for a number of years. All at low interest rates.

I have read comments by some economists who recommend a reduction in spending by the government and also by the people in this country. I consider this advice as naive and negative as the reduction in normal spending will in turn lessen consumptive demands on the production of essential goods and services, reduce employment and cycle us into a worsening recession. And then who can save money in banks at these prices anyway?

To avoid erratic economic conditions it is essential that this country maintain full employment which will create full production and full consumption. There are no longer luxuries in our economy—only necessities. And please remember that Mother Earth is still furnishing us with these raw materials for free.

It is government's duty to maintain this equilibrium, equitably and free of unconscionable greed and manipulation.

PROPOSED SOLUTIONS AND CURES

Our income tax laws, when properly and prudently applied, can achieve a stabilizing influence on our economic well-being by the following suggestions, that could be only a few of many possibilities.

1. Adjust capital gains rates. The longer the asset is held the smaller the tax.

2. Eliminate limitation of the interest deduction on moneys borrowed for net lease rentals.

3. Eliminate ordinary tax on accelerated depreciation when assets are sold.

4. Reduce interest on residential mortgages to a maximum of 6%.

Since our government already subsidizes many industries under many guises, such as the oil companies, airlines, lumber, mining, cattle, farmers, railroads and numerous other entities by preferential tax treatment and cash payments, why not a partial subsidy for the home-buyer?

Let the Treasury Department subsidize, out of taxes all mortgage interest payments in excess of 6% by paying the going interest rate to the lending institutions. And also insure these mortgages to the lenders.

5. Increase the income tax exemptions to what is considered the minimum cost of living standard, which may be about $6,500.00 per couple today. This will eliminate the processing of millions of tax returns. To compensate for this loss in revenue.

6. Impose an income tax of 5–10% on all tax-exempt income in excess of $15,000.00 per joint tax return, $7,500.00 per individual return.

7. To curb inflation we must curb greed. I therefore propose that Congress impose an excess profits tax on unconscionable profits to curb runaway prices and profits.

I suggest an excess profit tax rate of 80% be imposed on all net income exceeding the five-year average earned in the five years ended December 31, 1972—the ordinary profits still to be subject to the present normal and surtax rates.

During the two World Wars and Korea, Congress imposed similar tax rates presumably to take the profits out of war. Let us also now tax the greedy profits taken from the pockets of our vast population.

I anticipate the following results from this step:

a. Income tax collections would then be greatly increased which should then motivate Congress to reduce taxes on the individual level, thus making more funds available to individuals for productive spending and savings.

b. Cause big business to reevaluate their administrative policies so that to avoid such excess profits taxes it will decide to reduce prices instead, again as in a. above, making more funds available to the great American public for productive spending and savings.

Such spending will be directed to the maintenance of our production lines and stabilize employment.

8. I feel that until our economy stabilizes we need an effective ceiling on prices, interest and wages.

9. Subsidize essential industries showing operating losses that can not be offset by income from previous years, by cash contribution, which are to be treated as non-interest bearing loans but not to be repaid until profit picture warrants same.

10. Reduce or eliminate oil depletion allowances.

11. Multi-national companies should deduct all foreign taxes paid as operating expenses and not from the income tax due to the United States. All taxes paid by them to the various states are deducted as operating expenses and not as deductions from the total taxes due to the federal government.

I feel that the immediate implementation of these few ideas will help our economy turn around—not late in 1975, but within a few short months.

Mr. President, we generally heed calls for aid from all around the world—Let us now heed the calls for aid from millions of our own people who are living under sub-standard conditions on starvation subsistence, before it is too late.

I hope you will give this paper your sincere attention as I feel that it offers some excellent guide-lines for a proper approach to a solution of our economic problems.

Respectfully submitted,

SAMUEL G. BLUMENFIELD.

TRIBUTE TO DANNY GRIJALVA

HON. PAUL J. FANNIN

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, November 26, 1974

Mr. FANNIN. Mr. President, a fine tribute to the late Danny Grijalva, of Phoenix, Ariz., was published by Mr. Sam Lowe, columnist for the Phoenix Gazette, on November 21. I ask unanimous consent that Mr. Lowe's column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Shuffling in Dignity

Danny Grijalva is dead.

He had his picture in the paper for the last time one day last week in the story that announced his death.

The obituary said he was born in Phoenix 64 years ago and taught 37 years in Lowell Elementary School until retiring recently. That he was awarded a high honor for his work with the Boy Scouts; that he was also known for his work with youth groups in his church.

It listed his survivors and funeral arrangements.

Nothing more.

But the Book of Life doesn't close easily on Danny Grijalva.

His story tells of a man who was physically handicapped almost from birth, an impairment that made it difficult to walk. So he shuffled through life.

If his years were chronicled, a major portion would tell about Danny Grijalva, the scoutmaster.

In 1938, he took over six-year-old Troop 24, sponsored by the Friendly House, when he was asked during a meeting to help out by becoming its scoutmaster.

"I didn't want to, but I said I would try it a while," he said later. But his history belies that statement—Danny Grijalva apparently never refused a request for his services.

And 31 years later, his "while" was recognized by members of his community when they staged a testimonial dinner and 500 people showed up.

In the interim, he received the Silver Beaver Award, coveted among Boy Scout people because it is the highest honor presented an adult scout leader in recognition of outstanding service.

Troop 24, the first in the city for young Mexican-Americans, was a valuable resource in the development of hundreds of young men, and Danny Grijalva oversaw it all, pioneering in an underdeveloped Scouting area.

There is a chapter on Danny Grijalva, the teacher.

He taught at Lowell School for nearly four decades with dedication, wisdom, loyalty and sense of humor. Noted Principal Ray E. Baca: "He was a poet, an educator, a humanitarian and inspiration to children, a friend to those in need."

He guided many youngsters who couldn't get proper guidance anywhere else.

"I saw so many boys get straightened out because Danny took the time to listen and work with them," said Mrs. Placida G. Smith, for many years a director of Friendly House. "You would understand if you only knew of the many underprivileged boys that he took in as scouts and transformed into outstanding young men."

Obituary writers do not select their own material, so Danny Grijalva's death received the customary number of inches in the newspaper.

Limited by time, space and tradition, an obituary cannot relate the void that this death has created in a sector of the city that knew him.

The pain will ease; the sorrow will diminish; the living will persist, temporarily.

Some will forget Danny Grijalva but many will remember that he was, in a very quiet way, a great inspiration.

He possessed love of his fellow man and love of God. And when they buried Danny Grijalva last Saturday, his friends expressed their love in the only means left available to them—they filled Primera Inglesia Metodista Unida (First Methodist United Church) beyond its capacity and bid farewell.

He shuffled through life, but few will ever walk so erectly.

TOURISM IS UP IN TENNESSEE

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. BAKER. Mr. Speaker, those of us from the Volunteer State who are aware of the attractions our State has to offer not only for those of us who call it home, but for the millions who visit us each year, are not surprised that the gross tourist-related income may exceed $1 billion this year. We see this as a logical development of the expanded programs to aid tourism promotion which have been initiated under the leadership of Gov. Winfield Dunn. The impetus he has given tourism in Tennessee will be evident for years to come. I salute Governor Dunn and the members of his staff for what they have done for the State of Tennessee during the past 4 years.

A newspaper account of what has happened in tourism in Tennessee this past year appeared in the Oak Ridger of Oak Ridge, Tenn., November 18. I insert this account in the Record at this point:

Dunn Reports Tourism Is Up in Tennessee

Gov. Winfield Dunn in a joint announcement with Commissioner Pat Choate of the Department of Economic and Community Development states that expenditures of tourist dollars during 1974 may exceed $1 billion for the first time in Tennessee history. Based on figures during June, July and August, tourists visiting the Volunteer State have increased significantly over the summer of 1973.

Gov. Dunn has consistently urged the Legislature to provide funds to expand programs within the state designed to aid tourism development. He points out, "If the present rate of growth in the tourism industry can be maintained through the balance of 1974, gross tourist related income could exceed $1 billion in Tennessee this year."

During a recent meeting of the East Tennessee Tourist Council at Watts Bar Resort, it was pointed out that of all the Southern states, Tennessee was the only one to increase the economic gains of tourism, its third ranked industry. It is anticipated at the end of calendar 1974, Tennessee will be the only state in the U.S. to improve tourism income above its 1973 figures. These same figures also show over 114,000 Tennesseans employed in tourism across the state.

Gov. Dunn also says, "Travel growth in percent annually. We now anticipate the 1974 increase would be between 7½ and 8 percent. This is incredible considering the energy crisis which dealt tourism a devastating blow from January to April. At that time, tourist figures were off 20 percent. However, the summer season reversed the trend."

In 1973, more than $875 million in tourist-related spending in Tennessee generated $87 million in state taxes. Projected figures based on information provided by U.S. Travel Data Center in Washington, D.C., indicate the average traveler has experienced a 14 percent inflationary factor in travel costs over the past year. This figure, combined with a 7½ anticipated increase in tourism growth for the state, represents a potential increase in tourist related spending of $197 million over last year. The total potential tourist expenditure is computed at $1,073,000,000.

"Travel dollars are considered a premium because they, in effect, provide an industry without machinery or smokestacks," the governor adds. "People, while traveling, use very small amounts of electricity, water, and other important and necessary resources. Because tourists won't patronize a dirty or unsightly place, they help to keep surroundings clean and attractive. Also to be considered is the fact that the traveler does not require the use of our schools or any of the various services that are requirements of other industries."

During the peak tourism summer months of June, July and August, registrations representing one and one-half million persons have been recorded at the seven state line Welcome Stations. This figure represents a cumulative 12½ percent increase over the same period in 1973. For the first eight months of 1974, as of Aug. 31, registration representing more than two and one-half million travelers had been recorded at the Welcome Centers. Information derived from these figures support a probable overall increase in Tennessee tourism of 7½ percent to 8 percent for calendar year 1974.

VIRGIN ISLANDS NATIONAL GUARD RENDERS OUTSTANDING SERVICE

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. de LUGO. Mr. Speaker, the initial recommendation that a National Guard unit be established in the Virgin Islands was met with strong opposition, and it was only after considerable effort that final approval was achieved. It is, therefore, with great satisfaction to those of us who supported and worked for the creation of a National Guard unit in the Virgin Islands to learn of its outstanding service during the torrential rains and subsequent disastrous flooding which recently struck the territory. The confidence in the future of the Virgin Islands National Guard was well founded, and I am particularly proud that it has more than fulfilled the expectations of its supporters.

I am pleased to insert the following editorial from the St. Croix Avis:

[From the St. Croix Avis, Nov. 21, 1974]

THEIR WORTH PROVEN

When it was proposed by the Evans administration that a National Guard unit be installed in the Virgin Islands, he was greeted with some flak, political and otherwise. In any event, the proposal was blessed by the federal government and the local National Guard became an actuality.

When the Governor recommended its formation, he stressed the aspect that an organization such as this would be invaluable in the event disaster strikes, as have been the civilian soldiers in areas on the mainland, particularly where flooding has occurred. This was the case in the territory, with some of the heaviest and prolonged rain in the Islands' history wreaking havoc as torrents rushed down hillsides towards the sea. With lives and homes endangered, the Guardsmen pitched in with shovels and vehicles to assist Civil Defense, Public Works and Public Safety, the Red Cross and volunteer workers to ease the plight of victims. One is aware now that Governor Evans knew whereof he spoke, that a National Guard would be an extremely effective force in the event of a happening such as we have just experienced.

Praise has been heaped on the members of all agencies who participated in rescue work during those hectic days and nights—and deservedly so. Bone-tired, wet to the skin, missing meals and downing cold ones when they were available, to them we can attribute the remarkably few injuries which occurred. Property loss, which was high, would have been even more so had they not appeared with shovels and heavy equipment where homes were in peril of being swept down hillsides.

As with the others, our National Guard is an addition to the scene of which we can be proud.

THE FARM AND FOOD POLICY OF THE FUTURE

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DENHOLM. Mr. Speaker, the World Food Conference of more than 100 participating nations in Rome is over but the imbalance of food and population is continuing.

It is difficult to understand how the Secretary of the U.S. Department of Agriculture, or any person representing agriculture in the United States, could attend that Conference on food policy without recognition of an opportunity to negotiate the delivery and sale of 135 million pounds of nonfat dry milk reportedly held by USDA under the Commodity Credit Corporation loan and storage program. Particularly so, when American producers of milk and milk products are forced to sell the fruits of their labor below the cost of production.

The cost-price squeeze on American milk producers is so severe and of such magnitude that milk producing animals are being slaughtered in great numbers—in some instances entire dairy herds are sold for slaughter. The circumstances of mass killing demonstrations of the dairy breeds is only a minature reaction to the economic crisis of the dairy industry in America.

The fact is that the economic depression now experienced by the dairy industry by forced sales of dairy animals for slaughter has produced a devastating impact upon the domestic market of beef animals produced for the consumers of America. The forced slaughter of dairy animals has further depressed the market for beef breeds and the transferred impact endangers the continued production of both essentials to the consumers of this country in the future.

Shortsighted policies are of no value to consumers or producers. The elimination of a continuing source of supply of high protein food is wrong.

I have urged Secretary Butz to negotiate the delivery and sale of nonfat dry milk in storage and to seek the cooperation of oil rich nations to purchase a like amount for distribution to the starving in the pockets of poverty in the world. The World Food Conference was an appropriate forum for such negotiations. I regret that Americans attending that Conference failed the opportunity for positive action in the interest of the American people—and in the interest of hungry and starving people wherever.

It is of no practical sense to appease consumers of this country with the notion that we have leadership in policies of this Government that have depressed the domestic market prices to a level of bankruptcy for producers. What will those same great leaders answer to American consumers in want for protein foods in the future after the production and source of supply is no more?

Mr. Speaker, there are alternatives and I am saddened that our great country must suffer the embarrassment of "do-nothing" policies in these times of economic crisis for our dairy, livestock, and poultry producers. The American people, consumers, and producers, cannot profit from the failures of the World Food Conference, the failures of leadership by Americans attending that Conference and certainly not from "do-nothing" policies at home. It is time that we must lead—or be led. It is time for Congress to do what must be done. The farm and food policies of this country demand a priority of attention—and it is time for action. Let us be on with the unfinished task before us.

TENNESSEE STUDENT EVALUATES GROWTH OF GOVERNMENT—SAYS PRESIDENT'S STAFF TOO BIG—NOW EXCEEDING 5,000 EMPLOYEES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. EVINS of Tennessee. Mr. Speaker, a student at David Lipscomb College in Nashville, Tenn., Mr. Brad Forrister, has written an excellent article, published in the school newspaper the Babbler, which outlines in concise and clear terms the growth of the White House bureaucracy.

The article points out that President Franklin D. Roosevelt at one time received approval from Congress for only eight professional staff assistants, while in the White House bureaucracy today there are 5,000 officials and employees.

Mr. Forrister calls for balanced form of Government as provided by the Constitution.

He asserts that:

> If things are to be changed, there are two obvious tacks: limiting the President's power and trimming his staff, or increasing the Congressional staff so that it wields as much as the President's.

Because of the interest of my colleagues and the American people in this important matter, I place the article of this student in the RECORD herewith.

The article follows:

EVALUATING GOVERNMENT: IS PRESIDENT TOO BIG?

(By Brad Forrister)

At sometime during the course of Vietnam and Watergate, a large segment of the American populus became aware of a subtle yet far-reaching change in the office of the Presidency.

Somewhere along the line, many (if not most) of the checks and balances set forth in the Constitution and safeguarded for a century and a half got lost in the shuffle.

Whether the President usurped the authority or Congress gave it away or both is more or less immaterial; it happened, and now we must either accept it as a political reality and institutionalize it as an accident of history that's better than it might be, or we must work to rebuild the institution of government as it is outlined in the Constitution.

Accepting things as they are requires no debate, whether to accept or change is a matter for debate, and how to effect that change if the latter course is taken is another. But not to change requires only decision.

Let us outline, therefore, what courses might be taken if change is desired. To do so, we need first to examine briefly the history that has set the stage for the current situation.

The massive build-up of presidential power began with Franklin D. Roosevelt. He implemented large-scale expansions of the federal government's social, economic, and military involvement, largely because of a corresponding growth in the nation itself. FDR also asked Congress for salary for eight professional staff members, and after a long fight it agreed.

That has now burgeoned into a staff of 5,000 members. It overflows into the Executive Office Building and includes the Domestic Council, the National Security Council, and the vast hierarchies that go with each.

Originally, the staff members were meant only to make suggestions and give advice to the President. Now, however, the White House staff controls every area of the federal bureaucracy.

The White House controls the Cabinet now in a way heretofore non-existent. Never before Nixon had presidential aides dared give a dressing down to a Cabinet officer, yet in the past six years such occurrences have been commonplace.

The White House also controls the budgets (through priority-ordering, policy-making and the Office of Management and Budget) for all the departments, thus short-circuiting the intent of Congressional appropriations.

Congress has sold other responsibilities to the President, and has made gifts of still more. From the Formosa Resolution of 1955 to the Middle East Resolution of 1957 to the Gulf of Tonkin Resolution in 1964 (all similar in wording, although neither of the former have been repealed in Congress's recent effort to "re-affirm" her powers), Capitol

Hill has continually relinquished its powers of war regulation to Pennsylvania Avenue.

Its domestic powers, too, it handed over to the President, from controlling the federal pursestrings to making postal service appointments. Some of the responsibilities weren't even sought, such as the power to impose wage-price controls.

The only real controls Congress has kept are over-all budget-making, yes-or-no power over some presidential appointees, and impeachment. And Nixon managed to circumvent that.

It appears, then, that if things as they are are unsuitable, if things are to be changed, there are two obvious tacks: Limiting the President's power and trimming his staff, or increasing the Congressional staff so that it wields as much force as the President's.

Within those guidelines lie more problems that can be discussed in one article. And those guidelines are certainly not the only ones available. But what is certain is that whatever action is taken must be taken soon, before America forgets the lessons of her recent past.

ALLEGHENY COUNTY'S KANE HOSPITAL RECEIVES EXCELLENT RATING

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the John J. Kane Hospital of Allegheny County was recently rated one of the best long-term care facilities in the Nation. The Kane Hospital provides badly needed care for the elderly and chronically ill, who have limited financial resources and no other place to turn for medical aid.

I wish to bring Kane Hospital's outstanding achievements to the attention of my colleagues as described in the following article in the October 13, 1974, Pittsburgh Press:

John Kane Hospital Gets Top U.S. Rating

Allegheny County's John J. Kane Hospital has been rated one of the best long-term care facilities in the nation by the Joint Commission on Accreditation of Hospitals.

The rating came after an inspection team spent three days at the hospital recently.

In a letter to Dr. Edward R. Deverson, executive director of the hospital, the commission said the hospital, "its medical staff, administration, nursing staff and all other departments are to be commended for their excellence and operation."

The letter reaccreditating Kane as a long-term care facility, said the inspectors were "particularly impressed with the excellent rehabilitation program provided for the patients."

It also cited the "live-in" program for the blind, the participation of the social service department, and "the manner in which the religious needs of the patients are being met by the chaplains."

The inspectors included a special commendation for the Rev. Hugh J. McCormley, the Catholic chaplain, citing his participation in community activities and efforts to bring dignity, reassurance and comfort to dying patients.

The commission is composed of representatives of the American College of Physicians, American College of Surgeons, American Hospital Association and the American Medical Association.

Also participating in the rating program are the American Association of Homes for the Aging and the American Nursing Home Association.

"Allegheny County and Pittsburgh should really appreciate you," said Mrs. Ellen Gray, a registered nurse who served on the inspection team.

The rating put Kane in the top 12 per cent of the more than 23,000 long-term care facilities in the United States.

Kane, which has more than 2,000 patients, is maintained by Allegheny County for the chronically ill and elderly who have limited financial resources.

It is administered by the County Commissioners serving as executive and administrative officers of the Allegheny County Institution District.

County Commissioner Thomas J. Foerster expressed pleasure over the rating but added: "We could do an even better job of caring for our people if the state would give us proper financial assistance."

He noted the county spends more than $19 million a year to operate the hospital and said "this is a tremendous load for the citizens of the county to bear alone."

THE TEN COMMANDMENTS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. LANDGREBE. Mr. Speaker, John Turnipseed regularly writes a column for the Indiana Prairie Farmer, a magazine I receive at my office here in Washington. His column on the Ten Commandments in the November 16, 1974, issue may not meet the Oxford standards on use of the English language, but the ideas expressed surpass every standard. May I suggest that the major cause of many of our current troubles is the failure of the Government to obey the Commandment, "Thou Shalt Not Steal." Somewhere along the way the idea has been accepted that governments are not subject to the Ten Commandments, nor are any groups. Society, the State, the Government, minority groups, and the "underprivileged" are all regarded as being beyond the reach of morality, especially beyond the reach of the Commandment against stealing. And that is why we are facing national collapse today.

The article follows:

John Comes Out in Favor of the Ten Commandments

(By John Turnipseed)

Now that election is over it looks like we will get a little peace for a little while. But nothin' really has changed. All our troubles are still with us. Nobody seems to know how to head off inflation. If they did they don't seem to have the guts to do what needs to be done. I hate to join the gloomsters, but from here it looks like we will get more of the same that got us into trouble in the first place.

Puts me in mind of the church that burned down in a small town. The deacons looked around for a place to meet an' tried the school. But the superintendent was afraid he might mix church an' state an' get into trouble so he said no. Luckily, the man who owned the night club on the edge of town an' who liked to think of himself as a good citizen offered to let the church people have the use of his place.

Early Sunday morning the altar committee took over the night club an' set about making it ready for church. They fixed up a portable altar. They covered the bar an' most of the pictures with white sheets. But they forgot to cover the cage of the parrot.

When the preacher marched in with his flowing robes, the parrot opened one eye with interest an' sez, "Ah, a new bartender!"

When the choir marched in the parrot opened both eyes an' sez, "Imagine that, a new floor show!"

Then the people came straggling in. The parrot sez, "Same old crowd," an' went back to sleep.

Unless I am badly mistaken, the election did very little, if anything, to clear up our troubles. So now that I ain't in any danger of gettin' elected on a write-in ticket, I will come out with my platform for reform—the Ten Commandments, which have been laying around unused for a long time.

The lawmakers who are mostly lawyers have been busy a long time substituting legality for morality. Now nobody really knows what is right or wrong.

The politicians, with a lot of help from the sociologists, have decided all national troubles—crime, poverty, an' the lot—can be fixed by taking from those that have got an' giving it to those that ain't got, so everybody will be poor an' happy.

So we have chaos, a big, fat, rich, intellectual chaos created by smart people who sound off but refuse to be responsible for what they say.

That's why I have come out for the Ten Commandments. Read them an' see how many of our troubles would be taken care of if we would only pay some attention to them. Then send a copy to your congressman an' senator on account of they probably think the Ten Commandments have been declared unconstitutional. I reckon they ain't been printed in the Congressional Record since Abe Lincoln's day.

SENIOR ACTION EDITOR SPEAKS OUT FOR HEALTH CARE REFORMS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. KEMP. Mr. Speaker, Dwight H. Warren, a resident of western New York, is the editor of Senior Action, a newspaper published by the New York Statewide Senior Action Council, Inc.

In the following article, Mr. Warren details the problems he and other senior citizens in my district and throughout the Nation find facing them in dealing with our present health care system. Mr. Warren points up, not only the high cost and inadequate care many of the elderly receive today, but also the problems facing all Americans in their search for adequate care and cost coverage.

I applaud Dwight Warren for his efforts to inform his readers and his urging of Members of Congress to act on the vital issues of health care and maintenance for the elderly.

I am pleased to include Mr. Warren's comments at this point in the Record:

Tonawanda, N.Y.

To: President Ford and All Members of Congress.

Subject: The horrendous cost of health care for all U.S. citizens.

One of the most important bills to be considered by Congress is concerned with adequate health care of the citizens of our country.

In the August 19, 1974 issue of U.S. News & World Report is a statement made by President Ford:

"We should meet our health care problems by improving the present system, not by scrapping it and erecting a horrendously costly federal bureaucratic structure in its place."

However, in the January 22, 1973 issue of U.S. News & World Report, is a chart which shows our medical care bill rose from 17.3 billion in 1955 to 83.4 billion in 1972 and Secretary of HEW Weinberger stated recently that in 1973 the cost rose to 100 billions.

It would appear the present medical care system is horrendously expensive and very much needs to be replaced by a system that will place the emphasis on keeping people well rather than maintaining them in hospitals and nursing homes after they become chronically ill.

What we need is not more medicare, medicaid, or medicredit but health maintenance organizations which place the emphasis on preventing disease and keeping citizens in good health by proper nutrition and health care.

8,000,000 NEEDLESS DEATHS FROM CANCER

The American Cancer Society states, "If current rates continue, 50,000,000 now living will get cancer. Now, one out of three can be cured. It would be one out of two with early diagnosis and prompt treatment." Over 8,000,000 more lives could be saved by early diagnosis and treatment.

A MILLION DEATHS FROM HEART ATTACKS, STROKES AND KIDNEY FAILURE

An article in "Readers Digest", reveals "High blood pressure is the largest contributing cause of death in the U.S. today. It finally kills more than a million Americans every year thru heart failure, stroke or kidney failure. Impossible to treat." On the contrary—of all known risk factors for needless early death this is the one for which evidence is clearest that treatment can be life saving. The real problem is that most of the 24,000,000 Americans who have high blood pressure don't know they have it. The National Heart and Lung Institute has now mounted a massive campaign to find and treat sufferers.

850,000 COULD BE SAVED FROM BLINDNESS

The National Association for Prevention of Blindness states, "Half of all blindness is needless. 1,700,000 citizens are being attacked by glaucoma and most are doing nothing about it." Half of these or 850,000 could be saved by early diagnosis and treatment.

50,000,000 AMERICANS HAVE ARTHRITIS

There are over 200 million people in the U.S. and one-fourth of them have at least one thing in common. These 50 million are victims of arthritis.

Dr. Lockie, an arthritis specialist, points out that it is very important that possible victims consult a doctor at the first warning signs of the disease. When the disease is diagnosed and treatment is begun at the first onset, the prospects of relieving the symptoms, and slowing its effects are excellent, according to this Buffalo specialist. Only in a very small percentage of victims does the disease steadily progress despite treatment.

MANY CHILDREN NOT RETARDED, JUST HANDICAPPED

Children are often not really retarded, just handicapped for lack of proper health care. Preventive health care is always preferable and more beneficial than treating the ailment later. The Dept. of Health, Education, and Welfare is responsible for a program that could help about 13 million children eligible under medicaid. A bill that requires this medical care was signed into law *seven years ago*. Some states have refused to act. Secretary Weinberger of HEW states about two million children have been examined and about half required further testing and care.

"We found children whose rotting teeth had abscessed, gums which were pouring poison into their system. Dentists treated them. We found children who could bearly hear. They were given hearing aids. We found children who saw the writing on the blackboard as a blur. They were fitted with glasses."

Why should litttle children suffer for lack of proper health care?

A PERSONAL EXPERIENCE

Please permit me to give a personal experience. A physical examination revealed I had a hernia. I did not realize the consequences of neglect. Because it is not painful few take prompt action. However when it began to interfere with my work I had it repaired some 10 years later after it was first discovered. About a year later I suffered severe internal bleeding resulting from those years of neglect. I was rushed to hospital by ambulance and almost bled to death. Again this too could be prevented if people were made aware of the consequences of neglect. (Incidentally the kind doctor who got up in the middle of the night to be at the hospital when I arrived died in a heart clinic in Texas a few years later. I can't help but wonder if he might not be alive today and well if the medical profession would put more emphasis on preventing disease rather than merely curing it.)

MEDICAL COSTS

85% of nursing homes are run for profit. A neighbor of the writer states his mother spent $40,000 in the last two and a half years for nursing home care and now has had to turn to welfare. The cost of medical care for persons over 65 is three times that for young people.

EVEN DOCTORS' FAMILIES NEED HEALTH CARE

A doctor's daughter dies of cancer. I have mentioned frequently the instance of a doctor I know. His daughter recently died of cancer. She had a growth on her breast but didn't mention it to her father or brother, both doctors, until it caused her pain. It was too late. (Even the wives of presidents and vice-presidents could benefit from preventive health care.)

I mention also a garage mechanic who worked on my car. He disappeared three years ago. The last time I was in the garage I saw an old man sitting there.

Much to my surprise he was the same energetic man who three years ago worked on my car. He suffered a stroke. Why? He had high blood pressure and didn't know it. His nephew is a doctor but he was too busy to get a checkup. He will be an invalid for the rest of his life.

A BOTTOMLESS PIT

A man of science, senior professional associate of the Institute of Medicine, National Academy of Science, Washington, D.C., states in part as follows:

"The health professions are dealing with a bottomless pit—a morass of diseases from which the nation will have difficulty in arising, no matter whatever health bill passes (in Congress) for all that these bills really attempt to do is pay for a mere patching up of our citizens. Surely a country as wealthy and wise as ours can do better than that.

"We can do something, and we can start doing it right away. We can prevent this nation's horrendous flood of disease, deformity, disfigurement and dismemberment. I believe, that instead of patching people up, we need to concentrate on an all-out program of prevention."

HEALTH MAINTENANCE ORGANIZATIONS DESPERATELY NEEDED

Health Maintenance Organizations must be established in every community concerned with keeping citizens well. An annual physical examination sufficiently extensive as to indicate the possibility of disease should be required. We have compulsory car insurance and an annual checkup of one's car is required so it will not be likely to cause injury to others. Perhaps we cannot compel people to care for their bodies in like manner, but if they would participate in an insurance program we do have that right in order that others may not be compelled to pay for their failure to protect their health. I think I have given convincing proof, based on reliable information, that a new emphasis needs to be placed on health care rather than medical care.

Every individual and organization should take a sincere interest in the health of his fellow citizens, and insist that our government pass a health bill that will adequately meet the health needs of all our citizens. We must scrap the horrendously expensive system which has caused so much pain and suffering as well as expense to the individual and society.

Remember, "Inasmuch as you have done it unto the least of these my brethren you have done it unto me".

Sincerely,

DWIGHT H. WARREN,
A Concerned Senior Citizen.

THE ECONOMY AND INFLATION

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. JOHN L. BURTON. Mr. Speaker, as we are all aware, the economy and inflation are the prime domestic problems today.

Many fine people have suggested both short- and long-range proposals to remedy the situation. I am inserting into the RECORD a letter by Mr. Adolph P. Schuman, a distinguished businessman who possesses one of the keenest minds on the subject matter of economics in our Nation.

His letter refers to the Federal Reserve Board as the prime perpetrator of our economic problems that Mr. Schuman describes as "villainy without villains."

The letter follows:

DEAR JOHN: I have been gravely concerned for some time about the activities of the Federal Reserve Board. I hope you will find my suggestions worthy of your consideration.

I feel most strongly that the time has come for us, as staunch Americans and as staunch Democrats, to consider cutting out what I feel is a cancer eating at the roots of our economy since the year 1952 when Mr. William McChesney Martin succeeded in establishing a fiefdom of his own, a totally independent federal reserve system. Under his direction and guidance, in the pursuant years, the Federal Reserve Board has gradually taken over the management of the monetary responsibilities of the United States both as to policy and execution. With this powerful monetary mandate in its hands, the Federal Reserve has time and again flaunted the wishes of, and in fact dictated to, the Congress as to the monetary and fiscal policy of this nation.

These duties reside in the hands of seven men, no doubt well-meaning men, appointed by various Presidents for various reasons at various times for terms totalling fourteen years each. During these fourteen years, these men are limitless in their power. They are not subject to removal (except for misfeasance, malfeasance, or crimes), and they are not subject to reappointment. Therefore, in their hands they have the power to determine the amount of money put into circulation, the interest rates, and the availability of money in the United States. This makes them actually the strongest type of economic dictators. They are economic dictators because of their power and because they are not elected by the people of the United States and do not serve at the will of either the President or Congress. These seven men, solely at their discretion, control our economic welfare, concentrating on what they consider to be their job, which is to control the monetary supply and the growth of the United States. They have done so with the intent of combating inflation, but at the cost of continuous repeated recessions (and many of our leading economists have called them depressions, not recessions).

Now, as we all know, there are two possible ways to avoid inflation. The first is a temporary one of decreasing the demand. This has the virtue of giving immediate results but, unfortunately, it leads to recurring doses of inflation. We recognize, in a growing country, this cure must, by its very nature, be temporary and can prove disastrous and self-defeating.

The second method, used in the United States previous to 1952, was that of increasing production so that if there was a scarcity of an item, the forces of the economy, given the proper monetary support, would naturally increase production and eventually lower prices.

Now, the Federal Reserve, this villainy without villains, is once more on the path of accepting a "finger in the dyke" theory of lowering the demand, and they cannot abandon this pattern, as a dog goes 'round and 'round chasing its tail, with the always recurring emergencies and the crisis responses preventing the taking of the long view of extensive monetary freedom. This would permit the resilience and flexibility needed to enable the building of facilities and the machine tooling which would in the long run cut down prices.

As a result of these policies, the seven so-called, well-meaning economic tyrants, again, not subject to the will of the people, the President or Congress, have taken this great, growing country along its present disastrous path since 1952. Now, let us look back and see where this continuous, uninterrupted policy of decreasing the demand in periods of inflation has led us. At the end of twenty-two years, the cost of our money has advanced from 2½% to 11%. It so stifled our long-term growth that we have only 4% to 5% annually over the twenty-two years, and the Federal Reserve, itself, considers a growth of 8% exorbitant. Its policies made us, in many respects, as far as new machinery and competition are concerned, well on our way to becoming a second class counrty. And, during this time, it has taken our growth of inflation from 2% to an inflation of 10% annually, so we must say that the succession of crises by the use of temporary recurring restraints on monetary supply by the Federal Reserve to decrease demand instead of increasing production is obviously a failure. Nevertheless, the same pattern continues and we make the same mistakes time after time.

We find ourselves, not only as Democrats but as Americans as well, facing a further danger. It is my firm belief that the American people are going to elect overwhelmingly a Democratic Congress this year. Hopefully, this tide will continue and the people will elect a Democratic President to office in 1976. But, the fact is, long after the impeachment, the resignation, or simply the end of the term of President Nixon, for eight, ten or twelve years thereafter, Mr. Nixon's appointees on the Federal Reserve Board will rule America's monetary policies and will dictate willy-nilly the fiscal policies of the United States of America. Mr. Nixon has appointed five of the seven members of the Federal Reserve Board who will control the destiny of this country with an iron hand unless some remedial changes can be found to prevent it.

As to the remedy, it will certainly take a wiser man than I, but I humbly submit several suggestions for your perusal:

Suggestion #1 . . . That the term of the Federal Reserve Board be limited to four (4) years and should start with the term of the incoming President. For example, the term of the present Federal Reserve Board would terminate January 1, 1977. A new Federal Reserve Board would be appointed by the incoming President and would automatically serve for a term of four (4) years. They could be reappointed. This would make the Federal Reserve Board closer to the will of the electorate.

Suggestion #2 . . . That the membership of the Federal Reserve Board must include:

1 person representing Business.
1 person representing Banking.
1 person representing Labor.
1 Economist.
1 person representing Agriculture.

Suggestion #3 . . . That there should be not less than three (3) appointees from each major party . . . three Republicans, three Democrats . . . and the Chairman.

I propose most sincerely and for your earnest consideration the fact that in the long run inflation can be only controlled by expanding supplies and that the short view point of containing and reducing demand can have no other ultimate result than the downgrading of the lives of the American people.

U.S. MILITARY: BIG OR TOUGH?

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. LEGGETT. Mr. Speaker, one of the most difficult problems faced by defense analysts is the question of how to measure the effectiveness of a military force. Frequently, the strength of a ground fighting force is expressed in terms of numbers of divisions or of numbers of men.

This method has always seemed to me to be superficial and misleading, in that it ignores motivation, training, and ability. Combat experience in the Middle East, Indochina, and elsewhere has shown that 10 well-trained, capable, and highly motivated men will defeat 100 poorly trained men who do not know why they are fighting and wish they were not.

Now that our own Armed Forces are recruiting on a voluntary basis, we are faced with this problem but, in my view, we really have not yet come to grips with it. We know for a fact that we cannot get all the capable men and women we need, so we have set quotas for each branch of the service.

This system may not work well. It has led to progressive lowering of acceptance standards, and in some cases to recruiter falsification in order to get people past the lowered standards. The results are marginal.

But the really serious problem comes when low-standard individuals are placed on active duty. Not only do they contribute little to the unit, they act as a drag on the performance and morale of those around them.

We would think that, if any service were immune to this problem, it would be the U.S. Marines. They advertise they want "A Few Good Men" and think of themselves as an elite corps in which ability counts above all.

But according to a recent article by Marine 1st Lt. David E. Kelly, the Marines have severe manpower problems. Lieutenant Kelly talks of training a group of boots of which more than 60 percent had not graduated from high school. He talks of barracks criminality so widespread that honest marines are afraid to testify for fear of being beaten.

If Lieutenant Kelly is correct, we had better pay close attention. There is no question that our Armed Forces would be more effective and efficient if we released the misfits and incompetents and retained only the good men, almost without regard to how small this made our force. The fact that a small good force is far more effective than a larger force laden with liabilities appears to have been neglected in our fixation on numbers games. Moreover, in these times of acute budgetary constraints, the fact that a small force is cheaper than a larger one is of particular importance.

Lieutenant Kelly raises a number of other points worth considering. We now have the same number of generals in the Marine Corps as at the peak of the Vietnam war, even though our force is only one-third as great: The WPA philosophy of military management strikes again.

Lieutenant Kelly criticizes the Marines as duplicating the functions of the other services, particularly in the case of airpower, which he recommends removing from the Marines altogether. For my part, I am sympathetic to the tactic of having more than one service provide close air support in an attempt to gain improved performance through friendly competition.

But the theory has not worked out well in practice. First, we had Air Force and Navy pilots wasting bombs on worthless targets in Vietnam because each service was trying to say it had dropped more tonnage than the other. Second, we find ourselves buying the Harrier aircraft solely to keep the Marine Corps in the close air support business, when the Air Force A-10 can do the same job better. Lieutenant Kelly dismisses the argument that "Marine pilots understand Marine close support needs better" by citing his experience that, rather than identifying with Marine ground troops, Marine airmen tend to look down on and ridicule the "grunts" they are supposed to serve. Third and most atrociously, we now find the Marines buying F-15 fleet defense aircraft—what this has to do with defending Marines on the beach nobody can say. I agree with Lieutenant Kelly; Marine air should go. The Marines must return to their legitimate mission of amphibious offense.

For those who would like to read Lieutenant Kelly's views in full, I insert at this point in the RECORD his article entitled "Must the Marine Corps Shrink or Die?" from the Armed Forces Journal of October 1974:

MUST THE MARINE CORPS SHRINK OR DIE?

(By 1st Lt. David E. Kelly, USMC)

By an act of Congress, the Marine Corps has a definite, precise mission: Basically to plan for Amphibious Warfare, to take and defend Advanced Naval Bases and such land operations as may be necessary to do so, to act as Security Forces for Naval Installations and Embassies, and other such missions as the President may direct. There is no God-given directive establishing the Marine Corps. It exists for a purpose, and when that purpose has been distorted or no longer exists, it is time to eliminate the Marine Corps. It would be unfair to the Nation and the taxpayers to hold onto tradition for tradition's sake.

In today's political climate, it is popular to attack the military in general and expensive duplication in particular. The Services must continually demonstrate their efficiency and effectiveness. Since World War II, the Marine Corps has gradually taken on more and more responsibilities and grown in peacetime size. It had better soon wake up to the fact that the more areas it tries to handle, the less reason exists for it to continue as a separate force. In Vietnam, we became bogged down in an Army-type land war. Our role as an Amphibious Striking Force was, with a few minor exceptions, almost completely unused. The more adept we become at doing the Army's job, the closer we move towards becoming a part of it.

The Corps' fighting strength today consists of three Infantry Divisions and three Air Wings. Combined, the three Divisions would be hard-pressed to field one full strength Division prepared for combat. As an example, the Third Marine Division stationed on Okinawa, supposedly the "Cutting Edge of the Sword" is badly under-staffed and over-committed. When one of the Regiments on Okinawa is preparing to deploy one of its Infantry Battalions, the remaining two Battalions must be cannibalized for equipment and personnel. The nondeployed units would be hard pressed to ever effectively mobilize in case of an emergency.

The Corps' strength is 186,000 men, yet less than two effective Infantry Divisions. The Corps recently announced in Navy Times that it had no plans to reduce the number of general officers in its ranks. So we will continue along with 73 generals, the same number that were in the Corps at the height of the Vietnam War when our strength was 500,000! Bureaucracy seems to have a way of entrenching itself so that even when it is no longer needed, it continues to stumble along and grow. Paperwork also seems to multiply geometrically, and this in turn adds to the burgeoning ranks of personnel needed to support the planning and record-keeping facilities. The percentage of combat ready personnel continually shrinks as more and more are needed to maintain the establishment. This problem is not unique to the Corps, but the Corps is more likely to suffocate in it than the other Services. We cannot continue trying to be a miniature, self-sufficient armed service. Areas that can be better handled by the Army should be handled by them.

The Corps enjoys a reputation as an elite fighting force. But what is it in reality? Drug and racial problems seethe in the Second and Third Marine Divisions at Camp Lejeune and Okinawa. Antiquated equipment, living conditions far below that of the other Services, poor training facilities, and lack of discipline add fuel to the discontent of the average Marine. All the while, Commanders glowingly talk of terms such as Esprit, Combat Readiness, etc. . . . The plight of the Junior Officers and Staff NCO's who must deal with these problems is ignored. Many idealistic young men find themselves disillusioned with the whole mess. Too many of the quality Marines get out. The Army and Navy have problems and admit to them for the most part. The Marine Corps has problems and is either afraid to see them or unwilling to admit to them.

It is easy to point out problems. But what of solutions? The solution I see may seem radical to some (especially those with vested interests). At present, I have no plans for a career in the Corps, so I feel that I can speak with some objectivity. The Corps should first be reduced to a small, elite force. Something which it now lays claim to but is far from being. Selective recruiting would in itself bring about a major reduction in discipline and morale problems. A young high school graduate would have a pretty good idea of exactly what he was getting into. And I emphasize high school graduate. With no exceptions, or some non-waiverable standard. And carefully screened AFQT results. Even without changing today's Marine Corps, more selection in recruiting would produce better Marines. Many of the Corps' discipline problems are due to the low level of recruit we are pushing through boot camp. (As a Series Commander at Parris Island, the percentage of recruits with high school diplomas was well under 40% in my Series.)

At the same time the Corps would be reduced to a truly elite force, its mission would be specialized. A higher percentage of Marines would be involved with this mission. Their identity with the Corps would be much greater. The Air Wing would be gradually phased over to the Navy as the Corps reemphasized its Amphibious Mission. The backbone of the Corps would be two or three full-strength (completely up to T/O) Infantry Divisions. Wherever possible, support would come from the Navy in areas where they can do a more efficient job. For example, the SeeBees with their modern equipment would handle the jobs that our Engineers nowadays attempt with their antiquated gear.

To many, the suggestion of elimination of the Air Wing in the Corps reeks of sacrilege. The prized "Close Air Support" concept is dragged from the closet and expounded as gospel. I would not eliminate the helicopter capabilities of the Corps. This power would be even more closely allied with the fighting units. Perhaps with a certain number of choppers in direct support of, or attached to Infantry Regiments.

In the early days of Aviation, a few thousand dollars and a good mechanic would keep a biplane in the air. But rapidly advancing technology has put an astronomical cost on aviation. And by its very nature the Air Wing requires the more intelligent Marines to act as mechanics and in related fields. Many of the Marines assigned to the Wing joined the Corps to be Marines, and wind up doing a job that they could have joined the Air Force to do had they wanted to do them. Millions of dollars and much of the Corps' talent is lavished on the Wing, which for all practical purposes is a force unto itself. Its mission is supposedly to provide close air support for the Marines on the ground. This job could and should be handled by the Air Force or Navy. While the Ground Marines struggle along with antiquated equipment and rationed gasoline for jeeps on field problems, the Wing insures that its pilots are getting in their monthly "Stick Time," burning up thousands of gallons of fuel concurrently.

I am constantly given the argument of Close Air Support and the near miraculous feats that only Marine pilots are able to accomplish. Yet the whole six months I was deployed with Battalion Landing Team 3/4, and the Amphibious Reconnaissance Group A in early 1972, not once did our battalion work with Marine fixed wing aircraft on field maneuvers. Even if the aircraft had been there, what makes the Marine pilot so different from his counterpart in the Navy? He receives the same training as the Navy pilot to get his wings, and his operations with the ground forces are few, if any. The same close air support could be provided by the Navy operating off Aircraft Carriers, just as we presently receive Naval Gunfire support. Amphibious Operations in close cooperation with the Navy would again be a unique hallmark of the Corps, something that the Army would have a difficult time trying to duplicate.

The Corps has enough planes to probably assign one or two to every company in the field. But even if this were possible, would the expense of having a plane on 24 hour call be justified? I think not. Some of the money presently spent on aviation could be diverted to Research and Development for improved weapons systems for the ground troops. A lightweight mortar or improved 106 type weapons are two examples. Or how about the old reliable 105mm howitzer?

No major improvements have been made on it since Korea. A more mobile, easily transported weapon with the same capabilities would give the ground commander much more on-call firepower at much less cost than a jet which has limited on target time. Even the Harrier is little more than an expensive playtoy. If given a choice between calling in chancy air, or having an attached weapon of the 105's power, there is little doubt as to which the average ground commander would choose. Any necessary air would come from the Navy.

In the realm of morale, the Wing has developed a severe superiority complex and elitist attitude towards the "Grunts". The discipline and appearance of the grunts are derided, and they (Officer and Enlisted) look on themselves as something special when, in fact, their sole purpose for existing is to support the ground operations. In its attempt to be a miniature, complete Army, the Corps has factionalized itself. Added to this is the poor discipline, low morale, paperwork morasses, drug use, and racial problems running rampant. Shrinking the Marine Corps to a small unit with a specific mission would reduce many of these problem areas. Morale would soar as self-pride increased by virtue of being a member of a truly unique organization. The Corps is deluding itself when it brags about the uniqueness of being a Marine and Esprit de Corps. The only experience Marines now share is the experience of boot camp. After that the lines are clearly drawn between MOS's. Even the boast that every Marine is basically an infantryman has fallen by the wayside. We are now all "riflemen," a seemingly innocent rhetorical difference. All Marines still fire the rifle, but combat skills have taken a backseat to expediency. Where all Marines once received Infantry training after boot camp, present day recruits receive four days of Infantry training at Parris Island. The cooks, truck-drivers, and mechanics who battled their way out of Chosin Reservoir are no more. These Marines would now be hard pressed to get on line or assault any position.

Fuel for the ever growing bureaucracy comes partially from the mountain of paperwork due to discipline problems. Many of the marginal Marines who slid through boot camp cause many problems when they are given a little personal freedom in the Fleet Marine Forces. And many a hard-charging young Marine fresh out of boot camp is severely disillusioned when he sees what is going on at his first duty station. Barracks crime runs rampant because the honest Marines are intimidated into silence. Anyone brave enough to testify at Office Hours or a Court Martial runs the risk of being thumped by his barracks "buddies." Company commanders are unable to punish wrongdoers, and the paperwork required to recommend an administrative discharge is astounding. More often than not, the recommendations bounce back and the commander has to continue to try to effect discipline with his hands tied by legal restrictions. A small, unified Corps, with Marines who wanted to be Marines, would do much to eliminate many of today's personnel problems, and, in turn, cut down on much of the paperwork.

The Corps must stop biting off more than it can handle and realistically face its problems. First of size, then of mission. Are we as efficient as it is possible to be? Are we truly unique any more? The Corps had better begin asking before some unfriendly Congressional Committee does. The traditional role of security forces on Naval Installations and Embassies would be continued and the amphibious mission re-emphasized and expanded. The fixed wing units would be phased over to the Navy and the Navy would provide support from carriers. Two or three full strength divisions plus security groups and support personnel would be the strength of the Corps. Just as bureaucracy increases geometrically, it would decrease dramatically as the Corps tightened its belt. A greater proportion of the Corps would be out of the office and out training and developing combat proficiency. A clearer sense of purpose and a true Esprit would be the net result.

WORKMEN'S CIRCLE CONCERN OVER NATIONAL ECONOMIC CONDITIONS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. KOCH. Mr. Speaker, President Ford has been urged by the Workmen's Circle to institute a concrete program that would attack national problems head on, and to use our Nation's resources to work in solving these problems.

The Workmen's Circle, founded by immigrant workingmen in 1900, is a nationwide cooperative fraternal society of 60,000 members with strong ties to the American labor movement.

I would like to append a letter from the Workmen's Circle expressing concern for the various pressing national ills of the moment for the information of our colleagues. The letter follows:

THE WORKMEN'S CIRCLE,
New York, N.Y., November 20, 1974.

President GERALD FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We speak for 60,000 members, and probably for many, many more American citizens, in expressing alarm over the deterioration of our national condition.

Our nation was hopeful when you took the Presidential oath of office last August. Outraged, and our faith severely shaken, by the corruption in high places that seemed to command all of our attention in the long period of revelations following the Watergate affair, we sincerely believed that with a new administration would come a renewal of commitment to solving the problems which weigh upon us.

Since then, however, the national fuel crisis has deepened. Unemployment in our country has soared to 6% nationally, and 11% for black people, and it is still soaring. Even higher unemployment rates among our youth are a more fertile breeding ground for delinquency. A runaway inflation eats away at the budgets and savings of wage earners and of the elderly and infirm living on fixed incomes. The housing shortage for middle class and poor families is steadily worsening. The pressures of an economy in recession are exacerbating racial tensions. Key industries are suffering economic blight, with no relief in sight. The needs of our decaying cities are greater than ever. Direct aid programs which addressed immediate social needs, such as the subsidies for hot lunches for school children and the elderly, are being terminated rather than cleansed of waste and corruption. Welfare allocations are cut back, as the growing recession swells the welfare rolls.

These problems cry out for dynamic national leadership. We are deeply disappointed that you have not provided it. Where concrete actions and remedial relief programs are needed, you give us weak voluntary controls, a button to wear, and vague expressions of hope.

Major action is needed, Mr. President, and needed now. Jobs must be created for the victims of the present recession and for those chronically out of work. Housing and medical facilities are urgently needed, and increased costs must be absorbed by the national government. A national plan to expand the systems of public transportation must be assembled. Farm production must be stimulated to greater capacity. Youth corps programs must be devised to provide meaningful work for ghetto youngsters and prevent them from drifting into crime. A determined effort must be made to clean up our natural environment and intelligently conserve our natural and human resources. A program for a goal of national energy self-sufficiency must be spelled out.

We desperately need to develop a coherent program of economic reform, the aim of which should be a decent job at a livable wage for everyone able to work, and comfortable support for those who are not. In addition, we must strive to create extensive public facilities adequate for public needs.

Yes, Mr. President, it is indeed time to "fish or cut bait." Achievement of these goals requires your commitment to make a concerted effort to insure that all of our nation's resources are put to work in solving these problems which threaten to engulf us. We sincerely hope you will prove equal to the task. We are submitting a similar appeal to the Congress in the hope that it will assist you in this effort.

Respectfully yours,

HAROLD OSTROFF,
President.
WILLIAM STERN,
Executive Director.

RABBI ROLAND B. GITTELSOHN ANALYZES THE PALESTINIAN PROBLEM

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DRINAN. Mr. Speaker, the recent debate in the United Nations General Assembly concerning Palestine introduced many Americans to this serious and complex problem for the first time. The unfortunate participation of the terrorist Palestine Liberation Organization in this debate tended to overshadow the significance of the issues being discussed. Moreover, the tone of moderation employed by the PLO's representatives in addressing the General Assembly obscured the extreme and violent aims of this organization.

In the Boston Globe of November 20, 1974, Rabbi Roland B. Gittelsohn presents a trenchant, detailed analysis of the Palestinian problem and elucidates the character of the PLO. Rabbi Gittelsohn is rabbi of Temple Israel in Boston and past president of the Massachusetts Board of Rabbis and the Central Conference of American Rabbis. I commend Rabbi Gittelsohn's excellent essay to all of my colleagues:

[From the Boston Globe, Nov. 20, 1974]

THE PALESTINIANS: PRETENSE AND REALITY

(By Roland B. Gittelsohn)

A series of emotionally effective ads published during recent weeks in The New York Times presaged the major theme which is being stressed in the current UN debate on the Middle East. By skillful combinations of photograph and word, they conveyed the impression that Arab Palestinians—allegedly 2 to 3 million of them—are the world's most pathetically exiled people, ruthlessly driven from their ancestral homeland by Israel, wanting only the restoration of what is rightfully theirs.

This marks a major watershed in Arab strategy. No longer will the argument be posed as nation against nation—Egypt against Israel, Jordan against Israel, Syria and Iraq against Israel. The new line is that two national entities have equal historic claim on the same territory, that one of them has taken possession by brute force and now the balance must be redressed. If there is to be any hope for peace in the Middle East, it is imperative that we pierce the veil of propaganda and rhetoric to reveal the facts.

Let us begin by recognizing that there are two kinds of homelessness. The first afflicts individuals and families who have been uprooted from their places of residence. Their plight is always tragic; we Jews of all peoples have no right to minimize or ignore it. The tragedy is immensely compounded, however, when not only individuals but a whole civilization has been dispossessed. When an entire people, which has developed collective values, insights, ideals, goals and lifestyles indigenous to a particular soil, has been banished from that soil.

Here we come upon a quintessential difference between Arab and Jewish claims on Palestine. That there are Arab individuals rendered homeless by the establishment of Israel is quite true, though not in the quantity nor for the reason now suggested by their presumed spokesmen. In an earlier, less political time, the Arabs themselves recognized their own culpability in this matter. A few months after the establishment of Israel in 1948, Emil Ghoury, then Secretary of the Palestine Arab Higher Executive, declared: "That there are these refugees is the direct consequence of the unanimous action of the Arab States in opposing partition and the Jewish State."

But the Arabs have never suffered the second type of homelessness as far as Palestine is concerned. They have never enjoyed an independent national life there. Nor have they created a major civilization of their own based in that land. History is instructive on this point. The Muslims first conquered Palestine in the year 637. Thereafter the land and its inhabitants were ruled from Mecca, from Damascus, from Baghdad—never from within the country itself. They were always colonials, at the mercy of other Arabs living elsewhere or of local chieftans warring among themselves. At no time was there a strong, central, locally-based Arab government, or an indigenous Arab civilization.

In 1099 the Crusaders took over. Then the Ayyubids, the Mamelukes and the Turks. All were outside powers, imposing their will and culture on those whom they had conquered. Muslims outnumbered Jews in Palestine—for there was always a substantial Jewish population—whatever local culture emerged was more often Jewish than Arabic. In short, without denying the existence of individual Arab refugees, they have not suffered collective or national homelessness.

How many such individuals are there? The first in the series of recent ads identifies the Palestinians as follows: "They are a people of over three million, for whom Palestine has been a home for centuries . . ." A simple exercise in elementary arithmetic will show how outrageously exaggerated the first part of this claim is. In 1922 the Arab population of Palesine—on both sides of the Jordan River—was 565,000. By 1947, just before the establishment of Israel, it had almost doubled to 1,200,000. This phenomenal increase can be explained not by the rate of natural population growth—the death rate then among Arabs at least counter-balanced the birth rate—but by the fact that even before the founding of Israel, improvements brought to the land by Jewish settlement had attracted a substantial immigration from surrounding lands. Which means, plainly and simply, that fewer than a half-million Arabs at most can honestly trace their residence there back as far as 1922. This is a far cry from "a people of over three million."

Geography can also help us uncover the truth. Arab propaganda would have the world believe that Palestine consists of Israel plus the currently occupied West Bank and the Gaza Strip. Nonsense! The territory which has been called Palestine through the centuries, which was included in the mandate awarded to Great Britain after World War I, encompassed both sides of the Jordan River, much more of it to the East than the West. In 1922 Britain arbitrarily amputated 80 percent of the total, creating a new sovereignty which is now called Jordan and is ruled by King Hussein. In 1947 the UN further truncated the remaining 20 percent, assigning only the lesser part of it to Israel.

Palestine, therefore, consists of Israel and the West Bank and Jordan. Sixty-percent of today's legitimate Arab Palestinians live in Jordan, where they constitute a majority of the population, where they live in an Arab environment, where some of them, to be sure, live in squalid refugee camps, but others are in comfortable, even lavish homes.

A further truth needs to be emphasized. Since the end of the first World War, the Arabs have achieved independent sovereignty in 18 nations, stretching from the Atlantic Ocean to the Persian Gulf, encompassing in all an area larger than the United States. Any Arab who prefers to live in a predominantly Arab culture, enjoying and contributing to an on-going Muslim civilization, has a very wide choice of options. Where is it written—by God or by reasonable men—that only Jews of all the world's historic peoples are to have no established, secure homeland for themselves or their civilization?

II

What do the Palestinians really want? According to their ads and the claims they will unquestionably make at the UN, two things: the simple justice of being allowed to return to their putative homes; and the conversion of Israel into a "secular, democratic state." Sounds innocent enough, doesn't it? Until we pause to remember that the Palestinian Liberation Organization, invited by the General Assembly to participate in this year's UN debate, embraces the terrorists who were responsible for the massacre at Lod Airport, the murder of Israeli, athletes at Munich, the wholesale slaughter of passengers at Rome Airport, the carnage at Kiryat Shemona, at Ma-alot, at Shamir.

Bayard Rustin, distinguished American black leader, has referred to the PLO as "a blood-stained terrorist gang whose leaders should be in jail, not addressing the UN." These are the people who now wish to be Israel's neighbors, their weapons focused at omninously close range on Jerusalem and Tel-Aviv.

When the PLO addresses the world from the forums of The New York Times and the UN, it speaks in dulcet tones of moderation. Its more honest aims are revealed in the words it speaks to fellow Arabs. Its leaders were instrumental in formulating the Palestinian National Covenant, first adopted in 1964, strengthened and revised in 1968, reaffirmed and reinforced as recently as June, 1974. At no time have the objectives spelled out in that document been repudiated or modified by any authentic spokesman of the PLO.

What, then, do they really seek to accomplish? According to Article 15: "The liberation of Palestine . . . is a national duty to repulse the Zionist, imperialist invasion . . . and to purge the Zionist presence from Palestine." According to Article 21: "The Palestinian Arab people . . . rejects every solution that is a substitute for the complete liberation of Palestine." According to point 3 of the codicil adopted only last June: "The PLO will struggle against any plan for the establishment of a Palestinian entity the price of which is recognition, conciliation, secure borders . . . "Needless to say, that means recognition of Israel, conciliation with Israel, or secure borders for Israel.

One of the most eminent Protestant theologians of our time has seen through the PLO subterfuge which has apparently befuddled the less perceptive powers-that-be in the UN. Dr. A. Roy Eckhardt, chairman of the Department of Religion Studies at Lehigh University, observes: "Our overall fantasy includes the notion that by 'withdrawing' from 'occupied Arab territories' Israel could gain acceptance by her foes. In truth, every inch of 'Israeli territory' is considered Arab land. Israel could 'withdraw' to a half-acre settlement along the Mediterranean sands, and she would remain as 'guilty' as she is now or as she would be, for that matter, were she to occupy Cairo "or Damascus."

How about the second professed objective of the PLO, that all they want is a "secular, democratic state"? The best way to assess this, I submit, is by examining the kind of states already existent under Arab rule. Not a single one of them is either secular or democratic. All of them are theocratic sovereignties, in which non-Muslims are treated with contempt. Is it still necessary to review the brutal treatment of Jewish refugees wherever any of them remain in these states? Christians scarcely fare better.

Since 1952, the Coptic Christian community of five million in Egypt has been persecuted with fanatic cruelty. Christian cemeteries and churches have been systematically destroyed in Libya. In 1965, Christian institutions were forbidden to acquire property—by either purchase or gift—in that part of Jerusalem which was then under Jordanian rule. To this day, all students in Jordanian Christian schools are forced to study the Koran. If this is what the PLO means by a "secular, democratic state," Israel can hardly be blamed for wanting no part of it.

III

What, then, can be done to help individual Arab refugees who need help without destroying Israel? Given the stability and security accompanying genuine peace, Israel will undoubtedly do even more than it has already done on behalf of the more than 300,000 Arab Palestinians who are among its citizens.

Jordan, if it wills to do so, can most legitimately and effectively act for those who are under its hegemony. It may be that a truly independent, demilitarized Arab state will be established in that part of the West Bank which Israel will most probably relinquish as part of a real peace agreement. But to turn such a state over to the PLO terrorists, who have never been chosen or franchised by the Palestinians to speak for them in the first place, would be a monstrous mockery. It would make as much sense as to turn the government of Massachusetts or New York over to the Mafia, charging it with the maintenance of justice and peace.

If the UN is not already slipping over the precipice of moral decency, it will heed the challenge already addressed to it by Israeli's prime minister: "Understanding for the needs of the Palestinians—certainly; satisfaction of the demands of archmurderers who appoint themselves as saviors—decidedly not."

CATHOLIC BISHOPS ELECT BERNARDIN TO HEAD UNIT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. JAMES V. STANTON. Mr. Speaker, last week, the National Conference of Catholic Bishops elected as its new president the Most Reverend Joseph L. Bernardin, who now serves as archbishop of Cincinnati, Ohio. I congratulate Reverend Bernardin on this fine achievement, and I extend to him my wishes for a productive tenure. I would now like to insert into the Record an article from the Washington Post on his election:

Catholic Bishops Elect Bernardin To Head Unit

(By Marjorie Hyer)

Catholic bishops meeting here yesterday elected a progressive and relatively young man president of the National Conference of Catholic Bishops.

The Most Rev. Joseph L. Bernardin, 46, archbishop of Cincinnati and former executive secretary of the bishops' conference, was chosen to succeed John Cardinal Krol of Philadelphia.

Archbishop Bernardin's election by an overwhelming majority on the second ballot was seen by many as the beginning of a tilt by the Catholic hierarchy in this country toward a more liberal stance on both theological and social questions.

Both Archbishop Bernardin's predecessor, Cardinal Krol, and his nearest runner-up in the presidential balloting, John Cardinal Carberry, 70, of St. Louis, are identified with the conservative branch of the church.

After losing the contest for the presidency of the conference to Archbishop Bernardin 143 to 60, Cardinal Carberry was elected vice president. He defeated Archbishop William Borders of Baltimore on the second ballot, 133 to 107.

The bishops also voted down a statement condemning capital punishment.

Rejected on a written ballot, 119 to 103, was a detailed statement that viewed opposition to capital punishment as compatible with the church's "right-to-life" campaign against abortion and euthanasia.

A proposed resolution by Bishop John L. May of Mobile, Ala., to put the bishops "on record in opposition to the death penalty" was deferred.

Despite opposition by some traditionalists, the bishops gave conditional and carefully qualified approval to the participation by Catholics in charismatic prayer groups.

The rapidly growing charismatic movement is characterized by speaking in strange tongues during sessions of religious ecstasy.

The controversial movement attracts both Catholics and Protestants. Two Southern Baptist conventions earlier this month placed charismatic experiences out of bounds for their members.

The seven-page Catholic document said that the charismatic renewal movement could have "truly positive values" for both the participating Christian and the church at large, but warned that charismatic groups must "have a strong bond with the total life of the church."

MICHIGAN FARMER DECLARES WAR ON AGRICULTURE DEPARTMENT GIVEAWAY

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HUBER. Mr. Speaker, it recently came to my attention that a Michigan farmer, William Field, of Shelby, Mich., is protesting the giveaway of taxpayer money under Public Law 93–237. Evidently, the rules for throwing this money away on supposed disasters are now very loose. Mr. Field was upset enough to launch a full page ad compaign against this waste of the taxpayers' money. The story of his crusade, as it appeared in the Oceana Herald of Shelby, Mich., on October 3, 1974, follows:

William Field Declares War: $10,000 Free Money Grant Being Spent on Ad Campaign

(By Richard Lound)

It's an old objective with a new twist, but it's sure to raise an eyebrow or two before it's over.

William Field, a rural Shelby farmer, has declared war on the country's lawmakers. However, it's not to force passage of legislation to help the farming communities.

His plan is to force repeal of a bill that over the past two years has given him $10,000 in cash practically with no strings attached and if continued he said will allow him another $5,000 of free money this next spring.

Not only will Mr. Field be eligible for the money but so will a couple hundred other Oceana farmers who can qualify and who have collected the $5,000 or part of it these past two years.

It's Public Law 93–237 and allows for disaster loans, with the first $5,000 an outright grant. Over 200 Oceana farmers received almost one and a half million dollars last spring with over a million coming in the outright grants and the remainder in low interest loans.

According to Mr. Field the idea for the law originated to get money into the hands of people struck by a national disaster during the past few years. However, he feels the politicians and bureaucrats changed the meaning of the law.

"They stretched the meaning of the word disaster to apply to farmers who were hit by frost and now it's into any small business which can show a loss of profit if it's located in a declared disaster area," he said.

"It's pure idiocy. A world gone crazy, a system gone crazy and I plan on fighting it by spending the free $10,000 that I've received on a news media campaign to force repeal of the law. Hopefully also with some free money given by other farmers—with individual auditing—whose conscience is beginning to bother them."

"Why am I doing it?"

"My conscience bothers me. I've worked many years to stop the drift toward such nonsense. I intended to return the first $5,000 grant by this manner but we bought a summer home and came up short on money at the end of last year so I couldn't."

"I really thought perhaps one year of handing out millions of dollars would be the end of such foolishness but they left it open and I got a second $5,000 handout too."

"For a whole year I've had to keep quiet about it, about the foolishness of it all, but now I feel so good, that I can finally move to correct the situation."

Mr. Field, 46, is a lifelong Shelby resident and a first generation farmer who has been in business the past 10 years. Both he and his wife, Betty, have had to leave the farm in the low price years to keep the farm from bankruptcy and to keep food on the table for the family. He plans on working out again also this winter.

He'll readily tell you that the present government handout policy is not how the capitalistic system was supposed to work as he studied it in high school three decades ago. He's afraid now that the present generation of Americans aren't being taught, don't understand or just don't know how this country got to be strong with the capitalistic system.

"I think such politics are destroying our country, I saw what was going to happen years ago and now it's happening. If it continues we will cease to exist as we have for the past 200 years and the end result will be chaos and we'll be governed by a dictator of the right or the left with complete loss of ownership of our property," he emphasized.

"I'm starting out with a full page newspaper ad, the first comes out in The Oceana Herald, next week it's the Hart Journal, and the third week the Muskegon Chronicle. Where we go after that, Lansing, Grand Rapids, Detroit, will depend on the response of lawmakers, the farmers and the public."

A hope of Mr. Field right now is that anyone wishing to have a hand in stopping this policy of 'Idiotism' as he calls it, will send the page ads and a letter to President Ford, Senators Griffin and Hart, Rep. Vander Jagt, asking them just what is going on. Then send back the replies and he will buy full page ads to display their answers.

"I have no idea who voted for the program but the politicians and the bureaucrats who dreamed up this nonsense must be made to answer or be removed from office," he stated.

"The bureaucrats sit around conferring on ideas to justify their existence and out of such conferences come many dangers like this $5,000 handout."

"I know I will get ridicule heaped on me from fellow farmers but I don't care, I feel deep down they know it's wrong too."

"I have listened to many farmers ridicule a poor migrant family who wasted some of their surplus food handouts and now we have beaten them a thousand times over, but we have more to lose because I believe here we have also jeopardized the ownership of our farm in the process."

"I have nothing against any farmer who got the money and it's not a case of whether he deserved it or not. No one deserved an outright grant if money was going to be available, it should have been as a loan at the going interest rate, with a solid lien back on the property and with a lenient repayment time."

"Some very well to do farmers received the grant, in fact, I personally know of only two farmers in Oceana County who were eligible last spring, who didn't get the free money. Their resistance to the handout was only noticed by their friends, hopefully mine can stir up public anger to bring their nonsense to a halt."

"If we don't, I see eventual collapse of the free enterprise system by destroying the incentive of people producing and paying taxes and seeing it squandered by politicians and bureaucrats in this sort of manner."

"I think it will be 100 percent effective because I still believe if you expose such idiocy it will bring pressure on the politicians and bureaucrats to end the program."

"I think the farmers' conscience will bother many of them to the extent they will give back the money and help in the fight to kill the legislation and with the general public I'm hoping they're not so fat and unconcerned that they can't take time to send a page ad and a letter to the political representatives"

BICENTENNIAL COMMEMORATION

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HANSEN of Idaho. Mr. Speaker, the American Revolution Bicentennial Commemoration is indeed a challenge to all Americans. As we enter our third century, we are struck by the realization that our Nation has developed from an era of independence to one of interdependence. The three themes of the Commemoration—heritage, festival, and horizons—all suggest the worldwide significance of the Commemoration.

The Commemoration will focus on the values and aspirations Americans share with many other peoples of the world. These shared ideals provide a significant base for furthering international mutual understanding and two-way communication extending far beyond 1976.

Nongovernmental communication and people-to-people relations influence the ways in which nations cooperate in solving world problems. The greater the mutual understanding and respect between peoples, the greater the likelihood that differences will be resolved rationally and peaceably. The worldwide efforts of Rotary International are an outstanding example of people-to-people diplomacy in action.

In his remarks before the Rotary Club of New York recently, Deputy Assistant Secretary of State Alan A. Reich describes the international opportunity of our Bicentennial Commemoration and suggests ways in which other peoples and Americans can further mutual understanding in the process of commemorating the Bicentennial. Because I consider this theme so important to all Americans and peoples of the world, I would like to share Mr. Reich's remarks with my colleagues and include them as part of my remarks:

Bicentennial Challenge—Strengthening International Mutual Understanding

(Remarks of Deputy Assistant Secretary of State for Educational and Cultural Affairs Allan A. Reich)

INTRODUCTION

It is a pleasure and privilege to address again the New York Rotary Club and particularly on the subject of the "Bicentennial Challenge and Strengthening International Mutual Understanding." New York City has, since its settlement, led in the development of the nation and of the American ideals to be commemorated in 1976. New York symbolizes for the United States and the world the internationalism and global concern required of Americans as we enter our third century.

A. *The American Revolution Bicentennial Commemoration Is International*

Each of the Bicentennial themes (heritage, festival, and horizons) designated by the American Revolution Bicentennial Administration has international implications. The heritage theme recalls the ethnic origins and diversity of America and the fact that our way of life owes much to other peoples of the world. The contributions of other peoples find rich expression in American life. Reflecting together upon this heritage will result in much useful international dialogue.

Recently I somewhat mistakenly referred to *"our* Bicentennial Commemoration" in a conversation with a cabinet minister of another nation. He interrupted and said somewhat sharply, " 'The Spirit of '76' belongs to us, too, you know!" The remark brought home to me the fact that others around the world share with us the ideals set forth in our Declaration of Independence.

The festival theme suggests the opportunities international visitors will have to discover and get to know America and our people. Over a year ago, the President, through the Department of State and our embassies, officially invited other nations to participate in the Commemoration. It will be much more than a celebration, more than parades, and more than fireworks. There will be cultural, sports, arts and other attractions both in the United States and abroad which should enhance the mutual appreciation of achievements and understanding.

Last month, this appreciation for the American system and leadership in overcoming the Watergate problem and preserving democracy was expressed by leaders and writers around the world. One Asian newspaper, traditionally anti-American, commented, "Never before have the ideals of freedom and democracy emerged more triumphant than from the trial and torment of Watergate. . . . The whole world," the editorial concluded, "owes this land and people a solemn homage. . . ."

We are seen by peoples around the world as the conscience for democracy, and they wish to help ensure its durability into the third century.

The horizons theme of the Bicentennial is perhaps the most important to all of us because it looks to the future. The notion of the continuing revolution and all it stands for is captured in the growing awareness that we are interdependent; if mankind is indeed to survive, we must cooperate. Problems which a few years ago were national, now are global. Our neighbors' problems are ours, and vice versa. Improving the quality of life is a world-wide challenge. Concerns with population, inflation, use of resources require cooperative action. Strengthened informal relationships and people-to-people bonds help improve the climate for cooperation in solving these problems which know no national boundaries. The Commemoration will focus not only on the U.S. future, but also on goals and aspirations for mankind.

B. People-to-People Relations Further International Mutual Understanding and are Relevant to World Peace.

Formal diplomatic channels, of course, are crucial for the conduct of official business and the resolution of differences between nations. To an unprecedented degree, however, the problems nations confront, the means they choose to solve them, and even the perceptions people of one country have of another, evolve outside official channels. Diplomacy has gone public. Foreign relations are no longer the exclusive domain of the professional diplomat. The tone and content of our international relations are set by the vastly expanding contacts which occur between Americans and other peoples of the world.

The geometric increase in citizen involvement in world affairs has special significance for the diplomat. When people-to-people bonds and communications networks are fully developed, there will be a greater readiness to seek accommodation, and to negotiate. When people know and understand each other and appreciate their differences, the likelihood of confrontation diminishes, and prospects for peaceful solutions are enhanced. This rationale governs the interest of the State Department in the furtherance of meaningful people-to-people interchange.

In the past few years, scholars increasingly have studied the relevance of informal, nongovernmental communications activities to matters of war and peace. Social scientists are developing a more scientific base for these transnational cross-cultural communications activities. Their research suggests that the existence of informal communications tends to reduce the level of tension when conflicts of interest occur and contributes to a climate of opinion in which conflicts may be negotiated more effectively. Second, informal relationships create a greater openness in individual attitudes toward other nations, peoples, and cultures. These predispositions also lead to greater readiness to communicate and to resolve differences peaceably. Third, social scientists tell us that international cooperation and two-way exchange contribute to world-mindedness and to an internationalist perspective on what otherwise might be viewed as purely national problems. Finally, international people-to-people relationships help develop enduring networks of communication which cut across boundaries and reduce the likelihood of polarization along political or nationalist lines. The Bicentennial Commemoration is both cause and opportunity for expanding and strengthening these people-to-people relationships.

C. Many Bicentennial International Activities are Underway.

As you know, the Bicentennial Commemoration has no single national focus. It is nationwide, involving all our states, communities and people. Many other governments of the world, as well as private individuals and organizations of other nations have asked the Department of State and the American Revolution Bicentennial Administration for suggestions as to what they might do to commemorate the Bicentennial and in the process strengthen ties with the American people. Many exciting Bicentennial projects are being planned by other nations. They include:

Chairs in American studies to be established in foreign universities.

Symphony orchestra tours to the United States.

National folk group participation in the Smithsonian Folklife Festival and in community festivals throughout the United States.

Endowment of library collections of Americana.

Establishment of chairs for studies about foreign nations in American universities.

A number of historical books, studies, and films about the American experience are being commissioned.

Conferences on historical and philosophical subjects are being convened abroad.

Theatre and opera groups, museum collections, and traveling exhibits will be sent to the United States.

As other nations are developing their Bicentennial plans, it is heartening to note Americans too are incorporating an international dimension in their planning. Many of the local programs being organized and carried out by state and community Bicentennial groups involve peoples of other nations. Here in New York, you have a number of exciting international projects. Among them:

Operation Sail which is a visit of tall-masted sailing vessels from around the world to come to New York City on July 4, 1976.

The World Theatre Festival, a non-profit foundation, to sponsor appearances of distinguished theatre companies from around the world.

The International Salute featuring exhibits from other nations.

The South Street Seaport Restoration Project in Lower Manhattan which will recall New York's early maritime connections with the rest of the world.

Statue of Liberty events will feature the importance of immigration to the development of the United States.

Across the nation programs aimed at providing international focus for the Bicentennial horizons program and at improving understanding over the long term include:

The American Host Program, through its "Meet the Americans" project, is organizing home hospitality for foreign visitors.

Numerous international conferences are being planned.

The World Theatre Festival will extend to other American cities.

A Bicentennial World Food Conference will be held at Iowa State University.

The California Bicentennial Commission is sponsoring a publications program on ethnic contributions to California history.

People-to-People International, organized in 23 countries, is developing a coordinated program to provide homestays and exchanges for international visitors.

Operation Sail '76, like the World Theatre Festival, is a privately sponsored project which will reach other American cities as well as New York.

The American Council of Polish Cultural Clubs has already organized a poster contest on Polish immigration to the United States.

The American Medical Association is inviting counterpart associations of other countries to attend their 1976 annual convention to review medical contributions to man's health over the past 200 years.

The American Association of Museums is organizing a program for American museums to illustrate foreign contributions to America's development.

Sister Cities International plans to increase to 1,976 the number of U.S. and foreign cities affiliated in sister city relationships by the Bicentennial year.

The American Historical Association is offering a prize to the author of the best historical work on the American Revolution written in a language other than English.

I have singled out here projects that are essentially international in character. I would emphasize, however, that there are international dimensions in many projects that are thought of initially as purely domestic in nature. One of the most promising, in my opinion, is the recently announced American Issues Forum conceived by Walter Cronkite. The Forum is intended to effect a year-long nationwide dialogue by people in all walks of life and all levels of education concerning the values which have characterized our national development and their relevance to the future. One of the nine major issues to be discussed is "America's Role in the World, Past, Present and Future."

D. The challenge of interdependence

In government and in the private sector, there is much to be done. Service organizations, such as Rotary International through its people-to-people programs, are doing an outstanding job. Rotary's international youth exchange, involving 700 youths throughout the world annually, is a model program with considerable impact.

The Rotary Club matching program, which links Rotary Clubs in 150 countries with counterpart clubs for direct Rotarian-to-Rotarian relationships and shared service projects is equally impressive. Rotary's world community service program has helped people throughout the world. Through Rotary International's small business clinic program, many individuals in less developed countries have been helped to self-sufficiency and community contribution.

Two other elements of the overall Rotary International outreach are especially meaningful. First, the mere existence of some 15,000 Rotary Clubs joining 750,000 Rotarians in 150 countries is a potent force for mutual understanding. Rotary is made up of leaders from all segments of society; this fraternal relationship—professional to professional, businessman to businessman, and so on—generates good will among millions throughout the world.

Another service which Rotary Clubs perform is the furtherance of international person-to-person relationships by others in their communities. In visits throughout the United States, I have been impressed with the extent to which Rotary and other service clubs have initiated and developed sister city affiliations, people-to-people exchanges, international hospitality programs, and international activities of local performing arts and sports groups. These activities contribute to strengthened bonds between participating local groups and their counterparts in other nations.

I have been asked by leaders of private organizations what they might do to increase international understanding. Frankly, I cannot imagine a more significant organizational outreach, either in concept or in program, than that of Rotary International.

I would urge Rotary and other organizations to do more of the same—demonstrating so well the capacity for commitment of the American people in solving that most important of all human problems, the achievement of a sustained world peace, by sponsoring exchanges, providing community leadership in international programming, helping peoples of other nations to become less dependent, and strengthening international ties among key individuals and groups. Specifically, I urge you to undertake in whole or in part the following 12-point program:

1. Expand home hospitality and community orientation programs for international visitors (including doctors and other professionals, businessmen, and diplomats).
2. Develop programs for continuing ties with the international alumni of U.S. universities and colleges.
3. Expand and strengthen programs of art, sports, and cultural interchange. Support established people-to-people, youth, sister-city and binational exchange programs.
4. Develop and improve community programs for foreign students to enhance their experience while in the United States; utilize foreign students as a community resource in improving cross-cultural awareness of Americans.
5. Internationalize community involvement by affiliating with an appropriate international organization in cooperation with the U.S. National Commission for UNESCO.
6. Strengthen relationships with professional counterpart organizations in other countries.
7. Expand programs of international interchange involving America's ethnic and racial minority groups, drawing upon their special sensitivity and competence in cross-cultural communication.
8. Form international institutional linkages affiliating universities, hospitals, schools, institutes, libraries, and museums for exchange relationships.
9. Establish university chairs of international studies.
10. Develop programs to ensure greater cross-cultural sensitivity and awareness of American participants in international activities.
11. Enlist the support and cooperation of U.S. corporations operating internationally for meaningful public service activities; obtain foundation support for cross-cultural programs.
12. Maximize the goodwill generated by ensuring public support and visibility for these activities both here and abroad.

The challenge, the Bicentennial challenge of interdependence, is to improve mechanisms for the long-term so that as these activities are expanded, improved in quality, and institutionalized they will contribute in ways which will not sacrifice private sector initiative, dynamism, and diversity.

Such a program, suggested by the Bicentennial Commemoration, will be very much in the U.S. national interest as well as in mankind's interest of providing an improved climate for solving our global problems. As Secretary of State Kissinger stated recently, "An interdependent world requires not merely the resources but the vision and creativity of us all. We have come from independence to interdependence.

I thank the Rotary Club of New York and Rotary Clubs throughout the United States for your very real contribution in meeting the Bicentennial challenge of interdependence and helping to build the "human foundations of the structure of peace."

Thank you.

MATSUNAGA INTRODUCES EMERGENCY JOBS BILL

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. MATSUNAGA. Mr. Speaker, unemployment increased significantly in the month of October. The overall jobless rate climbed to 6 percent, up from 5.4 percent in August and 5.8 percent in September. To add to this dismal picture of unemployment, the jobless rate for teenagers rose from 16.7 percent in the month of September to 16.9 percent in October, surpassing previous post-World War II highs.

The Department of Labor indicates that unemployment compensation benefits for a 6 percent jobless rate could cost as much a $9.5 billion. This could rise to over $12 billion if a 7 percent jobless rate was reached. This Nation cannot afford this cost, in dollars or in the affront to human dignity.

In the light of these disheartening developments, I am compelled to introduce the Emergency Jobs Act of 1974, which is designed to provide additional public service jobs as the unemployment rate rises.

The bill would authorize appropriations for public service employment programs to make the following sums available: $1 billion for any 12 month period in which the rate of unemployment averages 4.5 percent or more for 3 consecutive months; an additional $1 billion when it averages 5 percent or more; an additional $1 billion when it averages 5.5 percent or more; an additional $1 billion when it averages 6 percent or more and such additional sums as may be necessary because of increases in the average rate of unemployment above 6 percent. Funds would be apportioned among prime sponsors as follows: 50 percent on the basis of the number of unemployed in the prime sponsor's area in proportion to the total number of unemployed; and 50 percent on the basis of the severity of unemployment as well as the number of unemployed in excess of 4.5 percent. This is the same formula which was established under the Emergency Employment Act.

In view of the current economic crisis, it is imperative that strong and effective measures be pursued without any delay. The Emergency Jobs Act of 1974 is one such measure, and I urge its early approval.

DÉTENTE AND THE FUTURE OF BERLIN

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. BLACKBURN. Mr. Speaker, ever since the creation of a fortified wall dividing the city, Berlin has been a symbol in Germany and the entire world of the diametrically opposed views of the rights of people that are held in the Communist and the free worlds. Now, with so much discussion of détente and this past month the recognition of East Germany by the United States, we may have lost sight of the continual meaning and importance of Berlin in the world.

In a moving speech recently in Berlin, the leading German publisher, Axel Springer, provided a somber message to the Western World of continued repression of the people in East Germany under the Communist government there. Speaking before several thousand refugees from communism, he noted that despite détente rhetoric the wall still divides Berlin. Moreover, in just the past 2 years:

> The "German Democratic Republic," the Soviet Union and other East Block countries have infringed the letter and the spirit of the four power agreement and the treaties with the East German Government on 63 occasions.

Rather than relinquishing in their drive toward the eventual domination of all of Western Europe, the Soviets, according to Springer, have used détente as a screen for the realization of this objective. In particular Berlin has become increasingly isolated from the rest of Germany. He refers back to a quote from Lenin that:

> Whoever holds Berlin, holds Germany and whoever holds Germany, holds Europe.

The Soviets fear any genuine elections to determine the future of all of Berlin or Germany, but instead maintain tremendous military strength in the area to prevent any genuinely popular revolt as in Hungary or Czechoslovakia. Springer strongly criticizes Western World figures who speak of "recognizing realities" in order to justify the acceptance of a divided Germany and Europe. Through such a rationalization principles are abandoned. Instead he argues that:

> Human rights, the right to live in one's own country, and the right of self-determination, these are the triple constellation of our aspirations.

Sensitive to the horrors visited upon his own country and the rest of the world by Hitler, he cautions us not to lose sight of the fact that "Soviet imperialism represents the greatest and most dangerous evil facing the world today." Consequently:

> A policy of détente would be critically dangerous if it were simply aiding and abetting an immoral and abhorrent tyranny over half the world.

The cogent comments of Springer on détente and its meaning to the future freedom of the people of Europe should be carefully studied in this country as we proceed in negotiations with the Soviets. I therefore insert the following excerpts from Springer's speech in the RECORD at this point:

BERLIN—CAPITAL OF THE GERMAN NATION

(Translation of a speech by Axel Springer at Berlin on September 8th, 1974)

PART I

The man who was once Mayor of Berlin, said to you nine years ago when he spoke on the occasion of 'Tag der Heimat," Homeland Day:

"A place where a struggle is going on about justice, about human rights, the right of self-determination and the right to live in your own country, is not a place where freedom is threatened." This is one of the phrases often heard in Berlin in those days, which one can subscribe to without reservation. Today, I also want to speak to you about the right to one's native country, human rights and the right of self-determination. And a few other things; although nowadays he who talks about justice and freedom, will be called an enemy of peace.

This is the 25th time that you, the Berlin Expellees Association, are commemorating "Tag der Heimat". 25 years is a quarter of a century; but it is merely a moment in the whole of history, a sub-division resulting from the use of decimal numbers. I am particularly sensitive to numbers. For me, the number 7, the basic unit in the story of creation, has a symbolic force. And there is considerable reason to believe that this significance embodies a metaphysical and biological truth. If this is so, the 28 years (4 times 7) which have passed since 1946, that is since the beginning of the division of Berlin, are of more significance than the undistinguished figure corresponding to a quarter of a century; 4 times 7, this is good reason for believing that here we have a break in history.

The end of an epoch? Or a new beginning? That is the question. This is the guiding theme of my talk.

A pivotal stage of history

Most of you are aware of my recognition of obligation to Israel. This is in line with my political, historical and religious concepts which I have arrived at as a result of my long and anguished struggle with the problem of the second world war and the question of the guilt of our German nation.

And you also know that I regard the German relationship to Israel and the associated question of reparation to the Jewish people as a cardinal point of Germany policy.

This is not only because I regard these policies as a sign of genuineness of our purification, but also because I consider that support for this people which has suffered so much, and assistance for its national security must have a lucky effect on our own struggle for our national existence and will more than anything else re-establish our name in the world. Nevertheless, I do not allow myself to be hypnotised by this radical acceptance of German guilt, which I stand by absolutely, and it does not blind me to historical facts.

It is my opinion, which I make no attempt to conceal, that the reproach which the Swiss historian Carl Burckhardt (a man of remarkable intellect) made against the western powers, is a matter of historical fact:

This was that these powers failed to support Germany after the first world war and that, by their mistrust, they provoked it, instead of strengthening it by a sensible rapprochement, for so long that eventually there arose a man who was to mobilise the masses and rouse the people to support a policy of violence. And this above all (and here I am quoting from a letter of Carl Burckhardt to the poet Hugo von Hofmannsthal of 12th November 1925)—Burckhardt said: "Everyone is constantly watching Germany as though any decisive action will come from there and as though all danger originates from there, and behind the screen of this phenomenon of Germany, one is not aware of what is going on behind the curtain of the German borders."

Carl Burckhardt was referring to Soviet Russia.

"Do you", his letter continued, "do you believe for one moment that if everything were to go into the melting pot again, that this German Republic would be able to resist the pull of Marxist-Slavism? Pan-Slavism with all the dynamism of a new religion?"

And Burckhardt gave a warning against identifying Germany as a danger for the world whilst (I quote) "whilst the real threat is gathering behind this German facade, between the Baltic and the Pacific ocean, over a land area of a size which humanity has never yet seen."

And this prophecy was made in 1925.

And now let us hear what a world-famous Jewish intellectual born in Berlin wrote to me 49 years later, a fortnight ago, from London:

"It would be so much simpler if we could attribute the blame for a tragedy with such catastrophic consequences as the Hitler period, to the crimes of a *single* nation and hence by elimination of this nation prevent a recurrence in the future for all time.

Unfortunately, however, reality is nowhere near as simple as this and beliefs of this kind are dangerous illusions. While the Hitlerite gangs in Germany were committing their crimes, the crimes of the Stalinist tyranny in Russia were taking place, . . . the number of these runs into untold millions."

This shows a grasp of historical reality comparable to that of Carl Burckhardt and it defines the problem precisely.

Soviet imperialiism—the greatest of all evils

I accept the view that it is possible for peoples to fall victims to demonism. And I support the view of Carl Burckhardt and my learned friend in London that Soviet imperialism represents the greatest and most dangerous evil facing the world today.

However, this is a point on which opinions are divided in our country. The American Senator Henry Jackson, critic of Dr. Kissinger, has repeatedly said that a policy of détente must be based on human rights. According to Jackson, and also George Meany, the President of the American trade unions organisation, there can be no détente unless the Soviets abandon their power politics and their immoral principles. Or in simpler terms: unless Moscow gives up its intention to compel the world by force, lies and terror, to submit to the Soviet yoke.

The strategy of attrition and starvation

A policy of détente would be critically dangerous if it were simply aiding and abetting an immoral and abhorrent tyranny (a hell on earth) over half the world. Many of you escaped from this hell only with difficulty and at high cost. However, the danger has not been exorcised. Where could the need for a re-thinking of our attitudes be proclaimed with more justice than in the capital of the German people which is at the same time the German town with the largest number of refugees?

This is where resistance must begin. This is the place where there must be no capitulation to the aggression of Soviet imperialism. Berlin, all of Berlin is Moscow's main target on the way to the Atlantic. Its strategy is attrition. Starvation.

The city is losing its life blood. In 1973 the excess of deaths over births was more than 21,000—the worst figures since 1946. And nearly 10,000 more German citizens left the city than came into it. But for an influx of 16,000 foreign workers the position would have been serious. Worst of all however: Berlin's right to exercise the functions of a capital city was surrendered. Since the four-power agreement, there have been no official visits by the Bonn Government to Berlin. And what about the Party Conference that used to take place here?

The shifting of this year's Free Democratic Party Conference to Hamburg is rightly regarded by Berliners as the most striking piece of complaisance of a Democratic party towards Soviet imperialism which has yet occurred.

It cannot be too often repeated: Berlin has an unrestricted right to be the capital city of the German people. The capital city of the German nation which lives on despite the frontiers imposed by force.

This is the particular and exceptional feature about Berlin: that it remains a capital city despite demarcation lines, fences of death and walls of shame.

Not "a city just like any other"

It is a special city. Not "a city just like any other" as Walter Scheel liked to call it when he was Foreign Minister thus making his own glib contribution to the degradation of Berlin. "Look at this city", these were once the words of Ernest Reuter at a time when this city was still a warning, still a rock in the ocean, still the sacrificial offering of the nation. Look at this city today. What will become of it?

The East German regime will not even permit Berlin to have a federal office for environmental protection. This, they say, would interfere with détente. However, the four power agreement, the agreements with the East German Government and the policy of détente, on the other hand, do not prevent the Soviet Block from continuing its material, spiritual and political isolation and blockade of West Berlin. Within the last two years, from August 1972 to August 1974, the "German Democratic Republic", the Soviet Union and other East Block countries have infringed the letter and the spirit of the four power agreement and the treaties with the East German Government on 63 occasions.

63 occasions!

Violations of the four power agreement

These extend from:

Discrimination against Berlin exhibitors at the Brno Trade Fair and the International Chemical Industry Fair in Bratislava;

Refusal of entry permit into East Berlin for West Berlin photographic and television reporters;

Hampering the West Berlin Fire Brigade in an attempt to rescue a five year old boy drowning in the Spree;

Doubling of the compulsory exchange requirements for visitors to East Berlin;

To the latest trick of the Kremlin which consists of eliminating West Berlin works from the exhibition of "German realist painting of the 19th century" by refusal to give a guarantee of return.

Are we allowed to remain silent in the face of all this? If Berlin is to survive the struggle, if it is to remain a vital metropolis of the German nation, open to the world, and the bell tower of the free world against the wall of slavery, then it is necessary that now, now at last, a number of things must happen: what must be offered in this context is not merely material advantage. A commitment to Berlin must be created: this is where the freedom bell of the world hangs.

People must understand that here they are entering the true German capital. This right to exercise the functions of the capital of the nation is fundamental for Berlin's existence. It is an inalienable fundamental right.

Why is not much more being done to enable young people to live a proper life in this city? A fraction of the interest subsidies and credit aids given to the Eastern Bloc and, in my opinion, also a fraction of the development aid given to the politically doubtful countries who are so ready to hold forth against the free world in the United Nations, would be sufficient for this purpose.

Berlin is still the largest industrial town in Germany. But this is not enough. There are a few measures which are essential for guaranteeing the existence of Berlin:

Measures for safeguarding the future of Berlin

1. There must be no encroaching on the resources used for promotion of Berlin;
2. There must be continued encouragement of both German and foreign investment;
3. Rules must be worked out for guaranteeing the safety of the invested capital;
4. West Berlin must be included without limitation in the mutual law enforcement agreement between Bonn and East Berlin;
5. The Federal Government must ensure continuous foreign representation for Berlin;
6. West Berlin must at last be brought into the international air transport system on the basis of an air traffic agreement;
7. The Federal Government must take effective measures against the raising of the amount of compulsory D-Mark exchange;
8. The western powers must resist every attempt by East Berlin to act as a signatory power of the four-power agreement.

These are just a few examples.

And how often have I heard visitors from America, France or England tell me that we will have to do a great deal more in order to build up our Berlin into a major European cultural centre having world wide influence.

"MR. ED"

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. ROBISON OF New York. Mr. Speaker, a singular honor was paid one of my distinguished constituents recently when Ed O'Brien was honored at the opening of the Tom Bishop Rodeo at the Double-R Ranch in Athens, Pa., just across the border from my congressional district.

Ed is a man of many parts. He has not only been instrumental in bringing the late Col. Jim Eskew's J. E. Ranch Rodeo to our area, making Waverly, N.Y., the rodeo capital of the East, but he is also the proprietor of O'Brien's Inn at Waverly. O'Brien's Inn is one of the outstanding dining places I know of, and Ed is there daily to meet the countless customers who come back often after they have eaten there once.

With your permission, Mr. Speaker, I will append a brief article from the Evening Times concerning this occasion.

The article follows:

ED O'BRIEN TO BE HONORED AT OPENING OF TOM BISHOP RODEO

Ed O'Brien, owner and operator of O'Brien's Inn, Waverly Hill, Waverly, will be honored at the opening performance of the Tom Bishop 4-B Ranch Rodeo at the Double R Ranch in Athens Friday night.

Mr. O'Brien is no stranger to the world of rodeo. He was one of the businessmen instrumental in bringing the late Col. Jim Eskew's J.E. Ranch Rodeo to the Valley area, and ultimately made Waverly the rodeo capital of the East.

For many years Col. Jim transacted much of his rodeo business from a pay telephone in the former O'Brien's Daughter on Broad St., Waverly.

"Mr. Ed," as he is known by his many friends, was one of a group of Waverly businessmen who working long to entice Col. Eskew to come to Waverly to establish his headquarters in the Talmadge Hill area that later became the J.E. Ranch.

The J.E. Ranch was known the world over and for many years the late Col. Jim's picture was in the lobby of the old Madison Square Garden where the final rodeo was performed.

"Mr. Ed" never lost his love of the rodeo even after the J.E. Ranch Rodeo was disbanded in 1955. When he learned that the Double R. Ranch was fanning the flame of rodeo in this area a few years back, "Mr. Ed" jumped back in the harness and threw his full support behind the venture.

This year will be the largest rodeo of its kind to play this area with four big performances running Aug. 16 through Aug. 18 with two evening performances and two matinees at the Double R Ranch.

"Mr. Ed" will be honored just before the first performance gets underway Friday night at 7 p.m. He will be escorted to the center of the arena for the honors, representing 35 years of direct association with rodeo. The presentation will be made by a representative of the Double R Riders Inc., a division of the Double R Ranch.

MISS CHARLOTTE I. BODO: TEACHER

HON. KEN HECHLER

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HECHLER of West Virginia. Mr. Speaker, the lives of countless people were touched by the dedication of an unselfish and conscientious teacher, Miss Charlotte I. Bodo, who left our midst on November 15, 1974. At the time of her passing, Miss Bodo was teaching at the U.S. Department of Defense overseas dependents' school in Karamursel, Turkey. Services for Miss Bodo were held today at St. Marys Church in Holden, W. Va.

I have visited often in the home of Charlotte's fine parents, Mr. and Mrs. John Bodo of Valley View, Holden, in Logan County. Charlotte is survived by two wonderful brothers, John Joseph Bodo of Melville, public information director for the Logan County Board of Education, and Victor Bill Bodo of Huntington, as well as two fine sisters, Mrs. Fred Dean Lucas of Logan and Mrs. Charles Horsley of Huntington, W. Va.

Miss Bodo received her B.A. degree at Marshall University in 1952, and her M.A. degree at Marshall in 1961. She was dean of girls at Chapmanville High School and also had taught in the Charleston area as well as Michigan and Illinois before accepting employment with the U.S. Department of Defense. Her overseas teaching assignments were in London, Korea, Cuba, the Azores, Bermuda, and Bahrain as well as in Turkey. She was born in Monaville, Logan County, and was selected for Who's Who Among American Women in 1968 and 1969. She was affiliated with the Memorial American Association for Mental Deficiency in West Virginia, the Kanawha County Council for Retarded Children, the Medical Auxiliary of the Kanawha Valley Medical Society, the American Association of University Women and the West Virginia Speech and Hearing Association.

She had worked as a recreation therapist with handicapped groups and was recreation director of the Illinois School for the Deaf at Jacksonville in 1954–55. She was a speech correctionist in the Kanawha County school system and also taught at Logan Junior High School.

To know Charlotte Bodo was to know a vibrant person with a great sense of humor, who loved mankind, who devoted her life to helping mankind, and who died while carrying out that effort in a far-off land. I was glad that her dedicated work could be honored by the presence at her funeral services of Mr. Robert Ferguson, Deputy Director of the U.S. Department of Defense Overseas Dependents School Branch.

STE. CROIX FAIR—1974

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. TEAGUE. Mr. Speaker, recently the mayor of Lessay "Manche" France, the Honorable M. Lecocq, welcomed Astronaut Walter Cunningham and Mrs. Cunningham to the Ste. Croix Fair.

Forty-seven years ago the town of Lessay welcomed Charles Lindbergh, and only 30 years ago Americans died on French soil. Mayor Lecocq and the town of Lessay honored the Cunninghams and the memory of those who died in World War II.

I want to take this time to salute the citizens of Lessay and their mayor for their warm wishes expressed to all Americans when they welcomed Colonel Cunningham.

The mayor of Lessay, France, the Honorable M. Lecocq's address follows:

Members of Parliament, Colonel Cunningham, Ladies and Gentlemen: I am particularly happy and pleased as Mayor of Lessay to welcome you here today at the great Ste. Croix Fair of 1974 which remains as popular and important as ever in spite of the weather. We thank you for being here with us.

Colonel Cunningham, it is not because of us but rather because of you, our guest of honor, that this is a red letter day in this region. The Town of Lessay once had the great honor to welcome with as much joy and happiness the "Messenger of the New World" after his wonderful achievement through a solo flight across the Atlantic, your illustrious compatriot, Colonel Lindbergh, upon his return to the United States of America on the 4th of June 1927.

The guest book of this town in which is recorded his famous autograph is the only municipal record that was salvaged in our bombed ruins of World War II.

It is indeed with deep emotion that I welcome one of the American Astronauts whose achievements, as those of Lindbergh astonished the world!

It is through you, a space hero, performing most extraordinary deeds inscribed in the pages of the history of humanity, that we direct our homage and gratitude to that great and noble American nation whose Power and Might has contributed to restablish Peace and save Freedom!

In expressing our admiration to one of the heroes of Apollo VII how could we forget those young men who, under the same banner of the Stars and Stripes, having crossed the Atlantic ocean, have died thirty years ago to rescue our old continent from oppression!

Ladies and Gentlemen, I ask you to remember them at this particular time when we honor one of the Pioneers of Space, Colonel Walter Cunningham and his charming wife.

I raise my glass to his and your Good Health! May the 1974 Fair of Ste. Croix be instrumental in having all of you keep a good remembrance of the Town of Lessay, of Normandy and of our beautiful country, France!

ARM IN ARM WITH GEORGE MEANY

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. **HANRAHAN**. Mr. Speaker, despite the many differences in beliefs of prounion and antiunion people, there are many similarities in views. I have been in agreement with Mr. George Meany several times myself. Labor unions favor strong economic growth in this country as do I and many other people. For the interest of my colleagues, I wish to insert the following Wall Street Journal editorial:

ARM IN ARM WITH GEORGE MEANY

If George Meany, 80, ever decides it is time to begin a second career, perhaps he would consider a job writing editorials for this newspaper. Then again, if he does not read us regularly, he may not realize that in recent years his view of the world has frequently come to coincide with ours.

After all, we do share an economic bias with organized labor, both favoring economic growth at a time when that traditional American goal is being increasingly questioned. In pondering the nation's economy from his vantage point, Mr. Meany speaks for what he believes is best for labor. We try to consider what is best for business and labor, and, ultimately, the public. Because we almost invariably conclude that what is best for these elements of the private sector is less interference by government, as a matter of course we fall into agreement with Mr. Meany at least half the time. At times we part company with him when he thinks he can improve the condition of labor at the expense of business by joining forces with the government.

Because we are now in a period of more rapid encroachment by the government on the private sector, with labor and capital being cramped directly or indirectly, it is no wonder that Mr. Meany has been feeling uncomfortable. Just as he sensed that the McGovern candidacy in 1972 represented a threat to economic growth, he now worries that congressional Democrats will interpret their landslide at the polls as a mandate to take McGovern-like actions, accelerating the encroachment of government on the private sector in ways that give him pause.

Once again the other day we found ourselves arm in arm with Mr. Meany on the subject of wage and price controls. He shrewdly perceives what is running through the minds of the Democratic leaders in Congress as they plan to give President Ford authority to reimpose controls. Democrats like Senators Mansfield and Humphrey, he said, "want to load this depression onto the other party. Their motives are political." If things get bad, the Democrats will either be in position to blame Mr. Ford for not imposing controls, and if he does, they can harpoon him for the damage the controls would do. If they were really serious, they'd legislate mandatory controls and live with their results.

We've consistently sided with Mr. Meany on this issue, at times jointly opposing the desires of a majority in the business community, those who thought they could get an edge over labor by joining forces with the government. But on other important issues, the tensions between capital and labor have kept them from joining in a defense of the private sector. Businessmen have fond dreams of getting government to break up the labor unions. Labor enthusiastically backs politicians who espouse the taxing of capital and the fracturing of "big business."

With the assistance of labor, "profit" has become such an onerous term that one corporate executive we know plans to drop the word from his company's annual report, calling the bottom line "savings" instead, which is what it is. He should also consider not paying "dividends" and pay "interest on equity" instead. Could Mr. Meany applaud corporate "savings," recognizing that without them there is no capital formation and economic growth? He would not, nor would we expect him to, if "savings" increased at the expense of labor.

But what if the savings of both elements of the private sector, management and labor, could increase? Labor could keep more of what it produces and so could capital—if only government could be persuaded to take less. A determined effort to restrain the growth of government spending would do just that, by permitting the systematic reduction of taxes on capital and labor. Government spending and revenues can only be permitted to increase as a share of real economic growth, not as a result of inflation.

We suspect Mr. Meany has come to understand this implicitly, which is why he suddenly seems so uncomfortable with the "veto-proof" Congress he helped elect. Unless we are wrong, the country is in for another two years of government expansion at the expense of capital and labor, after which time Mr. Meany may be ready to take up an editorial pen.

COMPETITION WOULD SPUR THE POSTAL SERVICE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. **CRANE**. Mr. Speaker, at this time it should not be necessary to speak in great detail or at great length about the unfortunate manner in which the U.S. Post Office is functioning.

Postal rates continue to increase, and postal deficits continue to increase along with them. The Post Office has seen fit to enter into a number of business ventures which tend to detract from the possible efficiency of its postal operations, yet postal officials insist that rates must go up at the very moment when service is deteriorating.

The U.S. Post Office has a monopoly with regard to the delivery of first class mail, a monopoly which is written into the law. Private companies are permitted by law to deliver second and third class mail, and make a profit doing so. Second and third class mail, U.S. postal officials argue, is the most costly and least profitable. Yet the U.S. Post Office shows a continuing deficit despite its monopoly hold on the delivery of first class mail—the most profitable undertaking in the postal system. Something is obviously wrong.

What we desperately need is competition in the delivery of mail. Economist Milton Friedman notes:

> One obstacle to competition is a lack of imagination. Our minds are not fertile enough to envisage the miracles that unfettered enterprise can accomplish, in mail service as in other areas—rapid delivery within a city by pneumatic tubes and between cities by facsimile wire, much more extensive use of traveling post offices instead of monuments to the political pull of the Postmaster General and the local congressmen, and so on ad infinitum.

An articulate advocate of competition in the delivery of first class mail is John L. Ryan, a former member and chairman of the U.S. Postal Rate Commission.

In August, Mr. Ryan was interviewed on the Manion Forum radio program by Clarence Manion, former dean of the University of Notre Dame School of Law.

Asked for his solution to current postal problems, Mr. Ryan declared that:

> I think there is a very good solution . . . and that is the repeal of those portions of the Private Express Statutes which confer the monopoly status on the Postal Service. The result of this would be to let free enterprise competition pick up that portion of what is now the Postal Service's Monopoly business, which the Postal Service simply can't handle in accordance with the customer's desires and requirements.

Mr. Ryan expressed the view that:

> This would be as good for the Postal Service as it would be for the users, because it is my clear cut opinion that the Postal Service, particularly in large cities, is giving all of the indications of a business which is operating under a massive overload.

Several other advantages would result from such an approach. Mr. Ryan declared:

> First of all, it is not the nature of a monopoly to tailor services to customer requirements. . . . Free enterprise would introduce a variety of new services which would succeed or fail according to how the public received them. . . . One of the bad effects of monopoly and regulation . . . is the stifling effect which it has on technological innovation, and this is certainly true as can be seen by the labor intensity nature of the Postal Service today.

I wish to share with my colleagues the thoughtful analysis of our postal problems presented by John L. Ryan on the Manion Forum of August 25, 1974 and insert into the RECORD the text of that program:

COMPETITION WOULD SPUR THE POSTAL SERVICE

PRIVATE CARRIERS COULD TAILOR SERVICE TO FIT CUSTOMER NEEDS

(By Mr. John L. Ryan)

DEAN MANION. With me here at the microphone now is John L. Ryan, a prominent Indiana businessman and former member and Chairman of the U.S. Postal Rate Commission. Since leaving the postal service some months ago, Mr. Ryan has stated in testimony before the Congressional Committee on Postal Service and on radio and television that the present statutory monopoly held by the United States Postal Commission for the transmission and delivery of so-called First Class mail should be ended so as to permit private enterprise to compete with the U.S. Postal Service for the transaction of this particular business in the interest of better mail service at possible lower costs.

This suggestion involves technical and legal complications which the public has difficulty comprehending and which Mr. Ryan, in view of his important official experience in the Postal Service, is well qualified to explain. I am delighted that he has consented to give us this explanation.

Mr. Ryan, welcome to the Manion Forum.

Mr. RYAN. Thank you, Dean Manion, it's a pleasure to be here. I've been an admirer of yours and of the Forum for many years.

DEAN MANION. Mr. Ryan, what is the difference between the way the Postal Service is run now and the way it operated in the days before the Postal Commission was set up?

Mr. RYAN. From a practical point of view, that is, from the point of view of the normal users of the mail, there is very little difference, if any. There were some changes in form through the Postal Reorganization Act but relatively little in terms of substance, although there was a small amount of substance.

DEAN MANION. Most Americans were led to believe or assumed that mail service would improve under the new set up, yet mail service seems to have deteriorated. There are more public complaints than ever. What happened?

Mr. RYAN. I think there was a good deal of enthusiasm over the prospect of a new and reformed Postal Service. However, I think that inasmuch as the major criteria of the service had remained unchanged, the improvements simply didn't occur. I think a great deal of that initial enthusiasm is being looked at again.

DEAN MANION. Wasn't a lot of that initial enthusiasm based on the belief that the Postal Service was being taken out of politics?

Mr. RYAN. I think it is out of politics in the sense of Democrat and Republican. Incidentally, I am not sure that taking it out of politics is necessarily a good idea. The mail service was much better when it was more political.

DEAN MANION. Is it true that Postal Service is by law a government monopoly? Many people are under the impression that the Constitution so states.

Mr. RYAN. It does in fact enjoy a monopoly. It is, as economists would say, statutory, as opposed to any form of a natural or special monopoly. However, the monopoly power does not reside in the Constitution but in a set of laws which is generally referred to as the Private Express Statutes. The Constitution itself simply mandates the U.S. Government to have a mail service. It does not mandate a monopoly, nor does it even imply it.

DEAN MANION. What is the nature of the Private Express Statutory monopoly system, are there any exceptions permitted?

Mr. RYAN. The Private Express Statutes, which confer a monopoly status on the Postal Service, confer that power on what is described in the Statute as "letter mail." Now, the definition of "letter mail" has been left up to the Postal Services and it is not further described in the Statute as such.

As far as the average person is concerned, the monopoly arrangements in the Post Office are about as follows: the Postal Service has monopoly control over what we think of as mail—that is, letters to and from private citizens or to and from citizens and corporations. That monopoly also exists by statute in respect to financial transactions which go through the mail. The mail also carries, in addition to messages of the sort just described, periodicals and publications, which is second class mail, that is, newspapers, magazines, etc. There is no statutory monopoly there, although I understand recently the Postal Service has claimed a kind of shadow definition of that as "letter mail," and then waived the monopoly situation with respect to that.

Third Class mail, which is primarily advertising—referred to by many people as "junk mail"—is not covered in large measure by the monopoly, although there are some exceptions to that. And then Fourth Class mail, consisting of packages and bulky items without messages in them, which does not enjoy any monopoly protection at all under the current postal definition of "letter mail."

DEAN MANION. Obviously the results of the Postal Service reorganization have not yet borne out the initial expectations. What are the prospects for the future, in your opinion?

Automatic cost spiral

Mr. RYAN. I am not very optimistic. I'm afraid that it's going to be very much more of the same. Let me explain that, if I may. In the first place, for a large part of its income in business, the Postal Service is a monopoly employer. In the second place, it is dealing with an equally monopolistic union, and in the third place, the Postal Service is what is described as a labor intensity industry. By that they mean that the vast majority, in fact some 85 per cent of the expenses of carrying and maintaining the facilities to carry the mail, is made up of salaries which are negotiated, for all practical points of view, between a monopolistic employer and a monopolistic union. This suggests that there is going to be, as there has in the past, very substantial pay raises every two years as the union contracts come up for negotiation. These costs, in my opinion, can only be passed on from now on, at least to a large extent, to the First Class mail users.

DEAN MANION. Why should a disproportionate share of the costs be applied to First Class mail? Isn't it the duty of the Postal Service to spread these costs equitably? Shouldn't all classes of mail pay their own way?

Mr. RYAN. Yes, it's actually the function of the Postal Rate Commission, of which I was a member, to see that costs and postal rates are equitably applied across the board. However, there are certain practical considerations because of this rather unusual nature of the Postal Service of being part monopoly and part competitive.

Let me run down through the four major classes in terms of where they stand now in terms of their rates compared to competitive or potentially competitive services. I'll start with Fourth Class. For a long time now Fourth Class has not enjoyed statutory monopoly. It not only has potential competition, it has actual competition. All the bus companies, United Parcel Service and many private carriers, Railway Express, etc., handle packages in competition with the Postal Service. They provide essentially the same type of service even though they may have certain additions to the services that are offered by the government. What this amounts to, from the point of view of rate, is that the Postal Service is already charging as much as the market will bear with respect to this competition.

Until fairly recently, the Postal Service subsidized Third Class mail. Although the cost situation is always difficult to determine, I think it's fair to say that at the present time the Third Class mail rate is a fair one in terms of absorbing costs from the Postal Service. However, it is also at a point at which competition from the outside not only can but does in fact exist. So here again the Postal Service is up against the problem of market competition.

Now, on Second Class, periodicals, which is a relatively small part of the Postal Service's revenue, they are not yet at the market point, that is, they are not at a rate which will clear the market in terms of competition. However, they are getting closer to that and there have been rather whopping percentage increases in Second Class rates in recent years.

What this amounts to is that rate increases above the market for Second, Third or Fourth Class mail will do the Postal Service no good in terms of increasing volume or increasing revenue. As a result of this, you are up against the ceiling of a market in everything but First Class mail. Therefore, any increase in costs are going to have to be borne, or at least the vast majority increase in cost will have to be borne by First Class mail, in my opinion.

DEAN MANION. What about the pleas from the publishing industry to the effect that many magazines and periodicals will be forced to cease publication because they and/or their subscribers cannot afford to pay further postal increases?

Mr. RYAN. Of course, I am a very firm believer in the free market and I think that as a general proposition if a business or service oriented organization does not sufficiently appeal to the public to make money or break even at a fair price, that simply means that the public doesn't want their product. Therefore, I think that this is the classical argument for subsidy which we hear from too many areas of the country all the time. It is simply another aspect of somebody making a decision for the market rather than letting the people make the decisions for themselves.

DEAN MANION. You indicate that First Class rates are going to go up and up. What about all of the glowing predictions we read about automation? We are told that it will relieve labor costs and save time. What are the chances for a more efficient service from this direction?

Constant cost pressure

Mr. RYAN. I'm afraid the chances for better service are very little better than the chances for lowered cost. One of the problems which the Postal Service faces in terms of this pressure for increased costs and prices on First Class mail is that it's almost impossible to even hold down costs to the extent that they are being held down now without limiting services. In fact, you see a limiting of services going on in the Postal Service all the time. One of the things that bothers me is that as the cost pressure increases, they may get into services which really make a great deal of difference to customers. As far as regularity in the mail service, delivery in the mail service is concerned, I see no particular improvement available there. I'm afraid that automation is something which the Postal Service talks a lot about but has not found a practical way to implement it.

DEAN MANION. Is there any solution at all, in your opinion? Are we faced with an endless succession of rate increases and deteriorating service?

Mr. RYAN. I think there is a very good solution as far as both the Postal Service and the users of the mail are concerned, and that is the repeal of those portions of the Private Express Statutes which confer the monopoly status on the Postal Service. The result of this would be to let free enterprise competition pick up that portion of what is now the Postal Service's monopoly business, which the Postal Service simply can't handle in accordance with the customer's desires and requirements. I say that this would be as good for the Postal Service as it would be for the users, because it is my clear-cut opinion that the Postal Service, particularly in the large cities, is giving all of the indications of a business which is operating under a massive overload.

This is one of the reasons why you get rather good mail delivery from a metropolitan area one day and very poor mail service at some other date. There is no consistency, there is no consistent flow arrangement or flow pattern to the mails. This, I think, would be automatically corrected over a brief period of time with competition.

I think there are several other advantages. First of all, it is not the nature of a monopoly to tailor services to customer requirements. It is the nature of a monopoly to force requirements on customers in accordance with the services which they want to give. Free enterprise would introduce a variety of new services which would succeed or fail according to how the public received them and how they evaluate them in terms of their cost. There would be new technology, new techniques in message transmission.

One of the bad effects of monopoly and regulatory activity is the stifling effect which it has on technological innovation, and this is certainly true as can be seen by the labor intensity nature of the Postal Service today, and the fact that, in my opinion, there will be almost as much of that labor intensity in the near future.

DEAN MANION. If the monopoly were eased, wouldn't it be possible that some free enterprisers would move in and skim off the lucrative aspects of mail handling—say large volume service in high density areas—and thereby leave the Postal Service and the taxpayers stuck with higher costs in order to provide service in other areas?

Mr. RYAN. I think that's probably exactly what would happen. Of course, this is precisely what you want to occur in the marketplace. That is, the high cost user should pay the cost of the requirements of their service and those who operate in such a way as to hold costs down for their supplier of service, in this instance, should reap the benefits. In fact, the Postal Reorganization Act in the section of the Statute which talks about the Postal Rate Commission gives a direction, a mandate, that the Postal Rate Commission in its decisions avoid undue discrimination. What the Postal Service and other monopolists refer to as skimming is simply an institutionalized form of undue discrimination. I think we would have different rates for different services and the people would judge these according to their needs and requirements.

DEAN MANION. You think then that a practical solution would be to have Congress take away the "letter mail" monopoly from the Postal Service? Is there any action in prospect in this respect?

Mr. RYAN. I think, not only is it practical, it is absolutely mandatory if we are going to improve mail service for the people who use it. Congressman Philip Crane, of Illinois, has a bill in Congress now—H.R. 433, which in fact is for the express and only purpose of repealing that portion of the Private Express Statutes which confers the monopoly on the Postal Service. I think there is more support for this legislation than most people realize and with a little encouragement I do believe that it's possible that the law could be passed.

DEAN MANION. Thank you, John Ryan, of Indianapolis, former Chairman of the U.S. Postal Rate Commission, for this frank and helpful explanation of our so-called First Class mail monopoly now held by the U.S. Postal Service.

My friends, remember that the Crane bill—House Resolution No. 433 will enable private enterprise to compete with the existing Postal Service monopoly—a competition that is certain to offer the public better service at a lower price.

UNEMPLOYMENT—HELP IS ON THE WAY

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DU PONT. Mr. Speaker, I would like to take this opportunity to congratulate the conferees on the Labor-HEW appropriations bill on their decision to retain the Senate provision which added $65 million for unemployment insurance and $18.5 million for employment services. The steadily increasing rate of unemployment places a heavier burden on the State employment offices. Chrysler's shutdown of its plant in Newark, Del., is a prime example in my home State. I cannot overstate the importance of this conference provision as inflation and unemployment continue to take their toll throughout the Nation and urge my colleagues to support this conference report.

HEADS THEY WIN: TAILS WE LOSE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. GAYDOS. Mr. Speaker, it is increasingly apparent that President Ford is free-wheeling down the same yellow brick road as his predecessors when it comes to dealing with foreign powers. He plans on using foreign aid giveaway programs, regardless of the cost or effect on the American people, to shore up creaky foreign policy programs, regardless of their worth.

In short, President Ford is playing the same game which calls for; "Heads they win; Tails, we lose!".

Last September, after telling the American people to tighten their belts, make sacrifices, endure food shortages and high prices because of economic upheavals at home, the President went before the United Nations. What message did he give that organization, which has grown bloated and arrogant on American generosity and tax dollars?

Did the President preach the same gospel of self-sacrifice to them? Surprisingly, no. Instead, he told them that the United States would "substantially increase" aid, including food, to other nations.

The American consumer now realizes that his belt-tightening was not to remedy our serious domestic economic predicament, but instead to expand our notorious foreign aid give-aways.

Now, President Ford has gone to Japan and blissfully told Japanese officials not to worry about shortages; that the United States will "continue to be the suppliers of the goods you need."

According to newspaper accounts, the President continued:

> If shortages occur, we will take special account of the needs of our traditional partners. We will not compete with our friends for their markets or their resources. We want to work with them.

Mr. Speaker, I am gravely concerned that if Congress should accept this line of thinking, the American people will end up working "for" and not "with" such friends. I know of no such commitment or promise on the part of the Japanese or anyone else not to compete for our markets or our resources. On the contrary, until its own recent economic reversals, Japan was embarked on a worldwide buying spree for any market, any resource, including ours. And, we have seen in recent years a growing desire, almost an obsession, on the part of some to buy up American markets, resources, industries, and businesses.

But, what did President Ford receive from Japan in return for his most generous offer to continue to furnish it a "stable supply" of soybeans, wheat, and feed grains, 90 percent of which they get from us?

He received, according to the newspapers, a hint, a mere hint, the Japanese might relax their all-out ban on imports of American beef—and two photographs from the Emperor. The Japanese "concession" is most interesting, coming as it does at a time American cattlemen are forced to slaughter their livestock because shortages of feed grain have raised the price so high they cannot afford to feed their calves.

We must bear in mind the fact that our excessive exports of feed grain and soybeans drove up the price to the American cattleman which in turn was reflected in the increased price paid by the American consumer.

What type of concession is it for Japan to relax its ban on American beef, when our supply of beef is dwindling? Japanese imports would only serve to make the available supply of beef even more costly to the American consumer.

In view of the resignation of Prime Minister Tanaka, what is the future of these "concessions?"

I submit that they are so innocuous, we lose in any case. But you can bet your bottom dollar that the Japanese will insist on our living up to our commitment. So, as I said earlier, "Heads, they win; Tails, we lose."

GEN. GEORGE BROWN

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. STARK. Mr. Speaker, when Gen. George Brown recently shared his anti-Semitic views with a Duke University audience, he was, I hope, making some of his last public utterances while serving in an official capacity. A man of such singularly poor judgment should be removed without delay from responsibilities that affect all U.S. citizens and the world community as well.

It is hard for me to believe that in 1974 anyone, let alone Chairman of the Joint Chiefs, could harbor and freely air such prejudice and misinformation. General Brown's preconceived notions about "Jewish money" and Jewish dominance of banking and the newspaper business were more than "ill advised and poorly handled," as the White House termed them. Mostly, they were blatantly false, as banking in particular remains one profession still largely inaccessible to Jews following a decades-old tradition of exclusion.

It is my intention to see that the general and his opinions are retired. Each day he continues to occupy a position of influence over millions of service men and women with public trust is an additional day of insult and injury to us all.

GROWTH, STATES RIGHTS, AND THE QUALITY OF LIFE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 25, 1974

Mr. BROWN of California. Mr. Speaker, one of the growing areas of social conflict is that between people who wish to preserve a way of life, or establish a new lifestyle, and people who wish to continue the exponential growth in the production and use of material goods.

This conflict is particularly prominent in the area of Federal oil, gas, and coal leases. The ramifications of massive developments in offshore oil or Western coal have only begun to be explored. The regions that are likely to be the most seriously impacted have been urging caution, and they have asked for a more thorough assessment of the energy development proposals. This is an eminently reasonable request. Unfortunately, the Ford administration does not appear willing to concur with this suggestion. Because of this, States may be forced to reassert their own rights and prevent premature Federal action.

The Washington Post columnist David Broder wrote about this subject in his November 11 column, which I would like to insert in the RECORD at the conclusion of these remarks.

In that article, Mr. Broder raises the question of whether States rights is a liberal or a conservative issue. The Governor-elect of Colorado, who has been opposing Federal policies, responded that he would like to see a new motto carved in stone in Washington. That motto would be, "Beware of policies appropriate to the past but dangerous to the future." This statement sums up the new mood in this country. Old labels and old policies are inappropriate to the needs and aspirations of the future, and the sooner the media and the political pundits realize this, the easier it will be for people to deal wth the real issues of the day.

On the specific point of using States rights to preserve environmental standards, I would like to mention my own contribution in this field, H.R. 16223.

The purpose of H.R. 16223 is as follows:

STATEMENT OF PURPOSE

SECTION 1. The purpose of this Act is to direct that, to the fullest extent possible, the policies, regulations, and public laws of the United States should not be interpreted as precluding or denying to any State or political subdivision thereof the right to adopt or enforce any standard, requirement, limitation, or other restriction, with respect to major governmental actions significantly affecting the quality of the human environment. It is also the purpose of this Act to insure that compliance with any standard, requirement, limitation, or other restriction of any State or political subdivision thereof with respect to such actions should not relieve any person of the obligation to comply with the provisions of any Federal law or regulation or order issued pursuant to such law.

This legislation is a recognition of the fact that the Federal law will always represent the lowest common denominator of environmental protection, and some areas will require, or be willing to demand higher standards. We should welcome, not oppose, efforts by local jurisdictions to improve their own quality of life.

The Washington Post article follows:

[From the Washington Post, Nov. 24, 1974]

A REGIONAL ALLIANCE IN THE WEST

(By David S. Broder)

HILTON HEAD, S.C.—A breakfast meeting on the final morning of the Democratic Governors' Conference here last week brought into view a new issue and a new alignment in American politics—one which may cause yet another redefinition of traditional "liberal" and "conservative" positions.

Several of the newly elected Democratic governors of Rocky Mountain states met with Montana Gov. Tom Judge (D) to discuss the formation of a regional organization on resource development.

While nothing more was accomplished at the first session than an agreement to pool some federal-aid funds and set up a staff to prepare an agenda for further meetings, Judge's goal is the creation within four months of a regional alliance to control energy and resource development in the West.

"We've got to organize," he said, "or the Eastern banks and corporations, helped by the Ford administration, will pick us off one by one."

What makes this alliance politically practical is the conversion of the mountain West, in this month's elections, into a Democratic territory. It will be governed by men who are pledged, in one way or another, to a "go-slow" policy on the exploitation of the region's enormous coal, oil shale and mineral resources.

Judge was elected two years ago on a platform pledging tight controls on strip mining in eastern Montana and a three-year moratorium on water diversion for industrial uses from the Yellowstone River.

"I was in a pretty lonely position out there," he said, "but now I've got allies." Judge found ready agreement to his regional approach from the newly elected Democratic governors of Colorado, New Mexico and Wyoming—Dick Lamm, Jerry Apodaca and Ed Herschler.

With potential help from carry-over Democratic governors Cecil Andrus of Idaho, Arthur Link of North Dakota and Calvin Rampton of Utah—who missed the organizing session here—Judge sees a balance to assemble a political block strong enough to resist solutions to the energy crisis "that mean plowing and plundering our states."

Colorado's governor-elect Lamm, a nationally known environmentalist who first won fame for his successful efforts to keep the 1976 winter Olympics out of Colorado, put the position of the westerners in blunt terms.

"We have only 3 per cent of the population in the Rocky Mountain states," he said, "but we have 49 per cent of the resources and 16 per cent of the membership of the United States Senate.

"Our position is easily misinterpreted," Lamm said. "We belong to the United States and we're proud of it. We're not blue-eyed Arabs trying to hold up this country.

"But we're saying that there are certain things that happen to colonies—whether they are Colorado or the Congo—if there is not some assertiveness on the part of their leaders. And we are not going to be colonized.

"We have seen what's happened to Kentucky and Tennessee and West Virginia and other states that have been the nation's coal bin, and we're not going to let that happen to us," Lamm said.

The westerners say their position is not one of "locking up" their energy reserves while the nation suffers. Rather, in Judge's phrase, "If we are going to produce, it's going to be on our terms—not on terms somebody else dictates."

In their determination to protect the social balance and special character of their states, in their willingness to form a regional political movement and to use the disproportionate power low-population states enjoy in the Senate, the new Democratic leaders of the West are strongly reminiscent of the Southern Democrats of previous generations.

When Lamm was asked if this fight represents the states right battle of the 1970s and 1980s, he said: "You bet it does, but I hate to use that term. My first government job was in the civil rights field, and I know the connotations of 'states rights.' "

Lamm continued: "The motto I'd like to see carved in stone on the Capitol is 'Beware of policies appropriate to the past but dangerous to the future.'

"The federal government had to intervene in the states in decades past, not only to guarantee civil rights for their citizens but to provide services the states were incapable of providing. Now there is a new breed of legislators and governors and the case for federal intervention is far weaker."

The irony, of course, is that "states righter "Lamm has been described as one of the most liberal of the new Democratic governors.

The new "states rights" doctrine he espouses, coming from an environmentalist who is the enemy of the international energy corporations, is likely to be as appealing to "liberals" across the country as the old "states rights" doctrine of the Southern Claghorns was repugnant. But the issue is no less divisive in its new form.

DOLE SOFTENS INDUSTRIES, SAYS FTC HEAD

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HUBER. Mr. Speaker, last month Mr. Lewis A. Engman, Chairman of the Federal Trade Commission, confirmed what many of us have been asserting for a long time—that Government regulation of industry stifles competition, efficiency, and keeps prices up, not down. So those Members of Congress who feel that more regulation of industry is the answer to our current economic problem—as well as the energy shortage in particular—had better take another look. The article from the Daily Tribune of Royal Oak, Mich., of October 8, 1974, follows:

DOLE SOFTENS INDUSTRIES, SAYS FTC HEAD

DETROIT.—Federal Trade Commission Chairman Lewis A. Engman says major industries have grown soft under Federal protection, leading to higher prices for consumers.

"Most regulated industries have become Federal protectorates, living in the cozy world of cost-plus, safely protected from the ugly specter of competition, efficiency and innovation," he said.

"Our airlines, our truckers, our railroads, our electronic media and countless others are on the dole. We get irate about welfare fraud. But our complex systems of hidden regulatory subsidies make welfare fraud look like petty larceny."

Engman said the Government should reduce the extent of regulation to restore competition in regulated industries, which he said produce about 10 per cent of everything made and sold in the nation.

His remarks were delivered Monday at a conference attended by about 300 members of the Financial Analysts Federation.

"Much of today's regulatory machinery does little more than shelter producers from the normal competitive consequences of lassitude and inefficiency," Engman said. "The consumer, for whatever presumed abuse he is being spared, is paying plenty in the form of government-sanctioned price fixing."

He singled out for specific criticism the Civil Aeronautics Board, which regulates airline routes and rates, and the Interstate Commerce Commission, which oversees railroads and trucking.

The CAB exercises such tight control over airline rates and routes that "for all intents and purposes, there is no competition at all." Engman said, noting that the only area left for competition is in the services provided passengers.

"That is why the average airline commercial looks like an ad for a combination bawdy house and dinner theater," he said.

Engman said Trans World, Western and United airlines were forced to cut rates for their San Francisco-Los Angeles flights after Pacific Southwest Airlines, an intrastate carrier free of CAB regulations, established much lower rates.

"I would find it hard to imagine a more obvious instance of prices being pushed up by regulation than the case of the airlines," Engman said.

Engman said the ICC restricts new trucking firms from entering the market and seldom investigates rates charged by existing firms.

Engman said there are some private estimates indicating that regulatory policies in the transportation industry may cost the consumer more than $16 billion a year.

"Each and every regulation or regulatory policy that contributes to inflation should be re-examined to make sure than the tradeoff between costs and benefits which presumably brought about its institution, is still valid," he said.

CONSTITUENT PRAISES WORK OF THE USIA

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. BREAUX. Mr. Speaker, it has, unfortunately, become an unusual occurrence to receive favorable comments from constituents concerning Government programs.

I am pleased to include in the Record a copy of a recent letter I received concerning the responsible work of the USIA. I feel these comments are noteworthy, as I have also found the same to be true with the USIA.

I include the text of Mr. Bienvenu's letter to be inserted in the Record at this point:

University of Southwestern Louisiana,
Lafayette, La., October 18, 1974.

Congressman John Breaux,
Cannon House Office Building,
Washington, D.C.

Dear John: I recently completed a tour of eight African countries and Madagascar as a Short Term American Grantee under the auspices of the United States State Department.

The lectures, seminars, conferences, and other work to which I was assigned came under the responsibility of the representatives of the United States Information Agency (USIA) in the various countries which I visited. I want you to know that I was very much impressed by the dedication of these representatives to their work and by the enthusiasm and interest in which they approached their jobs. In fact, their enthusiasm was infectious and made me all the more willing to exert extra effort to be accommodating.

I have very seldom witnessed an organization of so very highly qualified, conscientious, and loyal employees. To be quite frank, I was overwhelmed, not only by the personnel but by the effectiveness of their work. I returned from my tour with a greater love for my country and assurance that the work of the USIA is having a significant positive impact on our relations with other countries. It is my hope that the thoughts conveyed in this letter will make you more interested in supporting USIA and its programs. I frankly know of very few avenues in which our dollars could be so effectively spent.

Respectfully yours,
Bernard J. Bienvenu,
Professor and Head of the Department of Management and Administrative Studies.

ACTION TO HALT SUGAR PRICE INCREASES

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. YOUNG of Florida. Mr. Speaker, the White House Council on Wage and Price Stability began a series of hearings yesterday to investigate the exorbitant increases in sugar prices over the past year. As we are all aware, the retail price of a 5-pound bag of sugar has climbed some 400 percent in a year, and these prices continue to rise. The Council is directing its efforts to determine the underlying causes for such inflationary pricing, and hopes to make recommendations for bringing the situation under control.

I have today submitted testimony on this important subject to the Council's Director, Mr. Albert Rees. For the information of my colleagues, following is my letter to Mr. Rees and my testimony before the Council:

House of Representatives,
Washington, D.C., November 26, 1974.

Mr. Albert Rees,
Director, Council on Wage and Price Stability, the White House, Washington, D.C.

Dear Mr. Rees: On behalf of my constituents of the Sixth Congressional District of Florida, may I express my gratitude for the Council's efforts to investigate the skyrocketing prices of sugar. Many residents of the Sixth District are older Americans trying to live within fixed incomes, such as Social Security and Veterans pensions, and the current inflation in food prices hits hardest at such individuals.

Enclosed please find a copy of my testimony on this problem, which I would appreciate being included in your official hearing record. In addition, I would appreciate being informed of the Council's findings and recommendations on the problem of sugar prices.

Please be assured that I stand ready to do everything possible to help cope with this problem, and hope you will not hesitate to call on me if Congressional action is required.

Thank you for your attention and assistance; with best wishes and personal regards, I am

Very truly yours,
C. W. Bill Young,
Member of Congress.

Testimony of the Honorable C. W. Bill Young

Mr. Chairman, I am very pleased that this Council is holding hearings on a problem which is of central concern to all American consumers—the shocking and exorbitant increase in the price of sugar. As we all know, in just over a year the average retail price of a five-pound bag of granulated sugar has jumped from around 80¢ to $3 or more. This constitutes an almost 400 percent increase within a year!

Needless to say, this 400 percent increase has made its inflationary effect felt on the prices of a wide range of foods utilizing sugar as a basic ingredient. Small bakers are being forced to the wall because they literally cannot afford the ingredients for their products. Candy, soft drinks, ice cream, pastries, bread, canned goods—practically all of these processed foods have jumped in price to keep pace with the rising cost of sugar.

Quite simply, Mr. Chairman, millions of Americans living on low and fixed incomes cannot survive these increased prices of basic food commodities. Sugar, beans, rice, flour, milk, meat—the basic necessities of life, the cheapest foods available—even these are no longer affordable by retirees with limited pensions. Stories of older Americans dying of malnutrition are becoming all too familiar, a shocking commentary on the richest Nation in the world.

We have been given a multitude of explanations as to why sugar prices have skyrocketed. We are told that worldwide demand is outstripping production, especially in the face of poor harvests during 1974. But we are also told of substantial speculation in sugar futures, of panic buying which forces prices higher, and of oil-rich nations buying more than double their needs to push prices even higher. The latest Agriculture Department statistics indicate that this year's world sugar crop will reach 81.1 million tons, barely above current consumption estimates of 81 million tons. Clearly, the competition for available sugar will keep prices well beyond the reach of most Americans for some time.

Under the aegis of the outmoded Sugar Act, U.S. sugar production has been only half of our domestic needs for some time now. The Congress has allowed the Sugar Act to expire, and farmers may now grow as much sugar beets and sugar cane as they wish; the market will certainly support such production. But it will take a year or two for the impact of this new production to make itself felt on sugar prices. America can and will meet her own needs for sugar with domestic production—a sort of "Project Independence" in this agricultural area—and an important one.

Until we reach this goal of domestic self-sufficiency, however, strong measures must be undertaken to bring sugar prices under control and back within the bounds of reason. While I am certainly no expert in this area, certain remedies immediately suggest themselves.

1. Stop the speculation which drives up prices. The Congress has just created the Commodity Futures Trading Commission, a regulatory body designed to prevent just such wild speculation as drives up the prices of our basic food commodities. The first task of this new agency should be a close monitoring of trading in domestic sugar futures, and coordination with the Department of Agriculture and the Department of Commerce to prevent any exports so long as domestic demand remains unfilled.

2. Place an immediate embargo on all sugar exports. The Export Administration Act em-

powers the Secretary of Commerce to place an embargo on any product or commodity when two conditions prevail: (1) domestic shortage; and (2) excessive and inflationary foreign demand. Both of these conditions clearly prevail, and an embargo should be imposed immediately.

3. The long-standing uncertainties about the safety of sugar substitutes should be resolved once and for all by the Food and Drug Administration. First cyclamates were removed from the market, due to suspicion that they caused cancer. Similar doubts are now being cast upon saccharin, and a new and powerful and inexpensive artificial sweetener is the subject of similar allegations. It is difficult for me to believe, with the scientific manpower and technology available to this great Nation, that we cannot come up with an inexpensive and safe artificial sweetener which can take the place of sugar in many processed foods. Many older Americans are on special diets which require such substitutes, yet they too are subjected to uncertainty and rising costs.

Sugar substitutes are cheaper, and in many cases, healthier than sugar. The Federal Government should resolve the controversy surrounding them once and for all, and encourage private enterprise to make the maximum possible utilization of these substitutes in processed foods, in order to reduce prices.

Mr. Chairman, these are but a few of my own thoughts on this critical problem, ideas pertaining to actions on the domestic front. The world sugar market, subject to intense bidding and competition, is less amenable to our control. But I would like to point out that I have introduced H.R. 14561, which authorizes the President to "barter" our foreign assistance in exchange for strategic or critical raw materials, rather than continuously giving our aid and then paying through the nose for commodities we must have. Hearings have been held on this bill, and I suggest that we have before us now a situation in which this authority would be very useful indeed.

The United States provides foreign assistance to many sugar-producing countries, and under my bill, could require shipments of sugar in exchange for this aid. The Philippines, for example, receives substantial U.S. economic and military aid. Yet that nation has just contracted to sell 400,000 tons of its sugar crop to the Soviet Union, an action which caused yet another jump in world sugar prices. This constitutes yet another negative aspect of our foreign aid program, which doles out largesse from the U.S. taxpayer without any built-in returns for this Nation. My bill would help remedy this defect, and I sincerely hope that the current world commodity market in sugar and other necessities will provide the impetus for Congressional action. Action is needed, and needed now.

A DAY OF THANKS

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DENHOLM. Mr. Speaker, at the close of business today Members of this House of the people will prepare for the homeward journey to join families and friends in the tradition of our heritage to give thanks for all that is ours to enjoy on a day to remember—Thanksgiving Day U.S.A.

There are many more things to remember than there are millions of people to remember them but each in our own way have the multiple sum total to give thanks for in respect to each other.

These are not easy times—these are not ordinary times but they are times of no military conflict—no war.

Among our many blessings is the assurance that our system of government has endured the test of time—in peace and in war.

The assurance that here the people rule is a lasting confidence the governed are supreme. That this Government, as an institutional entity, is subservient to the will of the people and that the people shall never be the servants of the institutional system of government in America. May it forever be—and for this and much more must we be thankful for on Thanksgiving Day.

PITTSBURGH, PA., MUCH ACCOMPLISHED BUT STILL WORK TO BE DONE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the city of Pittsburgh, whose citizens I proudly represent, has made tremendous progress in renovating its downtown area. The manner in which Pittsburgh rebuilt its Golden Triangle, cleaned its polluted air, and restored much of its economic viability established new patterns of urban development for the Nation.

As somebody who played a small role in our city's renaissance, I wish to bring the great achievements of Pittsburgh to the attention of my colleagues, while observing that much work remains to be completed. The remarks of Pittsburgh industrialist Roger S. Ahlbrandt, to the Society of Industrial Realtors, are of great importance in evaluating what steps Pittsburgh must take to continue its revitalization. An editorial recently appearing in the Pittsburgh Post-Gazette is an excellent summary both of Mr. Ahlbrandt's thoughts and the current situation in Pittsburgh.

The editorial follows:

[From the Pittsburgh Post-Gazette, Oct. 26, 1974]

PITTSBURGH'S NEXT LEAP FORWARD

As industrialist Roger S. Ahlbrandt sketched briefly the history of Pittsburgh for the Society of Industrial Realtors, the audience could pick up a significant thread that ran throughout his speech.

At each milestone in the city's development, it was pointed out that public officials cooperated with business leaders to achieve badly needed public improvements.

"Transportation and transit," Mr. Ahlbrandt recalled, "played a major role in the growth of the city over the years and, time and time again, demonstrated government-business cooperation." A key illustration: the bonds of the Pennsylvania Railroad were guaranteed by the City of Pittsburgh when this city and Philadelphia were linked by the railroad in 1852.

Then what happened after the renowned rebuilding of downtown Pittsburgh in the years immediately after World War II? "For the past several years," said Mr. Ahlbrandt, "there seems to have been a pause—a great gap in our forward progress. We seem no longer to enjoy continued cooperation and communication between civic, industrial and local political leaders. In fact, not even between our several governing bodies."

As if to underscore the accuracy of that observation, it was learned this week that Mayor Flaherty submitted to the state a proposal to let a private company build an electricity-generating incinerator for refuse disposal without consulting county officials even though county participation is required if the project is to be feasible.

To pull the district out of civic stagnation and make Pittsburgh a more dynamic urban center, Mr. Ahlbrandt proposed the next "great leap forward" to be called "Project 2000."

Toward that goal, to be reached through five-year plans extending to the end of this century, he would convene a "Pittsburgh Planning Summit" to include representative political, business, civic, religious, labor and other leaders to produce new plans, laws, financing and ideas required to move "Project 2000 from dream to reality."

We commend Mr. Ahlbrandt for his perceptiveness and public spiritedness. He has provided a good diagnosis of the district's ills and he has pointed a possible way to recovery.

Without disparaging his proposal, however, we expect that little will come of it until there has been a drastic change in the district's political climate. Where there is no cooperation—actually no meaningful communication—between the Democrats who control the city and county governments, there is little hope of another great leap forward until the electorate puts into office people with vision and a spirit of cooperation. Pittsburgh's next leap forward must be made at the polls.

BASIC EDUCATION SCHOOLS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mrs. HOLT. Mr. Speaker, I was delighted to learn that the board of education of Prince Georges County, Md., is considering the establishment of basic education schools which would emphasize the teaching of fundamental skills and strict discipline.

If the Prince Georges County School Board implements the plan, I predict that the rush of parents to get their children into the three pilot schools will be so great that the program will need to be expanded quickly.

Mrs. Kathy Barker, a member of the school board, deserves the applause of every citizen for originating the plan, under which three elementary schools would be used to establish the program.

They would concentrate on basic education—reading, writing, mathematics, history—with traditional methods of instruction.

There would be rules of conduct to be obeyed, and students would be required to comply with a dress code.

This, I believe, is the direction we should be going in the whole country. It is a move toward restoring the education values that helped to create a great nation.

One of the saddest developments of the modern era has been the decline of education in our country during the past couple of decades. Liberal educationists have converted schools into jungles.

It is intolerable that so many young people complete their schooling without being able to read proficiently or perform simple mathematics. Far too many of our young people are graduating unequipped for life, unable to exercise self-discipline because they have never experienced discipline.

I hope the Prince Georges County School Board will move with dispatch to create the alternative, basic education schools. A proposal such as this offers hope that civilization can endure.

SOCIALISM AND INFLATION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. LANDGREBE. Mr. Speaker, Mrs. Virginia Howard of Houston, Tex., kindly sent me a clipping from the October 17, 1974, issue of the Houston Tribune on the subjects of inflation and socialism. The article authored by Alice Widener, argues convincingly that inflation is a direct result of worldwide socialism. I might add that starvation and overpopulation are also the direct results of socialism.

Socialists, who believe that all problems of production have been solved, concentrate on the redistribution of wealth. They fail to realize that the problem of production is never solved, and that their efforts to redistribute wealth only exacerbate the problem of production. Socialism "knows all about how to redistribute wealth but nothing at all about how to create it."

Actually redistribution of wealth by the Government is a violation of the seventh commandment. Inflation, coin-clipping, a more subtle method of redistribution of wealth, but it is also legalized thievery. Unless the American people and their representatives in Congress come to realize this quickly economic chaos will be inevitable. It is just a matter of time.

Mr. Speaker, I particularly call to the attention of my colleagues, Alice Widener's panacea for the mess we are in:

Inflation Is Direct Result of Worldwide Socialism

(By Alice Widener)

New York City.—In a posthumously published book, unfinished but brilliant, the late Georges Pompidou, president of France, wrote the wisest, most trenchant epigram of our century: "Socialists know all about how to redistribute wealth but nothing at all about how to create it."

Our present inflation is the direct, punitive result of worldwide socialist redistribution of wealth without sufficient creation of real new wealth. The latter comes solely as a result of hard productive work under profitable conditions conducive to capital savings for investment. There is no other way to create wealth; it cannot be created by printing money or through government handouts or subsidies. The only solution for our present economic difficulties is for us, the American people, to buckle down to hard, productive profitable work on a scale big enough for us and our nation to accumulate new wealth. Almost all our present wealth is in hock to creditors, domestic and foreign. The annual cost of servicing interest payments on our national and international near-trillion-dollar indebtedness gobbles up our investment capital.

During my recent trip abroad and brief vacation there, letters piled up from troubled readers asking, "What do you think of our own and the world economic situation?" Here is a very short answer given with a deep sense of my own falibility:

This is not a time to speculate in an effort to make capital gains. It is a time to try to hang on to what money you've got. Get out of debt as fast as possible, even if it means painful self-denial, otherwise your creditors, painfully squeezed themselves, will change all the contract rules, grab you by the throat, and say, "Pay up, or else!"

Accumulate all the cash you can and buy a few gold coins for D Day, Disaster Day. If it doesn't come, and I hope it doesn't, you won't be worse off. Despite inflation, anyone with cash and no debts probably will be in a most enviable position within the next 12 months, for he or she will be able to buy greatly undervalued assets with that cash, assets undervalued possibly as much as 90 cents on the dollar.

Looming nationally and internationally, in my opinion, are a General Debt Moratorium, subsequent Consolidation of All Existing International Debts into long term low-interest obligations, and the New U.S. Dollar or Hard Dollar. There probably will be attempts to reflate existing economies among the advanced free industrialized nations, but such reflation—meaning more government deficit spending and subsidies, and more printing of paper money—will only worsen the eventual breakdown. Also, reflation will hasten the already frightening advance of the Corporate State with severe loss of remaining economic and personal freedoms.

Soon, now, it will become starkly evident that the advanced industrial free nations are unable to pay their debts. The coming Italian and British defaults probably will bring on a falling-domino series of defaults with catastrophic consequences to many big commercial banks and all central banks. As far as we Americans are concerned, it is highly unlikely we'll ever collect even 10 per cent of the collosal debts owed us by India, Britain, Pakistan, Brazil, and other nations, including Israel.

If war comes in the Middle East or Mediterranean, the write-off will be immediate and total. If war doesn't come, there will nevertheless be the biggest write-off of debts the world has ever seen, dwarfing the write-offs after World Wars I and II.

To sum up, the only way we can get out of our present economic difficulties is to work our way out, accepting severe hardships and a big reduction in our present standard of living. Remember though, that despite all the holocausts and losses of the past, we still are here. The only thing that kept us here was hard, profitable work under a Benign Providence which never guaranteed anybody a free lunch.

ARKANSAWYER BOOTS HIS WAY INTO NCAA RECORD BOOK

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. ALEXANDER. Mr. Speaker, last Saturday in Jonesboro, Ark., an Arkansas State University senior kicked his way into the NCAA record book. Joe P. Duren III booted a 63-yard fieldgoal to set a new distance record in college football.

I recall that it was another Arkansas kicker, Bill McClard, who first broke the 60-yard mark in fieldgoal kicking. I am proud to see that this record once again belongs to an Arkansas athlete.

I might add that it was Duren's 56-yard fieldgoal as time ran out that brought Arkansas State a 22 to 20 victory over McNeese State Saturday. It was undoubtedly Joe Duren's day.

I commend this accomplishment to my colleagues.

BROOKLINE, MASS., OPPOSES U.N. RECOGNITION OF PLO

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DRINAN. Mr. Speaker, during the past few weeks, I have joined many of my colleagues in the House of Representatives in condemning the recognition of the Palestine Liberation Organization by the United Nations. Hundreds of my constituents have written to me expressing their opposition to the decision by the U.S. General Assembly to permit the PLO to participate in debate on Middle Eastern problems. On Friday, November 22, the General Assembly compounded its earlier mistake by according permanent observer status to the PLO.

On November 4, the board of selectmen of the town of Brookline in my Fourth Congressional District unanimously adopted a resolution protesting the action by the United Nations with regard to the Palestine Liberation Organization. I commend this excellent resolution to all of my colleagues in the House:

Resolution

Whereas, the General Assembly of the United Nations, by resolution adopted October 14, 1974, has invited the Palestine Liberation Organization to participate in its plenary session meetings; and

Whereas, the United States of America voted against the aforementioned resolution; and

Whereas, the Palestine Liberation Organization is composed of constituent organizations dedicated to the destruction of a sovereign member of the United Nations—the State of Israel; and

Whereas, the member organizations of the Palestine Liberation Organization have gleefully conducted and publicly taken credit for the Munich Massacre, the Maalot Massacre, the massacre at Kiryat Shimona, massacres at airports throughout the western world and other terrorist activities, including the assassination of American diplomats at Khartoum; and

Whereas, the General Assembly, by its invitation condones acts of terrorism, chaos and destruction; and

Whereas, the General Assembly, by its invitation, sets back the chances for peace in the Middle East and increases the chances for war, Now, therefore, be it

Resolved that the Town of Brookline, through its Board of Selectmen:

1. Protests the action of the General Assembly in inviting the Palestine Liberation Organization to participate in its sessions.

2. Urges our representatives in the Congress and the Senate of the United States to register this government's disgust at the lack

of morality on the part of the United Nations in admitting terrorists and murders to an international body dedicated to peace.

3. Urges the President of the United States to instruct our Ambassador to the United Nations to challenge the legality of the participation of the Palestine Liberation Organization in its sessions.

THE REPEATING PATTERN: COMMUNISTS IN COALITION GOVERNMENTS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. ASHBROOK. Mr. Speaker, the issue of Communist participation in coalition governments is once again one that is commanding the attention of policymakers and students of international affairs. A coalition government is in existence in Laos. In the Portuguese Government, the head of the Portuguese Communist Party is a minister without portfolio. The Communist Party is one of the most important organized forces in that country.

In other countries in Europe the possibility of coalition governments that include the Communists cannot be discounted. In Italy the country is faced with one governmental crisis after another. The Communist Party has been able to capitalize on the discontent there to become a threatening force.

In France the Communist Party also has the support of millions. They have been attempting to downplay their ties with Moscow in order to be considered as a partner in a future leftist government.

Various American academicians and former Government officials have advocated coalition governments for Cambodia and South Vietnam. While these ideas have not gained official backing, they do remain in the realm of possibility.

With the current situation in mind, the recent re-release of a study by Dr. Gerhart Neimeyer on Communists in Coalition Governments takes on special importance. The Council Against Communist Aggression, 65 North Court Avenue, Orlando, Fla., 32801, is making this study available to those interested.

At this point I include in the RECORD excerpts from the "Conclusions" of this excellent study:

CONCLUSIONS

Coalitions including Communists fall into a pattern that is repeated in country after country, allowing for certain differences of time and circumstances. The first thing that strikes the observer is the strong Communist urge to come to power within the framework and the legitimacy of a coalition. Again and again they urge, nay even compel non-Communist parties to participate in elections, to agree to a joint ticket, or to send their leaders as ministers into a government. The need for the blessing of non-Communists seems to be axiomatic in Communist strategies.

If one analyzes the basis of coalition agreements, one finds in practically all cases five elements: (1) agreement that there is a "common cause" in which Communist and non-Communists share alike; (2) agreement on the value of unity as such; (3) agreement on the goals of national policies to be jointly pursued; (4) agreement on non-toleration of certain parties, ideas, and individuals in the political theater; and (5) agreement on the distribution of power positions among the coalition partners.

The "common cause" serves as the rationale for the coalition; the "value of unity" enjoins loyalty to the coalition as a moral obligation; the "National Policy Goals" provide the coalition with a practical purpose; "non-toleration" is directed against elements that play the role of the devil in the design; and the "sharing of poltical power" is the *modus operandi.*

The postwar period offered opportunities because of the Fascist and Nazi danger against which the Allied powers had just won a victory. Fascism was easily coupled with "reaction," so that all postwar coalition agreements stress the "common cause" of a fight against "Fascism and reaction." The vagueness of the definition lends itself readily to Communist manipulation. "Imperialism," "war," "militarism" and other devil-notions of our time provide similarly suitable contents for agreements on a "common cause." The "value of unity" has powerful appeal to all Marxists, because of their fixed idea that the workers' revolution would have inevitably triumphed if it had not been for the split of workers' parties into Socialists and Communists, not to mention the anarchists. "Disunity" among workers has been considered tantamount to a betrayal of the workers' movement.

The "value of unity" has an equally strong appeal in any country where national calamities can be ascribed to a lack of unity, particularly among the democratic parties. Furthermore, "unity" is strongly desired in any difficult situation, particularly a period of national reconstruction. All this makes for minds to which "unity" as such seems to be more important than the principle or end for the sake of which unity is desired, so that political ends, values, and principles are then used as bargaining points in order to achieve and maintain unity. Agreement on "national policy goals" can thus usually be slanted toward the Left, because the non-Communist parties feel that, in moving toward the Left, they can obtain the cooperation of the Communists while they themselves have no strong objections in principle to a certain measure of socialism.

There is a significant difference in the assumptions of non-Communists and Communists regarding the basic coalition agreements. Non-Communists think essentially in terms of the status quo, that is, the present. For them coalition is a matter of mutual concessions entered into in order to safeguard the basic elements of the status quo while sacrificing certain unessential aspects. One can almost say categorically that for all non-Communist democratic parties, the continuation of their own functioning as political units is the essence of the status quo . . . If self-preservation motivates the democratic parties entering into a coalition with Communists, no such assumption can be entertained by Communists, for Communists regard the present not as a status quo to be preserved, but as a period of transition in the revolutionary struggle for a Socialist future. The destruction of the status quo, including the parliamentary multi-party system, must therefore be the Communist design regardless of what Communists tell their coalition partners. One cannot accuse the Communists of insincerity when they say that they are interested in democracy, elections, civil liberties, and coalition governments. They are, indeed, interested in having these advantages which greatly facilitate their operations. Unlike others, however, they do not look upon these things as elements of an enduring order, but only as means of power in a passing phase of history which must be "liquidated" with all possible speed.

The Communists are oriented toward a future which in no wise resembles that of present-day democratic politics, whereas their coalition partners are oriented toward the democratic order of the present as something desirable in itself. Their orientation toward the future causes the Communists to think not in terms of desirable solutions for present-day living, but rather in terms of an endless accumulation of power for the Party which "holds the future in its hands." In Communist thinking, as exemplified by the excerpts from Marx and Lenin in the first section, the road to the future counts for everything, and that road is one of spiralling power accumulation.

It is this basic difference in orientation which causes Communists to manipulate other parties by means of agreements on "common causes," "value of entity," "national policy goals," etc. Taken by themselves, many of these causes are good causes, and the joining of several political parties for a common pursuit of such causes is a good thing. Since the Communists are essentially oriented toward a future world that by design has nothing in common with the present, they cannot feel loyal to any cause that is conceived in terms of the present, including the fight against present evils. In the present world, everything must be either an obstacle to, or a tool for, Communist power. What seems to be a "common cause'" uniting Communists with non-Communists is but an illusion.

The creation of this illusion with respect to ends and means is the most important element in the Communist design. Wherever Communists succeed in creating the impression that they have entered with others into a basic agreement on common ends, and on means appropriate to these ends, they succeed in being accepted as friends and partners, which enables them to move in circles previously closed to them and to manipulate institutions to which otherwise they would have no access. Once this kind of *entré* has been obtained, the Communists begin the operations which are important to them. In these operations one can distinguish the following: (1) occupation of positions of power, (2) legitimization of Communist power, (3) the elimination and destruction of rival parties and political forces, (4) organized control of the masses, and (5) terrorization of the opposition.

The "occupation of positions of power" aims at getting Communists into two kinds of agencies: those having the authority and the means to arrest, punish, and ultimately terrorize, and those having authority and means to change the basic order of society. . . . such agencies are the ministers of the Interior, Justice, Industrial Production, and Agriculture. Occasionally, an Institute of Agrarian Reform will do in lieu of the latter. The Communists also are interested in getting their hands on the official means of propaganda, but may content themselves with staffing these agencies rather than directing them, or even merely with controlling their supplies, such as paper for the press.

"Legitimization of Communist power" is something that Communists seem to crave almost with the strength of passion. They are profoundly aware of their being rejected by the public opinion of the world, and of the impossibility of legitimizing their rule in terms of their own ideology which is not shared by the people. Precisely because they define themselves as strangers in the present world and enemies of all that now exists, they know that they cannot count on the consent of the masses if they appeal to the masses mainly as Communists. . . . The legitimization of power can be conferred upon them only by political processes and elements that have standing the present world, above all by those of democracy. They are extremely anxious to have their own power sanctioned by democratic parties, leaders, procedures, and, above all, to base their "mandate" on popular elections. Coalition governments therefore have the important purpose of obtaining for Communists the official endorsement of what Karl Marx called the "overwhelming majority" of the people. . . . In order to obtain the desired electoral support, the Communists exploit the "national policy goals" to which the coalition has committed itself. They push policies that appeal to this or that part of the population, upset the entire society, destroy social and political elements opposed to their rule, and profit again from a public indictment of these elements. Socialization, agrarian reforms, "millionaires' levies," wage raises, and even constitutional reforms are thus tactical devices by which the Communists hope above all to increase their electoral support. In the eyes of the people, they give themselves the appearance of advocates of the downtrodden, champions of reform, initiators of innovation, . . . Such policies, once enacted, often supply the Communists with further means to secure the adherence of the masses. . . . For all this, they need the cooperation of democratic parties, but only for as long as it takes to establish a "legitimate" basis for the rule of Communists.

Ultimately, the Communists are determined not to share power with anybody. While using the coalition with democratic partners for the purpose of legitimization, they proceed simultaneously with "the elimination and destruction of rival parties," their partners in the coalition. In this process, they exploit to the hilt the possibilities created by the "basic agreements," above all the "common cause," and the "non-toleration of certain parties, ideas, and individuals in the political theater." The "common cause" includes the fight "against reaction." When certain parties, ideas, and individuals are barred from political activities because of their "reactionary" character it is not difficult to throw suspicion of complicity with "reactionaries" on leaders of bourgeois parties that are members of the coalition. Discrediting leaders on political and personal grounds, the Communists find it possible to undermine the people's support of democratic parties. In an atmosphere of high political pressure, it is always possible to find evidence of "plots" and to pass off such "plots" as attempts to destroy the coalition and to endanger the "unity" that has been declared of supreme value. The very existence of several parties can be made to appear as a threat to "unity." With this kind of public argument, the Communists manage to maneuver their partners into consenting to joint tickets for the entire coalition. A joint ticket is the first step to the termination of autonomous parties. The next step is the absorption of other parties into a "Marxist Bloc," or into a "Government Bloc," in either of which the Communists alone call the tune. "Unity" can be pleaded in various terms which appeal to different groups. Workers' parties can be induced to merge with the Communists in the name of "proletarian unity," left-wing bourgeois parties, in the name of "socialist unity," and other democratic parties, in the name of "patriotic unity." Once the Communists have persuaded other party leaders to agree to a merger, these leaders all to often become willing and permanent tools of Communist leadership. While there have been many defections from the ranks of the Communists themselves, former liberal or democratic leaders who have passed into the camp of a "unity party" seem incapable of reversing themselves.

The "organized control of the masses" is both an end and a means for the Communists. The "United Front" idea serves them as a pretext to merge already existing organizations into larger units, and to add new organizations corresponding to the spirit and purpose of the United Front. The first step usually is the creation of a single national trade union organization out of unions that in most cases have different political colorations. In the process of unification, which is accomplished under Communist prodding, the Communists usually succeed in occupying the few administrative positions that secure control of the entire body. Almost without fail, the Communists have pressed for the creation of new "united" organizations for women, youth, veterans, etc., flanking all of these with a "friends of the Soviet Union" organization.

Communists are excellent organizers. When organizations are started from scratch, at a given signal, rather than growing from below, the Communists can usually count on seizing the reins before others even realize their opportunities. However, the Communists can be beaten at this game by people who have learned to recognize and even to imitate their tactics.

Another device of organized mass control is the creation of national committees for some purpose recognized by the basic coalition agreements. These can be national committees for seemingly democratic administration, or committees for agrarian reform, or "liberation committees." The pattern is that of the Russian soviets. These organizations, being new and created on order, can easily be taken over by local Communists who in turn are under the discipline of the Communist Party's central leadership. As they mobilize for political action masses of people who previously were passive, the institution of such organization is in itself somewhat of a revolutionary step. "Mass control" also usually includes a militia, armed groups set up on Communist request and thus under Communist management. At all times, however, they can be used as instruments of pressure and terror, until Communists establish their dictatorial rule and once again disarm the people.

The need for all these types of new mass organizations is usually established in terms of the basic coalition agreements. These agreements arouse the hope of a new unity, a new national awakening, indeed a new world of peace and harmony. Once there is the illusion of a "new spirit," the Communists have very little trouble in persuading their partners of the necessity to embody that spirit in broad popular organizations, and less trouble in getting their own men into the key positions of control.

Finally, the "terrorization of the opposition" is not merely a means to eliminate rival parties but is at the same time a permanent feature of Communist rule and, thus, an end in itself. The Communist goal, according to Stalin, is the "voluntary and conscious submission" of the individual to the Party's leadership. A person who is amenable to Communist ideology can and must be persuaded to submit to the Party for the sake of the Party's ideological ends. A person who cannot thus be persuaded must still be induced to submit "voluntarily and consciously." This can be accomplished only by fear.

The logic of the Communist process of persuasion . . . is a combination of seemingly lofty and idealistic appeals with criticism and denunciation of the indvidual which goes on until the last remnant of self-respect and personal dignity is destroyed. This method is applied not only in sessions of "criticism and self-criticism," but also in campaigns against politicians whom Communists want to destroy as public authorities. In the name of apparently ideal principles of social justice, patriotic unity, and political harmony, these leaders are publicly accused of selfishness, reactionary ideas, subservience to sinister interests, and complicity with "imperialism." In addition, they are exposed for personal failings, made to appear corrupt, compromised in doubtful sexual relations, caught in shady deals. Political accusation and personal vilification are followed by arrests. "People's courts," one of the first demands Communists usually make upon entering a coalition, can be counted on to move swiftly and vengefully against someone whom the Communist police have skillfully prepared for public trial. It does not take more than three or four such cases before the other opposition leaders get the message . . ." They either leave the national scene, as did Ferenc Nagy in 1948, or acknowledge defeat and resign, as did Largo Caballero in 1937.

The regime of terror assures the Communist that there will be no successors to those who thus go down. The terror is extended to local bodies and organizations, so that there is the most complete compliance with Communist rule, out of a deep realization of individual helplessness and exposure. . . .

The Communists never initiate their campaign of terror with the claim that there is danger for their Party alone, but always with the public discovery of "plots" and "conspiracies" against the country, the coalition, and the declared "national policy goals." This enables them to enlist for their purposes the services of courts, magistrates, and officials who on a traditional basis enjoy established authority. Here is one of the most important reasons for the Communists' desire to begin their rule as members of a coalition with traditional parties. They require, however, not merely the partnership of democratic parties, but also an official ban of certain political elements, in the name of the coalition. When a part of the people have been read out of the political community and declared nationally unacceptable, then it is possible to smear others by the trumped-up charge of "association with the people's enemy."

The United Front coalition that begins by setting political limits to the citizen's rights delivers into the hands of Communists the weapon of terror that will ultimately be turned against the members of the coalition itself.

Coalitions are nothing new in the history of communism. Communists came to power in Russia in company with other revolutionary parties whom they attacked and destroyed as soon as they controlled the public means of power. Since then, coalitions have been used by Communists wherever they have established their rule. In spite of the historical record, the Communists have again and again been able to find partners willing to bestow on the Communists the mantle of a coalition's respectability and official sanction. Underlying the readiness to enter into a coalition with Communists there seem to be (1) the conviction that "agreement with Communists is possible," (2) the illusion that there are "common interests" between Communists and non-Communists, (3) a confusion between "Communist demands" and "Communist ends," (4) the expectation that "Communists can be controlled through coalition governments," and (5) the hope that out of a coalition with Communists there will come "peace, unity, and/or democracy."

The impression that "agreement with Communists is possible" is not always derived from a mistaken notion about communism. Quite frequently that impression arises because Communists do change their behavior. From loyalty to the Soviet Union they seem to have moved toward patriotic loyalty, from destructive action in the streets to the give-and-take of parliamentary debate. When such change of conduct is interpreted as a "change of mind," then people are ready for the conclusion that "agreement with Communists is *now* possible," recognizing that up to that time it had not been. Democratic parties are all too prone to persuade themselves that, when Communists change their minds, it must mean necessarily a move toward democratic ideas. This explains the fact that at every one of the frequent turns of Communist tactics, many elements in democratic countries stood ready to welcome the wayward sons with open arms, never stopping to find out whether the lost son had actually come "home," or had simply embarked on a new tack.

The "illusion of common interests" between Communists and non-Communists stems, by contrast, from a real ignorance of the Communist mentality. It assumes that Communists, like everyone else, have real interests in the present-day world, even though these interests may widely diverge from the ordinary. On this assumption it makes sense to discover, every once in a while, that in a given situation the Communists must embrace goals in which they are as genuinely interested as others. It is extremely difficult for ordinary persons to understand the mentality of a political movement that actually is based on the complete and utter rejection of the present-day world, has put all its eggs into the basket of a visionary future, and thus has no present interests except that of effecting a transition to that future. Since Communists so often seem to be pragmatically rational, it is hard to believe that they or anyone else could entertain such notions. Communists often make use of the institutions of the present world, but without any sense of loyalty or obligation except to their own enterprise of increasing their revolutionary power to total intensity and universal extension. The interest of Communists may, therefore, happen to coincide with those of others at certain points, but they can in no sense be called "common interests."

A similar mistake confuses "Communist demands" wtih "Communist ends." Parties oriented toward a political order in the present world embody their ends in the form of political demands with which they confront the electorate, the government, and other parties. The Communists approach their coalition partner likewise with certain demands. Projecting their own democratic mentality into that of the Communists, the democratic leaders believe that the Communist demands represent also Communist ends. They then hope to conciliate the Communists by meeting them halfway or even more than halfway, seeking to elicit the Communists' good will by proving their own. Communist demands on the political scene of the present-day world, however, never represent their ultimate ends. The Communist ends are not limited but total, that Communists aspire to nothing less than a complete transformation of human life and even human nature into something which has not been known before.

Insofar as Communists resort to making demands in the political arena, such demands are merely tactical devices. Marx tells his followers to raise their demands as soon as they are met, or are likely to be met, always to push their demands further than the concession they expect, and to use them for the purpose of upsetting and disturbing the social order by what he calls "the revolution in permanence." Since the establishment of the United Front pattern, the Communists have deviated from Marx's instructions in one respect: they have leaned over backwards in presenting to their coalition partners moderate demands. We know from the Communist documents, however, that these moderate demands are as little representative as the impetuous ones which Marx recommended. Thus one cannot hope to satisfy Communists by meeting their demands even 100 percent. Behind every set of Communist demands there are ends that lie beyond all demands and which cannot be represented concretely except as tactical devices in the struggle for limitless power.

The belief that a coalition government can "control Communists" stems from a naive underestimation of the skill and persistence of totalitarian movements. Democratic parties, when uniting in coalition, do indeed exercise a certain restraint on each other. That is due, however, to the democratic assumptions which all share. Every democratic coalition member assumes that, if he pushes his own case too far, others will leave the coalition and the joint government will come to an end.

In the case of Czechoslovakia, the resignation of the non-Communist ministers in February 1948 was clearly based on the expectation that their departure from the government would bring the Cabinet down. The Communist Premier, however, calmly filled the vacancies with Communists and obtained for this new Cabinet the President's sanction, in the name of peace and coalition unity. For democrats, coalition government is a form of political being, but for Communists it is a one-way road to power. Therefore no coalition government can hope to tame Communists. It will either be converted into a communist dictatorship, or it will have to curb the Communists by means other than parliamentary coalition maneuvers.

The hope that "peace, unity, and/or democracy" can be furthered by a coalition with Communists has less to do with ignorance of communism, than with superficial and fallacious thinking about peace, unity, and democracy. Underlying this view is a vague notion that democracy requires the universal inclusion of all kinds of political forces and elements into one system, that unity can be attained without inner agreement on truth and morality, and that peace consists in the mere absence of overt large-scale violence.

Here is an overestimation of methods and processes, and an underestimation of ends and convictions. Communists confront non-Communists in openly declared total and irreconcilable hostility. It is believed that if one succeeds in bringing such hostile elements together in a coalition government, the hostility has been overcome and peace has been established through unity. The examples of coalition government with Communists discussed on these pages have shown that this belief is utterly fallacious, because the hostility between Communists and non-Communists has proved to be unconquerable on both sides, and unity has been used for purposes of conquest rather than peace. As far as democracy is concerned, we would do well to remember one rule at least: democratic policy is impossible in the absence of some basic agreement on goals, on political morality, and on the "rules of the game." On all such grounds, binding agreement with Communists is impossible.

Communists have used coalition governments as their chosen vehicle to establish their own totalitarian and exclusive power. It can be said, however, that the principle of coalition is a general Communist mode of operation, of which coalition government is merely a special application. Communists have always sought the company of non-Communists. By themselves, Communists feel deeply insecure because of their chosen self-alienation from the world in which they live. Totalitarian control of the world and all that moves in it is one means by which they seek to overcome this alienation. On the roads to this kind of power, however, Communists have required allies, friends, fellow travelers. They have never isolated themselves prior to having all means of power under their control. They have allied and associated themselves with all kinds of social classes and parties. They have associated themselves with the Nazis. They have fought by the side of the Western capitalist powers during a great war. They have sought the endorsement of democrats, peasants, intellectuals, pacifists—all of whom represent views totally unacceptable to Communists.

Communist successes have been possible ultimately only through the cooperation of their future victims. The first counsel of self-protection against Communist totalitarianism is the realization that, with Communists, no common cause or binding agreement is possible—except on their own terms.

AMERICANS MUST UNITE TO AVOID POTENTIAL DANGER

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. McCLORY. Mr. Speaker, the danger signals which appear on the horizon should induce our Nation to take deliberate steps to avoid disaster. The tendency to voice indiscriminate criticism of assorted public figures is both irresponsible and ominous. Indeed, there is an urgent need for unified action in behalf of our national welfare.

Mr. Speaker, the dangers inherent in these warning signals and the desirability of support from an informed and responsible leadership for national unity are set forth convincingly in a recent editorial which appeared in the Brighton-Pittsford Post, published in Pittsford, N.Y. This editorial, which has come to my attention, deserves the careful and thoughtful review of all of my colleagues—and the call for national unity should be heeded by enlightened citizens throughout the Nation. The editorial follows:

TIME OF DANGER

If we were a winner in one of the last week's Congressional or Senatorial elections, we would face our elective responsibility with a degree of concern unmatched since the 1930's or even the 1850's.

For we think that while the politicians and polemicists have been venting their rage on Richard Nixon, Watergate, and inflation, the world has been slipping toward an era of chaos and potential war.

No. let's not look around for other Americans to blame. Most of the problems—world famine, the energy crisis, the Mideast confrontations, world economic upheaval—were not created by the United States, nor do we have the ability to remedy such problems singlehandedly.

The infinite danger for the United States lies in the fact that our world commitments, moral and diplomatic, are far greater than our ability or will to support.

The alliances which came out of World War II have degenerated to the point that they often represent fearsome liabilities. America's military superiority, so pronounced 25 years ago, has dwindled sharply.

Western Europe, which we have garrisoned for a generation, refused in Vietnam to support the theory of collective security. Most of these nations today are balking at the idea of collective protection for Israel. They have let the United States carry most of the load in world relief efforts, and the heaviest burden of the costs of the United Nations and its agencies.

In a chaotic world, it appears that tried and true friends are few indeed.

But in the Mid-East the New York Times feels that a renewal of war is probable—with the Israelis facing Arab hosts whom the October War proved to have become formidable military forces.

Should the Israelis prove unable to stem these forces—can the United States go to Israel's aid, virtually alone?

What about our position in our own hemisphere? Do we fully realize that the growth of Hawaii and Alaska, and their advance to statehood have given the nation responsibilities it has not really faced?

Do we realize that by their control of oil, the Arabs have a kind of control over Western Europe that even Hitler never had?

Do we realize that our relations with South America are in almost total disarray, a South America that is gaining economic and military power?

And what are we doing?

In our supreme arrogance we assume that our military position is still intact. We assume that our economic power is so great that:

1. We can dominate world trade (one viewpoint).

2. We can feed and morally uplift the rest of the world (another viewpoint).

Even the very people who violently opposed the Vietnam War apparently learned nothing from the ability of the North Vietnamese to withstand American military power. In other parts of the world, these former Vietnam War opponents now act as if "gunboat diplomacy" still works.

And at a time when the world security system borders on chaos and America simply no longer calls the tune, we are expected to impose on other nations our ideas of government, morality, and what have you.

And at home?

Ignoring the world powder keg, we allow ourselves the luxury of a divisiveness which could be fatal in time of war or national crisis.

Probably at no time since the 1850's have Americans been so suspicious or so scornful of the motives and value systems of other Americans. Practically everyone has jumped into ideological trenches and is peering fearfully and critically at the other groups which make up the nation.

Intellectual leadership is at the cocktail party level. Moral leadership? No warmth; no concern; no understanding; no balance; in sum, no charity.

Take to the streets or write big checks to aid or hinder some movement halfway around the world.

But call your neighbor a crackpot or a bigot because you and he differ on the means of achieving some social or economic objective on which you both agree.

In the "Soaring Sixties" an incredibly complacent and arrogant nation thought it could afford the luxury of such divisions. Today we still think that we can afford to hate, ridicule, scorn, and antagonize other Americans.

The nation somehow must come to realize that national unity is neither a slick phrase or a put-on.

In today's world, it is a stark necessity.

Can the "new" Congress help us meet this challenge—and to realize our danger?

CONSTANTINOS YOUSSIS, AN INSPIRED ARTIST

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mrs. HOLT. Mr. Speaker, great religious art that can convey the image of God to man is something we should treasure. The parishoners of St. Katherine's Greek Orthodox Church, Falls Church, are privileged to have their house of worship adorned with the iconography of Constantinos Youssis.

Mr. Youssis is among the finest Byzantine artists in the world, the dean of Byzantine iconographers. The congregation of St. Katherine's Church expresses its profound gratitude to this artist for the work which has made their church a religious attraction of the Washington area.

JAMES RESTON SAYS: UNITED STATES SHOULD IMPROVE EFFICIENCY OF AGRICULTURE—SOLVE THE FOOD CRISIS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. EVINS of Tennessee. Mr. Speaker, Mr. James Reston, the distinguished writer for the New York Times, points out in an article in the Reader's Digest that the U.S. technology in agriculture has not kept pace with improvements in missiles and other military hardware.

He emphasizes that great progress has been made in improving the efficiency of American agriculture—but suggests that more resources be applied to secure more efficient production.

Because of the interest of the American people and my colleagues in this important matter, I place the article from the Reader's Digest in the RECORD herewith.

The article follows:

HOW DO YOU MIRV A COW?

(By James Reston)

THE UNITED STATES COULD MAKE MORE FRIENDS AND PROGRESS IN THE WORLD TODAY BY SOLVING THE FOOD CRISIS THAN BY FIDDLING WITH THE MISSILE CRISIS

During the worst of last winter's oil crisis, Americans complained that the nations of the Middle East were monopolizing the world's oil reserves and creating great hardships by charging the highest prices possible.

Today, with less publicity, the world is facing a food crisis, and the main question this time is what the United States and Canada will do about it. For North America now controls a larger share of the world's exportable supplies of food grains than the Middle East does of oil.

The analogy, of course, is not precise, because the United States is not withholding grain from nations for political purposes. But the price of wheat, soybeans and corn has more than doubled in the last 20 months, and the nations that need food the most are precisely those least able to pay for it.

This raises some hard political and even moral questions. As Lester Brown, of the Overseas Development Council, put it to the Rockefeller Commission on Critical Choices for Americans: Can we rely primarily on the marketplace to set the price and determine the distribution of so essential a commodity as food? And should Americans continue to consume as much fodder as they now do, most of us consuming more than we actually need?

"There is little doubt," Brown told the Rockefeller Commission, "that a year from now we will see the largest food deficit of any region in history unfolding in Asia. Political leaders in the more affluent countries, including the United States, may have to decide whether to throw up their hands and cast Asia adrift, or go to consumers and ask the food equivalent of turning the thermostat down six degrees—reducing consumption of, say, livestock products in order to free up many millions of tons of grain to move into Asia."

World demand for food—basically because of rising populations and improvement of living standards in some countries—is increasing by 30 million tons a year. In 1961, we had reserves amounting to 95 days of world food consumption. Now, despite very good crops in the major grain-producing countries last year, reserves are down to 27 days and declining by 10 million tons a year.

The U.S. farmers and the Department of Agriculture have probably made as great a contribution to world peace as the soldiers at the Pentagon or the diplomats at the State Department. In the last 20 years, they have increased corn production at a phenomenal rate. And so great has been the demand for soybeans that one acre out of six in the United States is now planted to that crop. U.S. soybean exports now bring in more money than all our high-technology exports such as computers or jet aircraft.

Meanwhile, enormous progress has been made in increasing the production of poultry, eggs and milk. Brown notes that the average milk production of a cow in India today is about 600 pounds a year. In the United States, it averages 10,000 pounds a year.

This, however, does not satisfy the Department of Agriculture experts. They want to know why one remarkable cow in the State of Washington produced 44,000 pounds of milk last year; and why the average American hen, even when tricked by controlled lighting, produces only 232 eggs a year, while the Japanese induced one hen to lay 365.

It is a particular disappointment in Washington that the scientists have not been able to produce multiple births in cattle. This is really, to use Henry Kissinger's term, the "conceptual breakthrough" the agricultural scientists are looking for. They would rather MIRV a cow than missile, but so far they haven't managed to do it, and supply keeps running behind demand.

They are other reasons. The United States is running out of idle acres. Fertilizer is in short supply because of the rising price of oil—a vital ingredient—and increased demand. While the average person in poor countries consumes about 400 pounds of grain a year, the average North American is now consuming nearly a ton of grain a year, about 35 pounds of it in the form of beer and whisky.

Also, while we are now putting much marginal land back into production in the United States, we are also taking out of production about a half-million good acres a year for highways, shopping centers and golf courses.

It is true, of course, that the Malthusians have long been predicting disaster in this race between people and food, but the surplus of people and the shortages of water, land, energy and common sense are beginning to catch up with us again.

The guess here is that the United States could make more friends and progress in the world by solving the food crisis than by fiddling with the missile crisis. This will take some doing. For the rich world doesn't yet really believe in the coming food crisis. But it will. One day we'll all be Weight Watchers, including Henry Kissinger. But not until the crisis is much better understood.

DÉTENTE IS NO CURE FOR BUGS IN MOSCOW

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HUBER. Mr. Speaker, the expansion of East-West trade, as the result of so-called détente, has not in the least dimmed the ardor of the KGB for espionage. The KGB even went to the trouble to bug the residence of the Vice President of the new U.S.-U.S.S.R. Trade and Economic Council in Moscow. The story by Betty Beale in the Washington Star-News of October 27, 1974 follows:

DÉTENTE IS NO CURE FOR BUGS IN MOSCOW

Bugging may be out of style in Washington but it is definitely the thing to do in Moscow.

Here we are all gungho about detente with Russia and the Russians seem to be making new concessions toward linking arms commercially and diplomatically with the U.S. but each government has about as much confidence in the other as the White House five now on trial have in Richard Nixon. With appropriate fanfare the new U.S.-USSR Trade and Economic Council was established October 14 with its vice president, John Connor Jr., taking up permanent residence in Moscow. But what did John find in his Moscow digs?

"He found 23 bugs," said a male guest at Secretary of Health, Education and Welfare and Mrs. Weinberger's tea last Sunday afternoon. "Ugh!" said a woman guest. "What kind were they?" "I'm talking about listening bugs—as in Watergate," corrected the gentleman visitor.

It seems the Russians were taking no chances with the new trade arrangements. The 23 bugs were scattered in a mere five-room apartment! Of course, all were completely concealed but an American team went over the apartment with a detector and located them.

HISTORICAL ST. PAUL

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. KARTH. Mr. Speaker, the city of St. Paul is making major strides to preserve and restore its historical buildings and sites. A major example is the work now being done in the Old Federal Courts Building. And playing an important part in this effort is the Ramsey County and St. Paul Historical Society. I offer a newspaper account from the St. Paul Dispatch of November 20, 1974, detailing some of the society's efforts, for inclusion in the CONGRESSIONAL RECORD:

A CELEBRATION OF ST. PAUL HISTORY "WHERE IT'S AT"

(By Oliver Towne)

A year ago Virginia Brainard Kunz sat in the basement of a one-room restored schoolhouse on the Gibbs Farm Museum grounds in Falcon Heights, trying to run the Ramsey County and St. Paul Historical Society.

"It was," she said, "like standing out in left field for nine innings when the whole game was being played at home plate."

Home plate, in this case was St. Paul, the closer to the Mississippi River the better.

"The real action in St. Paul history always has been right where we are," Virginia said.

For the better part of 1974, "here where we are" has been the Old Federal Courts Building, facing Rice Park, that "Rhinestone" turreted acquisition bidding fair to focus the best of St. Paul civilization under one roof.

Thursday the first anniversary of adding the words "St. Paul" to Ramsey County Historical Society will be observed. It will be done by candlelight in the immense balconied Courtile (Courtyard), with wine, food and accolades.

Since the society opened its historical vistas from the northwest corner of the main floor, "we've suddenly become a sought after, consulted, involved and dynamic part of the whole city as it sweeps toward the end of the 20th century," said Virginia.

There is this adage, too, about being at the right place at the right time.

"Suddenly we're riding the crest of a wave of nostalgia, an enthusiasm for the past, old buildings, old music, heritage and we're going to ride it right into America's Bicentennial," she said.

The only reason nobody ever thought about a "St. Paul" historical society is because until lately no one in the city was interested.

"It was a loyal, little band of people in rural Ramsey County and St. Anthony Park who nurtured our history and so it took on a rural, rather than urban character.

"What we added last year was not only a name, but also a second dimension. The Gibbs Farm Museum will be our rural site of Ramsey County's past and down here we added the urban historical development," Virginia said.

The latter has reached out into the city with eager and friendly hands.

Graphic arts shops and the society staff have been turning out prodigious pamphlets, brochures and reprints of art by America's early artists who painted the scene—Seth Eastman, for instance.

Very early, Virginia sat down and designed a "Walking Tour" of Downtown St. Paul history—a dozen marked sites on a map. Places like Irvine Park and its remaining notable houses, the Pioneer Building, Ramsey home, Assumption Catholic and First Baptist churches, McColl Building, Park Square Court, Central Presbyterian and St. Louis Catholic churches, Smith Park. There are others.

Just now, with high professionalism, a paneled display covering the walls of the society's exhibit rooms depicts the very beginnings of St. Paul—10,000 years ago when the last glaciers set the geographical stage for the city.

A modest, but amply-filled gift shop is just off the exhibit rooms. Hand painted plates with the Old Federal Courts Building sell for $35—collector's choices.

"What we're trying to do is tell people, 'Hey, this is where it was at . . . the pioneering of the Northwest . . . right here in St. Paul, where the river bends,'" Virginia said.

"Why, do you know that over on the West Side, where the Spanish-Americans now cluster, that land once belonged to Spain, from 1762 to 1803? You see how the past relates to now?"

In its new role Downtown, the society is beginning to do some original research, separating fact from fiction and coming up with a lot more realism and honesty in the people and events that shaped the city.

"They weren't all heroes," said Virginia.

"I like to think we're helping people get themselves together for the Bicentennial and beyond," she said.

So does Robert Orr Baker, author, historian and secretary of St. Paul Insurance Companies, who engineered the society's new "bloom" as president.

Virginia Kunz's enthusiasm and conversion to St. Paul history shouldn't be overlooked—considering she was spawned in Minneapolis and earned her living writing for the Minneapolis newspapers.

"Until," as she said, "I fell off my horse."

LAND USE AND THE WORLD FOOD CRISIS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. BROWN of California. Mr. Speaker, now that the World Food Conference is over, and we have some idea about the enormity of the task that faces America in meeting the world food crisis, I think it is appropriate that we consider some related issues closer to home.

Agriculture is again being recognized as one of the prime uses of the land. In some areas, such as my home State of California, there has been considerable neglect of this fact. In California alone there has been a loss of agriculture land to residential or industrial uses at an appalling rate of 64,000 acres per year. This destruction of land that is needed for food production cannot continue.

Fortunately this situation has been recognized, and some people are attempting to remedy the situation. One of the leaders in this effort has been Assemblyman Charles Warren, who is chairman of the California State Assembly Committee on Energy and Diminishing Materials.

I would like to share an article that Assemblyman Warren wrote for the October issue of California Today at this time because I believe it has national significance.

The article follows:

AGRICULTURAL LANDS—CALIFORNIA'S RESPONSE TO WORLDWIDE FOOD CRISIS

(By Assemblyman Charles Warren)

American agriculture has been turned upside down in the last year. Plagued for years by overproduction and surplus, the agricultural industry suddenly found itself unable to meet demand even when operating at full throttle.

In 1973 a crop failure in Russia and a series of agricultural problems in Asia reduced food supplies 4% below 1972 levels, while population growth and increasing affluence had pushed demand up 2%. This net 6% worldwide shortfall hit the U.S. hard—both because it is the world's largest exporter of basic grains and because of an unusually large but unfavorable wheat sale to the USSR. With the high value people place on a commodity as basic as food, even the apparently small shortages sent prices through the roof. Meat prices doubled and grain prices tripled, fanning the flames of a ruinously high inflation rate.

Is this a temporary abberation or the emergence of a longer term trend? A distinguished committee of agricultural specialists from the University of California recently saw no cause for alarm. Their report noted that 8 billion people, 4 billion more people than are alive now, could be provided with adequate food if all the world's potentially arable land were producing crops at current world average yields.

But the question is not so much one of total available resources as one of timing—increasing production at a rate that will keep pace with expanding demand.

At least until the end of the century, demand will grow at a rate near 2% annually. That means that shortly after the year 2000 food production must be 100% above this year's level in order to satisfy demand. Because of a variety of impediments—increasing costs, fertilizer and materials shortages, lack of capital, physical and economic limits to increased yields and general inertia—a 2% annual worldwide supply increase to keep pace with demand just doesn't look likely.

Even if we had the potential to feed 8 billion people, that level of production would not likely be reached until there were 12 billion hungry people to be fed. In other words, unless present conditions change radically, we will experience an era of chronic food shortage in the world. Many in the poorer nations will simply find food priced out of reach—and starve—while in the U.S.

the continued pressure in the international market will keep prices up, continuing the alarming hike in each family's food bill.

CALIFORNIA

These alarming facts are of particular importance to California, where agriculture is the state's major industry.

In California today, 54% of the state's total land mass is in agricultural production: timber, grazing, crops. The world demand on California agricultural products is high. We export citrus products to Italy, grapes to England and cotton to Japan. California also supplies 25% of U.S. table crops and the demand is increasing.

Unfortunately, while demand for California crops is growing, the amount of prime agricultural land in California is shrinking—due largely to the horizontal spread of cities and suburbs. Each year 64,000 acres of prime agricultural land are lost to residential or industrial development. The California State Division of Soil Conservation has estimated that the total of new capital investments required to replace the prime land lost to agricultural production in California is as much as $207 million a year.

While the base is being balanced by new irrigated acreage, that acreage is generally on poorer soils, has a lower yield per acre, is more costly to farm per acre and requires a substantially larger energy input (for fertilizer, water transfer and irrigation, farm machinery and transportation) per unit of food output.

County	Acres irrigated	
	1954	1964
Los Angeles	147, 288	78, 813
Orange	101, 140	54, 893
San Bernardino	101, 981	81, 173
San Diego	62, 779	52, 436
Santa Barbara	68, 984	65, 079
Santa Clara	114, 776	78, 665
Ventura	112, 306	103, 161
Total loss 1954-64	195, 034	

Source: The Politics of Land, Robert C. Fellmeth.

The loss of agricultural land is especially rapid near expanding urban centers. Cities generally expand on land that is flat, accessible, well-drained, favored by climatic conditions—criteria which match exactly those of prime agricultural land. In many instances the agricultural land is not only prime due to mineral content or climatic conditions, but the land may be particularly well suited for special crops (vineyards or artichoke fields). The sprawl of suburbia forces farms farther and farther from the city centers—which adds an additional factor into the cost spiral—ever increasing transportation costs.

A perfect example of the spiral is the tremendous increase in the price of milk—much of which can be traced to the increased distance between the dairy and the market.

A SOLUTION

Faced with worldwide food shortages, one of the most valuable things the state could do right now to begin to slow this trend is to halt the urbanization of our major food producing resource, prime agricultural lands—placing all prime agricultural land in an agricultural preserve, and taxing it accordingly.

Such a proposal, of course, is bound to generate much controversy. But I would suggest that much of the initial opposition to preservation of prime agricultural lands would disappear once it is shown that there are, in fact, no alternatives so easily implemented nor so cost effective.

ALTERNATIVES

What are the alternatives?

All the forces which have traditionally contributed to the rapid growth in agricultural production are showing signs of constraint.

Bringing more land under cultivation has become an expensive and slow task. To meet 1985 food needs, the increase of worldwide cultivated land would have to double its present pace of 0.15% per year. To achieve such a goal would require massive infusions of money to provide new water projects, fertilizer, farm equipment, and roads and vehicles to carry the produce the ever increasing distance between the farm and the market.

The prospects for increasing crop yields per acre appear equally dismal. The major avenues to better crop yields are the use of hybrid plants and the application of fertilizer. As everyone knows, there has been a rather substantial change in the world market price for oil. For agriculture in the developing countries the major side effect has been the tripling of the price of fertilizer, a petrochemical product. In the U.S. heavy fertilizer use is so widespread that large quantities of fertilizer are required to produce miniscule yield increases from existing cultivated land. To double the U.S. yield on land now in production would require six times the present fertilizer input.

Similarly, the increasing use of new plant varieties will be limited. In the middle of the last decade the rapid spread of the "miracle" grains of the Green Revolution raised hopes of marked improvements in yields per acre. In the last few years, however, the use of these grains has spread very slowly in comparison to the boom years of 1967 and 1968. In the U.S., high-yield hybrid grains are planted so commonly that little potential exists for quick gains in the future.

Consideration of all the factors involved strongly leads one to the conclusion that increased yield per acre will not provide for the needs of the population. Immediate action is needed to protect that land which is now under production.

Preserving agricultural lands is one sure way to halt the process of urbanization and achieve quick gains in the food shortage battle which are not eventually counterproductive—in contrast to the other major options discussed above. It also has the advantage of avoiding several environmental problems (salinization, pollution from fertilizer run-off, and massive water projects), as well as eliminating the need for substantial capital investment in agriculture and providing lower cost food.

CONCLUSION

It would be easy, but incorrect, to assume that this solution creates a direct conflict with the need to accommodate new urban growth. Such a conflict is more apparent than real. In fact, the setting aside of lands under protection may be just the catalyst needed to at last do something about our decaying inner cities.

The need to establish an agricultural preserve does highlight our failure to develop a more comprehensive integrated land use management policy.

But, in my opinion, the exigencies of the food crisis require a rapid response in this one small area of the total land use puzzle. We just can't wait. This is an action which the state can take immediately without waiting for federal prodding or without feeling helplessly caught in a morass over which it has no control.

Stringent prime agricultural land preservation will have substantial impact only if implemented by all major agricultural states. But California has had the recurrent habit of being the vanguard of major new problems in several areas. One can certainly hope for similar success with an issue as basic as prime agricultural land preservation, and that should make it rate high on the list of priorities for 1975.

THE PENALTY FOR EXCELLENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DERWINSKI. Mr. Speaker, one of the major news items last week was the announcement by the Justice Department that they had filed suit against A.T. & T. on the grounds of an antitrust violation. This announcement had predictable impact in financial and business circles and was greeted with a great deal of verbal support on Capitol Hill.

I respectfully recommend to my colleagues an editorial by Richard Wilson in the Monday, November 25, Washington Star-News which expresses a point of view that merits serious review:

THE PENALTY FOR EXCELLENCE

(By Richard Wilson)

Picking up the phone anywhere in the world outside the United States is an adventure into the unknown, even for those having command of languages. Even in Britain the phone call Americans take for granted can have unpredictable results.

The Bell System of America is the best for the money in the world, easiest to use, most predictable and most extensive. It is one of technology's major triumphs and has contributed immeasurably to this country's growth and prosperity.

If the U.S. mail were delivered half as well life would be simpler.

The antitrust action now undertaken by that dedicated group in the Justice Department who think bigness is clear proof of badness may change all that.

A worse time could not possibly have been chosen than the present economic recession to prove that AT&T should be broken up for the purpose of increasing competition. It is quite likely to increase the cost of telephone service and to reduce its quality.

But that is probably not the worst of it. The worst of it lies in the signal that goes out to all big business that the political climate in which they operate has changed. They are exposed anew to the truly pernicious doctrine that successful organization and management, with all the advantages it brings to the consumer cannot be tolerated if it grows big and pervasive, no matter how well controlled it may be.

It cannot be tolerated because of some theoretical doctrines based upon outmoded ideas. These doctrines hold that a proliferation of competitors will bring prices down, improve quality, benefit the consumer and prevent the creation of economic dictatorships.

Does anyone really believe any more that a multitude of soap companies vying for a market with stupendous costs for advertising and marketing gives us better soap at cheaper cost? Does anyone really believe that the proliferation of kinds, makes, sizes, colors and shapes of motor cars improves transportation or even makes them cheaper? Certainly no one believes that breaking down General Motors into a score of companies making separate cars would help any.

With soap and cars it can be argued that the sum of competition for the buyers' dollar creates a gushing fountain of economic activity providing employment, well being and profits. It's the American system, bless it, and it has made us the most prosperous people in the world.

With phones and other communications it is quite different. An integrated system of the greatest complexity, nationwide and even worldwide, creates the necessary linkage for successful operation. This is well known in every advanced country and the usual way of creating it is government ownership, control and operation of communications systems.

But in the United States this has been done with far greater success by private enterprise, so much so that the country was led to hope that the postal service might be handled in much the same way. But it could not be and the failure lay in the lack of a thoroughly organized, efficiently operating, fiercely proud and technologically superior structure like that of the Bell System and its associated enterprises.

So now, because of antitrust ideas applicable in a different time to different problems, the Bell System must be taken into court and broken up without the slightest agreement that this would be good for the country.

Hands are raised in holy horror at the Justice Department when it is suggested that now, with Nixon gone, the dedicated breakers-up think they will have their way and President Ford does not dare stop them.

But that is the way the AT&T action will be read in more than one board room by directors already quaking with fears of declining markets and increased costs.

No stronger adverse signal could have gone out than government action against the world's biggest, and maybe best, corporation. It will be many years in all probability before the issue is resolved and perhaps common sense will finally come to the rescue.

A NEWSMAN VIEWS ONE ALTERNATIVE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HUBER. Mr. Speaker, a recent editorial broadcast over station KPOL, Los Angeles, Calif., pointed out the contrast between the operation of the U.S. Postal System as opposed to the operation of Bell Telephone over the years. This editorial should give pause to those who speak lightly of Government ownership of industry. The editorial follows:

A GOVERNMENT SYSTEM?—A NEWSMAN VIEWS ONE ALTERNATIVE

It seems that people who think the government should go into private business would have second thoughts every time they have to wait four days for a government-run post office department to get a letter across town.

In the early 1930's, a first class stamp cost two cents, and you got home deliveries of mail twice a day and three or four times a day at your office.

But today, a first class stamp costs 10 cents and you get one delivery a day at home and one at the office.

At Bell Telephone in 1932, it cost $9.50 to phone from Los Angeles to New York and it might have taken 20 minutes to make connections. Today, the same phone call costs $1.45, or even less, and you'll get through almost immediately.

Since 1935, the post office has accumulated a total deficit of more than $22 billion made up by taxpayers—who also pay ever-increasing postage costs.

During the same period, Bell has put more than $54 billion into government coffers through tax payments and has managed to pay several billions more in dividends to stockholders.

California State Senator "Bill" Richardson concludes, "the next time you hear of someone wanting to nationalize any American industry, just imagine that the same folks who brought you the post office will be running the store."

If that doesn't send shivers down your back, nothing will.

SUPPLEMENTAL SECURITY INCOME

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. PICKLE. Mr. Speaker, I am very concerned about the problems that have developed regarding the implementation of the medicaid portion of the supplemental security income—SSI—program. The Texas State Department of Public Welfare, which is very capably administered by its commissioner, Raymond W. Vowell, has estimated that some 20,000 disabled Texans, a handful of blind people and thousands more elderly persons over 65 are being deprived of guaranteed medical assistance. The Social Security Administration of the Department of Health, Education, and Welfare is supposed to provide the Texas Department of Public Welfare with eligibility lists that the DPW uses to pay medicaid benefits. But evidently high officials in HEW did not anticipate the magnitude of this problem, and as a result, there have been serious errors and delays.

I would like to insert into the record a letter from Commissioner Vowell to HEW Secretary Caspar Weinberger which details the difficulties in a more specific manner:

STATE DEPARTMENT
OF PUBLIC WELFARE,
Austin, Tex., October 24, 1974.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Office of the Secretary, Washington, D.C.

DEAR SECRETARY WEINBERGER: On April 17, 1974, I wrote to you regarding the failure of the Social Security Administration to fulfill its contractual responsibilities to the State of Texas. Pursuant to Section 1634 of the Social Security Act, on November 30, 1973 the Texas State Department of Public Welfare contracted with the Social Security Administration to render Title XIX eligibility determinations for those persons who receive benefits under the program of Supplemental Security Income, and to provide the State with accurate data regarding accretions and deletions on a daily basis via the SSI/State Data Exchange System (SDX). Although this contract was renewed on June 18, 1974, the Social Security Administration has been unable to comply with the terms of the contract because the communications link, the SSI/State Data Exchange System (SDX), does not function as anticipated.

In my letter of April 17, 1974, eleven specific problems were enumerated. Although some problems have been alleviated by stop gap measures such as the manual Medicaid certification procedure initiated by Texas in August, 1974, the basic problems with the SSI/State Data Exchange System have not been resolved.

1. The Social Security Administration's updating of the SDX files has improved but is still sporadic. Texas is receiving four to five updates per month but the tapes are received in batches. The update data itself is not always current when received.

2. Individuals who are issued an SSI check through a manual process in the SSA District offices are not accreted through the SSA computer system. A manual system to establish Medicaid eligibility has been initiated. However, many cases still go unreported and many cases remain open for medical assistance after eligibility for SSI has ended.

3. The SDX tape sent to Texas continues to contain individuals with residency addresses in other states.

4. The SDX information regarding the basis for eligibility (i.e., age, blindness, or disability) continues to be inaccurate or missing.

5. Although income information is now being provided, the data is frequently incorrect or out of date. Lump sum payments are reported as monthly income.

The correct monthly income is needed by Texas to compute the amount of income which the individual is to apply toward the cost of care in nursing facilities or institutions. The inability of the SDX system to provide this information has made it impossible for the Texas State Department of Public Welfare to issue prompt, correct payments to the providers of nursing care. Because of present and past inadequacies in the SDX system, the problem of nursing care payments has reached intolerable levels. Approximately 85% of the SSI eligibles in nursing homes are receiving incorrect payments on their behalf because of faulty data concerning income and SSI payment levels. Providers of care are claiming over seven million dollars is owed on behalf of these recipients. In addition, there are approximately 3,580 SSI recipients in Texas nursing homes for whom no payments have been made because they have not been accreted to the Medicaid rolls via the SDX system. Based on need for care $3,244,337.68 is owed on behalf of these recipients. Payment cannot be made until Texas is notified of eligibility for SSI by the Social Security Administration. Reports indicate the problem is not decreasing but increasing by approximately 300 cases per month.

The problem of payment has reached such epidemic proportions that some nursing homes are refusing to accept SSI recipients in need of nursing care. Many more homes are borrowing funds at exorbitant interest rates to stay in business. At the same time that nursing facilities are facing bankruptcy because of the SDX system, the Department of Health, Education, and Welfare is enforcing more restrictions upon the providers of care through the new nursing care standards and increased utilization reviews.

As I stated in my letter of April 17, 1974, the fault does not lie with the willingness of the Dallas Regional staff of the Social Security Administration to cooperate in attempting to resolve these problems. The problem is the result of the inability of the SSI/State Data Exchange System (SDX) to function as anticipated and the failure of the Health, Education, and Welfare Administration at the highest level to respond in a satisfactory manner.

This matter is called to your attention because the problems experienced by Texas are not unique but are common to other states in varying degrees. The communications link between the SSA and the states is the key to the success or failure of our joint efforts to serve the people of this State and of the nation. Our efforts are doomed to failure unless the system can be corrected to provide necessary information on an accurate and timely basis. Your attention to this matter and its prompt resolution is appreciated.

Sincerely,

RAYMOND W. VOWELL.

GIVING THANKS FOR FREE ENTERPRISE ON THIS THANKSGIVING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. KEMP. Mr. Speaker, as we celebrate Thanksgiving all of us will take stock of that for which we can be thankful, both as individuals and as a nation.

Too often, perhaps, in our day-to-day dealings with problems and issues, we tend to overlook how much for which we have to be thankful, as to the institutions and traditions which insure that continuity of our American way of life.

We, of course, associate Thanksgiving each year with the first Thanksgiving feast at Plymouth Colony, where thanks was first offered to God for the bounty of a new land by the Pilgrim fathers.

It would serve us well during this Thanksgiving season to ponder the experience of those Pilgrim fathers, especially as to how they turned away from a fruitless policy of collectivism and central planning and found the bounty and productivity which arises naturally from private ownership, individual effort and the incentives of a free market economy.

It is in this spirit that the writings of William Bradford, governor of the Plymouth Colony during its formative years, bear heavily upon the debate in our country today on whether economic freedom and prosperity can long endure the burdens of the collective government controls and regulations now weighting it down and threatening our future progress and individual liberty.

I here include Governor Bradford's remarks:

"So they began to think how they might raise as much corn as they could, and obtain a better crop than they had done, that they might not still thus languish in misery. At length, after much debate of things, the Governor . . . gave way that they should set corn every man for his own particular, and in that regard trust to themselves; in all other things to go on in the general way as before. And so assigned to every family a parcel of land, according to the proportion of their number, for that end, only for present use . . . and ranged all boys and youth under some family. This had very good success, for it made all hands very industrious, so as much more corn was planted than otherwise would have been by any means the Governor or any other could use, and saved him a great deal of trouble, and gave far better content. The women now went willingly into the field, and took their little ones with them to set corn; which before would allege weakness and inability; whom to have compelled would have been thought great tyranny and oppression.

FROM FAMINE—

"The experience that was had in this common course and condition, tried sundry years and that amongst godly and sober men, may well evince the vanity of that conceit of Plato's and other ancients . . . that the taking away of property and bringing in community into a commonwealth would make them happy and flourishing; as if they were wiser than God. For this community (so far as it was) was found to breed much confusion and discontent and retard much employment that would have been to their benefit and comfort. For the young men, that were most able and fit for labour and service, did repine that they should spend their time and strength to work for other men's wives and children without any recompense. The strong, or man of parts, had no more in division of victuals and clothes than he that was weak and not able to do a quarter the other could; this was thought injustice. The aged and braver men to be ranked and equalized in labours and victuals, clothes, etc., with the meaner and younger sort, thought it some indignity and disrespect unto them. And for men's wives to be commanded to do service for other men, as dressing their meat, washing their clothes, etc., they deemed it a kind of slavery, neither could many husbands well brook it. Upon the point all being to have alike, and all to do alike, they thought themselves in the like condition, and one as good as another; and so, if it did not cut off those relations that God hath set amongst men, yet it did at least much diminish and take off the mutual respects that should be preserved amongst them. And would have been worse if they had been men of another condition. Let none object this is men's corruption, and nothing to the course itself. I answer, seeing all men have this corruption in them, God in His wisdom saw another course fitter for them . . .

TO PLENTY

". . . Harvest was come, and instead of famine now God gave them plenty, and the face of things was changed, to the rejoicing of the hearts of many, for which they blessed God. And the effect of their particular planting was well seen, for all had, one way and other, pretty well to bring the year about; and some of the abler sort and more industrious had to spare, and sell to others; so as any general want or famine hath not been amongst them since to this day . . .

"That they might therefore increase their tillage to better advantage, they made suit to the Governor to have some portion of land given them for continuance, and not by yearly lot. For by that means, that which the more industrious had brought into good culture (by much pains) one year, came to leave it the next, and often another might enjoy it; so as the dressing of their lands were the more slighted over, and to less profit. Which being well considered, their request was granted."

I am indebted to Prof. Milton Friedman, the distinguished professor of economics at the University of Chicago, for bringing this excerpt from Governor Bradford's writings to our attention at the beginning of this holiday season, as well as, his many efforts to promote the cause of competitive free enterprise.

THE BIRTHDAY OF WINSTON CHURCHILL

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. MAZZOLI. Mr. Speaker, on November 30, nations which adhere to the traditions of democracy, will celebrate the centennial birthday of Winston Churchill—a great bulwark of those traditions.

Whether in war or peace, the inimitable Churchill exercised his varied talents, political sagacity, and expansive knowledge, as he wrote:

> Continue to pursue that course marked out for us by an all-wise hand and carry out our mission of bearing peace, civilization and good government to the uttermost ends of the earth.

Relentlessly spurring England to fight it alone in World War II earned him the title—"saviour of his country." Yet, his acts carried further than the British Isles.

Churchill's public determination and private courage instilled a heroic spirit in the history of the late 20th century.

And our country should build upon that spirit—now and in the future.

The United States bestowed its first and only honorary citizenship upon Sir Winston Churchill in 1963. In ceremonies marking the occasion the late President Kennedy spoke eloquently of the great British leader:

> Churchill is the most honored and honorable man to walk the stage of human history in the time in which we live.

I join all Americans in saluting the memory of this admirable man.

UPDATING HON. CHET HOLIFIELD'S PUBLIC SERVICE RECORD

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. McFALL. Mr. Speaker, in the House of Representatives, on March 7, 1972, you spoke some eloquent words in tribute to Congressman Chet Holifield of California for his enduring legislative achievements. You observed that he is regarded with great respect and affection in the House for his hard work, his consideration of others, and the open and honest way in which he conducts himself in presiding at committee meetings.

You also entered into the Congressional Record of that day some biographical data highlighting Congressman Holifield's legislative career.

At the end of this Congress, Mr. Holifield will retire after 32 years of continuous service in the U.S. House of Representatives. He never lost an election and certainly that is a tribute in itself. That length of service, I may note, never has been exceeded by any representative from the State of California since it was admitted to the Union in 1850.

In view of Chet Holifield's retirement, which we all greatly regret, but which we recognize is well earned, it is fitting to bring up to date the record of his legislative achievements, since March 7, 1972.

In many ways, the 93d Congress has been for Chet Holifield and for this Nation, a most productive one. He serves as chairman of the great Committee on Government Operations. As you know, Mr. Speaker, this committee has jurisdiction over Government reorganization, including the establishment of new Government agencies.

NEW ENERGY AGENCIES

Under Chairman Holifield's masterful direction, legislation was developed and enacted into law creating several new Federal energy organizations. Public Law 93–275 created the Federal Energy Administration. Public Law 93–438 created an Energy Research and Development Administration, a Nuclear Regulatory Commission, and an Energy Resources Council. These agencies are or will be working to solve America's short- and long-range energy problems—tasks that are vital to our country's present and future welfare. The Nation is indebted to Chairman HOLIFIELD for his initiative, dedication, and creative approach to energy legislation.

IMPROVING GOVERNMENT PROCUREMENT

CHET HOLIFIELD, as a successful businessman in his own right, has long been interested in the business of Government. Back in 1949, he authored the Federal Property and Administrative Services Act, which created the General Services Administration, to give central direction to Government procurement and property management.

Twenty years later, as Government expenditures multiplied, Mr. HOLIFIELD developed legislation for a comprehensive and systematic review of Government procurement practices. In 1969, Public Law 91-129 created a blue ribbon study group, the Commission on Government Procurement. Mr. Speaker, in recognition of his authorship of the legislation and his expertise in Government procurement matters, you appointed CHET HOLIFIELD as a member of the Commission, which tendered its four-volume report to the Congress in December 1972. This report contained 149 recommendations for legislative and administrative action to improve the Government's procurement procedures and practices.

Two important pieces of legislation responding to the Commission's recommendations recently have been enacted at Mr. HOLIFIELD's initiative. One is Public Law 93-356, the purpose of which is to simplify procedures in small purchases—under $10,000—by the Federal Government. This simplification will save mountains of paperwork and reduce administrative burdens, with estimated savings of $100 million each year.

The other piece of legislation is Public Law 93-400, establishing the Office of Federal Procurement Policy. This carries out a key recommendation of the Commission on Government Procurement. The new agency will work continuously at improving the Federal procurement process, with potential savings to the taxpayers of billions of dollars. Remember that expenditures for Federal procurement of goods and services now approximate $55 billion for a single year. The savings potential is obvious.

CUTTING DOWN ON PAPERWORK

The Committee on Government Operations, which Mr. HOLIFIELD chairs in the House of Representatives, has two watchwords: economy and efficiency. Having in mind the constructive experience of the Commission on Government Procurement, Mr. HOLIFIELD also decided that it would be helpful to the taxpayers, and to American business, particularly small business, if ways and means could be found to reduce the burden of Government paperwork—the numerous forms and reports that Government agencies require of business establishments and others. This massive paperwork reflects, of course, the complex society in which we live, and the numerous regulations which are imposed for one purpose or another.

Recently, the House passed H.R. 16424, reported by the Committee on Government Operations under Chairman HOLIFIELD's direction, to establish a temporary Commission on Federal Paperwork. Its purpose is to determine if the Government can do with less paperwork. The Senate is expected to act on this bill shortly.

A related measure passed by the House and awaiting Senate action is a bill, H.R. 14718, to eliminate reports, now required from Federal agencies by law, which are no longer necessary or useful. Chairman HOLIFIELD requested the Comptroller General to study existing reporting requirements and to identify those reports which could be eliminated without loss of needed information and with resultant savings.

After the Comptroller General submitted his report, Mr. HOLIFIELD introduced the necessary repeal legislation. Although this is a modest step in reducing paperwork, it is a recurring activity of the Committee on Government Operations, which indicates that the committee explores every possible avenue of achieving economy and efficiency in the Federal Government.

CONSUMER PROTECTION

In one important legislative area, Mr. Speaker, I regret to say that the Senate is not likely to act this year. I refer to H.R. 13163, a bill to establish a Consumer Protection Agency. On two separate occasions, a Consumer Protection Agency bill, painstakingly developed under Mr. HOLIFIELD's direction and reported from the Committee on Government Operations, was passed overwhelmingly by the House of Representatives. Both times the bill failed in the Senate because of a filibuster. If the Senate were able to vote on the bill, as the House did, it would be the law today.

CHET HOLIFIELD has established himself as a leader in consumer legislation. His efforts will not be wasted. I am confident, Mr. Speaker, that in the next Congress, the Consumer Protection Agency legislation will prevail, building on the constructive legislative base that CHET HOLIFIELD has prepared.

AN INFORMED CITIZENRY

I should mention several other important items of legislation reported from the Committee on Government Operations under Chairman HOLIFIELD's direction. One is Public Law 93-502, amending the Freedom of Information Act. This law is designed to make Government information more accessible to the citizenry. It insures, under proper safeguards, that the American people will be able to get the information they need and want about the workings of their Government.

President Ford was ill-advised to veto this legislation. That veto was overridden by overwhelming votes in both the House and Senate, and the law is now on the statute books.

IMPROVING THE ADVISORY PROCESS

A related item of legislation, Public Law 92-463, the Federal Advisory Committee Act, was developed earlier under Mr. HOLIFIELD's chairmanship in the Committee on Government Operations. The Federal Government utilizes hundreds of advisory committees for many different purposes. The legislation was designed to introduce some regularity and order into the advisory process, so that advisory committees could be publicly identified and minutes of their proceedings made available to the public.

The public is entitled to know who advises the Government and how this advice is given. The overriding purpose is to insure that the advice is impartial and objective, not self-seeking and directed toward private gain.

RIGHT OF PRIVACY

The Federal Government not only has a responsibility to enable the citizenry to be informed about its operations; it must also protect individual rights of privacy in matters of personal information which get into Government records. In this computer age, when scores of agencies maintain records on individuals, and information can be retrieved and distributed with lightning speed, we have to be mindful of the harm to individuals when information gets into the wrong hands.

H.R. 16373, reported by Chairman HOLIFIELD's committee, recently passed the House. Similar legislation passed the Senate. When the differences are reconciled, we will have legislation to insure protection of individuals' rights of privacy in the handling of Government records.

ATOMIC ENERGY ACTIVITIES

Although chairing the Committee on Government Operations for a full-time job, Mr. HOLIFIELD manages to find time for his other important committee assignments. He is a very active member of the Joint Committee on Atomic Energy, having served on that committee since its inception in 1946.

In 1972, he served as chairman of the Subcommittee on Agreements for Cooperation between the United States and other countries in nuclear developments and was a member, additionally, of the following subcommittees: Legislation; Military Applications; Raw Materials; and Research, Development, and Radiation. In 1973-74, he was chairman of the Subcommittee on Licensing and Regulation and a member of the Subcommittee on Energy.

For the past 3 years, CHET HOLIFIELD has been appointed a congressional adviser to the official U.S. Delegation to the General Conference of the International Atomic Energy Agency. In 1974, he received the Henry DeWolf Smyth nuclear statesman award from the Atomic Industrial Forum.

A JOB WELL DONE

Mr. Speaker, when CHET HOLIFIELD retires, he will be sorely missed in the Congress of the United States. We will miss his wise counsel, his unflagging energy, his dedication to the highest and best purposes of Government. But we wish him well and, I sincerely believe, we can all say in full agreement: "CHET, that was a job well done."

GENERAL BROWN AND FOREIGN POLICY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. WOLFF. Mr. Speaker, the Chairman of the Joint Chiefs of Staff, Gen. George Brown, recently made a statement at Duke University which clearly undermines his ability to lead this Nation's defense effort. He has spoken out concerning issues and policies over which he has no jurisdiction. He has violated the principle of civilian control over the military and he has caused a considerable commotion, because of the nature of his remarks. Joseph Califano wrote an editorial for the Washington Post on November 25 which I feel is very incisive. I feel he gets right to the heart of the matter and I think my colleagues will be interested in his view:

GENERAL BROWN AND FOREIGN POLICY

(By Joseph A. Califano, Jr.)

In the course of patently anti-Semitic remarks, Gen. George Scratchley Brown, the chairman of the Joint Chiefs of Staff, said recently that (1) the United States had "no plans" to use force in the Middle East; 2) he could conjure up a "Seven Days in May" situation where in the face of another oil embargo the American people might "get tough-minded enough to set down the Jewish influence in this country and break that lobby"; 3) when the Israelis come to us for equipment they have the Congress in their hip pocket; 4) the Jews own "the banks in this country, the newspapers, you just look at where the Jewish money is in this country"; 5) the "terrible disruption" of another oil embargo on Europe and Japan could precipitate another demand that something be done; 6) the flow of money to Middle East and Persian Gulf oil producers would put "all of the money . . . in their corner of the bank . . . seven or eight hundred billion dollars and they are going to be the world's banker"; and 7) the Arabs are taking on a role "they aren't equipped to handle." He concluded by reassuring the Arabs and Soviets that he did not "intend to go off to war in the Middle East, if that's the question."

Thus, in the context of the most explosive situation in the world today—the one situation most likely to precipitate a major war involving not only the Israelis and the Arabs but our country and the Soviet Union—the chairman of the Joint Chiefs vented his spleen on the Israelis, the Arabs, the American Jews, the Congress, and informed the world that he didn't intend to go to war in the Middle East.

Gen. Brown's audience was not limited to a handful of law students at Duke University. His audiences included the American public at large, the Israelis, the Arabs, the Soviets, the Chinese, the U.N., the President, the Secretaries of State and Defense and fellow military officers. His apology to the Jewish War Veterans may have saved his job for the moment, but it is not likely to affect the way these critical audiences read him in the future.

What is Gen. Brown's credibility with the Israelis today? A few days after publication of the general's remarks in The Post, the Pentagon disputed a report by Israel's Prime Minister Yitzhak Rabin that the Soviets had some 20 ships unloading arms in a Syrian port. The Pentagon said that number of ships was normal and that, contrary to what Rabin said, only a few of the ships were unloading arms. Who are we to believe—a JCS Chairman, who under pressure from the Secretary of Defense recanted his anti-Semitic comments, or the Prime Minister of Israel?

How do the Arabs feel knowing that the top military officer of the United States believes they are incompetent to handle the money that is flowing to them? What is the Soviet reaction to Gen. Brown's publicly stated reluctance to fight for the Israelis in the Middle East? And to his thinly veiled hope that the American people will "put down the Jewish influence in this country"?

What about Gen. Brown's credibility at home? Unquestionably, there is a powerful pro-Israel lobby in Washington. But there is also a potent oil lobby in town and the Middle East desk at the State Department has been known on Capitol Hill to lean decidedly toward the Arabs. Does anyone believe that the Congress is such a pawn—as Gen. Brown seems to think—that they can be turned off and on by the pro-Israel lobby at will? Does the general believe that collective congressional motivations are so simple-minded? Anyone who has dealt with the Congress must recognize how demeaning Gen. Brown's remarks are to Senate and House members.

Finally, there are the American Jews. Many American Jews, who initially called for Brown's removal, backed off for fear that such action would be interpreted as confirmation of their alleged power. Perhaps—only perhaps—that is why President Ford and Secretary Schlesinger decided merely to slap Gen. Brown on the wrist. If so, they have all missed the point. That may be understandable in the case of American Jewry in view of their emotional involvement in this nasty business. It is inexcusable for the general, the Secretary and the President.

Offensive as Brown's comments about American Jews are, his grevious national security sin is that he has irreparably damaged his ability to serve effectively as chairman of the Joint Chiefs of Staff. If he testifies before the Congress or makes recommendations to the President that favor the Arabs and those recommendations are made known to the public what credibility will he have? Indeed, is he likely, consciously or unconsciously, unduly to favor the Israelis to prove that he is not anti-Semitic? In short, Gen. Brown has no business speaking about foreign or domestic policy; his public remarks should be limited to defense matters. This should be the role for all Defense Department officers, but the Chairman of the Joint Chiefs of Staff is not just another general. He is the only military officer that truly has frequent opportunities to communicate with the President and the congressional leadership. Compare the general's remarks about the Israelis, the Arabs, the Congress, the American Jews and the dollar problem with the provision in DOD Directive 5230.13, issued by then Secretary Robert McNamara on May 31, 1961:

"In public discussions all officials of the Department (of Defense) should confine themselves to defense matters. They should particularly avoid discussion of foreign policy matters, a field which is reserved for the President and the Department of State."

That Defense Department policy, which was repealed on March 4, 1969, by then Secretary of Defense Melvin Laird, was the subject of months of controversial hearings in 1961 and 1962 by the Senate Armed Services Committee and its Preparedness Investigating Subcommittee.

In the early stages of those hearings, McNamara was royally roasted for issuing that directive, but by the time the hearings had ended, the committee (with Sen. Strom Thurmond dissenting) approved the directive (with some DOD hedging in recognition of the difficulty of drawing precise lines between military and foreign affairs) and the propriety of limiting public statements by military officers to defense matters.

The restriction on the subject matter of speeches by military officers began to get formalized under President Truman. Eisenhower reaffirmed Truman's policy in a Cabinet meeting on March 11, 1960, where he stated that no speech affecting foreign relations should be made by an administration official without prior clearance from the State Department. Within three weeks of assuming office, President Kennedy publicly associated his administration with the Truman-Eisenhower policy. The McNamara directive drew on these consistent presidential precedents.

In response to questions about the Brown comments, Defense spokesman William Beecher reaffirmed the prior clearance procedures for "a formal speech—written speech" but noted that the current Defense Department policy on public statements answering questions of informal or written speeches by a military officer is simply that, "He uses his discretion." When asked "whether there's any policy saying that you are discouraged or ordered not to engage"—presumably in public discussions of foreign or domestic policy—Beecher cut the question off with a brusque "there is no such policy." He stated that there was no intention to revise or even clarify policy on military officers making public statements. This is the glaring failure of the President and the Secretary of Defense in handling the Brown incident.

The only sure way to put this matter to rest is to reinstitute the McNamara order that Laird revoked. As the Preparedness Investigating Subcommittee concluded in 1962, "one of the truly great bulwarks of our system of government is the principle of civilian control of the military through the executive branch of the government of which the military is a part." President Ford and Secretary Schlesinger should reaffirm that principle in the particulars of this case.

The personal tragedy of Gen. Brown is his failure to evidence any true appreciation of the extent to which his effectiveness is impaired. Brown should re-examine his decision to hang on as chairman of the JCS. After the riots in Panama in 1964, as Army counsel I spent about a month defending the actions of the U.S. military command there before a group of international jurists and the Organization of American States. Both bodies eventually concluded that the United States had not exerted any force beyond that necessary to protect the inhabitants of the Canal Zone and that the military commander, Gen. Andrew O'Meara, had performed just about perfectly in a singularly difficult situation. On my last night in Panama, Gen. O'Meara asked me to dinner. He knew that he would be vindicated, but he said, "When you get back to Washington, tell Secretary McNamara that he will have to move me out of this command if he wants to pursue negotiations with the Panamanians. I have become a symbol that will make fruitful negotiations impossible."

There is a lesson for Gen. Brown in that heroic incident.

PRESIDENT FORD'S SUCCESSFUL VLADIVOSTOK MEETING

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. McCLORY. Mr. Speaker, the early reports of President Ford's summit meeting with Secretary Brezhnev indicate a most promising and successful understanding between the great super powers on the subject of limiting strategic arms.

Mr. Speaker, representatives of our respective nations have been meeting for many years to establish limits on the aggregate number of intercontinental ballistic missiles, missiles containing multiple warheads, and other subjects affecting arms of mass destruction which threaten the very survival of mankind.

Mr. Speaker, while the details of the understanding arrived at in Vladivostok are not fully known, there appear to be reliable assurances that President Ford has achieved a substantial breakthrough toward long-range peace between the East and the West.

Mr. Speaker, it is to be hoped that we can provide national support for our President and for his successful efforts toward peace in our time. The President has demonstrated a success in negotiations in goodwill and in international diplomacy, for which he deserves the high praise of the American people, and a strong expression of national unity for world peace.

Mr. Speaker, the time of the President's testing is over, and he has passed the test with flying colors. I urge my colleagues and citizens throughout the land to express their support and confidence in President Ford, and in his successful efforts to ease world tensions, and to promote meaningful détente, that is, mutual understanding, respect, and peace.

LIDO CIVIC CLUB VOTES ANTONIO M. MARINELLI, MAN OF THE YEAR

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. GUDE. Mr. Speaker, the Lido Civic Club of Washington, an Italian-American organization of area business leaders, this month honored Antonio M. Marinelli, president of the Intercounty Construction Corp., as its 1974 man of the year.

Previous recipients have included former District of Columbia Police Chief Robert V. Murray, U.S. Ambassador to Italy Clare Booth Luce, heavyweight champion Rocky Marciano, and Senator John O. Pastore of Rhode Island.

Mr. Marinelli, who lives in Potomac in Maryland's Eighth Congressional District, last year was awarded the title of "Cavaliere" by the Republic of Italy. He is the first past president of the Lido Civic Club to be named man of the year.

The award, made at a gala dinner-dance at the Sheraton-Park Hotel, cited Mr. Marinelli's "outstanding and extraordinary achievements in the field of business and labor and his untiring efforts and his many contributions in behalf of civil, charitable and humanitarian causes."

Mr. Marinelli's accomplishments were also sketched in the program for the dinner-dance. The sketch follows:

Antonio Michael Marinelli, known to his friends as Tom, was born March 14, 1920 at Bristol, Connecticut of parents who had emigrated from Italy. The fourth of six children, three boys and three girls, he was graduated from high school in Rye, New York in 1937 and went on to attend New York University. After service as an artillery officer in the United States Army during World War II, in 1948 he married Phyllis M. Diorio of New York City. They have a daughter Kim, 19, and a son Michael, 16 years of age.

Mr. Marinelli began working in the construction business as a water boy with the firm founded by his father, and worked his way up to his present position as President of Intercounty Construction Corporation, now a subsidiary of Westinghouse Electric Corporation.

He has participated actively in a number of civic organizations, particularly those serving the American-Italian community. In 1971 he organized "AMERITO," a Federation of American-Italian Organizations in the Washington Metropolitan area, and became its first President. He was a leading proponent of legislation to make Columbus Day a National Legal holiday.

Tom was one of the founders of the National Utility Contractors' Association, served as its President for two years, and continues to be active on its Board of Directors and as a Regional Vice President. For more than twenty-five years he has been a Trustee on the Laborers' Union Welfare and Pension Fund. He also serves as a Director of the Free State Bank & Trust Co. of Potomac, Maryland.

ENVIRONMENTAL LAWS FAN INFLATION

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HUNT. Mr. Speaker, this Nation is now experiencing a particularly unpleasant bout of inflation. If we learn no other lessons from the experience, I hope at least that we learn something about reckless spending. It is only when prices are rising dramatically that all of us have to grapple with the fact that everything costs money and that we cannot afford to buy simultaneously everything we might want.

The environment provides us with a case in point. For several years our activist lawyers and some of their friends in Congress have been pursuing a policy designed to improve the quality of life for us all. If one excludes the hangers-on who have seized the issue as a stick with which to beat business, then most of us would applaud these motives. The trouble is that we have to decide priorities; we cannot automatically vote expenditure for everything we approve of, or the country would soon be bankrupt. While the environmentalists have scored their successes in the courts and in the legislature, it should be pointed out that all of this has cost the American people both jobs and money.

Nowhere is this more evident than in the field of energy. I wonder how many of those who complain of the shortages of energy and the high prices which we have to pay have any idea of the direct link between environmental legislation and those very same prices and shortages. In the name of environmental standards we have put off the conversion to nuclear power; we have delayed the building of much-needed oil refining capacity; and we have imposed antipollution standards which guarantee us less energy and higher prices.

Of course, no one wants to pollute the environment. The question is not about whether we should permit pollution, but about the rate at which we can eliminate it, and the resources which we are able to expend on that elimination. One instance in which we clearly went too far too fast was with the Clean Air Act of 1970. By that act we prevented power stations from burning high sulfur coal, which is very cheap, and made them switch instead to burning high-grade coal or oil, both of which are much more expensive. The result has been higher prices for our power, combined with a shortage of high grade coal and oil, a shortage which has helped to push their prices even higher.

They failed to recognize first that a ban on high sulfur coal would multiply both prices and shortages, and second, that it takes time for conversion to take place smoothly. Desulfurization plants are not built overnight, nor are sulfur extraction facilities at powerplants. We have rushed our power industries into a measure which is both expensive and ill-timed. The other failing is that we have not allowed for the fact that different areas have different pollution problems. While it might be completely reasonable to restrict the burning of high sulfur coal at power stations situated within areas of high population density, it makes no sense at all to impose the same standards in areas not at risk.

Since the United States has half of the world's known coal reserves, it is obvious that coal will continue to have a big role in the provision of cheap energy; and cheaper energy means cheaper prices throughout the economy. If we give more latitude now to power stations on the burning of high-sulfur coal, we can allow time for the development of more desulfurization facilities both at the stations themselves, and for the treatment of the coal they burn. We can thus delay the imposition of further nonproductive costs, and contribute to the lowering of prices and the easing of the inflationary burden. Such a move would increase the supply of high-grade coal for the steel industry, as well as lowering the price of coal-produced power. It would lessen the demands on our limited supplies of oil, and help to achieve the self-sufficiency in energy to which we are committed. This is a clear case in which more time will yield lower prices.

The recent wage and fringe benefits for coal miners further inflates energy costs. The public must be made aware of these facts.

GUN CONTROL: THE CONCLUSIONS UPON WHICH THE LIBERALS BASE THEIR FACTS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. LANDGREBE. Mr. Speaker, it seems that a renewed campaign for some type of gun control was recently launched by various persons in the Government and in the press. The liberal minds that guide this country have studied the growing crime rate and have concluded that the solution is to lock up the guns and let the criminals go free. Queer ideas like this are characteristic of the liberal mind. What is surprising is that so many otherwise sensible people seem to be taken in by the most specious of arguments for gun control. One of these arguments—perhaps the central argument—is that guns are the aggressors; that guns cause crime; that were no guns present at the scene of a crime, no crime would have been committed.

Unfortunately for this rather peculiar idea, Dr. Marvin Wolfgang conducted a study of criminal homicide in the city of Philadelphia and published a book entitled "Patterns in Criminal Homicide," now over 15 years old. I believe a few quotations from that book would do a great deal of good in any discussion of the role of guns in crime. Dr. Wolfgang writes:

> It is probably safe to contend that many homicides occur only because there is sufficient motivation or provocation, and that the type of method used to kill is merely an accident of availability; that a gun is used because it is in the offender's possession at the time of incitement, but that if it were not present, he would use a knife to stab, or fists to beat his victim to death. (Page 79.)
>
> The world around us abounds in available means to inflict death. Everyone has access to many cutting and piercing instruments or to solid, heavy objects that can be used to bludgeon a victim. From the Philadelphia police files such common household items as an electric iron, a floor lamp, and a pencil were uniquely listed as homicide weapons. (Page 80.)
>
> During a drunken brawl, or in the white heat of passion, an offender uses whatever weapon is available—a brick in an alley, a stick on the sidewalk, a butcher knife on the kitchen table, or his bare fists if necessary. (Pages 80–81.)

These passages should be considered carefully, for it is usually the example of the crime of passion that the liberals use when discussing the alleged effectiveness of and need for gun control laws.

Another of the arguments used by the liberals in support of gun control legislation is that easy access to guns, due to the great quantity of guns in this country, leads to a high crime rate. Consider what Dr. Wolfgang has written about this notion:

> Several students of homicide have tried to show that the high number, or easy access to, firearms in this country is causally related to our relatively high homicide rate. Such a conclusion cannot be drawn from the Philadelphia data. Material subsequently reported in the present study regarding the place where homicide occurred, relationship between victim and offender, motives, and other variables, suggest that many situations, events, and personalities that converge in a particular way and that result in homicide do not primarily depend upon the presence or absence of firearms. While it may be true both that the homicide rate is lower in Europe and that fewer homicides abroad involve use of firearms, it does not necessarily follow that the relatively high homicide rate in this country is merely due to greater accessibility of weapons (Pages 81–82.)
>
> The hypothesis of a causal relationship between the homicide rate and proportionate use of firearms in killing is, therefore, rejected. (Page 82.)
>
> To measure quantitatively the effect of the presence of firearms on the homicide rate would require knowing the number and type of homicides that would not have occurred had not the offender—or, in some cases, the victim—possessed a gun. Research would require determination of the number of shootings that would have been stabbings, beatings, or some other method of inflicting death had no gun been available. It is the contention of this observer that few homicides due to shootings could be avoided merely if a firearm were not immediately present, and that the offender would select some other weapon to achieve the same destructive goal. Probably only in those cases where a felon kills a police officer, or vice versa, would homicide be avoided in the absence of a firearm. (Page 83.)

Unfortunately Dr. Wolfgang's 1958 study of homicide in Philadelphia has been and is ignored by the liberals. Their conclusions about guns and the need for gun control are the conclusions upon which they base their facts. All evidence not supporting their conclusions is ignored or suppressed.

SUPPORT FOR TRADITIONAL VETERANS DAY OBSERVANCE

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. YOUNG of Florida. Mr. Speaker, on January 3, 1973, I introduced House Joint Resolution 126, to restore the traditional November 11 observance of Veterans Day.

This special day had long been set aside to honor the men and women of our armed services who fought so valiantly on behalf of this great Nation. Shifting Veterans Day to October 28 in the interest of a 3-day weekend served only to commercialize the true meaning of Veterans Day, and I strongly oppose this move. Many other Members of Congress have joined me in my effort to restore November 11 as the legal holiday and, in fact, a discharge petition has been filed on House Joint Resolution 126.

I am very pleased to inform my colleagues in the House that the great State of Florida did not fall in with the Monday Holiday Act but instead observed Veterans Day on November 11. As Mr. M. P. Fleischer, staff writer for the Pinellas Times, has noted, holidays by decree cannot change history, and I am pleased that Floridians have stuck to the traditional observance of Veterans Day.

Mr. Speaker, I enclosed for my colleagues' information the article by Mr. Fleischer in the Pinellas Times discussing the question of celebrating Veterans Day on the correct date. I hope that the worthwhile thoughts contained in this article will spur increased interest and action on House Joint Resolution 126 by the Congress:

ANOTHER OPINION: HOLIDAYS BY DECREE CANNOT CHANGE HISTORY

(By M. P. Fleischer)

By an act of the Legislature, this state is the only one in the nation to celebrate Veteran's Day on Nov. 11, the traditional Armistice Day.

This year, 49 states celebrated Veteran's Day on Oct. 28. The reason is that a few years back, Congress decided to alter the holiday schedule so that workers could have more three-day weekends.

But Florida, which is peopled with retirees who have a sense of history, decided to march to the tune of a different drummer. The result is that we in the Sunshine State celebrate the holiday on Nov. 11—and it doesn't matter whether Nov. 11 falls on a weekend, or a weekday.

Celebrating on Nov. 11 while the rest of the nation celebrated on Oct. 28 leads to some interesting situations.

State, local and county goverments are closed except for emergency services. The federal government is working.

Florida did not have mail delivery on Oct. 28, the day the federal government celebrated Veteran's Day. It did have mail delivery on Nov. 11, when local government offices and many other things were closed.

Schools across the nation—except for Florida—were closed on Oct. 28 and the news media was alive with reports of Veteran's Day activities here, there and yonder.

Schools in Florida were closed Nov. 11. Whatever ceremonies there were in the state attracted local news media attention but you can bet that not much national attention was paid to events here. And President Ford did not come to Florida to place a wreath on a soldier's grave. He did that in Washington about two weeks ago.

All of this makes for a kind of strange day.

If, for example, you are a federal employee and your spouse works for the state, a city, a county or some private industries, you worked Nov. 11 while your spouse was off. If you have children in school, they were off, too.

By the same token, you were off Oct. 28 and they worked.

It also made for some interesting situations among various government agencies. Suppose, for instance, that you were a county employee dealing with federal officials, on, say, pollution control matters. On Oct. 28, you might have well stayed home as try to get in contact with them. They were off. On Nov. 11, federal officials dealing with counterparts in Florida couldn't get them. They were off.

Regardless of the value of three-day weekends, it seems we have lost a bit in changing some of our important holidays around. And when we want to preserve the traditions, we run into problems. Granted, they are niggling little problems, but they are annoying.

Veteran's Day by decree may have been Oct. 28, but history tells us it was really Nov. 11. Just as Columbus Day historically is Oct. 12, Memorial Day is May 30 and George Washington's Birthday is Feb. 22. Decrees so that we can have more three-day weekends cannot change history. Perhaps it is time once again to follow that history.

MAYOR BEN WEST

HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. FULTON. Mr. Speaker, one of America's outstanding figures in municipal government of this century, former Nashville, Tenn., Mayor Ben West, died last week. His passing marks the end of a career that left a lasting imprint not only on the face of my community but upon the legislative bodies of American government at the State, local, and Federal level.

My friendship with Mayor West covered two decades. During the early political years of my late brother, Lyle, and then during my early political years, I always welcomed the counsel and advice of the mayor. My father and Ben West's father were friends in the late twenties and early thirties when they were both employed at the railroad. Much of my progressive outlook is a result of my exposure to his political outlook as well as his great personal vision.

It was through the tenacity of Ben West in pursuing an impossible task against overwhelming odds that the Supreme Court of the United States ultimately rendered its vital Baker against Carr decision which brought about legislative reapportionment in America on the basis of one man one vote.

At the height of his career, there was no abler municipal official in America than Ben West. And throughout his career, for those who understand and appreciate the talent, there was no abler practitioner of the art of politics than the dynamic, shrewd, and acutely astute Ben West.

In politics, perhaps as in life, the sweetest words are words of praise uttered by your political enemies. Throughout most of his career Ben West found himself politically at odds, often bitterly, with the morning newspaper of our community, the Nashville Tennessean. Yet on his death the dean of Tennessee political reporters, Mr. Joe Hatcher, who for years knew and covered the career of Ben West, stated:

> "Politically I was opposed to West throughout his career . . ." However, Hatcher added: "Ben West probably will be recorded in history as one of Nashville's great mayors, of the great mayors of this nation."

Mr. Speaker, Mr. Hatcher is not guilty of overstatement. I would like to place in the Record at this point Mr. Hatcher's article, "Ben West's Career," as well as the Nashville Tennessean editorial of November 21, 1974, "Mr. Ben West: Mayor, Senator, Politician":

Joe Hatcher Recalls: Ben West's Career

(By Joe Hatcher)

Ben West, who died this past week at 63, was mayor of Nashville from 1951 to 1963—but my own acquaintance with him goes back much further than that.

I first knew Ben casually as a student in my wife's classes at Central High School and as an office boy at the Banner at that time. Later I knew him better when he was in Vanderbilt, a member of my fraternity—the ATO. During those early years he showed his political instincts as an organizer and class official at Central. At Vanderbilt, he pursued his political education by forming a fraternity coalition to "boss" politics on the campus, and to be elected President, a post I had held previously.

Ben was a master politician, almost literally hoisted by his own bootstraps, from the day he entered Central High until his ultimate defeat in a comeback race for mayor in 1966. He lived and breathed politics from infancy, his activities indicated, and he actively engaged in Democratic politics until his health no longer permitted.

Along the way he served as an assistant attorney general, state senator, vice mayor, mayor, president of the American Municipal League, and on numerous advisory and national agencies.

Stricken in childhood with polio, Ben was incapacitated for athletics in school, but few ever knew of his handicap, or realized that this experience might have been the background for his lifelong drive for leadership and public service.

Ben West will probably be recorded in history as one of the great mayors of Nashville, or the great mayors of the Nation. His shortcomings and his highly controversial career as mayor will be forgotten in the writing of history.

If for nothing else his leadership in the noted Baker vs Carr decision of the U.S. Supreme Court that led to reapportionment of the entire 48 states of his time, entitles him to a rare place in history. The urban areas of the entire nation owe Ben West an undying debt of appreciation for his determined fight for the rights of the people. His famous quote that "pigs and cows in Moore County were three times better represented than the people of Nashville," won't be forgotten.

History will also record that West drove to completion the Capitol Hill Redevelopment program in Nashville, built the Municipal Auditorium, built the $11 million sewage disposal plant, inaugurated the East Nashville Urban Redevelopment program, initiated the modern street lighting system for the city, built the present airport terminals and airport expansion, and initiated the School Mothers' Patrol.

As president of the American Municipal League, West carried the image of Nashville to many points in the world, including speeches before some 15 state municipal leagues, before a world conference at the Hague, in Tel Aviv, in Rio de Janeiro and San Juan. He also delivered a series of lectures on city government and urban problems at George Washington University. He preached nation-wide of the need for an Urban Affairs cabinet post in all national governments.

Politically, I was opposed to West throughout his career, and in many of his races the Tennessean was a target of his criticisms. But in the final analysis, West was always a Democrat and the hatchet was buried when general elections rolled around. My last direct contact with West was at a Democratic banquet at which West sat at the table with the publisher and editor of the newspaper so long at odds with him in his campaigns against Mayor Thomas L. Cummings and later Mayor Beverly Briley.

The newspaper's differences with West were largely based upon his methods and tactics in governing rather than upon his overall politics.

As Mayor, West originally supported Metro government for the first losing referendum. He reversed his positon after he had annexed some 80,000 citizens to the city's boundaries, and County Judge Beverly Briley entered the campaign for Mayor in 1963 on the Metro platform. In his 1966 race against Mayor Briley, he shifted his support to the new Metro plan with his own ideas of its operation. Actually West's major annexations after the first defeat of Metro so angered the suburban areas that they supported Briley against West.

As Mayor, the major criticism against West was his tendency to play petty politics at all levels, including individual police assignments, locations of street improvements, his big stick methods with the city council, and clear political favors for those supporting him.

In those days, West was portrayed in the newspaper cartoons as "Little Ben", pictured as a well-known trade-mark—a polka-dot tie, you'll recall.

Old time council members remember one occasion when West presented a budget found heavily out of balance. It was withdrawn and written into it was an item "unanticipated income". It escaped the notice of the critics and apparently of the council and was passed, and was found to be acutely out of balance.

That Ben literally climbed by his own bootstraps is reflected throughout his career in his willingness to meet the issues and his opposition, and fight to the last ditch as in the appeal of Baker vs Carr to the U.S. Supreme Court.

West was born in Columbia, March 31, 1911. His father was a railroad telegrapher with a large family and times were hard in the Great Depression when Ben was maturing. He moved to Nashville as a youngster, living in the Flat Rock area, near Radnor Yards where his father worked.

His first job was a counter boy in a drug store. He served as an office boy at the Banner while still in Central High, and waited on tables to attend law school at Cumberland. He graduated there in 1930 and entered Vanderbilt where he graduated in 1934, working part time as a reporter, waiting on tables, and whatever was available.

Immediately after graduation he was appointed an assistant attorney-general and served as prosecutor in several major criminal trials during his career. He was elected vice-mayor in 1947 after withdrawing from the mayor's race, but obviously was aiming at the top office at the next opportunity. He was elected to the state senate in 1949 and while there passed legislation boosting pay for city employes before entering the race for mayor against Mayor Thomas L. Cummings in 1951.

West won the office by only 55 votes when the official tally boosted that margin from 27 in the unofficial returns on election night.

In his third term, he took an interest in the pending suit seeking reapportionment of the legislature. "They just laughed at me. I'll show them," he was quoted after appearing before the legislature seeking a better division of state revenues. He did. He intervened in the pending suit that had been filed by Memphis' Walter Chandler, Knoxville's Hobart Atkins, and Nashville's Tommy Osborn. The three judge federal court dismissed the suit as without jurisdiction, but permitted West to remain in the case and amend his intervening petition.

West then persuaded the city council to advance funds to appeal the case, and hired Charles Rhyne, a noted Washington lawyer, and former president of the American Bar Association. West also was instrumental in interesting President John F. Kennedy in the case and Archibald Cox, of recent Watergate fame, entered the case as Solicitor-General of the U.S. The result was the ultimate decision that the federal courts had jurisdiction. The victory was Ben West's as much as the lawyers who won the case. Followed the one-man, one-vote decisions and a general reorganization of legislatures, school boards, and other agencies.

West was buried in the old City Cemetery where many of Nashville's greatest leaders rest. It was West's request to be buried there. He was responsible, along with the late Jack Dennis, for the restoration of the old cemetery from its badly run-down condition and might have well been forgotten except for West's restoration. Fittingly he rests with many of those who have left their indelible marks on Nashville's history.

When the city celebrates its 200th birthday, in the spring of 1980, and the names of the builders of the city are recalled, Ben West will be prominent among them.

[From the Tennessean, Nov. 21, 1974]

Mr. Ben West: Mayor, Senator, Politician

Mr. Ben West, mayor of the old city of Nashville from 1951 to the coming of Metro in 1963, former state senator and a political force in the community for more than 30 years, is dead at the age of 63.

Mr. West was widely admired and respected as an authority on municipal affairs, as a political tactician and as a hard working and conscientious public official. This newspaper often found itself in disagreement with his political methods, but there be no denial of the fact that he served energetically and with distinction and moved the city forward.

He began his public service career as an assistant district attorney in 1934. He went on to become vice mayor and serve in the legislature and finally was elected to three terms as mayor.

His tenure in the mayor's office came during a period of crisis and change in municipal governments throughout the nation. The cities, absorbing the post-war migration from the farms, were beginning to experience pressing problems of overstrained services, dwindling revenues and an imbalance of legislative representation. Mr. West was a leader in the long fight—which culminated in success shortly before he left office—to have the courts order more equitable representation for the growing municipal areas.

The former mayor was also active in many other aspects of municipal government. He served as president of the American Municipal League in 1957 and was in considerable demand as a speaker on municipal and urban affairs in many parts of the nation and in foreign countries. He had served in official capacities in numerous public service organizations concerned with the future planning and the provision of municipal services to urban areas.

Although his work in these fundamental areas of modern urban planning and administration may have been the highlight of his career, Mr. West left numerous local memorials to his energy and industry. Capitol Hill redevelopment, the municipal auditorium, the municipal airport terminal, the sewage disposal plant and others stand as reminders of his administration. He also established the School Mothers Patrol and in 1958 received the Distinguished Service Award of the American Transit Association for his advancements in mass transit in Nashville.

As a political combatant, Mr. West can most appropriately be described as tough, able and unrelenting. He was a man of firm conviction, and he didn't hesitate to defend his convictions. The 1951 mayor's race between Mr. West and the late Mayor Thomas L. Cummings, which was won by Mr. West by a margin of only 55 votes, stands out as one of the classical political battles of the city's history.

Although his administration was filled with much controversy, Mr. West was held in respect by his political opponents. He played the game of politics aggressively and skillfully, and in so doing helped sustain a climate of controversy and striving of the type on which democracy thrives and out of which progress is fashioned. The news of his death is saddening.

CUBAN-PANAMA SITUATION

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. FLOOD. Mr. Speaker, apropos earlier remarks on the Cuban-Panama situation, attention is invited to the stands taken by our great veterans organizations, among them the Veterans of Foreign Wars of the United States. A recent press release by its national commander in chief, John J. Stang, and two of its 1974 resolutions follow:

VFW CHIEFTAIN REJECTS "NERVOUS SOCIOLOGY" OF PRIVATE UNITED STATES-LATIN AMERICAN STUDY GROUP

WASHINGTON, D.C., October 31, 1974.—Terming it "a blue print for hemispheric disaster," John J. Stang, of LaCrosse, Kansas, National Commander-in-Chief of the Veterans of Foreign Wars of the United States, put his nearly 1.8 million member organization in "total opposition to the nervous sociology inherent in the recently published 33-point program published by the "Commission on United States-Latin American Relations."

Mr. Stang focused on the following major Commission recommendations as being "a purposeless, self-destruct course from an American position of prudence and responsibility."

The Commission recommendations included:

An immediate and unconditional end to inter-American economic sanctions against Cuba;

The negotiation of a new Canal Zone treaty with Panama;

Termination of military assistance to Latin America and phase out U.S. military advisory groups;

Abandoning the threat or application of unilateral measures of economic coercion in cases of uncompensated expropriation of American property or the seizure of American fishing vessels; and,

Restrain from actively encouraging the purchase of arms by Latin American countries, but repeal legislative restrictions on arms transfers that discriminate against the hemisphere.

The V.F.W. leader, in setting forth his total opposition to the foregoing recommendations, noted that, unlike other major areas of the world, the western hemisphere has been spared wide-spread warfare and major power competition.

"Adjustments can always be made in light of changing circumstances," Mr. Stang concluded, "but the approach envisioned by the 'Commission on United States-Latin American Relations' would not be a shrewd adjustment. It would be an irrevocable dismantling of a pattern of relationships that has assured relative peace and promises regional economic progress."

RESOLUTION NO. 407: NO TRADE WITH OR RECOGNITION OF COMMUNIST CUBA

Whereas, since the visits of former President Nixon to Commnist China and Communist Russia, many newspapers, TV stations, and other media have sent up "trial ballons" stating that, in their opinion, it is now time to "normalize" relations with Communst Cuba in wake of the anti-hijacking agreement; and

Whereas, Communist Cuba's dictator, Fidel Castro, has, notwithstanding, kept thousands of Cuban citizens languishing in filthy prisons and concentration camps; and

Whereas, the Cuban Communist regime has continued the repressive policy of no free election, systematic withdrawal of all democratic freedoms, systematic spying on all citizens and coercion of all Cubans into the Communist system; and

Whereas, Communist Cuba has continued unabated in its implacable hatred of the United States of America and has continued to send out Communist agents to other countries in this hemisphere and continues to train and inspire agents for sabotage and insurrection in various countries; and

Whereas, the United States of America has admitted hundreds of thousands of anti-Communist refugees from Cuban shores; now, therefore be it

Resolved by the 75th National Convention of the Veterans of Foreign Wars of the United States, That we call upon the President and the Congress to continue the present policy of no trade with Communist Cuba and the policy of no diplomatic recognition of the Communist state for as long as it remains the policy of the Cuban Communist regime to retain the many harsh injustices now extant in that unfortunate land; and be it further

Resolved, That the U.S. Government grant no concessions whatsoever on the complete U.S. sovereignty, control or use of Guantanamo Bay.

RESOLUTION NO. 414: U.S. CONTROL OF THE PANAMA CANAL

Whereas, Article II of the 1903 Convention between Panama and the United States, as modified in part by the 1936 Treaty between the two Governments, states:

ARTICLE II

The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for construction, maintenance, operation, sanitation, and protection of said canal of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the Canal to be constructed; the said zone beginning in the Caribbean Sea three miles from mean low water mark extending to and across the Isthmus of Panama into the Pacific Ocean to a distance of three marine miles from mean low water mark with the proviso that the cities of Panama and Colon and the harbors adjacent to said cities, which are included within the boundaries of the zone above described, shall not be included within this grant . . .

The Republic of Panama further grants in like manner to the United States in perpetuity all islands within the limits of the zone above described and in addition thereto the group of small islands in the Bay of Panama, named Perico, Naos, Culebra and Flamenco;

and

Whereas, the United States of America has fully met its obligations to Panama under existing treaty arrangements and, moreover, has efficiently and responsibly accommodated an ever-increasing number of transits and amount of tonnage through the canal; and

Whereas, the revolutionary government of Panama, a product of coup d'etat, has, since June 1971, under the guise of seeking new canal treaty arrangements, undertaken a bitter and sustained campaign of anti-American propaganda fueled in large part by Cuban and Soviet Communists; and

Whereas, given the emotionally irrational situation in Panama, a political/psychological "timebomb" is being consciously fabricated by the revolutionary government of Panama set to explode to the detriment of the United States and the world shipping community, as was the case in the abortive meeting of the UN Security Council in Panama and the subsequent threat to the U.S./UN Ambassador; and

Whereas, due largely to our clearcut V.F.W. position, nearly more than one-third of the U.S. Senate has gone on record in opposition to the unprincipled "Statement of Principles" signed by the Administration and the Panamanians; now, therefore be it

Resolved, by the 75th National Convention of the Veterans of Foreign Wars of the United States, that

(a) U.S. control and defense of the Panama Canal are non-negotiable;

(b) tensions relating to the administration of the Canal Zone be resolved on the spot without disturbing present treaty arrangements;

(c) U.S. citizens and employees in the Canal Zone continue to meet their responsibilities under U.S. sovereignty; and

(d) the foregoing position be again communicated to both the President and to the Congress.

MORALITY IN POLITICS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. SYMMS. Mr. Speaker, a lot has been said over the past 2 years about the climate of morality in politics. Nowhere have I seen the American political scene put in such perspective as a recent article written by my friend, Allan C. Brownfield. In order that my colleagues might have an opportunity to read Mr. Brownfield's comments, along with those of an eminent political observer, Richard Whalen, I insert the column at this point in the RECORD:

[From the Anaheim Bulletin, Nov. 18, 1974]

RICHARD WHALEN DISSECTS THE POLITICAL LANDSCAPE

WASHINGTON.—Most of the old political labels no longer make very much sense. If Democrats and Republicans really differ, it is primarily over who should be elected. If businessmen really believe in free enterprise it is difficult to explain their eagerness for government subsidization. And even the casual observer knows that things have gone awry when a Republican president declares that he is a "Keynesian" and when candidates of both parties are sold on television with little attention to either their records or their programs.

These are some of the observations of Richard Whalen in his recently published book, "Taking Sides." Whalen, a man who has distinguished himself as an original and thoughtful observer of the political scene, has been a contributing editor of Time, a member of the board of editors of Fortune, author of the best selling biography of Joseph P. Kennedy, "The Founding Father," and advisor to Richard Nixon during 1967–68. His analysis of our current political battlefield is worthy of serious consideration.

In his discussion of Richard Nixon, a section aptly entitled "Politics Without Purpose," Whalen expresses the view that those who thought of the Watergate conspirators as "ruthless, brilliant men, scheming for the highest prices" were mistaken. He notes that, ". . . stupid men also scheme. Conspirators may be motivated by nothing more than fear of losing what they have. The fictionalized ambition to seize power by a bold stroke becomes in real life the petty desire simply to hang on to the trappings and satisfactions of power—the luxurious jets, the fleet of limousines, the protected villas and retreats, the warm feeling of total security. To most of those who possess it, power is not desired as a means to great ends. It is a perfectly satisfying end in itself."

CYNICAL CONSPIRACY

Richard Nixon, the author points out, "made no distinction between the politics of campaigning and the politics of governing. With a handful of exceptions, the men around Nixon when he came to the presidency were experienced solely in campaign politics. He and they merely continued the ways that had worked well enough to give them what they sought. Most of these men were also strangers to the President and to each other, separated by fear, jealousy and suspicion, yet joined nonetheless in cynical conspiracy."

Whalen blames the Republicans, particularly the conservatives in the Senate, for remaining silent while Richard Nixon isolated himself from those who had made his nomination and election possible and, at the same time, dramatically reversed party policies, particularly in matters of defense and economic policy. He writes. "The conservative barons of the Senate—Barry Goldwater, John Tower, Strom Thurmond—who had played a decisive role in Nixon's 1968 nomination and election kept their fury bottled up long after they saw both ideology and political common sense betrayed. . . ."

Also subject to Whalen's criticism is the Washington press corps, which has been hailed for discovering Watergate but which, in fact, overlooked all of the things which produced it. Whalen asks: "Where, as all this happened, were the professional scrutinizers, the watchmen of the Washington press? They were, for the most part, in a state of culture-shock brought about by the arrival of the first Republican administration they had encountered. . . While the reporters panted after such colorful figures as Kissinger and (while he lasted) Moynihan, there was almost no critical scrutiny of the extraordinary White House organization structure and the concentration of enormous power in the hands of a few men unknown to the public. . . Reporters covering the administration had daily evidence that they wore pressing their noses against a plastic P. R. bubble surrounding and concealing a non-government. Yet they did not poke through and expose it. Within the bubble were men who believed in nothing, aspired to nothing, and wanted nothing, except to enjoy incumbency. . . A press corps made docile by the desire for 'access' to the powerful played along. . ."

POLITICS OF ILLUSION

Richard Nixon and his supporting cast, however, are not the only bad mark given by the author in contemporary American politics. John F. Kennedy is another. He refers to Kennedy as "a man without a goal beyond personal victory" and declares that he won election "by projecting an image of 'freshness' and 'vigor' in a time of national self-doubt. He practiced a media-oriented politics of illusion, which only a few skeptics challenged."

"In my family," John Kennedy once told an interviewer, "we were interested not so much in the ideas of politics as in the mechanics of the whole thing." Joe Kennedy told Arthur Krock in 1957 that, "We're going to sell Jack like soapflakes." Whalen charges that the Kennedy campaign itself made religion an issue in 1960, in both the primaries and in the general election. He states that, "Far from being a liability, Kennedy's religion was one of his solid assets. If he had been a wealthy young Episcopalian bearing the same record and credentials, he would not have received the publicity which made him the front runner entering 1960. And his relevant qualifications for the presidency—or lack of them—would have come under less sympathetic scrutiny."

Both John Kennedy and Richard Nixon represent to the author the emptiness of today's American political scene. One of the most negative forces on that scene, he believes, is the mass media. He writes, "Abraham Lincoln could be physically unattractive yet popular at the same time. The images on the screen are contrived to satisfy the values not of traditional politics but of mass entertainment; and the politicians who entered the realm of the entertainers were judged by their standards."

As a conservative himself, Richard Whalen laments the fact that self-proclaimed political conservatives are willing to accept such policies as wage and price controls and deficit spending as long as a Republican administration, rather than a Democratic one, imposes them. He notes that, "The dominant conservative impulse is to react—negatively to liberal proposals, positively to those bearing the Republican label, almost without reference to their specific contents. This habit of assent—knee-jerk conservatism—is symptomatic of a weak-mindedness apparently peculiar to Republicans."

MANIPULATION

In an excellent essay about John Connally, Whalen notes that American businessmen have ceased to believe in capitalism: "Traditional American capitalism, with its emphasis on ownership, enterprise and the free market, is being replaced by a managerial state capitalism centered in Washington. The mainspring of the system was no longer the market mechanism; it was political bargaining and manipulation. In return for political submissiveness, large private interests were protected against the hazards of competition and the consequences of their own mistakes." He refers to this policy—embraced by Republicans and Democrats alike—as "an American kind of socialism, cloaked in the rhetoric of enterprise."

Richard Whalen believes that the policy of detente is probably the most serious offense of the Nixon years. He writes, "Ironically, the Soviet overthrow of American nuclear superiority has produced much activity carelessly described as 'peace-seeking.' In fact, the U.S. and its apprehensive allies are engaged in competitive deal-seeking with the Soviets. The reality is not 'peace,' but gradual accommodation to emerging Soviet dominance and phased capitulation to Soviet demands."

Whalen is a serious conservative intellectual and he paints a bleak picture. But it is not without hope. He urges the center to give the nation a new set of values, confidence, and direction, after it has been lied to by both the politicians and the media. He believes in freedom and strength and thinks that the majority of Americans agree with him. The political job of organizing that majority, however, he will leave for others.

THE CONSUMER PRODUCT SAFETY COMMISSION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. LANDGREBE. Mr. Speaker, Mr. F. J. Rarig of the Rohm & Haas Co. of Philadelphia wrote an essay shortly after the enactment of the Consumer Product Safety Act in 1972. It is a brilliant piece of thinking, and I wish to share it with all my colleagues in Congress. I have edited it in order to allow it to fit within the confines of two RECORD pages, but I do not believe that I have impaired any of Mr. Rarig's style or argument. He states correctly that establishment of the Consumer Product Safety Commission is counter-revolutionary. That is, it is opposed to the principles upon which this country was founded, and to the common law. It is a throwback to feudalism. I trust that my colleagues will find Mr. Rarig's essay as good as I have.

THE ROLE OF STANDARDS UNDER THE CONSUMER PRODUCTS SAFETY ACT

(By F. J. Rarig)

This paper is primarily an effort to define the place in our system of law of the consumer product safety standard, the key legal instrument of the Consumer Product Safety Act.

The role assigned to this novel legal device is critical to the successful operation of this remarkable piece of legislation.

I suggest that the burden placed on the Consumer Product Safety Standard may be more than it can carry. I will define this burden by contrasting the theory and operation of the common law concept of "due care" and the legal system that gave effect to it with the theory and proposed operation of the system created by the Consumer Product Safety Standard Act which is designed to protect the consumer by making consumer products safe through a new kind of American Standard—a Consumer Product Safety Standard.

Speaking generally regarding the effect of the Consumer Product Safety Act on the voluntary standards system, I would say that the Commission created by the Act has been given the authority (with muscle) to set *standards* for consumer safety standards *and* to order that such standards be promulgated when and if required. They have, indeed, been given fully sanctioned authority to do for standards, in this enormous area of our economy, what ANSI is theoretically supposed to have had the authority to do for standards generally in the United States.

Because Consumer Product Safety Standards will define the form of a product which may lawfully be sold on the American market, I would assume that the procedure that produces such a standard will be required to conform meticulously to the conception of fairness enshrined in the concept of due process of law. There are presently only a handful at most of voluntary standards groups that can provide the broad representation of interested persons and the fundamental safeguards that are essential elements of due process.

To assess with some degree of accuracy the legal significance of Consumer Product Safety Standards which will be promulgated under the Consumer Product Safety Act, we must first attempt to assess the historic legal and economic significance of this legislation.

Hackneyed and trite though it may sound, it must be said that the Consumer Product Safety Act constitutes a revolutionary change in our system of justice—a change which is fraught with tremendous and far-reaching economic and political consequences.

Actually, it is more accurate to characterize this legislation and the trend which it represents not as revolutionary but as counter-revolutionary.

This Act is a further (I am tempted to say *final*) step toward liquidation of our federal system of government which was constructed in Philadelphia in 1787. You older members of the Bar and students of constitutional history will recall that under this federal system, the police power was denied to the national government.

But the revolutionary significance of this Act is not derived from the contribution it makes to the rapidly accelerating process of liquidating the great Philadelphia invention of federalism.

Its revolutionary character derives from the novelty and radicalism of the change which it makes in our fundamental system of jurisprudence.

No state government ever undertook to do what this Act does. We are now undertaking, through the creation of an elaborate pattern of administrative control and a huge national administrative apparatus, to protect people from harm, not by holding all men to a standard of due care, but by establishing prior control over the production and marketing of goods in an endeavor to assure that the things produced by American industry will be safe; that is, will not injure those who use them. The principal mechanism for accomplishing this objective will be a national injury reporting and analysis system that will identify dangerous products. The principal means of eliminating product hazards will be consumer safety standards.

This undertaking is truly counter-revolutionary because it returns us to the system of economic control that was replaced four or five hundred years ago by the common law.

The cornerstone of the common law system was the provision of remedy in tort for injury caused by conduct that did not meet the prevailing standard of due care defined by case law and jury verdicts.

The Consumer Product Safety Act proposes to establish safety by *pre*scription of acceptable product performance and product design—a condition precedent to market entry. The common law sought to *pro*scribe injurious conduct by holding the producer to a standard of due care in the production of goods and by providing a remedy to any injured party, a condition subsequent to market entry.

The definition of acceptable products in Consumer Products Safety Standards constitutes prior control of production and marketing through government regulation. The technique of the common law was assurance of freedom to act subject to the duty to act with due care for the safety of others. The common law sanction for the commandment, "Thou shalt not injure thy neighbor" was the imposition of liability and damages for injury caused by wrongful conduct. Under the common law the individual was free to use his genius, ingenuity and industry to produce products which others would buy. No sovereign power told the producer how to make a safe product. He was held to a standard of due care by the structure of the common law which made him responsible for the safety of his product. He made an unsafe product at his peril. The price of freedom was the duty to produce a safe product. If his product caused injury, he was then held accountable to a standard defined by the value of the society and the culture of his time. The great virtue of the jury verdict was its resolution of all of the imponderables which confront us at the threshold of the standards writing process. These include reconciling functional demands with safety considerations, balancing the need for goods versus the security of the individual, balancing the cost of the imposition of a high standard of care against the scarcity and demand for the products of industry, and balancing the need to provide incentive to produce versus the need to assure the safety of the consumer.

The verdict of the jury constituted a finding of malfeasance or nonfeasance, resolved the issue of causation and often put the whole matter in balance by assessing damages.

When we consider the key role that Consumer Product Safety standards are to play under the Consumer Product Safety Act, you must keep in mind what was accomplished by the common law procedure of a trial of the issues of fact in accordance with rules of relevance and materiality, the role of the judge, the role of the jury, the role of expert witnesses, and the role of trained legal counsel representing the plaintiff and the defendant.

We have to go back to the pre-common law era of feudalism, to find a precedent for a system of law that seeks to protect people from things by defining products rigidly and controlling their production. In the era of feudalism, products were defined and their production controlled through royal guild charters, royal grants of monopolies and by appointment as approved provisioners of the royal household.

The effect on the American market of a return to authoritative definition of products and control of marketing of new products will be far-reaching and incalculable. From here on in, no business school lecturer on marketing will know what he is talking about unless he studies the pattern of control of access to the market developed by the administrative apparatus which will be created under the Consumer Product Safety Act.

The theory of the Act is that safety from dangerous products will be assured through an investigative, legislative and enforcement procedure. This procedure will authoritatively identify hazardous products by conducting investigations of accidents. It will resolve issues of causation which have heretofore been decided by juries, and it will fix responsibility for injuries as between the product and the user. Through this process it will require compliance with mandatory product safety standards, ban products from the market which mandatory safety standards cannot make safe, require informative labeling to assure disclosure of possible hazards, require the description of new products, monitor the entry of new products into the market place and, in the process, undertake to define a new product. It will, then, presumably decide whether or not a consumer product safety standard is required to protect the consumer from possible hazards associated with the new product before that product can be marketed.

The authority that defines consumer products, the authority that decides that a product has caused injury, the authority that determines that an existing product standard does not protect the public, the authority that requests and approves a product safety standard, the authority that dictates the terms in which product hazard shall be disclosed and, most significantly, the authority that defines what constitutes a *new* product requiring consumer hazard analysis and disclosure—this authority will bring the American market under control, and possibly reduce virtually all American industry to the condition of the American pharmaceutical industry which has liquidated the greater part of its research facilities and markets most new drugs abroad, rather than in the United States.

The impact of this market control will ramify far back into the marketing plans and practices of industry and beyond marketing into the halls of product development laboratories, raising fundamental questions regarding the feasibility of the delay between product conception, development and marketing. Those responsible for developing research budgets and calculating the return on capital investment will be compelled to include in their analysis a calculation of the risk that a product will either fail to negotiate the maze of restrictions that will become the path to the market or, once marketed, will run afoul of a determination that it has caused injury, is hazardous and must be taken off the market.

Not surprisingly, a legal philosophy that conceives of products as causing injury, assigns to a document called a "product safety standard" the role of protecting the consumer. The product safety standard is the device relied upon both to protect and to inform the consumer. Conversely, it is the device that will control production and regulate the market.

It is not the manufacturer's sense of responsibility or concern for product liability judgments or loss of good will for his products and his enterprise that will protect the consumer—it is a document called a "Consumer Product Safety Standard."

Animism holds that things cause injury, McLuhanism teaches that the medium is the message. The Consumer Product Safety Act, reflecting a touching faith in the efficacy of words, moves on the conviction that the product safety standard is a shield that will protect the user of the product.

I know that you have all read the Act and will be studying it carefully; I believe you will agree that the device relied upon to protect and inform the consumer is the product safety standard.

You can see that the new religion of Consumerism has found its icon. Safety is not the exercise of care, safety is a document—a consumer product safety standard.

Well, those of us who have devoted most of our professional lives to writing standards of one sort or another have certainly come into our own.

Before we get carried away with enthusiasm for the legal ingenuity and thoroughness of the authors of this Act in utilizing the device of standards to eliminate hazards and to provide terminology for informative labeling, let us check briefly into the status of some current projects to deal with specific hazards and several efforts at informative labeling. Such an exercise may suggest that the path to safety through product standards and informative labeling is not free of detours and delays. Consider the pin-pointed hazard of the motor car's failure to protect the occupant to the right of the driver. DOT is relying on an automatically inflatable air bag standard to give the car the capability of protecting this occupant. The Ford Motor Company has installed this device in some experimental cars but it warns: "persons five feet tall or less should not occupy the right front seat because the deploying airbag may impose dangerous loading on the head if the occupant is in a 'jackknifed' position due to sudden deceleration of the vehicle."

Incidentally, it has taken a bit more than 180 days to come up with an answer to this pin-pointed risk.

Consider the hazard of flammable children's sleepwear. Several years of herculean effort on the part of the national government and industry has finally produced a requirement for the following presumably informative label on cotton nightgowns and pajamas up to and including size 6X for children up to six years of age. "Flammable (Does Not Meet U.S. Department of Commerce Standard DOC FF-3-71.) Should not be worn near sources of fire."

Consider the flood of understanding that envelops the consumer when he checks the meaning of the generic name on the label of his new suit—a generic name provided by the Federal Trade Commission to assure informative labelling of fabrics. Do not be choosy, take any generic. Take NYTRIL. The consumer will learn, if he looks it up in the F.T.C. Listing of Generic Names for Man-Made Fibers that NYTRIL is "A manufactured fiber containing at least 85% of a long-chain polymer of vinylidene dinitrile (CH_2-$C(CN)_2$) where the vinylidene dinitrile content is no less than every other unit in the polymer chain."

If it occurs to you that you might avoid Safety Commission orders banning your product from the market for lack of an adequate product safety standard by developing a prophylactic product safety standard, consider the plight of toy balloon manufacturers who the other day learned with horror that a child in Tennessee recently choked to death when she stumbled and swallowed a toy balloon which she was endeavoring to inflate. When you haven't anything else to think about, let your mind dwell on the prospect of designing a non-swallowable balloon.

This brief survey will serve as a fit introduction to the challenge which confronts the voluntary standards system under this new Act and the response of one of its oldest and most important standards institutions, the American Society for Testing and Materials, to this challenge.

As the Consumer Product Safety Act moved through the various stages of Congressional action and its nature and scope were made public, the word in the upper echelons of the American Society for Testing and Materials was: "If this thing becomes law, it's going to be a whole new ball game."

If the method of operation under the Act consists of monitoring NEISS reports and peeling off the top ten of the hazard parade for standards action, I would agree with the optimists that the Act will be a great boon to human safety and happiness and the work of the Safety Commission will show a good cost effectiveness payout; but I have a strange feeling that I have been here before. The feeling may derive from the fact that as a Special Assistant to the Attorney General of the United States, I assisted in implementing the greatly strengthened Food, Drug and Cosmetics Act following World War II.

I remember asking the general counsel of the Food and Drug Administration how long a new drug would retain the status of a new drug. "Oh, for perhaps a year—maybe two years—it depends upon how generally it is used," was the reply. Most of you are aware that new drug status has in fact continued indefinitely. For some years the Food and Drug Administration facilitated the introduction of new drugs but it soon used the new drug concept to bring thousands of established drugs within the new drug classification in order to increase its authority over them and in order to simplify enforcement proceedings.

Even if the Product Safety Commission endeavors to enforce The Consumer Product Safety Act with restraint and common sense, because the Act is an act to protect the consumer and because private citizens can initiate proceedings under it, it may be unable to control the course that enforcement takes. The political pressures to utilize and expand all of the authority granted by the Act will be irresistible. . . .

I hope that the administrators of this new Act will realize that the future of the American market and of American industry is literally in their hands.

We must all hope that these new masters of the American market will realize that this market is not something that just happened. It has been built on a sound philosophical and institutional base. . . .

In the meantime, let us hope that the Consumer Product Safety Commission will provide a miracle of administrative efficiency, self-restraint, courage and common sense—qualities that are missing in most bureaucracies, private as well as public. . . .

FOOD DAY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. ROSENTHAL. Mr. Speaker, there is no better example of the failure of international cooperation among nations than the world food shortage and no better example of the failure of U.S. governmental policy than the high cost of food here at home.

We are all deeply concerned over the world food crisis. For millions of people in underdeveloped countries the crisis is one of hunger. For millions of others, the crisis is one of not having the money to purchase a nutritionally adequate diet.

That is why I am pleased to be a part of the effort to establish a "National Food Day." Only the most extraordinary circumstances justify the designation of a day to study any single issue of public importance.

A broad coalition of citizens groups and concerned individuals have designated April 17, 1975, a national day of action to develop a food policy aimed at assisting needy nations, reducing food prices, improving the quality of the American diet, insuring competition in the food marketing system, and insuring the livelihood of the family farmer.

We must know why and how our food policies have failed. We must pinpoint responsibility for skyrocketing food prices. We must know whether an agricultural policy that deliberately encouraged the depletion of our grain reserves through unbridled "for profit" exports was responsible for high domestic prices and U.S. and world shortages. We must measure the impact of corporate agriculture on the demise of small family farmers and competition in the marketplace.

For myself, I will use my time on Food Day to work for the establishment of a special congressional committee to study the cost and availability of food, the establishment of a strategic grain reserve, an end to speculation in the food commodities market, and the sensible regulation of exports.

The American consumer this year is paying record high prices for food at the supermarket. At the retail level, inflation in food prices is running at nearly 12 percent a year, and at the wholesale level it is almost 20 percent.

Once this Nation was a land of plenty; today the only thing we have in abundance is shortages. While inflation has soared over the past 5 years, we have had two administrations preaching the old time religion of a free market in an increasingly concentrated food marketing system while urging consumers to clean their plates and tighten their belts. That approach has been nothing but disastrous.

Federal regulation and management of the Nation's food marketing system has failed to provide consumers with food at reasonable prices and farmers with a fair return on invested capital.

The absence of a coherent national food policy has victimized both consumers and farmers while speculators, grain men, and retailers reap windfall profits. A lack of competition in certain segments of the food industry contributes to consumers being overcharged billions of dollars annually, according to the Agriculture Department.

The administration policy of depleting our once-enormous grain reserves and its unrestricted food export programs have contributed directly to higher prices for almost everything we Americans eat, and it has contributed to the world food crisis by pricing our grain out of reach for many developing nations.

The problem has become so severe that in my district in New York City and elsewhere, some elderly persons are eating pet food because that is all they can afford, and supermarket thefts are increasing. It is sad that people have been forced into stealing envelopes of dehydrated soup from grocery store shelves while the grocery manufacturers and retailers are posting record profits.

Food prices and profits are soaring and the quality of our food is declining, as witnessed by the proliferation of junk foods. This is due in no small part to the fact that our regulatory agencies are controlled by the very industries they are supposed to regulate.

I am convinced that, barring massive crop failures, there is a solution to the food price dilemma. We can provide consumers with an adequate supply of food at reasonable prices and still allow farmers to earn a fair return on their invested capital and we can and should meet our moral obligation to help feed hungry nations.

The American people should be encouraged to choose a simpler lifestyle, one that will result in less energy and food consumption; and governmental policy should encourage and sometimes require such actions. But the large corporations cannot continue to reap record profits at the same time consumers are being called upon to sacrifice.

Although consumers are frustrated—and outraged—by ever-rising prices and dismayed by famine overseas, it has been difficult for them to understand some of the root causes of our current predicament, and, more importantly, to work toward some solutions. Food Day can be the catalyst for involving people in finding answers at both the local and the national levels.

I strongly urge all Americans to take part in Food Day activities in their communities. To encourage such participation, I am, along with Senator CLARK today, submitting a joint congressional resolution to declare April 17, 1975, National Food Day.

The text of the resolution follows:

H.J. RES. 1170

November 26, 1974.

Joint Resolution designating April 17, 1975, as "National Food Day."

Whereas food shortages have resulted in massive hunger and starvation in many nations; and

Whereas malnutrition is a fact of life for millions of Americans; particularly the poor and the elderly; and

Whereas inflation, shortages of fertilizer, economic concentration in the food industry, adverse weather conditions, and other factors have led to record high food prices in the United States; and

Whereas the diets of tens of millions of Americans lead to serious health problems; and

Whereas changes in agricultural practices are threatening the survival of small family farmers; and

Whereas a broad coalition of citizens groups and concerned individuals have designated April 17, 1975, a national day of action to develop a food policy aimed at assisting needy nations, reducing food prices, improving the quality of the American diet, ensuring competition in the food marketing system, and ensuring the livelihood of the family farmer: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 17, 1975, is designated as "National Food Day," and the President is authorized and requested to issue a proclamation to promote public involvement in developing a national policy guided by the needs of people, both in the United States and abroad.

MARCHMONT "MARCHY" SCHWARTZ

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. STARK. Mr. Speaker, Marchmont "Marchy" Schwartz, a former Notre Dame football great and head coach of Stanford University, will be inducted into the National Football Hall of Fame in December 1974.

It gives me pleasure to draw congressional attention to Marchy's honor, because he is a long-time personal friend who typifies the finer qualities of competitive sportsmanship. The attitudes and philosophies which made him famous on the field were carried over into the business world, where he also has performed as a champion and, as always, a gentleman.

March Schwartz was honored recently during halftime ceremonies of the Notre Dame-Miami University game in South Bend. He was awarded a plaque for the Pioneers Football Hall of Fame and congratulated for his upcoming induction into the National Hall of Fame.

His steady march toward the ultimate recognition of his feats is worth recording. Born in New Orleans on March 20, 1909, March prepped at St. Stanislaus College in Bay St. Louis, Miss., where he was an outstanding athlete and student. He was also later inducted into the St. Stanislaus College Hall of Fame.

After attending Loyola for a year, he enrolled at Notre Dame and played football during the 1929, 1930, and 1931 seasons. The 1929 and 1930 teams were national champions under Knute Rockne—who died in March 1931. Marchy was an All-American in both 1930 and 1931. He still holds the single season record for most yards gained rushing.

While studying law from 1932 to 1933, he was an assistant coach under Hunk Anderson at Notre Dame. During 1934, he was the backfield coach under Clark Shaughanessy at the University of Chicago. In 1935, he started a 5-year stint as head coach at Creighton University.

In 1940, he rejoined Clark Shaughanessy who introduced the T-formation to football at that time. Marchy became the head coach at Stanford in 1942 and remained the head coach after the war from 1946 through 1950. At that time, he retired from coaching and coached the West team in the 1950 Shrine College All-Star game.

Since then he has been a real estate executive in California with Gannon and Harrity, Northamerican Title Insurance Co., and Transamerica Title where he has been an executive for the last 10 years.

Marchy is married to the former Rosemarie O'Donnell; they have three sons, two daughters, and nine grandchildren. Marchy, Rosemarie, and their children all live in California.

THE NORTH SHORE COMMUNITY ARTS CENTER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. WOLFF. Mr. Speaker, I would like to take this time to call to the attention of my colleagues the achievements of the North Shore Community Arts Center. This group, established some 25 years ago, has acted as a major innovative force in improving the cultural climate of the North Shore of Long Island. The center and the individuals involved can be rightfully proud of the accomplishments of the past 25 years and I wish them success for the future.

A brief history of the center has been prepared and I would like to insert it into the RECORD at this point:

THE NORTH SHORE COMMUNITY ARTS CENTER—A BRIEF HISTORY

Twenty-five years have passed quickly and busily, and the vigorous infant first called "Children's Cultural Center" has grown into an impressive young adult, known widely and well as the North Shore Community Arts Center.

It has been the object of interest by individuals, the media and arts agencies from many parts of the country, and has been the prime motivating force in cultural affairs in this area for most of its 25 years, and has a record of accomplishment of which we can all be proud.

Your arts center, this arts center, has brought to our area, and to its hard-working members, vastly gratifying amounts of artistic nourishment. Let's take a look at the record.

In 1949, when the Children's Cultural Center was founded in Roslyn under the inspired leadership of Ida Rosenfield, the first objective was to bring enriching experiences to our children. Classes were begun in the arts—painting, sculpture, music and dance, always of the highest quality, with fine artist-teachers.

It was soon realized, however, that this was not enough. The children must be served, indeed, but their parents had needs, too. In 1950 this larger need led to the formation and incorporation of the NSCAC. From this point on, the story is one of constant growth, tremendous effort, and remarkable accomplishment—with growing pains to match.

The educational program has grown from an enrollment of a few score to well over 900 students who participate in each year's classes—children, teen-agers, adults and senior citizens. Many of the country's finest artists and educators in the various disciplines have contributed to this ever widening scope. Among the earliest of our teachers were George Kleinsinger, Harry Sternberg, Robert Cronbach, Arthur Edelman, Nathalie Donnet and Roberta Lazes. Since then, many well-known artists have been with us—Minna Harkevy, Joseph Konzal, Alfred Van Loen, Margit Beck, Tully Filmus, Elsa Goldsmith, Frank Kleinholz and Jean Liberte, Seong Moy, Anthony Tony, Merce Cunningham, June Lewis, Billie Mahoney, Sophie Maslow; Fritz Kramer, Felix Popper, Hugo Weisgall; Lawrence Arrick and Alec Rubin, the successful ANTA Training and Production Workshop, and now our newest theater association with Ellen Stewart of La Mamam Experimental Theater Club.

We are proud of our present staff: In art, Alex Dain, Phil Darling, Shirley Gorelick, Mort Haber, Ruth Leaf, Margot Lovejoy, Helen Meyrowitz, Agnes Mills, Elsie Nydorf, Suzanne Schild, Arline Shapiro, Rita Squier, Jerry Walker, Joyce Rosa, Bert Weinmann, Bernice Winston in our art department. In music: Barbara Graham, Liz Reiner, Paul Rudoff, and Edith Wax; in dance: Risa Jaroslow, Muriel Manings, Wendy Summit, and George Tomov; in theatre: Bill Korff, Peter Alzado, Ozzie Rodriguez, Dorothy Schindel and Fred Vockers—never forgetting Carol Fijan and Paul Vincent-Davis puppeteers extraordinaire, Ron Gross in poetry and Bob Strassman and Daniel Quat teaching photography.

Over the years we have presented many of the most important artists and performing groups. To list a few highlights; Alvin Ailey, Judith Anderson, Marian Anderson, Jacques D'Ambrose, Ossie Davis, Viveca Lindfors, Martha Graham, William Gropper, Sioban McKenna, Jack MacGowan, Agnes de Mille, Arthur Mitchell, Carl Sandburg, Pete Seeger, Maria Tallchief, Paul Taylor, Edward Villella and Emlyn Williams.

With "Cinema 6" we led with foreign film presentations on the island, what has become a major development everywhere began right here at NSCAC. Our contemporary composers series—Aaron Copland, Hugo

Weisgall, Elie Siegmeister, Walter Piston and Paul Creston have appeared and discussed the musical scene through their own compositions;—the Oriental Bhaskar and his troupe, an evening with Morton Gould complete with snowstorm; Joseph Papp's "Romeo and Juliet"; some of the great chamber music groups in our country; Guarneri, Cleveland, Tokyo, Juilliard, Lenox and Budapest quartets have all performed for us. "The Negro Artist Looks at America" with Ruby Dee, James Baldwin and John Killens; the important new dance teaching and performance residencies with Eric Hawkins, Twyla Tharp and Bella Lewitsky.

The large program of community service extended by the center includes the arts in therapy program. Now in its third year, and coordinated by Marion Berliner, and is cosponsored by the Long Island Jewish Hillside Medical Center. Through the well planned efforts of a consultant psychiatrist and a qualified staff of therapists, special students between 5 and 21 years of age are offered a program in art, games, dance movement and video therapy in addition, community service programs reach out to local service centers and head start program where classes in the arts have been taught by our teachers over a period of many years. Added to this are the cooperative efforts with after school day care program and individual scholarships.

In the area of performing arts, in its second season is La Mama Long Island Experimental Theater directed by Ozzie Rodriguez, with new participants being trained at this time, and our highly professional concert puppet theater, with a company of 20 teens, directed by Carol Fijan and Paul Vincent-Davis, is playing to filled houses in its second season.

In all this, one thing stands out. The NSCAC has always been a major innovative force in the Cultural Development of the North Shore, and of the entire county. We have been, and continue to be, imitated and emulated. Our ideas have been borrowed. Our counsel sought, our energy admired—and while new groups both philanthropic and commercial spring up around us, there remains enough to be done to keep us all at this business of moving forward and upward for many years to come. It is with some awe that we look at the past and see how far we have come—and it is with a great deal of humility that we realize how far there is yet to go.

So far the story is fascinating and the picture of accomplishment most satisfying—but there have been problems to match both the fascination and gratification—and there may be those who would say that they more than match. We have had space and money problems from the very beginning, and we will not now go into a detailed account of the various homes the arts center has had prior to its present location in Great Neck, where we have been for 9 years. Those of us who can remember the scattered operation in numerous buildings and homes can look back on those days with amusement, as perhaps, those who are dealing with this year's problems may do a few years hence—but the fact remains that we do have, right now, a pressing need for even larger quarters and an even more pressing need for a stable financial base.

Until recently the NSCAC, along with other similar groups throughout the Nation, has been relatively self-supporting—and always operated at a deficit. Now with additional Government support and accompanied matching fund programs the possibilities for growth have been extended.

Our pressing problem today is an excessive current deficit. Our various fund-raising committees have striven long and mightily, but our deficit mounts. . . .

Our program is complicated. It is active, it is large, it is perpetually in motion. Such activity required administration—and what a task that is! We have had and continue to have, directors who have given of their very life's blood to keep the NSCAC moving and growing—and who have been, at the very best, paid for less than half the time they have put in. No one can say "arts center" without saying, "Ida Rosenfield, Ruth Stone, Sylvia Faulkner, Alan Davis, Dorothy Tulman, Barbara Meltzer, Martha Meyers, Gert Perna, currently Bernice Olenick, and for the past ten years through the present, Norma Reiner." We have had Corps of Volunteers working in our office to help keep up with the many details that must be attended to, and the additional paid workers who have all given and continue to give. Could there have been an arts center without a Danny Jacoby, a Nettie Good, an Irv Stewart (to name but a few), the Traums, Shirley Romaine, Zelda Aronstein, the Swerdlows, the Wachtels, Joan Burton, Millie Hoffman, Helen Frank, Gladys Doudin, Esther Shatter, Jules Reiner, Willie Parker, the Petroffs, the Filmus, Lenore Chapman, the Silvermans, and on and on . . .

Unmentioned thus far is the fact that many of our board and committee members are equally distinguished and accomplished. It is safe to say that a high percentage of the artists, musicians, teachers and other professionals of the community have and continue to serve the center in one way or another . . . and still our debts mount.

In this situation we have met and talked and met again and talked again—and again—and in a final effort to reach a satisfactory solution, we have decided that we must really "go public."

We have, of course, always been a "public" organization. Our membership is open to all and we welcome every individual and family that wishes to join us whether the participation is as student or audience. But we have never really reached outside that membership for substantial help. We are doing that now.

In the 25 years of its existence, NSCAC has had 14 presidents, each of whom devoted an incredible amount of time to the development of the arts center, each of whom contributed to its growth, each filling the particular need of the moment; Ira Belfer, Alan Nordlinger, Don Liederman, Morton Leavy and Steven Katzner, all of Roslyn; Will Landsberg, Port Washington; Alfredo Valente, Sea Cliff; and Harry Wachtel, Stanley Swerdlow, Walter Zacharius, Paul Bauman and Sidney Silverman all of Great Neck.

As an organization which has truly led the way to an improved cultural atmosphere, we know we have contributed substantially to the entire community. We have no greater desire than to continue in this work—and to include as many more of our people in its inner workings as desire to participate. We can only do this if we have real and consistent financial help from sources such as the people in the community, local chambers of commerce, service organizations, business groups large and small, philanthropic individuals, organizations, foundations and government sources of funds for the arts.

The first 25 years were the hardest—on to the next 25 for a period of continued growth and creativity!

HATHAWAY, LIETZ HONORED

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. O'BRIEN. Mr. Speaker, today I would like to pay tribute to Mr. Charles Hathaway and Mr. Herbert Lietz who retired this week after serving Iroquois County, Ill., for more than half a century.

Mr. Hathaway, a native of Martinton, Ill., was elected to represent his town on the Iroquois County Board in 1918. He was 19 years old then, the youngest man ever elected to the board. With 56 years service now behind him, Mr. Hathaway has the longest record of service of any Illinois board member. His dedication to the people of Iroquois County deserves their fullest gratitude.

Mr. Lietz is retiring after 16 years as county clerk, but his public service career spanned 30 years. He did a terrific job and now I understand he is planning to move to Texas with his family. I just hope the Lone Star State appreciates him as much as we are going to miss him in Illinois.

The following are two articles published by the Iroquois County Times and the Joliet Herald News on the subject of Mr. Hathaway's and Mr. Lietz's retirements:

[From the Iroquois County Times]

BOARD PAYS HONORS TO HATHAWAY, LIETZ; CONDUCTS REGULAR BUSINESS

(By Vicki Gowler)

"A happy and sad occasion" summed up the end of the November County Board meeting, which was the last meeting County Clerk Herbert W. Lietz and board member Charles Hathaway, Martinton, would attend.

Both men were honored with plaques to mark their years of services to the county. Hathaway, 85, has served on the board for 56 years. Lietz just ended 16 years as county clerk.

Undercurrents of emotion almost overflowed as the county board members and guests gave both men a standing ovation after they received their plaques.

Hathaway was first elected to the board as the Martinton supervisor in 1918 and became the youngest member ever elected. After the redistricting, Hathaway was elected board member for District 2 which includes Papineau, Iroquois, and Martinton. He might have served the longest tenure of any board member in Illinois.

Leitz first took office in 1958 and automatically assumed the duties of County Court and Probate Clerk. He has gone through the building of a new courthouse and jail and the redistricting of the county.

In a speech read by the incoming County Clerk, Donald W. Pursley, Watscka, Leitz said, "According to Webster's Dictionary, a public servant is one who belongs to the people. I have belonged to you, the public, for over 30 years. My wife has felt at times that I was married to the people of Iroquois County—my children at times have felt I was the father of the courthouse."

He continued, "I'm happy that my responsibilities as county clerk have come to an end and my wife and I can now do so many things we couldn't do before. I'm sad because I've made so many friends here in Iroquois County over the years and I'm certainly going to miss you all."

Leitz and his wife, Nola, will be moving to Texas.

Certificates of appreciation were given to three other board members. Bernard Fleming, John Dowling and William C. Merkle. Both Fleming and Dowling decided not to run for office again. Merkle was defeated in the general election last Tuesday.

[From the Joliet Herald-News]

HATHAWAY HONORED IN IROQUOIS COUNTY

WATSEKA.—Service to Iroquois County that spanned more than five decades ended today with the retirement of Charles L. Hathaway, Martinton.

Hathaway, 85, has served the Iroquois County Board 56 years, with six as chairman when it was called the board of supervisors. His current assignment was chairman of two committees—liquor control and public buildings and grounds.

When he was elected supervisor of Martinton Township in 1918, he was the youngest member ever elected to the board. Several years ago the state's Township Officials Association records showed he had the longest tenure of any board member in Illinois.

Since redistricting, Hathaway has served District 2 which includes Papineau and Iroquois in addition to his home township.

At today's Iroquois County Board meeting, Hathaway received a plaque in recognition of his service. He was honored at a luncheon that followed the meeting.

Herbert Lietz, clerk for 16 years, was also presented with a service plaque by the board. He is retiring and will be succeeded by Donald W. Pursley who was elected Nov. 5.

Hathaway was born in Martinton Township March 1, 1889 and was educated in local schools. His wife, the former Melia Coash, is deceased. He has several daughters and numerous grandchildren and great-grandchildren.

His most recent occupation was operator of the Hathaway Garage in Martinton. Before that he worked as a harness maker and shoe repair man.

His community activities include charter membership in the Martinton Lions Club, Republican precinct committeeman and membership in the Iroquois County Law Enforcement Association.

GOVERNMENT ACTION NEEDED TO BRING SUGAR PRICES DOWN

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DRINAN. Mr. Speaker, the tremendous rise in the price of sugar during the past few months has placed another massive burden on American consumers struggling to make ends meet in this period of double-digit inflation and growing unemployment. We have been told to expect the price of sugar and sugar products to go still higher in the months ahead. The sugar industry blames the high prices on a worldwide sugar shortage. Yet the excessive profits recently announced by major American sugar companies has led me, along with thousands of consumers, to suspect that the industry itself is driving prices up in an attempt to maximize its profits. That conclusion is buttressed by reports published this past weekend that sugar is selling in Mexico, just across the American border, for about 10 cents a pound while American consumers are paying more than 60 cents a pound in supermarkets across the United States.

Yesterday I submitted testimony on this important consumer issue to the President's Council on Wage and Price Stability which is holding public hearings on the price of sugar. I attach that testimony herewith in the hope that it will provide some impetus toward the formulation of a legislative solution to this grave economic problem:

STATEMENT OF CONGRESSMAN ROBERT F. DRINAN

Mr. Chairman, during the past few years, as inflation has reached the highest rate since 1946, American consumers have experienced increasing difficulty in stretching their dollars to buy enough food to feed their families, sufficient energy to heat and light their homes, and adequate medical care to preserve their health. While nearly all consumer goods have escalated in price, three essential commodities in particular—beef, petroleum and now sugar—have in turn undergone sudden, meteoric price increases since 1972. In each of these instances, the consumer has been the victim and the industry has reaped immense profits. In each case, the public has been told that rising prices resulted from excessive demand relative to available supply, but the immense windfall profits earned by the giant oil conglomerates during the "energy shortage" last winter indicate that the selfishness of private industry has played an important part in driving prices upward. The lessons gleaned from the recent beef and petroleum "shortages" should not be forgotten in examining the problem of excessive sugar prices and considering possible remedies.

The price of refined sugar in American supermarkets has risen more than 400 percent this year. Products containing large quantities of sugar including candy, soft drinks, baked goods, and processed foods have also risen sharply in price. The retail price of Coca-Cola, for example, has increased nearly 50 percent in the past year.

Although recent pronouncements by federal officials presage a decline in sugar prices sometime next year, sugar futures are still rising on the world market and consumers continue to face higher prices for sugar and sugar products each time they venture to market. In the United States, which consumes more than 11 million tons of sugar each year, such a drastic upturn in prices constitutes a serious economic hardship both to consumers and to companies dependent upon sugar as a major ingredient in food production.

One prime factor in this recent price increase is the inadequate supply of sugar available to satisfy world demand, the explanation offered by both the sugar industry and the Department of Agriculture. There is no doubt that world consumption of sugar has increased significantly during the past five years while production has remained relatively stable. The Arab nations, in particular, have increased their consumption of sugar products in conjunction with their vastly increased wealth. Moreover, the Arab states have been speculating in sugar futures on the world market, further driving up the price. The Soviet Union, the world's largest sugar producer has had a number of poor crops and recently purchased 400,000 tons of sugar cane from the Philippines. We have been told that the insufficiency of the world supply of sugar in meeting the constantly rising demand has resulted in the high prices American consumers now face.

The complexity of the sugar industry and the reluctance of the industry to provide information about its operation makes it difficult to challenge this line of reasoning, which seems to exonerate both industry and government from blame for excessive prices. A few important questions should at least be raised. For many years, the United States has protected the domestic sugar industry at the expense of the consumer through the system of quotas and subsidies provided by the Sugar Act. It is difficult to understand why the Administration has continued to support a program which limits domestic supply by restricting sugar imports during this period of growing demand. Earlier this year, the House of Representatives voted to end the Sugar Act after forty years of existence, but the provisions of this domestic subsidy program, including its import quotas, will remain in effect until the end of 1974.

Our commercial policy towards Cuba certainly deserves reconsideration if we are serious about increasing the supply of sugar available to the United States. Before the imposition of the trade embargo with Cuba in 1961, that nation provided the United States with more sugar than any foreign nation except the Philippines. Cuba, one of the world's largest sugar producers, has expressed a desire to resume commercial relations with the United States. But while the Administration proclaims its commitment to providing Americans with an adequate supply of sugar, it recently refused to join with a majority of American states in lifting sanctions against Cuba.

The Administration thus continues to hold the preservation of cold war foreign policy over the economic interests of the American people.

According to available data, world demand for sugar has outstripped production in four of the past five years. In light of that fact it is not surprising that prices have increased steadily on the world market from 3 cents per pound of raw cane in 1966 to 7 cents in 1972 and 9 cents in 1973. Today, the spot price of world sugar is more than 60 cents per pound! How are conditions in this industry any different now than they were two years ago? Why have prices risen so drastically in so short a time? Can it be attributed solely to the impenetrable "laws of the marketplace"?

The focus upon inadequate world sugar supplies has drawn public attention away from the role which the sugar industry itself has played in raising prices to unprecedented levels. This industry is dominated by a handful of large corporations which own most of the 58 beet sugar factories and 27 refineries in operation. The largest American sugar company, Amstar, which produces Domino Sugar, recently announced profits up over 100 percent. The rest of the industry has enjoyed similar benefits as the price of sugar has shot up. Even the sugar growers have never had it so good. While the sugar industry has reaped steep profits, the twenty largest American sugar growers have been paid annual subsidies totalling more than $11 million at taxpayers' expense under provisions of the Sugar Act.

Much like the situation in the oil industry last winter, nobody knows much about what the sugar industry is doing during the current "shortage" other than the fact that it is making a tremendous amount of money at the expense of the American consumer. The Justice Department has been investigating the price-setting mechanisms and other aspects of the sugar industry giants for more than a year, but has yet to announce any results.

Is the industry hoarding refined sugar in the expectation of driving the price still higher? Is the industry failing to import all of the sugar it possibly can in order to maintain a domestic shortage and keep prices high? Is the industry fixing prices to maximize profits and eliminate competition? I don't have the answers to these questions. The public doesn't have the answers to these questions. I, for one, am unwilling to take the industry's word that these practices are not being engaged in. The American people have a clear right to know whether they are being cheated by the sugar industry through excessive prices administered in violation of anti-trust statutes.

There is no paucity of those prepared to deplore the high price of sugar. Such expressions of dismay, while laudable, will not help the overburdened consumer. There is no single answer to this serious problem, but there are a few constructive proposals which should be considered by Congress as soon as possible.

First, we should examine the possibility of lowering tariffs on imported sugar to encourage more imports at lower prices. In 1973, the United States collected more than $61 million in duties on raw sugar imports. While a reduction in that duty would lower tariff revenues somewhat, the savings could be passed on directly to the consumer in the form of lower prices.

Second, we should restore trade relations with Cuba, formerly our second largest source of imported sugar. Since most sugar contracts are negotiated many months in advance of delivery, the immediate restoration of trade with Cuba would not produce an immediate flow of sugar from Cuba to the United States. Nevertheless, the sooner we take the overdue step of restoring commercial relations with Cuba, the sooner our sugar supply will be enlarged, permitting the price to decline.

Third, Congress should initiate an intensive investigation of the American sugar industry to determine the extent to which factors other than the world market are responsible for the current high prices.

Fourth, Congress should resist any efforts to restore the Sugar Act in any form, particularly the establishment of domestic or foreign quotas for sugar production and the subsidizing of American sugar growers through direct payments at taxpayers expense.

Fifth, Congress should investigate the feasibility and impact of imposing temporary price controls on refined sugar by taking into account the price of raw sugar, the cost of production, and a competitive price margin for companies in the sugar industry. The purpose of such controls would be to reverse the inflationary trend in refined sugar and sugar products.

Finally, the Food and Drug Administration should publicize its scientific findings concerning the nutritional value of sugar. If the FDA agrees with most nutritional experts that sugar has virtually no positive value as a source of needed vitamins and minerals, that determination should be made public. If Americans are consuming too much sugar, the federal government should take an active role in encouriging the substitution of inexpensive artificial sweeteners. President Ford has acted in this regard by asking all Americans to reduce their consumption of sugar by one-half. The FDA should continue the campaign to reduce sugar consumption and lower the price.

It is encouraging that this Council has agreed to hold public hearings on this crucial economic issue. I fear, however, that the Council will stop short of recommending the decisive measures necessary to provide the American consumer with needed relief. I urge the Council to consider the problem, to listen to testimony presented by all sides, and to propose specific remedies based on its findings.

It is easy to deplore the outrageously high price of sugar, just as it was easy for the Administration to express sympathy for the public last winter when the price of gasoline and heating oil skyrocketed. In that instance, the Administration revealed the shallowness of its compassion by vetoing the Energy Emergency Act to roll back the price of domestic petroleum. I urge the Council to follow up its concern in this instance with remedial action and take the steps necessary to bring the price of sugar down.

NO ON ROCKEFELLER

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. JOHN L. BURTON. Mr. Speaker, the Hastings Law News editorialized on the confirmation of Nelson Rockefeller as Vice President of the United States.

I would like to call the Members attention to the opinions of the newspaper from this most respected law school that is situated in the congressional district that I represent:

NO ON ROCKEFELLER

When Richard Nixon handpicked Gerald Ford to be his heir apparent, Ford became the first American Vice President elected by no one. With the resignation, Ford became the first President to be elected by no one. In order to broaden his political base, he then selected "liberal" Republican Nelson Rockefeller to be the second Vice President elected by no one.

Rockefeller's nomination was favorably received by the opinion-makers in Congress and the media. He was hailed as the epitome of moderation and respectability. The confirmation hearings before the Senate Rules Committee were prolonged, but polite.

There were, to be sure, some criticisms. Religious groups opposed him for being pro-abortion. The right wing opposed him for not being Barry Goldwater. More substantively, the left wing opposed him for his handling of the Attica situation, his role in U.S. imperialism in Latin America, and his personification of the nexus between economic and political power in our society.

Despite these misgivings, however, it was generally assumed that Rockefeller would be confirmed with little difficulty. Indeed, the lengthy hearings were regarded by many as little more than an irksome ritual made necessary by the erosion of public confidence in the government.

Recently, however, certain facts have come to light which place Rockefeller's fitness for the office in serious doubt. First, it was announced that Rockefeller had given a total of $1.8 million in "gratuities" to 18 political cronies over the years. These gifts ranged in value from $15,000 to $625,000.

Even more significant than these gifts, however, was the disclosure that Rockefeller's brother Laurence had financed publication of a derogatory biography of former Supreme Court Justice Arthur Goldberg in 1970, when Goldberg was opposing Rockefeller for the governorship of New York. The book's author had previously produced "hatchet jobs" on John and Robert Kennedy.

Rockefeller denied any prior knowledge of the $60,000 expenditure and at first tried to pass it off as a mere "business investment", although the book apparently had no commercial value. Rockefeller later took "full responsibility for the whole regrettable episode," but still did not admit any personal involvement.

For many of us, this latest "dirty tricks" story had an oddly familiar ring. For political moderates, as well as those on the right and left, the Rockefeller image had suddenly become tarnished.

At this time in our nation's history, there is a grave need for the restoration of public confidence in our leaders. President Ford severely impaired his ability to bring about such a restoration by his pardon of Nixon. Thus, it becomes crucial that the unelected Vice President be a person of unimpeachable integrity. At a time when millions of Americans are suffering from a troubled economy, it would also be desirable to have a Vice President of modest means. There are certainly many Americans in both political parties who possess these attributes. President Ford would not have to look very hard to find them.

High political office is a privilege, not a right. In his lifetime, Nelson Rockefeller has already enjoyed more than enough privilege for any man.

In view of these considerations, the Rockefeller nomination should be rejected. Members of the Hastings Community should so urge members of the House Judiciary Committee and the Senate Rules Committee, as well as their own representatives.

PLOWSHARE—A CONTINUING FAILURE

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, I have long maintained that the Atomic Energy Commission's Project Plowshare is a waste not only of the taxpayer's money, but also of precious supplies of uranium, natural gas and other energy resources.

In a white paper I presented to the Tri-State Energy Conference in Denver last February 1, I argued that this program to free natural gas and oil shale by the use of nuclear detonations should be abandoned. Nuclear stimulation could provide but a drop in the bucket toward meeting our national energy needs, hardly worth the economic and environmental risks of further development. After some 10 years of experimentation and three test events in the Rocky Mountain West at a cost of more than $34 million, it has not produced a single cubic foot of gas for market.

Two recent developments at Project Rio Blanco in Colorado, the most recent test, support my position. It has been established that the three cavities at Rio Blanco failed to connect due to a basic technological flaw, which raises serious doubts about the economic feasibility of this process. And a second release of radioactive material from the well in 3 weeks suggests the environmental risks are much greater than we have been led to believe.

Following are two articles from the Rocky Mountain News of November 20 concerning these latest failures at Rio Blanco:

RIO BLANCO FLAW THREATENS PROJECT

(By H. Peter Metzger)

None of the three undreground caverns created by the nuclear blasts of Project Rio Blanco has connected with any other.

That disclosure Tuesday by a top project scientist suggests that the entire esoteric technology for extracting natural gas from tight rock formations may be economically unworkable. It could sound a death knell for the nuclear gas stimulation program.

Six months after the May 1973 Rio Blanco detonation in western Colorado, scientists learned that the uppermost cavity wasn't connected to the bottom two—a development which was distressing but which might have been a fluke occurrence. Tuesday's disclosure indicates that failure wasn't a fluke but stemmed from a basic technological flaw.

Project Rio Blanco was a key experiment in the U.S. Atomic Energy Commission (AEC) plan to use underground nuclear explosives to free tightly held deposits of natural gas from rock formations deep under the ground.

Three atomic devices, each with the equivalent of 30,000 tons of TNT, were exploded in the same well bore near Meeker. Some 6,000 feet down, and separated by about 400 feet, each explosion was supposed to produce a large cavern. If the three connected together, an underground chimney about 900 feet long would have been created.

Natural gas seeping into the void then could be drawn off at the surface using the same well bore through which the explosives originally were lowered.

To make certain the caverns would connect, the explosives were placed 30 per cent closer to one another than was theoretically necessary. But something went wrong.

After the discovery in November 1973 that the top cavity wasn't connected to the one beneath it, a new $1 million hole was drilled to get into the lower cavern.

The bore was completed in October. Early this month samples of gas from the bottom cavity were withdrawn and sent to the AEC's Lawrence Livermore Laboratories in California.

John Toman, Rio Blanco Project scientist for Lawrence Livermore, was in Denver for a meeting Tuesday when he learned by telephone of the test results.

"We have not connected the three cavities, and we don't know why," he told the News. The conclusion was based on the analysis of the gas from the bottom cavern. Each of the three nuclear devices used in the project was equipped with a tracer gas so the gases produced in each cavity could be individually identified in a laboratory.

Hal Aronson, vice president of CER Geonuclear Corp., said, "We're disappointed, but we're hopeful that things will change as (gas) production goes on. Not all is lost. The final results are not yet in."

CER is an industrial co-sponsor of the project along with the AEC.

Because the three cavities aren't connected, the original hole is useless for drawing off the gas. This hampers the already trouble-plagued technology with an additional burden. If the experience at Rio Blanco is typical, all future wells will require an extra hole, drilled alongside the caverns, to extract the gas.

"For another million dollars, you could construct another hole," Toman said. "This might add 20 per cent to the cost of the gas.

The Rio Blanco experiment, for example, already has required redrilling the original hole to get to the top cavity and drilling a new bore to get through to the bottom cavity. None of the gas from the middle cavity has been extracted.

Although most persons connected with the project were surprised that such enormous energy (the equivalent of 60 million sticks of dynamite in each explosion) couldn't crack the 400 feet of rock between them, one man was prepared for the news.

Frank Stead, a geologist with the U.S. Geological Survey, was assigned by the U.S. Department of the Interior to observe the AFC experiment.

"My first thought was that we were pushing it using simultaneous detonations," Stead said. Each explosion, he explained, blasts rock away from itself and toward its neighboring explosion when the shots are simultaneous. This squashing of the rock between each blast can create a wall between the cavities even more impermeable than the original rock.

"You can't get rid of rock, you can only compress it."

AEC scientist Toman told the News, "I am personally disappointed that it didn't work out as expected, although that happens in experiments. But I'm frankly more concerned about Amendment 10 in Colorado."

(This amendment, approved by Colorado voters Nov. 5, prohibits underground nuclear explosions in the state unless okayed by a vote of the people.)

"The most disappointing thing is that we're completely frustrated in that we're not able to go ahead with future experiments," Toman said.

Even before voters approved Amendment 10, and even without the technological flaws disclosed Tuesday, the AEC's nuclear gas stimulation program was in jeopardy.

Private industry interest already had cooled, environmentalist opposition had reached a crescendo and doubting congressmen were marshaling their forces to kill the program.

NEW RIO BLANCO RADIOACTIVE LEAK FOUND

(By Richard J. Schneider)

Another unexpected radioactive substance—strontium-90—has been found in the natural gas and water produced by Project Rio Blanco, state health officials confirmed Tuesday.

The confirmation comes on the heels of the disclosure that project scientists found cesium-137 in the water and gas that came from the well less than two weeks ago.

Until the cesium-137 disclosure Nov. 5, sponsors of the nuclear stimulation experiment had been telling the state and the public that neither of these substances would escape from the well.

In a statement released Tuesday the project scientists admit they were wrong when they said none of these substances would be produced.

They requested and received another amendment in their wastewater discharge permit because the levels of cesium and strontium in the water exceed state limits.

Both cesium-137 and strontium-90 are fission products formed when a nuclear device is exploded.

Major objections to the experiment, jointly sponsored by CER Geonuclear Corp., Continental Oil Co. and the U.S. Atomic Energy Commission (AEC), came from environmentalists who claimed a miscalculation might cause the escape of the two substances.

Cesium-137 is known to cause cancer and genetic defects. Strontium-90, which is many times more deadly than cesium-137, settles in bone marrow where red blood cells are produced. It has been linked with bone cancer and leukemia.

Project sponsors said Tuesday that all of the water and "sludge" that came from the well has been contained.

The first public mention that cesium-137 had been found came in a news release from CER Geonuclear received Nov. 5.

The re-entry well drilled into the lowest of three chambers formed by the detonation of three devices had been completed, CER Geonuclear said. A short production test of the well produced the "small amount of cesium 137," the firm said.

State health officials told of the discovery Nov. 4. Three days later, Nov. 7, project officials telephoned health department officials and said strontium had been found.

The strontium discovery became public Tuesday when officials from CER Geonuclear and the AEC's Lawrence Livermore Laboratory in California sought a last-minute spot on the agenda of the Colorado Water Quality Control Commission meeting.

CER Geonuclear told the commission it needed another amendment to the wastewater discharge permit which allows the company to reinject the water produced from the Rio Blanco well into another deep well nearby.

The levels of cesium-137 and strontium-90 were so high that the water produced thus far is too radioactive to be reinjected under the guidelines of the current permit.

Commission chairman Thomas Ten Eyck said this change in the permit could be taken care of by the administrative division of the Department of Health rather than by the commission. That change was agreed to later in the day.

CER Geonuclear, feeling the pains of the public relations disaster caused by the cesium-137 disclosure, Tuesday prepared an official explanation of the incident in a memo to reporters.

In it, John Toman, gas stimulation program chief for Lawrence Livermore Laboratory said the project scientists didn't expect to see cesium-137 and strontium-90 in the water produced from the well.

Toman, who was in Denver Tuesday, told the News that he and others thought the two substances would stay inside the explosion area.

But when water was pumped into the well to force out sludge used in the drilling operation, some of the substances were brought to the surface on tiny chips of rock and in solution.

Toman said only water that isn't vaporized can dissolve the two radioactive chemicals. He said most or all of the water has been removed from the well.

The rest of the water, which will come up during future production testing, will be vaporized and won't contain cesium-137 and strontium-90, Toman said.

He concludued that little if any additional cesium-137 and strontium-90 will be produced.

A total of 3,360 gallons of liquids containing the radioactive substances were produced during the early test.

Even though the concentrations of those substances are higher than originally thought, state health officials say they pose no health hazard.

Tuesday's amendment to the wastewater discharge permit was the second based on miscalculations by the project scientists.

The first amendment was necessitated when scientists realized the well would produce more radioactive water than originally thought. That amendment took effect earlier this month.

THE FUSION ENERGY ACT OF 1974

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HANNA. Mr. Speaker, today I have introduced the Fusion Energy Act of 1974. The bill is a first legislative step toward a national crash program to develop useful power and hydrogen from thermonuclear fusion. Recent technological advances have greatly increased the prospects for useful, controlled thermonuclear reactions. The bill would provide for the appointment of a blue-ribbon committee of fusion experts to reappraise the current state of the art for fusion and to recommend an expanded and accelerated research and development program and whatever else may be necessary to yield useful power and hydrogen from nuclear fusion.

The intense concentration and focusing of intellectual, physical, and financial resources of a crash program seems justified under present world energy conditions and the current state of fusion technology. The urgency of achieving unlimited electrical energy and hydrogen from the fusion reaction can hardly be overemphasized. A little over 30 years ago Albert Einstein wrote to then President Franklin D. Roosevelt:

> Some recent work by E. Fermi and L. Szilard, which has been communicated to me in manuscript, leads me to expect that the element uranium may be turned into a new and important source of energy in the immediate future. . . . This new phenomenon would also lead to the construction of bombs, and it is conceivable—though much less certain—that extremely powerful bombs of a new type may thus be constructed . . . that it may become possible to set up nuclear chain reactions in a large mass of uranium, by which vast amounts of power and large quantities of new radium-like elements (now generally known as fission products) would be generated. Now it appears almost certain that this could be achieved in the immediate future.

It took just 3 years of focused, intensive effort of the Manhattan project to deliver workable nuclear weapons. This "crash" project used multiple approaches as technological insurance. Two kinds of nuclear weapons were developed and put into the Nation's armory. Four processes producing uranium-235 from uranium were tried and two continued into full-scale production. Plutonium was derived from nuclear reactors. I believe there is now the necessity to mount a similar program for the production of useful energy and hydrogen from nuclear fusion. We are at a time of crisis in world energy and we need a solution urgently. Fusion energy would provide the most pervasive solution to man's energy needs of any potential energy source on the horizon.

Most fusion scientists believe it can be successfully harnessed within a few years. No one knows how much a multiple path technology approach would accelerate the advent of a useful fusion process. Every expert agrees that millions spent now to achieve a "commercial" fusion system would save billions in the U.S. economy in the decade following its practical adaptation.

The development of fusion needs a substantial technological insurance through parallel, full-scale construction of experimental and demonstration facilities and equipment. Industry should be brought into this national effort to achieve useful fusion power at an early date.

Today, in 1974, our scientists and engineers are much closer to the goal of controlled fusion than were their predecessors to the goal of controlled fission in the 1940's. We may even have more potential avenues of success in fusion systems than was the case earlier. The United States and the U.S.S.R. have both achieved so-called fusion burns—with an English team confirming the nature of the first U.S.S.R. burn. These so-called burns mean that we have demonstrated neutrons that can be produced from the fusion of hydrogen atoms under controlled laboratory conditions. This is a vital demonstration. The next step is to produce more energy in a fusion reaction than is consumed by the experimental apparatus, a milestone on the way to practical thermonuclear power. To reach that milestone will require rapid development of several technologies that are now converging and that promise to produce quantum jumps in progress rather than limited incremental progress. It is just in such convergence of parallel technologies such as plasma physics, laser optics, accelerator science, low temperature physics—super conductivity—ultra high speed electronics, and the materials sciences that achieve unpredicted successes dividends and "spin-offs". Controlled thermonuclear fusion, the experts tell us, can be achieved by one or more of the following approaches:

First, magnetic or electrostatic field containment wherein hot plasmas—ionized gases—are confined and heated to produce temperatures sufficient for the fusion of hydrogen atoms.

Second, laser beam induced fusion—either through their use for plasma heating or impacting on small pellets of hydrogen isotopes.

Third, electron—or ion—beam induced fusion—either through their use for plasma heating or impacting on pellets of hydrogen isotopes.

Various combinations of these techniques may ultimately prove to be the most efficient way of achieving a useful fusion "burn." Such fusion systems will constitute intense neutron sources which can be used in many geometry configurations to achieve tritium production from lithium and fissionable materials from thorium and depleted uranium. Perhaps these fusion-fission hybrids will play an important transition role on the road to achieving a pure fusion power or fusion hydrogen generation system. The useful fissionable nuclear fuels, plutonium and uranium-233 would allow the fuller interim development of fission reactors which is now seriously clouded by the potential shortage of uranium in the world.

Indeed, some scientists and engineers have proposed that neutrons from a fusion source might be used to sustain the chain reaction of a conventional fission reactor and by so doing greatly reduce the present problems of nuclear safety. As I mentioned earlier the fusion neutrons generating systems may also be used to produce more of the fusion fuel tritium—an isotope of hydrogen—as well as natural hydrogen gas. Such hydrogen gas may ultimately be produced from the fusion process directly by heating or from electricity produced. Regardless of which fusion path produces the most economic hydrogen this raw material for methane and other organic fuels could meet our U.S. vehicle fuel needs.

Some idea of the recent growth of the beam impact on pellets approach is gained when we are told that there are some 50 skilled technicians in various U.S. laboratories now making the incredibly small, sometimes complex, pellets which will contain the nuclear fuels. And that the Fusion Division of the American Nuclear Society has grown from 50 to 500 members in the past year is further evidence of the growth of this area.

The designs for the experimental equipment to pursue the various fusion options is even now on the drawing boards. We need a crash program to take these designs to final form, to build and operate the fusion experimental and demonstration machines needed to get on with the job of creating a practical and useful thermonuclear technology.

Of the several engineering approaches to fusion, perhaps the dark-horse approach is the electron beam approach. It can be shown that the necessary beam energies required to produce fusion are more within our technological grasp than are the powerful lasers required for laser fusion. We hope that increased funding for the electron beam approach can be initiated very soon.

I would like to further stress the exciting prospect of using neutrons from a fusion reaction to break up water molecules into their constituent atoms of oxygen and hydrogen, both of which are immediately useful. Or, through high temperature disassociation, and scientists and engineers anticipate that in the future hydrogen will become widely used as a fuel and as a means to store excess power produced by intermittent power sources energized by solar, wind, or tidal energy. The successful demonstration of a fusion neutron source to manufacture hydrogen could open up the prospects for greatly reduced dependence on imported oil. Hydrogen is the basis of all of our organic fuels and fertilizers. Just think of the implications of a major, virtually limitless source of hydrogen.

There is still another prospect for the fusion beam-pellet process. This could be used to provide the thrust for space propulsion.

A laser or electron fusion propelled space vehicle could "tour" the solar system within a few weeks in comparison with the years required for conventional chemical propulsion.

More recently, Prof. Hannes Alfven, a winner of the Nobel Prize in 1974, observed that both the Manhattan and the Apollo projects have shown our science and technology to be so powerful that if an intense effort is made, we can do almost anything we want to in about 10 years.

When we consider these potential applications for controlled fusion reactions—generation of electricity, manufacture of hydrogen and synthetic fuels, and space propulsion—we cannot help but realize this energy source deserves a super national and international effort to demonstrate its practicality at an early date. There is sufficient deuterium, the fuel of the fusion process, in the oceans of the world to constitute a virtually limitless energy supply for the world, its economies, and its peoples. The fusion process produces none of the air pollution of burning fossil fuels, nor the intensely radioactive fission products of the fission reaction. It is inherrently far less dangerous than the controlled fission processes and offers prospects of higher thermal efficiencies, meaning less waste heat to be dissipated in the environs of a powerplant.

As a corollary to this bill we urge that the President with the assistance of the new Energy and Resources Council immediatly designate specialists in the following areas:

Magnetic containment approaches, 3; laser induced fusion approaches, 3; electron beam induced fusion, 3; hybrid combinations of the preceeding approaches and combination of fission and fusion; and a chairman.

This committee will consist of 13 scientists/engineers eminently qualified to decide on the proper balance of funding, available manpower, and facility requirements. This committee is to come up with its recommendations within 6 months from the date of its formation and report to the Energy Resources Council its findings. The council will then appoint a committee for the continued direction of the expanded fusion program. Further, the council would establish an advisory committee for International Coordination in Fusion Energy Development. Open international cooperation in fusion power should be encouraged by the United States.

There is no question in my mind that the fusion program should be expanded now. The exact magnitude and direction of this expansion I leave up to the committees of experts. I have herein proposed. They will assess and recommend the how and where of the expansion.

I therefore recommend to your careful consideration and early action on this bill to get on with the development of fusion power. I further rush to supplement the above with the conclusion from an assessment of fusion power made by scientists of Brookhaven National Laboratory—BNL 18430.

CONCLUSIONS

The principal conclusions of this study are:

First. Synthetic fuels derived from fusion reactors can supply most of the U.S. energy needs, eliminating all oil and gas imports, coal gasification, and coal strip mining. Fusion reactors can supply these synthetic fuels indefinitely into the future.

Second. Synthetic fuels from fusion reactors will probably be comparable in cost to synthetic fuels derived from coal. However, the use of fusion reactors would avoid having to strip mine a large fraction of the West. Without fusion reactors 4,000 miles per year would have to be stripped. Further, conservative fusion reactor and H_2 production technology has been assumed for this analysis, and it is possible that synthetic fuel production costs with fusion reactors may be substantially less than those from coal.

Third. Production of synthetic fuels is also feasible with fission reactors. However, fusion reactors seem preferable to fission reactors. Synthetic fuel production costs are significantly lower with fusion reactors, but more importantly the problem of large scale generation of radioactive wastes is virtually eliminated.

Fourth. Total CTR power generation in the United States is almost an order of magnitude larger if CTR's are used for synthetic fuel production and all electric needs, rather than being used only for part of the electric needs—the remainder being supplied by base loaded fission reactors and fossil peaking plants.

Fifth. CTR unit reactor size can be much larger if synthetic fuels are produced. Unit rating up to 20,000 MW(e) appear compatible with the total U.S. energy system. If CTR's are used only for electric generation, the unit ratings will have to be approximately an order of magnitude lower. In addition, synthetic fuel CTR plants can all be base loaded, where only some fraction of CTR electric generation plants could be base loaded.

Sixth. Catalyzed DD fuel cycles appear competitive with DT fuel cycles in the range of 10,000 to 20,000 MWe reactor size. A DD cycle should greatly ease blanket development problems and could result in much cheaper blankets. It should also greatly reduce tritium emissions and inventories from the amounts in a DT cycle.

Seventh. The larger reactor ratings possible with synthetic fuel production should significantly ease plasma containment problems. Because of the large plasma diameter, the ratio of required containment time/Bohm time is much smaller than the value necessary for reactors used only for electric generation. Also, weaker magnetic fields can be used for containment.

Eighth. For DT fuel cycles, synthetic fuel costs are not greatly affected by reactor size in the range of 5,000 to 20,000 MWe, under the assumptions of the study, which limited the scale-up of most nonnuclear components.

Ninth. The principal environmental concern with siting large CTR reactors for synthetic fuel production appears to be with thermal discharge effects. Coastal or offshore siting would resolve this concern however. The thermal effects at such sites appear to be minimal.

Tenth. In the long run, the supply of fossil fuel will be exhausted. Of the four alternatives, fission, fusion, solar, and geothermal, fusion seems like the only practical source for the production of synthetic fuels on the scale required. Fission will be more expensive and produce a large amount of radioactive wastes, while solar and geothermal are either too diffuse or limited in extent to meet the demands for synthetic fuels. From a conservation standpoint, it may well be desirable to have CTR's take over fuel production before fossil fuels are exhausted, since the remaining fossil fuels would be of value for other purposes.

THE 56TH ANNIVERSARY OF LATVIAN INDEPENDENCE

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. ROONEY of New York. Mr. Speaker, of all the world's states to learn and know the treachery of atheistic red communism, none know it better than the Baltic States of Latvia, Lithuania, and Estonia.

The history of Soviet Russia's double-dealing and broken promises is well known to all those who have taken time to study it. It is a grisly story of man's inhumanity to his fellow man.

Following the Armistice that ended World War I in November 1918, the three Baltic States led by Latvia established themselves as free, independent, and sovereign nations that controlled their own destinies, fates, and policies. Though they were small in population, Mr. Speaker, with no pretensions toward empire, conquest, or power politics, they did flourish and provide for their fine people a standard of living and freedom that they had not known previously and which, I am sorry to say, they have not enjoyed since.

These Baltic States, all too familiar with the dangers of living next to the hungry bear since the days they were provinces of imperial Russia, were to again know tyrannical domination. Following that most odious of treaties, the Nazi-Soviet Communist nonaggression pact of 1939, and the outbreak of the Second World War, the Communist red army swarmed across the borders and in a matter of days occupied the three small, peaceful, and freedom loving Baltic States.

As is well known to the world, Mr. Speaker, what followed was one of the most cruel and systematic eliminations of people's culture and national identification known to man. Persecution, imprisonment, and murder became the common lot of the decent, freedom-loving people of these three small countries.

Thank God the United States of America has never recognized the vicious, forceful annexation of these peaceful, industrious Baltic States into the atheistic Soviet Union. This steadfast policy of ours gives at least some degree of hope to all peoples oppressed by communism and, I am sure, reinforces their drive to attain national independence and freedom.

In conclusion, Mr. Speaker, I applaud the efforts of the fine people of Latvia, Lithuania, and Estonia as well as all the subjugated peoples of the world to be free from the oppressive yoke of tyrannical Godless communism and to establish free and representative governments of their own. Because of that feeling, I consider it a high privilege to join in honoring the people of Latvia who valiantly mark the days until they will enjoy their freedom and self-determination once again.

DR. MICHAEL PAP SPEAKS OF THE NEED FOR THE ETHNIC HERITAGE STUDIES PROGRAM

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. JAMES V. STANTON. Mr. Speaker, as one who worked for the enactment of, and funding for, the ethnic heritage studies program, I would like to commend to my colleagues the excellent statement of Dr. Michael Pap of Cleveland, Ohio, on the program. His speech, which was given before the first national meeting of the ethnic heritage studies program directors on October 22, speaks of the "new pluralism" which has taken hold in our country, and how the ethnic heritage studies program is an essential element in furthering this constructive attitude toward our ethnic background.

I share Dr. Pap's disappointment over the fact that the ethnic heritage studies program was not provided any funding for this year. However, I am pleased to report that I have received from my esteemed colleague, Chairman DANIEL FLOOD of the House Labor-Health, Education, and Welfare Subcommittee, assurance of his support for the program, and for continued funding of it next year.

Dr. Pap's speech follows:

WHY TITLE XI?—WHY DO WE NEED AN ETHNIC HERITAGE STUDIES PROGRAM?

Together, as the directors, coordinators, Federal officials, ethnic communities representatives, and originators or "godfathers" of our Nation's first ethnic heritage studies program, we share today the many joys of our accomplishments. Our continuous efforts to establish this program, legitimizing pluralism in America, have produced an unprecedented widespread interest in ethnicity and a massive outpouring of ethnic heritage studies materials. As "Yogi" Berra once said at his own testimonial, "Thank you for making this day necessary."

Through title IX we have demonstrated our capacity to introduce into an abstract promisory document practical realities which are applicable to all American people for all times. Our program exemplifies the growing awareness of the meaning of ethnicity and a greater respect and appreciation for the part that America's ethnic groups have played in the history and development of our Nation.

In reviewing the points stating the purpose of the ethnic heritage studies program act, once again I am inspired by the profound conceptual basis and empirical validity upon which this act was established.

Title IX was approved: "In recognition of the heterogeneous composition of the nation . . ." According to the 1970 census, approximately 34 million persons living in this country are immigrants or the children of immigrants. This figure alone is a substantial portion of the American population; however, according to a special census bureau taken in 1969, there are more than 75 million Americans who identify themselves with one of many major ethnic origins. U.S. immigration and naturalization records show that from 1820 to 1973, more than 46 million persons immigrated to the United States from all countries. Almost 36 million of those persons came from Europe.

In addition, our black American population is now over 22½ million. We have more than 9 million persons of Hispanic (Spanish) origin; more than 6 million persons of Jewish heritage; and more than 1½ million Asian (Japanese, Chinese, Filipino, Korean, Hawaiian) Americans; there are approximately 800 thousand American Indians; we have the most heterogeneous composition composition of any nation in the world and, indeed, we are in fact a "nation of nations."

The act also states "in recognition . . . of the fact that in a multi-ethnic society, a greater understanding of the contribution of one's own heritage and those of one's fellow citizens can contribute to a more harmonious, patriotic, and committed populace, . . ." We know that many persons somehow regard all "newcomers"—the foreign born—as ethnics but, simultaneously, ironically consider themselves as non-ethnic. The fact is that "we are all ethnic." In our ethnic heritage studies program we have defined "ethnic" as a term designating "any of the basic groups of divisions of mankind or of a heterogeneous population as distinguished by customs, characteristics, language, common history, etc." The term, therefore, includes not only nationality groups but also those peoples linked together by regional characteristics (Appalachians), racial characteristics (blacks), religious characteristics (Jews), and mixtures of nations or tribes (American Indians). Each ethnic community is linked by a common heritage, customs and culture which they have uniquely developed over the ages.

Our American society has been given its essential form and character by the multiplicity of ethnic groups which have embraced it. We talk about a "new pluralism" in our nation which consists of both national self-consciousness and group identity. This "new pluralism" is the product of unique American conditions and not imports from abroad. Ethnicity, as the most creative form of pluralism, has enriched our society through its numerous expressions. The multiplicity of ethnic groups gathered together on these shores has given this Nation its unique face, identity and strength among the nations of the world. The immigrants came to America to help to build and strengthen the most durable Democratic system of Government in the world! and yet—in the past—they were often excluded from policy decision making process! They were only counted on—they now are hopefully counted in.

To emphasize the point which is brought up and discussed at many occasions, Henry Ford's "melting pot" myth operated in this Nation at the time of the "great immigration": The "Natives" thought that all "foreigners" would enter into the great American crucible which would purge away all their differences and erase their "old world" identities; but the melting pot did not perform the functions expected of it, and the impact of American life tended to accentuate rather than obliterate group consciousness. Those occasions when the peasant immigrants were made to identify themselves by their national origin—when filling out forms for social agencies or employment applications—offer an example of how ethnic identity was stamped on them.

Since those early immigrant days—America's ethnic consciousness hasn't vanished, but rather has grown. It has resulted in an intense search for answers to the questions: "Who are we?"—"Where are we from?"—"Where have we been?"—"What have we contributed to growth of this Nation?"

This search is the first step to sanity in an age of ever changing and perplexing social and economic issues and events. Ethnicity is thus a tool and an agent for goals beyond itself. Ethnicity contributes its rich resources to the major needs of a society growing daily more desperate. New confidence, poise and courage come to bear upon these needs as we all develop a sure sense of our roots and our identity.

Today we have reached a critical point in the process of nation-building. As we celebrate the 200th Anniversary of this Nation, we need to increase our knowledge and understanding of our commonalities as well as the Unique cultural characteristics of all peoples in our multi-ethnic society. And in a world which is made increasing smaller and inter-dependent by technological advances, a better understanding of who we as Americans—are, is crucial. America—having the most cosmopolitan population of any Nation—has an unusual opportunity to lead all the Nations of the world in improving human understanding, by demonstrating to the world that people of diverse backgrounds can live together in harmony, peace and freedom!

Ethnicity, particularly as expressed through our ethnic heritage studies program, therefore, has international implications. We are aware that the essence of our democratic society is individual freedom. Americans of all ethnic backgrounds have worked hard to achieve the proper balance between rights and responsibilities of all citizens. Protection of individual freedom in our society is the most cherished achievement. In our pluralistic society we also have the freedom to identify with all ethnic groups, a few ethnic groups, one ethnic group, or no ethnic group. Acknowledging and accepting ethnicity is, in a sense, like expressing our freedom of choice and equality of opportunity regardless of who we are and what our origin.

The Ethnic Heritage Act also stresses that "In recognition of the principle that all persons in the educational institutions of the Nation should have an opportunity to learn more about the differing and unique contributions to the national heritage made by each ethnic group . . ." The introduction of ethnic heritage studies into the American educational system has a two-fold meaning: First, it stands as the recognition of the rights of members of all our ethnic groups to constructively cultivate their unique cultural heritage, which we consider essential to the processes of identity formation and general personality growth; and second, it marks the rejection of the concept that the teaching of ethnic diversity is a betrayal of national unity meant to tear the country apart. Ethnicity is a positive factor leading to higher levels of social and cultural organization and reinforcing the development of conscious unity both through explaining and experiencing the ideals of freedom and equality.

The general climate in our society and in the educational system itself, regarding the acceptance of the concept of ethnic pluralism and our program of ethnic studies, has been improved tremendously over the past year. However, it will take several more years before a general concensus on these issues will develop in our society.

Today we have only established the conditions for a free and dispassionate exchange of ideas. Our focus on ethnic studies in terms of "self-identity, mutual understanding, and community cooperation" has brought to our curriculum development the rich resources of viable and vital ethnic communities across the nation.

We have reached new levels of inter- and intra-ethnic collaboration and cooperation within communities because we recognize the necessity of making the ethnic heritage studies program a high priority for our educational institutions. From the point of view of identity formation and of attitude toward self and others, it is essential that our program begin at the moment of entry into the school experience. Therefore, our efforts to work with educators, in training teachers and preparing curriculum materials, have brought us together in the true spirit of "E Pluribus Unum" (one out of many).

In a period of national focus on equality of opportunity, what program can better equip the youth of our Nation in dealing with the diversity in our unity than Title IX—The Ethnic Heritage Studies Program.

"It is the purpose of this title to provide assistance designed to afford to students opportunities to learn more about the nature of their own heritage and to study the contributions of the cultural heritage of the other ethnic groups of the nation."

It is with deep regret and concern that we learned about the exclusion of the ethnic heritage program from the Federal Budget of 1975–76. I was particularly disturbed that the ethnic heritage program was ignored after the ethnic communities had fought so hard to have it included in the education bill of 1974–75, which was passed by Congress.

I am at a loss to understand the logic of the policy decision makers who refuse to consider the fact that when the 1973–74 Federal allocation of $2.3 million for the ethnic heritage programs in our schools was announced, it produced such an unexpected and widespread reaction that the U.S. Office of Education was only able to fund a small fraction of the 1,042 applications.

The submission of our Cleveland area proposal—a joint proposal of the Academic Council on Ethnic Studies and Cleveland Board of Education with cooperation of public, private and parochial school systems and ethnic communities—through the Cleveland Board of Education represented our attempt to develop a program for research and curriculum development in ethnic studies which would bring our community closer together. Our ethnic diversity continues to be one of our major resources: It has also been the source of our strength. Cleveland reflects our Nation's pluralism.

We pride ourselves that our community

represents the peoples and cultures of almost all nations. We have numerous examples of our diverse citizenry working together to enrich this community and improve the quality of life for all people. We have demonstrated our unity in our diversity; we have worked together toward common goals and in the process added depth and richness from our unique perspectives.

I am sure this is a national trend. We are trying to establish a meaningful dialogue to eliminate fear which leads to misunderstanding, chaos, and destruction.

Let me conclude with the funding all of us have received through title IX. We are seeing educational institutions and community organizations working cooperatively to develop a meaningful ethnic heritage studies program for our Nation's primary and secondary schools. However, all these efforts will have limited results unless the Federal Government continues to give its financial support. After all, the new federalism calls for a return of some Federal tax money back to communities. We cannot complete and expand this program without this support.

I also believe that it would be a tragedy for America, the nation of nations, to celebrate its Bicentennial without the aid of the ethnic heritage studies program. This program has the potential to project us into the third century of our nationhood with a clear understanding of the multiplicity of contributions of freedom-loving Americans of a plurality of backgrounds.

Whatever the obstacles or outright hostilities, I am sure of one axiom: Together we will make it and earn for America the respect of the world and restore the identity—which eroded in the past—as indeed the promised land of liberty.

YOU CAN'T GO HOME AGAIN

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DORN. Mr. Speaker, it was a privilege to twice hear a great message brought by Rev. J. Russell Comer, associate pastor of my church, the First Baptist Church of Greenwood. This great address means so much to me as I contemplate going back home. This message is a challenge and inspiration to me which I commend to the attention of my colleagues and to a "nation under God":

YOU CAN'T GO HOME AGAIN

Last weekend I returned to my hometown in southwest Virginia to perform a most difficult task . . . that of selling my parents home . . . a home they lived in 35 years . . . we also had to share their personal belongings collected over 48 years together . . . and 68 and 70 years as individuals.

During those moments of truth the words of Thomas Wolfe came to mind which makes the point that you can't go home again. His point is at once practical and profound, mundane and philosophical, somber and joyous, bitter and sweet, devastating and exhilirating. Most of us have tried to go home a thousand ways and know with Thomas Wolfe that you can't go home again!

". . . You can't go back home to your family, back home to your childhood, back home to romantic love, back home to a young man's dreams of glory and of fame, back home to exile . . . back home to lyricism . . . back home to aestheticism . . . back home to the ivory tower, back home to places in the country . . . back home to the father you lost and have been looking for, back home to someone who can help you, save you, ease the burden for you, back home to the old forms and systems of things which once seemed everlasting but which are changing all the time—back home to the escapes of Time and Memory." (Thomas Wolfe, You Can't Go Home Again, New York: Harper and Brothers, 1941, p. 706)

The Hebrew children spent forty fruitless and futile years trying to go home again, to what was in reality an alien land. Their experience is recorded with brilliant clarity in Numbers: "And all the congregation lifted up their voice, and cried; and the people wept that night. And all the children of Israel murmured against Moses and against Aaron: and the whole congregation said unto them, 'Would God that we had died in the land of Egypt! or would God we had died in this wilderness! And wherefore hath the Lord brought us into this land, to fall by the sword, that our wives and our children should be a prey? were it not better for us to return unto Egypt?' And they said one to another, Let us make a captain, and let us return unto Egypt" (Num. 14: 1–4).

For trying in her own faithless, circumscribed, feminine, human way to go home again, Lot's wife turned into a pillar of salt.

The wise man in Ecclesiastes was saying that you can't go home again when he said, "Say not thou, What is the cause that the former days were better than these? For thou dost not inquire wisely concerning this." (Ecc. 7:10).

T. S. Elliot spoke with poetic precision when he had J. Alfred Prufrock to say, "I have seen the moment of my greatness flicker and I have seen the eternal Footman hold my coat, and snicker, and in short, I was afraid." (T. S. Elliot, *The Song of J. Alfred Prufrock*) these are signs that we, like Prufrock, have seen the moment of our greatness flicker, we have seen the eternal Footman, hold our coat and snicker, and in short, we are afraid. This is a critical time for Christians generally. We will forfeit the future if we continually bathe ourselves in nostalgia and expend our energies in vainly trying to go home again.

It is in order for us to focus briefly on the home from which many of today's churches in the United States have come.

We were a country people, but, like the rest of America, we have moved to town.

We were an uneducated, even ignorant, people, but we are now learning a few things.

We were a provincial people in confident control of our province, but to our anguish and dismay our cogs no longer seem to engage the gears of any real power in our culture. We find ourselves an isolated and waning force in the court house. the state house, the White House, and the Glass House on Saluda River.

We were racially, historically, economically, politically, and culturally homogeneous, but we are fast becoming irreversibly heterogeneous.

We were revival-oriented, but revivalism as known and practiced when I was a boy is dead! It is dead in spite of our frantic mouth-to-mouth breathing over it and even though we still respectfully hold one-week and even two-week memorial services in loving tribute to its memory.

We were poor, but now, by any reasonable standard on earth, we are rich.

We were ill-housed in our one-room, crowded, frame meeting houses, but now we meet in splendid, magnificent, uncrowded sanctuaries for which we are gloriously in debt.

We were fervently convinced of the rightness of our cause, but now we harbor all the questions and doubts that normally accompany a measure of sophistication.

We were stoutly and vociferously opposed to the institutionalism of the old-line churches, but in only a hundred years we have established institutionalism of every shape, form, and fashion; and all the web is not yet woven.

We were rooted in the soil, but now from the cradle to the grave we roll around on the pavement. (We hire Black men to do our yard work, so we can go play golf to get some exercise.) We were a brash and lusty adolescent people bulging with unguided muscles, but the aging process has worked its unwelcome work on us and we are now polite, cautious, meticulous, respectable, proper, aging.

We live in a settled, unchanged world where we knew even as we also were known, but we now live in a world where the winds of change blow with devastating fury across the face of all the earth.

We lived in an isolate, marvelous moated land where men never dreamed of mastering the black arts of nuclear war, but the time has come when men in a fantastically shrunken world have both dreamed that dreadful dream and actualized it.

This has been home. For us to go home again would be to go back to the country, back to ignorance, back to provincialism, back to radical sectarianism, back to homogeneity, back to revivalism, back to poverty, back to isolationism, back to our cabins in the clearings, back to the frontier, back to all this and much, much more.

Why are we trying to go home again? Because it is the natural thing to do. Because it is inevitable when growth has come. Because we can not help it when we have aged a bit. Because we are caught in a world in travail and we are badly disoriented. Because we have not yet found ways of adjusting to industrialism, unionism, urbanism, statism, socialism, or for the most part even capitalism. Because we have discovered that our old formulae for success are no longer producing results and we are in shock about it. Because we have not learned to speak today's tongue. Because we are really not at home in this brave new world. (We better stop singing "this world is not my home I'm just passing through . . ." This world is your home . . . it is the only one you have at the moment.)

How are we trying to go home again? By reproducing country churches in the city suburbs. By resorting to the use of artificial stimuli to produce results like we used to have. By hiding the fact that while we are fierce of visage we are actually faint of heart. By maintaining the pretense that we are as brave as bulls when we have actually become as timid as mice. By cultivating a mood that says, "Hang the facts, Give me a cliché." By our compulsive activities. What is going to come of the effort to go home again? The effort will win some battles but it will lose the war. It is not a mean and ignoble thing to try to go home again. In fact, it has certain truly sublime elements. It is simply not starred to succeed. We cannot turn back the clock or even stop it no matter how dramatic our historionics. We cannot re-capture our past. We cannot recall yesterday. We can't go home again.

If we can't go home again, then where can we go?

Like Abraham, we must seek that city whose builder and maker is God. While the City is in eternity, the seeking must be done in time. Christ was teaching us something very near to the heart of His gospel, not just a bit of pretty ritual, when He taught us to pray: Thy Kingdom come, Thy will be done in earth, as it is in heaven" (Matt. 6:10). Believers are not free to flag or fail until "the kingdoms of this world are become the kingdoms of our Lord, and his Christ" (Rev. 11:15).

While we can't go home again, we can move measurably toward the true home which

God is preparing for them that love him. Here and now, with God's help and by His grace, we are to be moving consciously, conscientiously, and consistently toward this ideal home. Its final consummation we necessarily await, but its distinct outlines and chief characteristics we need already to be getting familiar with.

In order that we may neither waste precious time in looking back at the home whence we have come or in looking bewilderedly for the wrong city, let us give attention to some of the distinctive features of our home, the City of God. Any home which is satisfying and adequate for God's people here must approximate in outline and foreshadow in form the qualities of the home hereafter.

How can the eternal home be identified? What is heaven like? Unto what shall the City of God be likened? It is a family. It is a brotherhood. It is a moral fortress. It is a workshop. It is a kingdom. Let us consider these characteristics.

The ultimate home which Christians seek is a family. In it God is Father, Jesus Christ is elder Brother, and the Holy Spirit is eternal comforter. In it, the family of God's redeemed children shall ever dwell together in unity. The home we seek is characterized by love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, self-control.

In view of that home which is our ultimate destination, let us, as an earnest example of our intent, begin here and now to make of our human homes little colonies of heaven where we dwell together in Christian love, Christian joy, Christian peace, Christian patience, Christian kindness, Christian goodness, Christian faithfulness, Christian gentleness, and Christian self-control. If my profession of interest in the home to come is genuine, then there must be a reflection of that interest in my home housed on Amherst Drive in Greenwood.

The concept of family in our Christian faith today eschews too-early dating, immature marriages, feminine fathers, masculine mothers, undisciplined children, absentee parents, juvenile delinquency, promiscuity, divorce, materialism, and all the other forces that fragment today's families. It should be a concept that embraces careful preparation for marriage, spiritually solid foundations for marriage, and marriage that is both initiated and lived out "in the Lord," where believers are not yoked unequally together with unbelievers and where husband and wife and parents and children are so caught up in a dream bigger than themselves, that they strive through the years to make the dream of a truly Christian home come true.

Christians seek a home characterized by brotherhood. It is a city without walls. Outside walls are not necessary in the home where we are headed because there are no enemies there. And inner walls are not required because the redeemed who dwell together in brotherly love have no selfish interests to protect, no evil to hide, no exclusiveness to relish, no pyschological complexes to nurture by shutting out somebody else.

In view of the city without walls sought by the saved, it behooves us to begin here and now to build such cities of brotherhood. The middle wall of partition which still divides believers is a wall Jesus Christ died to tear down. To the extent that we worship that devisive wall, we re-crucify Christ. To the extent that we tolerate it, we deny Him who came to break it down. To the extent that we cherish it, we dishonor Him who hated it and who hates the pride and prejudice it still stands for.

To pretend that our prejudice in maintaining the walls of racial segregation, class consciousness, economic exclusiveness, and social snobbery does no violence to the gospel of Jesus Christ our Lord and the altar of God, our Saviour, is to close our eyes to the real purpose of the life and death of Christ.

We need to abolish racial discrimination in our country and in our churches, not because of a clause in the membership policy, nor because of the communist challenge, nor yet because we need the votes of the watching world. We need to conquer race prejudice because it is a sin against almighty God and a rejection of the precious blood of Jesus Christ, His only begotten Son.

Let us then cease shouting at each other across Kipling's "sea of misunderstanding." Let us rather undertake to learn, in preparation for the brotherhood beyond, to call God, "Father," and all His people "Brother," so that God's city without walls begins to look attractive to us here and now.

Christians seek a home which is a moral fortress. It is that bastion of ultimate integrity, that impregnable mother lode of rectitude, that veritable quintessence of righteousness which John the Revelator described as the city where "There shall in no wise enter . . . anything that defileth, neither whatsoever worketh abomination, or maketh a lie." (Rev. 21: 27).

As we seek the city "wherein dwelleth righteousness" let us "follow righteousness" on our way there. As we seek the city where no immorality in any form shall ever be, let us make our profession of religion a morally relevant and ethically meaningful thing here and now. Christian morality demonstrates its genuineness only when it authenticates itself outside the church house in the rough-and-tumble world in which we daily live.

In this world's moral gloom let us not idly tolerate the erosion of all moral standards until our churches become like Robinson Crusoe's goat pasture, so that the goats inside are as wild as the goats outside. Let us rather in the moral realm become "Christ's men from head to foot and give no chances to the flesh to have its fling" (Rom. 13: 14).

Christians seek a home which is a workshop. The old rocking chair won't get us there. The notion that in heaven we will be stretched out on flowery beds of ease to do nothing forever has an unquestioned appeal when we are tired, but the fact is that the notion is extra-Biblical and grossly inaccurate. Our true home will be a place of creative and satisfying work for God where "his servants shall serve him" (Rev. 22:3).

As we seek the home which is the Christian's ultimate workshop, let us perform our daily work, here and now, "As unto the Lord." In the beginning God assigned Adam the work of tilling and keeping the Garden of Eden. In the decalogue He commanded His people, "Six days shalt thou labor." Even so He wills for us to work. Paul proclaimed this principle when he admonished, "If any one will not work, let him not eat" (2 Thess. 3:10). The Christian's approach to work involves seeking to find God's will concerning what work to do; experiencing something in the work itself which is significant before God and meaningful to man; cultivating a spirit of responsibility which takes honest pride in the work done; and in finding through daily work the highest self-development of which we are capable. Daily work, rightly understood, is no chore but a holy task.

Christians seek as their permanent home the City of The Great King where our final citizenship is. As we await the final papers for our future citizenship, let us honor that future with a significant Christian citizenship where we now live.

In the 1960 presidential election when interest in citizenship reached a new high, only 64.3% of the qualified voters in the United States bothered to go to the polls. If we find corruption in government, we cannot, honestly put all the blame on the so-called professional politicians. The blame must be shared by those who refuse to work in the normal processes of citizenship. In recent years many a good man has sought elective office only to be defeated by the apathy and inertia of his friends—equally good men who did not bother to get involved. Plato rightly said that the punishment suffered by the wise who refuse to take part in the government is to live under the government of bad men.

The Christian citizen recognizes that civil government is of divine appointment. He prays for those in positions of authority. He pays his taxes. He obeys the laws. He conscientiously casts his ballot. When the situation requires it, he presents himself as a candidate for public office. He remembers to use moral discernment in his support of governmental programs, bearing in mind that his ultimate loyalty is to the King of Kings. The responsible Christian citizen will not even try to wash his hands of politics. He will rather try to get redemptively involved in the whole realm of citizenship.

If Christians bear clearly enough in mind the open portals of the eternal Home and hold well enough in focus the beckoning arms of the heavenly Father, then we will avoid both crippling commitments to the home of yesterday and compromises with the home of today. We must ride light in the saddle if we are to avoid injury when the horse stumbles. We must, if we are to manifest spiritual vigor and moral thrust, maintain a structured tentativeness with regard to this present age. Indeed, "It is people for whom the navel cord of this world has been cut who can give themselves most joyously to its redemption." (Karl A. Olsson, Passion, New York: Harper and Rod, 1963, p. 91).

This does not mean, however, that we are to retreat into stained glass sanctuaries, cutting off all concern for and commerce with the world. Quite the contrary. If we fail to leaven the lump, we fail Christ.

This emphasis on the Christian's responsibility in this world is based on the understanding that God Himself cares about what happens on this earth. Jehovah God was portrayed by the prophets as being concerned about things such as military alliances, the selling of debtors into slavery, the plundering of the poor by the rich, the cheating of the buyer by the seller, and the oppression of the weak by the strong. The God of the Bible, the God Christians know through personal faith in Jesus Christ, is no abstract First Cause or Prime Mover or Great Unknown out in the Great Somewhere who can be placated by a bit of discreet crying in the chapel. He is a personal God who is very deeply and very definitely concerned about military alliances, racial segregation, the unconscionable profits of the drug industry, the indefensible price fixing that honeycombs big business, and the criminal corruption that persists in organized labor. He is concerned about tax evasion, padded expense accounts, the exploitation of violence as entertainment, the toleration of senseless killings in the boxing ring, family fragmentation, and the unsolved problems of the aging. He is concerned about the unemployment which has been almost six percent of our labor force in recent years, (Did you realize that the U.S. lost more time in one recent year from unemployment than we lost in the past 35 years from strikes) and the billions which the world now spends on weapons. He is concerned about the hideous inanities preached as a sorry substitute for the Christian gospel, the infuriatingly bland and crashingly dull church programs calculated to produce an attitude of profane indifference, the immensely absurd spectacle of loving the souls of Blacks in Africa and hating their guts in Greenwood, and all the other moral floatsam and spiritual jetsam that could be orchestrated into this melancholy tune.

God cares, God is concerned. And since God is concerned, His people have an obligation to be concerned too!

The demand of Christ our Lord is not that we should take a sentimental journey back home. It is rather a demand for us to take a bold and visionary giant step toward our Christian destination. What God wants of us today is not an all-things-to-all-men, or a formal confession of creedal correctness. What He wants is a quality of life that demonstrates to this world and to the great cloud of witnesses above that we have been with Jesus.

A SALUTE TO LIMA, OHIO

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. GUYER. Mr. Speaker, one of my primary concerns since coming to Congress has been the working relationships between the Federal Government and all units of local government in the Fourth Congressional District of Ohio. Lima, Ohio, the largest city in my district, is a splendid example of what can be accomplished through the combined cooperation of local, State, and Federal agencies. This record of achievement has recently been noted in one of the national weekly news magazines.

Lima, Ohio has, in a meaningful way, accomplished many of the objectives made in the proposals by President Ford in his October 8, 1974 address to the joint session of Congress and in his remarks to the Future Farmers of America, October 15, 1974.

A successful effort to open the railway passenger station at the closed Penn-Central facility was achieved by such a joint effort, which was supported by the Lima area Chamber of Commerce and local citizens. Amtrak operations at Lima, Ohio commenced September 11, 1974 and have proven to generate more revenue to date than anticipated. The opening of the Amtrak passenger station was accomplished at one charge to Amtrak, the private sector, or the city of Lima. This is one of only seven stations in the entire United States to be reopened. Amtrak passenger station ticket and baggage operations, inaugurated September 11, 1974 has proven most beneficial for the Lima area and the surrounding nine counties. I was pleased to have been of assistance in this community endeavor.

I have also been gratified with the cooperation received from Mayor Harry J. Moyer and the Chamber of Commerce in our joint effort to construct a new Federal building in downtown Lima. This will be a part of a downtown renovation program that will include many other improvements for the benefit of the entire community. The centrality and combining of many Government services at one location will greatly serve the people of the community in convenience and accelerated accommodation.

Under Mayor Moyer's leadership, the Lima-Allen County Welfare Department and city of Lima, Ohio, joined in a fine beautification project in April 1974. In addition to the 230 tons of salvageable automobiles collected, 190 plus tons of debris were collected and committed to Lima's landfill at no extra cost to the taxpayers. Able bodied welfare recipients provide the necessary manpower in an ongoing effort for the Lima central business district program of litter removal and street beautification, with shrubs, ivy, and tree plantings provided from the city nursery, and planting supervised by the forestry division of the public works department.

The organized military stationed at Lima, Ohio, have inaugurated and completed work projects for the city totaling thousands of dollars, without displacing employable contractors and/or employees. Work performed has been done in lieu of "out of area" camp training; that is, Camp Grayling, Mich. This work consisted of earth moving, lake dredging in municipal parks, and other environmental enhancements. The organizations involved are: 13th Ohio National Guard Engineer Battalion; 983d U.S. Army Engineers Battalion, Reserve; U.S. Navy-Sea Bee Battalion; and U.S. Navy Reserve.

Mayor Moyer proposed and implemented with the cooperation of the city council, a subsidized daily transit system for Lima, which began April 24, 1974. To date, this system, in a city of 55,000 residents, transports approximately 10,000 people per month and has reached a break-even cost operation utilizing a standard production vehicle "customized" locally by Superior Coach Division Sheller Globe Corp.

I support deputy director of public works, C. Richard Kriegel's statement that Lima is fortunate to have a compatible labor organization, UAW-CIO CAP Con Council, dedicated to Lima's future, but performing today. This group has, and is, providing the know-how and expertise in a successful local "materials recycling program" and has received national recognition with the receipt of the Johnny Horizons Award from the U.S. Department of Interior.

I ask my colleagues to join me in this salute to Lima, Ohio, a community in action, working for a better America.

GILMAN SEEKS TOP PRIORITY FOR RESOLVING MIA STATUS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. GILMAN. Mr. Speaker, during the November recess, on Veterans Day, I participated in a "POW/MIA Justice Before Amnesty Vigil" at the White House with MIA families, friends, veterans and concerned citizens from the Mid-Hudson Valley and throughout the Nation, protesting the lack of progress in accounting for our missing men.

During the course of our day in Washington, we took part in prayers at the Justice Department, a rally in Lafayette Park and marched in front of the White House in order to focus national attention on the need for our Government to vigorously pursue a full accounting for our MIA's. More than 1,000 participated, including former POW Emmet Kay, the last known American held captive in Indochina.

Carnations representing each of our 1,100 MIA's were tossed onto the White House lawn. The demonstrators, stressing the fact that search missions have not been conducted for over a year, urged that maximum use be made of American economic policies as a means of securing North Vietnamese cooperation in the search for our missing Americans.

Participating in the MIA vigil from my region were the family of Joseph McDonald of Wappingers Falls and the father of Jack Pearce of Milford, Pa., missing since March 1972. Also attending were Al Marino, State Americanism chairman of the American Legion; Legion Post Commander Albert Bell of New City; Past Commanders Mike Maltese of Tappan, Joseph Rosen and John O'Rourke of Sparkill; Orange County Legion Commander William Rogers and Jack Stewart of Stony Point.

When I traveled to Laos last January, seeking information about the MIA's, I was informed that several American flyers may still be in enemy hands. We have also received information about journalists and missionaries who were captured and who are probably still held captive. The only way we can really find out the whole truth about those missing is to step up our search efforts. We know the locations of graves, crash sites, and capture sites. An exhaustive search of those areas could produce useful information to dispel much of the uncertainty lingering in the minds of our MIA families. We have an obligation to continue our efforts in that direction with utmost vigor.

During the Veterans Day MIA demonstration, I was pleased to have been able to arrange a White House meeting between Lt. Gen. Brent Scowcroft, Deputy Assistant to the President for National Security Affairs and representatives of the MIA's to urge more vigorous action by the administration on accounting for these men. The MIA representatives included Maureen Dunn, board chairman; Buz Mills, executive director and George Brooks, board member of Newburgh, whose son, Lt. Nicholas Brooks, was shot down over Laos in January 1970.

During the meeting with General Scowcroft, we requested an early decision on the request to establish a Presidential Task Force to resolve the MIA issue, a report on the 82 MIA files turned over to Le Duc Tho and a meeting with the President.

In response to my follow-up request to the President concerning our MIA's, I received the following letter from Max L. Friedersdorf, Deputy Assistant to the President, which I request be printed in this portion of the RECORD:

THE WHITE HOUSE,
Washington, D.C., November 15, 1974.

Hon. BENJAMIN A. GILMAN,
House of Representatives,
Washington, D.C.

DEAR BEN: I would like to acknowledge and thank you for your November 12 letter to the President reporting on your recent meeting with General Scowcroft and outlining steps that you would like the President to take regarding our MIAs.

The President shares your concern for these men and their families and agrees with you that this is a matter of high national priority. He demonstrated this on September 18, when he welcomed the release of Mr. Emmet Kay, the last known American being held prisoner in Indochina. In his message on that day, the President reaffirmed his dedication to resolve this problem. A copy of his statement is enclosed.

In our efforts to account for our still missing men, we have made direct representations to the North Vietnamese and Pathet Lao and have solicited the help and support of numerous outside parties. Unfortunately, up to now all of our overtures to send unarmed identification teams into Communist areas have been rebuffed. The North Vietnamese, in particular, have consistently refused to grant access to their areas. They have also for the past few months totally boycotted the Four Party Military Commission in Saigon, which now has as its sole purpose the resolution of the question of prisoners and missing in action.

Despite these obstacles, you may be certain we will continue to pursue every possible means to achieve an accounting of our missing men. We express our views clearly and strongly to the other side at every opportunity, and we shall continue to do so.

You may be assured that your suggestions are certainly appreciated and will receive most careful consideration by the President and his foreign policy advisors.

With kind regards,
Sincerely,

MAX L. FRIEDERSDORF,
Deputy Assistant to the President.

Mr. Speaker, it is going to take the best efforts of all of us in the Congress, and a concerted effort by nations throughout the world, to insist upon full compliance by the North Vietnamese of the Paris Peace Agreement in fulfilling these humanitarian objectives of conducting a full scale search for our missing.

I urge my colleagues to join together in this important endeavor.

We can do no less for those who gave so much.

SECRETARY KISSINGER SPEAKS ON THE ENERGY CRISIS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUES OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. HAMILTON. Mr. Speaker, it has been almost 13 months since the energy shortage gripped this country. Today, we seem to have adequate supplies, although at higher prices, but for the entire Western World the crisis remains serious and threatening.

The present energy predicament of the United States, what we are trying to do internationally and domestically to deal with this problem and where we must go from here are the subjects of an important speech delivered by Secretary of State Kissinger in Chicago on November 14, 1974.

Although Secretary Kissinger believes the problems created by the energy crisis are grave, he believes they are soluble. One major theme of this speech is that international collaboration is essential to meet the crisis and assure adequate supplies of energy at reasonable prices for all.

On one level, Secretary Kissinger says that collaboration "among the industrial nations of North America, Western Europe, and Japan is an inescapable necessity." And even after such collaboration is achieved, Secretary Kissinger concludes, "in the last analysis, there will be no solution without a dialog with the producers carried on in a spirit of reconciliation and compromise."

I commend Secretary Kissinger's useful remarks on what we are doing to deal with the energy crisis and wish to bring his remarks to the attention of my colleagues.

Secretary Kissinger's speech follows:

ENERGY CRISIS: STRATEGY FOR COOPERATIVE ACTION

Address by Henry A. Kissinger, Chicago, Ill.

THE PROBLEM

A generation ago the Western world faced an historic crisis—the breakdown of international order in the wake of world war. Threatened by economic chaos and political upheaval, the nations of the West built a system of security relations and cooperative institutions that have nourished our safety, our prosperity, and our freedom ever since. A moment of grave crisis was transformed into an act of lasting creativity.

We face another such moment today. The stakes are as high as they were 25 years ago. The challenge to our courage, our vision, and our will is as profound. And our opportunity is as great.

What will be our response?

I speak, of course, of the energy crisis. Tonight I want to discuss how the administration views this problem, what we have been doing about it, and where we must now go. I will stress two themes that this government has emphasized for a year and a half:

First, the problem is grave but it is soluble.

Second, international collaboration, particularly among the industrial nations of North America, Western Europe, and Japan is an inescapable necessity.

The economic facts are stark. By 1973, worldwide industrial expansion was outstripping energy supply; the threat of shortages was already real. Then, without warning, we were faced first with a political embargo, followed quickly by massive increases in the price of oil. In the course of a single year the price of the world's most strategic commodity was raised 400 percent. The impact has been drastic and global:

The industrial nations now face a collective payments deficit of $40 billion, the largest in history, and beyond the experience or capacity of our financial institutions. We suffer simultaneously a slowdown of production and a speedup of an inflation that was already straining the ability of governments to control.

The nations of the developing world face a collective yearly deficit of $20 billion, over half of which is due to increases in oil prices. The rise in energy costs in fact roughly equals the total flow of external aid. In other words, the new oil bill threatens hopes for progress and advancement and renders problematical the ability to finance even basic human needs such as food.

The oil producers now enjoy a surplus of $60 billion, far beyond their payments or development needs and manifestly more than they can invest. Enormous unabsorbed surplus revenues now jeopardize the very functioning of the international monetary system.

Yet this is only the first year of inflated oil prices. The full brunt of the petrodollar flood is yet to come. If current economic trends continue, we face further and mounting worldwide shortages, unemployment, poverty, and hunger. No nation, East or West, North or South, consumer or producer, will be spared the consequences.

An economic crisis of such magnitude would inevitably produce dangerous political consequences. Mounting inflation and recession—brought on by remote decisions over which consumers have no influence—will fuel the frustration of all whose hopes for economic progress are suddenly and cruelly rebuffed. This is fertile ground for social conflict and political turmoil. Moderate governments and moderate solutions will be under severe attack. Democratic societies could become vulnerable to extremist pressures from right or left to a degree not experienced since the twenties and thirties. The great achievements of this generation in preserving our institutions and constructing an international order will be imperiled.

The destinies of consumers and producers are joined in the same global economic system, on which the progress of both depends. If either attempts to wield economic power aggressively, both run grave risks. Political cooperation, the prerequisite of a thriving international economy, is shattered. New tensions will engulf the world just when the antagonisms of two decades of the cold war have begun to diminish.

The potentially most serious international consequences could occur in relations between North America, Europe, and Japan. If the energy crisis is permitted to continue unchecked, some countries will be tempted to secure unilateral benefit through separate arrangements with producers at the expense of the collaboration that offers the only hope for survival over the long term. Such unilateral arrangements are guaranteed to enshrine inflated prices, dilute the bargaining power of the consumers, and perpetuate the economic burden for all. The political consequences of disarray would be pervasive. Traditional patterns of policy may be abandoned because of dependence on a strategic commodity. Even the hopeful process of easing tensions with our adversaries could suffer because it has always presupposed the political unity of the Atlantic nations and Japan.

THE NEED FOR CONSUMER COOPERATION

This need not be our fate. On the contrary, the energy crisis should summon once again the cooperative effort which sustained the policies of North America, Western Europe, and Japan for a quarter century. The Atlantic nations and Japan have the ability, if we have the will, not only to master the energy crisis but to shape from it a new era of creativity and common progress.

In fact we have no other alternative.

The energy crisis is not a problem of transitional adjustment. Our financial institutions and mechanisms of cooperation were never designed to handle so abrupt and artificially sustained a price rise of so essential a commodity with such massive economic and political ramifications. We face a long-term drain which challenges us to common action or dooms us to perpetual crisis.

The problem will not go away by permitting inflation to proceed to redress the balance between oil producers and producers of other goods. Inflation is the most grotesque kind of adjustment, in which all elements in the domestic structure are upset in an attempt to balance one—the oil bill. In any event, the producers could and would respond by raising prices, thereby accelerating all the political and social dangers I have described.

Nor can consumers finance their oil bill by going into debt to the producers without making their domestic structure hostage to the decisions of others. Already, producers have the power to cause major financial upheavals simply by shifting investment funds from one country to another or even from one institution to another. The political implications are ominous and unpredictable. Those who wield financial power would sooner or later seek to dictate the political terms of the new relationships.

Finally, price reductions will not be brought about by consumer/producer dialogue alone. The price of oil will come down only when objective conditions for a reduction are created and not before. Today the producers are able to manipulate prices at will and with apparent impunity. They are not persuaded by our protestations of damage to our societies and economies, because we have taken scant action to defend them ourselves. They are not moved by our alarms about the health of the Western world which never included and sometimes exploited them. And, even if the producers learn eventually that their long-term interest requires a cooperative adjustment of the price structure, it would be foolhardy to count on it or passively wait for it.

We agree that a consumer/producer dialogue is essential. But it must be accompanied by the elaboration of greater consumer solidarity. The heart of our approach must be collaboration among the consuming nations. No one else will do the job for us.

A STRATEGY FOR CONSUMER COOPERATION

Consumer cooperation has been the central element of U.S. policy for the past year and a half.

In April 1973 the United States warned that energy was becoming a problem of unprecedented proportions and that collaboration among the nations of the West and Japan was essential. In December of the same year, we proposed a program of collective action. This led to the Washington Energy Conference in February 1974, at which the major consumers established new machinery for consultation, with a mandate to create, as soon as possible, institutions for the pooling of effort, risk, and technology.

In April 1974 and then again this fall before the U.N. General Assembly, President Ford and I reiterated the American philosophy that global cooperation offered the only long-term solution and that our efforts with fellow consumers were designed to pave the way for constructive dialogue with the producers. In September 1974 we convened a meeting of the Foreign and Finance Ministers of the United Kingdom, Japan, the Federal Republic of Germany, France, and the United States to consider further measures of consumer cooperation. And last month President Ford announced a long-term national policy of conservation and development to reinforce our international efforts to meet the energy challenge.

In our view, a concerted consumer strategy has two basic elements:

First, we must create the objective conditions necessary to bring about lower oil prices. Since the industrialized nations are the principal consumers, their actions can have a decisive impact. Determined national action, reinforced by collective efforts, can transform the market by reducing our consumption of oil and accelerating development of new sources of energy. Over time this will create a powerful pressure on prices.

Second, in the interim we must protect the vitality of our economies. Effective action on conservation will require months; development of alternative sources will take years. In the meantime, we will face two great dangers. One is the threat of a new embargo. The other is that our financial system may be unable to manage chronic deficits and to recycle the huge flows of oil dollars that producers will invest each year in our economies. A financial collapse—or the threat of it—somewhere in the system could result in restrictive monetary, fiscal, and trade measures and a downward spiral of income and jobs.

The consumers have taken two major steps to safeguard themselves against these dangers by collaborative action.

One of the results of the Washington Energy Conference was a new permanent institution for consumer energy cooperation—the International Energy Agency [IEA]. This agency will oversee a comprehensive common effort—in conservation, cooperative research and development, broad new action in nuclear enrichment, investment in new energy supplies, and the elaboration of consumer positions for the consumer/producer dialogue.

Equally significant is the unprecedented agreement to share oil supplies among principal consumers in the event of another crisis. The International Energy Program that grew out of the Washington Energy Conference and that we shall formally adopt next week is an historic step toward consumer solidarity. It provides a detailed blueprint for common action should either a general or selective embargo occur. It is a defensive arrangement, not a challenge to producers. But producing countries must know that it expresses the determination of the consumers to shape their own future and not to remain vunerable to outside pressures.

The International Energy Agency and the International Energy Program are the first fruits of our efforts. But they are only foundations. We must now bring our blueprint to life.

THE FIVE ACTION AREAS

To carry through the overall design, the consuming countries must act in five interrelated areas.

First, we must accelerate our national programs of energy conservation, and we must coordinate them to insure their effectiveness.

Second, we must press on with the development of new supplies of oil and alternative sources of energy.

Third, we must strengthen economic security—to protect against oil emergencies and to safeguard the international financial system.

Fourth, we must assist the poor nations whose hopes and efforts for progress have been cruelly blunted by the oil price rises of the past year.

Fifth, on the basis of consumer solidarity we should enter a dialogue with the producers to establish a fair and durable long-term relationship.

Let me deal with each of these points in turn.

CONSERVATION

Conservation and the development of new sources of energy are basic to the solution: The industrialized countries as a whole now import nearly two-thirds of their oil and over one-third of their total energy. Over the next decade we must conserve enough oil and develop sufficient alternative supplies to reduce these imports to no more than one-fifth of the total energy consumption. This requires that the industrialized countries manage the growth of their economies without increasing the volume of their oil imports.

The effect of this reduced dependence will be crucial. If it succeeds, the demand of the industrialized countries for imported oil will remain static, while new sources of energy will become available both inside and outside of OPEC [Organization of Petroleum Exporting Countries]. OPEC may attempt to offset efforts to strengthen conservation and develop alternative sources by deeper and deeper cuts in production, reducing the income of producers who seek greater revenues for their development. The majority of producers will then see their interest in expanding supply and seeking a new equilibrium between supply and demand at a fair price.

Limiting oil imports into industrial countries to a roughly constant figure is an extremely demanding goal requiring discipline for conservation and investment for the development of new energy sources. The United States, which now imports a third of its oil and a sixth of its total energy, will have to become largely self-sufficient. Specifically we shall set as a target that we reduce our imports over the next decade from 7 million barrels a day to no more than 1 million barrels or less than 2 percent of our total energy consumption.

Conservation is, of course, the most immediate road to relief. President Ford has stated that the United States will reduce oil imports by 1 million barrels per day by the end of 1975—a 15 percent reduction.

But one country's reduction in consumption can be negated if other major consumers do not follow suit. Fortunately, other nations have begun conservation programs of their own. What is needed now is to relate these programs to common goals and an overall design. Therefore, the United States proposes an international agreement to set consumption goals. The United States is prepared to join an international conservation agreement that would lead to systematic and long-term savings on an equitable basis.

As part of such a program, we propose that by the end of 1975 the industrialized countries reduce their consumption of oil by 3 million barrels a day over what it would be otherwise—a reduction of approximately 10 percent of the total imports of the group. This reduction can be carried out without prejudice to economic growth and jobs by cutting back on wasteful and inefficient uses of energy both in personal consumption and in industry. The United States is prepared to assume a fair share of the total reduction.

The principal consumer nations should meet each year to determine appropriate annual targets.

ALTERNATIVE ENERGY SOURCES

Conservation measures will be effective to the extent that they are part of a dynamic program for the development of alternative energy sources. All countries must make a major shift toward nuclear power, coal, gas, and other sources. If we are to assure substantial amounts of new energy in the 1980's we must start now. If the industrialized nations take the steps which are within their power, they will be able to transform energy shortages into energy surpluses by the 1980's.

Project Independence is the American contribution to this effort. It represents the investment of hundreds of billions of dollars, public and private—dwarfing our moon-landing program and the Manhattan Project, two previous examples of American technology mobilized for a great goal. Project Independence demonstrates that the United States will never permit itself to be held hostage to a strategic commodity.

Project Independence will be complemented by an active policy of supporting cooperative projects with other consumers. The International Energy Agency to be established next week is well designed to launch and coordinate such programs. Plans are already drawn up for joint projects in coal technology and solar energy. The United States is prepared to expand these collective activities substantially to include such fields as uranium enrichment.

The area of controlled thermonuclear fusion is particularly promising for joint ventures for it would make available abundant energy from virtually inexhaustible resources. The United States is prepared to join with other IEA members in a broad program of joint planning, exchange of scientific personnel, shared use of national facilities, and the development of joint facilities to accelerate the advent of fusion power.

Finally, we shall recommend to the IEA that it create a common fund to finance or guarantee investment in promising energy projects, in participating countries and in those ready to cooperate with the IEA on a long-term basis.

FINANCIAL SOLIDARITY

The most serious immediate problem facing the consuming countries is the economic and financial strain resulting from high oil prices. Producer revenues will inevitably be reinvested in the industrialized world; there is no other outlet. But they will not necessarily flow back to the countries whose balance-of-payments problems are most acute. Thus many countries will remain unable to finance their deficits and all will be vulnerable to massive sudden withdrawals.

The industrialized nations, acting together, can correct this imbalance and reduce their vulnerability. Just as producers are free to choose where they place their funds, so the consumers must be free to redistribute these funds to meet their own needs and those of the developing countries.

Private financial institutions are already deeply involved in this process. To buttress their efforts, central banks are assuring that necessary support is available to the private institutions—particularly since so much of the oil money has been invested in relatively short-term obligations. Private institutions should not bear all the risks indefinitely, however. We cannot afford to test the limits of their capacity.

Therefore, the governments of Western Europe, North America, and Japan should move now to put in place a system of mutual support that will augment and buttress private channels whenever necesary. The United States proposes that a common loan and guarantee facility be created to provide for redistributing up to $25 billion in 1975, and as much again the next year if necessary. The facility will not be a new aid institution to be funded by additional taxes. It will be a mechanism for recycling, at commercial interest rates, funds flowing back to the industrial world from the oil producers. Support from the facility would not be automatic, but contingent on full resort to private financing and on reasonable self-help measures. No country should expect financial assistance that is not moving effectively to lessen its dependence on imported oil.

Such a facility will help assure the stability of the entire financial system and the creditworthiness of participating governments; in the long run it would reduce the need for official financing. If implemented rapidly it would:

Protect financial institutions from the excessive risks posed by an enormous volume of funds beyond their control or capacity;

Insure that no nation is forced to pursue disruptive and restrictive policies for lack of adequate financing;

Assure that no consuming country will be compelled to accept financing on intolerable political or economic terms; and

Enable each participating country to demonstrate to people that efforts and sacrifices are being shared equitably—that the national survival is buttressed by consumer solidarity.

We have already begun discussion of this proposal; it was a principal focus of the meeting of the Finance and Foreign Ministers of the Federal Republic of Germany, the United States, Japan, the United Kingdom, and France in September in Washington.

THE DEVELOPING WORLD

The strategy I have outlined here is also essential to ease the serious plight of many developing countries. All consuming nations are in need of relief from excessive oil prices, but the developing world cannot wait for the process to unfold. For them, the oil crisis has already produced an emergency. The oil bill has wiped out the external assistance of the poorer developing countries, halted agricultural and industrial development, and inflated the prices for their most fundamental needs, including food. Unlike the industrial nations, developing countries do not have many options of self-help; their margin for reducing energy consumption is limited; they have little capacity to develop alternative sources.

For both moral and practical reasons, we cannot permit hopes for development to die, or cut ourselves off from the political and economic needs of so great a part of mankind. At the very least, the industrial nations must maintain the present level of their aid to the developing world and take special account of its needs in the multilateral trade negotiations.

We also look for ways to help in the critical area of food. At the World Food Conference I outlined a strategy for meeting the food and agricultural needs of the least developed countries. The United States is uniquely equipped to make a contribution in this field and will make a contribution worthy of its special strength.

A major responsibility must rest with those oil producers whose actions aggravated the problems of the developing countries and who because of their new-found wealth now have greatly increased resources for assistance.

But even after all presently available resources have been drawn upon, an unfinanced payment of deficit of between $1 and $2 billion will remain for the 25 or 30 countries most seriously affected by high oil prices. It could grow in 1976.

We need new international mechanisms to meet this deficit. One possibility would be to supplement regular International Monetary Fund (IMF) facilities by the creation of a separate trust fund managed by the IMF to lend at interest rates recipient countries could afford. Funds would be provided by national contributions from interested countries, including especially oil producers. The IMF itself could contribute the profits from IMF gold sales undertaken for this purpose. We urge the Interim Committee of the IMF and the joint IMF/IBRD Development Committee to examine this proposal on an urgent basis.

RELATIONS WITH PRODUCERS

When the consumers have taken some collective steps toward a durable solution—that is, measures to further conservation and the development of new supplies—and for our interim protection through emergency planning and financial solidarity, the conditions for a constructive dialogue with producers will have been created.

We do not see consumer cooperation as antagonistic to consumer/producer cooperation. Rather, we view it as a necessary prerequisite to a constructive dialogue as do many of the producers themselves who have urged the consumers to curb inflation, conserve energy, and preserve international financial stability.

A dialogue that is not carefully prepared will compound the problems which it is supposed to solve. Until the consumers develop a coherent approach to their own problems, discussions with the producers will only repeat in a multilateral forum the many bilateral exchanges which are already taking place. When consumer solidarity has been developed and there are realistic prospects for significant progress, the United States is prepared to participate in a consumer/producer meeting.

The main subject of such a dialogue must inevitably be price. Clearly the stability of the system on which the economic health of even the producers depends requires a price reduction. But an equitable solution must also take account of the producers' need for long-term income security and economic growth. This we are prepared to discuss sympathetically.

In the meantime the producers must recognize that further increases in the prices while this dialogue is being prepared, and when the system has not even absorbed the previous price rises, would be disruptive and dangerous.

On this basis—consumer solidarity in conservation, the development of alternative supplies and financial security, producer policies of restraint and responsibility, and a mutual recognition of interdependence and a long-term common interest—there can be justifiable hope that a consumer/producer dialogue will bring an end to the crisis that has shaken the world to its economic foundations.

THE NEXT STEP

It is now a year and a month since the oil crisis began. We have made a good beginning, but the major test is still ahead.

The United States in the immediate future intends to make further proposals to implement the program I have outlined.

Next week, we will propose to the new IEA a specific program for cooperative action in conservation, the development of new supplies, nuclear enrichment, and the preparation of consumer positions for the eventual producer/consumer dialogue.

Simultaneously, Secretary Simon will spell out our ideas for financial solidarity in detail, and our representative at the Group of Ten will present them to his colleagues.

We will, as well, ask the Chairman of the Interim Committee of the IMF as well as the new joint IMF/IBRD Development Committee to consider an urgent program for concessional assistance to the poorest countries.

Yesterday, Secretary Morton announced an accelerated program for domestic oil exploration and exploitation.

President Ford will submit a detailed and comprehensive energy program to the new Congress.

CONCLUSION

Let there be no doubt, the energy problem *is* soluble. It will overwhelm us only if we retreat from its reality. But there can be no solution without the collective efforts of the nations of North America, Western Europe, and Japan—the very nations whose cooperation over the course of more than two decades has brought prosperity and peace to the postwar world. Nor in the last analysis can there be a solution without a dialogue with the producers carried on in a spirit of reconciliation and compromise.

A great responsibility rests upon America, for without our dedication and leadership no progress is possible. This Nation, for many years, has carried the major responsibility for maintaining the peace, feeding the hungry, sustaining international economic growth, and inspiring those who would be free. We did not seek this heavy burden, and we have often been tempted to put it down. But we have never done so, and we cannot afford to do so now—or the generations that follow us will pay the price for our self-indulgence.

For more than a decade America has been torn by war, social and generational turbulence, and constitutional crisis. Yet the most striking lesson from these events is our fundamental stability and strength. During our upheavals, we still managed to ease tensions around the globe. Our people and our institutions have come through our domestic travails with extraordinary resiliency. And now, once again, our leadership in technology, agriculture, industry, and communications has become vital to the world's recovery.

Woodrow Wilson once remarked that "wrapped up with the liberty of the world is the continuous perfection of that liberty by the concerted powers of all civilized peoples." That, in the last analysis, is what the energy crisis is all about. For it is our liberty that in the end is at stake and it is only through the concerted action of the industrial democracies that it will be maintained.

The dangers that Woodrow Wilson and his generation faced were, by today's standards relatively simple and straightforward. The dangers we face now are more subtle and more profound. The context in which we act is more complex than even the period following the Second World War. Then we drew inspiration from stewardship, now we must find it in partnership. Then we and our allies were brought together by an external threat, now we must find it in or devotion to the political and economic institutions of free peoples working together for a common goal. Our challenge is to maintain the cooperative spirit among like-minded nations that has served us so well for a generation and to prove, as Woodrow Wilson said in another time and place, that "the highest and best form of efficiency is the spontaneous cooperation of a free people."

WHY THE UNITED STATES SHOULD RETURN TO THE GOLD STANDARD

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. SYMMS. Mr. Speaker, I commend the following article by Senator BARRY GOLDWATER to my colleagues. It is from the November 23, 1974 issue of Human Events.

Mr. GOLDWATER, as usual, is correct—it is too bad that it is only in our hearts and not our actions that we know he is right.

The article follows:

WHY THE UNITED STATES SHOULD RETURN TO THE GOLD STANDARD

(By BARRY M. GOLDWATER)

Our nation is passing through one of the most serious peacetime crises in its history. It is a monetary crisis popularly known as inflation. Throughout the course of history many countries have experienced serious inflation, sometimes with disastrous results as in the cases of France and Germany, leading to the loss of precious freedoms and to dictatorships. I don't wish to see that happen here.

Both President Nixon and President Ford have made important public addresses in recent weeks emphasizing the importance of curing the dollar's inflationary disease but one word, which has great bearing on the necessary remedy, was missing in both speeches. It is the word gold. This is not surprising, for our beloved nation has been brainwashed for 40 years, as in Great Britain, with Keynesianism which dismisses gold as a "barbarous" metal and endorses the use of political power to achieve "full employment" as a monetary guide.

Ever since the Administration of Franklin Delano Roosevelt, who embraced the economic views of John Maynard Keynes, the intellectual theorists, dreamers and other Keynesian disciples, have had great influence in policy making in our government. They have penetrated deeply into politics.

I have here a list of 70 distinguished economists, including a Nobel Prize winner, who bent every effort to elect Sen. McGovern, the Democratic candidate for the presidency in 1972. The list includes former members of presidential economic councils. They all advocate more government control in the true spirit of Keynesianism.

Their candidate was overwhelmingly defeated in the election, but the episode distresses me for the restoration of confidence in our dollar and again making it a store of value, as William McChesney Martin urged a few years ago, cuts across party lines:

"How did we get into the current monetary mess? It began 40 years ago when two Cornell professors persuaded FDR to raise the price of gold as a cure for a raging business depression. This action required confiscating the gold holdings of the people, so they would not profit from an increased price of gold, and devaluing the dollar."

Far more serious was the destruction of the sanctity of contracts which used the gold clause for the protection of the contracting parties.

When the grave moral issue involved in that momentous step reached the Supreme Court, a 5-to-4 decision upheld the government's stand, but the minority termed the devaluation "counterfeiting" and stated: "Loss of reputation for honorable dealing will bring us unending humiliation; the impending legal and moral chaos is appalling." How prophetic! The chaos is here with a vengeance.

The current helplessness of the people to understand the complexity of money is not relieved by the practice of some intellectuals to clutter their economic papers with mathematical formulas giving the impression of erudition and scientific finality. If you don't believe it, examine the report on inflation prepared for the use of the Joint Economic Committee in 1972. Incidentally, the cure suggested was more government control.

This reminds me of the observation of the late Canadian economist with a sense of humor, Stephen Leacock of McGill University, who remarked:

". . . Most of all, if we can't understand it let's see that outsiders don't. Let's dress up economics in esoteric language, give it a jargon of its own, and break away from the plain terms like labor and profit and money and poverty. Let's talk of 'categories' and 'increments' and 'margins' and 'series.' Let's call our appetite for breakfast our consumer's marginal demand. That will fool them. And if I buy one cigar but won't buy two, call that my sub-marginal saturation point for nicotine."

It is not necessary to be an economist to understand a monetary fundamental principle today. It is the simple issue: which is better, a Federal Reserve note redeemable in gold at will, or the kind of paper money in use currently, a greenback, which is not redeemable? The quality of our money is just as essential as the quantity printed.

It is almost unbelievable that it has taken 40 years to return the traditional right of Americans to own gold bullion without fear of criminal penalty. Where have the liberty loving Americans been during the interval? No wonder the remedial congressional act has been strongly resisted by Keynesians, for it marks the first step toward the restoration of the gold standard, unpalatable as that may be to them. It impairs their political influence and power.

The struggle for a sound dollar has advanced. Contracts may again use the gold clause as protection against further devaluation of the dollar. Fundamentally there is no escape from gold.

If we are to continue to print irredeemable greenback dollars, the door is open wide for the international speculator in currencies. This can lead to disaster. Observe the recent failure of the Franklin National Bank in the United States and the failure of the Herrstatt Bank in Germany resulting from foreign exchange speculation. Are more on the horizon? I hope not, as the Federal Reserve has limited rescue power.

And yet, if political decisions are to govern the destiny of the dollar, the temptation to speculate becomes attractive given inside or outside information of government plans. Self-preservation may also play a role. Government pronouncements may not be reliable.

Note, for example, the statement of former Secretary of the Treasury John Connally, in Munich, Germany, as recently as May 1971. He said that "We are not going to devalue. We are not going to change the price of gold. We are controlling our inflation." Three months later the gold window was closed! Moreover, the dollar was devalued not only once but twice, later on.

Is that the kind of a monetary system best for Americans based upon political announcements warranting not only skepticism but also some move for self-protection? Of course not, but that is why I am reconciled to more monetary trouble until the dollar once again is redeemable in gold.

It may take a long time as it did after the Civil War, but that national experience has a lesson for us today. It shows that when the Civil War greenbacks became convertible into gold until the beginning of World War I, which ruined the gold standard, the price level showed no inflation and was remarkably steady.

It is unquestioned evidence confirming the conclusion of the late great international monetary expert, Ludwig von Mises, that:

"The eminence of the gold standard consists of the fact that it makes the determination of the monetary unit's purchasing power independent of the measures of governments. It wrests from the hands of the economic Tsars their most redoubtable instrument. It makes it impossible for them to inflate. That is why the gold standard is furiously attacked by all those who expect they will benefit by bounties from the seemingly inexhaustible government purse."

Incidentally, when 1879 rolled around the citizens returned gold to the banks; they did not withdraw it to cash their greenbacks!

But let's face it, the forces against a return to the gold standard are dishearteningly powerful.

Consider the position of many respected business and banking leaders who, in the Committee for Economic Development's report on strengthening the world monetary system, advocate the international adoption of greenbacks known as special drawing rights and ultimately doing away with gold absolutely as a monetary reserve. The store of value quality in money is to be destroyed. How typically Keynesian.

It will be interesting to observe how many Middle Eastern petroleum-producing countries accept special drawing rights in place of dollars, or gold. As one distinguished French economist, Rene Berger, has stated, special drawing rights are an insult to intelligence.

The entire world is witnessing an amazing spectacle, Great Britain, the cradle of Keynesianism, appealing to Iran for financial assistance to ease its monetary predicament. This is ample evidence to convince me that the Keynesian road is not one for our nation to travel.

Oddly enough, John Maynard Keynes was a strong advocate of the gold standard back in 1922. But the attraction of political power to achieve economic ends during a serious depression evidently overrode his scruples.

The late great economist and teacher, Wilhelm Roepke, has wisely noted that John Maynard Keynes, like Karl Marx, will go down as a great intellectual ruiner in history. Roepke's observation about the gold standard in his classic text, *The Economics of a Free Society* is worth repeating here.

"The most finely spun theories on the stupidity of the gold standard, all the clever satires on mankind's frenetic digging for the yellow metal, and all the ingenious schemes for creating a goldless money will never change the truly remarkable fact that for thousands of years men have continued to regard gold as the commodity of highest and surest worth and as the most secure anchor of wealth."

Strong as our dollar continues to be and vast as the resources of our country, nevertheless, Europe and the Middle East will have a lot to say about the kind of money acceptable internationally and without question. And let us not forget the growing trade with the Socialist nations. Recently the president of the Bank of Hungary called for an international currency based upon gold. This is not surprising as trade between any nations, whether free enterprise or Socialistic, depends, in the last analysis, upon mutual trust and confidence. Gold supplies that ingredient.

For guidance in the current monetary crisis we would be wise to ponder the words of a great humanitarian President of the United States, who never took a cent of salary for his services to the nation. Listen to these words from a much maligned servant of the people—indeed the whole world—Herbert Hoover.

"Currency convertible into gold of the legal specifications is a vital protection against economic manipulation by the government. As long as currencies are convertible, governments cannot easily tamper with the price of goods, and therefore the wage standards of the country.

"They cannot easily confiscate the savings of the people by manipulation of inflation and deflation. They cannot easily enter into currency expansion for government expenditures. Once free of convertible standards, the executives of every 'managed-currency' country had gone on a spree of government spending, and the people thereby lost control of the public purse—their first defense against tyranny.

"With 'managed currency,' international exchange rates come under the control of the government. The consequence is currency war, as their manipulators in the end invariably seek to shift international prices to the supposed advantage of their own country. Uncertainty of value robs people of their power to test values and lessens their initiative. Depriving the people of confidence in their currency plants a fear in their hearts which causes them to hesitate in pursuing productive enterprises and renders them dependent upon the government.

"A convertible currency is the first economic bulwark of free men. Not only is this a question of economic freedom, but more deeply it is a question of morals. The moral issue lies in the sacredness of government assurances, promises and guarantees.

"Civilization moves forward on promises that are kept. It goes backward with every broken promise."

THE BROWNING OF AMERICA?

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. DRINAN. Mr. Speaker, I attach herewith a very perceptive editorial from the Jewish Advocate of November 21, 1974. This editorial entitled "The Browning of America?" notes that a "strong Commander-in-Chief would, of course, have quickly retired the General."

I commend this editorial to my colleagues in the Congress:

[From the Jewish Advocate, Nov. 21, 1974]

THE BROWNING OF AMERICA?

The stereotype anti-Semitic remarks of General George S. Brown, chairman of the US Joint Chiefs of Staff, which became known last week could only come as a shock to the naive. Bigotry and racism are of course, well established in this country. This is particularly true of the high regular officer classes of the military services where the break-down in such long held attitudes had been slower prior to the last twenty years than in the general society, as indicated by the frequent failure of able Jewish candidates to reach high, deserved ranks and the almost utter exclusion of Blacks. To the credit of the military, in the last two decades this caste system has been rapidly breaking down, stimulated particularly by the enforced end of racism, but old opinions apparently like old soldiers do not die, but merely fade away.

A strong Commander-in-Chief would, of course, have quickly retired the General. If bias and hatred thrive in so many hearts and minds, it is not so much for what he said, but it is because of the danger for America in that one in General Brown's position could hold and express such faulty and absurd views. This country cannot afford and does not deserve ignorance in any post of leadership, much less that which responds to the button on the President's black box. The Brown rantings about Jewish influence in banks and public media and Israel's power in Congress, cannot be explained away by tiredness when he was called upon to answer questions at the Duke University Law Forum nor pique that large amounts of arms and equipment from U.S. forces have been hurriedly transferred to the Middle East. This top General should know as a matter of fact, whether morning alert or evening tired, that Jewish influence in major finance or widespread newspapers is minimal and that the reason Israel is getting arms is that it is the U.S. frontline against the Soviet Union in stabilizing the Middle East and retaining energy resources. It is frightening to know that the country's defenses rely so strongly on one in whom emotionalism may at times so overtake rationality.

As we near the common holiday of Thanksgiving, it may be valuable to recall that the strength of the U.S. is that "to bigotry" there has been given "no sanction" and "to persecution no assistance." And the greatness in this land where sadly people still hate irrationally is that this evil remains always opposed and fairness retains an equal striving in the race with discrimination. While this may be considered a minimal and even meager accomplishment, it is still only realized on a large national scale here. To give any credence or comfort to the Brown view, which his retention in power has done, places this hard-won accomplishment in greater jeopardy from other sources.

JOE BOLAND: A BUSY MAN WHO GETS THINGS DONE

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. JAMES V. STANTON. Mr. Speaker, it is with a great deal of pleasure that I announce that on December 1, Joe Boland of Cleveland, Ohio, will be honored as the Man of the Year by the Pioneer Total Abstinence Association of Cleveland. Joe's record of community leadership serves as a model for all of our citizens, and this honor is thus very well deserved. I would now like to insert into the RECORD a biography of Joe, which fully lists all of his fine achievements:

BIOGRAPHY OF JOE BOLAND

It was more than coincidence that Joe Boland, truly an American and the most lovable of all Irishmen first set foot on American soil on George Washington's birthday, Feb. 22, 1948. A founding member of the American Irish Metropolitan Society, he is responsible for upgrading the moral character as well as the political and civil lot of the American Irish in the Cleveland area, using as a basis of incentive, the founding and establishing of a Pioneer Center in the Parish of St. Francis on Superior Avenue, since ravished by fire, as early as 1951.

Joe modestly speaks of this as being his first love, the Pioneer Total Abstinence Association, an organization of nearly 1,000 members who make a solemn promise to Almighty God to abstain from intoxicating drinks for life, in a prayerful effort to bring about the conversion of excessive drinkers to a state of respectful sobriety. In this endeavor he arranges year after year to raise many thousands of needed dollars to maintain a "half-way" house known as the Matt Talbot Inn under the personal direction of Father Berard, Chaplain at the Cuyahoga County Jail.

As an officer member of the Holy Name Society and as an usher of St. Ignatius Church and many other parishes, Joe's services are very much in demand by the Clergy and indeed the Hierarchy, as a promoter and fund raiser for more than a few parishes and their projects, and the recipients of his successful efforts know, they have in him a promoter, a salesman par excellence, and in fact, a man who is the very soul of generosity.

In his early years here, Joe worked as a carpenter for various contracting firms, amongst whom are the Austin Company, Shaw-Comber Companies and a few others. He still retains, with pride, his membership in the AFL–CIO, Local 11 Union, whose card, together with those of the Civil Service Employee's Association, Twenty-first Ward Democratic Club, the United Ireland Society, the Cleveland Gaelic Society, the Gaelic League of Cleveland, the Ancient Order of Hibernians, the United Irish Societies and a host of Mission Organizations, various FESH communities and football clubs—all have a definite swelling effect upon his wallet, and in this he contributes in a more than ordinary way towards a more healthy economy. In June of 1967 Joe Boland retired from his House Repair and Carpentry service to join the City of Cleveland government. In addition, Joe has put his considerable political talents to work in behalf of many candidates for office in the Cleveland area. He has been instrumental in producing a number of campaign victories.

Joe believes that one of his better accomplishments was manifested in his arranging to welcome to the United States of America his dear mother, Bridget Boland, more affectionately known to her many hundreds of friends as just "Mom" and this, in the first years of her being here. Before many years, "Mom Boland" was to earn many honors of her own endearing herself to ever so many people and organizations by her constant willingness to give, of her time and efforts, in the service of those less fortunate than she, giving living witness of her having hereditarily bestowed the sterling qualities so evident in her fine sons and daughters and especially in her son Joe.

Without hesitation in his service to others, Joe's next undertaking was to invite his brothers to join him in Cleveland. Joe helped finance his brother Augustine's education through college where he earned a degree in engineering and is presently employed in the Cuyahoga County Engineering Department in charge of Bridge, Design and Structure. Equally enviable positions are held by four other brothers, John, James, Jim and Brendan.

In spite of his many activities, Joe Boland still finds time to devote to sports and hobbies, chief among which is the promotion and fostering of Irish step dancing in traditional style and dress; and this, in conjunction with programing of radio station WXEN and other ethnic minded radio stations; all of which brings to mind the old adage. . . . "If you want something done—give it to a busy man." However, Joe is never too busy to indulge in his favorite pastime or hobby if the situation should arise, that of helping a friend to repair any part of his home, from sidewalk to garage, or even to drive to Cincinnati and return the same day, if his doing this, can be of assistance to you or to another.

SENATE—*Monday, December 2, 1974*

The Senate met at 12 o'clock meridian and was called to order by Hon. J. BENNETT JOHNSTON, JR., a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, we thank Thee for the greatness and goodness of this land and its people.

We thank Thee, O God, for stormy days as well as sunny days, for dark days and light days, for days of despair and days of hope, for days of failure and days of success, for plodding days and weary days, for days of pain as well as joy. We thank Thee for the mosaic of days which form the pattern of our pilgrim years.

Help us now to walk and work with faith in Thy care and guidance.

Prepare us in the depth of our spirits for whatsoever may come. May there be no crisis of character, no energy shortage in mind and heart; but, putting our trust in Thee, may we "serve the Lord with gladness—for the Lord is good; His mercy is everlasting; and His truth endureth to all generations." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 2, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. J. BENNETT JOHNSTON, JR., a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 26, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REHABILITATION ACT AMENDMENTS OF 1974—INDEFINITELY POSTPONED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 1230, S. 4194, be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ASSIGNMENT OF SENATORS' SUITES

Mr. MANSFIELD. Mr. President, I have received a letter from the chairman of the Committee on Rules and Administration, Senator HOWARD W. CANNON, in which he asks for a speedup in the process of assignment of Senators' suites and urges that Senators decide as quickly as possible whether they want to move when their name is reached. Senator CANNON says:

> It is imperative that your decision be made within twenty-four hours after you receive such notice.

Senators are now being instructed by the staff of the Committee on Rules and Administration to contact the senior Senator immediately and commence now the process of working down the roster.

In his communication, Senator CANNON says:

> In the event you do not notify the committee within twenty-four hours after you receive notice of suites available, it will be assumed that you do not desire to make a change and the staff will then proceed to contact the next Senator on the roster.

I fully and wholeheartedly agree with the decision of the chairman of the Committee on Rules and Administration. I ask unanimous consent that this letter be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, I hope that it will not be until April, May, or June before the last Senator is assigned a suite in the Senate office buildings. It is outrageous when they have to wait that long. I expect that all Senators will cooperate with Chairman CANNON, to the end that his proposal will be agreed to and adhered to.

EXHIBIT 1

U.S. SENATE,
Washington, D.C., December 2, 1974.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR MIKE: The eleven new Senators are about to be assigned temporary suites effective January 3, 1975, and will have to work under crowded conditions until their names are reached on the Senate roster after the eighty-nine incumbent Senators have decided whether they wish to move into the vacant suites.

In an earnest effort to speed up the process of assignment of Senators' suites, I am writing to urge you to decide as quickly as possible whether you want to move when your name is reached. It is imperative that your decision be made within twenty-four hours after you receive such notice.

I have instructed the staff of the Committee on Rules and Administration to contact the senior Senator immediately and commence now the process of working down the roster.

In the event you do not notify the Committee within twenty-four hours after you receive notice of suites available, it will be assumed that you do not desire to make a change and the staff will then proceed to contact the next Senator on the roster.

I hope that most Senators will make their decisions in a matter of a few hours because if each one used the full twenty-four hours it could take up to three months to complete the process, which would work an unnecessary hardship on the most junior Senators.

Please help us get the job done with dispatch so that the new Senators, as well as others choosing to move, can be settled into their permanent quarters early in the new year.

With all best wishes,

Sincerely,

HOWARD W. CANNON,
Chairman.

Mr. HUGH SCOTT. Mr. President, will the Senator yield on that point?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. Mr. President, this matter was brought up some time ago by our Republican conference, and we at that time took the same position, that we would favor an early rearrangement of all available suites.

We will, of course, cooperate. At a luncheon of the policy committee tomorrow, I will call this matter to the attention of our Senators and urge them not to delay. In the past, a delay of perhaps two or three Senators has been responsible for as much as a month or a 6-week delay. This is not fair to other Senators.

It seems to me that this should be the kind of housekeeping job we should get at promptly. If we cannot keep our own house, we cannot ask people to assume that we know our business.

Mr. MANSFIELD. Mr. President, I fully agree with the distinguished Republican leader. I think it is outrageous the way some Senators hold back on making a decision. I call to their attention that in this body of peers, the youngest Senator in seniority is just as important as the oldest Senator in seniority, and I hope they will keep that fact in mind at all times. Seniority is of limited consequence when it comes to the consideration of the Senate as a whole.

GOV. TOM JUDGE: "MR. AGRICULTURE"

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Richard E. Hansen, Jr., of Joplin, Mont., in connection with a recent interview with the Governor of the State of Montana, Tom Judge.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOV. TOM JUDGE: "MR. AGRICULTURE"

(By Dick Hansen, Jr.)

JOPLIN. Will there be a new 'Western Farm Bloc' in Congress? What lies ahead for Western agriculture in general, and Montana agriculture in particular? These are some of the questions I asked Montana Governor Tom Judge in the following interview. More and more Governor Judge is earning the title; "Mr. Agriculture", not only in Montana, but throughout many of the western states. His heavy emphasis on agricultural development—not only in his home state, but covering the entire western area; his concern for proper use of our food resources and potential for greater utilization of those resources, all have contributed to making him a leading figure in Montana and Western agriculture. Last year he played the major role in arranging the first Western Governors' Conference on Agriculture—held in Salt Lake City, and is now working on plans for the second Western Governors' Conference on Agriculture, to be held in Billings, Mont. next April.

In addition, he is a key figure in the Federation of Rocky Mountain States, a leading exponent on potential for Montana and other western states regarding International Trade Opportunities, and many other roles in the forefront of agriculture:

Q. There has long been—seemingly—a reluctance on the part of elected officials in farm States to admit their States are economically dependent on agriculture—perhaps a carry-over from the old "rube" days. You are the first in memory who, all through your political career, and particularly as governor, not only do not apologize, but take obvious pride in Montana being an agricultural State. Would you comment on this?

A. Well, first of all, I appreciate what I consider a compliment. If this is true, that I am the first Governor who does not apologize for supporting agriculture. I am very proud of agriculture. There is no question in my mind about the future of Montana. I am very optimistic because I see an exciting future ahead for agriculture in Montana and in the western states.

I think that these opportunities lie beyond our own boundaries as a state and as a nation. There is no doubt, that in the coming years, the western states could become the breadbasket of the world, supplying badly needed food commodities not only for the people of this country, but also the people abroad.

Agriculture is our number one industry in Montana, and cash receipts last year were over a billion dollars. The importance of agriculture to us in state government is rather apparent. We enjoy a very nice general fund surplus in the state government, at a time when we have been experiencing record inflation in government. In addition, we have provided major tax relief for the first time. Seventy million in tax relief, the lowest statewide property taxes in 25 years. Sixteen million dollar reduction, in just one year alone, in property taxes statewide.

Increased expenditures for education at all levels—fully funded school foundation program, increased for universities and vo-tech schools, public employees, improvements in our state institutions and a number of other programs have been passed primarily because of the income that farmers and ranchers have had in Montana in the past year. I think there are other things too. Executive reorganization has certainly helped and better management of state government has contributed to this. There is no question that we are able to do a lot of things in Montana because of the position of agriculture.

Q. Do you see any threats to agriculture in the near future?

A. Some definite threats face agriculture. We have taken some rather strong positions, I believe, with respect to pointing out the problems relating to development—outside development coming in and taking agricultural land out of production—for instance—the coal development. This is not just from land use, but also from committing tremendous quantities of water. We have passed some rather strong legislation in the last two years to try to protect Montana and our economy.

The Strip Mine Reclamation Act is the strongest in the United States; Utility Siting Act, is state government's control over power generation facilities; Subdivision Regulation Act; Natural Areas Act; Moratorium on the diversion of water from the Yellowstone, which was to give us time to plan intelligently for the wise use of that river for irrigation and for multiple use and for industry. We don't think that one segment of the economy should profit at the expense of others. Once water is committed to industry, it is committed forever. So we want to make sure when we make these very important decisions that we are basing them on the overall economy and what's in the interest of all Montanans, and not just one particular segment of our economy.

We have obtained $550,000 from the Old West Regional Commission to do a comprehensive study of the Yellowstone River so that we know where we are going in the future. The Water Use Act will be extremely important legislation in future years to identify Montana's water and put it to a beneficial use.

On another threat, we are proposing in the next session, funds for feasibility projects at the local level for water development of water projects that will mean a lot to agriculture. Saline Seep is taking somewhere between 300,000 and 500,000 acres out of production. Subdivisions have increased alarmingly since 1970. In October we held nine land-use conferences and a statewide conference in Great Falls last November 21–22. We have a number of organizations including all of the farm organizations in the state supporting this.

We are going out and asking Montanans what kind of a state they would like to see in 10 or 15 years and what their ideas are on land use. Agriculture needs to be greatly involved in these questions. We are faced with all kinds of decisions in Montana, that could definitely affect the kind of state that we are going to be living in 20 to 50 years from now.

Primarily we have enjoyed an agricultural state, the basis of our economy since we became a state. This not only provides Montana with its number one industry, but also provides the quality of life that Montanans enjoy, the open spaces, the beauty of our state, which contributes to recreational attractions and advantages, the hunting and fishing, the basic life style that we have as a state.

Q. Do you think Montana should remain agricultural, or reach for more industrialization?

A. I think that people in Montana are going to have to start thinking hard about how they want to see Montana develop. Do they want to see Montana industrialized, semi-industrialized, or do they want to preserve Montana as a basically agricultural/recreational state?

These choices, I think, should be made by the people of Montana, not the federal government, or the energy companies. We in state government are trying to respond to what the people of Montana would like to see. I think the important thing is that we need to look in terms of how we want Montana to develop in the future years. Decisions on water, land, developments, subdivisions—all of these things have a bearing on what kind of state we as Montanans would like to see in future years.

Q. You have indicated that the main thrust of your efforts toward business and industrial development here in Montana seems to be that it makes sense in an agricultural state, they be either agricultural-based or agriculturally-oriented. Would you discuss your ideas along these lines?

We need to diversify our economy and not have all our eggs in just one basket. We need to convert our agricultural commodities into more of finished products with packing plants, feed lots, processing facilities, instead of just shipping out the raw products.

We need to vertically integrate the livestock and grain industry. There are a number of opportunities here. In 1961 I introduced legislation to provide funds at Montana State University to conduct a study of the commercial applications of barley and wheat in terms of industrial products that could be manufactured from wheat and barley. Dr. Ken Goering conducted a lot of research along those lines and there are some great opportunities in future years in making other products from barley and wheat. It's important that we process our beef, lamb and pork into finished products.

Q. Do you feel that the real key to the future of U.S. agricultural economy lies in greatly increased efforts towards intensification and unification of western agriculture?

A. I think that the farmers and ranchers today are, unlike a few years ago, really international businessmen. The world situation has a great bearing on the price that the farmer is going to receive for his product. Anything that is happening in this country—certainly the policies of this country—are definitely going to affect agriculture for the better or worse.

Right now, I think when they put the freeze on beef, and took it off everything else, that resulted in a surplus of cattle which resulted in the low prices of today. The beef imports into this country have certainly contributed to the surplus and the low prices. If the federal government were to control exports overseas of our grain, this will in my opinion, control the price. At one time the taxpayers paid to store the surplus and then the government would dump them on the market about the time the price started coming up and deflate the price.

That policy changed to one where the government said grow all you can and export it. This year was the second largest harvest in history, 1,700,000,000 bushels of wheat, and then the President imposed the embargo. If that happens in the future, I think that will definitely control the price. I think the world market is extremely important. Seventy-five percent of our wheat is being exported to Japan and Taiwan. I think there is great opportunity over there for beef, lamb and pork from Montana and the west.

The Japanese standard of living is going up rapidly, and therefore, the consumption of meat products, yet their domestic production is down. The high cost of land is forcing the farmers out of agriculture. The Japanese government is protective of the farmers and ranchers, however, there is very little doubt that the import restrictions will be lifted in the future because they simply can't produce enough domestically to supply their demand. Their markets are competitive and we are working hard to develop overseas markets for our agricultural commodities.

Q. When you speak of unification of agriculture, do you mean here at home, or throughout the Western States?

A. There is a great need today for greater cooperation among agricultural organizations and States. We don't have the numbers in Congress, to influence policy or to press programs that will be of assistance to rural, sparsely populated states. That's why I think it is extremely important for agricultural organizations and states, to get together and come up with a position that is a western states position on agriculture.

For the first time in Montana all of our commodity groups and agricultural organizations are seated at one table every month. This has been since Dougl Smith put together the ad-hoc committee, and we have told them that we must look for areas that we agree on, that are important to all of agriculture. There have been a number of areas they have agreed upon and worked productively on, that has meant much to agriculture in Montana. I think that the communication between the agricultural organizations and our office has been excellent as we meet every month.

The importance of getting together, for states to get together, I think the motivating factor that we had when we called the first Western Governors' Conference on Agriculture, never before have the states got together on any type of organization like this. In fact, the Western Governors' Conference approved a resolution I introduced to have the second Western Governors' Conference on Agriculture in Billings, Montana on April 1, 2, and 3, 1975.

In April 1974, we had a meeting in Salt Lake where we talked about the intensification of agricultural production, foreign trade, and agricultural land use and came out with some vrey good resolutions.

Q. Does your heavy emphasis on intensification and unification of western agriculture mean that you feel the balance of agricultural power in Congress is shifting—or could be shifted—and that these western states can or will have more to say with regards to future farm policy on the national level?

A. "We had congressional hearings at the Salt Lake meeting where we had three or four U.S. Senators who were in attendance—Senator McGovern, Senator Hansen, Senator Moss—five or six Governors were there and we came out with some policy statements supported by 16 western States. Naturally, there are some states that don't have very much in common. For instance, we have a lot in common with the wheat growing and cattle-producing states, we don't have much in common with the fruit industry in southern California.

This year's Conference in Billings, will have congressional hearings, where we can have a western point of view in terms of agriculture. This year we are going to get into the subject of the effect of energy production on agriculture in terms of water, land—all of these questions. For instance, at the Western Governors' Conference this summer, Mr. Sawhill, the Federal Energy Advisor, told us about how western coal is the only answer to the national energy crisis and how we had to develop these tremendous coal reserves in the states.

"I asked him what consideration they had given to the effect on water and/or agriculture. His answer was: well there is going to have to be some tradeoffs. What are those tradeoffs? This is going to lead to some questions that we had better be sure of. At the present time the coal development is rather small in terms of overall impact on Montana. Five hundred acres is all.

However, if the federal government were to decide to strip mine its federal coal reserves and build 15 gasification plants and the Department of Interior suggests this, this could have a tremendous impact on our land, water and the basic life style of the people. Our policies in state government have been for proper controlled development of our energy resources.

We must have all the information before we commit our state to an initial course of action. I see some great opportunities for agriculture in the coming years. Opportunities to feed the world, which will lead to a favorable balance of payments. Stability of the dollar in international monetary circles. This, I think, will lead to world peace.

Nothing could lead to peace among nations better than trade. When food and products stop crossing boundaries, army's start.

Q. You have worked hard pushing foreign trade potential, and especially with Japan. Would you comment on this?

A. "The U.S. had a trade deficit of $4 billion with Japan several years ago. That has been equalized entirely by agricultural exports. The Japanese are quite concerned about the future reliability of American exports. They questioned us continually on the soybean embargo—which didn't go over very well in Japan. I don't think many people in this country paid much attention to it. They've asked if they can depend on this country for a reliable supply of agricultural exports in the future. There is no doubt in my mind that if we had foreign demand for beef cattle the prices would improve.

"I talk continuously with people in cities and Chambers of Commerce about the importance of agriculture to the urban person in the state. They have got to understand that those cash registers on Main Street are ringing when we have a good agricultural year. If the price of wheat goes down only one cent, it means over a million dollar drop to Montana's economy. So we are working on several projects to create a demand in this country and abroad for our agricultural commodities.

Q. What are these projects, and what has already been done?

A. First of all, I requested funds from the Montana Legislature in 1974 for $127,500 for a research project at Montana State University to do comprehensive study of Montana's agricultural commodities in terms of what and where the opportunities are for overseas trade. What can we produce in surplus that can be exported?

Dr. Roland Renne has already come up with some very exciting findings with respect to high quality beef in Montana that could be exported. This means a lot to us in Helena, because we just broke ground recently for an international "cow port", the Montana Livestock Export Center. We have already sent 7 plane-loads of cattle on the hoof overseas. There are great possibilities for selling packaged beef to the Japanese. Colorado is already doing this.

They have an agreement with the Maravany Trading Company. So, the possibilities of exporting livestock are very exciting. The sheep and pork industries are also very interested in exports. I told the legislature I would match whatever the legislature raised from either private or federal funds. So we were instrumental in forming the Montana International Trade Commission, which is a private, nonprofit organization. It is funded at about $145,000 a year for two years by Montana's agricultural commodity groups and industries.

Jim Hodge, who was formerly the Director of the Port of Butte, is heading this up, along with an excellent Board of Directors. You have an unusual situation there, because you have industrial leaders and agricultural leaders sitting down and working on programs that are in the interest of the overall economy of the state. They are off to a good start.

The Board of Directors will be involved in marketing and promotion and looking at all of the opportunities for Montana, both in industry and agriculture overseas and in this country as well.

Then I went to the Old West Regional Commission, which is a five-state commission of Montana, North and South Dakota, Wyoming and Nebraska, made up of the Governors and the Chairman appointed by the President, and requested $425,000 for a regional foreign trade study. This will be in three parts. First, we will analyze what we have available in the region that could be sold overseas. Second, we will do a country-by-country, commodity-by-commodity inventory to find out where the problems are, where the opportunities are. Thirdly, we will have an action program that will be designed to get business. That may mean opening an office in Japan, it might mean trade missions, it might mean anything, depending on where we can find the opportunities and the problems.

We also have a $200,000 EDA grant to find an industrial utilization for Glasgow Air Force Base, and this could very well fit into some type of agricultural opportunities, shipments of beef overseas from packing plants or whatever. So I see great opportunity in the future for agriculture. It is going to take a lot of cooperation, it is going to take a lot of promotion.

Also, I think agriculture is going to have to do a better job in terms of convincing the consumer that good prices for the farmer and rancher can contribute to the economy of the state. That everybody is going to be better off in Montana—every man, woman, and child is going to be better off if agriculture has a good base, because we are able to provide funds for government, we can reduce their taxes and we can increase the funds for education, etc.

I think that is going to take a lot of cooperation between Governors of agricultural states to get together and work on programs that we can agree on. We need greater input in decisions made by Congress and the Administration. A lot of decisions are being made by people who don't understand agriculture, the problems of a rural, sparsely populated state. The problems of health care, the problems of space and planning and economic development.

For instance, HEW has nursing home regulations that could close down nursing homes in Montana. All that is going to do is force people to stay in state institutions, and we are trying to get them out of institutions and get them back into communities. I think that the decisions that are going to be made in the future better take a very close look at the effect on agriculture—of subdivisions, coal development and water diversion.

We need funds and money to combat problems like saline seep, which has taken 80 thousand acres out of production in Montana. We have provided funds at the state level, and we are also asking for funds at the regional level. We have developed a Transportation Coordinator's office in state government that is literally saving the farmer and rancher millions of dollars freight rate increases.

Q. Do you have any agricultural background or experience?

A. Unfortunately, no. But we have some good people in state government, and I have a very close relationship with people in the agricultural organizations in the state. We don't hold ourselves out as experts, we try to communicate very closely, so that we can be responsive to their problems.

Several weeks ago, we had a four-hour meeting with retailers, bankers, feeders and stockgrowers, to provide what assistance we can to the problems of the cattle industry. We came out with an eight-point program that is; encouraging more promotion of beef with a 25 cents check-off; foreign trade promotion; urging state institutions and school lunch programs to increase their consumption of beef and beef products; trying to make funds available so loans can be available for agriculture; reducing the choice grade into the top third of good; encouraging retailers to advertise beef; opposing beef imports; and work for establishment of a meat packing plant in Montana to keep the ones we have.

I think the policy of putting land into production is good for U.S. agriculture. I think the potential for increased production is fantastic, if we have good management of our land and putting land under irrigation with sprinkler systems. I think we are capable of producing a lot more than we are through good management and good farming practices are important as well.

Then, with increased production, exports become even more important?

Definitely. I have already said our exports of commodities are certainly responsible for keeping our balance of payments equalized. No question about that. Agriculture exports have been the key factor of balance of payments. We are buying more non-agricultural things from foreign countries than they are buying from us. Intensification in agriculture, good management of land and providing sufficient quantities of water for irrigation. I think that our farmers and ranchers are the best in the world. Unfortunately, agricultural prices haven't kept up with the things they are purchasing, such as the fuel, fertilizer, and things like that. That's why they are in a real tough squeeze right now.

Q. Do you feel fertilizer or more effort toward fertilizing plays a major role towards intensification of some crops—provided you could get this fertilizer?

A. We have been very active in trying to encourage a fertilizer plant in Montana.

Q. Is this the one over at Circle, Montana?

A. Well, we are working with the Burlington Northern Railroad on the ammonia fertilizer plant at Circle, but we have also encouraged the Anaconda Company to get back into the fertilizer business. Years ago they leased their phosphate operation to Simplot. But they will have sulfuric acid as a result of their air pollution control, sulfuric acid and phosphate make fertilizer. So we are trying to encourage the location of a fertilizer plant in Montana. We talked to a number of chemical companies about this so we can meet our own needs for fertilizer in the future.

Q. Where and how, from an agricultural standpoint, does the Federation or Rocky Mountains States fit into this total theme of increased emphasis on western agriculture?

A. We are encouraging the Federation of Rocky Mountain States, which is a government and private organization made up of private business groups, private business and state governments in six Rocky Mountain states, to elevate agriculture to a full council. We want agriculture to have a major council on the Federation, which would definitely provide for an increase in emphasis by the Federation of Rocky Mountain States. This gets back to the need for cooperation, whether it be the Western Governors' Conference or Agriculture, or whether it be the Federation of Rocky Mountain States, or the Old West Regional Commission. All of these organizations are very valuable toward bringing together common policy for agriculture and standing together.

Obviously then, ten State Governors have a lot more clout with the Congress than with just one state, and that is going to be more and more important in the future years. The Federation contributed to the Western Governors' Conference on Agriculture as did the Old West Commission. But I think that each of these can play a very important role. They are very different.

One is an organization of the Governors of the Western states, another is a Title 5 Regional Commission that is set up for economic development, in fact, I made a speech at the last Old West meeting, saying we have spent all this money on coal studies and we haven't yet spent one cent in agriculture—and yet that is the basis of the economy of all our states. So we, with very little discussion, got $425,000 for the foreign trade program.

I am convinced we will get funds for saline seep, also funds to eliminate what Bob Brastrup calls smut. Also, we are doing a study of the feasibility of the regional veterinary medical school. That's an organization made up of five Governors and strictly all federally funded. The Federation is a private government organization, to which state government pays dues but it is supported equally by private industry. This brings the private sector definitely into the picture.

Q. What is your assessment on the possibility of a solidly unified western agriculture, and what will this mean to Montana?

A. There is no doubt that this cooperative effort of agriculture in western states is going to lead to future growth and expansion of agriculture, not only here in Montana, but in the other states as well. I definitely think that the western states can and should have much more to say about farm policy on the national level, but unless they get together they're not going to be as effective as they will if there are 16 states in the West, or the Old West Regional Commission, or the FRMS, because we can bring together 10 United States Senators in the Old West Commission states that are of tremendous seniority and impact with the Congress. There is no question that is important if we are going to have policies set at the federal level that are going to be in our interests and reflect the wishes of the farmers and ranchers in this area.

Q. Would you say there is a possibility of a western farm bloc in Congress as a result of a solidly united western agriculture?

A. I would say that the Western Governor's Conference on Agriculture and the increased emphasis on agriculture at the regional level points to a definite trend in that direction. I go back to almost what I said about the farm organizations. Now they may have a different point of view on some issues, but on a lot of issues they are united and they are together on them. I think that is what is important to us in the western states. We have got to get together and determine what things we do have in common and what areas are going to benefit our states, and work together on that.

We have legislation prepared, for instance, that would be very definite help in freight rates that was prepared by the Department of Agriculture here, and is currently being circulated to the other Governors for their comment. If they feel that this is in their interest, then we all get together and work for that legislation.

With the Majority Leader in the U.S. Senate, we have a lot of influence on national affairs. When Mike Mansfield speaks out like he has recently on beef imports, it is certainly going to have an effect on Congress.

At the Western Governors' Conference on Agriculture, we passed—unanimously—a resolution calling on the federal government to find the acceptable method of controlling predators. To call to the attention of the federal government the serious problem faced by the sheep industry. When 16 states get together on a resolution like that, there is obviously more impact than when each Governor writes his Congressional delegation. Yes, I think the trend is certainly in that direction. Whether we will get to that stage of a farm bloc, I don't know.

Q. As you know, agricultural production costs have more than doubled in just this past year alone. This means that the wheat loan rates and floor prices written into the last farm act are totally unrealistic. The act specifies that such production cost increases be adjusted by an escalator clause, but this will not be implemented until 1976 and

1977. In view of the continuing upward costs of production on top of what has already happened, do you feel any necessity of asking for emergency congressional action now to raise farm loan rates and support prices to more realistically reflect today's situation, and if so, what are your plans in this respect?

A. "I agree that the wheat loan rates are unrealistic in view of the increased production costs. And again, we have got together with our Congressional delegations on getting realistic support prices and farm loans to reflect today's situation.

Q. Do you feel any necessity of asking for emergency congressional action now to raise the farm loan and support price more realistically?

A. The first order of business of the new Congress must be to raise government crop loan levels and target price guarantees plus setting a ceiling on the interest charged by government on crop loans.

Q. Do you have any plans in this regard?

A. I supported legislation several years ago introduced by Congressman Melcher to raise the levels by 25% and activating an insulator clause. Price support bottom of 65% to 75% of parity target prices at 75% to 88% of parity and at most, a 6% ceiling on USDA commodity loans. I prefer 100% of parity price supports—a goal that is obviously impossible to pass through an urban Congress.

Q. A moment ago you touched on my question concerning your apparent emphasis on encouraging ag-related business and industry in the state. Would you enlarge on this?

A. The importance of Montana as an agricultural state, and the opportunities for agri-business related industries is very encouraging in Montana. I think we need to diversify our economy in Montana so that we are not so hard hit by the national fluctuations of the economy. I just finished a tour of Montana and I hardly talked to anyone who wasn't complaining about the very serious situation the cattle industry is in in the state.

In the western part of the state the depressed housing industry has caused 1,000 men to lose their jobs in the forest products industry. So it would certainly be to our advantage as a state to have a more diversified economy, to upgrade our raw materials into more of a finished product in the state, rather than just exporting our raw products. I think that there are opportunities in this area. For many years we have been penalized in Montana because of freight rates.

We have been far from markets and that is why it has been cheaper to ship the raw product rather than the finished product. However, I think this situation is in a good possibility of changing. We do have energy in Montana, and if we can utilize some of the energy we do have, I think this is going to be more important in future years than the cost of transportation. So, looking down the road a ways, I really think that there are great opportunities in this area of Montana in the future years.

One of the problems we have in Montana is the lack of sufficient capital—risk capital—for agriculture and new business opportunities and I think we have to do more in the area of coming up with incentives to make it profitable—more so, for a new business to locate in Montana or to start and provide some type of investment capital and to help the financing of new agricultural investments.

You know, one kind of exciting thing, just to show you the potential for instance, resource development money—the legislature several years ago appropriated some money and made it possible for the State Land Board to enter into long term contracts on state land where we would cooperate with the farmer in sprinkler systems for instance, or programs to upgrade the resource. We have state land that was leasing for 40¢ an AUM that one we have a sprinkler system with water on it, it goes up to $13 an AUM. The state gets its money back, the farmer is making money, everybody profits and benefits from it. The school trust fund goes up, just to show you the potential by utilizing water for sprinkler systems in that one particular instance. To increase income for state government and increase income for the farmers and ranchers.

Q. Would you sum up your feelings on the future of Montana agriculture as an economic force in the State, and your overall outlook, as far as State farmers and ranchers are concerned, on what the future would seem to offer toward achieving returns from their profession comparable with that of non-farm businesses and industries?

A. I think all of our agricultural commodities certainly have a greater potential in the future than we realize today. Beef cattle, pork, sheep, wheat, barley, and sugar beets—all of this have a good potential in the future as demand increases. Montana is going to be in a much more favorable position to provide food products for not only this country, but other countries overseas. I think I have pretty much said the overall outlook is very good, even though we are in a temporary position right now where the cattle industry is grim. In the future we are eventualy going to come out of it, and I think a lot faster with some help on the federal level.

On the part of the question in terms of whether the returns of the farms is going to be comparable with non-farm business and industry, I think it is really going to come down to what the price is the farmer receives for his commodity. If the farmer cannot afford to pay the production costs and make a profit, then you are going to see people going out of agriculture in Montana and sell their land to the developers.

If the prices are good then you are going to see even younger people coming into farming and ranching in Montana. I think price is just about everything.

I talked at a rural development meeting recently about modernization of local government, improving health care in rural communities, feasibility studies for water development projects, recreation, streets, sewage systems, economic development proposals, planning. I said if the farmer and rancher does not receive a good price for this product you can talk about rural development all you want to, but the future of rural Montana is bleak. You are not going to keep the farmer down on the farm if he can't make a living.

If you can make a living off the farm, then I think these other programs are awfully important to provide health care for people in rural areas, to provide educational opportunities for young handicapped children, institutional community care, providing help to local communities in improvement of their community. I think the state and federal government can be a big help in a lot of these areas, but the whole question of the future of rural Montana to be the price that the cattlemen and the farmer receive for their product and their commodity.

It used to be that when prices were low, the farmer could hold on because everything else was low. That day is over. If prices go down, unless there are supports, and everything else is high, and money is tight, the farmer will go out of business and sell his land to a subdivider. I'm not saying we are against development, but it has got to be properly controlled.

The Gallatin Valley, one of the richest dairy valleys in Montana, has been subdivided as one and two acre plots, and the losses in income to the City of Bozeman is tremendous. And that is not just a loss in taxes to the state, city and county, that is a loss to every merchant on Main Street—the barber, the food store, the gas stations. That is the kind of message that we have been trying to talk to the people on Main Street about.

Their future is going to depend a lot on the future of agriculture. So we have a challenge in Montana facing us, and I think that the decisions that are made in the next couple of years are going to determine the future of this state for many years to come.

And, I think that if those decisions aren't made in the long information, then I really think that we can mortgage our future. I am concerned that the public has a great input into this decision and process, that we have maximum citizen involvement and participation. We need excellent people in state government and we are very fortunate that we do have some outstanding people that provide decision makers with reliable data. So there is a real challenge ahead in Montana, and I think that if we go about it in the right way, that in a few years from now, Montana is going to have a very strong agricultural economy.

We can have diversification, we can have industry, we can have coal development and manufacturing, but we have to make sure that when we made decisions that we are not jeopardizing one part of our economy for a short-term answer for another area of the economy.

I also do not believe we need to sacrifice our unique environmental qualities to have a sound and healthy economy. It is not an easy job, I can assure you. The questions are extremely complex but I think the great thing is that we have going for us in Montana is the fact that we have some time left, that we haven't made the mistakes that other states have made, that we have time to look at the alternatives and the people have an opportunity to express themselves on the various alternatives facing the state, but they are going to have to get involved and they are going to have to participate because to do nothing is one course of action destined to failure.

Some people think that if we sit placidly by that we won't have to make these decisions. That is not so. Montana is going to change. It is either going to change for the better or it is going to change for the worse—and the important, very challenging and even exciting thing is that these kinds of decisions are going to be made in this decade. So I think we have some good laws in Montana, we need an overall development policy. I also think we need an overall growth policy.

What do we Montanans want and how do we want to develop this state and what way do we want to develop it? These and other decisions, instead of being single decisions on one specific area, can be decisions under a framework of an overall policy for development of the future of the state.

DEATH OF GOULD LINCOLN

Mr. MANSFIELD. Mr. President, I am deeply distressed that the dean of Washington correspondents—if not the dean of the Nation's correspondents—Mr. Gould Lincoln, has passed on to his reward at the age of 94.

It was only a few months ago that this outstanding journalist was traveling up and down the corridors, in and out of the offices of Senators and Representatives, trying to get a story. It was only lately that he quit writing his column. But, as I recall, until 2 or 3 months ago, that column was being published in the Washington Star-News at least once a week.

He was an extraordinary reporter. He had covered this Nation's Capital since the time of Theodore Roosevelt. He had a keen mind and a fluid pen. He was what I would consider a reporter's reporter.

Personally, I am deeply sorry that he has passed away. At this time I wish to extend to his family the deepest condolences and sympathy of Mrs. Mansfield and myself.

Mr. President, I ask unanimous consent to have printed in the RECORD two obituaries, one from the Washington Star-News and one from the Washington Post. He was truly a remarkable man.

There being no objection, the obituaries were ordered to be printed in the RECORD, as follows:

GOULD LINCOLN IS DEAD AT 94; DEAN OF CITY'S POLITICAL WRITERS

By David Braaten

(G. Gould Lincoln, the dean of Washington political writers who as reporter and columnist had covered every president from Theodore Roosevelt to Gerald R. Ford, died early yesterday at the age of 94. He had been with the Washington Star-News since 1909.

(Lincoln had returned to his home in the Kennedy-Warren Apartments, 3133 Connecticut Ave. NW, Nov. 14, following three weeks of hospitalization at the Washington Hospital Center for treatment of a broken hip suffered in a fall. In recent years, until the time of his injury, Lincoln had written a weekly column of political commentary which appeared in the editorial pages of the Star-News.

(In a tribute to the veteran newsman, Newbold Noyes, editor of the Star-News, said that "Gould Lincoln was an inspiration to at least three generations of political reporters in this town. All his life, he had going for him the rarest gift that can be bestowed on a journalist—the trust of those he wrote about, all across the political spectrum. He also happened to be a fabulous man."

(Lincoln leaves his daughter, Marjorie G. Lincoln, of the Connecticut Ave. address, and a son, Nathan S. Lincoln, of Sayville, Long Island, N.Y.

(Funeral services will be held at 2:30 p.m. tomorrow at St. John's Episcopal Church at Lafayette Square. Burial will be in Oak Hill Cemetery.)

G. (for George) Gould Lincoln was outstanding among Washington newspapermen not alone for his sheer, incredible longevity—though that would have been enough—but for the stern impartiality with which he covered the fierce partisanship of national politics for over six decades.

He called himself a reporter, and he meant it.

He did not consider himself a Washington columnist, political analyst or confidant of Presidents—though he was in fact all of these—but simply and proudly, a reporter. He saw his role, whether in police court or the White House, as digging for the facts and presenting them without slant to his paper's readers. His lifelong preference for the Republican Party was no secret to either his sources or his colleagues, but it was to his readers, for he never let it color his reporting of events or his repeatedly accurate forecasts of election results.

If he had a secret of journalistic success, it was probably his preference for personal confrontation with a news source whenever it was humanly possible. He disdained the telephone (a phenomenon that was, after all, only four years his senior) in favor of "legging" his stories literally and talking face to face with politicians, whether Presidents or ward heelers.

These encounters invariably provided Lincoln with the expert's candid assessment of a situation, rather than a dubious serving of partisan puffery. Losers as well as winners would look into his alert, penetrating eyes and bare their souls.

"He was," said an editor trying to pinpoint the reason for Lincoln's effectiveness in wringing truth from politicans, "a gentleman. He had this enormous dignity. Lying to Gould would be like, well, lying to a bishop."

It almost seemed as if Lincoln were preordained to cover presidential politics. He was born, on July 26, 1880, a block from the White House, at 1514 H St. NW.

His father, Dr. Nathan Smith Lincoln, was a Union Army surgeon in the Civil War and a personal acquaintance of President Lincoln, with whom he shared ancestral roots in Massachusetts and England. Indeed, Dr. Lincoln once enlisted the President's intervention to get an elderly patient of his released from the old Capital Prison, where he had been confined after receiving a letter from a son in the Confederate Army. Dr. Lincoln went to the White House and told President Lincoln he would vouch for the old gentleman. The result was a letter that became a treasured family souvenir: "Hon. Secretary of Interior, Please, please, see the bearer, Dr. Lincoln, and hear him in regard to a Mr. Chesney. Yours truly, A. Lincoln."

Gould Lincoln's boyhood playground were Lafayette Park and an empty lot at H Street and Vermont Avenue, where he learned to play baseball.

As a small boy, he rollerskated on the broad sidewalk in front of 1600 Pennsylvania Avenue, and he remembered well being taken to the White House lawn for egg-rolling one Easter Monday morning during Grover Cleveland's first term.

Lincoln recalled Cleveland's inaugural parade of 1885 with particular vividness many years later. His father had rented a room on the second floor of an old building on the south side of Pennsylvania Avenue at 15th Street, where the marchers turn right on their way to the White House. Young Gould had a front-row seat, and as the Virginia state milita swung past, led by Gov. William E. Cameron, a crippled Confederate veteran, they celebrated the Democrats' recapture of the White House with "the shrillest, most blood-curdling Rebel yell you could imagine." Said Lincoln in a National Press Club luncheon talk 79 years later: "I can hear it still."

Despite these early exposures to the idea that distinguished neighbors lived just around the corner, Lincoln did not aim for a White House-connected career right from the start. The decision came about quite by happenstance.

He had gone to Sidwell Friends School (where he set a record for the 100-yard dash—10.2 seconds—that stood from 1898 to 1950) and then to Yale, where he took the usual liberal arts courses, kept his lean, 5-foot 11-inch frame in condition by rowing, and graduated in 1902.

He spent the four months after graduation in the Canadian North Woods on a prospecting expedition sent out by Thomas A. Edison in hopes of finding nickel ore needed by the inventor.

When young Lincoln returned home and began looking for a permanent job, he thought he would probably wind up in either banking or real estate, the city's biggest nongovernmental industries.

Instead, he met a friend on the street one day who told him, "They want a young man on the Washington Times," so he went for an interview with the editor, a German nobleman (complete with saber scar on his cheek) named Maximilian Seckendorf. Mr. Lincoln had gone to school with one of Count Seckendorf's daughters, and the editor was cordial enough.

"He looked me over and said, 'It's no job for a gentleman, but if you want it, you can have it,'" Lincoln used to recall in later years, invariably adding: "The gentleman angle did not seem insurmountable. So I went to work for eight dollars a week."

It was early in his apprenticeship, when he and two other neophytes were responsible for covering all the federal agencies in town for a daily column on government employes that Lincoln made the discovery that was to carry him—literally—to the top of his profession.

"I soon discovered," he said, "that for a reporter, legs are as important as brains—perhaps more so. Legs could keep you going when all else seemed to fail."

Still not committed to a newspaper career, young Lincoln quit after about a year and worked for several months in 1903 and 1904 as an assistant superintendent on a tea plantation in South Carolina. He tore a knee in an accident, though, and hobbled back to Washington and another job on the Times—for $17.50 a week this time.

In the traditional fashion, Lincoln did any and every kind of reporting job, from police court to household hints to Sunday features. His skills were no better and no worse than many cubs of the era: he never did learn to type with more than his two index fingers, his prose style was workmanlike but unexciting, and his spelling was occasionally shaky. ("General Joe Johnston was chided by a friend for spelling the same word twice differently on the same page of a letter," Lincoln recalled once with obvious sympathy, "and the general said with great indignation: 'I have no respect for a man who cannot spell a word more than one way.' I felt that way myself quite frequently, but fortunately the typesetters have always set me right.")

At one point, as a circulation stunt, Lincoln even wrote a serialized mystery novel for the Times. Titled "The Maltese Cross," it included in each chapter a clue to the whereabouts of a $100 money order that had been hidden for a clever Times reader to find. He wrote 65,000 words in a dozen or more weekly installments, and would always remember that he got not a penny extra for his efforts—not even when a Pittsburgh newspaper picked up the novel and ran it in toto. He said the experience had not encouraged him to write any more books.

Lincoln went to the Washington Post in 1906, and there he served a stint as Sunday editor and covered the House of Representatives.

It was in 1907 when Lincoln's remarkable encounter with President Theodore Roosevelt occurred. He had been sent to the White House to ask the President's secretary about a local District matter. There were no guards or Secret Service agents to check his credentials (a good thing as he had none) and he strolled unhindered into the new West Wing of offices. There turned out to be no secretary, either, and the young reporter wandered through the secretary's office, into the Cabinet Room and then the President's office. All were empty, and Lincoln pursued his quest toward the White House living quarters when suddenly, glancing down a staircase to the basement, he saw T. R. himself, barrel-chested, clad in a sweater and holding a tennis racket in his hand.

Lincoln, unabashed, got his District story straight from the horse's mouth—a foretaste of the technique he used for the rest of his career.

He joined the staff of the then Evening Star in 1909, and eventually worked his way to the top of his profession, as the premier political reporter in a city where political reporting was always regarded as the best job a newspaperman could have.

As columnist Mary McGrory was to note many years later, Lincoln was welcomed "as a brother" by the capital's politicians.

"He had probably never asked a loaded or needling question in his life," Miss McGrory wrote in 1956, when she was covering her first—and Lincoln's tenth—national political convention. "Simply and without malice, he would ask them (politicians), What's going on? They told him."

For years, before the advent of massive polling organizations on the political scene, Lincoln conducted his own personal poll before each national election, and came up with predictions that would make Gallup, Roper or Harris proud. The secret of his success was simple: legwork.

He traveled thousands of miles—when long-distance travel meant trains, not planes—crisscrossing the country to interview his myriad sources, from governors to ward heelers. When he was through, he had an astonishingly accurate picture of the political situation.

As The Star noted with "just pride" in a full-page house ad on Nov. 13, 1938:

"Without benefit of straw polls or other special devices, The Star supplied its readers with a remarkably correct forecast of the results in last week's election . . . G. Gould Lincoln, chief political writer of The Star, conducted a pre-election survey in 18 important states . . . Just as he has predicted accurately the outcome of every presidential election he has covered, Mr. Lincoln forecast widespread Republican gains in the campaign just ended. In an election-eve summary he gave Gov. Herbert H. Lehman an edge on District Attorney Thomas E. Dewey for the New York governorship, envisioned the defeat of Gov. Frank Murphy in Michigan and sized up other gubernatorial races with typical sagacity. . . ."

Among Republicans making their bigtime debut that year whose victories Lincoln predicted—and whose long political careers he outlasted by many years—were the late Robert A. Taft Sr., who won his first election to the Senate; Leverett Saltonstall, who beat James Michael Curley's re-election bid in Massachusetts, and Harold L. Stassen, who became the "boy wonder" governor of Minnesota.

After covering his first national convention in 1920, Lincoln was named chief political writer of The Star in 1925, and the accumulated legwork of the ensuing years gave him contacts that were unrivaled in the world of politics.

As Miss McGrory noted somewhat ruefully in 1956, she assiduously carried to Lincoln all the rumors she dug up at the Democratic convention in Chicago. He smiled graciously.

"It was not long before I realized none of them appeared in his stories, and that I was about as useful as a puppy collecting old bones," she remembered.

"'Mr. Lincoln,' I said, 'you hear rumors; I hear rumors. You hear the right ones.'

"'Well,' he said, 'the thing is, I have known a lot of people for a long time.'"

Lincoln's personal preference for the Grand Old Party never interfered with the objectivity of his election forecasts. He predicted Franklin Roosevelt's 1932 victory ("It damn near cost me my job," he recalled) and his unprecedented third-term win in 1940.

And his contacts proved the equal of anyone's well into the age of polls and computers. In the close midyear elections of 1954, he made his usual, multi-state first-hand survey and predicted within three the number of Democratic governors, the Democratic margin in the Senate within one seat, and the Democratic majority in the House within a dozen seats.

Although he was the dean of political reporters in town, Lincoln was never above turning his talents to a breaking news story if the occasion arose. The most spectacular example of this occurred on March 1, 1954, when four Puerto Ricans stood up in the gallery of the House of Representatives and opened fire on the lawmakers, wounding five of them.

Lincoln was in the Senate press gallery, covering Earl Warren's confirmation as Chief Justice, when word came over of shooting in the House. Lincoln—being then only 73 years old—immediately set out to leg the story.

The schoolboy sprinter's legs did not fail him. By the time most of his younger colleagues arrived on the scene, they found Lincoln already interviewing doorkeepers and other eyewitnesses.

Lincoln retired—technically, at least—from The Star after 55 years in 1964. But he could not bear the thought of inaction, and continued to write a weekly column of political commentary for the Saturday editorial pages.

Lincoln never pretended to infallibility, and he was one of many commentators who underestimated the disastrous effects of the Watergate scandals. He persisted in viewing the situation as a partisan Democratic attempt to discredit President Nixon's administration, and felt it would eventually blow over.

When eight of the city's leading journalists were chosen for Medal of Freedom awards in 1970, Lincoln was a natural for the honor. At 89, he was the senior reporter present when President Nixon handed out the awards in the White House East Room.

Lincoln was a member of the National Press Club, the Chevy Chase Club and the Gridiron Club.

His wife, Delia Hazeltine Pynchon Lincoln, died in 1971. They had been married since 1946. Lincoln's first marriage, to Elizabeth Wilder Lincoln, ended in divorce that year.

Lincoln lived in recent years at the Kennedy-Warren Apartments, 3133 Connecticut Ave. NW, with his daughter, Marjorie Gould Lincoln.

G. Gould Lincoln, Star's Reporter of Presidents, Dies

(By David S. Broder)

G. Gould Lincoln, the Washington Star-News political reporter who covered every President from Theodore Roosevelt to Gerald R. Ford, died Sunday at the age of 94.

Mr. Lincoln, one of eight journalists awarded presidential Medals of Freedom in 1970, officially retired in 1964, 60 years after his start in journalism and 55 years after he became a member of the staff of The Evening Star.

He continued to write a weekly column of political commentary for the Star-News until last Oct. 26. That week, Mr. Lincoln broke his hip in a fall.

He was hospitalized for three weeks and then returned to his residence at the Kennedy-Warren Apartments, 3133 Connecticut Ave. NW, where he died early yesterday.

Funeral services will be held at 2:30 p.m. Tuesday at St. John's Episcopal Church in Lafayette Square. Burial will be in Oak Hill Cemetery.

In one of several tributes to the dean of Washington journalists, Newbold Noyes, editor of the Star-News, said last night that "Gould Lincoln was an inspiration to at least three generations of political reporters in this town. All his life, he had going for him the rarest gift that can be bestowed on a journalist, the trust of those he wrote about, all across the political spectrum. He also happened to be a fabulous man."

Mr. Lincoln was born July 26, 1880, at 1514 H St. NW, just blocks from the White House that was the center of his journalistic career. His father, Dr. Nathan Smith Lincoln, was a friend but not a relative of President Lincoln and a surgeon for the Union forces in the Civil War.

As Edward T. Folliard, the retired Washington Post political reporter who was Mr. Lincoln's colleague and competitor for many years, noted in a 1971 article, young Lincoln gave early evidence of the speed that was one of his distinguishing characteristics.

"As a 17-year-old student at Sidwell Friends School here," Folliard wrote, "he ran the 100-yard dash in 10.2 seconds, then a school record. He next distinguished himself as a sprinter on March 1, 1954, which was 57 years later."

That was the day a group of Puerto Rican nationalists began shooting from the gallery at members of the House of Representatives. Mr. Lincoln, covering a story in the Senate, was among the first journalists to reach the House gallery.

In the Medal of Freedom ceremony at the White House in 1970, at which Mr. Lincoln, Folliard and six other veteran journalists were honored President Nixon said that "Mr. Gould Lincoln, who was then 73 years old . . . beat all the reporters over to the House gallery in record time and held the fort until reinforcements had arrived."

Mr. Lincoln was graduated from Yale in 1902, worked briefly for the Washington Times and The Washington Post and in 1909 joined the Star for "a life job which I have never regretted."

The Washington he knew as a cub reporter was a far different news beat than the city he lived to see. As he recalled in an article written at the time of his formal retirement in 1964, while working for the Post, he went to the White House one day to get some information from a presidential secretary on some local news story.

"No guard was at the door," Mr. Lincoln wrote. "I had no card of identification nor was one required. No receptionist was at the desk inside. I walked into the secretary's office and it was empty. On through the Cabinet room and the President's office.

"I was almost to the White House (residence) itself when I came to a small stairway leading up from the basement. Peering up at me was a sweater-clad, barrel-chested man, bespectacled, with a tennis racket in his hand. It was the President (Theodore Roosevelt). As he reached the top of the stairs, he grinned and asked: "What do you want?"

As he was to do throughout his career, Mr. Lincoln explained what information he was seeking, and went back to the office with his story.

Although he developed far more intimate acquaintanceship with the 12 Presidents who followed Theodore Roosevelt to the White House, Mr. Lincoln never forgot that his role was the reporter—not the adviser or counselor.

He maintained such impeccable standards of objectivity and fairness that he developed unexcelled sources in both political parties, sources that he used to compile the state-by-state pre-election rundowns that were a feature of his coverage of every congressional and presidential election for the Star.

As his colleague at the Star, Mary McGrory, noted in a tribute she once wrote to Mr. Lincoln, when she brought him all the rumors she collected as a tyro reporter at the Democratic convention in 1956, he smiled graciously and ignored her contributions until "I realized that I was about as useful as a puppy collecting old bones."

Reporting was Mr. Lincoln's life. A tall, slim man, egg-bald in his later years, he ignored the concept of working hours to pursue whatever story he was covering.

His wife, Delia Hazeltine Pynchon Lincoln, died in 1971, and Mr. Lincoln made his home with his daughter, Marjorie G. Lincoln. Another son, Nathan G. Lincoln, of Sayville, Long Island, also survives.

Mr. Lincoln was a member of the National Press Club and a past president of the Gridiron Club.

The Gridiron Club's current president, Walter T. Ridder, said last night, "I consider that Gould Lincoln was the finest newspaperman I ever knew. He was a fine gentleman, an outstanding reporter."

The columns Mr. Lincoln wrote during the past decade revealed a conservative viewpoint that had been well concealed in his years covering the political beat.

The last column, anticipating and deploring the big Democratic congressional victory in November contained the line: "Back in the days of Woodrow Wilson and Franklin Delano Roosevelt, Democratic Congresses dominated both the legislative and executive branches of the government, and in both cases the economy of the country went to hell in a hack, later to be rescued by wars."

But it was not the editorial judgments of this journalist—whose lifetime spanned the 19th to the 38th Presidents of the United States—that his colleagues remembered yesterday.

What they remembered was his dedication to the reporter's craft. As Folliard wrote in 1971, one of Mr. Lincoln's heroes in the business was Richard V. Oulihan, who when head of the New York Times bureau had once told him that the reporter was as necessary to a newspaper as a rifleman to an army.

"And so if you want to please the old guy," Folliard wrote, "don't refer to him as a molder of public opinion, a pundit, a commentator or even columnist. Just think of him as Gould Lincoln, Reporter."

Mr. HUGH SCOTT. Mr. President, will the distinguished Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. Mr. President, I have enjoyed the friendship of Gould Lincoln during the entire time I have served in the House and in the Senate. I have known him and have discussed his views with him and have read his columns with interest. Actually, I believe that his last column appeared in the last 3 or 4 weeks.

It may even be said that he died as he would have wished to pass on—with his boots on, alive, alert, interested in the events of the day, holding his opinions faithfully, and elucidating them articulately. Surely, he was a man whose contribution to the Nation and to the coverage of the Government has been of the highest order.

I was often his guest at the annual Gridiron Club affairs, and I had the privilege of having his daughter, Peggy, work for me for some time. That, too, was a very pleasant opportunity, to see a member of the Lincoln family performing her duties diligently and well.

I extend my sincere condolences to Peggy, and to all the family. We have all lost a very good friend.

Mr. STENNIS. Mr. President, will the Senator yield to me for just a half minute?

Mr. HUGH SCOTT. Yes; I yield.

Mr. STENNIS. I wish to join in the sentiment being expressed here about Mr. Lincoln. For a long, long time, he was one of the foremost columnists in the Washington paper and continued to be a good one, an active one, for many years. I looked upon him as one of the best, and he was a great credit to his profession.

I thank the Senator.

ORDER FOR CERTAIN NOMINATIONS TO BE HELD AT THE DESK TEMPORARILY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination of Robert C. Seamans, Jr., of Massachusetts, to be Administrator of Energy Research and Development, and William A. Anders, of Virginia, to be a member of the Nuclear Regulatory Commission, both be held at the desk temporarily.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Republican leader.

Mr. HUGH SCOTT. Mr. President, the distinguished majority leader has referred to confirmations. I hope that these will be confirmed before we adjourn. I recall that there are about 40 nominees now—only a few at the desk, most of them pending in committee. I hope that the committee members, the chairmen and ranking members, particularly, will bring these nominations to the floor so that we may dispose of them and that the men and women appointed may proceed with their designated duties. Most of these appointments I do not believe are truly controversial.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise to ask the distinguished majority leader if he will give us the schedule for this week, hopefully up to the seven-bell crescendo which announces, for the glory of the public and the relief of its people, that Congress has adjourned.

Mr. MANSFIELD. Mr. President, first, let me say that, to the best of my knowledge, the nominations which have been sent up are, by and large, noncontroversial. However, there is a dispute of some difficulty between various committees as to which committee should have the authority to control the nominations for ERDA. Hopefully, we shall be able to work that out this week. For that purpose, I am endeavoring to get the chairmen of the various committees concerned together to see if something cannot be done in that direction.

Second, I express the hope—and I hope that the distinguished Republican leader will join me—that the committees will now no longer report any new legislation, unless it is of overriding importance, such as an appropriations bill, or is mandatory because of time limitations, except for noncontroversial items. The calendar is pretty clear. We hope to keep it as clear as possible.

For this week, we shall take up the Navajo-Hopi bill this afternoon. There will be a cloture petition on the Eximbank conference report tomorrow. It is my understanding that there is a possibility of another cloture petition being laid down today.

It is the hope of the leadership that we shall be able to take up the foreign aid bill on Tuesday or Wednesday. There will be no session on Friday because of the mini-conference in Kansas City, but on Monday next, it is anticipated that we shall call up the nomination of Nelson A. Rockefeller to be Vice President of the United States, to be followed by the trade bill, which is now on the calendar.

Also, it is anticipated that perhaps the distinguished Senator from Washington (Mr. JACKSON), chairman of the Committee on Interior and Insular Affairs, may have some energy amendments which he will offer to an energy bill which is on the calendar at this time. That bill, Calendar 758, is S. 3267, and has been on the calendar since April of this year.

Mr. HUGH SCOTT. Responding to the distinguished majority leader, I shall ask my colleagues on this side at tomorrow's luncheon if they know of any matters of an emergency nature or of a relatively noncontroversial nature which could be disposed of. We have had, for a long time, recommendations pending on energy. I think it is very important that we do as much as we can before we go home. I hope that we can dispose of some of the energy legislation.

I hope that the President will renew the recommendations he has made for the new Congress and will add to them other recommendations. I rather hope that some of them will be pretty tough. I think the country is ready for a notification by the President of the need for sacrifice and for belt tightening, the need for conservation of energy, and the need to avoid the dangers which are implicit in the risk of future embargoes, which, in effect, are the peacetime equivalent of blockade, and this Nation does not like being blockaded. I would rather that we found a cure for that situation within ourselves through cooperation between the President and Congress.

I wish the distinguished majority leader well on his Kansas City mini-convention. I have said before that I hope that they will not miniskirt the issues. The people have asked the Democrats to organize Congress. May I respectfully suggest that they should also organize the Democrats.

Mr. MANSFIELD. Yes. May I say, we shall do our very best. It is a difficult job to organize Democrats, because we are split in so many ways and so many fashions. But as usual, we shall do our best to bring the divergent opinions which are reflected in the citizenry of this country under one canopy, where they can all be heard and given the proper consideration.

It is anticipated, as stated previously, that Congress will adjourn sine die on either December 20 or December 21 at the latest.

One more thing: Some suggestions which the distinguished Republican leader has made relative to energy proposals, I think, will be contained in the proposals to be advanced by the distinguished Senator from Washington (Mr. JACKSON) when we get to consideration of the energy bill.

QUORUM CALL

Mr. HUGH SCOTT. Mr. President, has the Senate made any disposition of the nomination of Mr. Carlucci to be an ambassador?

Mr. MANSFIELD. Mr. President, if the

Senator from Wisconsin will allow me, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar beginning with New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF STATE

The ACTING PRESIDENT pro tempore. The clerk will report the nominations.

The second assistant legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations in the Air Force, in the Marine Corps, and in the Diplomatic and Foreign Service, placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HUGH SCOTT. Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Wisconsin (Mr. PROXMIRE).

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

CONGRESS SHOULD NOT BE STEAMROLLED INTO DOMINATING OR STRAITJACKETING THE ECONOMY

Mr. PROXMIRE. Mr. President, there has been considerable talk in the Congress and the press about the possibility of a 1930's style depression. Competent professional polls indicate that a very large number of Americans, literally numbering in the tens of millions, expect that a depression of that order is likely.

Since such a depression would be the most tragic kind of economic catastrophe, some leading Members of Congress have proposed far-reaching measures to prevent it, including massive public works programs, a super new Reconstruction Finance Corporation to bail out failing businesses and to save the jobs of those that work for firms that are going under, combined with a comprehensive wage-price control program to freeze wages, prices, rents, profits, and interest while we work our way out of the threatened depression.

Mr. President, while I respect the able men who fear a depression and advocate these extreme programs, I strongly oppose what they propose.

They are wrong in their analysis of the situation and they are very wrong, indeed, in how they propose to deal with it.

DEPRESSION? NO!

First, the prospect of another depression of the kind we had in the 1930's is very remote, indeed. Nothing is impossible. But consider the differences between the situation now and the situation in the 1930's.

Between 1929 and 1933 total employment fell 18 percent and nonfarm employment fell a massive 23 percent. The unemployment rate rose from 3.2 per cent to 24.9 percent One out of every four persons who wanted to work was unemployed.

Contrast that with the present situation. Today unemployment has risen from about 4.5 to 6 percent and is likely to go to 7½ or 8 percent. But total employment has not gone down. It has actually risen.

In the most recent month for which we have figures it was approximately at the alltime high it reached in September. It may drop by 1 or 2 percent within the next year or so. But contrast that with the cataclysmic drop in 1929–33. And keep in mind this is the only postwar recession in which there has been no decline in nonagricultural employment.

Stable employment is the heart of our economic strength. It undergirds our economic system. It means that the employed man and woman, can and will continue to buy and to support our economic system.

This is the first line of defense of our economic stability, but it is by no means the last.

THIRTY MILLION ON SOCIAL SECURITY

In addition to the more than 86 million Americans who are now at work, there are 30 million who are receiving social security and the number is growing. Their income is solid, stable and indexed so it suffers no inflationary erosion.

Contrast that to the 1930's when there was literally no one receiving social security until the very end of the decade and even by the late thirties the recipients were only a few hundred thousand.

Consider an additional line of defense. Today when most workers lose their jobs they receive unemployment compensation that covers half their pay or more.

Some, it is true, are unemployed so long that they lose their unemployment compensation before they find other employment, but this is true of less than 5 percent of the unemployed.

In some industries, workers receive almost all of their pay when they lose their jobs. For example, the biggest recent setback in jobs has been in the auto industry. But many of these workers are receiving unemployment compensation as high as 95 percent of their regular pay, and they receive that unemployment compensation for as long as a year.

So in addition to the huge and stable employment this country enjoys, backed up by an enormous and growing number of social security recipients, there is substantial income support for those laid off.

In the 1930's the depression gathered great momentum because of the paralysis of the credit system on which American business operates. Banks were failing by the carload. Depositors fearing a loss of their savings rushed to withdraw their deposits and the runs on the banks became a panic. Bankers, of course, became extraordinarily cautious. They called in loans including even sound loans. This reduced the level of business activity even further.

BANK INSURANCE—NO PANIC

Contrast with the situation today. The Federal Deposit Insurance Corporation today insures all deposits in commercial banks up to $40,000 each, covering thereby some 99 percent of all deposits. Other Federal institutions insure deposits in other financial institutions.

The Federal Reserve Board has indicated to our Joint Economic Committee that it stands ready to act as a lender of last resort to any solvent bank in the country.

Results: Bankers have immensely expanded their loan operations, and while they may expand a little more slowly in coming years it is clear that with the solid support of our Federal system, there will be no financial panic and no significant contraction of our great credit system.

BIG GOVERNMENT

A final and immense line of defense is the colossal government involvement in our economy now as compared to 1930. In 1930 about 10 percent of our economic activity was on the local, State, and Federal Government level. Today Government accounts for nearly 40 percent of our activity. More than three times as high a percentage of our work force is now working for the Government as in 1930, and of course as the recession deepens that Government work force will either remain reasonably stable, or if the

Congress and President react vigorously it will expand. On the basis of all past experience it will be a powerful counterrecessionary influence.

Finally there are reasons why—after a reasonable period of time the economy is likely to pick up—as it has after every recession since the end of World War II. We have suffered five previous recessions since then. The average length of each of those recessions was 9 months—decline in constant dollar GNP. None of them lasted more than 12 months.

This recession has already lasted 9 months.

This does not make the end of the recession in a few months inevitable, of course. It could last much longer. It could deepen, but it is unlikely that it will deepen to anything like what happened in the past. Relatively limited Government action now, such as stimulating the private and Government-assisted housing market and pushing urgently needed environmental programs, can provide literally millions of additional jobs and the economic stimulus the economy so obviously needs.

FREEDOM TO FAIL: NECESSARY DISCIPLINE

And how about the far-reaching programs of bailing out failing businesses and imposing across-the-board wage-price controls?

Mr. President, a very big part of our system of economic freedom is the freedom to fail. Entrepreneurs should not be free only to win—to achieve success and wealth. There has to be a price paid by those who do not have the competence or the judgment, and that price is to go under and out.

We have bankruptcy laws and sale and merger possibilities that permit a firm, providing goods or services for which there continues to be demand, to continue under better management when they fail. If not, new firms under fresh management will enter the field, pick up the production and provide the jobs again. The jobs will not be lost unless the market has evaporated. And, of course, if the market has evaporated they should be lost.

So the revival of the Reconstruction Finance Corporation would not help preserve or expand jobs. It would help preserve, if not expand, discredited failing management, and would tend to stifle the infusion of new management that might be more efficient.

WAGE PRICE CONTROLS: PERMANENT STRAITJACKET

As for wage, price, rent, interest, profit controls—across the board—here again is an action we can and should make unnecessary. Many of the most thoughtful press observers have called controls inevitable. If this is so we are in very serious trouble, indeed.

Of course these controls are popular. Inflation is a painful, cruel, and antisocial process. Like most painful, cruel, and antisocial processes the impulse is to pass a law against it. We outlaw robbery, murder, speeding, even overparking. Why not outlaw inflation? Why not pass a law against anyone increasing prices?

The answer is simple. We have tried it. It works temporarily, especially in wartime when we have the patriotic reinforcement and the expectation the war will not last. But it has several most serious counterproductive elements in peacetime.

First, when do you end it? The last wage-price control system ended with the end of so-called phase II. Phase III was a joke and a cruel one. Price controls just were not enforced. Many criticized the move from phase II to phase III including this Senator. We were right as things worked out. But suppose we had prevailed. We would still be operating in phase II. We would still have price and wage controls, and perhaps we would have them 10 or 20 years from now.

There would have been no "good" time to end them. Whenever they came off there would have been a price explosion. And the longer we kept them on the bigger the explosion when they came off.

This would follow because of the way they exacerbate shortages. Drastic price increases are the quick, simple, free way to adjust to shortage. Demand for particular goods, services, and skilled workers is bound to get out of kilter as the free market is kept from functioning, and getting back in kilter is very painful and very inflationary, indeed. The present experience should underline that.

WHY NOT PERMANENT CONTROLS?

Well then, why not wage, price, profit, rent, interest controls indefinitely?

Think what this means. As if we do not have enough problems now, it means a President and Members of Congress will decide in the course of time how much everyone and everything is worth. The political process not the market would decide how much wage earners and bankers and corporation executives and landlords and stockholders can get.

Think how much trouble we have every election year with social security. Imagine the pressure on the Congress and the President when we have permanent, across-the-board universal political determination of the price of everything. And all of us being the frail, moral creatures we are, imagine the corruption, the inequity when political pressure determines all prices, wages, profits, and so forth.

Mr. President, this is no far out nightmare. This is a real and definite possibility. The polls show that a majority of the public want across-the-board wage and price controls right now. Some of our ablest and most highly respected leaders are calling for just this. The press say it is only a matter of time, maybe next March, maybe not until next summer. But with the coming of the 1976 election they say we are going to get it.

QUESTIONS FOR PRICE CONTROLLERS

Before we move on this economic nightmare we should have some simple answers from its advocates. Let them tell us:

First. Will controls this time be permanent? If not, when and under what circumstances can we end them? What is there to make us believe that whenever they are ended, the price explosion would not be just as bad or worse than before they were imposed?

Second. How do we assure wage earners that the enforcement will be as vigorous in holding down price increases as in holding down wage increases?

Third. How do we impose profit controls without removing the prime incentive that drives the economy and disciplines costs and therefore prices?

Fourth. How do we impose permanent rent controls without destroying the incentive for housing production as in New York City?

Fifth. How do you impose controls on interest rates without destroying the effectiveness of monetary policy in restraining credit demands?

Sixth. How do you provide an effective control of farm prices, something we have never had even in the World War II period? When we tried a modified version of it in phase III we had a swift and devastating shortage of meat and other farm products.

SUMMARY

Mr. President, to summarize—this free economy of ours is on the brink of taking a very long step in the direction of Federal control and domination.

There is great support for massive expansion of Federal activity at a time when the Government at all levels has already undergone an expansion in the past 50 years that has carried it from constituting about 10 percent of the economy to nearly 40 percent. The current impetus to counteract a feared depression could push the Government to well over 50 percent.

Secondly, current proposals from our leadership would have the Government bail out failing businesses in a systematic way that would destroy one of the most vital disciplinary elements in our free economic system, the failure of free enterprise that cannot succeed.

Thirdly, the economy may be on the verge of a permanent economic straitjacket if the will of an apparent majority of the electorate and of the leadership of the House and Senate prevails. It would impose a system of across-the-board wage, price, profit, rent, interest controls from which the Nation might not be able to escape in the foreseeable future.

Now this does not mean we do nothing. There are actions, decisive actions we in the Congress can and should take now There are actions the President can and should take now. In later speeches I will speak of them. But it is imperative that we have our eyes wide open before we take the plunge to a permanent Government domination of our economy.

Mr. President, I yield the floor.

Mr. **SPARKMAN**. Mr. President, before the Senator yields the floor, will he yield to me?

Mr. **PROXMIRE**. Yes, indeed.

Mr. **SPARKMAN**. First, let me say that I appreciate the presentation the Senator from Wisconsin has made.

The country needs the kind of information that he has given in this speech. There is too much of this tendency, as the Senator pointed out, just to assume that everything is going haywire.

We do have safeguards today that we did not have back during that deep depression, as he has pointed out.

There is one thing I want to ask about. As the Senator knows, the Chairman of the Federal Reserve Board, Dr. Burns, has often urged, over the years has urged, the establishment of a wage and price review board, I believe he calls it, something of that kind.

Now the President has some kind of an organization similar to that. Is it along the same line as Dr. Burns proposes?

Mr. PROXMIRE. Partially.

The situation is that the present Wage and Price Review Board is empowered to look into the situation, but it cannot arrest the increase in prices or hold them up, pending hearings, and that is what Dr. Burns called for. He suggested we have a 45-day period when we could look at inflationary wage increases and price increases, and have an opportunity to hold hearings on them, examine them, and consider whether or not they were in the public interest. Present law does not permit this.

Then, after that 45-day period, the union or the business would be in a position to move ahead with the price or wage increase, but at least we could focus on it and put pressure on the people involved not to put that increase into effect.

This has worked very well in the past. As the Senator recalls, it worked in 1962 with respect to steel prices, and I think it is something we should certainly try before we go all the way with a system of comprehensive controls that, I think, could be so damaging.

Mr. SPARKMAN. As I understand it, the Wage and Price Review Board that Dr. Burns recommends would constantly gather information and make it known to the public and make recommendations.

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. As the Senator points out, his recommendation also would provide for a 45-day period within which Congress could look into these matters.

Mr. PROXMIRE. That is right. And, of course, we could, if necessary, under normal circumstances, act. If in a specific case a wage increase or a price increase were outrageous then Congress would have the information, the record, on which to base an action, but it would be a specific, limited action, not something that would cover the entire economy.

Mr. SPARKMAN. I compliment the Senator on the remarks he has made. The Senator is a trained economist, and he is a practical economist. I think he knows more about economic matters than most anyone here.

Mr. PROXMIRE. I thank the Senator from Alabama. The Senator has been the chairman of the Banking Committee for a number of years now. He serves with me on the Joint Economic Committee, and he certainly has far more experience than this Senator has, and a great deal of detailed knowledge on the matters I have spoken of today, so I am very flattered and I am very grateful to the Senator for his compliments.

Mr. SPARKMAN. I think the Senator has rendered a real service in presenting these facts.

Mr. STENNIS. Mr. President, will the Senator yield to me to ask him a question, if he has time? If not, I would like to use 2 minutes of my time.

Mr. MANSFIELD. Mr. President, I am recognized next, and I would like to be recognized.

Mr. PROXMIRE. I think I have 2 minutes remaining.

Mr. STENNIS. One minute.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin has 2 minutes.

Mr. STENNIS. One minute only.

With the Senator from Alabama, I applaud the Senator from Wisconsin for bringing the information here in terse, concrete, understandable form for the people of the Nation as to the agencies we have and the other situations that apply.

I said that if we do go into a depression it will be our own fault. But I do think we have got to do something more than we are now doing.

My question is: This board to which the Senator refers, having acted in 1962 with certain 45-day authority, does he propose or does he expect to propose the reenactment of such a plan? I supported the present look-see advisory group that is looking into these matters. But does the Senator propose to offer such a bill?

Mr. PROXMIRE. Yes, I do. We have drafted legislation along that line, and I expect to offer it. I have to talk to the leadership, and the chairman of the committee, Senator Sparkman, as to any realism in offering it this week. But I would certainly offer it next year if not now.

Mr. STENNIS. That would help to bring the entire picture before this country and before this body.

Mr. PROXMIRE. I thank the Senator.

Mr. STENNIS. I thank the Senator.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Montana (Mr. Mansfield) is recognized for not to exceed 15 minutes.

THE ECONOMIC SITUATION

Mr. MANSFIELD. Mr. President, I, too, want to join my distinguished colleagues, the Senator from Alabama (Mr. Sparkman) and the Senator from Mississippi (Mr. Stennis) in complimenting the cogency and the terseness with which the distinguished Senator from Wisconsin has expressed his position.

However, while he finds fault with what has been advocated by the leadership in both Houses, as yet he has not come up with anything in the way of specifics.

I would point out that it was the distinguished Senator from Mississippi (Mr. Stennis) at the last meeting of the Democratic conference who raised the cry of alarm that something must be done, and advanced the suggestion that the joint leadership of both Houses meet informally with the President from time to time to discuss the economic situation—a good suggestion, agreed to by the President and, hopefully, something will come out of it.

Now, if I may discuss some of the matters which were reported out by the Democratic conference at the last meeting:

(1) Creating a job program and expanding unemployment benefits to mitigate the hardships of unemployment.

I believe the Republican leader has agreed to that proposal and, if my memory serves me correctly, the distinguished Senator from Wisconsin (Mr. Proxmire) has voted for legislation of that kind.

(2) Reviving the Reconstruction Finance Corporation to deal with the credit needs of ailing businesses during times of economic crisis.

I have stated that I do not think that Congress is the forum to which ailing businesses should come for relief and, I believe, that basically is the position of the distinguished Senator from Wisconsin. Neither he nor I, if my memory serves me correctly, voted for relief for the Penn Central, voted for relief for Lockheed, voted for relief for Grumman, because if you are going to bring big business ailments to Congress on a happenstance basis, you are putting on Congress a responsibility which it should not assume. I do not think that you are doing ailing big business a favor by having them come to us, to lobby and pressure for the purpose of getting handouts, loans, or whatever we want to call them.

Mr. President, I ask unanimous consent that an article which appeared in the New York Times for Sunday, December 1, entitled "A New RFC Is Proposed for Business," by Felix G. Rohatyn be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A New RFC Is Proposed for Business

(By Felix G. Rohatyn)

With the country sliding rapidly into what appears to be a serious recession, suggestions are being made to revive the Reconstruction Finance Corporation as part of an overall economic program. The Democratic leadership has proposed this step and has introduced the necessary legislation.

Revival of the R.F.C. as part of a plan to get the economy on its feet is desirable without any doubt. In the Depression years of the 1930's, the R.F.C. played an important role in providing liquidity to banks and key industries, thereby preventing failures and a deepening spiral of the economic downturn. However, simply recreating the R.F.C. to provide additional credit to borrowers otherwise unable to obtain it, would be to overlook key aspects of the actual role played by the agency and to ignore basic differences between the financial structure of United States enterprise then and now. If the R.F.C. is to be recreated, let it become a vital instrument of economic growth and not just another lender of last resort.

The R.F.C. itself was a revival, in this case a revival of the War Finance Corporation of World War I. It took place in January, 1932. It was charged with providing emergency facilities for banks and other credit institutions. It was also given broad authority to make loans to agricultural, commercial and industrial enterprises. The National City

Bank letter of February 1932 stated: "The enactment of the R.F.C. Act of Jan. 22 is recognition by the Government of the interest of all the people in supporting the credit granting institutions . . . and in bridging over the refinancing difficulties of the railways. . . ." It went on to say, "The object of the R.F.C. is to revive industry by receiving credit"

The initial funds for the R.F.C. were to consist of $500-million of capital subscribed to by the United States Treasury and the authority to raise an additional $1.5-billion through the sale of Government guaranteed obligations. Conceived initially as a defensive mechanism, the corporation was not perceived as a possible instrument for economic stimulation. It was only in 1933 that emergency banking legislation gave the R.F.C. the authority to purchase bank preferred stocks, thus enabling their capital base to be strengthened.

Of approximately $4-billion proposed R.F.C. expenditures for 1934, the largest portion, $1.4-billion, was earmarked for the purchase of bank preferred stocks. Eventually the R.F.C. expanded into other areas through subsidiaries such as the Commodity Credit Corporation, the Electric Home and Farm Authority, the R.F.C. Mortgage Company and the Federal National Mortgage Association. It also financed public works programs, made industrial loans and provided emergency relief.

By 1938, the R.F.C. had disbursed $10-billion, including approximately $4-billion to financial institutions, $1.5-billion to agriculture and $1-billion each to railroads and public works. The fears of many that the R.F.C. would become an instrument of creeping socialism or of state planning were unwarranted: a vast investor of public funds, the R.F.C. nevertheless was operated essentially along the lines of a private banking institution.

This brief review should be kept in mind when consideration is given to the role and the powers of a new R.F.C. in today's economic environment. Certain factors would appear to be the most obviously telling:

At every level of our economy our institutions are overburdened with debt. In the past 10 years the debt-equity ratio of individual corporations has gone from 25 per cent to 40 per cent. Inflation and the collapse of the equity markets has accelerated this trend.

The continued decline in the equity markets has resulted in 80 per cent of New York Exchange stocks presently carrying a multiple of less than 10 times earnings. A majority of such companies have market values of less than their book values. Many are unable to sell equity at any reasonable price.

The Big Board has recently estimated that the equity requirements of American industry for the foreseeable future could approximate $50-billion a year. It would appear that 1974 will produce only about $5-billion.

The United States banking system, trying to keep pace with the requirements for credit, has itself become dangerously overextended. The requirements for equity by the banking system may, in some ways, be proportionally greater than those of the industrial sector.

The dangers to the international banking system caused by the deficits of oil importing countries are too well known to require more than a mention.

This environment of fragility in both the industrial and the financial sectors exists at a time of steeply declining production, sharply increasing unemployment and continued inflationary pressures. The downward leverage, under those circumstances, would be vicious.

There exists today no public instrument for providing the only true safety net that a major corporation or bank should avail itself of when in difficulty—a major infusion of equity capital. A massive infusion of credit, such as was undertaken by the Federal Reserve System in the case of the Franklin National Bank, will provide temporary relief to cover withdrawals by depositors. It will not provide capital support to the bank in the case of a major default.

An emergency loan guarantee enabled the Lockheed Aircraft Corporation to obtain necessary short-term credits but it did not resolve the company's long-term requirements; a major restructuring of its debt and a large infusion of new equity capital will be required to do this.

At a time when loss of confidence is an almost palpable thing, accelerating the downturn of a shaky economy, a major bankruptcy either in the industrial or the financial sector is to be avoided at any reasonable cost. The R.F.C. should be the safety net, but the cure should be permanent. From its inception, it should be an instrument empowered to make significant equity investments, in the form of either common or preferred stock, for the long-term resolution of financial problems.

There will be wide opposition to such a thesis both on ideological and practical grounds. The specter of socialism will be raised by the conservatives and the cry of "big business bail-out" will be heard from the liberals. Serious concerns with respect to the governance of such an enterprise, to its potential political power, to the possible conflicts-of-interest and corruption posed by such a mass of capital, will have to be debated and resolved. But the need for the enterprise would appear to be sufficiently great to outweigh the drawbacks.

In addition to being an investor of last resort empowered to make equity infusions into banks or industrial enterprises deemed to be "in the public interest," the R.F.C. could become a catalyst of stimulation in many areas. If a Manhattan-type project in the area of energy is ever undertaken, as is clearly required, the R.F.C. could play a major role as an investor, risk-sharer, lender and guarantor in a variety of projects. Although state-regulater concerns such as utilities should perhaps not be eligible investments, the financing of massive generating facilities, the output of which would be shared by various grids, could be considered. Construction of over $20-billion worth of generating capacity has been canceled so far this year, its effect to be felt years from now.

There can be no denying that such an organization, with the type of wide-ranging freedom described above, can be perceived as a first step toward state planning of the economy. Yet the time may have come for a public debate on this subject. Our economy is today subjected to certain traumas which have nothing to do with the result of free market interaction. The oil cartel and the prices of other basic commodities that directly affect our economy such as phosphates and alumina are the result of political rather than economic decisions, and are totally beyond our control.

At a time when the oil producing countries are levying an initial tax of $60-billion a year on the rest of the world, the United States has become capital-poor. The possible impact on this country's welfare, as well as its security, of foreign control of major enterprises has not been evaluated. The premise that, under such circumstances, the country has to husband its resources more carefully, allocate them more prudently and match its financial capabilities with its social priorities would appear to be worth considering. What many will call state planning would, to the average family, be no more than prudent budgeting.

There are many who believe that long-range economic planning, at the Federal level will become a necessity. A plan without instruments to bring it to reality, however, is simply one more piece of paper. The R.F.C. could be one of the key instruments in this kind of approach. By injecting equity capital where none is available in quantity, it could facilitate major-restructuring for the public purpose.

For instance, if a merger of Pan American World Airways and Trans World Airlines appears to be nationally desirable, a $250-million equity investment in the merged company could accomplish much. It could cause the lenders of both corporations to convert some of their debt to equity, or reduce carrying charges or stretch out maturities. It could insure the merged company's ability to ride through the storm, achieve its savings and efficiencies and ultimately be profitable enough to provide a fair return to the investors (including the R.F.C.), a viable employer and pass some savings on in lower fares.

The R.F.C. should, thus, become a permanent part of our economic establishment, not just as a last-ditch creditor but as a vibrant instrument of both rescue as well as stimulus. It need not, and should not, be a permanent investor in any one particular enterprise. It should only remain as an investor, either as a part-owner or creditor, until such time as it can, in the public interest, divest itself of the enterprise in which it invests and this investment is eligible for normal market channels or until the markets are capable of performing their function. The R.F.C., therefore, should, in effect, become a revolving fund—hopefully a profitable one—which steps in where no alternatives are available and which steps out when the public interest has been served and normal market forces can again operate.

An initial capitalization of $5-billion in common stock subscribed to by the Treasury, and the authority to issue up to $10-billion in United States guaranteed obligations would provide a major safety factor to the economy in the coming times of peril, as well as simultaneously taking pressure off the banking system. These obligations could provide a logical investment for the surplus dollars of oil-producing countries.

Financing the capital subscription should come from the private sector. It could take the form of a levy of 1 per cent of pretax profits of all enterprises earning over $1-million per annum. This would reimburse the Treasury's subscription in less than five years.

The R.F.C. should combine public purpose with prudent business practice and, with the proper leadership and oversight, should accomplish both to the ultimate benefit of the tax payers.

Its own board of directors should include the secretary of the Treasury, the chairman of the Council of Economic Advisers, the chairman of the Securities and Exchange Commission and the chairman of the Federal Reserve System. With a large audience gazing over its shoulder, its management will have to practice a degree of asceticism and conform to standards of an extraordinarily high order. We should not despair of that possibility, however. Other agencies have been held to such standards * * * the R.F.C. not to be able to do the same.

Mr. MANSFIELD. The idea of the Reconstruction Finance Corporation being reconstituted lies in the fact that it did operate at a profit, that it did help ailing business, and it did so on a basis of widespread knowledge, know-how, and the technical knowledge to be able to understand all facets of the requests to be made for them.

Frankly, I do not want to see Pan American come to Congress for a subsidy. I do not want to see TWA come to Congress for a subsidy. But both need help, so where should they go? The only place I can think of in this instance or in these instances it a reconstituted Reconstruction Finance Corporation.

> (3) Establishing credit procedures so as to allocate credit on a priority basis in the light of the Nation's critical needs.

I believe the Republican leader (Mr. HUGH SCOTT) indicated his assent to this particular proposal and, I believe, that this is the attitude of the Senate as a whole. I do not know what the position of the distinguished Senator from Wisconsin is, but I think he is in accord with the proposal of this kind.

Mr. PROXMIRE. Mr. President, will the Senator indicate—I missed that last—what was that?

Mr. MANSFIELD. Establishing credit procedures so as to allocate credit on a priority basis in the light of the Nation's critical needs.

Mr. PROXMIRE. Well, I have some ideas along that line. Of course, in general, I think the notion is all right, but I think we might have a little difference of opinion on specifics.

Mr. MANSFIELD. I was just speaking in general. I was speaking in specifics on (1) about unemployment benefits and a job program.

> (4) Implementing mandatory allocations and, if need be, the equitable rationing of energy, enforcing other conservation measures, including a basic 55-miles per hour speed law and reducing wastage in the utility and other industrial fields to the end that dependency on foreign sources of petroleum can be reduced by 1 million barrels per day as the President has suggested.

But he has not recommended it. He has thought it worth considering and, I think, that the 1 million barrels of oil per day reduction is the least that we can do to cut down on the imports of petroleum.

The Republican leader was correct this morning when he said that we were coasting along, we were not aware of the fact, I think, the possibility, at least, that an energy crisis might confront us this winter because, let me remind my colleagues, that what the OPEC turns off they can turn on and turn off again, and they can use it for political, economic and other leverages.

So, frankly, I would like to see rationing reimposed. I would like to see the speed limit observed. And while I am against the proposal of some of the President's advisers that the tax on gasoline be raised 10 cents a gallon, 20 cents, 25 cents, 30 cents a gallon, I would be glad to reconsider my position in the light of an overall package which would be specific and which would face up to the difficulties which confront this Nation today.

We ought to be through with generalities and volunteerism because neither will work and if the people of this country think they are going to slide through because the oil is pouring out of our ears at the moment, they are mistaken, because what we are facing is a new era, a new time, a change and we are going to have to modify our life concepts accordingly.

So I hope that something specific along these lines, as well as the others which I mentioned, can be done.

Now, No. 5:

> formulating a system under which, when needed as a last resort, effective controls can be imposed to encompass prices, wages, rents, and profits, and high interest rates, assuring that such a system is developed and enforced fairly and equitably and without discrimination in terms of the overall needs of the Nation.

This is a generality, but I think the concept is plain as to what is meant.

The distinguished Senator from Wisconsin has raised some very pertinent questions and points as to how he would apply each of these factors under such a program, but I would point out that the key sentence, or the key part of the sentence in 5 is, "when needed as a last resort," then effective controls ought to be considered.

The Senator was correct when the Senator said that during Phase II wage and price controls worked and that as soon as they were lifted everything went through the roof and still is going through the roof. It may happen again. I do not like wage, price, rent, profit, interest rate controls, but I do not like 12.2-percent inflation, I do not like 6.2-percent unemployment, and I do not like the trend in both areas which is up.

I think that the American people are looking to Congress for relief and initiatives.

The Senator mentioned there would be more Federal control. Yes, there would be, because on the basis of the last depression in 1933—and I lived through that depression, as did the Senator, I knew what it was having a master's degree and not being able to get a job washing dishes, and that depression has moulded my social philosophy. What did the Government do to cure that depression, insofar as it was cured prior to the war? Why, it brought in social security, unemployment insurance, all these other protections. The Government just could not keep out, and the result of that is we have too much centralized Government today; too much.

But we cannot turn the clock back, so we better face up to the reality of what the people expect from us and try to do something accordingly and do it on the basis of specifics, because the time for action, if it is not past, is almost upon us, and, as I said before, we know for whom the bells are tolling.

I yield the floor.

Mr. SPARKMAN. Will the Senator yield to me before yielding the floor?

Mr. MANSFIELD. Yes, indeed.

Mr. SPARKMAN. I want to say that I am in agreement with most of the specifics that the Senator has mentioned.

I go along with the Senator on the idea of the reconstituted Reconstruction Finance Corporation. It did a tremendous job when it was in force before and I think it could do a job again.

I certainly believe that every effort ought to be made with reference to cutting down the unemployment, certainly preventing it from becoming more and more.

I do not go along with the Senator on the idea of allocation of credit. Now, there can be some form of allocation, but it is something that will have to be worked out on the basis of policy by the Federal Reserve Board rather than specifically moving ahead of time on what those allocations of credit are going to be. In other words, it would be a policy action carried out as the need arises without actual action ahead of time.

I believe that we ought to be greatly concerned with the job situation and I think we ought to follow the recommendations which I understand the President has made, whether he has sent the request here or not, of public employment in order to help relieve that situation.

I remember the old WPA days and I know what a job it did. We used to make a lot of jokes about people leaning on their shovels and raking leaves, things of that kind. Nevertheless it was a tremendous force pulling out of that terrible depression through which we lived back in the early 1930's.

It took bold action on the part of President Roosevelt at that time. I remember the inaugural address that he made in 1932 when he first came to the Presidency. As I recall, it was only 12 minutes long. I stood on the sidewalk in my home town and listened to it on the radio from a store inside and I remember when he said:

> We have nothing to fear but fear itself.

Then he went on and said:

> I don't know what we will do, but we'll try something, if it doesn't work we'll throw it away and try something else.

That is the kind of determination I think we need again in this country and I believe we can have it.

Mr. MANSFIELD. May I say that the Senator not only lived during the depression in Alabama, but the Senator served in the Congress during the depression.

I recall President Roosevelt saying—and I was only one among thousands without a job and no hope—what the Senator has said and saying also on a later occasion:

> We will drive the money lenders from the temple.

Mr. SPARKMAN. I remember that.

Mr. MANSFIELD. And in Montana in those days, if one wanted to get a crowd, all President Roosevelt had to do was announce a fireside chat. No TV, but radio, and we turned out by the hundreds and sometimes by the thousands. Why? Because we were looking for leadership and initiative.

Mr. SPARKMAN. And he gave it to us.

Mr. MANSFIELD. And he gave it to us. And that is what the people expect today from the President and from the Congress, working together.

Mr. President, I am delighted with what the Senator said about his support on a reconstituted RFC.

Mr. SPARKMAN. Mr. President, may I say just this further. In the early days of the depression, I was a young lawyer, and I remember that I made practically nothing. I remember the hardships. My wife got a job as a schoolteacher. She taught for $60 a month. That was practically what we lived on, that and the credit that was extended to us by a neighbor who had a little store who would let us buy the food that we needed on time, and it ran for a long time until we worked out of that.

Mr. MANSFIELD. Memories remain.

May I say that my wife, a high school teacher in Butte—I was going with her at the time, she was not my wife then—cashed her insurance to put me through school.

I thought I had two job offers after I graduated, one paid $75 a month—they make that much in a day now—the other paid $80. I lost both of them and I got a job then as a graduate assistant at the University of Montana for $25 a month for 10 months and I had to teach two pretty big freshman classes 5 days a week. One could not get a job in those days.

When I look at the Senator from Alabama (Mr. SPARKMAN) and the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Mississippi (Mr. STENNIS), all who know far more about the technicalities of the economic situation which confronts the Nation today than I do, I am impressed because it indicates an interest, but what I am asking for is specifics—specifics—specifics and leadership—leadership on the part of the President of the United States, and cooperation with him on the part of the Congress.

Mr. STENNIS. Will the Senator yield a half minute?

Mr. MANSFIELD. I yield.

Mr. STENNIS. I want to say this, without getting into the specifics. The Senator from Montana has been one who has been pounding, pounding, pounding on this problem, and offering concrete suggestions and exercising leadership, the sound kind, the necessary kind, even though we might not agree with all that he has said.

I think he is so correct in stating that we are being forced into a new era. We are being forced with new problems. We can solve them. I do not believe we have much more time.

I thank the Senator.

Mr. MANSFIELD. I think we can solve them, but we have to work together and face up to realities.

Mr. PROXMIRE. If the Senator will yield, I want to congratulate the Senator on an excellent presentation. I know how deeply he feels. I do think that the debate we have had so far indicates that there is some unfortunate misconception about the kind of situation we face.

There is no question that Roosevelt was a very great leader. There is no question he gave this country the kind of inspiration, leadership, action and specifics that we needed at the time he came into power.

I do believe we have to take a look at the economic situation then and now. It is entirely different now. We do not need the kind of action now that we needed then. We do need action, action that might be more difficult to take for various reasons.

I think we ought to do our best to stimulate that action in the private sector. That is why housing can be so helpful. We are 1 million housing starts below what we had about a year ago. If we can stimulate economic activity in this area, it means we are putting to work idle resources. It is not inflationary, because unemployment is now over 12 percent in the construction trades.

The ACTING PRESIDENT pro tempore. The time of the Senator from Montana has expired.

Mr. MANSFIELD. I yield to the Senator 1 minute under morning business.

Mr. PROXMIRE. I think there are specific actions we can take. We discussed the wage-price situation. I have a bill which I intend to introduce, as I told the Senator, within a few days, or if the Senator from Alabama thinks it would be more realistic I shall introduce it next year.

I do think we have a strong difference of opinion on the RFC. The difference is that I do not think Pan American and Penn Central should come to the Congress or to a new administrative agency, either one. After all, if they cannot make it, that is it.

If the Congress decided not to go along on some of these individual corporate bailout proposals that have been before us, it is not because we thought they should go somewhere else in the Government. It is because we thought they should stand on their own feet. When we do that, we do not destroy jobs. If the demand is there, it means that the jobs will be taken up by competitors who are more efficient.

Mr. MANSFIELD. If the Senator will yield, may I say that even there you have Government interested in Pan American and TWA. What about the postal rates? What about the price they pay for landing rights in foreign countries compared to what foreign countries pay in this country?

Mr. PROXMIRE. I agree.

Mr. MANSFIELD. We have the difficulties in which Pan Am and perhaps TWA find themselves at the present time. So the Government has a responsibility.

The Senator mentioned housing. Who is putting up the money to get housing going, when and if it gets going? The unemployment rate in housing is closer to 20 percent in the construction industry than it is to 12 percent.

Did we not pass a $3 billion bill not so long ago, by means of which, under favored interest rates, the housing industry and the timber industry—which is in a slump, a decline, a recession—could be helped, so that they could recover?

The Government is in everything too much, but it is in there, so we have to make the best of it. The Government is in because of the depression of 1933, when the safeguards that the Senator talks about were created and which up to this time have kept the lid on, so to speak—perhaps the cap on the bottle of recession—up to a certain point.

In 1933, there were no means by which the Government could help the people. President Roosevelt came in, and legislation was enacted, even though the RFC was inaugurated by President Hoover in 1931, a revival of a World War I agency which did not become effective until 1932 or 1933.

The PRESIDING OFFICER (Mr. McINTYRE). The 3 minutes of the Senator from Wisconsin have expired.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 3 minutes.

THE ECONOMIC SITUATION

Mr. SPARKMAN. Mr. President, I just want to make this very brief statement with reference particularly to the housing situation, which the Senator has mentioned.

We did enact a very fine housing law. Secretary Lynn called me after that conference report and congratulated me upon our getting out such a good housing act. But has it been implemented?

The Senator from Wisconsin will recall that in conference, after a very hard struggle—by the way, that conference lasted for 5 weeks, meeting morning, noon, and night, as the Senator will recall—we finally continued two programs that the administration was dead set against—that is, the 235 and 236 programs.

Has anything been done on those programs? Those two programs have not been utilized. It could be done with a minimum effect on the budget. They should be used.

Talking about the slump in housing, I sometimes think that housing is responsible for more employment than most of us realize, going back into the woods, where the logs are cut, and down into the bowels of the earth, where the minerals are found. We have a tremendous slump in that industry now.

We are not building as many homes as we should be. The best way I know of to stimulate that right now would be to activate the 235 or 236 programs.

Mr. PROXMIRE. Mr. President, I agree with what the Senator from Alabama has just said.

I think there are two points to which we should be very sensitive in housing. No. 1 is that it is not true that most of the money in housing, even in Government-assisted housing, comes from the public sector. It comes from the private individual.

In the 235 program to which the Senator from Alabama has referred, the individual will pay the entire amortization part of the loan, and pay part of the interest. So that is largely a privately financed program. The Federal Government puts up a small proportion of the total cost of the housing and the interest.

This is true of the 236 program. In the conventional program, the Federal Government puts up nothing. We put up insurance, but this is carried on in the private sector, with the disciplines of the private sector, with the profit motive and the other motives working to keep it efficient and without inflationary pressure, because we have available resources.

The trouble is, as the Senator pointed out, that we have enacted these programs, the funds are available, and the program could be put into effect, but the administration simply refuses to move ahead. That has been true week after week and month after month and year after year.

Since January of 1973, we have had a moratorium on Government-assisted housing. The monetary policy has resulted in a situation in which interest rates are so high that conventional housing has been crucified, too.

We have the resources and the manpower, and we should move ahead. It can be largely in the private sector and can be without a gigantic Government program. It seems to me that it is an excellent way to move ahead, to proceed. There are other specifics with which I hope to come up in the future.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. GOLDWATER. Mr. President, I have listened to this colloquy with great interest. Speaking as a conservative Republican, I find myself in a great deal of agreement with what has been said.

In fact, this morning, on a national television show, I suggested that the President put Air Force I in the hangar for about 8 months and stay home and pay attention to our domestic problems. I hope he will do that.

I agree with what has been said about this country needing leadership. Whether the leadership is going to produce anything or not is beside the point. I think we need to be told where we are, what the dangers are, and where we will find ourselves if we continue the way we are.

Mr. President, I can remember the depression of the 1920's and 1930's very vividly. I made $15 a week and ran a business that did not make any money for 5 years. But we did not have to lower salaries or have to fire anybody. That is not easy to do. I lived in a part of the country that really was not seriously affected by the Great Depression.

I am not one of those conservatives who voted for a Lockheed loan, or a Grumman loan, or to help Penn Central, and I do not intend to help Pan American or any other airline, other than by urging the Government to do those things we already can do and which the majority leader has mentioned.

I just want to leave one little word of warning as we go into the end of this Congress and the beginning of the next Congress. We are going to be sorely tempted to try things that we have tried before which have never worked. There is no way that wage and price controls will work. They never have worked, since the days of Babylon, and they tried them, too.

I just want to remind my colleagues that in spite of the leadership that Franklin Roosevelt gave in the 1930's, we still had 17 million people out of work in 1939. It took World War II to end the depression that started in Austria in 1928—started in Austria when the Austrians were doing precisely what we are doing in this Congress and have been doing in this Congress for 40 years, through Republicans and Democrats alike—spending money we do not have. There is no way in the world that is going to work.

So I think Congress has a charge in front of it. Let us really work on these budgets. I do not care whether it is military or space, both of which are very close to my heart, or whether it is HEW or what it is. It is time that we told the American people that being broke is a lot worse than having to cut down on a few programs here and there.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. MANSFIELD. The proposals advanced by the Senator from Montana this morning may or may not be the answer I do not know. But I think it is mandatory that we attempt something, that we let the people of the Nation know that we are aware of the problems and are trying to find ways and means to face up to them.

I have no compunction in stating that, in my opinion, people like Senator PROXMIRE and Senator SPARKMAN know far more about economics than I do. I have no doubt about their desire to do something. But I hope we do not wait too long before we come forth with proposals, not necessarily in this session, but at least lay the groundwork, so that the first things we might be able to face up to in the next session would be the tackling of specific problems on which the people are crying out for us to help them.

Time is running short. The coal strike, if it is not settled, is going to further increase unemployment. The President has indicated that when unemployment reaches 6.5 percent, he has alternative plans. I am afraid that he is going to have to put them into operation.

Inflation shows no signs of abating. So we have a problem which is up, up, and about which we should do something.

Mr. GOLDWATER. Mr. President, I could not agree more with the Senator. I think that, above all, we need evidence of leadership.

I might mention to the Senator one specific item with which we might get on. We have an energy crisis facing us, and we will have one regardless of how much fuel comes into this country. We now have five committees of Congress to deal with energy. I have talked with the Senator about this. I am not urging that this committee or that committee or the other committee take charge of it; but there should be only one committee in Congress interested in total energy, not five, and we should not have committee chairmen running around this country making politics out of energy. We should be doing something in this body about getting more gasoline, new sources of energy, better use of the atom, better use of the things that have been coming to us from the space program.

I do not offer this as a matter of criticism. I know that the Senator is asking for help as to where we might go, and I think this is one area that we could land on with all five feet, instead of getting just one foot up.

Mr. MANSFIELD. I am very much aware of the problem. I am trying to work out something. Something has to be done. Some action has to be taken, and if agreement cannot be reached, some action will be taken, and taken soon.

Mr. PROXMIRE. If the Senator will yield for just 1 minute.

Mr. MANSFIELD. Surely.

Mr. PROXMIRE. I say to my good friend from Montana that I think that the essence of leadership is to make specific proposals of the kind that he has made. It is easy to disagree with whatever proposals are made, to tear them down, denounce them, show why they will not work or why they are inappropriate. It is much harder to come up with specific proposals. I think that the Senator from Montana has made it plain today why he is an excellent leader, why we all have such respect for him.

I hope that my criticism of some of the proposals that he has made—I agree with some—does not give him the impression that I am in any way critical of him. I think he is a fine leader, he would not be as good a leader as he is.

I think the debate this morning has been helpful for me and helpful for other members of Congress, and will be very useful for the country. I think we should try to proceed on a vigorous economic program, but not the program the Senator from Montana has proposed. We may modify it one way or the other, but the more we know about it, debate it, discuss it, and become familiar with it, the more rapidly and efficiently we can proceed.

Mr. MANSFIELD. I say to the distinguished Senator that I did not take the criticism personally. I thought that the Senator was performing a service, as he always has, because no one in this Chamber, in my opinion, speaks with better expertise on things economic that does the Senator from Wisconsin (Mr. PROXMIRE). I thought it was good to have a colloquy of this sort. I am delighted that it was carried on with such sincerity and seriousness.

I think that the Senator from Wisconsin is to be commended and complimented for raising the issue and, as always, expressing his opinions as honestly and as candidly as he knows how. I commend him.

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

APPROVAL OF BILL

A message from the President of the United States stated that on November 29, 1974, he had approved and signed the bill (S. 3204) to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. JOHNSTON) laid before the Senate messages from the President of the United States submitting sundry nominations which, with the exception of two which were ordered held at the desk, were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of November 26, 1974, the Secretary of the Senate, on November 27, 1974, received a message from the House of Representatives, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 17468. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 17506. An act to adjust price support for tobacco under the Agricultural Act of 1949.

The message also announced that the House has agreed to House Resolution 1478 commemorating and honoring the memory of the Honorable Winston S. Churchill, honorary citizen of the United States of America and citizen of the world, on the 100th anniversary of his birth.

HOUSE BILLS REFERRED

The following House bills were each read twice by their titles and referred as indicated:

H.R. 17468. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations; and

H.R. 17506. An act to adjust price support for tobacco under the Agricultural Act of 1949; to the Committee on Agriculture and Forestry.

ENROLLED BILLS SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of November 26, 1974, the Acting President pro tempore (Mr. METCALF) announced that on Wednesday, November 27, 1974, he signed the following enrolled bills:

S. 3202. An act to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such Act;

H.R. 342. An act to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, and to amend the Practice of Psychology Act and the District of Columbia Unemployment Compensation Act;

H.R. 15580. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 17503. An act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on November 27, 1974, he presented to the President of the United States the enrolled bill (S. 3202) to amend the farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on total itemized revenues and expenses, revenues and expenses of each train operated, and revenue and total expenses attributable to each railroad over which service is provided for the month of August 1974 (with an accompanying report). Referred to the Committee on Commerce.

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, for the month of October 1974 (with an accompanying report). Referred to the Committee on Commerce.

REPORT OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION

A letter from the President, Overseas Private Investment Corporation, transmitting, pursuant to law, the Annual Report of the Overseas Private Investment Corporation for fiscal year 1974 (with an accompanying report). Referred to the Committee on Foreign Relations.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES ENTERED INTO BY THE UNITED STATES

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers). Referred to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the Senate of November 26, 1974, the following reports of committees were received on November 27, 1974:

By Mr. HUMPHREY, from the Committee on Foreign Relations, with an amendment:

S. 3394. A bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 93-1299).

By Mr. McINTYRE, from the Committee on Armed Services, without amendment:

S. 1988. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes, together with minority views (Rept. No. 93-1300).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGEE:

S. 4197. A bill to authorize United States payment to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. MONDALE:

S. 4198. A bill for the relief of Danesh Deally, wife Edalin, and 2 children Andrew and Angela. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGEE:

S. 4197. A bill to authorize U.S. payment to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

UNITED NATIONS PEACEKEEPING FORCES IN THE MIDDLE EAST AUTHORIZATION ACT

Mr. McGEE. Mr. President, with the cease-fire on the Egyptian-Israel front last October, the U.N. Security Council authorized the creation of the 1974 Emergency Force in the Middle East—UNEF. Likewise, in May 1974, with Israeli-Syrian disengagement, the Security Council authorized the U.N. Disengagement Observer Force—UNDOF.

Following the Security Council authorization of UNEF, the U.N. General Assembly appropriated $30 million for the first 6-month period and authorized the Secretary-General to make commitments of up to $5 million per month for a period which had been subsequently extended to November 30, 1974. UNDOF has been funded and staffed by borrowing resources from UNEF and the U.N. Truce Supervision Organization—UNTSO—the latter having been established after the 1948 war in the Middle East.

The expenses for UNEF were apportioned among the U.N. members by a complex formula which recognized the special responsibilities of the Security Council under the Charter for maintaining the peace and implicitly endorsed the principle of collective responsibility of all members for the maintenance of international peace and security. The U.S. assessment for the first year was $17.3 million, or 28.895 percent.

The U.S. Department of State proposed legislation on December 3, 1974, which would have authorized funding for UNEF from appropriations to the Department of State. However, the Congress instead made funds available for the U.S. contribution to UNEF from the $2.2 billion appropriated under the authority of the Emergency Security Assistance Act of 1973—Public Law 93-199. No further funds are now available from this source.

Recently, UNEF was extended through April 24, 1975. Last Friday UNDOF was extended for 6 months. Since it is in the national interest of the United States that both UNEF and UNDOF continue their vital peacekeeping role in the Middle East, I am introducing legislation today which would enable the United States to be in a position to pay its assessed share as soon as possible after the new requirements are presented to the members by the U.N. this month. Therefore, I urge the Senate to move with dispatch in approving the legislation I have introduced.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 4160

At the request of Mr. McGovern, the Senator from Iowa (Mr. Hughes), the Senator from North Dakota (Mr. Burdick), the Senator from South Dakota (Mr. Abourezk), the Senator from Montana (Mr. Metcalf), the Senator from Iowa (Mr. Clark), the Senator from Colorado (Mr. Haskell), and the Senator from North Dakota (Mr. Young) were added as cosponsors of S. 4160, a bill to provide for the purchase of animals and animal food products for use in foreign and domestic food relief programs, and for other purposes.

S. 4163

At the request of Mr. Bayh, the Senator from Wyoming (Mr. Hansen) was added as a cosponsor of S. 4163, a bill to amend Title IX of the Education Amendmens of 1972.

S. 4187

At the request of Mr. Mondale, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of S. 4187, a bill to amend the Internal Revenue Code of 1954 to provide tax relief to low- and middle-income taxpayers, to increase revenues from other tax sources, and to provide increased incentives for expanded investment.

AMENDMENTS SUBMITTED FOR PRINTING

TRADE REFORM ACT OF 1974—H.R. 10710

AMENDMENT NO. 1999

(Ordered to be printed and to lie on the table.)

OIL DIVESTITURE AMENDMENT

Mr. HART. Mr. President, those who see deregulation as the solution to the natural gas shortage seem to me to be living in a dream world.

Perhaps, somewhat more gas would flow at $2 per million cubic feet than has at the national average of 26 cents.

But there would not be enough.

As the OPEC cartel taught us, those with monopoly power have an interest in keeping their product scarce—scarce enough to keep prices high. We all know OPEC's response when high prices caused a drop in world oil demand—they cut back production to keep prices up.

And students of this industry will tell you the same thing is likely to happen with deregulation of natural gas.

This is not a competitive industry.

It is an industry dominated by a handful of companies—all combined in numerous joint ventures. They bid on leases together. Develop—or do not develop—together. Build pipelines together. Swap production with each other. About the only place there has been true competition in recent years was on the oil side—in retailing. This came from independent retailers, thousands of whom were wiped out by the majors during last year's shortage.

As most of you know, when we talk about the structure of the natural gas industry, we are talking about the large integrated major petroleum companies. The top 10 producers of natural gas in 1971 were: Exxon, Shell, Amoco, Gulf, Phillips, Mobil, Texaco, Union, Atlantic Richfield and Continental Oil. With two additions, these firms accounted for the top 4 slots in terms of concentration in each of the 6 major producing areas in the United States. The 8 largest were the same in 1972 and in 1971. With one exception, they were the same in 1971 and 1972 as 15 years earlier. The exception was absorbed by a major.

When measuring the concentration of ownership of uncommitted reserves—the market into which a pipeline goes when seeking to buy gas—the figures also show concentration.

As of June 30, 1972, four oil companies controlled 92.3 percent of the uncommitted gas reserves onshore in Southern Louisiana, 100 percent of the Federal and State offshore uncommitted reserves in the Texas Gulf and 80 percent in the Permian Basin. Those are the richest sources of natural gas now producing.

As you know, Mr. President, concentration ratios are most frequently quoted as the percentage of the market controlled by the top eight companies. As table 1 shows—which I ask unanimous consent be printed at this point in the Record—shows for the major producing areas, the 8-firm concentration of ownership of uncommitted reserves ranges from 74.9 to 100 percent.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—CONCENTRATION OF THE AVAILABLE NEW GAS SUPPLIES AS OF DEC 31, 1971 AND JUNE 30, 1972 [1]

[Percentage of reported uncommitted reserves controlled by 4 and 8 largest producers] [2]

Producing area	Dec. 31, 1971		June 30, 1972	
	4 largest	8 largest	4 largest	8 largest
Permian Basin	63.6	86.5	80.6	94.2
Hugoton Anadarko	76.6	94.5	62.6	83.3
Other Southwest	93.3	98.6	94.4	99.3
South Louisiana: [3]				
Onshore	96.9	99.6	92.3	98.4
Offshore (Federal)	57.0	83.3	49.6	74.9
Offshore (State)	84.5	100.0	94.9	100.0
Texas gulf coast: [4]				
Onshore	89.4	96.7	84.4	92.4
Offshore (Federal)	98.5	100.0	100.0	100.0
Offshore (State)	100.0	100.0	100.0	100.0
Rocky Mountain	63.4	82.9	70.4	86.0
Appalachian	99.6	100.0	100.0	100.0
Unclassified:				
Michigan	100.0	100.0		
California	95.4	100.0	94.3	100.0
Miscellaneous	87.7	99.9	98.0	100.0
Alaska [5]	93.9	99.9	93.9	99.9

[1] Concentration ratios are based on individual company reserve reports. To the extent that 2 or more companies report pro rata ownership shares of jointly held leases for which there is a single operation, the concentration ratios tend to underestimate the actual degree of seller concentration.

[2] Reports were obtained from 79 large producers. These producers provide most of the gas sold to interstate pipelines (e.g., in 1971 the top 22 supplied over 70 percent of all interstate gas). Nevertheless, to the extent that nonreporting small producers may have had significant volumes, the ratios reported here tend to slightly overstate actual market concentration.

[3] Combined concentration ratios for the south Louisiana area are not available. Onshore represents 44 percent of the total, offshore (Federal) 53 percent, and offshore (State) 3 percent.

[4] Combined concentration ratios for the Texas gulf coast area are not available. Onshore represents 47 percent of the total offshore (Federal) 51 percent, and offshore (State) 2 percent.

[5] Does not include 26,000,000,000 ft ^{3} in North Slope reserves reported in the aggragate for all companies by 1 producer.

Mr. HART. Mr. President, most economists—facing figures such as these—would question the competitiveness of an industry. But the data goes on.

Another way to look at the real world is to examine the four-firm concentration of uncommitted reserves that a pipeline may face when it goes out to buy in its own area.

Table 2, which I ask unanimous consent to have inserted at this point, shows that the 16 major pipelines faced a four-firm concentration ratio ranging from 45 to 81 percent in June of 1972.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 2.—CONCENTRATION OF AVAILABLE NATURAL GAS RESERVES, BY PIPELINE SUPPLY AREA, JUNE 30, 1972

Pipeline	4-firm supply concentration ratio (percent)	Major supply areas	Percent of 1971 supply for each area
Columbia Gas	51.15	Southern Louisiana.	81.7
		Texas Gulf Coast	5.2
		Appalachia	7.8
El Paso	61.33	Permian	54.2
		Hugoton-Anadarko.	7.2
		Rocky Mountain	34.5
Michigan-Wisconsin	45.13	Southern Louisiana.	65.0
		Hugoton-Anadarko.	29.5
Lone Star	76.04	Other Southwest	33.9
		Texas Gulf Coast	35.6
		Permian	21.7
		Hugoton-Anadarko.	8.6
Cities Service	81.93	Other Southwest	19.4
		Hugoton-Anadarko.	80.6
Natural Gas Pipeline	49.32	Southern Louisiana.	17.7
		Other Southwest	8.4
		Texas Gulf Coast	37.2
		Permian	15.5
		Hugoton-Anadarko.	20.9
Northern Natural	71.60	Permian	50.4
		Hugoton-Anadarko.	49.0
Panhandle Eastern	81.93	Other Southwest	30.7
		Hugoton-Anadarko.	65.4
Southern Natural	47.91	Southern Louisiana.	78.3
		Other Southwest	21.7
Tennessee	51.39	Southern Louisiana.	75.3
		Texas Gulf Coast	20.6
Texas Eastern	52.47	Southern Louisiana.	55.9
		Other Southwest	10.5
		Texas Gulf Coast	30.2
Texas Gas Trans	47.91	Southern Louisiana.	90.6
		Other Southwest	9.6
Transcontinental	51.39	Southern Louisiana.	82.5
		Texas Gulf Coast	17.4
Trunkline	51.39	Southern Louisiana.	75.8
		Texas Gulf Coast	24.4
United	52.47	Southern Louisiana.	77.9
		Other Southwest	12.9
		Texas Gulf Coast	9.3
Transwestern	71.60	Permian	76.3
		Hugoton-Anadarko.	22.0

Mr. HART. Mr. President, another dulling force on competition in this industry is the joint bidding on Federal leases which is so popular. This, of course, means that the partners make joint decisions on when to drill exploratory wells, when to drill developmental wells and when to produce. More than that, that each have a pretty good idea of how much gas each one controls.

Table 3, which I ask unanimous consent to be inserted, is most instructive on that. You will note, for example, that while Mobil made only 8 independent bids, it bid jointly with Pennzoil, Standard Oil of California, Mesa, Burmah, Gulf, and Ashland 103 times from December 1970 to December 1972.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—JOINT BIDDING IN FEDERAL OFFSHORE LEASE SALES (1970-72)

Company	Number of independent bids	Bidding partners	Number of joint bids with each
Amerada-Hess	0	Signal	50
		Louisiana Land	51
		Marathon	51
		Texas Eastern	16
Amoco	6	Texas Eastern	117
		Union	96
		CNG	79
		Transco	15
		Shell	14
Atlantic-Richfield	12	Cities	106
		Getty	73
		Continental	114
Chevron	79	Mobil	25
		Murphy	17
		General American	17
		Pennzoil	12
		Pelto	13
		Superior	9
		Gulf	7
		Burmah	4
		Mesa	4
Cities Service	7	Atlantic	106
		Getty	100
		Continental	163
		Tenneco	3
Continental	27	Atlantic	114
		Cities	163
		Getty	102
		Tenneco	5
Exxon	80		
Getty	0	Atlantic	73
		Cities	100
		Continental	102
		Placid	4
		Superior	2
Gulf	17	Mobil	17
		Pennzoil	8
		Standard Oil of California (Chevron).	7
Marathon	24	Signal	65
		Louisiana Land	69
		Amerada	51
		Texas Eastern	29
Mobil	8	Pennzoil	30
		Standard Oil of California (Chevron).	25
		Mesa	16
		Burmah	13
		Gulf	17
		Ashland	2
Phillips	0	Skelly (Getty)	69
		Allied Chemicals	66
		American	34
		Petrofina	34
Shell	59	Transco	47
		CNG	15
		Standard Oil of Indiana (Amoco).	14
		Florida Gas	17
Sun	115	Pennzoil	2
Texaco	15	Tenneco	32
Union	0	Amoco	96
		Texas Eastern	96
		Texas Gas	48
		Florida Gas	5

Mr. HART. Mr. President, there is another area where one must understand the statistics to understand the lack of competition in this industry.

Examples are spelled out on table 4—which I ask unanimous consent to have inserted in the RECORD at this point—on the joint ownership of pipelines.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—JOINT VENTURES IN THE OIL PIPELINE INDUSTRY

Pipeline company and coowners	Percent held by each
Badger Pipeline Co. (assets=$12,400,000):	
Atlantic-Richfield	34
Cities Service	32
Texaco	22
Union Oil	12
Dixie Pipeline Co. (assets=$46,400,000):	
Amoco	12.1
Atlantic-Richfield	7.4
Cities Service	5.0
Continental	4.1
Exxon	11.1
Mobil	5.0
Phillips	14.5
Shell	5.5
Texaco	5.0
Gulf	18.2
Transco	3.6
Allied Chemical	8.6
Laurel Pipeline Co. (assets=$35,900,000):	
Gulf	49.1
Texaco	33.9
Sohio	17.0
Colonial Pipeline Co. (assets=$480,200,000):	
Amoco	14.3
Atlantic-Richfield	1.6
Cities Service	14.0
Continental	7.5
Phillips	7.1
Texaco	14.3
Gulf	16.8
Sohio	9.0
Mobil	11.5
Union Oil	4.0
Plantation Pipeline Co. (assets=$176,100,000):	
Exxon	48.8
Shell	24.0
Refiners Oil Corp	27.1
Four Corners Pipeline Co. (assets=$20,900,000):	
Shell	25
Chevron	25
Gulf	20
Continental	10
Atlantic-Richfield	10
Superior	10
Olympic Pipeline Co. (assets=$30,700,000):	
Shell	43.5
Mobil	29.5
Texaco	27.0
Wolverine Pipeline Co. (assets=$21,800,000):	
Union Oil	26
Mobil	21
Texaco	17
Clark	11
Marathon	10
Cities Service	8
Shell	7
Platte Pipeline Co. (assets=$33,000,000):	
Continental	20
Marathon	25
Union Oil	15
Atlantic-Richfield	25
Gulf	15
West Shore Pipeline Co. (assets=$17,600,000):	
Shell	20
Amoco	16.5
Mobil	14
Texaco	9
Marathon	9
Clark	8
Cities Service	8
Continental	6.5
Union Oil	5.5
Exxon	3.5
Wyco Pipeline Co. (assets=$14,100,000):	
Amoco	40
Texaco	40
Mobil	20
Yellowstone Pipeline Co. (assets=$16,000,000):	
Continental	40
Exxon	40
Husky	6
Union Oil	14
West Texas Gulf Pipeline Co. (assets=$19,800,000):	
Gulf	57.7
Cities Service	11.4
Sun	12.6
Union Oil	9.0
Sohio	9.2
Chicago Pipeline Co. (assets=$25,600,000):	
Union Oil	43.4
Clark	33.2
Amoco	23.4
Cook Inlet Pipeline Co.:	
Atlantic-Richfield	20
Marathon	30
Union Oil	30
Mobil	20
Texas-New Mexico Pipeline Co. (assets=$30,500,000):	
Texaco	45
Atlantic-Richfield	35
Cities Service	10
Getty	10

Mr. HART. Mr. President, you will note, for example, that the Colonial Pipeline is owned by 10 major oil companies.

Mr. President, the question of the competitive structure of the natural gas industry is one that has been discussed at length the past 2 years in hearings before the Antitrust and Monopoly Subcommittee.

These included discussions with the Chairman of the Federal Power Commission, John N. Nassikas. Throughout, Chairman Nassikas supported the position that there is workable competition in this industry.

If he is quoted accurately in the November 13 issue of Platt's Oilgram, apparently he is rethinking this position.

The publication quotes Chairman Nassikas as arguing only for a partial deregulation "because many wellhead markets aren't controlled by economic forces." "Often," he is quoted as saying, "there isn't workable competition because there will be, say, two dominant producers in a field."

According to the publication, Nassikas stressed that "not all gas producing fields are under disciplined price leadership, but enough are to create on oligopoly situation."

Interestingly, Commissioner Smith recently came to a similar conclusion. He cited the "interfirm cooperation instead of interfirm competition" and the various joint operations as "anticompetitive relationships which negate the incentive for price competition."

Mr. President, Commissioner Smith would lift regulation from small producers. Chairman Nassikas would ease regulation of price on an experimental basis and see if that would work. Truthfully, I think the philosophy of the amendment offered by Senator BUCKLEY to eliminate regulation more accurately reflects my approach.

But—and it is a big "but"—we cannot substitute the market for regulation until we have some reason to believe the market can do the job. As I have outlined and as the Antitrust and Monopoly Subcommittee hearings have documented in greater detail, there is no reason to make such an assumption today. But many witnesses—including members of the industry—have assured us restructuring could deliver the anticipated benefits.

A logical suggestion would be to turn to the antitrust authorities and see how they could use present law to restructure. Unfortunately, that is no solution to today's problems. The Federal Trade Commission has filed a case against the major oil companies which—if they are successful—could lead to restructuring. But the best estimate is that the case will run 8 to 15 years. We cannot wait.

Therefore, I submit an amendment to Senator BUCKLEY's amendment that would tie deregulation of natural gas prices to having a competitive market, a market capable of regulating any abuses in this industry.

Briefly, the amendment would require the top 20 oil companies to restructure themselves—with the approval of the

Federal Trade Commission—so they are either a producer, a transportation company or a refiner-marketer. As soon as the company had met this requirement, it would be entitled to the Buckley exemption from price regulation. This, of course, means small producers and integrated companies smaller than the top 20 would be entitled immediately to the Buckley exemption.

Mr. President, I do believe in lessening Government intervention in the market as much as possible while protecting the public interest. Ideally, Government should intervene only in limited areas—such as health and safety. But it is beyond me how Congress could adopt the Buckley amendment—which would cost consumers a conservative $55 billion the first 5 years—with no assurance that the expenditure would produce sufficient gas.

In an industry with the oligopolistic power this one has, there is not a prayer we would get what we think we are buying with the Buckley amendment. Adding my amendment would increase the odds to make it a pretty good bet indeed.

Mr. President, I ask unanimous consent to have the amendment printed in full at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1999

On page 3, line 9, after the word "revenues." add the following new title:

TITLE VIII—PROMOTION OF ENERGY INDUSTRY COMPETITION

DECLARATION OF POLICY

SEC. 801. Congress hereby declares the continuing commitment of the United States to the goal of free enterprise and free market economy which functions fairly and efficiently to allocate resources at the best possible price to the consumer and in a manner consistent with the values of a free society.

DEFINITIONS

SEC. 802. As used in this title:

(1) "Affiliate" means a person controlled by or controlling or under or subject to common control with respect to any other person.

(2) "Asset" means any property (tangible or intangible; real, personal, or mixed) and includes stock in any corporation which is engaged (directly or through a subsidiary or affiliate) in the business of producing, transporting, refining, or marketing energy resource products.

(3) "Commerce" means commerce among the several States, with the Indian tribes, or with foreign nations; or commerce in any State which affects commerce among or between any state and foreign nation.

(4) "Control" means direct or indirect legal or beneficial interest or legal power or influence over another person, directly or indirectly, arising through direct, indirect, or interlocking ownership of capital stock, interlocking directorates or officers, contractual relations, agency agreements, or leasing arrangements.

(5) "Energy resource product" means petroleum, natural gas, tar sands, oil shale, coal or products refined therefrom.

(6) "Energy marketing asset" means any asset used in the marketing or retail distribution or energy resource products.

(7) "Energy transportation asset" means any asset used in the transportation by pipeline, tanker, or gathering line or energy resource products.

(8) "Energy refinery asset" means any asset used in the refining of energy resource products.

(9) "Energy production asset" means any asset used in the exploration for, development of, or production of energy resource products.

(10) "Person" means an individual or a corporation, partnership, joint-stock company, business trust, trustee in bankruptcy, receiver in reorganization, association, or any organized group whether or not incorporated.

(11) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

UNLAWFUL RETENTION

SEC. 803. It shall be unlawful for any of the 20 largest major integrated petroleum companies affecting commerce, as identified by the Federal Trade Commission, engaged in the business of exploration for, development of, or production of energy resource products, to own or control any interest, directly or through an affiliate, in any energy refinery asset, energy transportation asset, or energy marketing asset.

SEC. 804. It shall be unlawful for any of the 20 largest major integrated petroleum companies affecting commerce, as identified by the Federal Trade Commission, engaged in the business of transporting energy resource products by energy transportation assets, to own or control any interest, directly or through an affiliate, in any energy production asset, energy refinery asset, or energy marketing asset.

REPORTS

SEC. 805. Each of the 20 largest major integrated petroleum companies affecting commerce, as identified by the Federal Trade Commission, owning or controlling, on the date of enactment of this title, any asset which such person is prohibited from owning or controlling under this title, shall, within one hundred and twenty days after such date, file with the Federal Trade Commission such information and reports relating to such assets and, from time to time, such additional information and reports relating to such assets, as the Federal Trade Commission may require.

ENFORCEMENT

SEC. 806. The Federal Trade Commission, in accordance with such rules, regulations, or orders as it may deem necessary or appropriate to carry out the purposes of this title, shall require each of the 20 largest major integrated petroleum companies affecting commerce, as identified by the Federal Trade Commission, owning or controlling any assets which such person is prohibited from owning or controlling under this title, to submit, within one year from the date of enactment of this title, a plan or plans for the divestment of such assets. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as may be modified by Commission order, necessary or appropriate to effectuate the provisions of this title and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action by application to a court for such other order as may be necessary to enforce such plan: *Provided, however,* That the Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before a date not more than five years after enactment of this title.

SEC. 807. (a) In addition, the Federal Trade Commission shall institute suits in the district courts of the United States requesting the issuance of such relief as is appropriate to assure compliance with this title, including orders of divestiture, declaratory judgments, mandatory or prohibitive injunctive relief, interim equitable relief, the appointment of temporary or permanent receivers or trustees, and punitive damages for willful failure to comply with lawful Commission orders.

(b) In carrying out the provisions of this title, the Federal Trade Commission may utilize all other powers conferred upon it by other provisions of law.

PENALTIES

SEC. 808. Any person who knowingly violates any provision of this title shall, upon conviction, be punished, in the case of an individual, by a fine of not to exceed $500,000 or by imprisonment for a period not to exceed ten years, or both, or in the case of a corporation, by a fine of not to exceed $5,000,000 or by suspension of the right to do business in interstate commerce for a period not to exceed ten years, or both. A violation by a corporation shall be deemed to be also a violation by the individual directors, officers, receivers, trustees, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting the violation in whole or in part, or who shall have omitted to authorize, order, or do any acts which would terminate, prevent, or correct conduct violative of this title. Failure to obey an order of the court pursuant to this title shall be punishable by such court as a contempt of court.

RELATIONSHIP TO NATURAL GAS ACT AMENDMENTS

SEC. 809. The Natural Gas Act Amendments of 1974 shall not become effective as to any of the 20 largest major integrated petroleum companies affecting commerce, as identified by the Federal Trade Commission, until the Federal Trade Commission files a certificate stating that such person is in compliance with the provisions of this title.

AMENDMENT NO. 2000

(Ordered to be printed and to lie on the table.)

Mr. **JACKSON** (for himself, Mr. RIBICOFF, and Mr. JAVITS) submitted an amendment intended to be proposed by them, jointly, to H.R. 10710, supra.

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENT NO. 2001

(Ordered to be printed and to lie on the table.)

Mr. HARRY F. BYRD, JR., submitted an amendment intended to be proposed by him to S. 3394, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

(The remarks of Mr. HARRY F. BYRD, JR., on the submission of the amendment are printed later in the RECORD.)

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. **ROBERT C. BYRD**. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

D. Dwayne Keyes, of California, to be U.S. attorney for the eastern district of California for the term of 4 years (reappointment).

Frank X. Klein, Jr., of California, to be U.S. marshal for the northern district of California for the term of 4 years, vice George E. Tobin, term expired.

George J. Reed, of Oregon, to be a member of the Board of Parole for the term expiring September 30, 1980 (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Monday, December 9, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE TO BEGIN HEARINGS ON INTELLIGENCE OVERSIGHT BILLS

Mr. MUSKIE. Mr. President, on Monday and Tuesday, December 9 and 10, the Subcommittee on Intergovernmental Relations will begin hearings on four measures before the subcommittee which propose to increase the role of Congress in its oversight of U.S. intelligence agencies. On these first days of hearings, the subcommittee will hear testimony from Senators, from former Government officials, and from outside experts.

The subcommittee expects to continue these hearings next year. At that time, we will invite testimony from the Federal Bureau of Investigation, the Central Intelligence Agency and other agencies responsible for surveillance and intelligence.

The legislation before the Intergovernmental Relations Subcommittee poses difficult questions which reach some of the fundamental principles of our representative system of government. We hope that this introductory volume of hearings will begin to focus the public's attention on the issues and be the framework for what promises to be an important and absorbing task.

I ask unanimous consent that a staff outline of the bills referred to the Intergovernmental Relations Subcommittee be inserted at this point in the Record.

There being no objection, the outline was ordered to be printed in the Record, as follows:

Legislative Proposals To Strengthen Congressional Oversight of Intelligence Agencies

The following proposals designed to strengthen Congressional oversight of the nation's intelligence agencies are presently pending before the Subcommittee on Intergovernmental Relations:

1. S. 4019, introduced by Senators Baker and Weicker, would establish a fourteen-member Joint Committee on Intelligence Oversight. Such Committee would have principal responsibility for all intelligence agency authorizing legislation and for all general oversight of those agencies such as the CIA, FBI, NSA, DIA, etc. The Committee would not, however, take away oversight responsibilities of those committees presently exercising such jurisdiction.

2. S. Res. 419, introduced by Senators Mansfield and Mathias, would create a Select Committee to Study Governmental Operations with Respect to Intelligence Activities. Such Committee would be charged with conducting a two-year study of all United States intelligence agencies and recommending any needed legislation to improve the Congressional oversight role. Membership on the Committee would be composed of four Democrats and four Republicans.

3. S. 2738, introduced by Senators Nelson and Jackson, would create a Joint Committee on the Continuing Study of the Need to Reorganize the Departments and Agencies Engaging in Surveillance. Such Committee would be authorized to make a continuing review of the need to reorganize Federal departments and agencies engaged in investigation or surveillance of individuals, to examine the need for such surveillance, and to recommend any legal or structural changes necessary to protect the privacy of individuals. The Committee would not have jurisdiction over "lawful investigative and/or surveillance activities related to the defense or national security of the United States conducted within the territorial boundaries of the United States," or over "any activities of agencies and departments of the United States government conducted outside the territorial boundaries of the United States." Membership of the Committee would be composed of the majority and minority leaders of the Senate and the House and the chairman and ranking minority members of all congressional committees having jurisdiction over agencies engaged in surveillance activities.

4. S. 1547, introduced by Senator Humphrey, would create a Joint Committee on National Security. Such Committee would be charged with studying and making recommendations concerning: (1) the foreign, domestic and military policies of the United States from the perspective of determining whether such policies are appropriately integrated in furtherance of national security goals; (2) the activities and recommendations of the National Security Council relating to such policies; and (3) Government practices with respect to classification and declassification of documents. Membership on the Committee would be composed of the Speaker of the House, the majority and minority leaders of the House and Senate, the chairmen and ranking minority members of the House and Senate Committees on Appropriations, the House and Senate Armed Service Committees, the Senate Foreign Relations and the House Foreign Affairs Committees, and the Joint Committee on Atomic Energy. In addition, three members from each house shall be appointed to sit on the Committee, for a total of twenty-five members.

ANNOUNCEMENT OF HEARINGS ON NOMINATION OF FRANK C. ZARB TO BE ADMINISTRATOR OF FEA

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested persons that the Committee on Interior and Insular Affairs has scheduled an open hearing on the nomination by the President of Mr. Frank G. Zarb to be Administrator of the Federal Energy Administration. The hearing will be held on Wednesday, December 4, 1974, at 2 p.m. in room 3110, Dirksen Senate Office Building.

Anyone wishing to testify or submit a statement for record with respect to this nomination should so advise the staff of the Interior Committee.

Mr. President, I ask unanimous consent that a biographical sketch of Mr. Zarb be printed in the Record at this point in my remarks.

There being no objection, the biographical sketch was ordered to be printed in the Record, as follows:

Frank G. Zarb

President Ford has nominated Frank G. Zarb, 39, as Administrator of the Federal Energy Administration.

Mr. Zarb is currently Associate Director of the Office of Management and Budget, Executive Office of the President. In this position he provides executive direction to Federal programs concerned with agriculture, the environment, natural resources, energy and science. These activities include responsibilities for all energy related areas of Government, such as the Department of Interior, Environmental Protection Agency, Council on Environmental Quality, Atomic Energy Commission, Energy Research and Development Administration and other related agencies in the science and technology fields. When President Ford created the Energy Resources Council in 1974, he appointed Mr. Zarb as its first Executive Director, a post he held concurrently with his OMB assignment and will hold in addition to FEA Administrator.

Prior to assuming his OMB position, Mr. Zarb was in charge of OMB's Management and Operations activities. This included direction of a broad range of Federal programs and initiatives, including Government reorganization, evaluation of Federal programs, statistical policy, Federal activities in regional areas, and relations with Governors and Mayors.

Mr. Zarb first joined the Administration in April 1971 as Assistant Secretary of Labor. His most recent position in the private sector was Executive Vice President and Chairman of the Executive Committee of Hayden Stone, Inc., a New York investment and securities firm.

Earlier Mr. Zarb had been with the New York investment houses of Cogan, Berlind, Weill and Levitt, and Goodbody and Company. His first job in industry was with Cities Service Oil Company where he served as management trainee and a member of the Industrial Relations Department.

Mr. Zarb graduated from Hofstra University with a BBA in 1957 and a Master's Degree in 1961. In 1974 the faculty of Hofstra conferred the University's Distinguished Scholar Award to Mr. Zarb. At Hofstra he was a Student Body President, Dean's List student and elected to Who's Who in Colleges and Universities in 1957.

In 1970 he edited The Stock Market Handbook, published by Dow Jones-Irwin, Inc. He organized and served as the first Chairman of the Joint-Bank-Securities Industry Committee for Securities Protection and has held membership with the Board of Arbitrators of the National Association of Securities Dealers, and the Board of Advisors of the New York Institute of Finance. He has been a member of the Chicago Board of Trade and the Chicago Mercantile Exchange and an allied member of the New York Stock Exchange as well as the American and Pacific Coast Stock Exchanges. He has served on the Board of Trustees of the East Woods School, Oyster Bay, New York.

He is married to the former Patricia Koster and they have two children. They reside in McLean, Virginia.

PUBLIC'S VIEWS ON H.R. 16925 AND H.R. 17450 REQUESTED

Mr. EAGLETON. Mr. President, the Committee on the District of Columbia would like to receive the views of interested persons on the bills H.R. 16925, to make technical change in the police and firemen's pay bill, and H.R. 17450 to establish a people's counsel for the District of Columbia Public Service Commission.

Persons wishing to submit a statement should do so by noon on Friday, December 6, 1974, in the committee office, room 6222, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

ANALYSIS OF TAX DATA OF SEVEN MAJOR OIL COMPANIES

Mr. JACKSON. Mr. President, last January representatives of the seven largest U.S. oil companies—Exxon, Texaco, Mobil, Standard Oil of California, Gulf, Standard Oil of Indiana and Shell—appeared before the Permanent Subcommittee on Investigations to testify on the shortages of petroleum products which were afflicting the Nation at that time.

These hearings were wide ranging as we discussed inventories, storage capacity, retail operations, prices, foreign operations and negotiations with crude oil producing countries, refinery capacity and many other subjects. The printed volumes of these hearings contain a wealth of information. In addition, I reported to the Senate on March 4 of this year with a summary of some of the major points covered at the hearing. Today I report to the Senate on another aspect of critical importance which stemmed from these hearings: the taxation of oil corporations.

The committee print entitled "Analysis of Tax Data of Seven Major Oil Companies," which I will request be printed in the RECORD following my remarks, analyzes and distills information received from the tax returns of the seven major oil companies from 1968 through 1972. These returns were obtained by the subcommittee under Executive Order 11711 dated April 13, 1973. Information from the returns was analyzed, abstracted and placed in the tabulated form found in the committee print through the efforts of the statistical division of the Internal Revenue Service, the economics division of the Library of Congress, Congressional Research Service, and staff of the Permanent Subcommittee on Investigations.

To preserve the confidentiality of the data several guidelines were followed. First, when companies are specifically referred to, their reference is by letter, randomly designated, rather than by name. Second, in many cases aggregate figures for the seven companies are used. Third, effective tax rates for the companies are reflected as 5-year averages.

EFFECTIVE TAX RATES OF OIL COMPANIES

Mr. President, to my knowledge, never before have we been able to draw upon actual tax returns of the major oil companies to present an accurate picture of their tax burden.

The results of our examination are both startling and disturbing.

For each of the years 1968 through 1972 the seven companies aggregated had an effective U.S. tax rate—that is the percentage of net income actually paid in Federal income taxes—of 5 percent or less. However, for the same 5 years, these companies paid foreign taxes at an effective tax rate of between 20 percent and 29 percent.

These computations are based on the fiction that payments to foreign governments for producing oil are income taxes, a fiction recognized by the Internal Revenue credit for such payments.

But to be fair to the oil companies we recast such payments as costs of their operations and recomputed the effective tax rates. Even on this basis the aggregate effective U.S. income tax rates for the 5 years studied range from 3.19 to 6.74 percent.

Some of the individual companies' five-year figures show just how little oil company profits have benefited the U.S. Treasury and how much they have financed the treasuries of the operating countries.

Company E paid an overall effective income tax rate of 28.70 percent but only 1.32 percent went for U.S. taxes while 27.37 percent went for foreign income taxes.

Company D paid an overall effective income tax rate of 27.90 percent but only 2.30 percent went for U.S. taxes while 25.59 percent went for foreign income taxes.

Company C paid an overall effective income tax rate of 33.77 percent but only 2.32 percent went for U.S. taxes while 31.44 percent went for foreign income taxes.

The dollar figures are even more convincing. In 1972, the pretax net income of the seven companies combined totaled $10.2 billion. They paid $2.9 billion in foreign "income taxes" and only $450 million in U.S. income taxes.

Although comparable data for 1973 and 1974 are not available, recent increases in royalties and tax payments should make the effective foreign tax rate even larger the effective U.S. tax rate would probably remain at comparable levels or even drop because it would reflect a lower percentage of increased profits and net income.

Lesson No. 1: The U.S. Government, through its tax policy, has helped to finance the international oil cartel which now threatens to destroy our economic system.

EFFECTIVE TAX RATES OF OTHER CORPORATIONS AND INDIVIDUAL TAXPAYERS

Mr. President, I wanted to know how the tax load of these large oil corporations compared to that assumed by our other citizens—both individual and corporate.

I took a family of four making $15,000 annually and a single person making $7,500 annually and computed their effective tax rates: the percentage of their adjusted gross income paid in Federal income taxes.

These income levels may sound familiar: they are the cutoff levels for the imposition of the 5 percent surcharge on individuals proposed by the administration.

A family of four making $15,000, assuming the use of the standard deduction, pays taxes of $1,820, or an effective rate of 12.1 percent.

A single person making $7,500, assuming the use of the standard deduction, pays taxes of $995, or an effective rate of 13.3 percent.

In 1972, Internal Revenue Service statistics show that for all tax returns filed by individuals, the average effective tax rate was 13 percent of adjusted gross income.

But what of the tax load of other corportations? An excellent study directed by my distinguished colleague from Ohio, Representative CHARLES A. VANIK, with the assistance of certified public accountants from the Joint Committee on Internal Revenue Taxation, submitted to Congress August 3, 1973, shows approximate effective tax rates of other major U.S. corporations.

Before citing these rates I should repeat the caveat expressed by my distinguished colleague from Ohio when he made this submission: these are approximate effective tax rates based on information from public sources such as the Securities and Exchange Commission 10-K reports, other materials filed with the SEC and other Federal reports; accordingly, in a few cases the margin of error could be considerable because public sources generally do not present data in a way which could be used to directly calculate the effective tax rate of corporations.

This, Mr. President, was the advantage of our study; we computed effective tax rates from the returns themselves.

But even considering the difficulties in computing such rates from public data and the fact that slightly different assumptions might have governed the calculation of rates it is apparent that many of our giant nonoil corporations pay substantially higher effective tax rates. These higher figures are substantiated by recent studies done by a nongovernmental organization, tax analysts, and advocates.

According to the congressional study, for 1972 General Motors was paying U.S. taxes at an effective rate of 44.6 percent of its net income; General Electric, 39.5 percent; Sears Roebuck, 42.4 percent; J. C. Penney, 48.8 percent; Procter and Gamble, 36.9 percent; Chrysler, 37.2 percent; Boeing, 40.3 percent; DuPont, 41.8 percent; RCA, 35.7 percent; IBM, 30.5 percent; AT&T, 30.9 percent; Westinghouse, 31.7 percent; Greyhound, 41.1 percent; Eastman Kodak, 38.7 percent.

The average effective Federal corporate tax rate for the 100 industrial corporations selected from the "Fortune 500" list was 29 percent.

Lesson No. 2: The major oil corporations are not paying their fair share of taxes to the United States.

IMPACT OF SPECIAL DEDUCTIONS ON NOMINAL TAX RATE

Mr. President, I wanted to know how the nominal corporate tax rate of 48 percent was whittled away by the use of both extraordinary deductions available to all corporations and those peculiar to the extractive industries.

Using 1972 as an example, and treating foreign taxes paid as a cost of operations, we see that the composite corporate tax rate of the seven companies was reduced from 48 to 23.39 percent through the "special" nonoil tax preferences available to all taxpayers such as accelerated depreciation, the investment tax credit, capital gains, and others.

The 23.39 percent effective tax rate was then reduced to 9.84 percent through deductions for percentage depletion. The 9.84-percent effective tax rate was further reduced to 8.88 percent by expensing intangible drilling costs.

Finally, the 8.88-percent effective tax rate was reduced to the final true effective tax rate of 6.18 percent by means of the foreign tax credit.

But as our study shows, the impact of the foreign tax credit is far understated in relation to the percentage depletion deduction because the foreign tax credit is computed last. Remove percentage depletion on foreign production but retain the foreign tax credit and there would be very little revenue gain. Remove the foreign tax credit and retain the percentage depletion on foreign production and, again, little change in the overall taxes due in this country would result. Only if both percentage depletion and the ability to credit foreign taxes were removed would there be a large increase in taxes accruing to the benefit of the United States.

Lesson No. 3: Special deductions available to oil companies have practically wiped out their tax liability domestically. There is an interrelationship between various deductions and credits benefiting the oil companies—specifically between percentage depletion and the foreign tax credit—and only an overall revision of tax benefits presently available will result in a substantially increased United States tax liability.

EXTRAORDINARY USE OF TAX BENEFITS BY LARGE OIL COMPANIES

Mr. President, we derived other pertinent information from our tax study; such as:

The seven oil companies seized upon such tax benefits as organizing Western Hemisphere Trade Corporations to an extraordinary degree: in 1970, the last year available for comparative purposes, seven companies accounted for approximately 90 percent of the Western Hemisphere Trade Corporation deductions taken in the oil industry and 38 percent of the deductions taken by all corporations.

The seven oil companies accounted for 40 percent of the savings derived from the foreign tax credits taken by the oil industry and 15 percent of the savings derived from the foreign tax credits taken by all U.S. corporations in 1971, the last year available for comparative purposes.

The seven oil companies accounted for $2.3 billion in depletion deductions or 57 percent of the industry total in 1971.

PROFITS AND PROPOSALS TO INCREASE TAXES

Mr. President, recent profit reports show third quarter profits at Occidental up by 269 percent; Shell, 158 percent; Getty, 157 percent; Atlantic Richfield, 141 percent; Standard of Ohio, 124 percent; Continental, 122 percent; Phillips, 110 percent; Standard of Indiana, 101 percent; Cities Service, 76 percent; Union Oil, 58 percent; Marathon, 50 percent.

Some of the participants at our January hearings did not fare as well, perhaps because of fattened profits in early quarters. Still I cannot feel sorry for Standard of California, up "only" 32 percent; Gulf, up "only" 31 percent; Exxon, up "only" 25 percent; Texaco, up "only" 23 percent; and Mobil, up "only" 20 percent.

Parenthetically, I might add that General Motors, which I cited as a corporation paying its fair share of corporate taxes, was down 94 percent in profits for the third quarter while Chrysler, also cited, suffered a loss.

We were told that these profits were needed for capital outlays which, when combined with the more than $10 per barrel to be received for new domestic oil would produce vast new oil sources in the United States. But presently we are seeing an even steeper decline in domestic production.

We do not have the 1973 tax returns and, of course, the 1974 returns will not be due for some time. But under our present tax system the results should not depart significantly from those shown in our study; the oil corporations will continue to pay an alarmingly low rate in Federal income taxes.

Mr. President, I can only conclude from our study that there must be an overhaul of the taxation of oil companies.

Our study shows that the minimum tax, enacted in 1969, started to tap the untaxed income of oil corporations. While it increased the tax liability of all U.S. corporations for 1971 by only 1 percent, it increased the tax liability of the seven companies by about 27 percent and of the oil industry by about 28 percent. But since the initial tax liability of oil companies was so low, it did not result in a great increase in taxes to the United States.

Methods to increase the tax burden of oil corporations should be considered.

One method would be to increase the minimum tax payable by both individuals and corporations. This could be achieved by increasing the rate applied to tax preferences in computing the minimum tax, now standing at 10 percent; eliminating the presently permitted deduction for regular taxes paid from preference income before applying the minimum tax rate; or setting a minimum tax percentage payable on all of a taypayer's income.

Another approach, of course, is to eliminate or reduce deductions peculiar to the oil industry—the expensing of intangible drilling costs and, especially, percentage depletion.

Finally, as we have shown, some adjustments in credits permitted for foreign taxes should be considered because of the interrelationship with percentage depletion deductions.

In any event there must be some upward adjustment in the taxes these giant oil companies pay to our Government. They must be made to shoulder an equitable part of the burden borne by other citizens, both individuals and corporate.

Months ago I spoke out against the obscene profits made by the oil corporations. Today I speak out against their failure to pay their fair share in taxes. It is difficult enough to live with their obscene profits; but it is against all sense of equity and decency to permit them to enjoy such profits while not paying their fair share of taxes.

Mr. President, I hope that our report will help to correct this inequitable situation.

Mr. President, I ask unanimous consent that the committee print entitled "Analysis of Tax Data of Seven Major Oil Companies" be printed in full in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

MEMORANDUM

To: Members of the Permanent Subcommittee on Investigations.

From: Henry M. Jackson, Chairman.

Subject: Study of Taxation of Oil Companies.

Last January representatives of the seven largest U.S. oil companies—Exxon, Texaco, Mobil, Standard Oil of California, Gulf, Standard Oil of Indiana and Shell—appeared before the subcommittee to testify on petroleum shortages and other related matters.

In conjunction with those hearings, I requested the oil companies to supply their tax returns for the latest 5 years available. The returns, covering the years 1968 through 1972, were obtained pursuant to Executive Order 11711, dated April 13, 1973.

This committee print analyzes and distills information received from the tax returns of the major oil companies. The objective of the print is to (1) establish the effective tax rates paid by those major oil corporations, and (2) determine the use and interrelationship of special deductions avialable to all corporations and those peculiar to the extractive industries.

Although each member will undoubtedly draw his own conclusions from the data presented, I found most significant the extremely low effective tax rates of the major oil companies as well as the large reduction in tax liabilities stemming from percentage depletion allowances.

To preserve the confidentiality of the data, the companies are referred to by letter, randomly designated, rather than by name. In addition, aggregate figures for the seven companies are used along with five year averages for individual companies.

In compiling the data for this Committee print we were fortunate to have had the able assistance of the Statistics Division of the Internal Revenue Service. The print itself was written by Jane Gravelle of the Congressional Research Service, Economics Division, to whom we are highly indebted. I would also like to thank the ranking minority member, Senator Charles H. Percy, for his assistance and cooperation in preparing this study.

ANALYSIS OF TAX DATA OF SEVEN MAJOR OIL COMPANIES

SUMMARY

The following tables and explanatory material are an analysis of tax data for seven major oil companies over a 5-year period, 1968–1972. These companies are Exxon, Texaco, Mobil, Standard Oil of California, Gulf, Standard Oil of Indiana, and Shell. The tax data were tabulated from tax returns obtained by the Senate Permanent Subcommittee on Investigations under Executive Order 11711, dated April 13, 1973. In order to preserve the confidentiality of the data, the companies have been randomly designated by the letters A through G and the tables reflect 5-year averages or aggregated amounts.

One objective of the analysis was to establish the effective tax rate paid by the major oil companies. Effective tax rate is defined as the Federal income tax actually paid as a percentage of net income. Except for the first $25,000 of each corporation's taxable income, the corporate tax rate is 48%. We also sought to determine how the effective tax rate was reduced both by extraordinary deductions permitted all taxpayers (such as accelerated depreciation) and those peculiar to the extractive industries (such as percentage depletion allowances).

In the 5 years from 1968–1972, five of the seven companies paid between 1.32% and 5.56% of their net income in United States income taxes while paying between 24.87% and 31.44% to foreign governments in payments designated as income taxes (Table 1A).

In 1972, the pre-tax net income of the seven companies combined totalled approximately $10.2 billion; they paid approximately $2.9 billion in foreign "income taxes" and only approximately $450 million in United States income taxes. The effective United States tax rate for the group was 4.41% and the effective foreign "income tax" rate was 28.70%. Effective United States income tax rates from 1968 through 1971 for the group ranged from 2.55% to 5.36% while effective foreign "income tax" rates ranged from 19.49% to 26.67% (Table 1B).

Both Tables 1A and 1B compute the effective income tax rates on net income not reduced by provisions for United States income taxes or deductions for foreign taxes paid which have been deemed income taxes. This is in accordance with ruling issued by the Internal Revenue Service that such payments to foreign governments are not royalties, severance taxes, or excise taxes but income taxes, qualifying for the tax credit provisions of the Internal Revenue Code.

Effective U.S. tax rates were recomputed in Tables 2A and 2B with net income reflecting a deduction for all foreign income taxes paid—thus viewing them as royalties or similar type payments; i.e., a cost of doing business. The lower net income produced slightly higher effective U.S. income tax rates. Table 2A shows effective U.S. tax rates for five of the seven companies of between 1.82% and 7.39% (compared with 1.32% and 5.56% in Table 1A).

The effective tax rate is less than the 48% nominal corporate income tax rate because of extraordinary deductions available to all taxpayers and because of special deductions available to companies in the extractive industries. Table 2A shows five-year averages (1968–1972) for each of the seven companies. For example, Company E's U.S. tax rate of 48% immediately falls by about one-half, to 24.17%, as it takes deductions available to other taxpayers but deemed special or extraordinary in nature—accelerated depreciation, the investment tax credit, capital gains and others.* Percentage depletion, as adjusted by the minimum tax, reduced Company E's U.S. effective tax rate to 8.50%. Deductions for intangible drilling costs further reduced Company E's U.S. effective tax rate to 6.06%. Finally, the foreign tax credit reduced Company E's U.S. effective tax rate to 1.82% over the years 1968–1972.

In 1972, the composite United States corporate tax rate of the seven companies was reduced from 48% to 23.39% through the "special" non-oil tax preferences cited above; from 23.39% to 9.84% through percentage depletion (adjusted by the minimum tax); from 9.84% to 8.88% by expensing of intangible drilling costs and from 8.88% to 6.18% by means of the foreign tax credit. These results follow the pattern exhibited in prior years (Table 2B).

Depletion deductions for the seven companies were aggregated for each year and compared to total industry deductions. In 1971, the latest year available for comparative purposes, the seven companies took approximately $2.3 billion in depletion deductions or approximately 57% of the industry total (Table 3).

Foreign tax credits of the seven companies were also aggregated for each year. In 1971, the latest year available for comparative purposes, the companies took approximately 40% of the foreign tax credits taken by the oil industry and approximately 15% of those taken by all United States corporations (Table 4).

The creation of a Western Hemisphere Trade Corporation permits a reduction in tax rate. With regard to the extractive industry, an important feature of this type of corporation is that it permits the use of percentage depletion, not otherwise available in the case of a foreign subsidiary. In 1970, the last year available for comparative purposes, the group of seven companies accounted for approximately 90% of the Western Hemisphere Trade Corporation deductions taken in the oil industry and 38% of the deductions taken by all corporations (Table 5).

The minimum tax was instituted to subject certain previously tax free items to at least some tax. Figures available for 1971 show that the minimum tax had a significant impact on the seven companies (increased tax liability by 26.94%) and on the oil industry (increased tax liability by 28.24%) while having little effect overall on all United States Corporations (increased tax liability by 1%) (Table 6).

EFFECTIVE TAX RATES

Tables 1 and 2 provide data on the effective tax rate, or the actual percentage of net income paid in taxes, of seven major oil companies: Exxon, Texaco, Mobil, Standard Oil of California, Gulf, Standard Oil of Indiana and Shell. A 5-year effective tax rate average is given for each company which, to maintain confidentiality, is designated by letter. The aggregate results for all seven companies, including both dollar amounts and percentage results, are provided for each of the five years. The discussion of the results and implications of the analysis are directed towards the aggergate results.

Table 2 focuses on a number of provisions of the Internal Revenue Code which are charged to be of special benefit to oil companies and result in reducing their effective tax rates below those in other industries. These provisions include:

(1) *Percentage depletion* (Sections 613–614 of the Internal Revenue Code of 1954). Cost depletion allows a write-off based on original cost and is similar to depreciation. Percentage depletion allows a deduction equal to 22% of gross income after royalties. Percentage depletion is therefore unrelated to actual cost and results in deductions exceeding cost.

(2) *Expensing of intangible drilling costs.* (Section 263(c) of the Internal Revenue Code of 1954). Under present code provisions, intangible drilling costs may be expensed—deducted in the year incurred—rather than being prorated over the life of the well, as would normally be the tax treatment of such capital expenditures. This allows a deferral of taxes. The advantage in deferring taxes is the interest which may be earned on deferred taxes. In addition, if continual investment is made the deferral may become a permanent tax savings.

(3) *Treatment of foreign production taxes for purposes of the foreign tax credits* (Sections 901–906 of the Internal Revenue Code of 1954). Under present code provisions, foreign income taxes paid are deducted from the United States tax liability to determine the ultimate tax due. Under Internal Revenue Service rulings, foreign production taxes are treated as income taxes and hence qualify for the foreign tax credit. The alternative approach would be to treat such foreign production taxes as royalties or severance or excise taxes, i.e., as costs of doing business. Two advantages arise from treating them as income taxes rather than royalties or production taxes. First, these production taxes are included in the gross income base for computing percentage depletion. Second, they reduce United States tax liability dollar for dollar (because they are creditable) rather than 48 cents on the dollar (if they were deductible costs).

Tables 1 and 2 show alternative measures of the effective income tax rate of the oil companies, based on different approaches to measuring the tax burden. Table I shows the income tax burden both in the United States and abroad, using the premise that foreign production taxes paid by the oil companies are income taxes. Table 2 shows the United States income tax burden, assuming that foreign production taxes paid by oil companies are royalties or costs of production and not a tax on profits.

Accordingly, in Table 1, the base net income figure used to compute effective tax rates is income before foreign and United States income taxes (book net income plus foreign creditable taxes plus provision for United States income taxes). Table 1A presents three effective rates—foreign creditable taxes (deemed to be income taxes under IRS rulings), United States income taxes actually paid (regular income taxes plus the minimum tax on preference income[1]) and total income taxes.

The aggregate table (Table 1B) illustrates several aspects of the taxes paid by the oil companies. First, foreign taxes and the effective rates of foreign income taxes were fairly stable from 1968–1970 and then rose sharply in 1971. Second, United States income taxes and the effective tax rate were higher in 1968, dropped in 1969 and then climbed again in 1970, dropping slightly in the following two years. The table also illustrates that foreign income taxes claim a much larger and increasing share of total taxes paid than United States income taxes.

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* A list of most of these tax provisions may be found in "Estimates of Federal Tax Expenditures," Committee on Ways and Means, prepared by the staffs of the Treasury Department and the Joint Committee on Internal Revenue Taxation, June 1, 1973.

Footnotes at end of article.

TABLE 1-A

EFFECTIVE TAX RATE: UNITED STATES AND FOREIGN INCOME TAX—5-YEAR AVERAGE, 1968-72

	Foreign income taxes	U.S. income taxes	Total income taxes
Company—			
A	3.56	7.20	10.76
B	25.27	3.08	28.34
C	31.44	2.32	33.77
D	25.59	2.30	27.90
E	27.37	1.32	28.70
F	.34	13.05	13.39
G	24.87	5.56	30.43

B. AGGREGATE—7 COMPANIES

[Money amounts in thousands of dollars]

Year	Pretax net income[1]	Foreign income taxes[2]	U.S. income taxes[3]	Total U.S. and foreign income taxes	Effective rate: Foreign income taxes	Effective rate: U.S. income taxes	Effective rate: Total income taxes
1968	$7,576,607	$1,477,056	$294,018	$1,771,074	19.49	3.88	23.88
1969	8,161,889	1,623,103	208,500	1,831,603	19.89	2.55	22.44
1970	8,848,243	1,735,324	474,570	2,209,894	19.61	5.36	24.98
1971	9,460,257	2,522,981	467,467	2,990,488	26.67	4.94	31.61
1972	10,236,458	2,938,012	450,985	3,388,997	28.70	4.41	33.11

[1] Net income per book plus provision for Federal income taxes plus foreign creditable income taxes paid and deemed paid.

[2] Taxes paid and deemed paid.

[3] Regular plus minimum income tax.

As noted earlier, Tables 2A and 2B assume that foreign production taxes are royalties, or a cost of doing business rather than a tax on profits.[2] Accordingly, in Tables 2A and 2B the base net income figure used to compute effective tax rates is net income before Federal income taxes but reflecting a deduction for all foreign taxes paid. These tables show how much of the departure from the corporate tax rate of 48% is accounted for by various tax provisions, including percentage depletion, expensing of intangible drilling expenses and the foreign tax credit. The value of percentage depletion is entered as the difference between tax and book depletion multiplied by the tax rate (48%) and reduced by the minimum tax.[3] The value of expensing intangibles was entered as the difference between tax and book cost multiplied by the 48% tax rate. The value of the foreign tax credit was entered as the difference between foreign tax credit taken and 48% of foreign taxes paid.

TABLE 2-A.—5-YEAR AVERAGE, 1968-72

	Company A	Company B	Company C	Company D	Company E	Company F	Company G
Statutory rate	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Effective rate after reduction in tax liability due to:							
Provisions other than percentage depletion, intangible drilling costs and foreign tax credit	19.70	31.30	29.73	26.42	24.17	34.26	21.10
Percentage depletion (initial)	8.94	9.83	9.27	13.56	7.63	10.63	9.57
Percentage depletion (adjusted for effect of minimum tax)	9.89	11.59	10.70	14.28	8.50	13.34	9.82
Expensing of intangible drilling costs	8.14	9.98	8.28	13.83	6.06	13.20	9.82
Foreign tax credit (actual effective tax rates)	7.47	4.12	3.39	3.10	1.82	13.09	7.39

TABLE 2-B.—AGGREGATE

[Money amounts in thousands of dollars]

	1968		1969		1970		1971		1972	
	Amount	Resulting effective tax rate	Amount	Resulting effective tax rate	Amount	Resulting effective tax rate	Amount	Resulting effective tax rate	Amount	Resulting effective tax rate
Item—										
1. Pretax net income	$6,099,551		$6,538,786		$7,112,919		$6,937,866		$7,298,446	
2. Expected tax liability at 48 percent rate	2,927,783	48.00	3,138,614	48.00	3,414,191	48.00	3,330,172	48.00	3,503,250	48.00
3. Reduction in tax liability due to provisions other than percentage depletion, intangible drilling costs and foreign tax credit	1,327,078	26.24	1,531,720	24.57	1,811,086	22.54	1,537,474	25.84	1,795,808	23.39
4. Reduction in tax liability due to percentage depletion:										
Initial	1,006,593	9.74	984,569	9.52	893,025	9.98	1,050,180	10.70	1,092,868	8.42
Reduced by minimum tax					89,326		99,217		103,483	
Adjusted					803,699	11.24	950,963	12.13	989,385	9.84
5. Reduction in tax liability due to expensing intangible drilling costs	70,533	8.58	106,089	7.89	60,138	10.39	42,109	11.53	70,247	8.88
6. Reduction in tax liability due to foreign tax credit	229,561	4.82	307,736	3.19	264,705	6.67	332,217	6.74	196,825	6.18
7. Actual taxes paid	294,018	4.82	208,500	3.19	474,570	6.67	467,467	6.74	450,985	6.18

Referring to the aggregate of the seven companies found in Table 2B, after establishing the base for net income in item 1, an indication of the amount of taxes due, if a 48% rate were applicable, is shown in item 2. For 1972, on net income of approximately $7.3 billion, taxes in the amount of $3.5 billion would have been due. The impact on the effective tax rate of "special" or "extraordinary" provisions of the tax law, other than percentage depletion, expensing of intangibles and the foreign tax credit is shown in item 3. These include such generally available provisions such as accelerated depreciation, the investment tax credit, and capital gains.[4] Thus, item 3 shows what the effective tax rate would have been after deductions for special tax preferences to all taxpayers but before deductions peculiar to the extractive industries—percentage depletion and expensing intangible drilling expenses—and before the foreign tax credit. Thus, for example, in 1972, treating the seven oil companies as other corporations, the nominal corporate tax rate of 48% would have been reduced to an effective tax rate of 23.39%. Treated as other corporations their total aggregated tax bill would have been approximately $1.7 billion ($3.5 billion computed under nominal corporate tax rate minus approximately $1.8 billion in special preference deductions indicated in item 3).

Item 4 illustrates the impact of percentage depletion on the effective tax rate. The percentage depletion deduction was clearly the most important of the provisions peculiar to the extractive industries in reducing the effective tax rate, accounting in the aggregate for about thirteen percentage points in 1972, reducing the aggregate effective tax rate to 9.84%, and reducing the seven companies' tax bills by approximately $990 million.

Item 4 indicates that the relative importance of percentage depletion declined after 1969, which would be expected since the Tax Reform Act of 1969 reduced the percentage depletion rate from 27½% to 22% and imposed the minimum tax. However, it also suggests that for the years 1971 and 1972 the decline in relative importance is primarily attributable to the minimum tax rather than the reduction in percentage depletion rates.

Item 5 shows the impact of expensing, or deducting currently, intangible drilling costs on the effective tax rate. There are a number of difficulties in computing this item. Since it is a timing deduction whose value lies at least partially in deferring rather than reducing taxes, it is difficult to determine the actual value. An additional problem is that the items found in the tax return did not always indicate that the same definition of intangible drilling and development costs were used for both tax and book purposes. In any event, the computations show that the expensing of intangibles has a relatively small impact on effective tax rates, generally accounting for a one percentage point reduction. For 1972 these deductions further reduced the effective tax rate to 8.88%, saving the seven companies approximately $70 million.

Item 6 of the table measures the impact of the foreign tax credit on the effective tax

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Footnotes at end of article.

rate. The value of the foreign tax credit is the difference between taking foreign taxes paid and deemed paid as a deduction and the actual foreign tax credit allowed. The impact of the foreign tax credit has ranged from around three percentage points to around five percentage points, with the lowest impact in 1972. This lessened impact in the fact of rising foreign taxes may reflect the inability of many companies to utilize the additional taxes paid because of the limitation on the foreign tax credit. (The foreign tax credit is limited to the United States taxes which would have been paid on foreign taxable income under either a per country limitation or an overall limitation). For 1972, the foreign tax credit further reduced the aggregate effective tax rate to its final figure—6.18%. It saved the seven companies approximately $197 million in that year.

The results of Table 2 indicate a relatively significant tax saving role for percentage depletion and a lesser one for the foreign tax credit. These results are misleading because they attribute the reduction of foreign taxes first to percentage depletion on foreign production and then to the foreign tax credit because of the way taxes are computed. In fact, these two items are closely tied to each other in their impact on United States taxation of foreign oil income, and the removal of either provision without removing the other as well will have only a limited impact on the taxation of foreign income.

This interrelationship can be illustrated on a simple per barrel example. Assume that a barrel of foreign oil is sold for $10. Assume that the foreign production taxes are $7, the actual cost of production 50c and the profit $2.50. Using the approach taken in Table 2, the $2.50 profit would be the base for computing the effective tax rate and the proper tax at the statutory rate would be $1.20 (48% of $2.50). If it is assumed that depletable costs have been recovered and the intangible drilling cost deduction is ignored, the tax would actually be figured this way:

Selling price	$10.00
Minus cost	.50
Minus percentage depletion (22 percent of $10)	2.20
Equals foreign taxable income	7.30
U.S. tax due at 48 percent	3.50

Since the $7 actually paid in taxes exceeds the $3.50, no tax will be paid to the United States. A table showing how the special tax provisions reduced the effective tax rate (from 48% to zero) would first show that percentage depletion was worth $1.06 (reducing the tax from $1.20 to $.14 or from 48% to 6%). It would show that the foreign tax was worth only $.14, or six percentage points. But the heavy tax impact of the depletion allowance, as compared to the foreign tax credit, occurs only because the depletion allowance deductions are computed first.

Thus, it has been argued that if percentage depletion on foreign production were repealed there would be very little revenue gain. This can also be illustrated, using the same example. The selling price of $10.00 minus the $.50 of production cost leaves a taxable income of $9.50 and a tax liability of $4.56. However, this tax liability will be completely offset by the creditable foreign tax of $7. Thus, repealing percentage depletion would have no effect on tax liability in this case.

Similarly, if the tax credit was eliminated but percentage depletion at the posted price retained, only a small tax liability would result in our illustration: from the selling price of $10 allowable deductions would include $2.20 for depletion, $.50 for production costs and $7 for production taxes (now considered as such rather than as income taxes), leaving a taxable income of 30¢ and a tax liability of 14¢.

If the tax law was changed to require that such production taxes be treated as royalties and thus not be eligible for percentage depletion or the foreign tax credit, while retaining percentage depletion in general, an increased tax liability would result. Again turning to our illustration, percentage depletion would be figured on the $10 selling price minus the $7 royalty and the depletion deduction would be 22% of $3.00 or $.66. In this case the tax would be figured as follows: from the selling price of $10 allowable deductions would include $.50 for production costs, $.66 for depletion and $7.00 for royalties, resulting in a taxable income of $1.84 and a tax of $.88. The treatment of foreign taxes in this manner results in a much greater impact on overall tax liability than that of depletion and this approach may more appropriately reflect the impact of the present treatment of foreign taxes on the effective tax rate. However, there is no way to determine this impact from the tax data.

Only if both percentage depletion and the ability to credit foreign taxes were removed would the actual $2.50 profit in this example be taxed at the statutory rate.

IMPACT OF CERTAIN TAX PROVISIONS—DEPLETION

Table 3 compares the depletion claimed by the entire oil industry to that claimed by the seven oil companies studied. These data indicate that the seven oil companies account for about 60% of the total depletion deductions claimed in the oil industry in the years for which such comparative data were available. The three companies with the largest deductions account for over one-third of the total depletion deductions claimed.

Table 3 only compares total depletion deductions and does not indicate the value of the excess of percentage over cost depletion, which is the actual subsidy value of percentage depletion. The last Internal Revenue Service survey of depletion [5] taken indicates that percentage depletion is about sixteen times cost (or that cost depletion is about 6% of total depletion deductions). However, one might expect that this factor would be relatively lower for large international oil companies who are likely to have older, higher production wells, particularly in the case of foreign production. Smaller companies may be more involved in risky, high cost wells. The data of the seven oil companies indicate that while the percentage varies by company and year, on the average, cost depletion is slightly over 3% of total depletion deductions. This suggests that the actual percentage share of the benefits of depletion deductions, as reflected in Table 3, are somewhat understated.

TABLE 3.—DEPLETION DEDUCTIONS CLAIMED

[Dollar amounts in thousands]

	1968	1969	1970	1971	1972
7-company aggregate	$2,187,567	$2,144,858	$1,968,912	$2,298,866	$2,390,723
Oil industry	$3,559,942	$3,716,761	$3,461,248	$4,016,494	(1)
7-company aggregate as a percent of total oil industry	61.45	57.71	56.88	57.23	(1)

[1] Not available.

FOREIGN TAX CREDIT

The foreign tax credit is a general provision available to all industries. Table 4 indicates the tax savings to the seven oil companies resulting from the foreign tax credit and compares them to overall savings for 1968 and 1971 for both the oil industry and all corporations. (Only 1968 and 1971 statistics are available for the oil industry and all corporations.) This table indicates that the seven companies accounted for 50% of the tax savings of the oil industry in 1968 and 40% in 1971. They accounted for about 15% of the total foreign tax credit savings for all United States corporations in both years.

TABLE 4.—VALUE OF THE FOREIGN TAX CREDIT [1]

[Dollar amounts in millions]

	1968	1971
7-company aggregate	$230	$332
Oil industry	$468	[2] $829
All corporations	$1,463	[2] $2,156
7-company aggregate as a percent of the oil industry	49.15	40.05
7-company aggregate as a percent of all corporations	15.72	15.40

[1] This estimate does not include the revenue loss from the exemption for gross-up for less developed country corporations. The Treasury Department estimated this loss to be $55,000,000 for 1968 and $75,000,000 for 1971, (Estimates of Federal tax expenditures, Committee on Ways and Means. Prepared by the staffs of the Treasury Department and Joint Committee on Internal Revenue Taxation, June 1, 1973.) Most of this cost would be expected to derive from corporations other than oil and gas corporations.

[2] Estimated (Source: Energy taxation: possible modifications in the tax treatment of foreign oil and gas income. Prepared by the staff of the Joint Committee on Internal Revenue Taxation, Feb. 24, 1974.)

The estimated value of the credit for the entire oil industry rose faster than that of all corporations and also that of the seven companies. It is difficult to explain this trend unless more oil companies other than the seven companies studied are expanding foreign operations, and particularly into nonoil operations. One would generally expect the trend for foreign oil operations to be a declining value for the tax credit since the companies are already subject to foreign production taxes higher than the United States rate (which makes the value of deducting the taxes greater in relation to the foreign tax credits taken).

Two general factors should be noted in regard to this table. First, although there is a substantial case for viewing the foreign tax credit as a subsidy in the case of oil companies, it is substantially less in the case of other industries. The production taxes are more clearly in the nature of unit taxes rather than income taxes and are paid regardless of profits. As unit taxes they would be passed on in the price of oil. Other foreign taxes (such as those paid in Western Europe) are more clearly in the nature of income taxes.

Secondly, as noted earlier, the nature of income tax reporting understates the actual impact of the foreign tax credit.

Another question which arises in examining the foreign tax credit is to what extent the companies use the per country versus the overall limitation. The per country limitation limits the credit for taxes paid in each country to the amount of the United States tax which would be paid on taxable income from that country. The overall limitation limits the credit for taxes paid in all foreign jurisdictions to the United States tax which would be paid on taxable income in all foreign jurisdictions.

Each limitation has its advantage. If a

Footnotes at end of article.

company has losses in one jurisdiction and profits in another (as measured by United States tax law) then the per country limitation is advantageous, since the losses in one country would reduce taxable income in the other country if an overall limitation were applied. With a per country limitation, this does not occur and furthermore the losses (if the foreign operation is a branch) reduce United States taxable income and United States taxes.

However, there are also advantages, in certain situations, in electing the overall limit. If a company operates in one country which has a tax rate lower than the effective United States rate and in another country which has a tax rate higher than the effective rates, the overall limitation permits the use of excess credits generated in the high tax country to offset United States taxes on taxable income from the low tax country.

The relative advantages of there two limitations can be illustrated with examples.

(1) *Advantage of the per country limitation.*—Assume that a company operates in country A and incurs a $5,000 loss and in country B where it has a $10,000 taxable profit. Assume the rate of taxation is the same as the United States (48%) and $4,800 of tax were paid to country B. If the overall limitation were used, foreign taxable income would be $5,000 (the $1,000 income minus the $5,000 loss) and the limit on the foreign tax credit would be 48% of $5,000 or $2,400. However, if the per country limitation were used there would be no credit for country A (and no taxes paid). However, the limit for country B would be 48% of $10,000 or $4,800. In addition, the $5,000 loss in country A does reduce total taxable income for the company.

(2) *Advantage of the overall limitation.*—Assume that a company operates in country A and country B, having $10,000 of taxable income in each. Assume, however, that country A's taxes were $3,000 and country B's were $6,000. If the per country limitation were used the full $3,000 in country A could be credited, but only $4,800 in country B could be credited for a total of $7,800. If the overall limitation were used total taxable foreign income would be $20,000, the limitation 48% of $20,000 or $9,600 and the full $9,000 of taxes would be credited.

The advantages of the overall limitation and the use of excess tax credits generated from oil production to offset taxes in low tax jurisdictions have received much publicity. However, a report of the Ways and Means Committee [6] suggest that the benefits of the per country limitation are more important for oil companies than the benefits of the overall limitation. The elections of the seven large companies support this view. Out of the seven companies, five used the per country limitation consistently and one used the overall limitation consistently. One company used the per country in 1968 and 1969 and the overall from 1970–72. Three of the companies (using the per country limitation) did have some indications of losses.

These data suggest that the examination of the use of the foreign tax credit should be focused on the use of foreign losses generated in part by the use of the intangible drilling deduction to offset domestic taxable income rather than the use of excess credits to offset United States income taxes on foreign non-oil income. This is the focus adopted by the Oil and Gas Energy Tax Act which would repeal the per country limitation for oil companies and provide recapture of foreign losses. In addition, it suggests that the action taken in the Tax Reform Act of 1969 which limits the use of excess foreign tax credits generated through the percentage depletion allowance to offset taxes on nonmineral income has had little impact.

WESTERN HEMISPHERE TRADE CORPORATION'S DEDUCTION

The creation of a Western Hemisphere Trade Corporation (WHTC) permits a special deduction allowed for United States companies operating primarily in the Western Hemisphere (outside the United States). Although major oil companies operate outside the Western Hemisphere, they can set up domestic subsidiaries which are WHTC's and which are eligible for the deduction. The deduction has the effect of reducing the income tax rate by 14 percentage points (from 48% to 34%).

It has been argued that this provision primarily benefits a few large companies, particularly those in the extractive and sales industries and that most other corporations prefer to take advantage of deferral by setting up a foreign subsidiary. The reason that the WHTC provision is attractive in the extractive industries is that percentage depletion is available which would not be the case for its foreign subsidiary. The foreign tax credit is applicable in both cases.

Table 5 compares the WHTC deductions taken by the seven oil companies to those taken by the oil industry and those taken by all corporations. These data indicate that in 1968–1970, the latest years available for comparative purposes, these seven companies accounted for approximately 90% of the WHTC deductions taken by the oil industry and about a third of the total WHTC deductions taken. Furthermore, even among the seven companies, the WHTC deduction is heavily concentrated. For example, the three corporations with the largest WHTC deductions account for about 90% of the seven company total, generally over 80% of the oil industry total and almost one-third of the total for all corporations.

These data support the argument that, in the case of the oil industry at least, the benefits of the WHTC deduction are concentrated in a few companies.

TABLE 5.—WESTERN HEMISPHERE TRADE CORPORATION DEDUCTIONS

[Money amounts in thousands of dollars]

	1968	1969	1970	1971	1972
Aggregate	$129,809	$92,938	$111,080	$155,936	$130,446
Total oil industry [1]	$139,883	$107,679	$122,850	NA	NA
Total all corporations [1]	$390,710	$331,030	$288,959	NA	NA
Aggregate as percent of oil industry	93.80	86.31	90.42	NA	NA
Aggregate as percent of total	33.22	22.08	38.44	NA	NA

[1] From Statistics of Income, Corporation Income Tax Returns.

MINIMUM TAX

The minimum tax on preference income was added as part of the Tax Reform Act of 1969. The minimum tax is imposed at a 10% rate on certain items such as untaxed capital gain, certain accelerated depreciation, stock options and the excess of percentage depletion deductions over the cost basis of the property. From the total of these preference items the taxpayer can deduct regular income taxes paid plus $30,000.

Table 6 illustrates the impact of the minimum tax on the seven companies and compares it with the impact on the oil industry, primary metals industries, manufacturing industries other than oil and, finally, with all corporations. The data clearly illustrate that the minimum tax has had a much greater impact on the oil industry than on other industries. The table shows that for 1971 the minimum tax, designed to subject previously tax free items to at least some tax, had a significant impact on the seven companies (increased their tax liability by 26.94%) and on the oil industry (increased tax liability by 28.24%) while having little effect overall on all United States corporations (increased tax liability by less than 1%).

TABLE 6.—MINIMUM TAX

[Money amounts in thousands of dollars]

	1970		1971		1972	
	Regular	Minimum	Regular	Minimum	Regular	Minimum
Aggregate	$385,244	$89,326	$368,277	$99,217	$347,502	$103,483
Oil industry [1]	536,751	154,396	536,286	151,425	NA	NA
All corporations [1]	27,612,829	265,249	29,564,351	265,114	NA	NA
Primary metals [1]	397,725	16,483	328,916	16,124	NA	NA
Manufacturing [1] (excluding oil)	12,603,230	40,695	14,086,478	38,968	NA	NA

[1] Statistics of Income, Corporation Income Tax Returns.

PERCENTAGE INCREASE IN TAX LIABILITY DUE TO MINIMUM TAX

	1970	1971
7-company aggregate	23.19	26.94
Oil industry	28.76	28.24
All corporations	.96	.90
Primary metals	4.14	4.90
Manufacturing (excluding oil)	.32	.28

There has been some suggestion that the minimum tax had a lesser impact on larger companies which were more likely to generate regular taxable income which would shield excess depletion from the minimum tax. Initially, the data supports such an argument. If we exclude the seven large companies from the oil industry aggregate, the minimum tax increased taxes of other companies by 43.1% in 1970 and 31.1% in 1971 while it increased the taxes of the seven company aggregate by 23.2% and 26.9% respectively. However, the companies themselves show substantial variations as to relative size of the minimum tax as compared to regular taxes. These data suggest that while the minimum tax has differential impacts on different companies, this differential does not appear to be related to company size.

FOOTNOTES

[1] The minimum tax is an additional tax imposed on certain items of preference income including the excess of percentage depletion over the adjusted basis of the prop-

erty. In computing the minimum tax the taxpayer deducts from preference income $30,000 plus regular income taxes and then applies a 10% rate.

[2] In preparing these tables certain foreign taxes paid in non-producing countries are treated as costs, although clearly in the nature of income taxes. However, there was no way to separate these taxes and hence, for the purposes of this table, the entire tax is treated as a deduction. The result is a slightly lower effective tax rate than might be the case if such taxes which are more clearly income taxes are treated as income taxes.

[3] The minimum tax was presumed to reduce the value of percentage depletion since without percentage depletion it is relatively unlikely that any minimum tax would have been due.

[4] Most of these items are found on a list prepared by the staffs of the Treasury Department and the Joint Committee on Internal Revenue Taxation, "Estimates of Federal Tax Expenditures," Committee on Ways and Means, June 1, 1973.

[5] Internal Revenue Service, Statistics of Income, 1960, Depletion Allowances.

[6] House Committee on Ways and Means, Report No. 93–1028, the Oil and Gas Energy Tax Act of 1974, May 4, 1974.

PENNSYLVANIA COMPANY OFFERS AID TO PRESIDENT ON AILING ECONOMY

Mr. HUGH SCOTT. Mr. President, one Pennsylvania company has responded quickly and positively to the President's request for individual sacrifice and contributions to aid our ailing economy. Pittron, a Glassport, Pa., firm, has written to the President offering a "total commitment at all levels of our internal structure." I ask unanimous consent that their letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PITTRON,
Glassport, Pa., October 4, 1974.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR PRESIDENT FORD: As I watched your televised appeal to the American people last Saturday to assist in solving the economic problems of the nation, I was drawn to my knees in a prayer to God to give me the guidance and wisdom needed to make a valuable contribution to your needs. With His strength leading me, I am answering your call for help and wish to address myself to one specific area of serious concern . . . *productivity.*

700 citizens of the United States, all part of the Pittron Team, have also heard your request. These men, their families and an army of working people, just as concerned as you are about the affairs of state, have asked me to be their spokesman in relating a most unusual and unique story to you . . . "The Pittron Story."

We all have recognized the fact that leading economists, educators, labor and business executives and politicans have been unable to develop the proper answers to the productivity problem. Unfortunately, we have made the word "productivity" a dirty word. It has been proven that you cannot legislate productivity, you cannot buy productivity, you cannot use incentive gimmicks to increase productivity and, certainly, you cannot threaten the worker to increase productivity. We at Pittron feel the solutions lie in the hands of working Americans at the "grass roots" level and wish to cite a case that speaks with credibility.

Our company, Pittron, which is a large steel foundry located in Glassport, Pa., was beleaguered by strikes, dissent, hatred, racial unrest and disunity. The last strike, in October 1972, which lasted 84 days, threatened to close the plant once and for all. All hope had vanished until we called on a power greater than our own and began talking and listening to one another. When we did, our hearts were opened to the plight of the workers and to each other and new insights developed. When both management and labor began a dialogue centered around the "value of the person", many miracles and changes took place.

Men developed new highs in self-esteem, lives changed dramatically, family relationships improved and new community involvements came about. Quality, pride in workmanship and productivity became the envy of the industry. Instead of closing, the plant and its people found peace and security through an expansion of product lines, stability through new customers, and better standards of living were assured for all.

Here at Pittron, we became truly involved. The major reason for the change was a simple one . . . an understanding of the "value of the person in industry" . . . a concern for each other.

We have enjoyed nearly two years of the same desired results which our fellow countrymen are now seeking: that of economic growth and security. The principles and teachings we have used are not new—they are almost 2,000 years old. Our foundation of trust was built on faith, hope and love. We dealt with human problems and needs, not only industrial issues. The results—improved human relations and increased productivity—followed in natural order.

We strongly believe that this approach, which is working so successfully on a small scale here, can be implemented to work on a much broader base nationally. We have proven that the issues will be solved at the grass roots level only after the heart, attitude and will of each individual is dealt with.

Following are but a few comments made by labor and management personnel as they viewed the results of 18 months of mutual trust and understanding:

A great labor leader, Joseph Odorcich, Director of USWA District 15, who represents over 60,000 union members, stated: "I hear and am told of things that are happening at Pittron. I just wish it was happening in some of my other 158 plants. Hopefully this thing will spread. If it does spread, and it should, I think we will all be better for it." Mr. Odorcich was skeptical of the new approach to human relations and was inclined to view it with an air of suspicion, but after 18 months of trial, he said: "It is good to see a plan of this kind put to the test . . . to see workers treated as they should be. Nothing is more important than management and labor trusting each other."

Samuel Piccolo, the sensitive President of USWA Local 1306, representing 700 members and their families, has shown agreement with the new policy of concern for the worker. "Faith and trust in their people and management's sincere concern for the worker's problems and a willingness to take action on their behalf, is what has happened and is continuing to happen at Pittron. This is what has made the difference. What we are doing here at Pittron will make America the No. 1 country in productivity in the world."

Shelby Rowe, Chairman, Civil Rights Committee, Local 1306, USW, has said: "Operation Turnaround" at Pittron has meant so much because of the leadership and the trust. It is so different now than it was before and I have been here 32 years and have never seen anything like it."

Jim Goebel, Foundry Manager, viewed the situation this way: "I have spent over 40 years of my life in the foundry business and I feel the relationship between the people at Pittron is a revelation. You must see it to believe it."

Based on the results accomplished by the initiation of faith and trust and understanding of the people at the grass roots level of industry, as proven at Pittron, we recommend the following:

That you, as leader of our nation, through the Economic Council, recommend the calling of a one hour moratorium throughout the industry. During this time management at all levels and labor would embark on a process of communication that would open new avenues of discussion and understanding. It would be the beginning of a new dialogue between the man in his workplace and his supervisor. The objective would be to come to grips with the real "value of the person in industry." The words spoken would be secondary to the fact that a fresh awareness of the worker's circumstance would become a reality.

It is our concensus that management is looking for an opportunity to break down some of the barriers that now exist between management and labor. The worker is anxious too, to be recognized and to be heard. Only with direction from the President of the United States, as well as his challenge and encouragement, can each proud factor meet with the other without embarrassment or compromise.

Together they will search for the answer to the problems which beset industry; together they will lead the United States out of the grim clutches of production stagnation; together they will create new enthusiasms and new attitudes. What better place to rekindle the "value of the person" than where the worker spends one-third of his life. Therefore, if we improve his value and start now to develop a framework of unity, by the time of our country's 200th Anniversary, we will also be able to celebrate the formation of a "New Nation Under God."

Let us end on this thought . . . "begin anew with new attitudes and you will create a new industrial society." Teamwork is the only answer to our national problems. Total commitment at all levels of our internal structure can and will make the difference. Business leaders must address themselves to and come to grips with all problems surrounding the worker in industry. We must develop the ability to empathize with him and deal with his feelings as well as his words. Genuine concern and interest must be our by-words.

I urge you, Mr. President, to call the moratorium throughout the industry on a day in the not too distant future. Let the new beginning come from the grass roots level and spread through the nation with vitality and new hope. Let the "value of the person" make a fresh start and a new life possible in these United States by adopting the "Pittron Way."

The Pittron Team extends an invitation to you and the Economic Council to visit and see first hand the remarkable progress we have made.

Sincerely,

WAYNE T. ALDERSON,
Spokesman for the Pittron Team.

CONGRESS MUST MEET THE NEEDS OF VIETNAM ERA VETERANS

Mr. BAYH. Mr. President, it is with a deep sense of personal concern that I rise to urge the support of my distinguished colleagues in overriding President Ford's recent veto of the Veterans' Education and Rehabilitation Amendments of 1974.

The President's veto of this vital measure was untimely and unwise. All of us agree that the Federal budget must be cut, but GI bill education benefits are not the place to economize on Federal expenditures. Such educational benefits represent a very sound investment in the future of our young veterans, an investment that will be repaid many times over in the form of increased tax revenues, based on the higher incomes which these young Americans will earn as a result of their additional education.

It is unfortunate that President Ford has chosen to veto this bill and in so doing ignore the overwhelming vote of approval given this measure by both Houses of Congress. The bill vetoed by the President provides a 23 percent increase in monthly subsistence allowances. This is higher than the 18 percent rise sought by the administration, but it must be noted that the bill currently under consideration represents a 46 percent reduction from the substantial package of veterans' education improvements approved earlier by the Senate. We originally approved a tuition grant of up to $720 per year plus low-cost tuition loans of up to $2,000 more. The current bill provides for low-cost tuition loans of up to $600. We approved a blanket extension of benefits from 36 to 45 months, but the current measure permits this extension only for the purposes of completing undergraduate school.

Clearly, the Congress has demonstrated a willingness to compromise with the administration on this issue to the fullest extent possible without jeopardizing the needs of our young former servicemen. We cannot permit the administration to make sacrificial lambs of our Vietnam-era veterans in the fight against inflation, and I urge my distinguished colleagues to join with me tomorrow in reaffirming the unqualified commitment of the Congress to those who served our country in uniform.

LITTLE LEAGUE BANS FOREIGN TEAMS

Mr. FONG. Mr. President, recently the board of directors of the Little League Baseball League voted that the next Little League "world series" will be limited to American teams, thus banning all foreign teams from participation in this championship baseball event.

Naturally, this is a matter within the jurisdiction of the board, but this action taken only after foreign teams have dominated the championship scene in recent years does not show the traditional sportsmanship of which we Americans are so proud. It is contrary to our Nation's efforts to build international cooperation and friendship.

In my State of Hawaii, interest in the game of baseball runs high among our school-age youngsters as well as among adults. Reflecting community sentiment, recently the Honolulu Advertiser carried an editorial, entitled "Little League Losers," and the Honolulu Star-Bulletin published an article, "Uncle Sam Strikes Out," by William A. Rusher. I ask unanimous consent that both the editorial and article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. FONG. Mr. President, because of the high interest in baseball not only in Hawaii but in all 50 States, I have written to Mr. Peter J. McGovern of Little League Baseball in Williamsport, Pa., inquiring whether there is any possibility that the board of directors of the league would reconsider their decision.

We know that competition spurs athletes to greater attainments. We know that athletes can learn a great deal from others who are outstanding in sports. We know that high standards are essential to stimulating and maintaining interest in athletic prowess. As long as each team competing obeys the Little League rules and regulations, there should be no objection to whatever team wins, regardless of country of origin.

Mr. President, I hope that the Little League world series will remain exactly that, a championship contest for Little Leaguers from all over the world.

[From the Honolulu Advertiser, Nov. 20, 1974]

Little League Losers

Little League officials have hit upon a foolproof way of making sure an American team wins the "World Series" held each year in Williamsport, Pa.

They've banned the rest of the world.

But it seems a strange way to teach the values of sportsmanship and competition that are the purpose of the event in the first place.

No reason was given when league officials announced recently that all foreign teams would be barred from competing. But the obvious one was that American teams are no longer winning the championship.

Teams from Mexico and Japan have each won twice—and teams from Taiwan have won five of the last six.

It's been suggested that Little League baseball is taken too seriously in Taiwan, putting too much pressure on boys who should mainly be having fun.

That may be true. Indeed, it has seemed to some that the government in Taiwan has used the Little League achievements as morale boosters after the diplomatic setbacks of the past few years.

But investigations—following complaints by angry American parents—turned up no evidence that the Taiwan teams had violated age restrictions or other rules.

Which is all the more reason why the ban makes us look like poor losers.

[From the Honolulu Star-Bulletin, Nov. 20, 1974]

Uncle Sam Strikes Out

(By William A. Rusher)

Americans, relax. We can now be certain that the next Little League World Series will be won by a team from the continental United States. The League's board of directors has insured this gratifying result by the simple if brutal expedient of excluding everybody else.

After all, it was the only way we could win. Since 1957, when the Little League was expanded to include foreign teams, Mexico and Japan have each won the series twice, and in recent years a dreadful little bunch of Chinese peewees from Taiwan has swamped the competition, taking the championship four years in a row. The last American team to win it was from Wayne, N.J., back in 1970.

Europeans have never particularly cottoned to baseball, preferring soccer. But in Latin America and the Far East, Abner Doubleday's little invention has taken hold with a vengeance. Under the lights in Nagoya and many another Japanese city almost any summer night, you can find scores of thousands of baseball fans screaming their heads off at some umpire who has called a close strike or a dramatic out.

In Taiwan, under the benevolent eye of old Chiang Kai-shek, America's national pastime has long had its fans, but it wasn't until Little League competition was opened to all comers that Taiwan found something it could do better than anybody else in the world.

With skillful training by some adults who obviously know their business the little hotshots of the (Nationalist) Republic of China were soon fading their Far Eastern competition in the regional playoffs, and in 1969 they came to Williamsport, Pa., to play in the World Series against Santa Clara.

In the United States, Little League baseball is a fairly modest crowd-puller. But can you imagine—have you any idea—what the notion of its youngsters vying with America's best for the Little League championship of the world did to the people of Taiwan? When the local boys crashed through and won the championship Taiwan all but rose straight out of the sea. From that day forward, the whole lovely island has been baseball-crazy.

Since then, three Taiwan teams have been unbeatable. Last August, the Kaohsiung Li Teh team wrapped up Taiwan's fourth series by clobbering Red Bluff, Calif., 12 to 1. That lone run was the first the young Chinese had allowed in 46 innings.

So the Little League directors have decided, quite unilaterally, to "break up the Taiwan Little Leaguers," at least as far as competition with our American teams is concerned, by banning all foreigners from competition in this misnamed "world" series.

It is a blunder, and an act of staggeringly poor sportsmanship. Must we grump and go home, simply because these wonderful little Orientals have a better team than any we can presently field?

The English adore tennis, and used to be good at it, but there hasn't been an English finalist in the men's open at Wimbledon for 36 years. Yet still these doughty sport-lovers annually welcome Americans, Australians and all sorts of leser breeds without the law to their prestigious home turf, and gamely watch their own best players being served, volleyed, lobbed and smashed right into the ground.

They have also been trying stubbornly for a century to regain the America's Cup, and haven't laid a finger on it yet. Are they the less for these "failures"? On the contrary, England will be remembered and honored for her sportsmanship long centuries after Harold Wilson has joined Ethelred the Unready.

But not us. Give us our bat and glove. We're going home.

INTEREST ON FEDERAL DEPOSITS IN BANKS

Mr. ALLEN. Mr. President, a recent report by the Treasury Department has revealed the startling information that the Federal Government is maintaining an average of $3.9 billion in interest-free accounts at commercial banks throughout the country. According to the report, the banks are earning some $428 million this year by lending these taxpayer dollars, but the Federal Government gets none of the proceeds.

These accounts, known as tax and loan accounts, include withholdings by businesses and industries of their employees' income taxes and social security, railroad retirement, and various other taxes.

The amounts vary from year to year and at one time were as high as $11 billion.

Almost every bank in the country is used by the Government for these tax and loan accounts because it is an efficient and inexpensive way for the Treasury Department to collect its money. In addition, the banks provide necessary and helpful services for the Government, such as issuance and payment of savings bonds, procuring and distributing Federal tax forms and purchasing Government securities.

Alabama banks, and those of most other States, hold only a small part of the almost $4 billion in Federal funds. As a matter of fact, a study made 2 years ago shows that of the Nation's almost 14,000 commercial banks, only 102 hold 44 percent of the Treasury's tax and loan accounts, and the 50 largest banks in the country hold more than a third of all such deposits.

Common sense and good business judgment dictate that large amounts of Government funds be held in reserve, even though they are earmarked for specific spending programs. But these funds should not be allowed to lie idle. The question of what to do about Government funds temporarily being held in bank accounts was answered by Alabama's Legislature 7 years ago.

Facing a problem similar to this but on a much smaller scale than the Federal Government's, the Alabama Legislature in 1967 passed legislation requiring that interest be paid on State funds on time deposit in Alabama banks. While the total of these funds varies, the average is about $186 million. In the 7 years that this law has been in effect, the State of Alabama has earned a total of $38,503,607 on its time deposits in banks. And during the 1-year period from October, 1973, through October, 1974, the interest paid by banks to the State on its temporary time deposits was more than $10,500,000. Ever since I have been in the U.S. Senate my motto has been "Seeking to put more Alabama beliefs in the Nation's Capital." So this is just another belief or policy that Alabama has that I would like to see put in the Nation's Capital.

I hope that the Treasury Department will go forward with a study of ways to earn as much as possible from investment of its funds being held in temporary accounts, perhaps paying banks for their services, just as commercial businesses and individuals do. Of course it might be practical to require interest on small accounts or on accounts that are held in the bank for just a very short period. This would be a subject of the study. If there is an absence of legislative authority for such action, as some Treasury officials indicate, then they should make specific recommendations and let Congress provide the necessary legislation.

The potential interest on these Federal funds is enough to pay this year's combined cost of the Federal Commission, Federal Communications Commission, Securities and Exchange Commission, Maritime Commission, Smithsonian Institution, Secret Service, the U.S. Senate and the Supreme Court. If a feasible plan can be worked out, it should be, and the sooner the better.

UNITS FLYING F-111 WIN TROPHIES

Mr. CANNON. Mr. President the 1974 SAC bombing and navigation competition was held at Barksdale AFB, La., from November 10 to 16. It involved flying units of SAC, TAC, and United Kingdom's Royal Air Force's Mark II Vulcans.

Heading the list of honors at this competition is the Fairchild Trophy which is awarded to the best overall wing based on combined results in bombing and navigation. The Fairchild Trophy was won this year by an FB-111 strategic bomber from the 380th Bomb Wing from Plattsburg AFB, N.Y.

The bombing trophy which is presented to the top bomber unit based on total points obtained on the bombing missions was also won by an FB-111. Second place was gained by the 509th SAC Bomb Wing of Pease AFB, N.H., also flying an FB-111.

We are all very much aware of the bad press that has been given the F-111 aircraft in the past, all of which has understandably disappeared as the F-111 has become increasingly appreciated as the world's finest deep penetration supersonic aircraft. I am referring here to both the tactical F-111's and the strategic version designated as the FB-111.

While the controversy that surrounded the F-111 in past years has now totally subsided, I think it should be brought to the attention of this body and the American people that these FB-111's have won, in the most intense competition, two of the highest awards that can be granted to bombing crews and their aircraft and their tanker crews.

There is no remaining doubt that the F-111 is the finest and most capable aircraft of its kind in the inventory of any nation in the world today. We in the Congress can take pride in the fact that it has been through our efforts that F-111's have continued to be produced over the past several years although not included in the budget by the executive branch.

The winning of the Fairchild Trophy and the bombing trophy by the FB-111's have justified our faith in this superb aircraft.

VETERANS' EDUCATION; THE PRESIDENT'S VETO

Mr. HANSEN. Mr. President, the President has announced his veto of H.R. 12618, the Veterans' Education Bill of 1974.

I, like many of my colleagues, have discussed veterans' education benefits carefully throughout the year, both on the floor and in committee, and as a member of the Veterans' Affairs Committee, I have met in conference with the House several times during July and August and again in October after the President vetoed this original version of this bill.

The President has indicated that his main objection are extensions of eligibility from 36 to 45 months entitlement and the new loan program.

As to the objection to the loan program, I would observe that the veteran's performance has been outstanding. Since we have been dealing with veterans' problems as compared to other Federal loans, it can be shown that the veteran has made a greater and far more successful attempt in repaying the Government than any other segment of people borrowing money. The default rate on loans to veterans is significantly lower than on other Federal loans.

Extending the eligibility to 45 months gives fair recognition to the problems of veterans who must work almost full time in order to obtain undergraduate degrees.

Both of these programs are most essential to help our young people adjust to civilian life. Since it is a small portion of the overall cost, I cannot agree with the reasoning that they should be disallowed.

To veto the measure on these grounds is unrealistic, in my opinion.

Mr. President, this is a just bill and deserves our careful and sympathetic consideration. It is a fair and adequate attempt to provide benefits for these young men and women who served our country so honorably. It would be most unfair to ask veterans who faced the hardship of military service to shoulder more than their fair share of proposed cutbacks.

These persons have served their country; it is now time for us to provide reasonable benefits so that they can get a good education.

I ask my colleagues to join me in overriding the President's veto of this measure.

THE LOCKHEED SHIPBUILDING CLAIMS AFFAIR—II

Mr. PROXMIRE. Mr. President, on September 21, 1973, I made a Senate speech on the Lockheed Shipbuilding Claims Affair. In that speech I pointed out that the Lockheed Shipbuilding and Construction Co. had filed a vastly inflated claim against the Navy totaling $158 million. The claim allegedly covered costs legitimately incurred on various shipbuilding contracts awarded to Lockheed. In fact, the evidence shows that Lockheed ran up huge cost overruns, mostly because of its own inefficiency, and is attempting to get reimbursement from the Navy.

I also stated in my earlier speech that before the Navy's claims review team fully investigated the claim a naval officer by the name of Adm. Nathan Sonenshein entered into a tentative agreement to pay Lockheed $62 million for the claim.

ADMIRAL SONENSHEIN'S TENTATIVE SETTLEMENT

Admiral Sonenshein was not authorized to commit the Navy to the tentative agreement and, in fact, it was later rejected by the Navy. In my judgment Admiral Sonenshein acted improperly in entering into the tentative agreement because the legal, technical, and audit analyses which are supposed to be done by the Navy before a claim is settled had not been performed at the time Admiral Sonenshein entered into the tentative agreement.

Subsequently, after the Navy's review team investigated the claim the Navy formally decided that the claim was worth only $6.8 million. Among other things, the review team found that the claim contained factual inadequacies, lacked substantiation, and that Lockheed failed to cooperate with the Navy investigators.

Lockheed appealed the decision to the Pentagon's Armed Services Board of Contract Appeals where the case is now being litigated.

DAVID PACKARD ENTERS THE PICTURE

A new factor has now complicated this strange case. David Packard, former Deputy Secretary of Defense, is now actively lobbying the Pentagon and Capitol Hill to force the Navy to pay Lockheed the larger, unwarranted sum for the shipbuilding claim. He seems to have taken the position that the Government should use the taxpayers' money to pay Lockheed the $62 million figure tentatively negotiated by Admiral Sonenshein regardless of what the facts demonstrate.

Mr. Packard is applying pressure wherever he can, in an attempt to reverse the Navy's decision that the claim is worth less than $7 million.

A few weeks ago Mr. Packard testified at the Pentagon's appeals board hearing in behalf of Lockheed.

Mr. Packard has also written letters in Lockheed's behalf to William C. Clements, Jr., Deputy Secretary of Defense, Senator John C. Stennis, and Representative F. Edward Hébert.

In his letters he urges Secretary Clements to request the Navy to settle for the higher, inflated figure, and offers to discuss the matter personally with Senator Stennis and Representative Hébert.

Mr. Packard was a fine Deputy Secretary of Defense and served his country well. But his support of Lockheed at any price looks like a case of classic "buddy system" between Pentagon officials and retired military executives in the defense industry.

By communicating directly with the chairmen of the House and Senate Armed Services Committees, Mr. Packard appears to be trying to interfere with the administrative proceedings being conducted by the appeals board.

The appeals board is an arm of the Pentagon. The Armed Services Committees exercise a great deal of control over the Pentagon's budget.

Mr. Packard's contacts with the two powerful committee chairmen could be interpreted as an effort to use political influence to alter the outcome of the administrative proceedings.

The mere fact that the letters were sent and distributed within the Pentagon could be enough to create pressure to settle the claim for an amount that cannot be justified on the facts.

THE TEXTRON MERGER

Textron, another large defense contractor, has made overtures to merge with Lockheed and senior Pentagon officials would like the merger to take place.

I am informed that Textron and Lockheed have given the Pentagon an ultimatum to settle Lockheed's claim for the higher amount or the merger is off.

If my information is correct, Lockheed and Textron are engaged in a squeeze play against the Pentagon that could cost the taxpayer as much as $55 million.

It is no secret that Lockheed is in deep financial difficulty and could be forced into bankruptcy if it does not merge with another firm or obtain a new source of funds.

I ask unanimous consent to have printed in the Record the full texts of the letters referred to in my remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

October 13, 1974.

Hon. William C. Clements, Jr.,
Deputy Secretary of Defense, The Pentagon, Washington, D.C.:

Yesterday I testified at the trial at which Lockheed is attempting to obtain a settlement of their claim with the Navy in regard to the overall Lockheed agreement I worked out in 1970. I had not until yesterday been familiar with all of the details of the issue.

On December 30, 1970 I proposed an overall settlement for all of the Lockheed problems in a letter to Senator Stennis. I intended this to be a package deal. Prior to this date the Navy had offered Lockheed $58M in settlement of shipbuilding claims. It was my understanding at the time the $58M had been arrived at by the Navy in accord with the established practices. Lockheed did not accept the $58M and after further negotiations the Navy and Lockheed agreed on a tentative settlement of $62M. Thereafter in my discussions with Lockheed, with the bankers and with the Congressional committees I used the $62M figure with the understanding that it was acceptable to the Navy. I considered the other details of the overall Lockheed settlement were implemented with the understanding the Navy would settle with Lockheed at $62M. Subsequent disputes within the Navy apparently raised questions as to whether the $62M figure had been determined through established procedure for dealing with shipbuilding claims. Whether the $62M figure was or was not arrived at through established procedures I consider to be a matter internal to the Navy, and I believe there is both a legal and a moral obligation for the Navy to settle with Lockheed at $62M.

It is my understanding that about $49M of the $62M has already been advanced against the claim, leaving only about $13M to settle the matter as I intended it should have been settled.

I urge you to request the Navy to settle with Lockheed at the $62M figure and, if necessary, you should direct them to do so. I am sending a copy of this wire to Senator Stennis and Chairman Hebert in case you wish to discuss the matter with them before directing a settlement.

In further testimony at the trial next Monday I intend to urge the judge to rule in Lockheed's favor, because all of my testimony and discussions with Lockheed and bankers and the Congress during 1971 were based on my understanding that the Navy would settle for $62M and I believe there is a firm obligation to do so. It will be better for all concerned to settle this issue and avoid further waste of time and money on litigation.

David Packard.

Hewlett-Packard Co.,
Palo Alto, Calif., October 3, 1974.

Hon. John D. Stennis,
U.S. Senator, Senate Office Building., Washington, D.C.

Dear Mr. Chairman: Sometime in 1973 it came to my attention that the shipbuilding claims of Lockheed discussed in my letter of December 30, 1970 to you had not yet been settled. I had known there was some problem within the Navy about the $62M settlement of the shipbuilding claims which was accepted by Mr. Haughton on January 29, 1971, but I learned about the details only within the past few weeks. I am enclosing a copy of my wire to Secretary Clements urging him to direct the Navy to settle for the figure we agreed to in 1971. If you have any questions about my advice to Secretary Clements I would be pleased to discuss the matter with you at your convenience.

Sincerely,

David Packard.

Hewlett-Packard Co.,
Palo Alto, Calif., October 3, 1974.

Hon. F. Edward Hébert,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Chairman: Sometime in 1973 it came to my attention that the shipbuilding claims of Lockheed discussed in my letter of December 30, 1970 to you had not yet been settled. I had known there was some problem within the Navy about the $62M settlement of the shipbuilding claims which was accepted by Mr. Haughton on January 29, 1971, but I learned about the details only within the past few weeks. I am enclosing a copy of my wire to Secretary Clements urging him to direct the Navy to settle for the figure we agreed to in 1971. If you have any questions about my advice to Secretary Clements I would be pleased to discuss the matter with you at your convenience.

Sincerely,

David Packard.

JUDICIAL RESTRAINT

Mr. HARRY F. BYRD, JR. Mr. President, when the Honorable H. E. Widener, Jr., judge of the U.S. Court of Appeals for the Fourth Circuit, wrote me some months ago concerning my proposal to limit the tenure of Federal judges, Senate Joint Resolution 13, I was pleased to provide him with some materials I had compiled on the subject. Recently, I have had even greater pleasure in reviewing the fruits of his scholarly labors.

His article, modestly titled "Some Random Thoughts on Judicial Restraint," has been published in the Washington and Lee Law Review, vol. XXXI, No. 3. By means of an analysis of leading Supreme Court decisions on three doctrines, it provides a cogent commentary on the expansion of the powers of the judicial branch of Government.

In reviewing the precedents on "substantive due process," the justiciability of political questions and the expansion of court jurisdiction under the Civil Rights Acts of 1871, Judge Widener cautions in the best traditions of jurisprudence—

> I speak not to the merits of the decisions themselves, for they are already on the books.

Such a showing of restraint only increases my commendation for the way he approaches his topic. And it makes all the more objective and ominous his observations:

> Taken together, though, whether right or wrong, they show a drift toward judicial intervention which may not be ignored.

Many writers have noted with approval Alexander Hamilton's reasoning in support of judicial tenure "during good behavior," as expressed in "the Federalist, No. 78." Judge Widener has referred to this language, too, and I feel it is important to review the pertinent language in greater detail:

> Whoever attentively considers the different departments of power must perceive, that in a government in which they are separated from each other, the judiciary, from the nature of its functions, will always be the least dangerous to the political rights of the constitution; because it will be least in a capacity to annoy or injure them. The executive not only dispenses the honors, but holds the sword of the community. The legislature not only commands the purse, but prescribes the rules by which the duties and rights of every citizen are to be regulated. The judiciary on the contrary has no influence over either the sword or the purse, no direction either of the strength or of the wealth of the society, and can take no active resolution whatever. It may truly be said to have neither Force nor Will, but merely judgment; and must ultimately depend upon the aid of the executive arm even for the efficacy of its judgments.
>
> This simple view of the matter suggests several important consequences. It proves incontestibly that the judiciary is beyond comparison the weakest of the three departments of power; that it can never attack with success either of the other two; and that all possible care is requisite to enable it to defend itself against their attacks. It equally proves, that though individual oppression may now and then proceed from the courts of justice, the general liberty of the people can never be endangered from that quarter: I mean, so long as the judiciary remains truly distinct from both the legislative and executive. For I agree that "there is no liberty, if the power of judging be not separated from the legislative and executive powers." And it proves, in the last place, that as liberty can have nothing to fear from the judiciary alone, but would have every thing to fear from its union with either of the other departments.

The comparison of Hamilton's "simple view" of the inherent weakness of the judiciary with the recent decisions reviewed by Judge Widener leads the learned judge to conclude that the constitutionally implied condition of judicial restraint "may be honored as late as much in the breach as in its observance."

It is this substitution of the will for the judgment which compelled Hamilton to admit:

> For I agree that "there is no liberty, if the power of judging be not separated from the legislative and executive powers."

The state of our present judicial posture leads Judge Widener to reflect:

> I do not think a continued trend in this direction may be sustained without accounting in any way to the expressions of philosophical suspicions ably voiced by Madison and Hamilton and Holmes, and Douglas and Harlan and Frankfurter.

Judge Widener submits as a partial solution a more exacting regulation and limitation of the jurisdiction and powers of Federal courts. This is certainly an approach which should not be overlooked. And although a majority in the Senate have been disinclined to act on such proposals when they have been presented, that inaction has cooled neither the intensity of feeling of a majority of Americans who want such changes not the issues which have aroused those feelings.

Legislative action, however, is not enough. Judge Widener, out of his great respect for the separation of powers in our tripartite government—respect which I share—declines to comment on the ultimate question. And while he notes that "Judges have and ought to share criticism for their acts the same as any other person employed by the public," this is, he believes, a political question which should be left to "the public, the States,' and the Congress" to resolve.

As a spokesman for the branch of Government charged with resolving political questions, however, I am compelled to go further. There is an imbalance and it is pronounced. Hamilton never had the opportunity to reflect upon "the weakest of the three departments of power" in the light of the unfettered "exercise of its traditional attributes of equity power."

The people of Richmond and Boston, Charlotte and Detroit, Topeka and Denver have.

Hamilton felt the judiciary was "in continual jeopardy of being overpowered."

Prof. Frank R. Strong has recently written in the American Bar Association Journal, under the title: "Courts, Congress, Judiciary: One Is More Equal Than the Others," that—

> The general satisfaction he perceives with respect to judicial exercise of "constitutional review" must not blind one to the fact that what obtains is in essence judicial supremacy.

Reflection upon these observations exposes an obvious flaw in the constitutional framework. I believe it can be cured by the passage and ratification of Senate Joint Resolution 13.

And in respectfully disagreeing with Judge Widener's view that such action would constitute "radical surgery and a pronounced, deep and far-reaching change in our constitutional plan," I would recall the words of Thomas Jefferson in his "Autobiography (1821)":

> There was another amendment of which none of us thought at the time and in the omission of which lurks the germ that is to destroy this happy combination of national powers in the General Government for matters of national concern, and independent powers in the States, for what concerns the States severally . . . Our judges are effectually independent of the nation. But this ought not to be.

And, further, in 1822:

> We already see the power, installed for life, responsible to no authority (for impeachment is not even a scare-crow) advancing with a noiseless and steady pace to the great object of consolidation. . . . Let the future appointments of judges be for four or six years, and removable by the President and Senate. This will bring their conduct, at regular periods, under revision and probation, and may keep them in equipoise between the general and special governments . . .

I submit that basic questions about the nature of our democracy are involved in the issue of judicial tenure. Judge Widener's insights into the realm of judicial restraint go to the very heart of these questions—questions which both Judge Widener and I are agreed must be decided at the level of government closest to the people themselves.

I ask unanimous consent that the article by the Honorable H. E. Widener, Jr., be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington and Lee Law Review, Fall 1974]

SOME RANDOM THOUGHTS ON JUDICIAL RESTRAINT*

(By H. E. Widener, Jr.†)

But what is government itself but the greatest of all reflections on human nature? If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this, you must first enable the government to control the governed; and in the next place oblige it to control itself.[1]

No more than a casual interest in current events, editorials, speeches, and the ever present public opinion polls indicates a growing, if not general, uneasiness in the public mind as to a certain lack of restraint on the part of the judiciary. The matter is brought to my immediate attention by a proposed constitutional amendment to make future federal judges responsible.[2] The amendment takes the form of requiring reconfirmation every eight years, both for members of the Supreme Court and for inferior federal courts. While it may be argued that Senator Byrd's description of life tenure for the federal judiciary as being the subject of "widespread dissatisfaction . . . under which some judges are exercising dictatorial powers," may be exaggerated, that point of view is more and more often expressed and deserves the thoughtful consideration of scholars and the bench and the bar, as well as the public. It is unfortunate that, as have all attempts to limit the independence of the judiciary, the amendment comes at a time of domestic tumult. A significant part of the country, for example, is up in arms over the abortion cases, and no sooner does that subject disappear from the front pages than the impeachment proceedings take its place. Both, of course, are highly emotional issues and impossible to divorce from politics. And I refer to politics both in the partisan sense and as a subject which is susceptible of political resolution. But in tranquil times, I submit, the public is not too concerned with who governs, so long as they govern. It is during times of discord that the imposition of will by public officers strikes raw nerves. And this is particularly true when the will is exerted by officers who are not responsible, for those who have been the object of the will exerted are for practical purposes unable to strike back.

Reference to *The Federalist* and the other political papers of the time indicates that Montesquieu's proposition that the judiciary ought to be a separate branch of government had grown to an article of faith in the colonies by the time of the American Revolution. Undoubtedly influenced by the discharge of Lord Coke by James I, the Act of Settlement of 1688, supported by George III's granting of tenure beyond the life of the King making the appointment, had established tenure during good behavior as the standard for British judges. The colonial judges, however, served at the pleasure of

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Footnotes at end of article.

the King, and this became one of the specific complaints in the Declaration of Independence: "He has made judges dependent on his will alone, for the tenure of their offices, and the amount and payment of their salaries."

Against this background (perhaps too abbreviated as stated), and of course in times quite as tumultuous as those in which we now live, the Constitutional Convention at Philadelphia deliberately chose to make the judiciary independent, its judges having life tenure subject only to removal for want of good behavior.

While it has been argued that the doctrine, or custom, or theory, however, it may be called, of judicial restraint has its historical antecedents in the common law, on the one hand, and in the separation of powers on the other, I think, so far as the theory applies to American courts, it can only fairly be said its historical antecedents are in the common law as well as in the Constitution; and not only in the Constitution as it separates the three parts of government into separate branches, but also as it establishes our federal system of separate national and state governments. Both the separation of powers of the departments of the national government and the separation of powers between the national and the state governments were considered by the Framers as checks on the abuse of power. "This policy of supplying, by opposite and rival interests, the defect of better motives, might be traced through the whole system of human affairs, private as well as public. . . . In the compound Republic of America, the power surrendered by the people is first divided between two distinct governments and then the portion allotted to each subdivided among distinct and separate departments. Hence, a double security arises to the rights of the people. The different governments will control each other, at the same time that each will be controlled by itself."[3]

It must be remembered that not all the plans of government submitted at Philadelphia provided for branches of government as separate as practically possible. Nor did all of the plans provide for the federal system as we know it. Randolph's Virginia Plan, for example, provided for a council of revision made up of "the Executive and a convenient number of the National judiciary . . . with authority to examine every act of the national legislature before it shall operate, and every act of a particular legislature, before a negative thereon shall be final; and the dissent of the said council shall amount to a rejection, unless the act of the national legislature be again passed, or that of a particular legislature be again negatived by— of the members of each branch."[4] Hamilton's plan provided that "the Governor or President of each State shall be appointed by the general government, and shall have a negative upon the laws about to be passed in the State of which he is Governor or President."[5] Charles Pinckney's plan provided, in certain instances, that "the legislature of the United States shall have the power to revise the laws of the several states that may be supposed to infringe on the powers exclusively delegated by the Constitution for Congress, and to negative and annul such as do."[6] Patterson's New Jersey Plan was less of a revision of the Articles of Confederation with more powers reserved to the states.[7] The plans of Patterson, Pinckney, and Hamilton contained express supremacy clauses, and Randolph's one of a sort which was to be exercised by the legislature. All four plans, however, in identical language, provided that the tenure of office for members of the national judiciary should be "to hold their offices during good behavior."

So, the life tenure of federal judges was no historical accident. And neither was the relationship between the branches of the national government and the relationship between the states and the nation. All were methodically and seriously considered at Philadelphia, and each is a part of the fiber of government of the United States.

As nullification and interposition were disposed of by Jackson in 1832, and ultimately at Appomattox, so a national government with little or no restraint was earlier rejected at Philadelphia. Nowhere is the proper relation between the national government and the states better expressed than by Mr. Justice Black: "The concept does not mean blind deference to 'States' Rights' any more than it means centralization of control over every important issue of our national government and its courts. The Framers rejected both these courses. What the concept does represent is a system in which there is sensitivity to the legitimate interests of both state and national governments, and in which the national government, anxious though it may be to vindicate and protect federal rights and federal interests, always endeavors to do so in ways that will not unduly interfere with the legitimate activities of the States."[8]

The Framers were concerned about concentration of power in one hand and were convinced such concentration could lead only to tyranny. Madison, calling upon Jefferson, puts it this way: "All the powers of government, legislative, executive, and judiciary, result to the legislative body. The concentrating of these in the same hands is precisely the definition of despotic government. It will be no alleviation that these powers will be exercised by a plurality of hands, and not by a single one. One hundred and seventy-three despots would surely be as oppressive as one. . . .[t]he legislative, executive, and judiciary departments should be separate and distinct, so that no person should exercise the powers of more than one of them at the same time. * * * The conclusion which I am warranted in drawing from these observations is that a mere demarcation on parchment of the constitutional limits of the several departments is not a sufficient guard against those encroachments which lead to a tyrannical concentration of all the powers of government in the same hands."[9] Hamilton expressed the same fear that a constitution violates "the fundamental principles of good government" when it "united all power in the same hands."[10] Eldridge Gerry's remark at Philadelphia, in opposing the "question for joining the judges to the executive in the revisionary business," while more pungent and less philosophical, was quite to the point. He "thought the executive, while standing alone, would be more impartial than when he could be covered by the sanction and seduced by the sophistry of the judges."[11] John Dickensen was of opinion that a joining of the executive and the judiciary "involved an improper mixture of powers." "Secrecy, vigor, and dispatch," he said, "are not the principal properties required in the executive. Important as these are, that of responsibility is more so, which can only be preserved; by leaving it singly to discharge its functions."[12]

And since the judiciary was deemed to be the weakest of the three branches of government, possessing neither the purse nor the sword, it had to be able to protect itself, and life tenure was the considered answer. Hamilton put it this way: "That inflexible and uniform adherence to the rights of the Constitution, and of individuals, which we perceive to be indispensable in the courts of justice, can certainly not be expected from judges who hold their offices by a temporary commission. Periodical appointments, however regulated, or by whomsoever made, would, in some way or other, be fatal to their necessary independence. If the power of making them was committed either to the executive or legislative, there would be danger of an improper complaisance to the branch which possessed it; if to both, there would be an unwillingness to hazard the displeasure of either; if to the people, or to persons chosen by them for the special purpose, there would be too great a disposition to consult popularity to justify a reliance that nothing would be consulted but the Constitution and the laws."[13] Madison was equally as emphatic: "Why was it determined that the judges should not hold their places by such a tenure? [Appointment by the legislature] Because they might be tempted to cultivate the legislature, by an undue complaisance, and thus render the legislature the virtual expositor, as well as the maker of the laws?"[14] Life tenure as the assurance of the independence of the judiciary was thus agreed upon at Philadelphia in as studied a manner as was the separation of powers of the branches of government and the separation of powers of the state and national governments. It was not finally accepted, however, without some misgivings. Dickenson was not satisfied "as to the power of the judges to set aside the law." At the same time, he was "at a loss what expedient to substitute," and warned "the justiciary of Arragon. . . . became by degrees the law giver."[15] And this motion to replace tenure during "good behavior" with the words "provided that they may be removed by the executive on the application by the Senate and House of Representatives"[16] was defeated. Similar doubts along the same lines were expressed in the debates on ratification.

Mason asked: "After having read the first section . . . what is there left to the State courts? Will any gentleman be pleased, candidly, fairly, and without sophistry, to show us what remains? There is no limitation. It goes to every thing. The inferior courts are to be as numerous as Congress may think proper. They are to be of whatever nature they please. Read the 2nd section, and contemplate attentively the extent of the jurisdiction of these courts, and consider if there be any limits to it."[17] Spencer, of North Carolina, voiced doubts which reverberate today. "There will be, without any manner of doubt, clashings and animosities, between the jurisdiction of the federal courts and of the state courts so that they will keep the country in hot water. It has been said that the impropriety of this was mentioned by some in the convention."[18] Such doubts from responsible critics were uniformly answered by assurances that the courts created under the Constitution would be courts of limited jurisdiction, and the tenor of the replies is they should be models of restraint. Hamilton: "The courts must declare the sense of the law; and if they should be disposed to exercise WILL instead of JUDGMENT, the consequence would equally be the substitution of their pleasure to that of the legislative body."[19] Madison: "Now, sir, if there will be as much sympathy between Congress and the people as now, we may fairly conclude that the federal cognizance will be vested in the local tribunals . . . I have observed that gentlemen suppose that the general legislature will do every thing mischievous they possibly can, and that they will limit to do every thing good as they are authorized to do. If this were a reasonable supposition, their objections would be good. I consider it reasonable to conclude that they will as readily do their duty as deviate from it . . ."[20] Spaight, of North Carolina: "Mr. Chairman, the gentleman insinuates that differences existed in the federal convention respecting the clauses which he objects to. Whoever told him so was wrong; for I declare that, in that convention, the unanimous desire of all was to keep separate and distinct the objects of the jurisdiction of the federal from that of the state judiciary."[21]

It was also successfully argued that the judiciary, having neither force nor will, must ultimately depend upon the aid of the executive arm even for the efficacy of its judgments, and that the republican

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principle demanded that the deliberate sense of the community should govern the conduct of those to whom they entrust the management of their affairs.[22] This latter argument sounds not unlike Holmes' dictum that the taste of any public is not to be treated with contempt,[23] and Learned Hand's observation, concerning lawyers, that democracy is quick to understand those who respond to its fundamental feelings and ruthless to cast aside those who seek cover behind the protection of the written word.[24]

With the background of a branch of government of limited powers, and being represented as courts of judgment with neither force nor will, where has the difficulty arisen? The problem is not new. It existed at the time of the adoption of the Constitution as it exists today, and all attempts thus far to limit the independence of the judiciary have generally failed.

The principal difficulty, I conceive, is the settled doctrine that a federal judge has an equal duty to decide a case over which he has jurisdiction with the duty not to decide the case if he does not have jurisdiction.[25] In the context of today, the rule is brought to daily public attention by Madison's statement that "the security for civil rights must be the same as for religious rights."[26] The Constitutional Convention rejected the council of revision as it rejected review by Congress of the legislative acts of the states, and consciously threw the matter of conflicting interests into the laps of the courts. This is shown by Hamilton in No. 78 of *The Federalist*.

From this as a starting point, I will briefly mention some of the doctrines which, sometimes by other names, I believe have contributed to the uneasy feeling on the part of many that the day-to-day affairs of government are more properly conducted by responsible officials rather than those enjoying life tenure. They are the doctrines of substantive due process; the hands-off rule of the courts as they may head political questions; and the extension of the federal power to regulate every petty local official as a result of the construction of 42 U.S.C. § 1983. I speak not to the merits of the decisions themselves for they are already on the books. Taken together, though, whether right or wrong, they show a drift toward judicial intervention which may not be ignored.

In a number of earlier cases decided under the Fourteenth Amendment, the Supreme Court had, with some regularity, invalidated state laws, substituting in the name of due process what some have called its own notions of public policy for legislative choices in social and economic legislation.[27] But, in 1963, the Court, in *Ferguson* v. *Skrupa*,[28] purported to sound the death knell for the doctrine of substantive due process. Justice Black stated it: "We have returned to the original constitutional proposition that courts do not substitute their social and economic beliefs for the judgment of legislative bodies, who are elected to pass laws."[29] In so doing, the Court gave credence to Holmes' earlier admonition that "the Constitution is made for people of fundamentally differing views, and the accident of our finding certain opinions natural and familiar or novel and even shocking ought not to conclude our judgment upon the question whether statutes embodying them conflict with the Constitution of the United States."[30]

But recent examples of judicial intervention in matters of legislation appear to signal a return to the principles of substantive due process discarded in *Skrupa*. In 1965, the Court held, in *Griswold* v. *Connecticut*,[31] that a Connecticut statute forbidding the use of contraceptives by married couples violated a constitutional right to privacy. And in two cases decided in 1973, *Roe* v. *Wade*[32] and *Doe* v. *Bolton*,[33] the court imposed such severe limits on permissible legislation that no abortion law in the United States remained valid. In each of these cases, the Court, in varying degrees, gave substantive content to the term "liberty" in the Fourteenth Amendment's due process clause in protecting what it termed fundamental values, although not specifically stated in the Bill of Rights. In so doing, however, did not the Court significantly increase the risk of the Third Branch substituting its judgment for that of the legislature in determining what is wise public policy? Again, turning to Holmes: "I think the proper course is to recognize that a state legislature can do whatever it sees fit to do unless it is restrained by some express prohibition in the Constitution of the United States or of the state, and that courts should be careful not to extend such prohibitions beyond their obvious meaning by reading into them conceptions of public policy that the particular court may happen to entertain."[34] Indeed, even the 1972 opinion in *Furman* v. *Georgia*,[35] which held the death penalties of forty states invalid, might be mentioned in this context. Although a majority of the Justices relied on the Eighth Amendment prohibition against cruel and unusual punishment, the result was a substitution of its own opinion of the morality and efficacy of the death penalty for that of the legislatures. And the case may as easily have been decided under the label of substantive due process. As Justice Powell observed: "In terms of the constitutional role of this court, the impact of the majority's ruling is all the greater because the decision encroaches upon an area squarely within the historic prerogative of the legislative branch—both state and federal—to protect the citizenry through the designation of penalties for prohibitable conduct. It is the very sort of judgment that the legislative branch is competent to make and for which the judiciary is ill-equipped."[36] Surely, judicial self-restraint is an implied condition of the Constitution's grant of judicial review. But, as recent opinions tend to indicate, this implied condition may be honored of late as much in the breach as in its observance.

Concededly, from its earliest opinions, the Supreme Court has recognized that certain disputes, regarded as "political questions," do not lend themselves to judicial standards and judicial remedies. To classify an issue as falling within the definition of political questions, however, as Justice Frankfurter notes, is more a form of stating a conclusion than revealing of analysis.[37] In determining whether a question falls into that category, "the appropriateness under our system of government of attributing finality to the action of the political departments and also the lack of satisfactory criteria for a judicial determination are dominant considerations."[38] One commentator has probably too broadly defined as political "[a]ll those matters of which the court, at a given time, will be of the opinion that it is impolitic or inexpedient to take jurisdiction . . . questions so bitterly contentious as to be, for the moment, incapable of resolution."[39] And another has concluded that the non-justiciability of a political question is founded primarily on the doctrine of separation of powers and the policy of judicial self-restraint.[40] In this vein, Justice Frankfurter once noted "[t]he court's authority—possessed neither of the purse nor the sword—ultimately rests on sustained public confidence in its moral sanction. Such feeling must be nourished by the Court's complete detachment, in fact and appearance, from political entanglements and by abstention from injecting itself into the clash of political forces in political settlements."[41]

The antecedents of the political question doctrine lie in the common law. In a major case, the *Duke of York's Claim to the Crown*,[42] in 1460, the style of which is descriptive of the subject matter, English courts refused to decide a case they considered basically political. The doctrine thus enunciated by English courts was inherited in this country and articulated in *Marbury v. Madison*, Chief Justice Marshall observing that "[q]uestions in their nature political, or which are, by the Constitution and laws, submitted to the executive, can never be made in this court."[43] And in 1839, Justice McLean, in *Williams v. Suffolk Insurance Co.*, made a similar pronouncement "that the action of the political branches of the government in a matter that belongs to them, is conclusive."[44]

The first important case to apply the doctrine of judicial non-interference to political questions was *Luther v. Borden*.[45] The issues in that case arose out of Dorr's Rebellion in Rhode Island in 1841–42. Thomas W. Dorr had apparently been elected governor under a government organized by a popular assembly without regard to the existing charter government. The existing government was then sued for trespass by one of Dorr's supporters for acts done in pursuance of its declaration of martial law. Excitement ran high, and the issue divided the country. Daniel Webster served as counsel for the charter government. In order to decide the case on its merits, the Supreme Court was called upon to determine which of the two governments properly represented the State of Rhode Island. But the Court refused to decide the question, stating that, under Article IV of the Constitution guaranteeing to each state a republican form of government, it rests with Congress to decide which government is established in a state.[46]

It has been said that what is and what is not a political question defies classification. But it is important that courts have felt that, like the legislatures, they have been given a mandate, and they must act within its scope.

Recent years have witnessed a gradual erosion of the political question doctrine, and a decline in the policies of judicial self-restraint which underlie it. Most notable is *Baker v. Carr*[47] which, in 1962, overturned earlier precedents, including *Colegrove v. Green*,[48] which had held congressional redistricting controversies nonjusticiable. In *Colegrove*, the Court had reasoned "that the Constitution has conferred upon Congress exclusive authority to secure fair representation by the States in the popular House and left to that House determination whether States have fulfilled their responsibility. . . . Whether Congress faithfully discharged its duty or not, the subject has been committed to the exclusive control of Congress. . . . Courts ought not to enter this political thicket."[49]

But in *Baker v. Carr*, the Court found the same controversy justicable as it applied to the legislature of a state, relying not on the guarantee of a republican form of government, but on the equal protection clause of the Fourteenth Amendment. As a practical matter of fact, as Justice Frankfurter contended in dissent, *Baker* was nonetheless a Guarantee Clause claim masquerading under a different label.[50] In all events, the considerations of federal-state relationships and the separation of powers, found controlling in *Colegrove*, were finally discarded in favor of judicial intervention in matters of legislative redistricting. Similarly, in *Powell v. McCormack*,[51] decided in 1969, the Court brushed aside a number of substantial political question objections and held that Congressman Adam Clayton Powell, Jr., had been unlawfully excluded from the House. The Court found that in judging the qualifications of its members, as contrasted with excluding them, Congress is limited to the standing requirements of age, citizenship and residence contained in Article I, § 2 of the Constitution. The importance of the ruling in *Powell*, of course, is that the Court forbade the House to decide whether it was acting in excluding a member or failing to

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Footnotes at end of article.

seat him. And it equally forbade the House to decide the meaning of the clause that "[e]ach house shall be the judge of the . . . qualifications of its own members . . ."[52] Does *Powell* have unarticulated holdings of vast and far-reaching political consequences which do not appear in the surface of the opinion? Is it a necessary holding that the House does not have jurisdiction to determine its own jurisdiction,[53] without which power no court could operate? Assuming such is not the holding of *Powell,* is it then a necessary holding that the determination by the House of its own jurisdiction is subject to judicial review, thus treating the House in the same manner as an inferior court rather than as a part of a coordinate branch of government? Does reaching the merits in *Powell* indicate there is no subject exclusively entrusted to a coordinate branch of government which is not subject to judicial review?[53.1] The explosive consequences of articulated answers to these questions may easily make the controversial decisions of the court for the last twenty years seem like a Sunday School picnic. Whatever the merits of *Baker* and *Powell,* by requiring a consideration of them the court has shown a tendency to get rid of its historic reluctance to consider matters which had been thought by many to have been the exclusive prerogative of another branch of the national government or of the governments of the States.

The Civil Rights Acts were passed shortly after the Civil War to insure the protection of recently freed slaves. 42 U.S.C. § 1983 prohibits any person, under color of state law, from denying to another his constitutional rights, and was rarely used for access to the federal courts until the dam was burst by *Monroe v. Pape.*[54]

In *Monroe,* the City of Chicago and thirteen policemen were sued for allegedly breaking into petitioner's home during the early morning hours. The family was ousted from bed at gunpoint. Monroe was forced to stand naked in the living room while the entire house was ransacked, whereupon he was taken to the police station, held incommunicado for ten hours, never arraigned before a magistrate, and was ultimately released with no charges against him. All this was done without a search or arrest warrant. The Court held that the City of Chicago was not a "person" under § 1983, and so affirmed dismissal as to the city, but held the conduct of the named police officers, even though contrary to state law, was state action within the meaning of the Fourteenth Amendment and violated the due process clause. This despite the fact that plaintiff could have sued in a state court for assault, battery, false arrest, or false imprisonment.

The court listed the three main aims of the act as: (1) overriding certain kinds of state law; (2) providing a remedy when state law is inadequate; and (3) providing a remedy when the state recourse is adequate in theory but unavailable in practice.[55] Three years later, in *McNeese v. Board of Education,*[56] a fourth purpose was added, to provide a federal court remedy supplementary to any state court remedy.

Since *Monroe,* as pointed out in a fine law review article by Judge Aldisert of the Third Circuit,[57] there has been a rush to the federal courts at the expense of state courts, for it is clear that state court remedies need not be exhausted before suing in federal court.[58] The Court, in 1972, also extended the reach of § 1983 by overruling *Hague v. CIO,*[59] which had limited the "rights, privileges, or immunities" protected by § 1983 to those involving personal liberty. In *Lynch v. Household Finance Corp.,*[60] the Court abolished the *Hague* distinction between rights of property and personal liberty; furthermore, the Court resolved any doubt as to a conflict between the jurisdictional statute for § 1983, 28 U.S.C. § 1343(3), and the general federal question jurisdiction provision, 28 U.S.C. § 1331, by saying that § 1343(3) is compatible with the latter, but is more narrow and applies only to alleged infringements under "color of state law."[61] The net result is that plaintiffs suing under § 1983 do not have to meet the $10,000 jurisdictional limitation of the general statute. Thus, *Monroe* and the cases following, as Judge Aldisert rightly has noted, have transformed many nickel-and-dime torts, traditionally pursued under state law, into Fourteenth Amendment deprivations, at least insofar as jurisdictions is concerned.

The Supreme Court again broadened the effect of § 1983 when it resolved a conflict among the circuits[62] and held in *Mitchum v. Foster*[63] that § 1983 was an express statutory exception to the federal anti-injuction statute, 28 U.S.C. § 2283. Following *Mitchum,* in a suit filed alleging injury under color of state law, the inferior federal courts may no longer consider the anti-injunction statute as a bar to federal court interference by way of injunction in state proceedings, but must consider the merits of each case, and either grant or deny injunctive relief depending on whether the certain exceptional circumstances set out in *Younger v. Harris,*[64] and its allied cases, have meet met. I think it apparent that this construction of the anti-injunction law for suits sounding in § 1983 has made the federal judicial presence more frequently felt in the state courts, and the more often felt, albeit discretionary, the greater chance for resentment, whether justifiable or not.

I have touched on only three of the many facets of the ever expanding federal jurisdiction and paused at each only long enough to highlight the problems each brings to mind as it may respect judicial restraint. Where have the decisions led us, and where are they leading us? A concentration of power in one hand, which must be considered amoral according to our principles of republican government, was not only noticed in the early days of the republic but also has been taken account of in quite recent years. Mr. Justice Douglas, in his concurring opinion in *Flast v. Cohen,*[65] noted the danger but brushed it aside: "A contrary result in *Frothingham* in that setting (the "heyday of substantive due process") might well have accentuated an ominous trend to judicial supremacy:"[66] And, in his dissenting opinion in the same case, Mr. Justice Harlan argued, without avail, the same point: "It seems to me clear that public actions, whatever the constitutional provisions on which they are premised, may involve important hazards for the continued effectiveness of the federal judiciary. Although I believe such actions to be within the jurisdiction conferred upon the federal courts by Article III of the Constitution, there surely can be little doubt that they strain the judicial authority. There is every reason to fear that unrestricted public actions might well alter the allocation of authority among the three branches of Federal Government."[67] In his dissent in *Baker v. Carr,* Mr. Justice Frankfurther sounded a similar warning: "Such a massive repudiation of the experience of our whole past in asserting destructively novel judicial power demands a detailed analysis of the role of this Court in our constitutional scheme. Disregard of inherent limits in the effective exercise of the court's 'judicial Power' not only presages the futility of judicial intervention in the essentially political conflict of forces by which the relation between population and representation has time out of mind been and now is determined. It may well impair the Court's position as the ultimate organ of 'the supreme Law of the Land' in that vast range of legal problems, often strongly entangled in popular feeling, on which this Court pronounce."[68]

While it is true that the substantive claims in the cases letting down the historic barriers may appear attractive on their face to substantial segments of the community and thus reaching their merits, to many, seems justified, I do not think a continued trend in this direction may be sustained without accounting in any way to the expressions of philosophical suspicion so ably voiced by Madison and Hamilton and Holmes, and Douglas and Harlan and Frankfurter. Certainly, whether or not we may agree with the ideology of any one of them, we can all agree that few deeper thinkers upon the system of government of this compound republic of America have ever lived. And the fact that the suspicion of each has been aroused by a concentration of the power of government in one hand should give us pause.

Is there a solution? Of course. But the solution is not to say that the federal courts must avoid all the hard, or unpleasant, or distasteful questions. Again, Hamilton makes this clear in *The Federalist,* No. 80. And courts may not, in all questions of public import or interest, simply enter an order consistent with the feelings of the times. They may not succumb "whenever a momentary inclination happens to lay hold of a majority of their constituents incompatible with the provisions in the existing Constitution."[69]

But the inferior federal courts are courts of limited jurisdiction, and if it is the considered sense of Congress that they are exercising will instead of judgment, which seems to me to be a fair statement of the general complaint, Congress may as easily strip them of their jurisdiction as it has established them. This is a constitutional course which has been advocated quite recently by knowledgeable men in at least one controversial field.[70] Certainly the regulation by Congress of the jurisdiction of the federal courts was within the contemplation of the framers.[71] And such limitations on the powers of the federal courts are frequent, some of the better known being the anti-injunction provisions of the Norris-LaGuardia Act[72] and the Internal Revenue Code,[73] not to mention the Anti-Injunction Act.[74]

But this may not be the complete solution. In company with others, I am aware there is a feeling in a substantial part of the community that the courts are simply not being as reserved as the public expects them to be. Whether or not the feeling is justifiable or a majority may be debated, but the fact that the feeling is there is undeniable, and the fact that it does exist, as contrasted to the reasons for its existence, may itself forecast heavy sailing in the days ahead for the Article III judges. Trying to track down the feeling is like hunting a will-o'-the-wisp, and I have concluded it is impossible. But it has to do with the fact that there is a good deal of talk among the public, and particularly among the lawyers, which may be expressed as a feeling that recurrences to fundamental principles[75] are too infrequent, or something along that line. The matter not only defies definition; it very nearly defies description. A good bit of the feeling I believe has been brought about without the fault of anyone by our age of instantaneous communication. The immediacy of a television news broadcast and its impact on the people may not be overstated. When this is coupled with the extensions of federal jurisdiction (both by the courts and Congress), the modern rush to class actions, the increasing propensity to litigate, and the ease of access into the federal district courts, it is apparent that the effect of court decisions on the general public, which only a few years ago would take months or years to filter down, or never be felt personally, now is felt by millions of members of the public the day the order is entered. Thus, the controversial position of the courts is today exposed, where before it was hidden, and being in a controversial position as public officers, the judges

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Footnotes at end of article.

have and ought to share criticism for their acts the same as any other person employed by the public.

The alteration of the terms of the judges of course, as a long range effect, could only make them less independent. It is radical surgery and a pronounced, deep and far-reaching change in our constitutional plan. Whether it is justified or not is a political question of which the public, the States, and the Congress must be the ultimate judges, as they were at Philadelphia.

ADDENDUM*

The recent case of United States v. Nixon, ——— U.S. ———, 94 S. Ct. 3090 (1974), held that the President of the United States has no absolute privilege even for his personal conversations, upon a claim of "generalized" need for confidentiality in presidential communications, as perhaps distinguished from military, diplomatic, or national security matters. While recognizing the presumptive existence of a qualified privilege, the Court flatly held that a the judiciary, and not the executive, has the final say as to whether or not the claim of privilege is valid. The Court stated in part: ". . . the 'judicial power of the United States' . . . can no more be shared with the Executive Branch than the Chief Executive, for example, can share with the judiciary the veto power." *Id.* at 3106. The background of this dispute is at least as old as the trial of Aaron Burr. *See* United States v. Aaron Burr, 25 Fed. Cas. 30 (No. 14,692 d) (C.C.D. Va. 1807).

FOOTNOTES

*This article is not designed to be, and is not, a model of definitive research. Even if time and energy permitted, the few pages allotted by me to this most engrossing subject would not half cover the introduction. I have tried to express and to some extent explain a feeling I believe to be in the air and which may not be ignored. I hope it is just the restlessness of the times, but I fear it is not. Any characterization I have made of Supreme Court opinions ought not to be taken as critical, for such could properly be considered impudence. Rather, it reflects my idea of their holdings and predicted requirements, an occupational hazard for all inferior federal judges. My heavy reliance on dissenting opinions is not accidental. Dissenters rarely ride the current.

†Judge, United States Court of Appeals for the Fourth Circuit.

[1] THE FEDERALIST No. 51 (J. Madison) (Mentor ed. 1961).

[2] S.J. Res. 13, 93d Cong., 1st Sess. (1973). *See also* Introductory Remarks of Senator Harry F. Byrd, Jr., 119 CONG. REC. 4 (daily ed. Jan. 9, 1973).

[3] THE FEDERALIST No. 51 (J. Madison).

[4] I ELLIOT'S DEBATES 144 (1937).

[5] *Id.* at 180.

[6] *Id.* at 149.

[7] *Id.* at 175.

[8] Younger v. Harris, 401 U.S. 37, 44 (1971).

[9] THE FEDERALIST No. 48 (J. Madison).

[10] THE FEDERALIST No. 71 (A. Hamilton).

[11] J. MADISON, NOTES OF DEBATES IN THE FEDERAL CONVENTION OF 1787, at 80 (Ohio Univ. 1966) [hereinafter cited as MADISON'S NOTES].

[12] *Id.* at 81.

[13] THE FEDERALIST No. 78 (A. Hamilton).

[14] MADISON'S NOTES at 311.

[15] *Id.* at 463.

[16] *Id.* at 536.

[17] III ELLIOT'S DEBATES 521 (1937).

[18] IV ELLIOT'S DEBATES 136–37 (1937).

[19] THE FEDERALIST No. 78 (A. Hamilton).

[20] ELLIOT'S DEBATES 536 (1937).

[21] IV ELLIOT'S DEBATES 139 (1937).

[22] THE FEDERALIST No. 78 (A. Hamilton).

[23] Bleinstein v. Donaldson Lithographing Co., 188 U.S. 239, 252 (1903).

[24] Hand, *The Speech of Justice,* 29 HARV. L. REV. 617 (1916).

[25] Cohens v. Virginia, 19 U.S. 264, 404 (1821).

[26] THE FEDERALIST No. 51 (J. Madison).

[27] *See e.g.,* Adkins v. Children's Hosp., 261 U.S. 525 (1925); Coppage v. Kansas, 236 U.S. 1 (1915); Adair v. United States, 208 U.S. 161 (1908); Allgeyer v. Louisiana, 165 U.S. 578 (1897).

[28] 372 U.S. 726 (1963).

[29] *Id.* at 730.

[30] Lochner v. New York, 198 U.S. 45, 76 (1905) (Holmes, J., dissenting).

[31] 381 U.S. 479 (1965).

[32] 410 U.S. 113 (1973).

[33] 410 U.S. 179 (1973).

[34] Tyson & Bros. v. Banton, 273 U.S. 418, 445–46 (1927) (Holmes, J., dissenting).

[35] 408 U.S. 238 (1972).

[36] *Id.* at 418 (Powell, J., dissenting).

[37] Baker v. Carr, 369 U.S. 186, 281 (1962) (Frankfurter, J., dissenting).

[38] Coleman v. Miller, 307 U.S. 433, 454 (1939).

[39] Finkelstein, *Judicial Self-Limitation,* 37 HARV. L. REV. 338, 344–45 (1924).

[40] Wright, FEDERAL COURTS § 14 2d ed. 1970).

[41] Baker v. Carr, 369 U.S. 186, 267 (1962) (Frankfurter, J., Dissenting).

[42] Rotuli Par. 375 (1460), *reprinted in* WAMBAUGH, CASES ON CONSTITUTIONAL LAW 1 (1915). *See also* Nabob of the Carnatic v. East India Co., 1 Ves. Jr. 370 (1791), 2 Ves. Jr. 56 (1793).

[43] 1 Cranch 137, 170 (1803).

[44] 13 Pet. 415, 420 (1839).

[45] 7 How. 1 (1849).

[46] *Id.* at 45.

[47] 369 U.S. 186 (1962).

[48] 328 U.S. 549 (1946).

[49] *Id.* at 554, 556.

[50] 369 U.S. at 297.

[51] 395 U.S. 486 (1969).

[52] U.S. CONST. art. I, § 5.

[53] Texas & P. Ry. v. Gulf, C. & S. F. Ry., 270 U.S. 266, 274 (1926).

[53.1] Cf. U.S. v. Nixon, —— U.S. ——, 94 S. Ct. 3090 (1974). See Addendum at the end of this article.

[54] 365 U.S. 167 (1960).

[55] *Id.* at 173–74.

[56] 373 U.S. 668, 672 (1963).

[57] Aldisert, *Judicial Expansion of Federal Jurisdiction: A Federal Judge's Thoughts on section 1983, Comity and the Federal Caseload,* 1973 ARIZ. ST. U.L.J. 557.

[58] Wilwording v. Swenson, 404 U.S. 249 (1971); Damico v. California, 389 U.S. 416 (1967).

[59] 307 U.S. 496 (1939).

[60] 405 U.S. 538 (1972).

[61] *Id.* at 547.

[62] *Compare* Cooper v. Hutchinson, 184 F.2d 119 (3d Cir. 1950) (§ 1938 is an "expressly authorized" exception), *with* Baines v. City of Danville, 337 F.2d 579 (4th Cir. 1964) (§ 1983 is not an "expressly authorized" exception).

[63] 407 U.S. 225 (1972).

[64] 401 U.S. 37 (1971).

[65] 392 U.S. 83 (1968).

[66] *Id* at 107. Justice Douglas referred to Prothingham v. Mellon, 262 U.S. 447 (1923).

[67] 392 U.S. at 130.

[68] 369 U.S. at 267.

[69] THE FEDERALIST No. 78 (A. Hamilton).

[70] See S.R. 3833, 92d Congress, July 24, 1972, by Senators Hruska and Scott, which would drastically limit the procedural rulings of Fay v. Noia, 372 U.S. 391 (1963). *Fay* is the case which opened the door to the now widespread collateral attacks on state convictions in federal district courts.

[71] III ELLIOT'S DEBATES 536 (1937).

[72] 29 U.S.C. § 104.

[73] U.S.C. § 7421.

[74] U.S.C. § 2283 (1970).

[75] The phrase is found at least as early as article 13 of the Virginia Declaration of Rights in 1776, and article XIX of the Constitution of Massachusetts in 1779.

* See note 53.1 *supra.*

ENGINEERS IN ALASKA RECEIVE AWARD FOR WORK WITH EARTH RESOURCES TECHNOLOGY SATELLITE

Mr. STEVENS. Mr. President, it is with great pride that I call the attention of my colleagues to an award recently received by scientists in Alaska working with the Earth resources technology satellite. The National Aeronautics and Space Administration has named Prof. Albert E. Belon, and John M. Miller of the Geophysical Institute of the University of Alaska, recipients of the NASA 1974 Exceptional Scientific Achievement Medal, for "continued excellence and achievement in the establishment of a regional remote sensing data facility and in the development of interpretation techniques for efficient utilization of remotely sensed data in the State of Alaska."

Belon, with a background in upper atmospheric research and Miller, an electrical engineer, teamed up in 1972 to coordinate the universitywide ERTS program consisting of 12 scientific projects. Cooperative activities with local, State and Federal agencies and other organizations throughout the State were developed, to acquaint potential users with the benefits of satellite data, obtained from ERTS. A data library containing more than 3,000 scenes affording complete coverage of Alaska was established at Fairbanks, along with photo and computer-processing facilities.

The ERTS program in my State is concerned with such things as snow cover, vegetation classification, wildlife migrations, sea ice and surface water circulation, glacier and volcano movements, and location of archeological village sites. Results of ERTS surveys are helping virtually every agency concerned with the Earth's resources, and even assisting in selection of lands under the Native Land Claims Settlement Act.

ERTS–1, which is currently in orbit, was launched on July 23, 1972, and was designed for a 1-year lifespan. The satellite is now operating on borrowed time, with only one of its four channels still operating. The second ERTS will continue to monitor Earth resources, and will be launched in early 1975. This, too, is designed for a lifespan of only 1 year—but engineers, I am informed, believe it will last much longer, the same way ERTS–1 has exceeded its lifespan.

And we are just on the very frontier of a new technology tool—these are the first generation of sophisticated Earth resources monitoring satellites. The follow-on satellite ERTS–C expands the present capabilities of ERTS, by adding another scanning channel, and providing greater resolution of images.

ERTS–C could be scheduled for launch in 1977, and thus provide continuity of experiments and programs of monitoring. ERTS–C would provide broadened research data for an operational Earth resources design in this country. It could—following directly on the heels of ERTS–B—form the basis of a future international program of cooperation on Earth resources data. Members of the Senate recently stressed this point in a letter to President Ford, and

Iran's agreement to build an ERTS receiving station in that country further emphasizes the necessity of continuing our ERTS program.

Congress has indicated its support for ERTS-C, and researchers all across the country have voiced enthusiasm and desire for continuation of this valuable tool. I have often said that Alaska and ERTS are made for each other—NASA's recent commendation of our Alaska investigators underscores the great value of ERTS data Alaska—and of the importance of this tool. ERTS can be an ongoing method of discovering and monitoring the resources of our planet. We must continue to move ahead with the entire ERTS program.

JEWISH CONTROL OF BANKS, NEWSPAPERS, IMAGINARY

Mr. PROXMIRE. Mr. President, recently the Chairman of the Joint Chiefs of Staff, General Brown, made some unfortunate remarks regarding Jewish control of the Nation's banks and newspapers. These remarks served to perpetuate an outrageous myth that has no basis in fact whatsoever.

What are the facts? An excellent editorial in the Milwaukee Journal, one of the Nation's finest newspapers, provides the necessary information in a succinct and straightforward fashion.

The Journal editorial points out that the eight largest banks in New York City had 4.4 percent Jewish executives in 1967. These eight banks had 197 directors. Only three of them were Jews.

The editorial goes on to indicate that a mere 3.1 percent of the Nation's 1,748 daily newspapers were owned by Jews in 1972. These papers had 8 percent of the circulation—hardly a controlling force in the dissemination of the Nation's news.

Mr. President, this Journal editorial clarifies the extent of General Brown's sad wrongheadedness. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Myth of Jewish Control

The myth that Jews control the banks and newspapers in this country is perpetuated by ignorant, ill-advised remarks such as the comment several weeks ago by Gen. Brown, chairman of the Joint Chiefs of Staff. It is difficult to undo the effects of such remarks later, even though they can be discredited with substantial information.

A number of studies exist on the subject of Jewish control and employment in banking and journalism. When compiled, as they were recently by the Washington Post, they show that Jewish ownership and employment is not significantly disproportionate to the percentage of Jews in the United States, roughly 3%.

Some examples: A 1966 study of the 50 largest banks in the country showed 45 had no Jews in senior management and 38 had no Jews in middle management. The eight largest banks in New York City had 4.4% Jewish executives in 1967. As for control, the eight banks had 197 directors on their boards, three of whom were Jews. Among the nation's 1,748 daily newspapers in 1972, 3.1% were owned by Jews and had 8% of the circulation. Twenty of the 800 members of the American Society of Newspaper Editors are Jewish.

That hardly supports Brown's contention that "they (Jews) own, you know, the banks in this country, the newspapers . . ." Gen. Brown simply showed he was susceptible to the anti-Semitic thinking that has kept this myth alive.

THE HUNGRY NEW WORLD AND THE AMERICAN ETHIC

Mr. McGEE. Mr. President, vast changes are sweeping the world today—changes which threaten to sweep the industrialized nations aside if there is no fundamental alteration of U.S. foreign policy and an acceptance on the part of the American citizen of this need for change.

The stark fact of life is that the United States, with 6 percent of the world's population, consumes 30 percent of the world's resources. The United States, for all its military might and vast riches, is vulnerable—vulnerable if we do not react to the new international economic order in a positive and rational manner.

In yesterday's edition of the Washington Post, Charles W. Maynes, Jr., very poignantly drove this point home. In an article entitled "The Hungry New World and the American Ethic," Mr. Maynes noted that whatever else, the United States cannot survive in isolation from the rest of the world—the United States cannot continue to exist as an island of wealth in a sea of poverty without sinking into the morass itself. He pointed out:

> . . . First, whether we like it or not, the well-being of this country is increasingly dependent upon stable relations with the outside world. Of the 13 basic raw materials required by a modern economy, the United States in 1950 was dependent on imports for more than half its supplies for only four. By 1970 the list had grown to six, and by 1985 it will grow to a projected nine.
>
> Second, several of the new problems which most trouble Americans—inflation, environmental decays, drugs, energy shortages—have significant international aspects which must be taken into account if solutions are to be found. Finally, in the long run, in terms of the future political health of a democratic country, it is important that we believe that we fairly earn what we receive. This will not be the kind of country most of us hope to see if, over time, we are slowly persuaded through others' arguments, reinforced by their misery, that we live in luxury at the expense of the rest of the world, considered by others a global parasite.

For the first time in our history, we are confronted with a choice as to whether we will work for an equitable international economic order or whether, through neglect and shortsightedness, we plot our own eventual destruction.

We will soon be debating the issues of foreign assistance and foreign trade reform. The amounts contained in the foreign assistance program approved by the Senate Committee on Foreign Relations are pitiable when compared to what we reap from the rest of the world, much of the time at the expense of those less fortunate. When the Foreign Assistance Act reaches the floor of the Senate for debate, there will be considerable demogoguery which will ill-serve the American people. The time is now for an intelligent assessment of the world in which we live, not the unfortunate succumbing to trite political phrases which belie a total lack of political leadership for this Nation.

The warnings contained in Mr. Maynes' article are all too real and should be heeded. It is the requirement of public service and leadership that issues of the national interest be approached in an intelligent and rational manner. The Foreign Assistance Act and the trade bill are but small steps in the direction this country should be taking. In the meantime, as Mr. Maynes recommends:

> We need a national debate not just on detente as Secretary Kissinger would wish, but on a range of policy choices which will directly affect the lives of Americans in the years to come.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Dec. 1, 1974]

The Hungry New World and the American Ethic

(By Charles W. Maynes, Jr.)

The past 13 months have seen an astonishing turnaround in U.S. foreign policy. Prior to October, 1973, and the energy crisis, the United States had acquired the aura of a diplomatic miracle-worker. Since then, except for a now endangered tactical respite in the Middle East and last weekend's highly trumpeted but yet to be proven arms breakthrough in Vladivostok, the record has been almost entirely negative, from an embarrassing performance in Cyprus to an admission that we tried to "destabilize" Chile under Allende.

But the gravest mistakes have been on the economic front. The U.S.-convened Washington Energy Conference of last February was a failure. The April special session of the United Nations General Assembly—the Third World response to the Washington conference—was a disaster for the United States. And the main achievement of last month's World Food Conference in Rome, where the U.S. congressional delegates openly revolted against the positions of an unsympathetic administration, may have been to demonstrate how unprepared we still are for the new challenge placed on a major power in an era of scarcity and starvation.

In conversations with State Department officials, one repeatedly encounters a sense of helplessness and drift, with no clear thoughts on what our policy should be or whether the country would support a sound policy if we had one. What has happened? Why were the earlier political breakthroughs possible? Why are today's economic breakthroughs seemingly impossible?

To find the answers, we must look first to the new issues in the new world which we face today, and then to the traits in our post-World War II diplomacy and in the American people themselves which may limit our ability to adjust to this new reality.

INDIVIDUALS TO INSTITUTIONS

There can be little doubt that the nature of foreign policy problems has changed dramatically. Newer economic issues, such as keeping up production of oil and fertilizer, have replaced older political issues, such as keeping the Russians out of West Berlin or keeping the Chinese Nationalists in the United Nations. What we often overlook, though, is how this critical difference between Cold War and post-Cold War issues forces a new approach to diplomacy. While Cold War political issues tended to offer more scope to talented individuals, post-Cold War economic issues tend to offer increased scope to institutions.

With political issues, our purpose is fairly definite; usually it involves an effort to force the other side to stop such actions as applying pressure against Berlin or sending troops to the Middle East—actions that the other side can easily reverse by a decision at the top. Success is fairly clear and short-range; we announce that the Berlin blockade has ended or that Brezhnev has retracted his threat to send forces to Egypt. The statesman's tools here are personal negotiation and national threats, his values secrecy and surprise. Using these tools and manipulating these values, a gifted individual like Henry Kissinger may achieve stunning success.

With economic issues, however, it is always unclear when success has been achieved. Longer-range problems such as international inflation and recession or global starvation are never "solved." Moreover, the statesman's tools are no longer personal negotiation and threats. These must give way to large-scale institutional cooperation and international collaboration, both of which can only result from patient consensus-building. Individual brilliance, secrecy and surprise are succeeded by bureaucratic effort, openness and predictability. Success is beyond the grasp of a single man, no matter how gifted.

PLAYING BY THE RULES

Our problems, though, involve more than one man or one approach to diplomacy. They go to fundamental aspects of the American character, to a special vision that makes it difficult for us to deal with the new economic issues on the international agenda. That vision relates to the American concept of fair play and the rules of the game, and the government's relation to both. It is a vision at variance with views held in much of the rest of the world, particularly at a time of global hunger, severe economic dislocation and appalling contrasts between the world's rich and poor.

In other societies, more influence by revolutionary or class politics, the role of the government is seen as one of changing the rules of the game to benefit one group over another. The struggle for political power is intense precisely because everyone realizes that once in power, a political group may change the rules permanently to benefit its followers.

In America, our view of government has been different. We do not question the rules but the way they are enforced, the men who carry them out. Even our poor, unlike lower-income groups in other countries, have not asked for a change in the rules but a change in the administration. Mr. Nixon was forced to leave office in part because a majority of Americans finally concluded that, as in a foreign political system, he was trying to change the rules permanently to benefit his followers and punish his enemies.

This American acceptance of the established ways has an important consequence. It leads to a belief that those with wealth and power—even those with very unusual wealth and power which they may have inherited—deserve their good fortune. If the rules are fair—and we do not question that they are—then those who make their way must deserve what they have amassed. But a corollary of the acceptance of good fortune is the acceptance of bad fortune. If the rich deserve what they receive, equally merited is the unfortunate fate of those who fall by the wayside.

If we believe this of individuals, why not of nations? Suppose our people believe the international order is fair. Then if this nation makes its way and 6 per cent of the globe's people end up unimaginably more prosperous than the rest, why should others protest? Did we not earn our prosperity, which others could have shared if they had been equally inventive and industrious?

We sometimes forget the extraordinary hold this vision of the world has on the American imagination. It's not just the well-to-do who believe this but all the rest of us. The civil rights movement foundered precisely when it came into conflict with this vision. So long as the demands of the movement were for rights enjoyed by whites but not blacks—voting rights, equal access to public facilities, equal treatment before the law—some progress was made. But when the civil rights movement decided that blacks in fact needed special help to compensate for historical disadvantage—job quotas, racially focused government programs, privileged access to universities—white working America revolted. No one, it was argued, worried about the small number of Italian-Americans or Polish-Americans attending universities or selected as corporate trustees. They could not support a program designed to help black Americans receive these advantages.

Sometimes this vision of America reaches into the most extraordinary corners of our national life. Listen to Chicago gangster Al Capone in 1929: "The American system of ours, call it Americanism, call it capitalism, call it what you like, gives each and every one of us a great opportunity if we only seize it with both hands and make the most of it. My rackets are run on strictly American lines, and they are going to stay that way."

NO PLACE IN THE SUN

It would be surprising if this peculiar American view exerted no influence on our foreign policy. Indeed, the post-World War II debate over the structure of the new international economic order reflected this very vision. Many Americans believed that privileged access to markets and supplies for some countries prior to World War II helped to fuel German and Japanese aggressiveness. Denied their rightful place in the international order, Germany and Japan sought, we believed, to create their own spheres of national influence and prosperity. After the war, a major goal was to break down trading blocs, to establish an equitable international economic order allowing everyone to find his place in the sun, an order which would make future wars for markets or supplies forever unnecessary.

But what should be done with those who do not find their place in the sun. Then as now, at home and abroad, that remains the weakness of the American vision. Domestically, we believe a man who is poor deserves to be poor—he must not have tried hard enough; perhaps if he had worked harder, he might have inherited something. Abroad we doubt that poor nations really deserve our assistance. They, like others, could have made their way. If they did not, they must not have tried hard enough. Or, had they looked harder, they might have found oil.

Usually, we steadfastly refuse to look at deeper explanations of foreign poverty. For example, when Americans think of India they may recall the fine railway net the British left and assume the Indians entered the world of independence and development with a leg up. In fact, British rule had killed off promising indigenous patterns of growth. When the British first arrived, India had one of the most advanced textile industries in the world, exporting to many parts of the globe. The British, anxious to protect their own textile industry, throttled all Indian competition and doomed Indian industrial development for generations.

To take a more recent example, during the Kennedy round of tariff cuts, much was made of the progress obtained. Few before the World Bank's Pearson Commission called attention to the fact that after the cuts the industrialized countries maintained much higher tariffs on manufactured products from developing countries than from one another. Nor do those denouncing the world's poor for their shiftlessness often mention that developed countries generally continue to maintain the highest effective tariff rates on labor-intensive goods, a practice which penalizes poor nations specializing in such goods.

GENEROSITY IN DISASTERS

The harsh American attitude toward the permanently poor is often misunderstood, because many confuse it with our attitude toward the temporarily afflicted. To those faced with sudden disaster, whether natural or man-made, no nation is more generous than the United States. Yet this generosity is only a natural extension of this same American vision. Victims of unexpected disasters clearly cannot be held responsible for their plight. In such cases we are not terribly concerned about receiving gratitude. It's our duty to help in periods of unexpected distress.

But the American view of poverty is quite different. There we do expect indebtedness, for we believe poverty can be avoided whereas disaster cannot. Following our view, any nation with pride and in conformity with the rules of the game would agree that its economic plight is primarily its own fault. This being so, it should not only be grateful, but permanently beholden to us for any aid, because both donor and recipient recognize that the receiving nation really does not deserve the money.

Some of our closest allies confuse our extraordinary bursts of generosity with a permanent American commitment to the outside world. Having known American generosity under the Marshall Plan, Europeans could not understand why U.S. negotiators placed such emphasis on access for American citrus fruit or chickens to European markets. Why could we not be generous on this small point as we had been on much larger issues in the past. The question represents a total misunderstanding of the primary humanitarian impulse behind the Marshall Plan. Although we must allow for anti-communism as a motive, from the humanitarian viewpoint the effort was a predictable U.S. response to sudden distress.

Today, new examples of the special nature of U.S. generosity are being played out. At the U.N. special session last April, the United States made clear its willingness to provide $4 billion to assist poor countries temporarily hard hit by the oil, food and fertilizer crises. It now provides more emergency food aid to the starving nomads in the Sahel than any other nation, including the ex-colonial power, France. But it also accords those same African states the lowest possible priority in long-range U.S. development aid plans.

The new world economic crisis is forcing us to face the fact that few countries share or fully understand our philosophy. To much of the rest of the world, far more important than hard work in making one's way are the rules of the game themselves; the fastest way to personal as well as national enrichment is to change the rules to one's own benefit.

Against this background, we can see somewhat more clearly why Secretary Kissinger's lack of interest in economic matters is an important but not central explanation for our difficulties in international economics. For today there is a global effort to change the rules of the game, an effort which first began amid much ridicule and misunderstanding in the United Nations and its conferences on trade and development that go back to the mid-1960s. For several years, we have been on notice from other nations, primarily the poorer countries but even some of our allies, that they were determined to change the rules of the game because they did not believe them to be as fair as we maintained. We chose to ignore these warnings.

Consider the current energy crisis from the standpoint of what we have been saying. For years, the United States has told developing countries the way to advance economically is through hard work, prudent investment and administrative discipline. Yet in a few short weeks, the oil-producing countries, which we now concede had a case for some price increase, gained more by changing the rules of the game than they could have expected in a lifetime of hard work. No action in international affairs in the postwar era has brought home more clearly the importance of the rules of the game. The only actions remotely comparable were unilateral U.S. decisions first to devalue the dollar, then to block agricultural exports to established customers like Japan. We must then expect that others—friends, foes, neutrals and ourselves—may try to follow the lesson taught. The prospect is for an international order subject to repeated destabilization.

Ironically, accompanying the breakdown in the international rules of the game has been a comparable breakdown in the domestic rules of the game. The reason is that, both abroad and at home, economics has become more and more politicized.

When the government imposed wage and price controls, all segments of U.S. society were alerted to the possibility that even in peacetime the rules could be changed or bent to favor one group over another. Key segments of big business and big labor were in on the secrets for years. But until wage and price controls the majority of Americans perceived this important truth only imperfectly.

In imposing controls, former President Nixon told all Americans that the decisive factor in the welfare of every business and labor enterprise was now the attitude of the federal government. If a businessman wanted a higher profit margin or a workingman a higher wage, all understood it was now necessary to convince the White House.

With this increased politicization of economic issue, an element of bitterness inevitably enters all economic disputes, foreign or domestic. For it is one thing to argue with others over economic matters when there is a common framework against which to judge whether demands are just. It is quite another thing when each group or each nation assumes *tabula rasa* and struggles to ensure that the new rules drawn up are most favorable to itself.

Yet precisely this is happening in the general U.N. debate over a new international economic order, in the IMF negotiations over new monetary arrangements, in the law of the sea negotiations, in trade deliberations, and increasingly in the session of our own Congress. Internationally, for the first time since World War II and without benefit of shared ideals and a common perception of dangers to avoid, it is becoming every country for itself.

DEFENDING THE STATUS QUO

In this new environment, barring some breakthrough in enlightenment on the part of all major parties, we must expect any country that stands for a rigid adherence to the status quo to be on the defensive in virtually every international economic forum. Under current circumstances, this means the United States. For, although several other countries are also staunch defenders of the economic status quo—the Soviet Union, several Western European countries, Canada—most of them take their position solely because they are on top. We do it for this reason, but we add a special factor—we honestly believe the rules are fair. Consequently, we enjoy, or suffer, a special isolation.

Eloquent proof of this was seen in last summer's session of the U.N. Economic and Social Council. There, although six West European countries went so far as to abstain, the United States was the only country to vote against a resolution calling for renewed efforts to implement the U.N. program of action leading to a "new international economic order," first adopted at April's special session of the General Assembly.

One reaction to all this can be, "So what? Don't Americans have enough problems with inflation and mounting domestic troubles? If other nations want to change the rules of the game, why should we help them? We shouldn't care whether the international order is fair or unfair. We should simply try to maximize U.S. advantages, which may require a rigid defense of the status quo."

There are several answers to this position. First, whether we like it or not, the well-being of this country is increasingly dependent upon stable relations with the outside world. Of the 13 basic raw materials required by a modern economy, the United States in 1950 was dependent on imports for more than half its supplies for only four. By 1970 the list had grown to six, and by 1985 it will grow to a projected nine.

Second, several of the newer problems which most trouble Americans—inflation, environmental decay, drugs, energy shortages—have significant international aspects which must be taken into account if solutions are to be found. Finally, in the long run, in terms of the future political health of a democratic country, it is important that we believe that we fairly earn what we receive. This will not be the kind of country most of us hope to see if, over time, we are slowly persuaded through others' arguments, reinforced by their misery, that we live in luxury at the expense of the rest of the world, considered by others a global parasite. It is essential, therefore, that the United States, together with other nations, urgently reexamine the international rules of the game and reach agreement on a bargain fairer to all, which all accept and with which all can live.

It is essential that the American people accept this reexamination. For popular support is the central issue.

THE CRITICAL SHIFT

At key moments in our past, the nation has faced critical shifts in foreign policy for which the public was not yet ready. This happened in 1919 with the League of Nations, in 1939 with the need to assist the allies, in 1948 with the Marshall Plan. In each case a massive national campaign was launched both by the government and by the private sector to alert the country to opportunities and dangers. One campaign failed, the two others succeeded. But even Woodrow Wilson's unsuccessful campaign to persuade the United States to join the League of Nations later helped to build support for our leadership in creating the United Nations.

Today we seem to be nearing another historic turning point in our foreign policy. For the first time since 1945 we are experiencing major permanent shifts on the international economic scene. The entire postwar international economic structure is being dismantled, and we are not sure what will rise in its place.

This much we do know. In the end, we cannot live in isolation, and we cannot live with anarchy. Given the stark alternatives, the conclusion seems inescapable. If we want a stable international order, the United States has no choice but to work for an adjustment in the international economic order which we can accept but which gives everyone a chance for his place in the sun.

But our people must be prepared for some of the major adjustments that are coming as permanent shifts in the economic order are set in motion and necessary trade-offs are proposed. The government urgently needs to go to the people on some of the hard choices ahead. We need a national debate not just on detente, as Secretary Kissinger would wish, but on a range of policy choices which will directly affect the lives of Americans in the years to come.

Apart from the question of nuclear war, the most urgent foreign policy task of the new administration is to confront these major international economic questions and to take a coherent program to the country. Otherwise, as the time for a global bargain on some of these issues is finally upon us, the government will lack the domestic support it needs.

ENERGY SHORTAGE

Mr. BARTLETT. Mr. President, my colleagues are interested in a sound energy posture for this Nation. I am certain all Members of this body will find enlightening an abstract of the views of Mr. C. H. Keplinger of Tulsa, Okla., advanced in Houston, Tex., in November 1974, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

> The United States faces an expensive and crippling energy shortage. The United States does not have the oil capability to cover an emergency Arab oil embargo. The United States does not have the capability of paying approximately a quadrupled crude price for imports. The United States Federal Government is holding back on the development of our offshore oil and gas potential reserves for political and environmental reasons.
>
> Our import requirements for the first quarter of 1975 will approximate seven million barrels per day which will, under present prices, result in a deficiency balance of payments of approximately $25 billion. This outgo of funds cannot be sustained for long. Two things are evident: (1) either the price for imported oil must be reduced drastically, or (2) we will revert to a standard of living which existed in the 1950's or before.
>
> For the short term, there appears to be no way out of the dilemma except a reduced international price. If this does not come about in the immediate future, the United States will be forced into severe rationing of petroleum until substitutes are provided.
>
> The long-range view is more encouraging as it will be possible to utilize our vast coal reserves, oil-shale reserves, and nuclear fuels for the generation of electricity.
>
> Our only option for the short term is to drastically cut consumption, make every effort to increase domestic production, and convert as much of our industrial capacity requirements to coal in place of gas and oil.
>
> If we are to handle the short-run situation, the Government must make provision for subsidies to stimulate a rapid development of our oil shale and coal industry plus an intensive release of offshore acreage for development. We cannot meet our present requirements and anticipated future requirements without the Department of the Interior releasing for immediate development our offshore areas. Time-consuming environmental studies have set back the development of our offshore oil and gas reserves for several years and made us dependent upon costly oil imports.
>
> There is little hope, in the near future, of getting import oil prices reduced. It means that there must be definite reduction in the use of oil by the United States because we cannot pay the prices asked by the OPEC nations. This will affect the overall economy of the United States and put us on oil rationing in the near future. Every effort should be made to stimulate domestic production both onshore and offshore. The Government, through the Department of the Interior, should be encouraged to release triple the amount of annual exploration acreage offshore than has been released in the past in order to solve our emergency fuel situation.
>
> The short-range energy picture will require drastic conservation measures and realistic stimuli to develop U.S. oil and gas reserves. Progress will be painfully slow toward an improved U. S. energy position. The energy position will improve slowly because of the time-lag for the development of substitute

coal and oil-shale projects. The nation faces growing energy problems and a serious international balance of payment deficit.

WAGE SCALE OF SENATE RESTAURANT EMPLOYEES

Mr. ALLEN. Mr. President, as chairman of the Senate Restaurant Subcommitee of the Rules Committee, I ask unanimous consent that, as information to the Members of the Senate, there be printed in the RECORD a copy of letter of Hon. George M. White, Architect of the Capitol, dated November 25, 1974, setting forth the hourly pay schedule for Senate restaurant employees.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARCHITECT OF THE CAPITOL,
Washington, D.C., November 25, 1974.

Prevailing Grade and Wage Rate Schedule for Senate Restaurant Employees.

Pursuant to authority vested in the Architect of the Capitol by Public Law 87-82, 87th Congress, and with approval of the Senate Committee on Rules and Administration, the following rates, superseding rates established by Order of the Architect of the Capitol dated May 20, 1974, effective retroactively to May 5, 1974, for both supervisory and nonsupervisory wage board employees of the Senate Restaurant, are hereby established, effective retroactively to November 3, 1974:

Grade	Step—				
	1	2	3	4	5
1	$2.85	$2.93	$3.00	$3.08	$3.15
2	3.00	3.08	3.16	3.24	3.32
3	3.14	3.23	3.31	3.39	3.48
4	3.31	3.39	3.38	3.57	3.65
5	3.47	3.56	3.65	3.74	3.83
6	3.67	3.76	3.86	3.96	4.05
7	3.83	3.93	4.03	4.13	4.23
8	4.04	4.14	4.25	4.36	4.46
9	4.21	4.32	4.43	4.54	4.65
10	4.38	4.49	4.61	4.73	4.84
11	4.57	4.69	4.81	4.93	5.05
12	4.82	4.94	5.07	5.20	5.32
13	5.11	5.25	5.38	5.51	5.65
14	5.40	5.54	5.68	5.82	5.96
15	5.65	5.80	5.95	6.10	6.25

A NEW VIEW OF FOREIGN POLICY

Mr. McGOVERN. Mr. President, writing in the Washington Post on yesterday, Charles W. Maynes, Jr., outlines a view of foreign policy attitudes in the United States which is deserving of study by every person concerned with the future of our planet.

To those of us who have long professed concern with the apparent drift in our foreign policy, and with what seems more and more to be a basic lack of real moral underpinning for our policy, his views suggest an alternative richly deserving our study and consideration.

Certainly our response to the food needs of hungry people around the world, as well as our longer range response to the needs of peoples to improve their own life-sustaining capability, are clear examples of the problems which Mr. Maynes articulates so well.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HUNGRY NEW WORLD AND THE AMERICAN ETHICS

(By Charles W. Maynes Jr.)

The past 13 months have seen an astonishing turnaround in U.S. foreign policy. Prior to October, 1973, and the energy crisis, the United States had acquired the aura of a diplomatic miracle-worker. Since then, except for a now endangered tactical respite in the Middle East and last weekend's highly trumpeted but yet to be proven arms breakthrough in Vladivostok, the record has been almost entirely negative, from an embarrassing performance in Cyprus to an admission that we tried to "destabilize" Chile under Allende.

But the gravest mistakes have been on the economic front. The U.S.-convened Washington Energy Conference of last February was a failure. The April special session of the United Nations General Assembly—the Third World response to the Washington conference—was a disaster for the United States. And the main achievement of last month's World Food Conference in Rome, where the U.S. congressional delegates openly revolted against the positions of an unsympathetic administration, may have been to demonstrate how unprepared we still are for the new challenge placed on a major power in an era of scarcity and starvation.

In conversations with State Department officials, one repeatedly encounters a sense of helplessness and drift, with no clear thoughts on what our policy should be or whether the country would support a sound policy if we had one. What has happened? Why were the earlier political breakthroughs possible? Why are today's economic breakthroughs seemingly impossible?

To find the answers, we must look first to the new issues in the new world which we face today, and then to the traits in our post-World War II diplomacy and in the American people themselves which may limit our ability to adjust to this new reality.

INDIVIDUALS TO INSTITUTIONS

There can be little doubt that the nature of foreign policy problems has changed dramatically. Newer economic issues, such as keeping up production of oil and fertilizer, have replaced older political issues, such as keeping the Russians out of West Berlin or keeping the Chinese Nationalists in the United Nations. What we often overlook, though, is how this critical difference between Cold War and post-Cold War issues forces a new approach to diplomacy. While Cold War political issues tended to offer more scope to talented individuals, post-Cold War economic issues tend to offer increased scope to institutions.

With political issues, our purpose is fairly definite; usually it involves an effort to force the other side to stop such actions as applying pressure against Berlin or sending troops to the Middle East—actions that the other side can easily reverse by a decision at the top. Success is fairly clear and short-range; we announce that the Berlin blockade has ended or that Brezhnev has retracted his threat to send forces to Egypt. The statesman's tools here are personal negotiation and national threats, his values secrecy and surprise. Using these tools and manipulating these values, a gifted individual like Henry Kissinger may achieve stunning success.

With economic issues, however, it is always unclear when success has been achieved. Longer-range problems such as international inflation and recession or global starvation are never "solved." Moreover, the statesman's tools are no longer personal negotiation and threats. These must give way to large-scale institutional cooperation and international collaboration, both of which can only result from patient consensus-building. Individual brilliance, secrecy and surprise are succeeded by bureaucratic effort, openness and predictability, Success is beyond the grasp of a single man, no matter how gifted.

PLAYING BY THE RULES

Our problems, though, involve more than one man or one approach to diplomacy. They go to fundamental aspects of the American character, to a special vision that makes it difficult for us to deal with the new economic issues on the international agenda. That vision relates to the American concept of fair play and the rules of the game, and the government's relation to both. It is a vision at variance with views held in much of the rest of the world, particularly at a time of global hunger, severe economic dislocation and appalling contrasts between the world's rich and poor.

In other societies, more influenced by revolutionary or class politics, the role of the government is seen as one of changing the rules of the game to benefit one group over another. The struggle for political power is intense precisely because everyone realizes that once in power, a political group may change the rules permanently to benefit its followers.

In America, our view of government has been different. We do not question the rules but the way they are enforced, the men who carry them out. Even our poor, unlike lower-income groups in other countries, have not asked for a change in the rules but a change in their administration. Mr. Nixon was forced to leave office in part because a majority of Americans finally concluded that, as in a foreign political system, he was trying to change the rules permanently to benefit his followers and punish his enemies.

This American acceptance of the established ways has an important consequence. It leads to a belief that those with wealth and power—even those with very unusual wealth and power which they may have inherited—deserve their good fortune. If the rules are fair—and we do not question that they are—then those who make their way must deserve what they have amassed. But a corollary of the acceptance of good fortune is the acceptance of bad fortune. If the rich deserve what they receive, equally merited is the unfortunate fate of those who fall by the wayside.

If we believe this of individuals, why not of nations? Suppose our people believe the international order is fair. Then if this nation makes its way and 6 per cent of the globe's people end up unimaginably more prosperous than the rest, why should others protest? Did we not earn our prosperity, which others could have shared if they had been equally inventive and industrious?

We sometimes forget the extraordinary hold this vision of the world has on the American imagination. It's not just the well-to-do who believe this but all the rest of us. The civil rights movement foundered precisely when it came into conflict with this vision. So long as the demands of the movement were for rights enjoyed by whites but not blacks—voting rights, equal access to public facilities, equal treatment before the law—some progress was made. But when the civil rights movement decided that blacks in fact needed special help to compensate for historical disadvantage—job quotas, racially focused government programs, privileged access to universities—white working America revolted. No one, it was argued, worried about the small number of Italian-Americans or Polish-Americans attending universities or selected as corporate trustees. They could not support a program designed to help black Americans receive these advantages.

Sometimes this vision of America reaches into the most extraordinary corners of our national life. Listen to Chicago gangster Al Capone in 1929: "The American system of ours, call it Americanism, call it capitalism, call it what you like, gives each and every one of us a great opportunity if we only seize it with both hands and make the most of it. My rackets are run on strictly American lines, and they are going to stay that way."

NO PLACE IN THE SUN

It would be surprising if this peculiar American view exerted no influence on our foreign policy. Indeed, the post-World War II debate over the structure of the new international economic order reflected this very vision. Many Americans believed that priviledged access to markets and supplies for some countries prior to World War II helped to fuel German and Japanese aggressiveness. Denied their rightful place in the international order, Germany and Japan sought, we believed, to create their own spheres of national influence and prosperity. After the war, a major goal was to break down trading blocs, to establish an equitable international economic order allowing everyone to find his place in the sun, an order which would make future wars for markets or supplies forever unnecessary.

But what should be done with those who do not find their place in the sun. Then as now, at home and abroad, that remains the weakness of the American vision. Domestically, we believe a man who is poor deserves to be poor—he must not have tried hard enough; perhaps if he had worked harder, he might have inherited something. Abroad we doubt that poor nations really deserve our assistance. They, like others, could have made their way. If they did not, they must not have tried hard enough Or, had they looked harder, they might have found oil.

Usually, we steadfastly refuse to look at deeper explanations of foreign poverty. For example, when Americans think of India they may recall the fine railway net the British left and assume the Indians entered the world of independence and development with a leg up. In fact, British rule had killed off promising indigenous patterns of growth. When the British first arrived, India had one of the most advanced textile industries in the world, exporting to many parts of the globe. The British, anxious to protect their own textile industry, throttled all Indian competition and doomed Indian industrial development for generations.

To take a more recent example, during the Kennedy round of tariff cuts, much was made of the progress obtained. Few before the World Bank's Pearson Commission called attention to the fact that after the cuts the industrialized countries maintained much higher tariffs on manufactured products from developing countries than from one another. Nor do those denouncing the world's poor for their shiftlessness often mention that developed countries generally continue to maintain the highest effective tariff rates on labor-intensive goods, a practice which penalizes poor nations specializing in such goods.

GENEROSITY IN DISASTERS

The harsh American attitude toward the permanently poor is often misunderstood, because many confuse it with our attitude toward the temporarily afflicted. To those faced with sudden disaster, whether natural or man-made, no nation is more generous than the United States. Yet this generosity is only a natural extension of this same American vision. Victims of unexpected disasters clearly cannot be held responsible for their plight. In such cases we are not terribly concerned about receiving gratitude. It's our duty to help in periods of unexpected distress.

But the American view of poverty is quite different. There we do expect indebtedness, for we believe poverty can be avoided whereas disaster cannot. Following our view, any nation with pride and in conformity with the rules of the game would agree that its economic plight is primarily its own fault. This being so, it should not only be grateful, but permanently beholden to us for any aid, because both donor and recipient recognize that the receiving nation really does not deserve the money.

Some of our closest allies confuse our extraordinary bursts of generosity with a permanent American commitment to the outside world. Having known American generosity under the Marshall Plan, Europeans could not understand why U.S. negotiators placed such emphasis on access for American citrus fruit or chickens to European markets. Why could we not be generous on this small point as we had been on much larger issues in the past. The question represents a total misunderstanding of the primary humanitarian impulse behind the Marshall Plan. Although we must allow for anti-communism as a motive, from the humanitarian viewpoint the effort was a predictable U.S. response to sudden distress.

Today, new examples of the special nature of U.S. generosity are being played out. At the U.N. special session last April, the United States made clear its willingness to provide $4 billion to assist poor countries temporarily hard hit by the oil, food and fertilizer crises. It now provides more emergency food aid to the starving nomads in the Sahel than any other nation, including the ex-colonial power, France. But it also accords those same African states the lowest possible priority in long-range U.S. development aid plans.

The new world economic crisis is forcing us to face the fact that few countries share or fully understand our philosophy. To much of the rest of the world, far more important than hard work in making one's way are the rules of the game themselves; the fastest way to personal as well as national enrichment is to change the rules to one's own benefit.

Against this background, we can see somewhat more clearly why Secretary Kissinger's lack of interest in economic matters is an important but not central explanation for our difficulties in international economics. For today there is a global effort to change the rules of the game, an effort which first began amid much ridicule and misunderstanding in the United Nations and its conferences on trade and development that go back to the mid-1960s. For several years, we have been on notice from other nations, primarily the poorer countries but even some of our allies, that they were determined to change the rules of the game because they did not believe them to be as fair as we maintained. We chose to ignore these warnings.

Consider the current energy crisis from the standpoint of what we have been saying. For years, the United States has told developing countries the way to advance economically is through hard work, prudent investment and administrative discipline. Yet in a few short weeks, the oil-producing countries, which we now concede had a case for some price increase, gained more by changing the rules of the game than they could have expected in a lifetime of hard work. No action in international affairs in the postwar era has brought home more clearly the importance of the rules of the game. The only actions remotely comparable were unilateral U.S. decisions first to devalue the dollar, then to block agricultural exports to established customers like Japan. We must then expect that others—friends, foes, neutrals and ourselves—may try to follow the lesson taught. The prospect is for an international order subject to repeated destabilization.

Ironically, accompanying the breakdown in the international rules of the game has been a comparable breakdown in the domestic rules of the game. The reason is that, both abroad and at home, economics has become more and more politicized.

When the government imposed wage and price controls, all segments of U.S. society were alerted to the possibility that, even in peacetime, the rules could be changed or bent to favor one group over another. Key segments of big business and big labor were in on the secrets for years. But until wage and price controls the majority of Americans perceived this important truth only imperfectly.

In imposing controls, former President Nixon told all Americans that the decisive factor in the welfare of every business and labor enterprise was now the attitude of the federal government. If a businessman wanted a higher profit margin or a workingman a higher wage, all understood it was now necessary to convince the White House.

With this increased politicization of economic issues, an element of bitterness inevitably enters all economic disputes, foreign or domestic. For it is one thing to argue with others over economic matters when there is a common framework against which to judge whether demands are just. It is quite another thing when each group or each nation assumes *tabula rasa* and struggles to ensure that the new rules drawn up are most favorable to itself.

Yet precisely this is happening in the general U.N. debate over a new international economic order, in the IMF negotiations over new monetary arrangements, in the law of the sea negotiations, in trade deliberations, and increasingly in the sessions of our own Congress. Internationally, for the first time since World War II and without benefit of shared ideals and a common perception of dangers to avoid, it is becoming every country for itself.

DEFENDING THE STATUS QUO

In this new environment, barring some breakthrough in enlightenment on the part of all major parties, we must expect any country that stands for a rigid adherence to the status quo to be on the defensive in virtually every international economic forum. Under current circumstances, this means the United States. For, although several other countries are also staunch defenders of the economic status quo—the Soviet Union, several Western European countries, Canada—most of them take their position solely because they are on top. We do it for this reason, but we add a special factor—we honestly believe the rules are fair. Consequently, we enjoy, or suffer, a special isolation.

Eloquent proof of this was seen in last summer's session of the U.N. Economic and Social Council. There, although six West European countries went so far as to abstain, the United States was the only country to vote against a resolution calling for renewed efforts to implement the U.N. program of action leading to a "new international economic order," first adopted at April's special session of the General Assembly.

One reaction to all this can be, "So what? Don't Americans have enough problems with inflation and mounting domestic troubles. If other nations want to change the rules of the game, why should we help them? We shouldn't care whether the international order is fair or unfair. We should simply try to maximize U.S. advantages, which may require a rigid defense of the status quo."

There are several answers to this position. First, whether we like it or not, the well-being of this country is increasingly dependent upon stable relations with the outside world. Of the 13 basic raw materials required by a modern economy, the United States in 1950 was dependent on imports for more than half its supplies for only four. By 1970 the list had grown to six, and by 1985 it will grow to a projected nine.

Second, several of the newer problems which most trouble Americans—inflation, environmental decay, drugs, energy shortages—have significant international aspects which must be taken into account if solutions are to be found. Finally, in the long run, in terms of the future political health of a democratic country, it is important that we believe that we fairly earn what we receive. This will not be the kind of country most of us hope to see if, over time, we are slowly persuaded through others' arguments, reinforced by their misery, that we live in luxury at the expense of the rest of the world, considered by others a global parasite. It is essential, therefore, that the United States, together with other nations, urgently reexamine the international rules of the game and reach agreement on a bargain fairer to all, which all accept and with which all can live.

It is essential that the American people accept this reexamination. For popular support is the central issue.

THE CRITICAL SHIFT

At key moments in our past, the nation has faced critical shifts in foreign policy for which the public was not yet ready. This happened in 1919 with the League of Nations, in 1939 with the need to assist the allies, in 1948 with the Marshall Plan. In each case a massive national campaign was launched both by the government and by the private sector to alert the country to opportunities and dangers. One campaign failed, the two others succeeded. But even Woodrow Wilson's unsuccessful campaign to persuade the United States to join the League of Nations later helped to build support for our leadership in creating the United Nations.

Today we seem to be nearing another historic turning point in our foreign policy. For the first time since 1945 we are experiencing major permanent shifts on the international economic scene. The entire postwar international economic structure is being dismantled, and we are not sure what will rise in its place.

This much we do know. In the end, we cannot live in isolation, and we cannot live with anarchy. Given the stark alternatives, the conclusion seems inescapable. If we want a stable international order, the United States has no choice but to work for an adjustment in the international economic order which we can accept but which gives everyone a chance for his place in the sun.

But our people must be prepared for some of the major adjustments that are coming as permanent shifts in the economic order are set in motion and necessary trade-offs are proposed. The government urgently needs to go to the people on some of the hard choices ahead. We need a national debate not just on detente, as Secretary Kissinger would wish, but on a range of policy choices which will directly affect the lives of Americans in the years to come.

Apart from the question of nuclear war, the most urgent foreign policy task of the new administration is to confront these major international economic questions and to take a coherent program to the country. Otherwise, as the time for a global bargain on some of these issues is finally upon us, the government will lack the domestic support it needs.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, genocide is the attempted destruction of a national, ethnic, racial or religious group by direct methods or the imposition of intolerable living conditions, designed to lead to the group's extinction. It is a crime so heinous that it has rarely been practiced, even by the most malevolent and despotic of rulers. Yet a scant few decadges ago, the Nazi regime's massacre of 6 million Jews served as a tragic reminder that the 20th century is not immune to such brutality. Indeed, the world community was so outraged by this unconscionable act that the General Assembly of the young United Nations unanimously adopted a resolution condemning genocide as its first human rights effort. It was an auspicious start for this global organization and a credit to the U.S. delegation that championed this resolution.

Shortly, a treaty was drafted to implement the resolution and the U.S. delegation was one of the first signatories. But while 75 nations have initialed the Genocide Convention and ratified it, the United States has never ratified the signature of our delegation.

Mr. President, to me this is a tragic anomaly. In many ways, this important human rights treaty is symbolic in the same way that the Geneva Conventions of the Treatment of Prisoners are symbolic. There is no abrogation of national sovereignty in either case, except to the extent that our own moral values prevent the excesses so commonly associated with sovereignty.

More importantly, though, these treaties commit us to a code of conduct through which we can hopefully raise the basic standards by which nations conduct their internal and external affairs.

Day by day, it has become clearer that the third world nations are determined to seek their own place in the sun. Many of these states did not even exist when this treaty was drafted, and to date, have shown little interest in it. As the tragic events in Biafra and the drought in the Sahel so poignantly demonstrate, we must renew the global commitment to human rights. Our ratification of the Genocide Convention might be the necessary spark for this rededication.

Mr. President, I urge my colleagues to heed this call.

FIRST ANNUAL REPORT OF THE BOARD FOR INTERNATIONAL BROADCASTING

Mr. TUNNEY. Mr. President, in 1973, Congress established the Board for International Broadcasting to oversee and grant funds for the operation of Radio Liberty and Radio Free Europe. This action ended a period of uncertainty about the future of the two broadcasting systems which had received most of their financing up to 1971 from the Central Intelligence Agency. The creation of the Board and subsequent appropriations by Congress for its activities now to assure significant support by Congress and the executive branch for the continuation of the work of both systems.

The Board has just published its first annual report, which provides a concise summary of its actions over the past year. The report shows that significant initiatives have been undertaken to streamline the operation of Radio Liberty and Radio Free Europe, and expand services in some areas. Also, new leadership for both is now being sought. I find these developments most encouraging. Nonetheless, both face a continued challenge, particularly in the need for capital improvements of their transmitting facilities.

I hope every Member of the Senate, and all interested citizens, will read this first annual report.

Dr. David Abshire, Chairman of the Board, has also written me a letter summarizing the major points in the report. I ask unanimous consent, Mr. President, to print in the RECORD the relevant portions of Dr. Abshire's letter to me giving the highlights of the first annual report of the Board for International Broadcasting.

There being no objection, the portions of the letter were ordered to be printed in the RECORD, as follows:

Formation of the Board and passage of the $49,800,000 appropriation for FY 1975 has had a salutary effect on the morale of the personnel of the radios. After years of uncertainty, they are now reassured that their work is recognized by the United States Government as being in the national interest. This recognition has been underscored by a letter to me from the Secretary of State, confirming his support of the radios in their "important role in the development of relations between East and West and in the flow of ideas and information vital to relaxation of tensions and true understanding."

As a result of the appropriation made for FY 1975, Radio Liberty is now forming a Lithuanian Service staff and will initiate broadcasts in that language in January 1975. We are requesting funds in our Fiscal Year 1976 budget to enable broadcasts in Latvian and Estonian to begin. Taking account of the strong interest the Congress has expressed in broadcasts in the other two Baltic languages, Radio Liberty has agreed to reprogram FY 75 funds to insure that the Estonian and Latvian Services go on the air next summer.

As a result of a series of visits by Board members, staff and independent consultants to radios' operational headquarters in Munich, decisive progress has been made toward implementing the consolidation of radio management and support services—as recommended by the Comptroller General, the Radio Broadcasting, and many members of Presidential Commission on International Congress. In the next few weeks, construction will begin of extensions to the Radio Free Europe headquarters building in Munich. These will permit Radio Liberty to vacate its separate premises and enable the consolidation of administration, engineering and fiscal control services, with substantial savings in personnel as well as rental costs. Completion of construction is promised for September 1975.

The Board has also moved to consolidate and rejuvenate the top leadership of the radios. A single joint President and a single Overseas Manager for the two radios will be appointed before next spring. A select panel of three distinguished former Ambassadors—Foy D. Kohler, Jacob Beam and John Hayes—is already at work screening nominations from a wide variety of Governmental and non-Governmental sources. At the same time, the Board has urged the radios to consolidate and transfer their U.S. headquarters from New York to Washington during the first half of 1975.

In attempting to fulfill its legislative mandate to insure that the broadcasts of Radio Free Europe and Radio Liberty are consistent with U.S. foreign policy objectives, the Board—under Ambassador Kohler's leadership—has reviewed radio policy-control procedures and has worked out more intensive forms of liaison with the Department of State and our missions in Eastern Europe and the U.S.S.R.

Last but not least, the Board is developing plans with the U.S. Information Agency for a joint study of future transmitter needs. We are confident that this study will be completed within a year, producing agreed recommendations which the Congress can support with confidence.

HOOSIER STUDENTS DONATE PRIZE MONEY TO HUNGRY AFRICANS

Mr. BAYH. Mr. President, 1 week before Thanksgiving I received an unusual letter from the fifth grade class of Clark Elementary School near Franklin, in Johnson County, Ind. Of all the pieces of correspondence I have received in recent weeks, none has impressed me more. I shared this letter with my family on Thanksgiving Day and think it would be most appropriate to bring it to the attention of my distinguished colleagues as we return from the short holiday recess:

Fifth Grade Class,
Clark Elementary School,
Franklin, Ind.

Dear Senator Bayh: We are the fifth grade class of Mr. Grimes. Last month we had the most parents at the P.T.O. meeting and won the ten dollar prize.

We discussed for a long time what to do with the money. We talked about the good times we would have with the games we were going to buy. We couldn't decide though what games to buy.

Finally one of the kids suggested we send the money to the Africans who are starving. We remembered some of the pictures of starving children we had seen and talked about. We felt a little ashamed that we even talked about buying games.

We all then agreed that the money should be used to give an African child a meal and possibly keep him or her from going to bed hungry for maybe just one night.

We hope you will see that the money gets to the proper people. We thank you for your help.

Respectfully yours,
Clark Fifth Grade.

Signed: Randy Hyatt, Robert Seay, Nickola Hart, Christopher Hendrickson, Julie Drake, Margaret Williams, Bruce Pendleton, Mark Goins, Danny Pyle, Tim Dougherty, John Walters, Bryan Krueger, Gary McCarty, Beth Adams, Steve Neafus, Mike Lewis, Kevin Knight, Lisa Keller, Walter Anderson, Denny Hammer, Jimmy Walker, Debbie Ryker, Alisa Stucker, Eric Woodall, Jody Arnold, Brenda Reeves, Sherry White.

In accordance with this request, I have forwarded the Clark students' donation to Africare, a Washington-based nonprofit organization supported in part by the Lilly Endowment of Indianapolis. Dr. Joseph Kennedy, director of international programs for Africare, advises me that this $10 gift will buy enough food to meet the needs of 2 people for 23 days, or it will buy enough seed to raise a crop that will feed an average-size family for 1 year. Dr. Kennedy also tells me that 90 cents of every dollar donated to Africare is spent on direct aid.

These are not the best of times for America or the world. But so long as there are concerned, committed Americans such as the students in the fifth grade class of Clark Elementary School near Franklin, Ind., their teacher, Mr. Charles Grimes, and their principal, Mr. William Wendt, I remain confident that solutions will be found to the many problems confronting our Nation and the world.

THE CRITICAL PROBLEM OF DEFENSE SPENDING

Mr. McINTYRE. Mr. President, we hear that the Department of Defense is faced with an overwhelming dilemma. While on the one hand Defense is charged with the responsibility for our national security, on the other hand Defense is not being provided with sufficient money to support troop levels authorized, to operate and maintain the Defense establishment, and to develop and produce the advanced weapons needed to guarantee our continued technical superiority.

The administration now has recommended certain corrective actions, including base closures, selective manpower cutbacks, and the deferral or rescission of certain programs approved by the Congress.

At best, these are interim actions affecting the current fiscal year, but which do not promise to relieve the problem of the defense budget for the next fiscal year 1976. With runaway inflation, rising unemployment, and industrial recession, the outlook is very bleak.

Among the various steps which can be taken to improve this situation are several which I have mentioned before, and which I believe must be given even greater emphasis. These relate to the unwarranted duplication with our allies in research and development; the failure to achieve any significant progress in standardization of weapons, equipment, and logistics with our allies; and finally the unwillingness of individual countries, including the United States, to rely upon other allies to develop certain military equipment instead of doing it themselves.

The thesis is well covered in an article appearing in the British periodical, The Economist of November 9, 1974.

The article addresses the specific problem of the British defense budget and makes some excellent suggestions which our NATO allies as well as our own administration, the Defense Department, and the Congress would do well to study and consider most seriously.

I intend to pursue these issues vigorously during the Armed Services Committee hearings on next year's military procurement authorization bill.

I ask unanimous consent that the article referred to be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Least Bad Cut

There's never enough time to do it right, but always enough to do it again" is sometimes said to be the first axiom of military staff work. Whatever mistakes the Labour Government may make with its defence review, it will not be this one. The Ministry of Defence and the services have been preparing studies, analysing options, listing alternatives and the rest of it for nine months now, and the material is only just beginning to go to the cabinet. There has been plenty of time to do it right. Whether it will in the end be done right may not be known for sure until the white paper is published, which is now not likely to happen before February.

Throughout the process, the Labour party has carried water on both shoulders. The moderates, led by the Secretary of State, Mr. Roy Mason, would have liked a solid and honest job of analysing Britain's defence needs which tried to find the best and most efficient way of meeting them. But everyone knew from the outset that the result had to be a reduction in defence spending. So, at bottom, this exercise has been a review of possible cuts, not the wholly objective analysis that Britain needs.

Nevertheless, it has been of value, and a lot of people have got religion in the doing of it. A lot of people whose gazes have been fixed only on defence money and how to get a piece of it have had to face up to a number of hard facts: to the recent dramatic improvements in the armaments the Warsaw pact possesses on the central front in Europe; to Russian naval power in the Mediterranean and the Indian Ocean; to the striking Russian advances in multiple-warhead missiles last year; to the now very real possibility of American troop reductions in Europe. So the cuts will be a lot smaller than the left wing of the Labour party would have liked; certainly "several hundred million pounds" will not immediately be hacked off the present spending rate of about £3,500m. But that sort of magnitude remains the goal over a period of five to ten years. Both the small immediate cut and the larger long-term cut will hurt, although the longer the target period is stretched out the more inflation will limit the real impact of any given reduction. But the way the cuts are made will make all the difference to the defence of Britain in the 1980s.

The very worst way to cut defence spending is the "horizontal cut"—reducing all items by a fixed percentage and trying to do everything just as well as before. A slightly less bad way is to chop off some whole jobs that Britain's armed services now perform. There may in fact be one or two jobs that the defence establishment could give up without fatal damage, and there are others which should be funded from other budgets than the defence one because they are not really matters of defence at all. That includes a good many things such as coastal search and rescue, and the huge costs of the internal security operations in Ulster, and maybe even the cost of things done for soldiers' dependents. These things should be removed from the defence budget if Britain wants to make it clear that that budget is a true measure of its spending on defence. But there is no way in which these reforms, desirable though they may be, are going to amount to a saving of several hundred million pounds a year; to get that much cutting, some real defence would have to go.

The overseas bases will probably be first in line. Singapore could be abandoned, Cyprus reduced and some others cut out or squeezed a bit. But the catch is that there isn't much money here either unless the troops brought home from these places are demobbed. And many of them are committed to jobs in Europe as well, so this amounts to killing one bird with two stones. The result is that any attempt to get to the several-hundred-million figure by the function-cutting route will sooner or later have to chop off some defence jobs that lie at the core of Britain's present defence policy. It might be necessary to drop Britain's contribution to the air defence of the North Atlantic, for instance, to reduce the naval forces which protect Britain's supply routes and bring its power to bear overseas; and—most vital of all—it might mean cutting the forces Britain puts into defending the central front in Europe. It cannot be blithely assumed that other inflation-hit allies will promptly step in to fill these gaps.

So is there an alternative to just leaving unfilled holes in the shield? Maybe. One way of getting a lot of money out of the defence budget in 5–10 years' time is to reduce Britain's research and development (R & D) expenditure on new weapons. That will cost a fair number of jobs in the research business. It will mean swallowing some pride and accepting that British know-how will no longer be funded from the defence budget through the entire spectrum of military hardware. But the benefits are formidable. Britain could be better armed than it is now for a lot less money. The result could be more standardisation of NATO armaments which is a military advantage of tremendous importance.

Of course, it would be necessary for Britain to persuade its chief arms-making allies to join in: if Britain were to renounce research into certain kinds of military equipment, and in effect leave these things to them, they would have to leave certain other things to Britain. NATO needs specialisation in R & D—agreements among the allies on who does what, instead of the present wasteful practice of several countries each doing almost everything, and almost every country duplicating at least some things.

If the research work were farmed out in this way, the actual production could be shared among the countries interested in buying the product. The current competition for the plane to replace the F-104 in some of NATO's air forces shows how. The United States, France and Sweden have paid the R & D costs for their entries. But no matter how it comes out, the buyer countries (Belgium, Denmark, Norway and Holland) will be able to produce at least 40 per cent of the material for all the planes they buy, a hefty percentage of any sold to third countries, and a significant amount of the material used by the seller countries themselves in making planes for their own air forces. The buying countries could even find themselves employing more people on production lines than they would have been able to find work for on the research benches if each had tried to design its own plane.

There are some things Britain is better qualified to do than any other country, and there are some things other countries can do more efficiently. A lot of Britain's R & D money is now being spent on the wrong sort. This is the best place for the defence review to do its major surgery. It is here that those several hundred million pounds can be found with a minimum of damage to the security of Britain.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for routine morning business having expired, morning business is concluded.

SURFACE RIGHTS IN THE 1934 NAVAJO RESERVATION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of H.R. 10337, which the clerk will state by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, debate on this bill shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Dakota (Mr. ABOUREZK); with 1 hour on any amendment in the first degree, and one-half hour on any amendment to an amendment, debatable motion, or appeal.

Who yields time?

Mr. METCALF. Mr. President, I believe that on Tuesday last when this bill was first considered, the time allotted to the Senator from Arizona (Mr. GOLDWATER) was transferred to me as representative of the committee.

The PRESIDING OFFICER. I am informed that that is correct. My previous statement should be corrected to say that debate on the bill shall be limited to 2 hours, to be equally divided and controlled by the Senator from Montana (Mr. METCALF) and the Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will please state it.

Mr. METCALF. Mr. President, will it be taken out of the Senator's time, then, if he has time?

Do we have to yield time for a parliamentary inquiry, Mr. President?

The PRESIDING OFFICER. Yes.

Mr. METCALF. Then the Senator from South Dakota has time, and he has to yield his own time for his parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will make the parliamentary inquiry on his own time.

Mr. ABOUREZK. I ask unanimous consent that this inquiry not be charged to either side.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. It is so ordered.

Mr. ABOUREZK. My inquiry is this, Mr. President. Last week, when the bill was first brought up, how much time was used by the side represented by the Senator from Montana before the bill was set aside?

Mr. METCALF. Mr. President, I ask unanimous consent that all time be set aside and that we renew time.

The PRESIDING OFFICER. I am informed by the Parliamentarian that we are starting anew. No time has been charged up to be calculated now. At the present time, there are 2 hours on the bill, as I previously stated.

Mr. ABOUREZK. Senator METCALF and I think, Senator FANNIN used up some time the other day which we did not get to match. What I am interested in is getting that amount of time added to our side if we could do that, because they gave opening statements.

Mr. METCALF. Well, Mr. President, the Senator from South Dakota interrupted the Senator from Montana in the midst of his opening statement. As a result of the interruption by the Senator from South Dakota, we conceded that we might carry over this bill until today. At that time I asked, and the Senator from South Dakota was on the floor, unanimous consent that all time be renewed when the debate was continued today. The idea that the Senator from South Dakota has gained additional time because of his interruption and his intervention in the opening statement is something that the Senator from Montana cannot concede.

The PRESIDING OFFICER (Mr. PROXMIRE). The Senator from Montana is correct. All time begins as of now, and whatever time was taken before has been canceled by a unanimous-consent request of the Senator which was granted by the Senate when we were in session last.

The Senator from Montana has the floor.

Mr. ABOUREZK. Further parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Will the Senator from Mantana yield for that purpose?

Mr. METCALF. Well, the Senator from South Dakota has time. If he wants to propound a parliamentary inquiry on his time, I certainly will yield.

Mr. ABOUREZK. We already have an agreement that this inquiry will not be charged to either side.

The PRESIDING OFFICER. The Parliamentarian informs the Chair that that was for one inquiry, not for a series of inquiries.

Does the Senator yield for that purpose, or does he ask unanimous consent?

Mr. METCALF. I shall concede the unanimous consent that the Senator from South Dakota may continue his parliamentary inquiry.

The PRESIDING OFFICER. As I understand it, the Senator from Montana has asked unanimous consent that the Senator from South Dakota may make a parliamentary inquiry without its being charged to either time, is that correct?

Mr. METCALF. That is correct.

Mr. FANNIN. Reserving the right to object, Mr. President, and I shall not object, I wish to make it known that if the Senator from South Dakota continues delaying action on this matter, it will be necessary to continue to use time.

Mr. ABOUREZK. Mr. President, it is not my intent to attempt to delay the legislation. The only thing that I am asking is that the Chair has ruled, then, that all time starts anew. My question is, Does the other side of this issue, represented by the Senator from Montana and the Senator from Arizona, intend once again to repeat their opening statements without giving us the right to have an equal amount of time?

The PRESIDING OFFICER. May I say to the distinguished Senator from South Dakota that the Parliamentarian informs me that that is not a parliamentary inquiry. We have no knowledge of the intentions of the distinguished managers of the bill.

The Chair is not in a position where he can respond to that question.

Mr. ABOUREZK. We are ready to proceed, if they are.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, when this bill was previously considered——

Mr. MONTOYA. Will the Senator yield for a unanimous-consent request?

Mr. METCALF. Yes, I yield.

Mr. MONTOYA. Mr. President, I ask unanimous consent that my legislative assistant, Mr. Mike Daly, be allowed to be here in the Chamber and to advise me with respect to this bill during the pendency of it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Will the Senator yield?

Mr. METCALF. I yield to the Senator from New Mexico (Mr. DOMENICI).

Mr. DOMENICI. Mr. President, I ask unanimous consent that Bruck Pasternak of my staff be granted floor privileges during consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. I yield to the Senator from Arizona (Mr. FANNIN).

Mr. FANNIN. Mr. President, I ask unanimous consent that during the floor debate and votes on H.R. 10337, to resolve the Navajo-Hopi land dispute, the following individuals be allowed the privileges of the floor: Harrison Loesch, Fred Craft, Mary Adele Shute, Margaret Lane, and Irving Emerson of Senator GOLDWATER's staff.

The PRESIDING OFFICER. without objection, it is so ordered.

Mr. METCALF. Mr. President, when this bill was considered and brought up previously, my opening statement was interrupted by the Senator from South Dakota. I had asked, as has already been brought out, unanimous consent to renew that opening statement at this time. Subsequently, I asked unanimous consent that my opening statement be included in the RECORD for November 26 at page 37545. The statement is printed in full therein. It is my opening statement for this matter, and it has been available for my colleagues to read and to understand some of the preliminary issues involved. Therefore, I shall now read my opening statement, but I yield such time as he may need to the senior Senator from Arizona (Mr. FANNIN), who has been working so diligently on this bill in the Committee on the Interior.

I also authorize him to yield such time as he may need to his colleagues.

Mr. ABOUREZK. Will the Senator yield for a unanimous-consent request?

Mr. METCALF. Yes, I am delighted to yield to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that Teresa Burt, of Senator KENNEDY's staff, be allowed privileges of the floor during debate and vote on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. As I understand, Mr. President, I do not have to renew my unanimous-consent request for the various committee members who have been authorized to be on the floor by previous unanimous-consent request for this bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. METCALF. I thank the Presiding Officer.

Mr. FANNIN. Mr. President, I express my appreciation and thanks to the distinguished Senator from Montana for the manner in which he has handled this legislation. I wish to say to the distinguished Senator from South Dakota that, due to his interruption, the Senator from Arizona did not have the opportunity to present his statement and will do so at this time.

Mr. President, the bill before the Senate, H.R. 10337 as amended by the Senate Interior Committee, represents the culmination of a long period of dedicated work. As you have heard, the troubles between the Hopi and Navajo Tribes which necessitated a congressional solution are of very long standing indeed. They began even before the setting aside of the Hopi Reservation in 1882 and have continued without remission and to the great detriment of both tribes ever since. In 1958, Congress made its initial attempt to solve the matter but did not recognize that considering the overwhelming number of the Navajo and the long history of conflict, no solution could be achieved without provision for partition of the jointly held lands. That the 1958 act was only partially successful is proved by the 16 years of litigation and the failure to enforce court decrees which followed passage of that bill.

For many years both preceding and following that 1958 act, Senator GOLDWATER and I have been personally and deeply involved in this affair, as indeed have all the residents of my State of Arizona. I assure you that the committee bill and the committee amendments to it which have been mentioned by our esteemed colleague from Montana (Mr. METCALF) represent the best judgment of those most acquainted with the problem after long and dedicated examination of possible solutions. No solution is perfect. Administration of this bill will necessarily result in a certain amount of dislocation and the removal of some persons from their present residences. It must not be forgotten however, that those who must be moved are not in their present locations by any right which can override the right of the Hopi Tribe to the use of the lands to which it is legally entitled. And the financial advantages to those who do move represent a great opportunity for them and for the Navajo Tribe.

You have heard an outline of the legislative effort which has gone into the production of this bill both on the House side and in this body. The bill, as our committee has reported, allows one last chance for mutual agreement and settlement between the tribes, but failing such a solution, the U.S. District Court for the District of Arizona is mandated to partition the land in accordance with the guidelines of the bill and to enforce its decision in the usual way. The bill provides guidelines which require the court to minimize any such possible impacts. It also provides authority for the acquisition and transfer to the Navajo of up to 250,000 acres of public lands to prevent a so-called loss of land base claimed to be suffered by the Navajo Tribe as a result of partition. It is to be noted that in truth there would be no such loss of land base if the Navajo Tribe had obeyed the court decision and allowed the Hopi the use of land to which that tribe is entitled. Nevertheless, in leaning backward to prevent personal hardship and dislocation, the committee has seen fit to deal generously with the Navajo.

The section of the bill which has perhaps caused the most controversy and which is the main subject of a "Dear Colleague" letter Senators have received from its opponents, is section 8, which legislatively transfers to the Hopi Tribe approximately 243,000 acres in what we call the Moencopi area. It is uncontroverted that the Hopis are entitled to the use and occupancy of land in this area. There have been questions as to the amount and there have been questions as to the process by which they should be put into possession. The experience of 15 years of litigation following the 1958 act with its attendant bitterness, heavy expense, and preemption of court time, persuaded the House Interior Committee, the House, and the Senate Interior Committee that we should not repeat such a fiasco. For this reason, the bill provides a direct congressional disposition of that portion of the Moencopi area to which, in the opinion of the committee, the Hopis are entitled under the 1934 act. That act defined the boundaries of the area allocated to the Navajo Tribe and to such other Indians as were located thereon. It would be foolish to deny that the Navajo Tribe is bitterly opposed to this provision of the bill and it and its lawyers are threatening litigation should the bill pass as written. But the Constitution of the United States clearly grants the Congress the right and duty to handle such matters, and it must be realized that the amendment to this section proposed by its opponents specifically provides for litigation on the same massive scale as did the 1958 act. So, there could be litigation in either event and it is the judgment of the House and of the Senate Interior Committee that the risks and expense of litigation attacking this provision are far less and far more expeditiously disposed of than would be the case if Senator ABOUREZK's amendment were adopted.

The consideration of these matters by the Congress has been fraught with difficulty, has been subject to emotional display by both tribes, and is traumatic to all members of the committees who have studied the situation. But this bill represents the best judgment after extended and mature consideration, double and triple sets of hearings in the House and full hearings in the Senate. It will not be cheap to administer—the total cost is estimated at $52,000,000—but is reasonable and indeed a bargain price to pay for the final solution of this long-festering matter which has inhibited the development of the tribes, unnecessarily depleted their substance in legal fees and expenses, caused extreme difficulty to the Bureau of Indian Affairs through at least five administrations, and troubled the entire State of Arizona for at least as long. The effort to obtain a proper bill and a proper legislative solution has been nonpolitical and bipartisan and has crossed almost all the philosophical attitudes and shades of political opinion represented in this body. The bill before us represents a great deal of dedicated work by a large number of people and expresses the consensus of that group. The changes made in H.R. 10337 by the Senate Interior Committee have been examined and informally passed upon by many of the members of the House Interior Committee, and we are unofficially informed that body stands ready to accept them. There is, therefore, every chance that this bill will become law in the immediate future if we pass it as written and amended by the Senate Interior Committee.

Senators have already heard, and I cannot too strongly repeat that the bill as written is a delicate balance which, if not maintained, will result in total unacceptability by the House and will negate the results of many months work. I strongly urge the Senate to pass it as amended by the Senate Interior Committee.

The PRESIDING OFFICER (Mr. PROXMIRE). Who yields time?

Mr. METCALF. I yield the Senator from Arizona (Mr. GOLDWATER) such time as he may require.

Mr. GOLDWATER. Mr. President, first I want to thank the Senator from Montana for his long and faithful work in this field. It is always reassuring to find committee members who know and honor their responsibilities, and I thank him for it.

I rise in support of the Senate Interior Committee bill—H.R. 10337—to resolve a century old land dispute between the Hopi and Navajo Indian Tribes. Mr. President, this is important: All of the land in controversy is within the State of Arizona.

As an Arizonan, I have lived with this issue all of my life. I have seen the dispute grow and fester as the result of a policy of "wait-and-see" by Congress, bureaucratic indifference by Federal officials, and illegal governmental restraints on Hopi rights in the area. In the words of the Ninth Circuit Court of Appeals:

> It is now undoubtedly past time for Congress to act to alleviate the hardship occasioned by (this long history.)

The main dispute involves the claims of the two tribes to land within a reservation in northeastern Arizona created by the Executive order of December 16, 1882. There is no question as to which tribe was there first. The Hopis were.

In fact, the U.S. District Court for Arizona stated in 1962 that:

> No Indians in this country have a longer authenticated history than the Hopis. The Court has also found that "(b)efore 1300 A.D., and perhaps as far back as 600 A.D., the ancestors of the Hopis occupied the area (in dispute)."

In fact, Mr. President, the village of Oraibi is the oldest continuously inhabited village on the North American Continent. It is my belief, and I am somewhat of a student in this field, that that village is over 2,500 years old.

As to the Navajo, the court said:

> From all historic evidence it appears that the Navajos entered what is now Arizona in the last half of the 18th Century.

This is at least 450 years later than the Hopis.

Mr. President, when the Spaniards first came into northern Arizona and northern New Mexico in 1542, there is no mention—no mention in any diary or any writings—of a tribe known as Diné, which is the Navajo name for their people, or Navajo, which is a word either derivative from the Spanish "navaja" which means clasp knife or fighting knife, or a word handed down by the Tewa Indians meaning something else. There is no record at all of their having been there.

The court said that in 1882 an Executive order was issued to reserve for the Hopis sufficient living space against advancing settlers and Navajos. But because of the dispossession of the Hopis from most of the 1882 reservation by what Federal courts have described as "the combined effects of Navajo intrusions and depredations" and illegal "administrative action extending from 1937," the Hopis have been denied the joint and equal interests in the joint use areas of the reservation to which the Federal courts universally have held that they are legally entitled.

There are at least four Federal court decisions, including one by the Supreme Court, which have decided that the Hopis have right to the actual joint use and possession of the lands in this area. However, the exclusion of the Hopis from the land has been so severe that the District Court of Arizona found that:

> Hopi use of the Joint-Use Area for grazing since September 28, 1962, has been less than 1% because of the harassment, mistreatment, verbal abuse, and threats of the Navajos.

According to the court, Navajo activities, approved by governmental inaction, have included mutilation of Hopi livestock by cutting off their tails or ears and the shooting of cattle.

Mr. President, it is long past the time when Congress should have assumed its responsibility over Indian affairs and mandated a settlement of this tragic dispute. It is time we cease studying the issue and aid these two tribes in reaching a just and prompt decision of their dispute.

This is exactly what the committee-reported bill will do. It provides a final negotiation process. It gives the court needed authority to partition the land in the event no voluntary settlement is reached. And it provides for fair and generous payments for any persons who relocate pursuant to the setttlement or partition order.

If the final negotiation fails, the bill provides for partition in equal shares. The last thing in the world that the Hopis want is the sellout of their interest after years of struggle to protect their right of use and possession of the land.

Throughout a decade of attempted past negotiations with the Navajo Tribe, the Hopi Tribe has consistently rejected the proposal that they give up their inerest and the Navajos keep all or most of the land. For this reason, the language of the committee bill must be retained which provides for a partition line to be drawn in shares equal both "in acreage and quality."

Any change of this criteria can only be a "Trojan's horse" for buying off the Hopis, who are unwilling to be paid off. There has been an unlawful taking of land from the Hopi people and I believe strongly that any compulsory resolution of the issue should return the land to the Hopi Tribe.

Finally, Mr. President, I turn to a second area of land in dispute between the two tribes, called Moencopi. The Hopi Tribe held, and still claims, aboriginal rights in the area. It is an unchallenged fact that their use of Moencopi precedes that of the Navajo.

Mr. President, let me inject here a little more on that argument. When the Navajo treaty was first signed in 1868, it recognized as treaty land about 1,500 acres of land in an area we now call Canyon de Chelly. Do not ask me why it is called that, but it is called Canyon de Chelly. Since that time nontreaty lands have been granted to the Navajo by Presidential proclamation to the extent that the total land area of the Navajo reservation is now 16 million acres, larger than many eastern States, with a population of probably over 130,000.

Now, I mention this because at times the Navajos will claim aboriginal rights. I can remember, as relatively young as I am, when no Navajos lived around Moencopi Wash. It has historically been a site—in fact, a village named Moencopi of the Hopi and the Moencopi Wash rising as it does on Black Mesa, and flowing down there with this rather paltry stream of water, has for hundreds and hundreds of years been practically the only irrigated land that these Hopis should have.

I mention it for another purpose: that there is no question as to which people settled there first. You need only go back into Mormon books to discover which Indians the Mormons first talked with when they came and established Tuba City, which is a trading post on the west banks of Moencopi. They talked with the Hopi. The Navajo had not come yet.

The Hopi Tribe actually claims an interest in about 1 million acres of Moencopi based upon statutory language regarding that area which is similar to the language interpreted by law as to the 1882 reservation which gives the Navajo Tribe a half interest in that reservation. The Hopis refer to the language in the 1934 Act of Congress setting aside a reservation "for the benefit of the Navajo and such other Indians as may already be located thereon."

As the Hopis obviously were in that area in 1934 when this reservation was set aside, they claim that they are in a position to have the benefit of the same kind of interpretation as the Navajos had in the language creating the 1882 reservation. The Navajo Tribe, on the other hand, contends the Hopis have rights only to some 34,000 acres they now occupy within Moencopi.

The committee provision for partition of some 243,000 acres to the Hopis, leaving 95 percent of the western Navajo Reservation with the Navajos, is a compromise between the two competing positions I have described. The area chosen is based on natural boundaries and settlement locations.

It is also consistent with the Walker-Dalton line, which was a survey of the land used by the Hopi in this area in 1933, just 1 year before passage of the 1934 Reservation Act. The Walker-Dalton survey reported that the Hopi Tribe then used approximately 246,000 acres in Moencopi.

Now, Mr. President, I might inject here that land is a very sacred thing to the Hopi Indian. It has practically no such strength to the Navajo. But just as we settled a dispute in this body last year over a lake in New Mexico that the Indians claimed was theirs and should be theirs because of the religious significance—and I backed that to the hilt—so are we talking today about land that has great religious significance to the Hopi. Do not ask me how they divide it up. No non-Indian can tell you, but they can go out on that reservation and tell you, "This is the land of such-and-such a god. This is the land of such-and-such a religious day."

So they divided it up, not with a map, only with the knowledge and the knowing of their medicine men. So we are not talking here just about something that might be of monetary value to them. We are talking of something that has very sacred value to them.

I was a little amused the other day in the campaign in Arizona when a candidate running for a seat in the House of Representatives suggested going up on the Hopi lands and drilling wells. Well now, this is the last thing you do on Hopi land because they do not like holes being drilled in their god, the God of the Earth.

I can recall Hotevilla, which is a small village some distance from Moencopi, when the Indian Service drilled a well and the Indians demanded that it be taken down, and it was, but it was transferred about 3 miles away to a village called Bakabi because the inhabitants did not cling to the religious belief that the citizens of Hotevilla believed in.

And now, Mr. President, the committee provision is a considered and logical resolution of the Moencopi issue and is necessary to put these tribes in possession and use of their lands now, without awaiting the outcome of several decades of court battles between the tribes. I might add that the 1934 Reservation Act has no yardstick for judicial partition and this issue is clearly the kind of policy decision which Congress must make on its own.

Mr. President, I recognize that the Navajo Tribe may present the question of "just compensation" in the Federal courts should Congress pass the Moencopi provision, but even if such a court case were eventually successful and the United States had to pay compensation, this would not affect the partitioning of the lands effective immediately with passage of this bill.

In closing, Mr. President, I say that I have the greatest respect and admiration and, even love, for both of these tribes. Since I can remember, since I was a boy of about 6 years old, I have been living with, working with, and visiting these people. I have tremendous respect for both of them. They are among the finest people that you could find on this Earth.

I might say, Mr. President, if we non-Indians patterned ourselves after both the Navajo and the Hopi we would be in a lot less trouble. They have very, very high moral standards. They have very high religious beliefs that they adhere to. They believe in their families; they believe in ritual; they believe in passing on the wonderful heritage of heart that is theirs.

They do not want to change. They do not want to live like non-Indians. They want to live like Indians have lived for thousands and thousands of years.

We are going to see them change, no question about that. We can see changes beginning amongst the Navajo, particularly those who live close to the communities surrounding the reservations.

We are not asking for anything against the Navajo and for the Hopi, even though the Navajo is the largest tribe in the United States and probably contains 20 to 25 percent of all the Indians that come within the United States, with all the 400 tribes within the continental limits of the United States, and the Hopi, a relatively small tribe of some 7,000, living on a much smaller reservation—in fact, I have said if I were politically smart I would be backing the Navajo.

I do not happen to be particularly politically smart. I believe the Hopi is right, and I think it is time that we set this whole matter straight by action in the body.

I ask for the support of the Senate for H.R. 10337 as the best way of ending the serious disputes between the tribes, and securing the rights and the welfare of both people.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Mr. President, I would suggest now that we make our opening statements and that the Senator from South Dakota make his opening statement.

Mr. ABOUREZK. Mr. President, how much time is remaining to both sides?

The PRESIDING OFFICER. The Senator from Montana has 35 minutes remaining; the Senator from South Dakota has 60 minutes remaining.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that Sherwin Broadhead be allowed the privilege of the floor during this debate and vote on this matter.

The PRESIDING OFFICER (Mr. McINTYRE). Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I noticed that when the Senator from Arizona (Mr. GOLDWATER) made his opening statement and when he read his prepared statement he talked about the depredations of the Navajo, the size of tribe, and how they push around the Hopi. Then when the remarks came off the cuff from the Senator from Arizona following his written statement, he talked about the warmth and the goodness of both the Navajo and the Hopi people.

I would rather associate myself with his off-the-cuff remarks than with his written statement.

I think, as chairman of the Indian Affairs Subcommittee, the work that I have done in the field of Indian affairs both here in the Senate and in private life back in South Dakota bear out my feelings for the Indian people throughout the country, and I do believe that we ought not try to paint a bad picture of one tribe or the other in an effort to get some kind of legislation passed or defeated because to do that is to do injustice to the people of the Navajo and the Hopi as well.

I personally consider the Navajo and the Hopi to be equally generous, kind, outgoing, and very, very, good people.

My effort in trying to oppose what some of the members of the committee have done, in this case the majority of the members, is to try to achieve some balance at some element of fairness in the dealings of the Congress with respect to the Navajo and with the Hopi. I do not believe we ought to try to make either tribe sound bad.

As a matter of fact, the shootings and the violence that have been talked about in newspaper reports, and that have been referred to in one or two of the opening statements here this morning, happened only in the newspapers, for the most part.

When I went down and chaired hearings in 1973, the Navajo sat on one side of the hearing room and the Hopi sat on the other side and they mingled with each other in a very friendly fashion at the recesses the committee had during the hearings.

In addition, I would also like to point out that of the references to the bad feelings between the two tribes, they simply do not exist. They exist only in the minds of their lawyers and of their non-Indian proponents on both sides.

Last year, or the last time the chairman of the Hopi Tribe, Abbott Sekaquaptewa, was inaugurated, during his last inauguration the Navajo leaders, including the tribal chairman, attended his inauguration. Now, Peter MacDonald, chairman of the Navajo Tribe, will soon have an inauguration ceremony—I think it is in January—and the leaders of the Hopi Tribe have already indicated they are going to attend. It is a kind of family gathering.

So I would hope that nowhere on the floor of the Senate today during this debate that any Senator use the word "depredation" by one tribe against another because it simply does not exist and I think we do a disservice to both tribes by trying to bring that up.

Second, I want to state that the Navajo, the Navajo people themselves, did not become aware until just recently, I am sure, of the Executive order that was signed in 1882 giving equal and joint interest to what we call the joint use area to both tribes.

The Navajos through the years, wandered about, they grazed their sheep and their cattle, and the Bureau of Indian Affairs even encouraged them to stay in the joint use area because they built schools for the Navajo, they provided some of the service that the BIA provides for all Indians for the Navajo in that area without ever being really tough about it.

So the BIA really did nothing to disapprove of the Navajos moving onto this area.

When Senator GOLDWATER talked about 16 million acres of other land the Navajo could move onto, we really are talking about people and how they make a living and what they do on the land.

The Senator talked about 16 million acres of land that has not all that much grazing property included with it. If we put 6,500 or 8,000 Navajo people in the other part of the Navajo Reservation, which is already over used, we have done an injustice to the Navajo people already living there and to the Navajo that are being taken out of the joint use area that they consider to be their home, that they do not believe they have wrongfully taken from anybody, because, very truthfully, they do not understand joint use area, they do not understand Executive orders, and they do not really understand property lines, because that is not the Indian way of doing things.

I think if we are going to do this, we ought to make some kind of provision to find land to put those poeple on so that they can continue to live the way they have lived since their beginning.

Now, the talk about relocation money, the talk about the BIA and the Government helping relocate those 8,000 Navajo, or 6,500, whatever the figure might be agreed upon, the talk about making it easy for them to move is meaningless, as well, when we talk about people whose only relationship to anything is a relationship to land, where money means so much less than land.

How does one tell the Navajo stock grazer and his family that they can no longer graze their stock on the places they have grazed them since they were born and since they were small children? That is something that is going to be very difficult for the Government to do.

In my effort in trying to slow down what I consider to be a removal from the land of the Navajo people in the joint use area over a very short period of time, my efforts are to prevent a class of refugees being created that the Government and Congress and every Member of this Senate will regret when that time comes.

I agree and the Navajo agree, the leadership at least right now agrees, that the Hopis are absolutely entitled to what the court has awarded them, and I agree with that. I do not disagree, and I think they ought to have it coming to them.

The Hopis have indicated they will graze their livestock on that land. They do not want to live there because they live on the mesas. In all the hearings we have had, they never said they intended to live on that joint use area.

In reality, what we are doing if we do this in the rush that the Senators from Arizona would like to do, we are replacing human beings with livestock and I do not think that is fair. It is not fair at all.

I want to just refer briefly to the Moencopi area. The Moencopi area is off to the side of the 1882 treaty area. As Senator FANNIN said in his opening statement, the 1934 act said the Moencopi area is granted to the Navajo Indians and such other Indians as may thereon be located.

Then without adequate testimony, without adequate investigation by the Interior Committee or the Indian Affairs Subcommittee on Moencopi, the committee awarded all 243,000 acres of the Moencopi area to the Hopi without knowing who has property rights, who has any kind of rights to that area.

Now, it was said by Senator METCALF at an earlier time that he wanted to end the litigation of the Moencopi area. It has never been litigated.

I can guarantee that this congressional imposition of 243,000 acres, part of which is Navajo land, 243,000 acres just given to the Hopis without consideration of the Navajo rights, will certainly bring a lot of litigation that we will regret later on. I think we will be making the greatest mistake of our lives if we do this arbitrarily, as the majority of the committee wants to do, to give the Moencopi land arbitrarily, absolutely and totally to the Hopis. In my opinion, it is a violation of the fifth amendment right of the Navajo people, the right not to have their property taken from them without due process of law. That certainly will be the basis for a new lawsuit the minute that the President signs this particular provision into law.

There was no testimony at any stage of the hearing process, no investigation by the committee staff, as to who has the right in that Moencopi land.

Senator MONTOYA will offer an amendment to redress that particular grievance.

I would ask that the Members of the Senate try to be fair in this matter, as we have tried to be. I do not think we ought to railroad or steamroll anything over the wishes of either one tribe or the other. I think that would be the height of unfairness.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Mr. President, we do have a committee amendment, as I mentioned in my opening statement. I believe at this time it would be appropriate to call up the committee amendment. I yield to the Senator from Arizona (Mr. FANNIN) on this amendment.

Mr. BIBLE. Will the Senator from Montana yield to me for a statement on this bill, ahead of offering the committee amendment?

Mr. METCALF. I yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, I rise in support of the committee bill and to urge its approval without amendment.

It has been 16 years since the Congress enacted special legislation providing for judicial settlement of the conflicting claims of the Hopi and Navajo tribes to the lands within the 1882 Hopi Reservation. The Federal court in Arizona rendered its decision in 1962—more than 12 years ago. That decision was affirmed by the Supreme Court in June 1963—more than 11 years ago.

The dispute persists not because there is any question about the respective rights of the Hopi and the Navajo tribes to the lands, but because action by the Congress is needed to implement the decision of the court. Action by the Congress is needed to finally resolve a long and bitter controversy that has persisted since well before the turn of the century. And if the Senate fails to act now I have no doubt that the next Congress will have to confront the same issue. This is a problem that neither the courts nor the tribes have been able to settle.

The House has twice approved the necessary legislation. In the 92d Congress the House-passed bill died here in the Senate. The bill now before the Senate passed the House last May. It is now up to the Senate to join with the other body to provide the means for resolving this controversy. I hope we will do this today.

The committee bill now before the Senate represents a compromise which really favors neither tribe. It protects the interests of both tribes. The Hopis very much desire that they receive possession of their half of the jointly owned lands. The bill accomplishes this objective by requiring the court to partition to the Navajo and Hopi Tribes equal area and equal quality of lands. Any difference in the area or quality of the lands partitioned under the bill is to be de minimus. This is as it should be, because according to the court decisions that is the right of each tribe.

The Navajos have been concerned about the problem of relocation. The bill very adequately handles this matter as well. Under the bill's provisions, Navajo families will be paid for their households at an extremely fair rate. In addition, an incentive payment is provided to Indian families if they elect to resettle early. This incentive diminishes each year, thus encouraging an early, voluntary resolution of the conflict.

The bill also creates a commission which is empowered to study the anticipated resettlement problems and affords an opportunity to the tribes to avoid contemplated difficulties.

Moreover, the bill requires that each tribe attempt once again to resolve their differences through mutual agreement under the auspices of the Federal Mediation and Conciliation Service.

Finally, like the House-passed version, the Senate Interior Committee bill solves the growing problem of Hopi-Navajo relations in the area around Moencopi. The Hopi tribe is awarded approximately 250,000 acres in this area, all of which land has been determined by the Indian Claims Commission to be aboriginal Hopi land. The Navajos are granted the right to acquire an additional 250,000 acres of land, adding it to their reservation. This matter is handled in such a way to avoid years of litigation and further resettlement problems.

In short, the committee's bill represents a compromise which answers virtually all of the difficult questions involved in this controversy. It should be passed now without further delay, and without amendment.

Mr. President, I yield the floor, and I thank the Senator from Montana.

Mr. METCALF. I thank the Senator from Nevada for a very appropriate and helpful statement.

Mr. JACKSON. Mr. President, H.R. 10337, as amended, would provide for the resolution of two longstanding and often bitter land disputes between the Navajo

and Hopi people. This bill is in no small part made necessary by a century of failure of the Federal Government to meet its basic trust and legal obligations to the two tribes. It, moreover, is the culmination of 16 years of well meaning, but halting efforts by Congress to facilitate a resolution of these disputes.

H.R. 10337, as amended, is a complex legislative proposal which is the product of lengthy and difficult committee markup sessions. This measure was shaped during four markup sessions in August and September after two full Congresses of hearings and investigations. The consensus is embodied in the 11 guiding principles which the committee employed in designing H.R. 10337, as amended. Although these principles are listed on pages 19 and 20 of the report, they are worth inserting at this point in the RECORD. Mr. President, I ask unanimous consent that they be so printed at the end of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. **Mr. President, during mark-up, the committee discovered that no bill pending before it adequately reflected these guiding principles. Instead, we found it necessary to offer to the Senate today an entirely new measure in the form of a substitute amendment to H.R. 10337. Throughout the consideration of this substitute bill, rollcall votes were taken, several of them resulted in divided votes. Yet, the unanimous vote to report the measure to the Senate floor is evidence that I and, I assume, other members of the committee who may have cast losing votes in committee mark-up, believe that the bill generally provides for a fair, equitable, and lasting resolution of the disputes.**

In my mind, the most difficult issues confronting the committee concerned the use of land partitioning as a means of resolving the joint use area and Moencopi area disputes. I would like to review these issues for my colleagues.

In 1958, against a long-standing history of controversy over the joint use area, the Congress enacted a law authorizing the Hopi and Navajo Tribes to enter into suit before a special three-judge panel of the district court in order to settle the conflicting rights and interests in and to that area. In 1962, the district court for the district of Arizona reached a decision on the resulting suit. The Healing against Jones decision found, among other things, that the two tribes possessed "joint, undivided, and equal rights" to the area. However, the court also stated that it could not divide those rights because it did not possess the requisite authority to order a partitioning of the land. This decision was affirmed by the Supreme Court in 1963.

The subsequent history of the area has been replete with numerous administrative and judicial efforts to define and enforce a true sharing of the joint, undivided, and equal interests of the two tribes in an area which is under the effective control of only one tribe, the Navajo. The most recent event in this history was the September 12, 1974, decision of the ninth circuit court in Hamilton against MacDonald. This court firmly denied appeals by the Navajo Tribe from orders of compliance issued by the district court. These orders required the Navajo Tribe to follow a plan of the Federal Government to preserve the respective rights of the tribes in the joint use area as determined in the Healing decision.

This plan, among other things, provides for removal of livestock from the joint use area, restricting further Navajo building, and platting of new management units for use in future land recovery programs. In reaching the decision, the circuit court suggested that there might be sufficient grounds to find the Navajo responsible for "ouster" of the Hopi and for "waste" of the land resource.

At the outset the committee recognized that the driving force behind any Navajo-Hopi legislation was to provide the missing partition authority to the district court. We also held no illusion that, if final judical resolution were to prove necessary, the court would, in all likelihood, exercise that authority. The report summarizes the reasons for this belief: the court, in effect, asked for this authority; the court has enjoyed scant success in attempting to enforce both tribes' rights and interests absent the authority; both tribes are vehement in their demands for the land itself and not for any compensation in turn for surrendering rights and interests, and both tribes' economy and culture are closely linked to the land.

Yet, no one on the committee could remain absolutely sanguine about authorizing the use of this partitioning power. The potential adverse economic, cultural, and social impacts which could result from a precipitous wielding of this power are indeed awesome. We need not speculate on what these impacts might be; we need only review the truly disgraceful history of past official Indian removal efforts. The committee strongly believed that, with this potential, the partition authority could not be granted to the court in an unfettered manner. We recognized a critical responsibility to provide the court with guidelines concerning the exercise of that authority.

First the bill states that, if the authority is exercised, the lands divided must "insofar as is practicable, be equal in acreage and quality." This is a clear recognition of the desire of both tribes for the land and not for compensation for lost rights and of the finding in the Healing case that the tribal interests in the joint use area are "equal".

Yet this guideline is strongly conditioned by the "insofar as is practicable" language, by the various means of meeting the equality standard, and by the proviso which allows departures from the equality standard with compensation from the tribe with a greater-than-equal share of the divided land to the tribe with the lesser share. The committee believed that departures from the equality standard might be required for numerous reasons, all of which are stated in the other guidelines for the court contained in section 6 of H.R. 10337, as amended.

However, the most important of these guidelines and the one which is stressed in the report is the guideline which provides that any partitioning should be done so as to keep the most densely settled areas of one tribe within that tribe's reservation. This clearly is the best way to minimize the potentially adverse impacts of relocation which I have already mentioned.

Mr. President, I have said that partitioning is a particularly powerful tool and a tool which will likely be employed by the district court if it is called upon to make a final adjudication of the joint use area dispute. I have also described how we have attempted to control the use of that power. However, the best way to insure that the power will not be used unwisely is not to use it all.

For this reason and in the belief that the best and most lasting resolution of any dispute is one agreed to voluntarily by the parties involved, H.R. 10337 provides for a 6-month negotiating period concerning the joint use area controversy. We have made every effort to structure the negotiating process so as to provide an environment which offers the best possible opportunities to arrive at a full agreement. Among other things, we have required the tribal councils to certify negotiating teams with full power to bind their respective tribes, and we have provided to those teams the service of a professional mediator and a Presidentially appointed interagency committee to facilitate requests of the mediator for information, personnel or services from Federal agencies.

Mr. President, it is in the interest of both the Navajo and the Hopi that every effort be expended to achieve a voluntary negotiated settlement rather than submit to a compulsory judicial settlement. Clearly, both tribes can, through the negotiating process, protect their most vital interests, interests which a court which is not steeped in the culture, society, or economic life of each tribe may not even perceive. I, for one, expect that each tribe will, in a spirit of enlightened self-interest, enter the negotiations with the desire to make them work and to avoid a dictated judicial settlement.

The second difficult issue concerned the method of resolving the Moencopi area dispute. My views on this issue are set forth in a separate statement I will be making today.

Mr. President, despite this one concern of mine on the Moencopi area, I wish to reiterate my full support for H.R. 10337, as ordered reported. No settlement can avoid inflicting a measure of hardship, no settlement can be designed which will be joyfully embraced by all interested parties. The committee has labored long and hard to tailor a legislative proposal to provide for an equitable and lasting settlement of the Navajo-Hopi land disputes. I believe we have succeeded in meeting this basic purpose.

I commend H.R. 10337, as amended, to my colleagues. I believe it merits your support.

EXHIBIT 1

V. COMMITTEE CONSIDERATION OF LEGISLATIVE ALTERNATIVES

During its deliberations on the several proposals pending before the Committee, the members followed certain guiding principles. These principles were:

1. That justice and equity for the Hopi and Navajo people dictate an early resolution of the joint use area and the 1934 reservation lands disputes and swift Congressional approval of the necessary enabling legislation;

2. That the decision of the three-judge Court in the *Healing* case that the Navajo and Hopi Tribes have joint, undivided and equal rights and interests in the joint use area should in no way be disturbed or overridden by the provisions of any bill ordered reported by the Committee;

3. That no matter how successful a court might be in devising a fair and equitable judicial resolution of the joint use area dispute it would still be a dictated, rather than a voluntary, solution; and, therefore, that a voluntary settlement between the two tribes is distinctly preferable and that a final negotiation process should be provided and so structured to afford the tribes the opportunity to willingly negotiate such a settlement;

4. That, in the event the two tribes fail to reach a voluntary settlement of the joint use area dispute through the negotiating process, the dispute should be referred to the U.S. District Court for the District of Arizona for a compulsory judicial resolution;

5. That, despite the failure of past negotiation attempts, the two tribes, when faced with enacted legislation calling for a compulsory judicial resolution if a final, voluntary negotiation effort fails, may enter the negotiation discussions with a renewed desire to arrive at their own solution to the controversy;

6. That the environment most conducive to successful negotiations would be one that provides the two tribes with the maximum freedom to concur in any settlement or settlement provision which is not contrary to law or to the *Healing* decision;

7. That, if the negotiating process fails, the District Court should have the flexibility to tailor a final adjudication, including partition of the joint use area, consistent with its decision in the *Healing* case;

8. That any compulsory judicial settlement will, in all likelihood, include a division of the lands of the joint use area, rather than any arrangement which would call for continued joint use of, or the purchase by one tribe of the other tribe's interests and rights in, the entire joint use area;

9. That any such division of the lands of the joint use area must be undertaken in conjunction with a thorough and generous relocation program to minimize the adverse social, economic, and cultural impacts of relocation on affected tribal members and to avoid any repetition of the unfortunate results of a number of early, official Indian relocation efforts;

10. That an immediate legislative resolution of the 1934 reservation lands dispute is preferable to beginning now for that dispute a duplication of the lengthy process initiated by the 1958 Act authorizing suit over the joint use area dispute; but that any immediate legislative resolution relating to the 1934 reservation lands must be accompanied by a relocation program identical to and for the same reasons as that suggested above for the joint use area; and

11. That because of the Federal Government's repeated failure to resolve the land disputes, the major costs of resolution should be properly borne by the United States.

The Committee, therefore, rejected the four pending measures, and ordered reported an amendment in the nature of a substitute to H.R. 10337 which contains provisions reflecting the foregoing principles.

Mr. HUGH SCOTT. Mr. President, I come here today with peace pipe in hand to vote on a measure which holds the promise of settling the century-old land dispute between the Hopi and Navajo Tribes. This old and bitter dispute is well known to Arizonans. However, in the cause of justice and equity, I would like to state the problem and bring my colleagues up to date on significant, recent developments.

An executive order of 1882 set aside approximately 2,500,000 acres in Arizona as a reservation for the "Hopi and such other Indians as the Secretary of the Interior may see fit to settle thereon." After years of steady encroachment of Navajo onto the reservation, Congress enacted in 1958 a jurisdictional statute conferring authority on a three-judge district court to determine the relative rights of the two tribes in the area.

In 1962, the court, in a decision affirmed by the Supreme Court, held that, except for an approximately 600,000 acre tract which was exclusively Hopi, the balance of the 1882 reservation was held by both the tribes in joint, undivided, and equal ownership. It is important to note that the jurisdictional act did not authorize them to partition joint interests. I repeat, the 1958 act did not confer authority on the court to partition joint interests between the two tribes. This is the crux of the legislation now before us.

Now to the heart of the problem. Unless the land is equally partitioned with each tribe holding exclusive use over its own share of the 1882 joint use area, there will never be a settlement of the dispute.

This problem has gone to court at least four different times with no final answer as yet. Most recently, in its opinion of September 12, 1974, in the supplementary proceedings in the Healing case, the U.S. Court of Appeals for the Ninth Circuit clearly stated that the U.S. Government is delinquent in not providing further authority for solving the problem, including either authority to the court to partition, or direct congressional partition.

H.R. 10337 responds to this charge. It has the support of the Department of the Interior, my distinguished colleagues from the State of Arizona, Senators BARRY GOLDWATER and PAUL FANNIN, and I urge favorable consideration of this measure today.

Mr. METCALF. Mr. President, I would like to now call up the committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

1. On page 42, line 17, strike "and".

2. On page 42, line 25, strike the period and insert in lieu thereof a semicolon followed by "and".

3. On page 42, after line 25, insert the following new clause:

"(3) for the adjudication of any claims that either tribe may have against the other for damages to the lands to which title was quieted as aforesaid by the United States District Court for the District of Arizona in such tribes, share and share alike, subject to the trust title of the United States, without interest, notwithstanding the fact that such tribes are tenants in common of such lands: *Provided*, That the United States may be joined as a party to such an action and, in such case, the provisions of sections 1346(a)(2) and 1505 of title 28, United States Code, shall not be applicable to such action."

4. On page 43, line 17, strike "The" and insert in lieu thereof "Except as provided in clause (3) of subsection (a) of this section, the".

Mr. METCALF. Mr. President, as I mentioned in my opening statement, this amendment was agreed to by all members of the committee. I have supplied the Senator from South Dakota and other interested Senators with the committee amendment. I ask that the Senator from Arizona be recognized to explain it.

Mr. FANNIN. Mr. President, first of all, I want to express my appreciation to the senior Senator from Nevada, one of the most knowledgeable men in Interior affairs in the Senate, for his very able statement which is certainly in line with his fairness, and the fair play that he has expressed, during his long tenure in the United States Senate. I am certainly very proud of my distinguished colleague from Nevada.

Mr. President, inadvertently, this particular stipulation was not included in the Senate bill. We have the committee amendment for that reason.

On page 12 of the bill at the desk, H.R. 10337, on line 20, is the content of this particular stipulation.

Mr. President, as you know, it is necessary to grant specific authority for most litigation between tribes, and in fairness to both the Navajo and Hopi Tribes, proper claims and causes of action should be authorized. The 1958 act which initially allowed such matters to be litigated, but which did not provide a final solution, must be supplemented by authority to adjudicate damage and other claims. It is alleged that either tribe, but more particularly, the Hopi Tribe, may have a valid claim for damages to lands adjudicated to them, but kept in the forcible possession of the Navajo Tribe following the 1963 decision of the U.S. Supreme Court. In fairness and without prejudging the merits of any claims, both tribes should have a forum in which to litigate them if in fact such claims do exist.

As Senators have already heard from my esteemed colleague, the Senator from Montana, the floor manager of the bill, this provision was inadvertently omitted from the committee amendment to the House bill and its reinsertion is approved by the committee. I urge the Senate to approve it as the only amendment to the bill.

Mr. President, I believe we have the support of the committee. I do not know whether the distinguished Senator from

South Dakota has objection to the amendment. I hope not.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment.

Mr. **METCALF**. May I be heard on the amendment?

The **PRESIDING OFFICER**. The Senator from Montana.

Mr. **ABOUREZK**. Will the Senator from Montana yield briefly?

I want to say I have no objection to the amendment.

Mr. **METCALF**. Mr. President, I want to concur with the statement made by the Senator from Arizona about the Senator from Nevada. This matter has been before the committee for a long time.

We had an ad hoc committee which was studying the Navajo-Hopi problem. The Senator from Nevada served on that committee before this matter came up before the full Committee on Interior and Insular Affairs. So he is most knowledgeable, both from the standpoint of his activity and service on that special ad hoc committee, and as a result of his service and participation in the markup and the consideration of this bill. I think that especially we should listen to his advice and counsel, because this matter has been before Congress for a long, long time.

Mr. President, I concur wholeheartedly in the statement of my colleague from the State of Arizona. The recent September 14, 1974, decision of the U.S. Court of Appeals for the Ninth Circuit underscores the fact that a valid claim may well exist in the Hopi Tribe arising from ouster from the lands in which they have an interest. Although the Hopis and Navajos may have the right to press their causes in the supplemental proceedings of Healing against Jones, we ought to make certain that each tribe has the right to seek redress for claims.

The language of this amendment was contained in H.R. 10337, as passed the House, and was included in the substitute version of the bill as ordered reported by the committee. When the bill was ordered reported, the committee authorized staff to make what proved to be numerous technical and conforming changes. Among those changes was the deletion of this amendment's language.

Both majority and minority staff quickly recognized that the deletion of this provision was not technical. They immediately notified both the committee chairman and my colleague from Arizona, the ranking minority member of the committee. When the September 14 decision was handed down, the substantive nature of the amendment became clearly evident. The joint staff recommendation was that the deletion of the language was contrary to the committee's intent and that, therefore, the provision should be restored. I understand the chairman and ranking minority member fully concurred in this recommendation, but decided not to call another committee markup to make this single correction and, instead, simply amend the bill during floor action.

Mr. **ABOUREZK**. Mr. President, I want to add one or two words.

The matter that the Senator is trying to take care of may already be in the bill, but it does not really bother me at all to have a specific authority. I read from page 43, section (c):

> Either tribe may institute such further original, ancillary, or supplementary actions . . .

I just want to point out that authority already is in there, but it does not matter at all.

So far as the special ad hoc committee to deal with the Hopi-Navajo question is concerned, I think it would be useful to point out that they did not take any sort of action on it at all. It was disbanded when I became chairman of the subcommittee, without their having done any investigation or having any hearings. But that does not detract from the interest the Senator from Nevada has in this matter.

Mr. **METCALF**. The Senator from South Dakota is correct in saying that the bill without the amendment may be adequate to take care of the situation. But especially after the circuit court decision on September 24, it may be that we have to nail down some of the provisions in the bill on which the Senator from South Dakota and the rest of the committee are thoroughly in agreement. That is the purpose of offering the committee amendment.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The **PRESIDING OFFICER**. Who yields time?

Mr. **MONTOYA**. Mr. President, is the bill open to amendment?

The **PRESIDING OFFICER**. The bill is open for amendment.

Mr. **MONTOYA**. Mr. President, on behalf of myself, the junior Senator from New Mexico (Mr. DOMENICI), the junior Senator from South Dakota (Mr. ABOUREZK), and the senior Senator from South Dakota (Mr. MCGOVERN), I send an amendment to the desk.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. **MONTOYA**. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> On pages 26 through 28, strike section 8 in its entirety and insert in lieu thereof the following:
>
> SEC. 8. (a) Either tribe, acting through the chairman of its tribal council for and on behalf of the tribe, is each hereby authorized to commence or defend in the District Court an action against the other tribe and any other tribe of Indians claiming any interest in or to the area described in the Act of June 14, 1934, except the reservation established by the Executive Order of December 16, 1882, for the purpose of determining the rights and interests of the tribes, in and to such lands and quieting title thereto in the tribes.
>
> (b) Lands, if any, in which the Navajo Tribe or Navajo individuals are determined by the District Court to have the exclusive interest shall continue to be a part of the Navajo Reservation. Lands, if any, in which the Hopi Tribe, including any Hopi village or clan thereof, or Hopi individuals are determined by the District Court to have the exclusive interest shall thereafter be a reservation for the Hopi Tribe. Any lands in which the Navajo and Hopi Tribes or Navajo or Hopi individuals are determined to have a joint or undivided interest shall be partitioned by the District Court on the basis of fairness and equity and the area so partitioned shall be retained in the Navajo Reservation or added to the Hopi Reservation, respectively.
>
> (c) The Navajo and Hopi Tribes are hereby authorized to exchange lands which are part of their respective reservations.
>
> (d) Nothing in this section shall be deemed to be a Congressional determination of the merits of the conflicting claims to the lands that are subject to the adjudication pursuant to this section, or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission.
>
> On page 36, lines 12 and 13, strike "later than one year prior to the date of enactment of this Act" and insert in lieu thereof "after May 29, 1974".
>
> On page 44, lines 16 through 20, strike subsection 19(b) in its entirety and insert in lieu thereof the following:
>
> "(b) The Secretary, upon the date of issuance of an order of the District Court pursuant to sections 8 and 3 or 4, shall provide for the survey location of monuments, and fencing of boundaries of any lands partitioned pursuant to sections 8 and 3 or 4."

The **PRESIDING OFFICER**. How much time does the Senator from New Mexico yield?

Mr. **MONTOYA**. I yield myself such time as I may require for my opening statement on the amendment.

Mr. President, I offer an amendment to section 8 of H.R. 10337, a bill intended to resolve the land dispute between the Hopi and Navajo Indians. This land dispute involves two distinct tracts of land. One area is referred to as the 1882 Executive Area which will be the subject of another amendment to be offered later on. The other area, which is the subject of the pending amendment, is called the Moencopi Area. This amendment will alter the approach taken by the Interior Committee to the Moencopi section of the bill. The amendment refers the Moencopi matter to the courts for final disposition. I believe that this proposition will prove to be a more equitable and a more efficient solution to the Moencopi land dispute than is the course charted by the committee.

The Moencopi Area is a 243,000-acre tract of land which was first incorporated into the Navajo Reservation by act of Congress in 1934. Today, just as in 1934, the Navajos reside on 209,000 acres of this land. The Hopi occupy the balance of the acreage. When Congress established this situation in 1934, its clear intent was to guarantee the rights of all resident Indians within the Moencopi area—not just the Navajo—not just the Hopi. All the resident Indians were to enjoy the right of living within the Moencopi Area. Before the writing of this bill in this Congress, it had never been argued that the Hopi have special claim to the land within the Navajo Reservation, outside of 34,000 acres they have traditionally occupied in the Moencopi Area. Nor has such a Hopi claim ever been defined or quantified in any court proceeding. Yet section 8 of H.R. 10337 awards all 243,000 acres of Moencopi land to the Hopi. This unwarranted taking of land is the first defect in the committee proposal.

The second defect of the bill is that it is unconstitutional. To take land from one tribe and give it outright to another tribe is in clear violation of the fifth amendment. I am not alone in this belief. The administration, the Secretary of the Interior, and the Navajo tribe share in it, also.

The administration believes section 8 to be unconstitutional and has formally warned Congress on three separate occasions this year of its opinion. The Secretary of the Interior expressed his opinion in his report to the Interior Committee on the Moencopi provisions of the bill. He said that these provisions are constitutionally suspect and may cost the U.S. Government $10 million should a judgment be rendered in favor of the Navajos on this question.

There is no question that the Navajo Tribe will contest the constitutionality of section 8 in the courts. The nature of the question would undoubtedly require resolution by the Supreme Court. It may be conservatively estimated that the ensuing legal battle will take at least 3 years and consume thousands of dollars in legal fees. To argue that section 8 provides the quickest of all possible solutions and to prefer it for that reason is naive and thoughtless.

The committee has adopted the point of view that the Navajo-Hopi land dispute should be brought to a speedy resolution. Opponents of this amendment will contend that the unamended bill is impartial and that it represents a swift legislative solution to a problem that has already consumed the energies of the courts and the Congress for far too long. The Senate would be deceiving itself, if, by a quick approval of the bill here today, it believed it had resolved the Moencopi dilemma. Rather than writing the concluding chapter to the Navajo-Hopi land dispute, the Senate will be preparing the ground for new and extensive litigation over the Moencopi Area, saddling the American taxpayers with the wasteful and costly relocation of Navajo living within the Area and creating a legacy of human misery for those Indians who will have to sustain the shock of relocation.

The Senate must face the human reality of the enactment of section 8. The punitive character of this section of the bill cannot be escaped. At least 1,200 and perhaps as many as 2,000 Navajo living in the Moencopi Area would be forced off the land that they have lived on all of their lives. Where are they to go? What are they to do? It has been said that these relocated Indians will be easily absorbed into the Navajo economic development projects, such as the Navajo irrigation project, now under construction. This is an illusion created by those who favor a quick solution.

There is nothing in the background of the Navajo who live in the Moencopi area to indicate that they will be easily assimilated into such projects. These people are among the poorest, least educated minority groups in the United States today. They speak little or no English. They are accustomed to making their living by herding sheep. They have often been living on the land for their entire lives. A forced relocation would produce massive social disruption in their accustomed way of life, and is likely to be resisted. It would be a human tragedy that would undoubtedly attract national attention. The Senate should exercise its good judgment by avoiding, not inviting, a social confrontation like those that have occurred in the recent past.

While we are looking at the human costs involved in relocation, let us look at the cost in dollars of the committee bill as well. When the Navajo-Hopi land dispute was under consideration in the Interior Committee, I introduced a bill along with Senators DOMENICI and Moss. This bill would have authorized $28 million for economic development in the area. The bill avoided relocating anyone. It was intended to benefit the area economically. Yet the committee saw fit to reject its provisions. By contrast, the committee bill is going to cost $52 million to relocate the Navajo living on land to be given to the Hopi. And, as I have mentioned earlier, the Secretary of the Interior predicts that a $10 million judgment against the United States may result from a constitutional challenge in the courts favoring the Navajo position. That would bring the total cost of the committee bill to $62 million.

I think that is a very high price to pay for a bad solution to the Moencopi problem. The amendment I offer wouldn't cost anybody anything. There would be no relocation and no relocation costs.

It used to be said that misery was cheap. For the first time in history, it may become expensive.

Another issue which we need to recognize is the issue of invidious discrimination. This is the foundation upon which this piece of legislation has been built. If this were a private non-Indian property dispute, it would have never come to Congress in the first place. It would have been settled in the courts. Representative STEIGER, who was the chief proponent of the Hopi position in the House of Representatives when this bill was on the floor in that chamber in late May, acknowledged the racial distinction to be made in his case by stating openly, and I quote from the CONGRESSIONAL RECORD:

> I would simply tell the gentleman that the distinction between that situation and this one is that in those instances, every one of those instances, we are dealing with non-Indians occupying and believing they have a right in the lands. Here, we are dealing with two tribes. That is the distinction.

We should treat this property dispute among Indians just as we would treat a property dispute among non-Indians. As I have said, if non-Indians were involved it would be an issue to be settled in the courts. This is precisely what the amendment I offer proposes to do.

For all the reasons outlined here, I believe the committee approach to the Moencopi portion of the Navajo-Hopi land dispute bill is defective. The amendment I propose is to be preferred to the committee solution. It should be remembered that judicial proceedings have yet to occur over the Moencopi situation and that the committee itself emphasized the importance of a swift resolution of the matter. The Moencopi amendment offered here fulfills this committee objective. It avoids a constitutional challenge to the bill. It prevents the relocation of over a thousand Indian families. I urge the Senate to exercise good judgment by adopting the Moencopi amendment to H.R. 10337.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Will the Senator from New Mexico yield for 5 minutes?

Mr. MONTOYA. I yield to the junior Senator from New Mexico.

Mr. DOMENICI. I thank my distinguished colleague from New Mexico.

Mr. President, first let me say that I have a great deal of esteem and respect for both Senators from Arizona. I compliment them in this matter, not only because they are both concerned and knowledgeable, but because they want to see the matter resolved. I wish to assure them that I do not take the floor today, nor have I been part of, trying to prolong a very long-standing need to clarify legislatively the disputes between the Hopi and the Navajo Indian tribes.

I wish to say, however, to the junior Senator from Arizona that in no way, either, do I want to interfere with property rights that are in his State, but I do believe that, since the Navajo Nation sits astride both States—and I know the Senator is aware of that—one-third of their people reside in our State and, in a sense, this is a national Navajo problem in that it affects them as a nation.

I have tried, in my short term here, certainly with far less experience, knowledge, and time, than the distinguished Senator from Arizona has had, to look at this problem and try to be fair. The Senators from Arizona do not want only a solution; they want a solution that is right.

Permit me now to talk just about the Moencopi problem, because I do not pretend to be part of amendments that will seriously change the joint-use legislation. I wish to assure them of just one minor amendment in that regard. I am talking only of the Moencopi, the 243,000 or 250,000 acres that have been variously referred to here today, in terms of amount.

It appears to me that if we are looking for a right solution, we certainly ought not to take 243,000 acres of land that, in 1934, the Congress of the United States clearly and unequivocally recognized the right of the Navajo people in and to by specifically saying that this land was for the Navajo Indian and such other Indians as may occupy it. Then we, as a nation, passed that law to permit the Navajo to occupy it over all of these years.

Then, somehow or other, because we have looked at the confusion that has stemmed from the joint-use area and from the Executive order of 1882 that had the reverse declaration, for the Hopis and such other Indians that occupy it, we have concluded that, as to the 243,000 acres, we are going to make a determination that it belongs totally to the Hopis.

It appears to me that it is not a question of who occupied it first. It is not a question, even though eloquently presented by the junior Senator from Arizona, of original title or even of who occupied it for what kind of sincere religious purposes or the like, but rather, a question of looking at it now in the light of what the U.S. Government has done to the whole area. If we are going to divide up the Executive order land after years of dispute, it appears to me to be right and fair to give both tribes a very simple opportunity to go to court, and provide that court with the jurisdiction that has been lacking heretofore with reference to the joint-use area. The reason that the dispute is here, on the joint-use area, is that the district courts have said, "We do not have enough jurisdiction to complete the battle, to complete the fight, to make the kind of split in surface rights that is needed."

The amendment proposed by Senator MONTOYA, which I join, as it concerns the Moencopi land, would vest the courts with that right.

We go to court once and for all and we will have been finished with the Hopi, but we will not have denied the Navajo, with the same kind of right we are now saying the Hopis have had in court, and been denied that same decision in court for lack of jurisdiction. Quite to the contrary. They would go to court and the Moencopi could be resolved.

I fail to find—of course, I could be wrong—based on previous hearings before the Senate or its committees, anything that clearly indicates that the 243,000 acres is anything other than an arbitrary decision, saying that we have the strong feeling——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. Will the Senator yield me 3 more minutes?

Mr. MONTOYA. I yield 3 more minutes.

Mr. DOMENICI. I fail to find anything in the report that indicates that we have done other than determine that the Navajos have violated Hopi rights somewhere, sometime in the past, and to make up for that, we are going to give them this 243,000 acres. It does not appear to me that the committee amendment is doing violence to the basic premise of the committee bill. It remains intact. In fact, it is a very logical extension of its conclusion, to vest the courts with the same right on the Moencopi that ultimately we are vesting the court with on the joint-use land. But, no, we are not going to do that today. We are going to say with regard to the 243,000 acres, that in recompense for past actions of the Navajo or the U.S. Government, we are going to give them that entire piece of land.

In conclusion, I feel just as firmly as they do that all we are trying to do is what is right on the Moencopi tract of land. We are not going to delay it any longer in the courts than the process by which they seek to resolve it, for, certainly, the validity of the law, the claim of the Navajo Nations to something other than compensation, and then compensation will take an awfully long time. Our amendment will put it into the courts to be resolved under standards set out by Congress.

I wish to conclude by saying that, with reference to the Indians and their culture, I could not, as eloquently as Senator GOLDWATER has, express my great admiration and love for the Navajo and for the Indian people in my State and others.

I have great respect for their traditions and their cultures. I do not come here to choose political sides; and I would remind those who think we are choosing the Navajos because they are in our State that certainly they are in our State, the State of New Mexico, but as far as the Indian people are concerned other than the Navajos, there are many thousands of them, and they are not in unanimity as to what is the fair and equitable or historically sound solution to this particular problem.

I rise in respect for their customs, and because they respect our laws. It appears to me we are saying to the Navajo Nation, "We want respect for your laws and ours, but as to Moencopi, we have a strong feeling it all ought to belong to the Hopis."

I do not think that is fair. I do not think 2 or 3 years in court would conclude the matter inconsistent with the serious concerns that the Senators from Arizona, Montana, and Nevada have expressed regarding Moencopi. I think the courts would decide it with the same basic concerns they have.

But even the administration says a legislative solution is the wrong one. They say a judicial determination of the Moencopi rights would be preferable.

I thank my distinguished colleague from New Mexico.

Mr. GOLDWATER. Mr. President, will the Senator from Montana yield to me?

Mr. METCALF. I yield the Senator from Arizona such time as he may require.

Mr. GOLDWATER. Mr. President, what we have argued in the committees is precisely the argument we are going through now. The delay of a solution to this issue would delay the settlement of this particular problem involving the Moencopi Wash by at least two decades. We have had four court decisions in this matter. Every court decision has found the same facts. I understand the Navajo people are now paying $250 a day to the court as a fine for contempt of court.

If we go to this kind of amendment, the Navajo people can go to court. They can go to court to decide whether or not they would be receiving just compensation for the land they lose.

Let me give a few of the arguments against this proposal.

First, the court would have no yardstick criteria on which to draw——

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. GOLDWATER. Not right now.

The 1934 Reservation Act contains no criteria for the court to work with. This is the kind of policy decision that Congress itself must make.

Second, putting the Moencopi issue into the courts will delay a settlement of the issue for two decades, just as the 1882 joint use area dispute has been delayed for 16 years.

Third, the Hopi Tribe has unquestioned title to land in the Moencopi area.

As to the last statement, the rights of the Hopi Tribe to lands within the 1934 reservation are based on the 1934 act itself.

This law provides that the lands within the 1934 reservation "are hereby permanently withdrawn—for the benefit of the Navajo and such other Indians as may already be located thereon."

Now, no one can question the fact that the Hopi were already located within the area. In fact, they have been there since at least the year 1100. Thus, the Hopi claim they are entitled by law to about 1 million acres in the 1934 reservation.

The Navajo, on the other hand, would rewrite the 1934 law to read what it does not say, that lands are reserved for other Indians "only to the extent they were then occupying and using the lands." But this is not what the statute says. And, even if it were, there is strong evidence, according to the Walker-Dalton survey made in 1933, that the Hopi then used about 246,000 acres in the area, which is approximately the figure used in the committee bill.

I would add that the legal title of the Hopi Tribe to land in the Moencopi area is also recognized by the United States and by several public utility corporations. In 1969, when the Arizona Public Service Co. and other electric companies were applying for a right-of-way to construct a transmission line across the 1934 reservation, the Secretary of the Interior informed these companies it would be necessary for them to obtain the consent of the Hopi Tribe. The companies were granted the request by the Hopi Tribe and in turn the Hopi Tribe was paid $161,400 for the right-of-way.

This right-of-way covered an area far outside the boundaries that would be partitioned to the Hopis by the committee bill.

In conclusion, and in the interest of saving time, I ask unanimous consent that statements made by the Supreme Court that indicate the authority and responsibility to resolve this dispute under cited decisions of the court be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Congress has the authority and the responsibility to resolve this dispute under decisions of the United States Supreme Court:

"These Indian tribes are the wards of the Nation. They are communities dependent on the United States—dependent largely for their daily food; dependent for their political rights . . . from their very weakness and helplessness, so largely due to the course of dealings of the Federal Government with them, and the treaties in which it has been promised, there arises the duty of protection, and with it the powers." (*U.S. .v Kagama*, 118 U.S. 375) 1886

"Not only does the Constitution expressly authorize Congress to regulate commerce with the Indian tribes, but long continued legislative and executive usage and an unbroken current of judicial decisions have attributed to the United States as a superior and civilized nation the power and duty of exercising a fostering care and protection over all dependent Indian communities within its borders whether within its original territory or territory subsequently acquired, and whether within or without limits of a state." (*U.S.* v. *Candeleria*, 271 U.S. 432)

Mr. ABOUREZK. Mr. President, will the Senator from New Mexico yield me a few minutes for a question of the Senator from Arizona?

Mr. MONTOYA. How many minutes?

Mr. ABOUREZK. Five minutes?

Mr. MONTOYA. I have only 11 minutes remaining. I yield the Senator from South Dakota 2 minutes, and will yield him more if he needs it.

Mr. ABOUREZK. Mr. President, I ask the Senator from Arizona if he will not concede that there has been no litigation on the subject of the Moencopi area. I know he said there were four lawsuits, but I wonder if he will concede that there were no lawsuits involving the Moencopi area.

Mr. GOLDWATER. The Senator is correct. If I made that inference, I was wrong. There were four decisions on the land east of Moencopi, north of the villages on which the joint boundary is in dispute between the Navajo and the Hopi.

Mr. ABOUREZK. And the Moencopi area has yet to be litigated by any State, except for rights granted in this bill to the Hopi; will the Senator concede that?

Mr. GOLDWATER. No, I will not concede that by any means. It has been decided by the Walker-Dalton survey, and on the basis of that survey, that funds should go to the Hopis for lease permits in these areas; and it has been decided in my mind by the fact that the Hopis were using these areas long before the Navajos came along.

Mr. ABOUREZK. If Senator GOLDWATER says there has been a decision of some sort, I wonder if the Senator will be willing to tell the Senate who has determined who has the rights in that land, because I do not know, very frankly.

Mr. GOLDWATER. The Walker-Dalton survey, in 1934, decided they were entitled to about 264,000 acres; it may have been a little more or a little less.

According to communications I have introduced to the House committee, written by a former Commissioner of Indian Affairs, there was never any dispute about this. This whole thing, I might say, only came up on the part of the Navajo within the last several years. It was never contended, to my knowledge, in any prior dispute.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. ABOUREZK. Will the Senator yield me 3 more minutes?

Mr. MONTOYA. Mr. President, how many minutes do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. METCALF. How much time do I have?

The PRESIDING OFFICER. The Senator has 26 minutes.

Mr. METCALF. I yield.

Mr. ABOUREZK. I did not understand what survey the Senator referred to. What was that, that the Senator said granted the Hopi about 264,000 acres?

Mr. GOLDWATER. If the Senator will yield, I just put this in the RECORD:

In 1933, just one year before the passage of the Act of July 14, 1934, Superintendent Walker and William Dalton, Sr., an employee at Tuba City, made a survey of the land used by the Hopi at that time. This became known as the Walker-Dalton Line which incorporated approximately 246,000 acres. A portion of this extended into the Joint Use Area, but the Pasture Canyon area was erroneously omitted.

Mr. ABOUREZK. I confess never having heard of that survey before, due to it never having been offered into evidence or testimony at any of the hearings. It takes me and the rest of the committee members, I am sure, by surprise. I wonder if I might have a little time to look at that survey before we go on with this issue. Does the Senator have an extra copy?

Mr. GOLDWATER. I am glad to let the Senator look at this. It came from the law office of Boyden and Kennedy.

Mr. ABOUREZK. Came from where?

Mr. GOLDWATER. The law office of Boyden and Kennedy.

Mr. ABOUREZK. That is, the attorneys for the Hopi tribe?

Mr. GOLDWATER. They are lawyers for the Hopis, but, as good lawyers, they have researched the subject very carefully. I am glad for the Senator to read it. The information came from the Secretary of the Interior. I introduced it in the House earlier.

Mr. ABOUREZK. Mr. President, I reserve the remainder of my time.

Mr. METCALF. Mr. President, who has the time? The Senator from New Mexico has the time, does he not?

Mr. MONTOYA. Yes. I yield 3 minutes to the Senator from Washington.

Mr. JACKSON. Mr. President, I rise in support of the proposed amendment providing for a judicial resolution of the Moencopi area dispute. Those who will oppose this amendment will suggest that a vote for judicial resolution of this dispute is a vote to prolong the dispute needlessly. They will point to the enactment of the 1958 act providing for judicial resolution of the joint use area dispute and note that that dispute is only now being resolved 16 years later. Mr. President, clearly a legislative resolution would, in the best of circumstances, provide a swifter and more certain resolution to the dispute. However, no matter how persuasive may be the argument for an immediate solution to the dispute, it can be persuasive only if the positions of the various parties to the dispute are known. To press this argument in the case of the Moencopi is in fact to beg that final and, in my mind, most critical question: How can you partition the land according to the rights and interests of the respective tribes when you do not have any firm ideas of what those rights and interests are.

No one disputes that both tribes have asserted genuine rights and interests in the Moencopi controversy, but these rights and definitions have never been adequately defined. The Moencopi area was not considered in the Healing decision, thus no judicial determination of the rights and interests of the tribes in that area has been made. Furthermore, the executive branch has not defined these rights and interests with any certainty. Various official surveys and statements have declared the Hopi interests in the Moencopi area to be anything from 34,000 to 246,000 acres. The Navajo argue, that, at best, the Hopi interest is no more than 34,000 acres, whereas the Hopi have provided evidence suggesting an exclusive interest in as much as 917,000 acres. In light of this total disagreement on the relative rights and interests of the two parties, it would seem to me that any congressionally mandated partitioning of the area would be an arbitrary action—an action certainly challengeable in the courts.

Therefore, despite my fervent desire to see a swift resolution to all outstanding disputes between these two honorable people, I cannot, in good conscience, support an inadequately thought out and justified settlement in precipitous pursuit of a final resolution.

This matter was voted on in the committee, I may say, and I voted for the amendment. It lost by a narrow margin. I hope, today, the Senate will adopt this amendment.

I yield back to the distinguished Senator the remainder of my time.

Mr. METCALF. Mr. President, I yield to the distinguished Senator from Arizona.

Mr. FANNIN. Mr. President, the desire of the committee and the desire of all Senators is to cut down on the expense and to eliminate long years of litigation.

If we look at what has happened in the joint land use program, we see the fallacy of not settling this matter when we have the opportunity to do so.

The present bill will prevent the excessive litigation that we fear and, Mr. President, the uncertainty over the ownership of the land that will continue during the years of litigation which would otherwise take place. This land, by forced circumstances, will continue to be damaged by neglect, and neither tribe will gain by that neglect, so we are placing both tribes in an untenable position, without this legislation.

This amendment is an attempt to derail this bill, which attempts to settle this matter. It is an attempt to prevent Congress from acting. We cannot allow this diversion from a final decision. We must act favorably on what the committee has proposed and what was in the House bill when it came over to the Senate.

The House spent considerable time investigating what would be most fair and equitable in the Moencopi area.

The claim was made that there has not been anything said about Moencopi. This information I am going to give was produced as a result of Senator ABOUREZK'S request at the Winslow hearing in

Arizona, a couple of years ago, in 1973. At that time information was furnished by James Stewart, who was the former Director of the Indian Bureau, Lands and Minerals Division. At the time this all happened, he went to the Hopi reservation and made an explanation of a proposed bill which never passed Congress.

The figure of somewhat over 30,000 acres is derived from the letter of Navajo counsel which was written in response to the request at the Winslow subcommittee hearings. In that letter, counsel concludes that about 32,000 acres was all the Hopi Indians occupied in 1934. James Stewart, then Director of the Indian Bureau, Lands and Minerals Division went to the Hopi Reservation and made an explanation of a proposed bill which never passed Congress. From his statements to the various villages of the Hopi Tribe, the erroneous conclusion was derived.

In complete answer to the Navajo attorney's letter, the affidavit of James Stewart was submitted for the record wherein he concludes that the Hopi ought to be given nearly 1 million acres in Moencopi rather than the 243,000 listed in the committee bill. It will be noted that Mr. Stewart personally recommends:

> In view of the fact that the Courts have now taken a large portion of the original Hopi Executive Reservation from the Hopi people, it is now my considered opinion that justice requires that an area equal to that taken away should be added to the Hopi Reservation in the vicinity of Moencopi and should be a contiguous tract of land between the Hopi Reservation and the Moencopi section.

Mr. Stewart is recommending that justice requires that the Hopi Tribe be given approximately 917,000 acres in the Moencopi area. The House bill gave only about 243,000 acres.

So, Mr. President, we have the opportunity to settle this matter—and as far as liability of Congress is concerned, with regard to constitutionality, Congress has the unchallenged right to settle this matter. It was not a Navajo reservation exclusively. It is very unlikely that litigation by the Navajo will be successful. We do not know what would happen, but if there is going to be litigation anyway, we should settle the matter in accordance with the rights of the Hopi Tribe, also.

No more burdensome case can be imagined than relitigating the same kind of case as the 1882 area. That has cost both tribes millions of dollars.

So, Mr. President, some will try to lead us to believe that the committee proposal on the 1934 area would leave the Navajo with none of the 1934 area.

Let us realize that the Navajos in this legislation are receiving an additional 250,000 acres. Now, it is not whether or not they are entitled to it or whether or not the Hopis are entitled to certain lands. This additional acreage was decided upon as being more than equitable. In fact, the committee leaned over backward to try to be more than fair with the Navajo Tribe because of the arguments that have been made over the years.

Mr. President, I trust that this amendment will be defeated.

The **PRESIDING OFFICER.** Who yields time?

Mr. **METCALF.** Mr. President, I yield myself such time as I may need.

Mr. President, I regret very much to differ with the distinguished chairman of the committee when he says that the decision arrived at here by the committee and by the committee bill was precipitous and without thought. I would like to narrate my own experience here.

I was on another committee and on another markup, and I had left my own proxy with the chairman, and he voted it in accordance with his own views.

He said he would like to have this matter decided in the courts. I have a great deal of respect for the chairman and I thought I would abide by the decision unless I needed to change my opinion. I read the hearings, I read the reports of the various counsel and attorneys, both Mr. Boyden, as quoted by the Senator from Arizona (Mr. GOLDWATER), and counsel for the other side. Then, in the committee I asked for a reconsideration. After lengthy debate and much discussion we reconsidered the vote, and then voted the committee version of the bill on a 9-to-6 vote.

So there has been careful consideration in the committee on this matter. There has been long consideration of this controversy over more than one Congress.

Now, we talk about whether we will have a settlement of the various issues by passing this bill or by litigation.

I suppose that we can never avoid litigation. As I read all of the hearings and all of the matters that are before Congress today I believe that the constitutional question is resolved in favor of the Hopis.

There is not a constitutional question that has been raised by the Senator from South Dakota or the Senator from New Mexico. If Congress acts within the jurisdiction and within the scope of our powers, if the litigation that emanates from our decision to try to end the litigation and try to make an equitable and a fair solution to this longstanding controversy—we should decide it on the basis of what we believe to be the equity and the fairness and let the other side then raise the constitutional question.

As I say, I do not know whether we can ever say that we will resolve this question, but decision after decision, one after another, along the line has demonstrated the legitimate interest which the Hopis have in the land which section 8 refers to. While it has not been directly on these specific acres, the principles and issues involved in this long series of decisions culminating in several cases in the U.S. district court, circuit court of appeals, and U.S. Supreme Court, back again to the ninth circuit, and so forth, have demonstrated that the issues which we are concerned with here have been fully considered and already resolved.

We, the same as the others, can sit here and can read these cases all day; but we should decide today that we are going to try to end this litigation.

I emphasize that the committee bill from the Senate has provided a generous settlement to the Navajos. We have improved on the House bill by, among other things, providing special relocation awards, awards for additional land, all of which amount to at least an additional $9.5 million for relocation, for benefits, for payments, which will accrue to the benefit of the Navajos.

We have in short, provided a very generous settlement.

We are deciding this on the issues that have already been decided over and over again by every court: the District Court of the State of Arizona, ninth circuit court, the U.S. Supreme Court, all of whom have decided these very issues even though they have not focused them directly on the specific land involved.

I believe we can settle this matter today in the Senate of the United States with generous recognition of the claims of the Navajos and at the same time resolve these differences that have been growing and growing and have not been resolved over many, many years. This is not a precipitate decision. This is a matter of careful, long-term consideration by the committee, by the Congress—not only in this but other Congresses—and I urge my colleagues to vote down the amendment offered by the very able and distinguished Senator from New Mexico.

Mr. **ABOUREZK.** Mr. President, I yield myself such time on the bill as I might need to respond.

The Senator from Montana made a statement that there have been several court decisions which have adjudicated the principals involved here. I would respectfully and reluctantly dispute that statement. It was also made by the Senator from Arizona in a strong manner of speaking.

There have been no court decisions and to say otherwise is misleading. There has been nothing to settle this matter.

I want to turn just briefly to the letter from the lawyers of the Hopi Tribe. Apparently, I have page 8 of the letter addressed to Forrest Gerard, a staff member on the Interior Committee.

I have never seen this letter before today. It states—and this is his word—that there is no other documentation known, unless the Senator from Arizona has more, that there is a so-called survey line called the Walker Dalton line that established some fictional amount of acreage granted to the Hopi as a result of this survey.

Nobody has ever heard of it before this day, at least I have not, and it has never been given to me.

I wish to read to the Senate the summary of a letter from the Hopi lawyer, which I requested from him, dated April 12, 1973. This followed the hearings in Winslow, Ariz. I asked him if he would submit to the committee his legal position on all of these issues.

Now, I shall read what he says in summary of his very long letter. This is page 16 of his letter:

> No. 1. The Hopi Indian interest in the 1934 Reservation is a tribal interest.

That is this Moencopi area.

No. 2. And this is the very key point.

The Hopi tribe has an undetermined interest in all lands described in the 1934 Reservation except:

There are two areas, as follows:

The 1882 area, which we do not discuss right in this amendment anyhow, and lands exclusively Navajo.

He does not determine anywhere in this letter of April 12 how many acres, yet he has sent an ex parte letter to a staff member on the committee, and he has not distributed that letter to anybody else that I know of saying that there is a line.

Now, I think this is not only irregular, but also it is unfair. It is unfair to bring this up in a debate at the last minute, to say there is a fictional line—which I seriously question—that exists on the word of the Hopi lawyer who has never bothered to bring it out either in written letters, written testimony, or verbal testimony, and I have heard him talk every time we had hearings because I have sat through it as chairman of every one of those hearings. I think it is totally misleading and unfair to say there is a determined interest in the Moencopi area on the part of either the Navajo or the Hopi, because we just do not know, and that is the plain truth of it. We do not know, and this Moencopi area has not been considered at length in committee.

It has not been considered hardly at all because there has been no testimony from anybody as to who has what rights except in a very general sense.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). Who yields time?

Mr. FANNIN. Mr. President, will the distinguished Senator from New Mexico yield so I may answer?

Mr. METCALF. I yield to the Senator from Arizona.

Mr. FANNIN. I thank the Senator from Montana.

With due respect to what the Senator from South Dakota has said, I have a copy of a letter sent to him on April 12, 1973, by Boyden & Kennedy, Law Offices, signed by Mr. Boyden, that outlines in detail the information that has been brought up. The House hearings have pages of information concerning what has been discussed here. I am sure if the distinguished Senator from South Dakota would want to go back on the record, he will find everything he has talked about has been covered thoroughly, even in 1972.

I just want to pass on to the Senator that with this letter, and in other information available in the hearings by the House and Senate, these matters have been fully covered.

I thank the Senator from Montana.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Mr. President, I yield myself 1 minute.

I regret very much that the Senator from South Dakota denied that this matter had been considered carefully in committee and over a long period of time. As lawyers, we can take issue with each other as to what the courts have decided. It would seem to me that, as I have analyzed various court decisions—and I have read them all—the courts have decided the basic questions in controversy here.

Mr. ABOUREZK. Will the Senator yield?

Mr. METCALF. No. I have only yielded myself 1 minute.

When he said that this matter was not carefully considered in committee, he is completely wrong. It was considered not only in committee, in discussion, but also was considered on a motion to rehear, and considered after a lengthy discussion. The record is replete with evidence on this matter. It is very unfair for him——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. METCALF. I yield myself one-half minute.

It is very unfair for him to come up and say that this matter has only been casually considered, as he has stated. As I said, as a lawyer, he can analyze the cases if he wants to. He comes to one conclusion and I come to another. But he knows, just as I know, because we sat in that committee and we sat on those hearings, how many hours we spent in considering this very important matter and this very subject.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Will the Senator yield for 1 minute?

Mr. METCALF. I am delighted to yield.

Mr. GOLDWATER. So that we might make the record as complete as possible, I call my colleague's attention to page 125 of the printed hearings before the Committee on Interior and Insular Affairs.

I ask unanimous consent to have that short history of the Moencopi situation made a part of the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

MOENCOPI

HISTORICAL BACKGROUND

The Hopi Indian Tribe historically occupied the area between the Hopi villages and the Grand Canyon. The village of Moencopi, wherein 1,200 Hopi Indians now live was and is now the major settlement of the Hopi Indians in that area. It served as an agricultural area for the Hopis living in Moencopi, Bakabi and Hotevilla. The farms are irrigated from the waters of Moencopi Wash and Pasture Canyon. Fathers Escalante and Garces during the years 1775 and 1776 observed large herds of Hopi cattle drifting around the village of Moencopi. It was necessary that the cattle be taken out a distance of at least 15 miles from the farm land so that they would not eat or destroy the crops. When Mormon settlers moved into the area near Tuba City, they assisted the Hopis in developing their irrigation system and farm lands. A school was built in Tuba City soon after the turn of the century and many Government and Navajo families moved into the area for the first time. Prior to that time the only neighbors of the Hopis were several Paiute families.

INDIAN CLAIMS COMMISSION

The Findings of Fact in Docket 196 of the Indian Claims Commission dated June 29, 1970, held in Finding of Fact No. 20 that the aboriginal title of the Hopi Indian Tribe as of 1882 included a large tract of land to the west of the 1882 Reservation. The lands partitioned to the Hopi in the Moencopi area in H.R. 10337 and S. 2424 are well within the aboriginal lands designated by the Indian Claims Commission.

CONGRESSIONAL ACTION

The Act of June 14, 1934 (48 Stat. 960) permanently withdrew certain lands for the benefit of the Navajo Indians and such other Indians as were already located thereon. At that time, the entire Hopi Tribe was situated within the boundaries described in the Act thus acquiring contemporaneous rights with the Navajo Tribe in the reservation area. There is nothing in the 1934 Act which attempts to determine the quantum of land to be given to any particular Indian or tribe of Indians.

HOPI NEEDS IN MOENCOPI AREA

The lands partitioned to the Hopi Tribe in the Moencopi area must include the following:

1. Present Hopi villages and farm lands located in the Moencopi Wash area.
2. The lands surrounding the Pasture Canyon water shed for the protection of the Hopi Pasture Canyon Water development.
3. Sufficient range land to graze Hopi cattle belonging to the Moencopi residents.
4. Two commercial corners located on the east side of the intersection of U.S. Highway 160 and Arizona Highway 264.
5. Sufficient land to join the Moencopi area to the Hopi lands located in the 1882 Reservation.
6. The use of a highway as a division or boundary between the Hopi interests and the Navajo Reservation.

NAVAJO USE AND POPULATION

The Navajo people living in this area are relatively few in number and of very recent origin. The line proposed in S. 2424 and H.R. 10337 will affect approximately 200 Navajo dwellings.

PRESENT-DAY PROBLEMS REQUIRING PARTITION

The bitter dispute between the Hopi and the Navajo Tribes in the 1882 Joint Use Area has carried over into the Moencopi area. Navajo livestock recently have destroyed some Hopi crops. A Navajo tribal member has attempted to build a home on the commercial corner traditionally reserved for the Hopi. A Hopi was arrested by Navajo police and his fishing equipment was confiscated for fishing on the Pasture Canyon Reservoir, and has been convicted in the Navajo Tribal Court. Another Hopi found Navajo cattle grazing 50 miles distant from their assigned range area trampling his corn field. The cattle were rounded up and impounded by the Hopi police and Mr. Honahni was arrested by the Navajo police for theft. Navajo police refuse to respond to Hopi requests for assistance in the Moencopi area claiming they have no jurisdictional authority, yet the Navajo Court has ordered a Hopi man to pay for a cow which he struck and killed with his car in the village of Moencopi.

Mr. GOLDWATER. I do want to read one short sentence.

The Findings of Fact in Docket No. 156 of the Indian Claims Commission dated June 29, 1970, held in Finding of Fact No. 20 that the aboriginal title of the Hopi Indian tribe as of 1882 included a large tract of land to the west of the 1882 Reservation.

I might add that that would include the Moencopi land.

The PRESIDING OFFICER. Who yields time?

Mr. ABOUREZK. Does that law apply in the Moencopi area?

Mr. GOLDWATER. The Indian Claims Commission said that as of 1882 the Hopis had rights to a large area of land west of the original Navajo reservation. At that time, the Navajo reservation did not extend past that line.

Mr. ABOUREZK. Did they say how large an area?

Mr. GOLDWATER. I do not remember that the figures were in there or not. It was a large area of land held by the Indians.

Mr. ABOUREZK. It has never been adjudicated by anybody.

Mr. GOLDWATER. The Senator said he never heard of this before. It was in the record.

Mr. ABOUREZK. I never heard of this Walker-Dalton Line before. I will tell you that.

Mr. GOLDWATER. I might remind the Senator it was contained in a letter written to him in April of 1973.

Mr. ABOUREZK. I am sorry, it is not.

Mr. GOLDWATER. We have a copy of the letter.

Will my senior colleague make that a matter of record?

Mr. ABOUREZK. How was a letter addressed to me on the Walker-Dalton Line discussed?

Mr. FANNIN. Mr. President, I ask unanimous consent that the letter referred to, dated April 12, 1973, from Boyden & Kennedy to the distinguished chairman of the subcommittee be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Boyden & Kennedy,
Salt Lake City, Utah,
April 12, 1973.

Hon. James Abourezk,
U.S. Senate,
Washington, D.C.

Dear Senator Abourezk: At the hearing of the United States Senate Subcommittee on Indian Affairs of the Committee of Interior and Insular Affairs held in Winslow, Arizona, on March 7, 1973, you requested that legal counsel for the Navajo and Hopi Tribes present a written opinion as to the views of each tribe regarding the Hopi interest in the 1934 Navajo Reservation. I hope the following analysis will meet your requirements.

In order to understand the Hopi position, I believe it is necessary to give brief mention of the early history of the Hopi people in the area. The United States District Court for the District of Arizona convened as a three judge court in the case of *Healing* v. *Jones*, 210 Fed. Supp. 125, 373 U.S. 758, 83 S. Ct., 1559, 10 L. Ed. 2d 703 (1962). In its narrative account of the Hopi-Navajo controversy the Court stated:

"The Hopis are a remnant of the western branch of the early house-building race which once occupied the southwestern table lands and canyons of New Mexico and Arizona. Before 1300 A.D., and perhaps as far back as 600 A.D., the ancestors of the Hopis occupied the area between Navajo Mountain and the Little Colorado River, and between the San Francisco Mountains and the Luckachukas.

"No Indians in this country have a longer authenticated history than the Hopis. As early as 1541, a detachment of the Spanish Conqueror, Coronado, visited this region and found the Hopis living in mesa villages, cultivating adjacent fields, and tending their flocks and herds. In 1692 another Spanish officer, Don Diego De Vargas, visited the area where he met the Hopis and saw their villages. American trappers encountered the Hopis in 1834. In 1848, by the Treaty of Guadalupe Hidalgo, 9 Stat. 922, this area came under the jurisdiction of the United States."

The Court further stated:

"From all historic evidence it appears that the Navajos entered what is now Arizona in the last half of the 18th Century."

In Docket 196 before the Indian Claims Commission in the case of the *Hopi Tribes vs. the United States of America*, considerable evidence was taken as to the relative position of the Navajo and Hopi Tribes in the year 1848 when the United States assumed sovereignty over the area. An examination of that record will disclose that in 1848, the Meriweather Line was the separation between the Hopi and Navajo Tribes as established by both the Hopi and the defendant witnesses. The Meriweather Line is east of the Executive Order Reservation. Dr. Fred Eggan, of the University of Chicago, an expert on Hopi History and Culture, at page 7416 of the official transcript of his testimony, delineated the East side of the Hopi territory as the Meriweather Line. This was confirmed substantially by the defendant's witnesses, Dr. Ellis at pages 7580, 7706 and 9389, by Dr. Reeves at 7901 and 7918, and by Dr. Schroeder at page 8591 of the transcript. Hopi tradition establishes the East boundary of Hopi land and the West boundary of Navajo land as a line running East of, but parallel to, the Meriweather Line, West of Ganado (Tr. Petrat 9644–5, 9678–80, 9693). This line is marked with a boundary marker [Exs. 69–1, m, n and o (Hopi)]. The agreed traditional boundary was solemnized by the delivery of an Indian "tiponi" by the Navajo to the Hopi as a reminder of the promise. A Hopi witness produced the toponi before the Commission (Tr. Pahona 7476–77, 7482). The anthropologist, Gordon MacGregor, in a report to the Commissioner of Indian Affairs in 1938 stated as follows:

The First Mesa or Walpi people made an agreement with the Navajo some time about *1850* establishing a boundary line. The Navajo were to cross it only on condition of good behavior. As a sign of good faith the Navajo are said to have presented a feather shrine or symbol, which First Mesa still preserves. A pile of rock some distance west of Ganado and on the old road once marked this line. First Mesa, of course, would like to see this line form the eastern limit of the reservation. (emphasis added) [Ex. 55, p. 2 (Hopi)]

This report was written 13 years before the Hopi filed its petition with the Commission. The fact that the evidence supports the line where it was drawn by Meriwether is crucial. The Commission held that as of December 16, 1882 the Hopi Tribe had exclusive Indian title to the following described tract of land:

Beginning at the northeast corner of the 1882 Hopi Executive Order Reservation, 100° W. Longitude and 36°30′N. Latitude, thence due south on the 100W. Longitude to its intersection with the Pueblo Colorado Wash, thence southwesterly following the Pueblo Colorado Wash and the Cottonwood Wash to the Little Colorado River, thence northwesterly along the Little Colorado River to its intersection with 111°30′ W. Longitude, thence northeasterly on a line to the intersection of Navajo Creek and 111°W. Longitude, thence southeasterly to the place of beginning. 23 Ind. Cl. Comm. 277, 306.

The tract as above delineated is illustrated on Exhibit A attached hereto. The Commission has had before it a motion of the Hopi Tribe for nearly a year requesting a determination as to earlier dates of taking and the relative position of the Hopi at that time but no ruling has yet been entered. It will be observed that the tract the Commission held was exclusively Hopi in 1882 includes considerably more land then encompassed in the line drawn in the Steiger Bill as it passed the House in the last session.

Another historical factor that has bearing upon the question now being presented is the executive intent regarding the Navajo Reservation as gleaned from the Executive Orders promulgated by the various presidents of the United States.

The Executive Order of October 29, 1878 signed by President R. B. Hayes extended the Navajo Reservation to the west, as shown upon Exhibit A, withdrawing the land from sale and settlement "as an addition to the present reservation for Navajo Indians." The Executive Order of January 6, 1880, signed by the same president further extended the Navajo Reservation "as an addition to the present Navajo Reservation in said territories." It will be noted that both of these Executive Orders describe land east of the 1882 Executive Order Reservation set aside for the Hopi Tribe.

It is significant to note that when the Executive Order of May 17, 1884 was signed by Chester A. Arthur withdrawing lands north and west of the Hopi Reservation, they were not made a part of the Navajo Reservation. The language employed was "withheld from sale and settlement and set apart as a reservation for *Indian purposes.*"

The Executive Order of January 8, 1900 signed by President William McKinley set aside land west of the Hopi Reservation but within the 1934 boundaries. Again it was not reserved for the Navajo Reservation but the President then employed the words, "withdrawn from sale and settlement until *further orders.*" (emphasis ours)

The Executive Order of November 14, 1901 signed by Theodore Roosevelt withdrew land south and west of the Hopi Reservation, again it was not made a part of the Navajo Reservation, but the President employed this language,

". . . be, and the same is hereby, withdrawn from sale and settlement until such time as the Indians residing thereon shall have been settled permanently under the provisions of the homestead laws of the general allotment act approved February 8, 1887 (28 Stat. 388), and the act amendatory thereof, approved February 28, 1891, (26 Stat. 794)."

The Executive Order of November 9, 1907, as superseded by the Executive Order of January 28, 1908, both signed by President Theodore Roosevelt set apart "as an addition to the Navajo Reservation" land east of the Hopi Reservation with the exception of a small portion south of the Reservation. See Exhibit B.

The Executive Order of February 10, 1913 "set aside for use of Navajo Indians" land east of the Hopi Reservation. This order was signed by President William Howard Taft.

On May 7, 1917 President Wilson describes land west of the Hopi Reservation but it is significant that that order did not make it a part of the Navajo Reservation although it recognized some Navajo interest therein by employing the following language:

"It is hereby ordered that the following described lands in the State of Arizona be, and they are hereby, reserved from all forms of disposal and set aside temporarily until *allotments in severalty can be made to the Navajo Indians living thereon, or until such other provision can be made for their welfare.*" (emphasis added)

While this Order was superseded by the Order of January 19, 1918 signed by the same president, the same language was employed, the additional Executive Order being made "for the sole purpose of correctly describing the lands intended to be withdrawn by that Order."

We recognize that Congress may disregard Executive Orders or confirm the same at its will; however, the executive actions prior to the establishment of the 1934 Reservation have more than an interesting significance in that there appears to be a uniform action on the part of both the Executive Department and the Congress of the United States to protect the Hopi interest.

HOPI TRIBAL INTEREST (NOT LIMITED TO MOENCOPI HOPI)

The Act of June 14, 1934 (48 Stat. 960), among other things, provided as follows:

All vacant, unreserved and unappropriated public lands, including all temporary withdrawals of public land in Arizona heretofore made for Indian purposes by Executive Order or otherwise within the boundaries defined by this Act, are hereby permanently withdrawn from all forms of entry or disposal for the benefit of the Navajo *and such other Indians as may already be located thereon.* (emphasis added)

From the foregoing we must conclude:

A. That the Act encompasses all of the specified land "within the boundaries defined by this Act."

It will particularly be noted that within the boundary thus delineated are situated the December 16, 1882 Executive Order lands, "withdrawn from settlement and sale, and set apart for the use and occupancy of the Moqui (Hopi), and such other Indians as the Secretary of the Interior may see fit to settle thereon."

B. That the above described lands were withdrawn "for the benefit of the Navajo and such other Indians as may already be located thereon." In other words, the above described lands were withdrawn for the Navajo and such other Indians as were then (June 14, 1934) already located within the boundaries defined by the Act.

There can be no serious dispute concerning the fact that Hopi Indians were then already located thereon. The village of Oraibi, has existed in its present form for at least 1100–1150 A.D., giving rise to claims that Oraibi is the oldest continually inhabited village in the United States. In 1582 Antonio de Espejo, a Spanish merchant from New Mexico, organized an expedition that eventually took him through Zuni and on to the Moqui country where he visited Awatovi, Walpi, Sungopovi, Misningnovi, and Oraibi. Onate, who had been sent in 1598 to the Moqui (Hopi), to gain submission of the Moqui Indians to Spain and the Catholic Church, saw the Moqui farms at Moencopi in 1604. Many of us know from personal knowledge and observation that all of the presently existing Hopi villages were inhabited by the Hopi Indians in 1934. But to lift the matter from possible reasonable controversy, the documented record discloses that in the closing months of 1932 five meetings at various Hopi villages were held to discuss the then proposed legislation to extend the exterior boundaries of the Navajo Reservation. The three villages on the First Mesa (Walpi, Tewa, Shitchumovi) favored allowing the land and Agency situation to remain as it then existed. while the Second Mesa villages (Mishongnovi, Sipaulavi, Shungopavi), and the Third Mesa villages (Oraibi, Hotevilla, Bababi) except the "conservation" group at Oraibi, wanted a distinct Hopi Reservation of much greater extent than proposed, and a separate Hopi Agency. Moencopi is one of the villages given representation on the Hopi Tribal Council as established in 1936. It is common knowledge that this village existed more than two years prior to the adoption of the constitution.

Thus we see that all of the Hopi villages were included within the area in question at the crucial time.

Associate Solicitor, Richard F. Allen, accurately analyzes the situation in the following language:

"It is beyond question that Hopi Indians resided in the area defined by the Act at the time of its passage. The history of the Act discloses beyond quibble that Congress recognized this fact and included the 'other Indians' provision for the express purpose of protecting Hopi rights." (Memorandum Opinion of Associate Solicitor, Indian Affairs, July 1, 1966.)

Since all of the Hopi villages were included within the described area the Act in effect permanently withdrew the lands for the benefit of the Navajo and Hopi Indians, and not just Navajo Indians and the Hopi Indians in and around the village of Moencopi. There is no provision in the Act that any of the Indians of the area should be confined in their use and benefit to the area of lands they were then occupying and using.

The Act does not refer to the Navajo Tribe but to the Navajo Indians. The Navajo Tribe regards its claim to the area in question as a Tribal claim, yet the same language with respect to other Indians they regard as an individual interest. By what reasoning may the one group of Indians be termed as fish while the other is termed as fowl? The theory of the Court in *Healing* v. *Jones* determining that the Navajo interest was a Tribal interest can be applied with equal force to the Hopi interest in the 1934 Reservation.

The few scattered Paiute Indians, some now enrolled members of the Navajo Tribe, present a very different factual situation. Fair treatment of this group is well provided in the Steiger Bill.

STATUS OF EXECUTIVE ORDER RESERVATION OF DECEMBER 16, 1882, UNCHANGED

The language of the Act, as above analyzed, is modified by inclusion of a phrase after the semicolon as follows:

However, nothing herein contained shall affect the existing status of the Moqui (Hopi Indian Reservation created by Executive Order of December 16, 1882.)

Scrutiny of the modification logically leads to these conclusions:

(a) The 1882 Executive Order Reservation was not excluded from the description of the land withdrawn for the benefit of the Indians specified in the Act.

If the Congress had withdrawn the lands described in the act, excepting the 1882 Executive Order Reservation, a large number of the Hopi Indians would not have been "located thereon". However, by leaving the 1882 Reservation within the description and providing that its status should not be affected, Congress unequivocally included the Hopis in the villages of the Executive Order among "other Indians as may already be located thereon." Status is defined as the condition or position with regard to law. The existing status is the status quo; thus, we see that the condition or circumstances in which the Hopi Indians within the 1882 Executive Order Reservation stood at that time with regard to their property remained unchanged. Later the Act of July 22, 1958 provided the means to determine the rights and interests of the Navajo Tribe, Hopi Tribe and individual Indians to the area set forth in said Executive Order (72 Stat. 402). Those rights were adjudicated by the United States District Court for the District of Arizona in the case of *Healing vs. Jones,* supra.

(b) The beneficiaries of the Act of June 14, 1934 remained unchanged by the modification.

EXCLUSIVE NAVAJO LANDS

We admit that it may be argued with some persuasion that the lands taken from the Tusayan National Forest, Arizona, by the Acts of May 23, 1930 and February 21, 1931, as additions to Western Navajo Indian Reservation may not be thereafter regarded vacant unreserved and unappropriated public lands, and were, therefore, not included within the terms of the Act of June 14, 1934.

It might also be argued that lands acquired with Navajo Tribal Funds within the area for equitable reasons became the exclusive property of the Navajo Tribe. These lands are referred to as the checkerboard lands and are all outside of the area proposed as an exclusive Hopi Reservation.

MOENCOPI WATER RIGHTS

We are indeed familiar with the Act of July 12, 1960. This Act resulted from the introduction of duplicate bills in the Senate and House (S. 2322 and H.R. 8295). These bills were introduced for the purpose of authorizing the Secretary of the Interior to transfer to the Navajo Tribe all of the right, title and interest of the United States to any irrigation project works constructed by the United States within the Navajo Reservation and for other purposes. When we learned that these bills were before Congress for consideration, and after the Interior Department had made favorable reports upon the Legislation, we objected that this would be in direct opposition to the rights of the Hopi Indians within the 1934 Reservation. As a result of our objection, and under authorship of the Hopi Attorney the bills were amended to "except the Reservoir Canyon and Moencopi-Tuba Project works." The framers of the bill were very careful to avoid any implication of a determination of the rights of the parties as between the Hopi and Navajo Tribes. Two other exceptions in the bill exemplify this point. It was provided "that exclusion of Reservoir Canyon and Moencopi-Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water thereof."

This was left for later determination. Section III of the Act, also in a precautionary manner, provided "the transfer to the Navajo Tribe pursuant to this Act of any irrigation project works located in whole or in part within the boundaries of the reservation established by the Executive Order dated December 16, 1882 for the use and occupancy of the Moqui (Hopi) and such other Indians as the Secretary of Interior may see fit to settle thereon shall not be construed to affect in any way the merits of the conflicting claims of the Navajo and Hopi Indians to the use or ownership of the lands within said 1882 Reservation." In this manner, any implication of a determination of the rights of either Tribe to the Executive Order Reservation or the Hopi rights in the 1934 Reservation was studiously avoided. The Treaty of June 1, 1868, is of dubious value to the position cited since by that Treaty the Navajo Tribe relinquished all rights to occupy any territory outside their reservation as thereby established. Further the Tribe agreed to make the Reservation its permanent home and agreed as a Tribe that they would not make any permanent settlement elsewhere. They also agreed that if any Navajo Indian should leave the reservation therein described to settle elsewhere, they would forfeit all the rights, privileges, and annuities conferred by the Treaty.

RECOGNITION OF THE HOPI INTEREST

On the 24th day of September, 1969, the Secretary of the Interior informed the Salt River Project Agricultural Improvement & Power District, Arizona Public Service Company, City of Los Angeles, Department of Water & Power, Nevada Power Company, and Tucson Gas & Electric Company as follows:

"The rights-of-way and easements requested in the Application are on lands within the boundaries of the Navajo Reservation in Arizona, described, confirmed and ratified by the Act of Congress of June 14, 1934 (4S Stat. 960). The Solicitor of the Department of the Interior has heretofore determined that the Hopi Tribe of Indians has an interest in the area described in the 1934 Act. The Solicitor stated that it is not possible to define the nature and extent of that interest.

"Consequently, before the Department of the Interior may approve grants of right-of-way and easements within the area described in the 1934 Act, it will be necessary that you obtain the consent of the Hopi Tribe of Indians by appropriate resolution of its governing body."

The Hopi Tribe by its Resolution No. H-44-69 granted the requested rights-of-way on the 22nd day of October, 1969. After a careful examination of the title questions involved by the attorneys for the interested companies acquiring the rights-of-way the Hopi Tribe was paid $161,400 for the granting of the same.

LEGISLATIVE HISTORY OF THE ACT OF JULY 14, 1934

The language of the Act of July 14, 1934, is not ambiguous and therefore extrinsic aids to construction are not necessary. Nevertheless, a careful examination of the history of that Act lends little comfort to the position asserted on behalf of the Navajo Tribe.

A brief look into the legislative history of the statute creating the 1934 Reservation casts light upon the purpose of including the phrase "other Indians."

In 1932, the Commissioner of Indian Affairs, Charles J. Rhoads, deemed it advisable to establish once and for all the exterior limits of the Navajo Reservation as well as set aside specific land areas for the exclusive use of the Hopi Indians. A tentative draft of a bill to be submitted to Congress to bring about this end was prepared by the Bureau of Indian Affairs. The draft, which defined the boundaries of the Navajo Reservation, read in part as follows:

"THAT all vacant, unreserved and unappropriated public lands, including all temporary withdrawals of public lands in Arizona heretofore made for Indian purposes by executive order or otherwise within the boundaries so defined are hereby permanently withdrawn from all forms of entry or disposal for the benefit of the Navajo *and such other Indians as the Secretary of the Interior may see fit to settle thereon.*" (emphasis ours)

The phrase "and such other Indians as the Secretary of the Interior may see fit to settle thereon" was a customary one to give the Secretary discretion in the matter. It did not necessarily mean those residing therein.

With the exception of a very few individual Paiutes, the only Indians other than the Navajo living within the boundaries defined by the tentative bill were the Hopi. The omnibus nature of the words "such other Indians as the Secretary of the Interior may see fit to settle thereon" led Special Commissioner Haggerman to suggest in a letter to Rhodes dated May 28, 1932, changing the foregoing phraseology,.

I presume that the phrase: "and all other Indians as the Secretary of the Interior may see fit to settle thereon," is necessary in order to take care of the Hopi Indians. Might it not be well, however, instead of using that phraseology, to so change it as to confine the "other Indians" to the Hopis, reading perhaps something as follows: For the benefit of the Navajo Indians and for the Hopi Indians in such part of said territory as the Secretary of the Interior or Congress may determine. (Gallup Area Office Files)

Commissioner Rhoads responded to Haggerman's suggestion of changing the wording "and such other Indians" in a letter to Haggerman dated June 14, 1932.

[I]t may be said that this was used more for the purpose of giving the Secretary of the Interior discretionary powers as to the use of the lands. It does not in any way apply to the Hopi Indians, whose reservation is especially taken care of and defined . . . [in] the proposed bill. Therefore, we are striking from our office copy of the bill the following words . . . "and such other Indians as the Secretary of the Interior may see fit to settle thereon." Obviously the Navajos will need all these lands for years to come and hence the use of these words may lead to controversy in the future. We will take appropriate steps to correct the copies of the bill accordingly . . . (L-A 28237-32 JS)

The views of the Commissioner expressed by the foregoing letter received immediate opposition from the Hopi Tribe who petitioned the Commissioner to personally visit the Hopi Reservation in order to explain in detail the proposed legislation. (Cl. File 8970-30-308.2. Western Navajos, Part 1) Commissioner Rhoads answered the Hopi petition in a letter of August 1932, stating that he would be unable to travel to the Hopi country because of previous commitments. The Commissioner explained to the Hopi in the same letter the general purpose of the legislation:

The primary object of the proposed bill is to fix a definite outside boundary line for the entire Navajo reservation in Arizona, beyond which no further land expansion can take place except by purchase. Provision is made for exchanges and consolidation whereby private owners of lands within the proposed boundary line can give up their land holdings to the Navajos and obtain lands of equal value outside of the reservation boundary, from the vacant public domain.

The only part relating to the Hopi Indians is on page 5 of the draft of the proposed bill reading as follows:

"Provided further, that the Secretary of the Interior is hereby authorized to determine and set apart from time to time for the exclusive use and benefit of the Hopi Indians, such areas within the Navajo boundary line above defined, as may in his judgment be needed for the use of said Indians:

This Hopi provision means that should the bill become law, the Secretary of the Interior *may*, if it appears to the best interests of the Indians, set aside reasonably large areas within the Navajo boundary for the sole use of the Hopi Indians. It is not contemplated that any lands will be so set aside without consultation with the Hopi Indians, and all those interested in their welfare. (Cl. File 8970-30-308.2 Western Navajo, Part 1, Gallup Area Office Files.)

The Commissioner's explanation of the legislation failed to satisfy the Hopi particularly since the explanation did not state in whom the legal title to the Executive Order Reservation of 1882 would be vested after passage of the bill. The Hopi asked Commissioner Rhoads for a full and detailed report concerning ownership of the 1882 Reservation. (Cl. File 8970-30-308.2 Western Navajo, Part 1.) The Hopi demand brought about a revision of the tentative draft by the Commissioner which reads as follows:

lands . . . are hereby permanently withdrawn from all forms of entry or disposal for the benefit of the Navajo and such other Indians as may already be located thereon.

Commissioner Rhoads explained in a letter of September 24, 1932, that his change, has been made so as to fully protect the rights and interests of the Hopi Indians within the area until such times as they themselves agree to some definite boundary lines. (Classified File 8970-30-308.2 Part 2, Western Navajo)

During the latter part of 1932 some attempts were made to actually partition the land between the Navajo and Hopi to settle their boundary disputes. However, there was no unanimity among the government officials and the Indian Tribes as to the actual mechanics of dividing up the lands between the Navajos and the Hopi. The Secretary of Interior Ray Lyman Wilbur, after considering the draft of the bill extending the exterior boundaries of the Navajo Reservation, asked that it should contain a proviso which would render the Executive Order Reservation of December 16, 1882 unaffected by the passage of the bill creating the 1934 Reservation. He stated,

"The bill extending the exterior boundaries of the Navajo Reservation should contain a proviso that it will not affect the existing status of the Moqui (Hopi) Reservation as established by the Executive Order of December 16, 1882. (See Supt. Edgar K. Miller's letter to the Hopi Indians [Gallup Area Off. Files, 304.2])

It is quite clear from legislative history that while a further reservation was established for the Navajos the express language of the 1934 statute recognized not only the Hopi interested in the 1882 reservation but also their interest in the other areas outside of the 1882 reservation. In effect, the bill as reported both in the Senate and the House incorporated a letter from the Secretary of the Interior which states:

"It is of importance to observe here Section 1 contains a provision safeguarding the right of the Hopi Indians to their lands, which are centrally located within the present Navajo Reservation."

This purpose was accomplished by the words "However, nothing herein contained shall affect the existing status of the Moqui (Hopi) Indian Reservation created by Executive Order of December 16, 1882," but the claim of the Hopi Indians in the entire area outside of the Executive Order Reservation of 1882 was also protected by the words, "and such other Indians as may already be located thereon."

SUMMARY

1. The Hopi Indian interest in the 1934 Reservation is a tribal interest.

2. The Hopi Tribe has an undetermined interest in all lands described in the 1934 Reservation except:

a. The Hopi Executive Order Reservation of December 16, 1882 which has now been fully determined.

b. Lands exclusively Navajo.

(1) Navajo Treaty Reservation (Proclaimed Aug. 12, 1868) (15 Stat. 667).

This treaty stated the lands described therein were "set apart for the use and occupation of the Navajo Tribe of Indians, and for such other friendly tribes or individual Indians as from time to time they may be willing, with the consent of the United States, to admit among them."

(2) Land from Tusayan National Forest (Act of May 23, 1930) (46 Stat. 378). "Added to and made a part of the Western Navajo Indian Reservation."

(3) Amended Act of May 23, 1930 (Act of Feb. 21, 1931) (46 Stat. 1204). Enlarges the lands taken from Tusayan National Forest and added to Western Navajo Reservation.

(4) Lands relinquished under Sec. 2 of Act of June 24, 1934 (48 Stat. 960). This Act provided that any privately owned lands relinquished to the United States under Section 2 of the Act would be held in trust for the Navajo Tribe of Indians.

3. The status of the Executive Order Reservation of December 16, 1882 was not changed by the Act of June 14, 1934.

4. The interest of the Hopi Tribe in the 1934 Reservation has been recognized by the Secretary of the Interior of the United States and public utility companies acquiring rights-of-way over and upon said reservation.

5. The undetermined interest of the Hopi Tribe in the 1934 Reservation has been preserved and protected by the Congress of the United States.

Respectfully submitted.

JOHN S. BOYDEN,
Attorney for the Hopi Tribe.

Enclosures.

Mr. ABOUREZK. Will the Senator tell me on which page the Walker-Dalton line is discussed?

Mr. FANNIN. This is a very lengthy letter.

Mr. ABOUREZK. Will he state which page? Could it be that the Senator does not refer to the page because it does not exist in there?

Mr. FANNIN. I have no intention of deceiving anyone about the facts in this case. Everything is very clear.

Mr. ABOUREZK. Will the Senator be kind enough to refer to the page number?

Mr. FANNIN. As far as the Walker-Dalton line—I think it has been said once—in 1933, just 1 year before the passage of the act, on July 14, 1934, Superintendent Walker and William Dalton, Sr.——

Mr. ABOUREZK. Which letter is the Senator reading from?

Mr. FANNIN. From the information furnished to the Senator from South Dakota.

Mr. ABOUREZK. Will the Senator please be more specific?

Mr. FANNIN. I will send the Senator a copy of this particular document.

Mr. ABOUREZK. Then, will the Senator concede that it is not in the information sent to me?

Mr. METCALF. Mr. President, the record speaks for itself. I am prepared to yield back the remainder of my time on this amendment, if the Senator from New Mexico is prepared to yield back the remainder of his time.

Mr. MONTOYA. I just want to make one short statement.

Before I do that, I would like to ask for the yeas and nays on the pending amendment, and any amendment thereto.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MONTOYA. Mr. President, I have a modification to the amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the modification of the Senator from New Mexico? The Chair hears none.

Mr. MONTOYA. It is a modification by way of section (e), to the first part of my amendment.

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk proceeded to read the modification.

Mr. MONTOYA. Mr. President, I ask unanimous consent that further reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA's modification is as follows:

At the end of the amendment after sec. (1), add the following new subsection:

(e) The Secretary of the Interior is authorized to pay any or all appropriate legal fees, court costs, and other related expenses arising out of, or in connection with, the commencing of, or defending against, any action brought by the Navajo or Hopi Tribe under this section.

Mr. MONTOYA. The modification is merely a subsection which reads as follows, in addition to my amendment:

The Secretary of the Interior is authorized to pay any or all appropriate legal fees, court costs, and other related expenses arising out of, or in connection with, the commencing of, or defending against, any action brought by the Navajo or Hopi Tribe under this section.

Is the modification accepted? I can modify it as a matter of right, is that correct?

Mr. METCALF. The yeas and nays have been ordered.

The PRESIDING OFFICER. There has to be unanimous consent.

Mr. METCALF. We did not know what the amendment was and it had not been read. I am not proposing to object to this amendment.

The PRESIDING OFFICER (Mr. BARTLETT). The Chair would like to say that the Chair asked if there was objection and none was heard. The amendment has been modified.

Mr. METCALF. Hereafter I am not going to agree to any unanimous-consent request until we know what the subject of the unanimous consent is. Yeas and nays were ordered on the amendment. The amendment could not be modified without unanimous consent.

The PRESIDING OFFICER. The Senator is correct.

Mr. METCALF. We did not know what the modification was.

Mr. MONTOYA. Mr. President, I submitted the modification to the distinguished manager of the bill.

Mr. METCALF. I am not going to object to the modification, but I am going to object in the future to any unanimous-consent agreement until I know what the unanimous-consent agreement is.

The PRESIDING OFFICER. The Chair would like to state the Senator from Montana is correct. The clerk did not read the modification. The Senator from New Mexico asked that it not be read. It was not read.

Mr. METCALF. I agree with the modification. I believe that the attorney fees should be paid in the event that his amendment is agreed to. My argument is not with the Senator from New Mexico. My argument at the present time is that we have submitted to us a unanimous-consent request before we know what the proposition is upon which we are agreeing.

Mr. MONTOYA. I want the record to clearly show that we did submit the modification of the amendment.

Mr. METCALF. I overlooked it, and I apologize.

Mr. FANNIN. This Senator did not receive a copy of the amendment.

Mr. MONTOYA. It is right there.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. METCALF. I did not object to the modification.

Mr. MONTOYA. In view of the colloquy which has taken place, may I address myself to the Senator from Montana? Will he yield time on the bill?

Mr. METCALF. I did not understand the question. Do I have some time?

The PRESIDING OFFICER. The Chair would like to state that an objection at this time comes too late. The amendment has been modified by unanimous consent.

The time of the Senator from New Mexico has expired. The Senator from Montana has 11 minutes on the amendment.

Mr. METCALF. I yield to the Senator from New Mexico such time as he may need to propound a question or suggestion.

Mr. MONTOYA. I need about 3 minutes. Will the Senator yield me 3 minutes?

Mr. METCALF. I am glad to yield 3 minutes to the Senator from New Mexico.

Mr. MONTOYA. I thank the distinguished Senator from Montana.

Mr. President, we have heard quite a bit of argument here this afternoon. Most of the argument has been directed toward what we call the joint use area and the legislative and judicial proceedings or history which have set in with respect to the joint use area.

My amendment does not deal with that specific area. My amendment deals with an area immediately to the west of the so-called joint use area which was created in 1882 by Executive order of President Chester Arthur. The area with which I deal in my amendment is an area that was designated as an extended part of the Navajo Reservation by the act of 1934.

There has been much to do about court decisions having been determined with respect to the rights of the Navajos vis-a-vis the Hopi, and vice versa. I say categorically that there have been no judicial decisions with respect to the Moencopi area, the extension of the Navajo Reservation which took place under the legislative act of 1934.

What are we glong to do if we sustain the committee position? We are going to say to the world that in 1934, the Congress of the United States gave this land, by way of an extension through legislation, to the Navajo Tribe. Now, in 1974, by legislative fiat, Congress is taking it away from the Navajo Tribe and awarding it to the Hopis. I hate to use this term in this debate, but some would say——

Mr FANNIN. Mr. President, will the Senator yield?

Mr. MONTOYA. I will yield on the Senator's time.

Mr. METCALF. The Senator from New Mexico is talking on my time.

I am delighted to yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I should like the Senator from New Mexico to explain how the Government gave that land to the Navajo Tribe in 1934.

Mr. MONTOYA. In the first place, I might say that throughout the years——

Mr. FANNIN. If the Senator can be specific.

Mr. MONTOYA. I am going to answer the question.

Throughout the years, by Executive fiat or by rulings or concessions by the Secretary of the Interior, there has been impliedly an extension of the Navajo Reservation.

Under the 1934 act, the Moencopi area was set aside as an extension of the Navajo Reservation, on the same terms and conditions as was the 1882 act by Presidential Executive order——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. METCALF. Mr. President, I yield myself such time as I may need.

The exact phraseology of the 1934 act establishing the reservation was "to the Navajo and such other Indians as may be located thereon."

As the Senator from Arizona (Mr. GOLDWATER) has suggested, the Hopis were the other Indians that were located thereon.

Does the Senator from New Mexico need a couple of more minutes?

Mr. MONTOYA. Yes. I would like to have a couple of more minutes, and I will discuss the aboriginal claims of the Hopis.

Mr. METCALF. I am delighted to yield 2 minutes to the Senator from New Mexico.

Mr. MONTOYA. I thank the Senator from Montana. I would like to have an explanation from the Senator from Arizona as to what that 1934 act meant and whether or not we are retroceding in our steps by virtue of this action.

Let us argue a little about the aboriginal rights of the Hopi vis-a-vis the Navajo.

HOPI LAND CLAIMS

The Hopi have argued that they have a better historic claim than the Navajo to the land of the Moencopis and the 1882 area. In support of their position, they cite a finding of the Indian Claims Commission that they, the Hopi, were the aboriginal inhabitants of a large area extending well beyond the boundaries of both the 1882 and the Moencopi areas and encompassing a region which is almost as large as the entire western half of the present day Navajo reservation. This "we were first" argument must be placed in proper perspective. Both the Hopi and the Navajo have old and honorable claims on the land. The Hopi have wandered intermittently through the area since pre-Columbian times and the Navajo, in their shorter tenure, have effectively settled and used the land to graze their sheep.

Let me point out that my own State of New Mexico was aboriginally dominated by the Navajo, Apache, and Pueblo Indians as determined by the Indian Claims Commission. Yet I do not believe Congress contemplates giving New Mexico, Colorado, or any other southwestern State, including Arizona, back to aboriginal Indian groups. Why then should it choose to honor the aboriginal claim of the aboriginal Indian groups. Why then should it chose to honor the aboriginal claim of the Hopi to the Moencopi area? These aboriginal claims are far too vague and far too old to offer any guidance in the settlement of this contemporary dispute. The Senate should remember that the pertinent history in the Navajo-Hopi land dispute begins with the 1934 act of Congress.

All we are asking in this amendment is for the same privilege that we are giving to the Hopi with respect to the 1882 area.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. METCALF. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. METCALF. I am delighted to yield 3 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, inasmuch as aboriginal title has been raised, I will not dispute the fact that the Navajo, either under that name or some other name, may have lived in what is now New Mexico before they lived in Arizona. However, I will recall this little bit of history.

When the Spaniards first visited what is now New Mexico and what is Arizona in 1540 and 1542, there was no mention made by any of those wandering Spaniards about the Navajo, the Navajá or any other name, even their own name Dineh. But they did recognize the Zuni Tribes, the Pueblo Tribes, and the Moquis. The Moquis, as we know them from ancient times, were the ones who came up from Mexico, probably 3,000 years ago, and settled all through upper Sonora and lower Arizona. They probably at one time were part of the Subaipori Tribe and probably built the giant ruins at Casa Grande, and the late Hopis who came up around 780 to 800 built many of the Mesa ruins we now see in the Black Mountain area.

There is no question that the Navajo came to this country many, many years ago, probably among the first wave of Indians some 10,000 years ago. They are related to the Eskimo; they are related to the Apache; they are related to tribes in the East. But the Hopi have occupied this land long, long before the Navajo, and I suggest that aboriginal title right has a great bearing in the decision of this body.

The PRESIDING OFFICER. One minute remains.

Mr. METCALF. Mr. President, I yield 1 minute and such time on the bill as may be required to the Senator from Arizona.

Mr. FANNIN. Mr. President, I think we should clarify what was in the 1934 act, showing that the land was in trust for these Indian residents. It stated: "to the Navajo and such other Indians as are located thereon."

It is very clear in that respect, so far as the 1934 act is concerned.

So far as the Bureau of Indian Affairs is concerned, James Stewart, then the Director of the Bureau of Indian Lands and Minerals Division, went to the Hopi Reservation and made an explanation of the proposed bill, which never passed Congress. At that time, an affidavit by Stewart was submitted. It was submitted to our committee, and it is in the hearings. He concluded that the Hopi should be given nearly 1 million acres in the Moencopi area rather than the 243,000 in the committee bill.

I think it is very clear that we should not try to confuse the issue. The 1934 act is specific, and it is not in any way in question so far as the present legislation is concerned. We are following that act completely.

The PRESIDING OFFICER. All time has expired.

Mr. ABOUREZK. Mr. President, I yield myself 3 minutes on the bill.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. MONTOYA. Will the Senator yield at this point, briefly?

Mr. ABOUREZK. Yes, I yield.

Mr. MONTOYA. Mr. President, if we are going to cite what different individuals have said about entitlement of the Hopis or the Navajos, let us go into the hearings I do not recall what page it is, but I have a statement which quotes the report of Gov. H. J. Hagerman, who was commissioned by the Secretary of the Interior to make a study of the Navajo-Hopi land dispute or problem. With regard to the so-called Moencopi area, the area we are dealing with in this amendment, he wrote to the Commissioner of Indian Affairs as follows:

> I . . . recommend that the areas as approximately designated on the inclosed sketch map be set aside and fenced for the exclusive use of the Hopis.
>
> An area of about 28,000 acres adjacent to and south of the Moencopi village, most of which will be contained in township 31 north, range 11 east Gila and Salt River meridian.

I do not want to read any more from this report, because it appears in the hearings. I merely wish to emphasize that a duly appointed individual, commissioned by the Secretary of the Interior and the Commissioner of Indian Affairs, made this report, thus restricting the entitlement of the Hopis to a lesser area than what my amendment contemplates giving them.

Mr. FANNIN. Mr. President, will the Senator from Montana yield to answer the statement the Senator from New Mexico just made?

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Will the Senator from South Dakota permit me to yield to the Senator from Arizona to respond to the Senator from New Mexico?

Mr. ABOUREZK. It is on the Senator's time.

Mr. METCALF. I yield to the Senator from Arizona.

Mr. FANNIN. I thank the distinguished Senator from Montana.

In answer to the Senator from New Mexico, I know that he is very certain of his facts, but the statement concerning Mr. Hagerman was an erroneous conclusion. It has all been brought out in the testimony. There is full testimony in this regard. I am sure that if the Senator will read the full statement, he will discover that this conclusion was made erroneously.

Mr. ABOUREZK. Mr. President, I yield myself time on the bill.

To talk about aboriginal title in the Moencopi area disregards the vested title in the area. That was vested in 1934, when Congress passed the act which gave the Moencopi area to the Navajo Indians and to such other Indians as reside thereon.

The exact rights of each tribe have not been determined. If we want to talk about aboriginal title, I wonder if any of the Senators here would be willing to give the original lands to whoever had aboriginal title to Phoenix, Ariz., and to Billings, Mont., back to those people who had aboriginal titles?

Mr. GOLDWATER. If the Senator will yield, I say that there are suits in the courts now to do just that.

Mr. ABOUREZK. Is the Senator going to argue in favor? Is the Senator willing to give it back to those with aboriginal title?

Mr. GOLDWATER. If the courts say that they go back to the Indians, I am not going to argue with the courts.

Mr. METCALF. Will the Senator from South Dakota yield?

Mr. ABOUREZK. I asked if the Senator is willing to give them back, and I think that the answer is no. The Senator obviously is not going to do that.

We have a vested title, vested by the 1934 act, the amount of acreage undetermined, and it is folly to try to say otherwise. To give every single acre to a tribe that has an amount undetermined in there is unfair on the part of Congress.

I reserve the remainder of my time.

Mr. METCALF. Mr. President, I yield myself one-half minute to respond to the Senator from South Dakota, who refused to yield to me.

The only reason we passed the Alaska Native Claims Act is because of aboriginal title. We overturned vested title. That was one of the greatest rewards that we have given to native claims in my memory in the Congress of the United States. We disregarded vested title in that case and said that aboriginal title is the evidence that we are going to look to in order to do justice to native claims.

Here we have two Indian tribes, one of which has aboriginal title that dates back almost to time immemorial, and the other of which has title that just dates back to the beginning of the 20th century. It seems to me that to argue about vested title, the distinguished chairman of the Subcommittee on Indian Affairs is arguing against the benefits to the very Indians that he is trying to represent.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Mr. President, I am prepared to vote on the amendment or to ask for a vote. As I understand it, under the unanimous-consent agreement, we cannot vote until after 4 o'clock.

The PRESIDING OFFICER. The Senator is correct.

Mr. MONTOYA. The yeas and nays have been ordered.

Mr. METCALF. The yeas and nays have been ordered.

A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. METCALF. Do we move forward to another amendment?

The PRESIDING OFFICER. That can be done. The bill is open for subsequent amendment.

Mr. MONTOYA. I have another amendment.

Mr. METCALF. All debate on the pending Montoya amendment is concluded?

The PRESIDING OFFICER. The Senator is correct, unless time is taken off the bill in the future between now and 4 o'clock.

Mr. METCALF. May there still be debate on the Montoya amendment or any subsequent amendment under time allocated for the bill?

The PRESIDING OFFICER. The Sentor is correct.

Mr. MONTOYA. Mr. President, I send to the desk an amendment which I offer in behalf of myself, the junior Senator from New Mexico (Mr. DOMENICI), the Senator from South Dakota (Mr. McGOVERN), and the junior Senator from South Dakota (Mr. ABOUREZK), and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

> On page 24, line 22, after "lands shall," add "subject to the provisions of subsection (b) of this section.".

Mr. MONTOYA. Mr. President, I yield myself such time as I may require under this amendment.

The question that lies at the heart of this amendment is, once again, a question of relocation. It deals with the 1882 area about which we have spoken intermittently during the debate on the previous amendment.

In the case of the Moencopi amendment, just passed, we were talking about the relocation of 1,200 to 2,000 Indians. Now we are talking about the removal of up to 8,500 Indians.

The bill itself talks about relocation in section 6. This section sets forth eight guidelines which the U.S. district court must follow when and if the time comes when it must partition land within the 1882 area.

Mr. President, I am happy to note that there is no Senator who favors relocation as a reasonable and humane method of social policy. The members of the Interior Committee who heard the testimony on this problem are those who favor this solution least of all. Their aversion toward the brutal techniques of the 19th century is reflected in section 6, guideline (b) which directs the district court to draw boundary lines separating the Navajo and the Hopi sections of the 1882 area in such a way as to "minimize and avoid undue, social, economic, and cultural disruption, insofar as practicable."

The committee deserves to be commended for including this language in guideline (b). Its effect should be to reduce significantly the number of Indians who will be forced from their land. And it should lower the social temperature in which this land dispute settlement is carried out.

That number and that temperature could be reduced even further, however, by the inclusion of similar language in one of the other guidelines—guideline (d). Guideline (d) provides that as the court divides the land, it should award to each side land which is "equal in acreage and quality, insofar as practicable." In other words, the court is directed here to split the land on as close to 50–50 basis as possible.

Our amendment simply requires the district court judge to take the possibility of social, economic, and cultural disruption into effect as he determines how to split up the land.

Let me make the point very clearly: guideline (b) requires the district court judge to take social, economic, and cultural factors into consideration as he draws on a map the boundary lines separating the Navajo and the Hopi lands. What we are proposing is to amend the guideline (d) to require that same judge to take these very same considerations into effect as he decides how much land to give to each side.

Understand that we are not attempting to give the district court judge the authority to award a disproportionate share of land to one tribe at the expense of the other. Adoption of our amendment will not remove from the court the requirement to divide the land equally. It will simply subordinate this goal to the goal of avoiding undue social, economic and cultural disruption.

I suppose that someone might stand up now and charge that any deviation from a strict 50–50 split is contrary to Healing against Jones and contrary to the intent of the Interior Committee. But such an assertion would be wrong.

The committee itself very clearly contemplates the likelihood of a less-than-perfect division of land. The proof of this is in section 6(d) in the provisos. Let me read them to you:

> *Provided*, That if such partition results in a lesser amount of acreage, or value, or both to one tribe such differential shall be fully and finally compensable to such tribe by the other tribe. The value of the land for the purposes of this subsection shall be based on not less than its value with improvements and its grazing capacity fully restored: *Provided further*, That, in the determination of compensation for any such differential, the Federal Government shall pay any difference between the value of the particular land involved in its existing state and the value of such land in a fully restored state which results from damage to the land which the District Court finds attributable to a failure of the Federal Government to provide protection where such protection is or was required by law or by the demands of the trust relationship.

Why did the Interior Committee write that language into the bill if it did not believe that one tribe might end up with sightly more land than the other? Why, then, should the committee's spokesmen object to this amendment on the grounds that it might cause a minor deviation from some ideally perfect split of land? The point is that they should not object.

Other guidelines in section 6 give further direction to the manner in which the land is to be partitioned. Guideline (e) calls for the land to be partitioned in such a way that it will be contiguous to the reservation of the tribe which is to receive it. Guideline (f) requires that the land partition "follow terrain which will facilitate fencing." This sounds very reasonable to me, but it leads me to ask whether it is more important to guarantee that the land be contiguous and be easy to fence than it is to avoid "social, economic, and cultural disruption?"

I do not believe that it is.

Mr. President, this amendment is a minor one. Some may even call it a technical amendment. But its intention is very clear and very important. It is intended to give the district court a small measure of discretion in dividing land so as to avoid relocation of long time inhabitants.

In closing, let me reiterate that this amendment seeks to reduce as much as possible the necessity of relocation. It seeks to do nothing else. We must remember that there can be no solution to this problem which holds less likelihood of success than relocation; no solution which threatens more to turn into disorder than relocation; no solution which is more insensitive to the infamous history of the Long March and the Trail of Tears than relocation.

To whatever extent we can avoid all of that, we should. I urge the adoption of the amendment, and I hope the committee will approve it.

Mr. METCALF. Mr. President, the committee certainly does not approve of this amendment. It is not a minor amendment. It cuts out the very heart of the bill.

I call attention to the fact that we heretofore have been talking about the Moencopi provision, but now we are talking about the joint-use area.

I hope to have something in addition to say on this amendment, but I first yield to the Senator from Arizona (Mr. FANNIN).

Mr. FANNIN. I thank the distinguished Senator from Montana.

I would say to the Senator from New Mexico that I think his figure of 8,000 is very misleading. I do not know where he got the figure. The administration counts 6,000 for both the joint-use and the Moencopi areas. The fact is, I think we will agree, that no one knows the population for certain, and that is why the committee mandated a census after the partition is ordered.

On page 30 of the committee report, in the next-to-the-last paragraph, it states:

> The Committee wishes it clearly understood that the flexibility provided in this subsection is not to be interpreted as an invitation to develop a final adjudication of the joint use area dispute which contains a substantially unequal division of lands. Instead, the flexibility is provided to allow a limited divergence from the equality standard, if necessary, in order to honor the other guidelines in section 6. For example, the Committee expects that, if, in designing a partition plan, it is discovered that a minor divergence from an equal division of acres, or value, or both would clearly result in a drawing of boundary lines which would preserve to one or the other tribe a particularly densely populated area, thus significantly reducing the necessity for relocating households and minimizing "social, economic, and cultural disruption" as called for in the third guideline (subsection (c)), then the flexibility provided in the "insofar as is practicable" language would permit that division and the proviso calling for compensation would be invoked.

Mr. President, what this amendment would do is put one stipulation ahead of all others. It was not, I am sure, the intent of the committee, nor do I think it is the intent of the Senate, to so provide. I do not think it would be fair to give one criterion preeminence over all others. I hope the Senator will understand that this is just exactly what would happen.

Mr. GOLDWATER. Mr. President, will the Senator yield me a few minutes of time?

Mr. METCALF. Mr. President, I yield 2 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, in listening to the explanation of this amendment, it sounds very nice. But as I understand it, it would merely transfer subparagraph (b) under the provisions of subparagraph (d), which, if I understand correctly, would result in the Navajo winding up with either more land than they have now or more land than the Hopis have.

The figure of 8,500 Navajo, which the Senator used to quote the number who will be moved, I rather dispute. I wish I had a more accurate figure. I have flown over that area and taken pictures, trying to make a computation of how many people might be down there.

We are talking about a seminomadic people, and they may live there in the summer, but when the winter snows come they move somewhere else where it is warmer. I have never heard a figure approaching 8,500, although I have heard the president of the Navajo Tribal Council use as high as 15,000.

Mr. President, let me make a couple of points on this effort to change the whole meaning of the bill.

The Navajos have been using this land for years and years. This is not something that has happened lately. And the Hopis have been disputing the use of this land for years and years. But nothing has come of it.

Even four court decisions have been defied by the Navajo, and as I mentioned earlier, I understand they are now paying $250 a day under order of the court because they will not obey the court.

It is my understanding that the Navajo nation has even issued trading post permits on Hopi land, and that if the truth were known, they owe the Hopi Tribe about a million and a half dollars for this action, which in my opinion is completely wrong.

We hear a lot of talk about forcing people to move. I do not think we need to force people to move. I think this thing can be settled. But I will say, as one who has tried to get the two tribes together for nearly 20 years, that I see no hope of getting the Navajo people, under their present leadership, to sit down with the Hopis and work something out whereby nobody is going to be hurt.

I think it can be done. But the Navajo leaders have repeatedly refused to sit down with the Hopi leaders and work something out. I do not think they have the best interests of the Hopi at heart. In fact, I doubt very much if the present leadership of the Navajo people have the best interests of their own tribe at heart.

I hope that this amendment would be defeated. I think we have discussed this broad general purpose of the bill long enough throughout the years. We have listened to the court decisions, we have listened to the experts on the subject and, I think, it is up to us as a legislative body to make the move that is needed.

Mr. METCALF. Mr. President, the Senator from New Mexico cited some bill and tried to use that citation as his idea of what the committee intent was. But the committee has expressed its intent in specific language in the report.

On page 30 of the report—and I call this to the attention of the Senator from South Dakota so that he may read it—it provides:

> Thus, the Committee recognizes both the responsibility to provide partitioning authority and, if judicial adjudication should become necessary, the likelihood that such authority would be exercised. The Committee, however, fully understands that this particularly potent authority, once exercised, will structure substantially the remainder of the provisions of any judicial settlement.

That is why this is not a minor amendment but strikes at the very heart of the bill.

Then the report goes ahead and says:

> The committee does believe that, if the judicial settlement is to be equitable and fair, any division of the lands of the joint use area must be equal.

That is a flat statement of the majority opinion of the committee.

I want to call to the Senator's attention that while the Moencopi matter came up on a 9-to-6 vote, that came up on a 10-to-3 vote, and the chairman of the committee voted in favor of the proposition that is in the committee bill at this time.

That is the U.S. Supreme Court decision—

> The very definition in the Healing decision of the interest of the land as "joint, undivided, and equal" also strongly suggests that, if the interest is to be divided, it is to be done on an equal basis.

That is what the committee said; that is what the district court said and the U.S. Supreme Court affirmed; that is what all the witnesses who have testified before the committee have said, that we have to have an equal division. The amendment of the Senator from New Mexico would strike out this equitable and equal division, this proposition that all are going to share in the mineral rights and eliminate all the work, all the concentration, all the efforts that the various people on the committee have devoted, not only this year but in past years, to the solution of this problem.

I strongly urge the defeat of this amendment.

Mr. MONTOYA. Mr. President, will the Senator yield to me for a minute?

Mr. METCALF. I would be delighted to.

Mr. MONTOYA. I wish to put a question.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. MONTOYA. May I say most respectfully that I intend nothing else than what I said with this amendment, and I think it merely reinforces and emphasizes the approach the committee is making by virtue of the provisions and guidelines set out in section 6.

Now, let me read the section to which

my amendment refers and to which it ties. It is subsection (b) on page 24 of the bill. Subsection (b) reads as follows:

> The boundary lines resulting from any partitioning of lands in the joint use area shall be established so as to include the higher density population areas of each tribe within the portion of the lands partitioned to such tribe to minimize and avoid undue social, economic, and cultural disruption insofar as practicable.

Now, this is a mandate to the court when it engages in dividing the land and establishing the boundary lines. My amendment will merely say that in any partition of the surface rights to the joint area, the same area, the lands shall, subject to the provisions of subsection (b) of this section which I have read, insofar as is practicable, be equal in acreage and quality.

I do not see any inconsistency with the text of the guidelines contained in section 6. I think this fortifies the section to the point where the judge will have to concern himself not only with section (b), not only with section (c), but also with section (d), and I see no inconsistency. I see no derogation from the real thrust of the guidelines and the particular section 6. That is the point I am trying to make.

I fail to see in the argument advanced by the Senator from Montana that I am doing an injustice to the very letter and spirit of the particular section the committee brought out in the committee bill.

Mr. METCALF. Mr. President, the committee has devoted almost five pages, from page 26 to page 31 of the committee report, to an explanation of the guidelines by which these particular sections 5 and 6 should be implemented.

The amendment of the Senator from New Mexico highlights one of those guidelines, one of those subsections, and does not take into consideration the rest of the subsections.

We have said we laid down these guidelines, subsections (a), (b), (c), (d), (e), (f), (g), and (h), and he highlights one of them and says, "We are going to look at this over all the other propositions."

We believe that equity, in accordance with the judicial decisions involved, demands as nearly as is possible equal division of the lands, and we believe that equity, as nearly as possible, says that we should have the mineral rights jointly held and jointly administered. We have said that in these various sections, and we laid down these guidelines.

Instead the Senator from New Mexico would put one of the guidelines ahead of all the others. I do not believe that is what the committee intended. I do not believe that is what the court intended.

We said that you should do things in accordance with (a), (b), (c), (d), (e), (f), (g), and (h), and we have explained that in several pages in the report. I think it is clear in the report, it is not subject to explanation or analysis, and the committee report speaks for itself here, and it speaks for itself in an analysis of the three-judge district court decision that divided this land.

So the Senator from New Mexico has talked about adjudication in the previous amendment, but there has been adjudication, and there has been plenty of adjudication on these issues.

The committee has carefully considered this and decided that there should be various subsections taken into consideration in the guidelines, and I certainly do not think we should minimize these other considerations and highlight just this one.

Mr. ABOUREZK. Mr. President, will the Senator from New Mexico yield?

Mr. MONTOYA. I yield to the Senator from South Dakota such time as he may require.

Mr. ABOUREZK. Mr. President, I want to speak, first of all, very briefly on the contents of the committee report.

The Senator from Montana relies very heavily upon what is said in this report, especially on page 30. Let me read from the report:

> The committee does believe that, if the judicial settlement is to be equitable and fair, any division of the lands of the joint use area must be equal.

He relies heavily on that sentence.

Let me say, as a member who sat through every single word of testimony and every minute of markup of this bill, that that is not what was decided in the committee. This report was prepared by the committee staff, and it is no secret that I have no control over what the staff writes, and apparently the committee has no control over what the staff writes so far as the report is concerned. It is totally contradictory to what was decided by the majority of the members of the committee.

To refer specifically, to give specific evidence of that fact, we discussed in the committee the language of partition, and we agreed in the committee that if we were to have a meaningful negotiation between the Hopi and the Navajo prior to an imposed settlement, that we could not write in the terms of that settlemen. It would be ahead of time because it would preordain the terms of the settlement, and we wanted to avoid that.

Yet, in agreement with that, at my suggestion, in using the phrase "in the partition" in each one of these sections, they changed the word to "any" partition, recognizing the fact that the parties or the court, whoever it might appoint for master, might decide that there would be no partition, some partition, total partition. But certainly nobody in the committee agreed to the fact that there would be an equal division of the land, and that is totally erroneous and totally misleading, and I am sorry it had to refer in the report. It is reviewed in my separate views in the back part of the report.

Now, let me try to express what Senator MONTOYA's amendment is attempting to do.

What it is attempting to do is what appears in subsection (b) of this section, and that is that when and if there is a partition of the land, that those who decide upon the partition must try to minimize and avoid undue social, economic, and cultural disruption insofar as practicable.

Now, what is wrong with that? If we are to be humane in all the plenary power we are exercising over those Indians, should we not take into account the social, economic, and cultural disruption?

Let me read, Mr. President, from the statement of Dr. Thayer Scudder, an anthropologist hired by the Navajo to go down and do a study of a forced relocation of the Navajo people. This is on page 2 of his typewritten statement, I do not know what page it is in the hearings record.

He says:

> Almost without exception people resist forced relocation.

We did not need an anthropologist to tell us that, we can take judicial notice of that.

He goes on to say:

> Where resistance fails and relocation occurs, the resulting trauma is very extreme.

I think we probably know that without an anthropologist telling us.

Now, I want to continue with his statement:

> Indeed, it is difficult to imagine a more grievous insult to a community than to be forced to leave a beloved habitat.
>
> This is especially true of illiterate people and of the elderly who have lived out their lives in a single rural community. While this would include the majority of the Navajo people in the Joint Use Area, including men who have formed deep attachments to their homes and to the land, it applies especially to Navajo women.

He goes on to describe that the reason it would be especially a great hardship on Navajo women is because of the line of descent and the line of inheritance from Navajos which go through the matrilineal side of the family.

Mr. President, the only thing this amendment is asking for is some kind of justice to people who have been mistreated and abused, not by the Hopi, but by those people who have tried to determine their lives.

I do not think it is too much to ask for to take into consideration what kind of cultural and social hardship these people will have to put up with as a result of forced relocation.

Mr. METCALF. Will the Senator yield?

Mr. MONTOYA. I yield to my colleague. How much time do I have?

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. How much time does the Senator have on the amendment?

The PRESIDING OFFICER. The senior Senator from New Mexico has 12 minutes.

Mr. DOMENICI. May I ask for 3 minutes from my distinguished colleague? I am not going to address the substance of the amendment.

Mr. MONTOYA. I yield 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. DOMENICI. May I address the question to the Senator from Montana, please?

Mr. METCALF. Surely.

Mr. DOMENICI. As I read this, I put

myself in the position of being a court and assume we do intend to provide guidelines for a court, we hope it never gets there, we hope it happens another way, but what I want to ask the Senator is that I find in section 6, as we look at the guidelines, a reference to Senator Montoya's language that requires that the court take into consideration these words, minimize and avoid undue social, economic and cultural disruption insofar as practical.

The Senator has pointed out that that is changed in subsection (b).

Now, I ask the Senator, that is preceded in that very section by what a court could very well find is the only area that they have to be concerned about in solving that definition, and it says, in doing that, they will divide the principal population centers of these two tribes so as to minimize the social, economic and cultural disruptions.

My specific question to the Senator is, if the court does, in fact, take the high-density population areas of the tribes, and makes sure that they are each given to the respective tribe, have they complied totally with the section, including the social, economic, and cultural disruption, have they or have they not?

Mr. METCALF. As I said to the Senator's colleague from New Mexico, subsection (b) from which the Senator quoted is a part of a series of guidelines which are laid down in section 6.

I think all of us are agreed that we should take into consideration such things as social, economic, and cultural disruption, and avoid it insofar as possible, but then we go ahead in subsection (d) in other subsections of section 6, and say that taking these things into consideration, we shall have as near as possible an equal and equitable land division.

So we say, sometimes, in order to avoid these disruptions spoken of in subsection (b), the court may give the other tribe, whether Hopi or Navajo, some land to offset that; but to highlight this one guideline and to say that this is the only thing we should take into consideration is against the decision of the district court, affirmed by the U.S. Supreme Court, and against the expressed intention of the committee itself.

This is only one of the things to be taken into consideration.

Mr. DOMENICI. Let me say, if we can talk a little longer, because I do not think I understand what I would be supposed to do if I were the judge, I would like to ask again, if I looked at the evidence and I found that I had taken the high population areas of each respective tribe and I had determined that each would get that further on, and I made a finding that this is so that we will minimize and avoid undue social, economic, and cultural disruption, I ask the Senator from Montana, have I complied with the intention of the Congress of the United States, or might I take the social, economic, and cultural disruptions into consideration as it affects others than the high-density areas of each tribe?

Mr. METCALF. We say insofar as practicable. Then, of course, we say that the land given to each tribe shall be as nearly contiguous as possible. Then we say we will not interfere with any of the identified religious shrines. All those things have to be taken into consideration.

If the Senator were the judge, he would take this part of the bill, section 6, and look at the guidelines—that is, (a), (b), (c), and so forth—and he would apply all of these guidelines insofar as possible. He would not put social, economic, and cultural questions so that somebody had a little tiny area way off in one part because you would look at subsection (e) where it says that the land be contiguous insofar as practicable. I just use that for an example.

But, again I reiterate, the question that is presented by the amendment of the Senator from New Mexico (Mr. MONTOYA) disregards these other propositions for the judge to take into consideration and just lays down this proposition. It forgets about equal and equitable distribution.

Mr. DOMENICI. What if we did not want to put Senator Montoya's language in section (e) but wanted it to be just another section so that it would be clear that the court would not be limited in the consideration of social, economic, and cultural disruption to the dividing up of the high density areas?

If I understood the Senator, he was not saying that the court would have compiled with the consideration of social, economic, and cultural disruptions.

The court would not necessarily be through with that consideration by dividing up the high density areas. I thought the Senator said the court would consider social and economic disruptions insofar as practicable, even aside and apart from how it divvied up the high population areas.

Mr. METCALF. That would be part of the high population areas.

Mr. DOMENICI. But not necessarily the total consideration.

Mr. METCALF. Certainly it would be taken into consideration.

Mr. MONTOYA. Will the Senator yield for the yeas and nays?

Mr. ABOUREZK. Will the Senator withhold that for a moment?

Mr. MONTOYA. I withdraw my request.

Mr. METCALF. We are talking on my time, but we will continue the colloquy with the distinguished Senator from New Mexico.

The whole proposition is that we have laid down a series of guidelines for the guidance of the judge in the event of an adjudication. One of these guidelines is we say we do not want to interfere with social, economic, and cultural affairs. Another guideline says we want to have the separate areas as contiguous as possible. Another says we are not going to interfere with religious shrines, to take one from another.

All of these have to be read together, and the judge would read them together. But the Senator from New Mexico is erasing these other guidelines and saying that equal distribution of property insofar as possible, equitable distribution insofar as possible, and joint ownership of the mineral rights are all to be minimized or forgotten behind section (b). That is not what we want the judge to do. That is not the committee intent. The committee wants all the guidelines applied.

Mr. ABOUREZK. Will the Senator from Montana yield?

Mr. METCALF. On the Senator's time.

Mr. DOMENICI. I believe I have the floor. I will yield to the Senator from New Mexico.

Mr. MONTOYA. Will the Senator from New Mexico yield at this time?

Mr. DOMENICI. I will be delighted to yield.

Mr. MONTOYA. I will ask the Senator from Montana what specific language in my amendment destroys any property rights and eliminates the consideration of all guidelines in section 6. I want to know that.

Mr. METCALF. The Senator's amendment says, on page 24——

Mr. MONTOYA. Yes, on line 22. My amendment has only the words "subject to the provisions of subsection (b) of this section."

Mr. METCALF. That is exactly what I have been trying to emphasize.

Mr. MONTOYA. How can the Senator say that that language connotes the elimination of the consideration of the guidelines?

Mr. METCALF. But it does not say subject to subsection (a), (b), (c), (d), and others. The Senator just says subject to subsection (b). Why do we have to have that language if the Senator wants to take into consideration the various guidelines that we have outlined in (a), (b), (d), (e), (f), and (g)?

Mr. MONTOYA. Will the Senator consent to a modification subject to the provisions of subsections (a), (b), (c), and the other guidelines in this section? Would he consent to that?

Mr. METCALF. I see no reason why we should say subject to the provisions of subsections (a), (b), (c), (d), (e), (f), (g), and (h) because that is what we are saying in the bill. But if the Senator will say that, and he feels that he has to reiterate it again, if he will say in all of the subsections "subject to all of the subsections" in section 6, I have no objection to just repeating what we have already said.

Mr. MONTOYA. Then I so modify my amendment.

The **PRESIDING OFFICER.** Will the Senator send his modification to the desk?

Mr. MONTOYA. On the amendment which I have proposed, it would read in subsection (d)——

Mr. METCALF. Has the unanimous-consent request been propounded yet?

Mr. MONTOYA. No, because I have not submitted the modification.

Mr. METCALF. I reserve the right to object.

Mr. MONTOYA. Is the Senator going to object?

Mr. METCALF. I do not know. I have not heard the amendment.

The **PRESIDING OFFICER.** The Chair would like to state to both Senators that unanimous consent is not required.

The Senator may modify his amendment if he desires.

Mr. MONTOYA. I so modify it. It will read as follows——

The PRESIDING OFFICER. The Chair informs the Senator from New Mexico that he must send his modification to the desk.

Mr. MONTOYA. Mr. President, I would like to suggest the absence of a quorum, the time not to be taken from me.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. METCALF. Mr. President, whoever has time, I would like to have a colloquy.

Mr. MONTOYA. Mr. President, I should like to ask the Senator from Montana a couple of questions.

Mr. METCALF. Mr. President, may we have information as to how much time remains on the amendment?

The PRESIDING OFFICER. The Senator from New Mexico has not sent the modification to the desk.

Mr. METCALF. May we have this colloquy before we have the modification?

The PRESIDING OFFICER. As the result of the yeas and the nays having been ordered by unanimous consent, the Senator must have unanimous consent to modify his amendment.

Mr. MONTOYA. I recognize that.

Mr. METCALF. Mr. President, will the Chair inform me as to how much time remains?

The PRESIDING OFFICER. The Senator from Montana has 8 minutes, and the Senator from New Mexico has 7 minutes.

Mr. METCALF. I yield such time as may be necessary for the Senator from New Mexico to propound some inquiries.

Mr. MONTOYA. I thank the Senator from Montana.

I ask the Senator, first, is it the intention of the proposed legislation to trigger consideration during the partition or division process of the essential and particular details set out in the guidelines under subparagraphs (b), (c), (d), (e), (f), and (g)?

Mr. METCALF. Yes. All the guidelines specifically enumerated in section 6 would be taken into consideration by the court in making a determination and an adjudication as to the division of land.

Mr. MONTOYA. It is also the intention that this take place irrespective of any conflicting language or implied language to the contrary contained in the committee report?

Mr. METCALF. The committee report, in the opinion of the Senator from Montana, explains the entire effort of the committee to make an equal distribution. In subsection (b), the committee recognized that in certain areas of these reservations there would be a higher density of population. Some would have more people; more people would be involved than in other areas.

I am sure it was not the intention of any of us to say that the social, economic, and cultural disruptions would not be considered in all other areas of the reservation. We just decided that in higher density areas perhaps they would not get as much land or the land would be more valuable, but ultimately the decision would be equal and equitable.

Mr. MONTOYA. I thank the Senator from Montana.

Mr. ABOUREZK. Mr. President, will the Senator from New Mexico yield 1 minute for a question?

Mr. MONTOYA. Do I have time?

Mr. METCALF. I have time, and I will yield.

Mr. ABOUREZK. What I want to clarify, by way of legislative history, is to ask the manager of the bill, the Senator from Montana, this question: In partitioning the surface rights to the joint use area, when and if any court does that partitioning, is it the intention of the legislation for the court to look at, to minimize, and to avoid undue social, economic, and cultural disruption insofar as possible?

Mr. METCALF. That is the intention as expressed in subsection (b).

Mr. ABOUREZK. But what would the intent be for any partition that might occur?

Mr. METCALF. Any partition that might occur. And it is the understanding of the Senator from Montana that line 12, where it says "higher density population," is to take into consideration the fact that population varies on the reservation; but the entire partition shall be subject to the provisions of social, economic, and cultural disruption.

Mr. ABOUREZK. Mr. President, I see no need for further pursuance of this amendment, if that indeed is the intent of the manager of the bill.

Mr. MONTOYA. Mr. President, in view of the explanation and the answer given by the manager of the bill to the questions propounded by myself and the junior Senator from South Dakota, I ask unanimous consent that the order for the yeas and nays be vacated, so that I can withdraw the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. FANNIN. In order that we thoroughly understand the situation that exists——

Mr. METCALF. The Senator has withdrawn the amendment.

Mr. FANNIN. I understand that.

I want to make it clear that a record was made in the committee on the issue that the distinguished Senator from South Dakota has been discussing. The issue lost. The amendment was defeated by a vote of 10 to 3. I do think that fact should be made part of the RECORD at this time.

At this time, I extend my appreciation to the staff members, both for the majority and the minority, who so adequately handled this measure and the report.

The report does reflect the intent of the majority of committee members. When the distinguished Senator from South Dakota challenges the report, I think it should be made clear that the vote was predominantly in favor of the various issues he has discussed.

Mr. President, so far as the partitioning is concerned, any judicial settlement that requires partitioning of the land in approximately equal shares will be in accordance with the Healing case, and that should be made clear. The report and the bill have been subjected to highly partisan interpretation, but it is crystal clear that the committee decided that such a judicial partition is inevitable, failing tribal agreement. If there is not to be partition, why establish a commission to relocate persons who must move on account of partition? Why the guidelines to the court on partition? In short, what is the purpose of the bill if not to provide judicial authority and direction for partition? I feel that this should be brought out.

Also, when the distinguished Senator from South Dakota quotes from one of the attorneys for the Hopi Tribe, I think he should bring out that he did not question the statement of an anthropologist who testified on behalf of the Navajo Tribe. I read from the record:

> Senator FANNIN. Dr. Scudder, how much time did you spend on the Navajo reservation in coming to these conclusions?

This is what the Senator has referred to today, with respect to the effect it would have on the movement of different members of the Navajo Tribe.

> Professor SCUDDER. Let me qualify what I am going to say by saying I am talking from a theory. The theory has been applied to members of all three major racial groups.
>
> I went to the Navajo Reservation to see if it could be applicable there during a 4-day field trip.

I just wanted to make clear that he spent 4 days on the reservation and became an instant expert.

Mr. METCALF. Mr. President, I yield to the Senator from Washington for a unanimous-consent request.

RIVERS AND HARBORS PUBLIC WORKS

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 10701.

The PRESIDING OFFICER (Mr. BARTLETT) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 10701) to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JACKSON. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. Bartlett) appointed Mr. Long, Mr. Hollings, Mr. Stevens, Mr. Jackson, Mr. Johnston, Mr. Hansen, Mr. Gravel, Mr. Bentsen, and Mr. Buckley conferees on the part of the Senate.

SURFACE RIGHTS IN THE 1934 NAVAJO RESERVATION

The Senate continued with the consideration of the bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

Mr. JACKSON. Mr. President, I wish to take 10 seconds to express my deep appreciation to the Senator from Montana (Mr. Metcalf) for the long hours, the tremendous amount of time and, indeed, the careful effort that he has put into the pending legislation. This has been a most difficult task, both in the committee and on the floor. I wish to say that in my judgment, he has been, as always, a fair and honest judge, trying to handle a very difficult dispute. I express my deep appreciation to him for this yeoman service.

Obviously, the other Senators on the committee have done their fair share on both the minority and the majority side, but I do wish to take this opportunity to single out the Senator from Montana for the special effort he has made.

Mr. METCALF. Mr. President, I thank the chairman of the committee for his kind words.

I wish to reiterate what I said to the Senator from New Mexico in my response to the Senator from South Dakota. In my opinion, there is no question that when there is equal and equitable distribution of the lands, the various propositions that are now in subsection (b) whether they are high-density population lands or low-density population lands, or with any of the other lands involved on the reservation, will be taken into consideration along with the other subsections in section 6.

I say to the Senator from South Dakota that the committee report on H.R. 10337 reflects the views of a majority of the committee. The Senator from South Dakota rather eloquently set forth his dissent from that report. Those who desire may read both of our positions, but I think that a useful service has been performed today by exploring the question of high-density population areas, because we want all of these factors to apply to all of the land. We merely want to say that when we have the question of high density areas of population, we can take into consideration the various factors that are contained in other parts of section 6.

Mr. GOLDWATER. Will the Senator yield?

Mr. METCALF. I am delighted to yield.

Mr. GOLDWATER. Mr. President, regardless of how the vote comes out on this matter, I know that I express the gratitude of the people of my State and my Governor for the wonderful work that the Senator from Montana has put into this. I wish to express the same feelings to my senior colleague, who has served as Governor and who has put up with this problem for so many years.

As I say, regardless of the outcome, I wish to express the thanks of the people of my State, particularly Indians of both tribes, for the wonderful work both of them have put in on this bill.

Mr. METCALF. I thank the Senator from Arizona.

If we can resolve the joint-use and Moencopi land disputes today, we will have achieved justice and equity for the Hopi and the Navajo Tribes. In addition, we will have resolved an issue which is of grave concern to the non-Indians in the States of New Mexico, Arizona, Utah, and Colorado.

Mr. FANNIN. Mr. President, if the Senator will yield, I should like to join my colleague (Mr. Goldwater) in paying tribute to Senator Metcalf for chairing the hearings in so many instances, for doing extensive work in the committee, and for taking over here as floor manager of the bill. He has performed yeoman service under a very tough situation. He has stood up for what he thought was right. I am very proud that he has been willing to devote the time, the research, and the energy that was necessary to make conclusions, which demanded great thought and careful consideration of all parties involved.

I feel that he has performed a fine service for both the Navajo and the Hopi Tribes.

Mr. METCALF. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

> At the appropriate place insert the following:
>
> Section 10 of the Act entitled "An Act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes", approved April 19, 1950 (64 Stat. 47; 25 U.S.C. 640) is repealed effective close of business December 31, 1974.

Mr. METCALF. Mr. President, the hoped-for passage of this legislation will complete the question of the Navajo and Hopi controversy, and there will no longer need to be a Joint Committee on Hopi-Navajo Indian Administration, which was created in 1950. Therefore, as a part of this bill, we should discontinue existence of this joint committee. That is the purpose of the amendment.

The PRESIDING OFFICER. Who yields time on the amendment?

Mr. ABOUREZK. Mr. President, I have no objection to that amendment.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. ABOUREZK. I wish to speak, just for a moment, if I may.

Mr. METCALF. The Senator has time on the bill.

Mr. ABOUREZK. I wish to speak on this amendment.

Mr. METCALF. Certainly.

Mr. ABOUREZK. I wish to inform the President that the time I am taking now will be the time I am entitled to on this amendment as an adversary party.

Mr. President, while I am not looking for any thanks, and I certainly do not expect any, I do not want the impression left that it was only the Senator from Montana who was involved in all of this procedure. I wish to say that the Senator from Montana, at least during this session of Congress, became active only in the very latter part of this work. He did a very good job and was very intently working on this in the latter part of our deliberations. But I do not want the impression left that he is the only one who has any wisdom on the Hopi-Navajo question at all, since I chaired all of the hearings and attended all of the markup sessions that we had on this legislation, and certainly had at least as much information given to me as the Senator from Montana, if not more. I just wish to correct what might be an erroneous impression.

So I just want to correct what might be an erroneous impression, which itself does not detract from the great work the Senator from Montana has done.

Mr. METCALF. Mr. President, I want the Record to show that the Senator from South Dakota did hold hearings, and has worked long and hard on this bill. He has had very firm convictions about how the decisions should be made and on the determination of the various lawsuits. As chairman of the Subcommittee on Indian Affairs, he has been outstanding not only on this legislation, but on other Indian legislation. I certainly appreciate his assistance in all Indian legislation. I regret very much that we have differed in some respects as to the decision on this particular bill, but we certainly have agreed on basic Indian policy.

Mr. ABOUREZK. I do want to say also that while this amendment will be accepted by everyone involved and perfunctorily voted upon, the yea-and-nay vote that is coming up will be on Senator Montoya's amendment dealing with the Moencopi area, which is to the west of the large joint use disputed area. If I may be permitted to do so, I should like to make a 30-second summary of the issue for Senators who have come into the Chamber since our earlier debate.

The committee, over my objections as chairman of the Indian Affairs Subcommittee, decided to award all 243,000 acres of that land to the Hopi Tribe, in spite of the fact that the 1934 act which was passed awarded it to the Navajo Indians and such other Indian tribes as thereon might reside.

My objection arises as a result of the fact that neither the committee nor any court nor any body constituted by anyone at all has ever adjudicated that matter, and that we do not know the respective rights of the parties, and it ought to be decided by litigation.

That is the issue, and that is why I ask that the Members of the Senate support the Montoya amendment, which will allow a duly-constituted body to dig into the facts, to find out who lived on the land in 1934, and to make the determination as a result of that investigation.

I reserve the remainder of my time.

Mr. FANNIN. Mr. President, before the debate on this issue is brought to a close, I would like to extend my appreciation to the minority members of our committee for their diligent work and attendance at committee hearings, and the great help they have given us. The Senator from Oklahoma now in the chair (Mr. BARTLETT) was extremely helpful, and also my colleague from Arizona (Mr. GOLDWATER), who is probably the best-versed Member of the Senate on Indian affairs. For years he has dealt with our Indian people, not only in Arizona but throughout the Nation. It was through his great help, patience, and understanding that we have been able to come to many of the conclusions that have been incorporated in the bill.

So I pay deserved tribute to him, and express my appreciation.

From the majority members of the committee, we have had excellent cooperation. The distinguished Senator from Montana (Mr. METCALF) not only has cooperated with us in this particular instance, but we have had the pleasure of working with him for several years on the Indian Affairs Subcommittee, and I feel that he has done a great service in taking over a very difficult situation, not only in this instance but in many others.

I feel that the tributes that have been paid to him are certainly well deserved.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. METCALF. Mr. President, I yield back the remainder of my time.

Mr. ABOUREZK. I yield back the remainder of my time.

Mr. METCALF. Mr. President, before yielding back my time, I yield to the assistant majority leader, the Senator from West Virginia, for a unanimous-consent request.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I have been asked by the distinguished majority leader to propound the following unanimous-consent request:

That when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow;

That at 11 a.m. tomorrow, the 1 hour of debate under rule XXII on the motion to invoke cloture on the conference report on H.R. 15977, the Export-Import Bank Act amendments, begin running, and that upon the disposition of that vote on cloture, if the vote to invoke cloture fails, the Senate then proceed to the consideration of S. 3394, the bill to amend the Foreign Assistance Act of 1961; and

That at 4 p.m. tomorrow, if the message from the House of Representatives is available, the Senate proceed to vote on the overriding of the President's veto of the GI educational benefits bill, with one-half hour prior to that time, to be equally divided between the majority leader and the minority leader or their designees, for the purpose of debating the override.

Both of those votes will be mandatorily rollcall votes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

SURFACE RIGHTS IN THE 1934 NAVAJO RESERVATION

The Senate continued with the consideration of the bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

Mr. METCALF. Mr. President, I ask unanimous consent that Mr. Bill VanNess of the staff of the Committee on Interior and Insular Affairs be accorded the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, no discussion of the Navajo-Hopi land disputes would be complete without our paying tribute to the dedication and hard work the distinguished Senators from Arizona, Mr. FANNIN and Mr. GOLDWATER, have addressed to these issues over the years.

Their work on H.R. 10337 has been difficult because members of both tribes reside in Arizona. But, in my opinion, they have always exhibited a desire to achieve justice and equity for both groups and bring this unfortunate intertribal land dispute to an end.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BARTLETT). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

Mr. METCALF. I yield back the remainder of my time on the bill.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from New Mexico.

Mr. METCALF. We vote first on the Montoya amendment?

The PRESIDING OFFICER. The Senator is correct. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Illinois (Mr. STEVENSON), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Washington (Mr. MAGNUSON), the Senator Massachusetts (Mr. KENNEDY), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) and the Senator from Ohio (Mr. TAFT) are absent on official business.

I further announce that, if present and voting, the Senator from Maryland (Mr. MATHIAS) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 37, nays 35, as follows:

[No. 509 Leg.]

YEAS—37

Abourezk
Bayh
Byrd, Robert C.
Chiles
Clark
Domenici
Eagleton
Gravel
Hatfield
Hathaway
Hollings
Hughes
Inouye
Jackson
Javits
Johnston
Long
Mansfield
McClellan
McGee
McGovern
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stennis
Tunney
Weicker

NAYS—35

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Cannon
Cook
Dole
Dominick
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Haskell
Helms
Hruska
McClure
McIntyre
Metcalf
Metzenbaum
Moss
Pearson
Scott, Hugh
Stevens
Tower
Young

NOT VOTING—28

Bellmon
Bentsen
Biden
Brooke
Case
Church
Cotton
Cranston
Curtis
Eastland
Ervin
Fulbright
Hartke
Huddleston
Humphrey
Kennedy
Magnuson
Mathias
Pastore
Percy
Roth
Scott, William L.
Stevenson
Symington
Taft
Talmadge
Thurmond
Williams

So Mr. MONTOYA's amendment, as modified, was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

Mr. METCALF. Mr. President, if the Senator from South Dakota is prepared to yield back the remainder of his time, I am prepared to yield back the remainder of my time.

Mr. ABOUREZK. Mr. President, I am prepared to yield back my time so that we can have a vote on passage.

The PRESIDING OFFICER. Has all time been yielded back?

Mr. ABOUREZK. I yield back the remainder of my time.

Mr. METCALF. I yield back the remainder of my time.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. GOLDWATER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and the nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Kentucky (Mr. Huddleston), the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from Washington (Mr. Magnuson), the Senator from Rhode Island (Mr. Pastore), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Georgia (Mr. Talmadge) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore), the Senator from Washington (Mr. Magnuson), the Senator from Massachusetts (Mr. Kennedy), and the Senator from Minnesota (Mr. Humphrey) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from New Jersey (Mr. Case), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Maryland (Mr. Mathias), the Senator from Delaware (Mr. Roth), the Senator from Virginia (Mr. William L. Scott), and the Senator from South Carolina (Mr. Thurmond) are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) and the Senator from Ohio (Mr. Taft) are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 72, nays 0, as follows:

[No. 510 Leg.]

YEAS—72

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bible
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Clark
Cook
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Hughes
Inouye
Jackson
Javits
Johnston
Long
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Tower
Tunney
Weicker
Young

NAYS—0

NOT VOTING—28

Bellmon
Bentsen
Biden
Brooke
Case
Church
Cotton
Cranston
Curtis
Eastland
Ervin
Fulbright
Hartke
Huddleston
Humphrey
Kennedy
Magnuson
Mathias
Pastore
Percy
Roth
Scott,
  William L.
Stevenson
Symington
Taft
Talmadge
Thurmond
Williams

So the bill (H.R. 10337) was passed.

The title was amended so as to read: "An act to provide for final settlement of the conflicting rights and interests of the Hopi and Navajo Tribes to and in lands lying within the joint use area of the reservation established by the Executive order of December 16, 1882, and lands lying within the reservation created by the act of June 14, 1934, and for other purposes."

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of the conference report on the Export-Import Bank.

The PRESIDING OFFICER. The conference report on H.R. 15977, will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the conference report.

CLOTURE MOTION

Mr. PACKWOOD. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER (Mr. Clark). The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

> CLOTURE MOTION
>
> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, the Export-Import Bank Act Amendment.
>
> Bob Packwood, Robert P. Griffin, Lee Metcalf, Mike Mansfield, Hugh Scott, J. Glenn Beall, Jr., Joseph M. Montoya, Howard H. Baker, Jr., Frank E. Moss, Wallace F. Bennett, Robert T. Stafford, Edmund S. Muskie, John Tower, Thomas J. McIntyre, Lowell P. Weicker, Jr., Harold E. Hughes, Bill Brock.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENT NO. 2001

(Ordered to be printed and to lie on the table.)

WHY REWARD THE U.N.

Mr. HARRY F. BYRD, JR. Mr. President, the American Ambassador to the United Nations and such distinguished U.S. Senators as Hubert H. Humphrey of Minnesota and Gale W. McGee of Wyoming have taken the view that, to use Senator Humphrey's words:

> The United Nations Charter as adopted by the Congress of the United States and ratified by the Senate, has the same standing as a provision of our Constitution. It is a supreme law of the land.

Of course, I totally reject such an extremist view.

But if there is widespread belief that United Nations actions is legally binding on the United States, I would think that even the most ardent advocates of world government would begin to have second thoughts as the result of U.N. activity during the month of November.

First, the United Nations ousted a legitimate member, South Africa, because of that country's internal policies. This is in specific violation of the U.N. Charter which prohibits interference in the domestic affairs of a member state.

Then having silenced the voice and vote of a duly constituted member, the United Nations followed that up the next day with this action: It provided a forum and treated as it would a head of state the leader of a terrorist group known as the Palestine Liberation Organization. The PLO not only objects to the internal policies of a United Nations member and sovereign state, Israel, but actually challenges its existence as a nation. In addition, the U.N. gave the terrorist organization official observer status.

A militant, unreasonable majority

within the United Nations is running roughshod over the principles and charter of the world organization.

I speak as one who over the years has supported the United Nations. Indeed, I have felt a personal rapport with the world organization, having returned from Okinawa in the far Pacific in World War II on the same day the United Nations was formed.

As a young naval officer who had seen 4 years of war, it was my deep hope that the new world organization would make it unnecessary for young Americans of the future to go to foreign lands to fight.

But, alas, what a disappointment the United Nations has been.

During the 29 years that have passed since its formation, its character and composition have changed radically.

Originally having a membership of 51 countries, all with long-established records of government, it now has 138 members, most having come into being only in recent years.

It is dominated by the African, Asian, and Communist bloc nations, which have 64 percent of the total membership.

The United States is pathetic in its importance. On the motion to oust South Africa, which the United States strongly opposed, our country was able to muster only 22 votes—against 91 affirmative votes.

On the resolution permitting the terrorist Arafat to address the United Nations, the United States found itself with only three allies—with 105 nations in opposition. On the motion to give official observer status to the Arafat group, the vote was 95 to 17.

The United States, which puts up most of the money to run the world organization, and which has been shamelessly courting the African and Asian nations, has received in return nothing but contempt.

Perhaps United Nations members recall that the United States in 1966 supported a clear violation of the United Nations Charter—by voting an embargo on trade with Rhodesia.

The late Secretary of State Dean Acheson accurately called the U.N. action "bare-faced aggression, unprovoked and unjustified by a single legal or moral principle."

The United Nations Charter clearly specifies that an embargo can be imposed only if a nation is a threat to peace.

Secretary of State Kissinger testified before the Senate Committee on Finance that Rhodesia is not a threat to world peace, although he supports the embargo.

I cite my question and Secretary Kissinger's reply, March 7, 1974:

> Senator Byrd. In your judgment, is Rhodesia a threat to world peace?
>
> Secretary Kissinger. No.

So the United States itself helped lay the foundation for the reckless disregard of the Charter requirements voted by the militant majority this past month of November.

The United States having itself disregarded the Charter is not an effective protester if others choose to follow her example.

The time has come for those representing the United States in the United Nations to stand on principle; to cease trying to buy friendship.

When the Republic of China was recently expelled from the U.N., of the 59 U.N. members who voted to expel the Republic, all but 8 have been recipients of U.S. aid. The total they have received amounts to some $47 billion.

Even now our State Department is not willing to be frank. For example, in the argument against the expulsion of South Africa, it chose the devious route of basing its case on the assertion that South Africa could best be encouraged to change its internal policies by continuing as a member of the United Nations. The fact is the U.N. has no right to interfere in the internal affairs of a member nation—unless that nation is a threat to peace.

C. L. Sulzberger, the chief correspondent for the New York Times, reports the domestic policies of some of those countries which voted to expel South Africa.

"The black state of Uganda," according to Mr. Sulzberger, "is involved in one of the weirdest, most cruel patterns of government brutality—chopping up opponents and feeding them to crocodiles." Mr. Sulzberger observes that "this is not a lesser sin than South African segregation."

Mr. Sulzberger reports that Chad, which voted to oust South Africa sometimes "buries Christians alive in ant hills."

If other examples are needed, what about Russia's brutal invasion of Czechoslovakia in 1968, or her action toward the Hungarians at an earlier date?

Yes, the U.N. has forfeited world respect, even to the point that the Washington Post, a liberal and internationalist publication, suggests that the United States should suspend its participation until there is a change of policy.

The United States should demand, too, that the U.N. put its financial affairs in order and cease relying on the United States for such heavy contributions. Since the creation of the U.N. the United States has contributed some $4.7 billion.

Of the 138 members in the United Nations, 92 have an outstanding debt of $204 million in back dues. The Soviet Union and its two member Republics of Byelorussia and the Ukraine owe $110 million.

The foreign aid authorization bill—which the Senate will consider tomorrow—provides a total of $194,000,000 for the U.N. This is an increase of $37,552,000—or 24 percent.

How can a 24-percent increase in funds for the United Nations be justified?

Why should the United States reward the United Nations with an increase in its contribution?

In my judgment, the wage earners of this country who pay the taxes will not welcome such an increased expenditure.

I shall give the Senate an opportunity to express its view by presenting an amendment to the foreign aid bill, which will eliminate the proposed increase.

Now is the time for the Senate to stand up and be counted. It can save American tax dollars and simultaneously send a signal to those who are prostituting the purposes of the U.N.

Mr. President, I send to the desk an amendment to S. 3394, the Foreign Assistance Act. The amendment reads as follows:

> At end of bill, add new section as follows: Notwithstanding any other provisions of this Act, total contributions authorized herein to the United Nations or to any segment or subdivision of this world organization shall not exceed $156,148,000.

Mr. President, I send the amendment to the desk and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that an editorial in the Washington Post of November 14, 1974, entitled "Pretoria, the PLO and the U.N." be printed in the Record; that an editorial by C. L. Sulzberger, in the New York Times of November 16, 1974, be printed in the Record; that an editorial in the Richmond Times-Dispatch of November 16 be printed in the Record; that a column by William A. Rusher in the Philadelphia Inquirer be printed in the Record; that a column by Jeffry Hart in the Northern Virginia Daily of November 16 be printed in the Record; that a column by Vic Gold in the Washington Star-News of November 19 be printed in the Record; that an editorial in the Wall Street Journal of November 20, entitled "Terrorism and the U.N." be printed in the Record; that an editorial from the Richmond News Leader of November 18 be printed in the Record; that an editorial of the Northern Virginia Daily of November 20 be printed in the Record; that a column by William Randolph Hearst, Jr., editor in chief of the Hearst Newspapers, entitled "A Triumph for Terror" be printed in the Record.

I might say that all of these deal with the United Nations.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Nov. 14, 1974]

PRETORIA, THE PLO AND THE U.N.

The United Nations General Assembly has done something indefensible, suspending South Africa because an Assembly majority wished to protest Pretoria's internal policies. Very few states could pass the arbitrary, interventionist political test which the majority applied to South Africa. What states have not, in the eyes of their adversaries, infringed on human rights or held on to territory not properly their own? The Soviet Union, for instance, has over time taken territory from some 15 of the 16 states it borders; it is, incontrovertibly, a police state. All too many African and Arab states practice at home policies of the grimmest and most repressive sort. It is a serious question, moreover, whether the Assembly's hypocrisy and showboating will help or hurt the cause of racial justice in South Africa. Does the majority care?

Needless to say, there is not the slightest justification in the U.N. Charter for the Assembly's action in suspending Pretoria for this current session. On the contrary, the fundamental principle of universality has been violated—the very principle which, many had hoped, had been confirmed once and for all by the seating of Peking. The United States and 21 other members voted against suspension. We wonder, however, if the United States does not condone the Assembly action—and thereby encourage the

Assembly to use the same tactic again, perhaps next against Israel—by continuing to participate in the work of this Assembly session. For the United States to suspend its participation until the principle of universality had been reaffirmed would add substance to its belief in that principle, as no speech or vote can. Self-suspension would no more amount to approval of South African apartheid than participation would amount to approval of, say, the slave trade in Saudi Arabia. The United States could continue its work in other branches of the United Nations. Such a step would be criticized by some other nations, and it would probably nourish—to the detriment of other American interests—the neo-isolationist current in American life. It would be, in short, a difficult and important decision.

Meanwhile, students of international life can contemplate this spectacle: On one day the General Assembly removes the seat, and silences the voice and vote, of a duly constituted member, a sovereign state, whose domestic policies it professes to abhor. On the very next day, the same Assembly gives a hearing to the chief of the Palestine Liberation Organization—an outfit that is not content merely to object to the internal policies of another member and sovereign state, Israel, but actually challenges its very existence as a nation. For all that Yasser Arafat's speech yesterday was a distinct disappointment to those who hope he will contribute constructively to a Mideast settlement, we happen to believe it is better to impose upon the PLO the responsibility of operating within a political forum than to leave it with no perceived alternative to terror. The very same logic, however, should be applied to Pretoria. The PLO and Pretoria both have their respective places—the former as a guest, the latter as a member—in the General Assembly, and for exactly the same reason: so that they can better be held to the standards of responsibility and respectability which, ideally, the international community upholds.

[From the New York Times, Nov. 16, 1974]

BENDING THE RULES OF THE U.N.

(By C. L. Sulzberger)

PARIS.—Twice this week the United Nations bent its traditions, if not its rules, first by inviting the head of a political movement, Yasir Arafat, to address its General Assembly as if he represented a government; and second by suspending South Africa's participation in the current session.

The chiefs of the Algerian, Cypriote and Mozambique guerrilla movements never were received—or even aspired to that honor. Yet Mr. Arafat staged a triumphant entry. A careful reading of the U.N. Charter shows no clause specifically barring participation—when invited—of a nonmember or a nonstate, but it hasn't occurred before.

The case of South Africa is different although the two examples are implicitly related. Both stem from the preponderant fact of today's Assembly composition: a heavy majority of votes from the underdeveloped "third world," actively endorsed (despite their own rivalry) by Russia and China.

Gone are the days when, as with Korea, a strong pro-U.S. bloc could swing the international organization behind it.

United States diplomacy in the third world has been proven politically bankrupt.

American money helped put one after another former colony on its feet but American policy sought to compose so many contradictations and was often so ineptly expressed that its influence declined to virtually nil. Thus, for example, we are today in the position of being disliked in varying degree by India, Pakistan and Bangladesh.

There must be something wrong with our formulations if (while requesting more aid) so many nations oppose us. China, by contrast, has deliberately courted Afro-Asian favor and, with slight expenditure, has made great headway.

The United States opposition to Arafat's appearance at the U.N. came as no surprise because of our support for Israel. Washington also opposed the Assembly's suspension of South Africa.

In that action the U.N. ignored its constitution. Article Five stipulates that a suspension must be recommended by the Security Council. This was not done with South Africa. Moreover, one must review the roll of moral offenders during the U.N.'s history in order to judge this action.

I hasten to stress that, as anyone who has read my dispatches all these years must know, I have constantly opposed bigotry or racism in any form and specifically denounced Pretoria's policy of apartheid.

Right now, nevertheless, the black state of Uganda (which sits in the Assembly) is involved in one of the weirdest, most cruel patterns of government brutality. Chopping up opponents and feeding them to crocodiles is not a lesser sin than South African segregation. And Chad (which also voted) sometimes buries Christians alive in anthills.

When Stalin still ruled Russia, millions of its people were in prison camps or execution cellars. This was widely known even though Solzhenitsyn's "Gulag Archipelago" had yet to be written. But Russia remained a pillar of the U.N.

While thousands of Rumanians were dying along the fevered Danube-Black Sea canal, no one talked of "suspension." After Russia and it allies invaded Czechoslovakia in 1968—or Britain, France and Israel invaded Egypt in 1956—they stayed in the U.N. without more than a tut-tut.

Portugual ran a full-scale, three-pronged colonial war; Haiti was bullied by murderous *tontons macoutes* of Papa Doc Duvalier; and Indonesians (in 1965–66) slaughtered some 350,000 to 500,000 "Communists" (mostly Chinese minority), sometimes playing football with their heads. All stayed in the United Nations.

If an international organization intends to practice fair play—a basic objective of the U.N.—it should do so toward all. The dictates of a majority according to its prejudices one year should not automatically be embodied as a precedent for the future.

It might have been wiser to postpone Mr. Arafat's speech until he had formed a government in exile." His global standing remains to be formalized and one may only pray (dubiously) that arguing his case before the Assembly may lessen the possibility of another Middle East war. If such proves true, it will seem unfortunate that similar appearances weren't encouraged for earlier de facto political leaders.

To "suspend" South Africa is unfair emotionalism and as segregationist on a world scale as the silly, cruel discrimination that country practices at home. Above all, it was not only illogical to oust the Pretoria Government at a moment when it is showing serious signs of reform but blatantly unjust in terms of all other transgressors, past and present, who have smilingly kept and still keep their seats in so-called respectability's greatest club.

[From the Richmond Times-Dispatch, Nov. 16, 1974]

HITLER AND THE UN

If the spectacle at the United Nations this week did not shock and disgust many Americans, then Americans have become too jaded by varied atrocities to be shocked and disgusted by anything.

There was Yasir Arafat, the Palestinian terrorist leader, being whisked from Kennedy International Airport to the UN headquarters in a helicopter of *the United States Army*. Yasir Arafat and his entourage of nomadic gunmen being protected by more than 1,000 *American* security officers, federal and local.

This is the same Yasir Arafat who has been accused of giving the orders to the Black September thugs who murdered *American* Ambassador Cleo A. Noel, American charge d'affaires George C. Moore, and Belgian charge d'affaires Guy Eid in the Saudi Arabian embassy at Khartoum, the Sudan, on March 2, 1973. Do we forget so soon? Do a fresh shave and flowery rhetoric make a statesman of a pistol-packing desert rat?

Accompanying Arafat were three guards who actually participated in the Khartoum slaughter of the unarmed diplomats, according to *The London Evening Standard*. The State Department has confirmed that at least one of the guards—Farouk Al Husseini—was in Khartoum at the time of the slayings, but the department said it did not have evidence that Husseini participated in the crime.

During his rambling 90-minute oration, Arafat sought to portray himself as a fearless fighter for an oppressed people rather than as a wanton terrorist. It is true to an extent that one man's terrorist is another man's freedom figher, and vice versa. But a guerrilla foray against enemy defense installations is one thing; the slaughter of diplomats, Olympic athletes, and schoolchildren is quite another. Arafat and his gang have defield their cause by their selection of the weak and the innocent as targets.

The UN General Assembly exhibited once again its own moral degeneration by according Arafat a warm greeting, including a standing ovation and all the protocol normally reserved for heads of state. Arafat's message was clearly and uncompromisingly revanchist: he would restore the Palestine that existed before 1948 and destroy the existing Jewish state.

Yet, it was the United Nations that decided in the aftermath of World War II and the Nazi holocaust that the historic Jewish aspiration for statehood ought to be honored. Palestinian Jews and the surviving remnants of European Jewry thus were given their state of Israel with the partition of Palestine. For Palestinian Arabs there remains a nation today; it is called Jordan.

All signs are that a UN now controlled by an Afro-Asian-Arab-Communist coalition whose ranks have been swollen by admission of many so-called "emerging" nations (many of them dictatorships) would side with Arafat in the desire that the UN-aided creation of Israel be repealed. This aim very likely could not be realized by actions short of a second holocaust for the Jewish people. It must be an especially bitter pill for a people that looked to the United Nations for moral leadership after Adolph Hitler to realize that the enemy has now become . . . the United Nations.

[From the Philadelphia Enquirer]

WHO NEEDS IT, ANYWAY?: THE U.N. HAS ROOM FOR THE PLO—BUT NOT SOUTH AFRICA

(By William A. Rusher)

If I were the government of South Africa, I would be sorely tempted to respond to the recent vote of the U. N. General Assembly, barring South Africa from voting or participating in this Assembly session, by withdrawing from the world organization altogether and telling it to go jump in the conveniently adjacent East River.

It is a constant source of amazement to me how seriously the U. N. appears to be taken by various grown-up countries that ought to know better.

Since approximately 1960, when it was taken over by the so-called "Third World" as a result of a heavy influx of new ex-colonial nations that had sprung up in Africa, the U. N. has served largely as a source of comfortable and remunerative employment for various lucky politicians who have outgrown the delights of Addis Ababa and Ougadougou.

Yet, save in a handful of the world's really important capitals, it is often seriously supposed, even by mature governments and peoples like those of South Africa, that the "deliberations" and votes of this comedic extravaganza really matter.

I can understand why the citizens of, say, Chad or Yemen might be favorably impressed with an organization willing to treat them as recognizable countries.

And I can certainly see the utility of the organization from the standpoint of somebody like Yasir Arafat, who is desperately seeking recognition and national status for his refugee Palestinians. But why on earth should any substantial existing government give a hoot what the U. N. does or says?

The latest and zaniest habit into which this little forum has fallen is withholding or withdrawing diplomatic recognition from sovereign governments, and/or conferring it on various guerrilla movements, depending on whether it happens to like them.

Thus the government of Rhodesia has never been admitted to the U.N. at all, though it presides over one of the pleasantest and (for blacks and whites alike) most prosperous regions in all Africa. And the government of the Republic of China or Taiwan was summarily dis-recognized in October 1971, despite the fact that its population of over 14 million people (larger than that of three-fourths of all U.N. members) enjoys a level of democracy, let alone prosperity, exceeded in the Far East only by Japan.

Also, it is quite likely that before long the Talleyrands of East 43rd St. will recognize something called the Government of Namibia—though it will have to be a government in exile, since South West Africa (which is Namibia's real name) is currently administered by the Republic of South Africa.

And it is by no means impossible that one of these days the U.N. will declare Puerto Rico independent of the United States, and accredit as its representatives the spokesmen of the Puerto Rican independence movement, which regularly polls 3 or 4 percent in referendums on whether the islanders want to cut their ties with Uncle Sam.

Some while back, Indonesia for some reason—I forget what—pulled out of the U.N. altogether, and stayed out for several years. Switzerland has never bothered to join. Yet the sun rises quite regularly over these lovely lands, and life goes on. South Africa would do well to consider their example.

Of course I realize that it is useful, both to South Africa and to its noisy tormentors in the U.N., to have a comfortable lounge or bar where certain little—shall we say?—arrangements can be entered into, even while the yakking is still going on in the General Assembly upstairs. But is that really worth the appearance of importance that South Africa, by seeming to care about the U.N., confers on its antics? I seriously doubt it.

[From the Richmond Times-Dispatch, Nov. 16, 1974]

Decline of the UN

(By Jeffrey Hart)

The United Nations—an armed citadel in its New York headquarters since it invited Yasir Arafat and the Palestine Liberation Organization to participate in the General Assembly debate on Palestine—at one time was a supreme touchstone of political virtue in the United States. It sometimes seemed as if decency itself required reverence for the UN as if only retrograde types attacked it. But, to quote John Milton. "Oh how fallen, how changed . . ." The UN may indeed continue for awhile to occupy its luxurious premises by the East River in Manhattan. Its valued technical services may continue. But the General Assembly, that erstwhile parliament of man, has lost most of its political and all of its moral clout.

The sudden decline began around 1960. At that time, Third World nations gained a majority in the General Assembly and began passing resolutions against the West in general and against Israel in particular. From that moment on, the UN ceased to be a sacred object in American political life.

It was indeed a spectacular falling-off. During the decade following World War II, public references to the UN as "the last best hope of man" were virtually obligatory for American politicians and publicists. All this transcended partisanship. Dwight Eisenhower and Adlai Stevenson, Richard Nixon and John Kennedy competed with one another in their paeans to the UN. People like Chester Bowles, Christian Herter and Norman Cousins led the choir in assorted hymns.

CAME THE DESCENT

But then the curtain descended. If the UN is mentioned in either the Democratic or the Republican platform in 1976, I would be much surprised.

Since the early 1960s, the UN General Assembly has presented to us a virtual Rake's Progress of political degeneration. Recent lopsided votes on the Palestine Liberation Organization, on the expulsion of South Africa and Taiwan, may make the front pages but they hardly exhaust the tale of absurdity.

Not that many people are aware for example that last year's General Assembly approved by a vote of 105–5, a real squeaker, a report of its Committee on Colonialism demanding independence for Puerto Rico. There exists no sign, however, that any such position has much support in . . . Puerto Rico.

In the 1972 Puerto Rican elections, the Independence Party, advocating dependence, received a thundering 4 per cent of the vote. The other parties, none of them for independence got the other 96. Unlike most of the nations voting on the questions in the UN, Puerto Rico actually holds free elections, has a free press, rights of assembly, organization and so on. The sole effect of the UN vote was to give a spurious legitimacy to the small terrorist faction now launching an international campaign for Puerto Rican Independence, and claming responsibility for setting off five powerful bomb blasts in New York on October 27. The General Assembly is thus functioning as a catalyst for violence on the part of a tiny faction.

On September 30, the General Assembly voted 98 to 23 against seating the South African delegation, the U.S. voting No. Now, it does not escape notice that of those voting against seating South Africa, many of them were the same people who used to argue that the UN had to admit China since it "existed," and since it was better to include nations than to exclude them. It would take a poet with the skills of Dante to give adequate characterization to the hypocrisy prevailing in the UN.

If more American citizens could actually pay a visit to the auditorium in which the General Assembly holds its conclaves, well, consciousness would be raised. After an hour there, you develop an irresistible urge to take a shower, a moral sensation that somehow translates itself into a physical one. Soviet delegates arise, stride to the podium, and deliver solemn orations on the desirability of "cultural freedom" and "human rights." Much applause. African delegates, from places where racial warfare is unremitting, arise to denounce racial prejudice. When a delegate tires of this he can always go on an anti-American rhetorical rampage.

ABOUT TIME

It is certainly high time that the last shreds of moral legitimacy be withdrawn from this body. Fortunately, the method is simple, and would not at all affect the technical agencies of the UN, which do perform valuable service. It would not even affect the General Assembly as a "forum," for whatever limited value it has as such.

If the United States announced that, henceforth, its delegate would no longer vote in the General Assembly, that body would lose whatever resonance it still possesses. By participating in these votes, we almost single-handedly endow them with what legitimacy they retain.

By participating in a vote on Puerto Rican independence or on the expulsion of South Africa, we suggest that places like Uganda, Albania, Togo, and Chad have a legitimate voice of some sort in the determination of our foreign policies and the disposition of our national interest.

The UN General Assembly has become a farce, a moral affront, and, to the extent that it is still taken seriously, it has become a menace. We should continue to sit there, and participate in its debates. But when the voting commences, we should not vote yes or no, and we should not abstain. We should register as "not voting." That, I think, would do it.

As a fine alternative, we should embrace the suggestion of President Idi Amin of Uganda that the UN move permanently to his country.

[From the Star-News, Nov. 19, 1974]

The United Nations Farce

(By Vic Gold)

Much like the Watergate revelations, the depths of legal and moral idiocy to which the U.N. General Assembly is capable of descending seem bottomless.

Thus, in one typical U.N. week, South Africa is suspended from participation, while Yasir Arafat, complete with pistol, is exalted at the podium of world peace and understanding.

Once the U.N.'s destractors spoke disparagingly of the General Assembly as "a mere debating society." In the fullness of time, that line has proved to be an undeserved aspersion on mere debating societies.

For all their shortcomings, it can be said of debating societies that they abide by single-standard rules of civilized discourse. No self-respecting society—or should we say, no society deserving respect—would simultaneously exclude a legitimate member from its premises and provide a platform for a nonmember whose credentials for entry include the indiscriminate use of terror to make a point.

There was also a time, in the not-too-distant past, when the standard rhetoric of the liberal establishment glowingly described the U.N. as "the world's last best hope for peace." Significantly, that phrase hasn't been heard much in recent years. Small comfort: Even the bloated rhetoric of utopian liberalism has its limits.

Not, however, the double-standard rhetoric of the U.N. General Assembly.

Consider the assembly's dual handiwork last week. First, that suspension of the South African delegation from the current session on grounds specifically prohibited by terms of the U.N. Charter, i.e., the application of standards for entry which constitute interference in the domestic affairs of a member state.

Then, having pronounced moral judgment on South Africa, members of the assembly majority—which, of course, include nations that countenance slavery in both its ancient and modern totalitarian forms—went on to greet Arafat, the gun-carrying terrorist leader, as one report had it, "like a conquering hero."

Indeed, back-to-back within a single week's span, Pretoria's suspension and the PLO leader's exaltation represented a new low in

General Assembly irresponsibility. Though not, let me predict, the ultimate low as far as the interests of the United States are concerned.

That should come anywhere in three to ten sessions from now, when the same assembly majority votes to suspend the U.S. delegation on grounds of racial discrimination and repression in our domestic affairs—as such matters are uniquely viewed and defined by the adulators of Yasir Arafat.

An outlandish prospect? Not at all. In fact, given current trends, a likely one.

The precedent for arbitrary and capricious suspension having been established in the South African case, what in the world—in the Third World, if you will—should inhibit the legal and moral idiots who comprise the assembly majority from applying the same standards to this country?

Oh no, you say. They wouldn't dare. After all, the United States is the U.N.'s single largest financial patron, and we wouldn't put up with it. We'd cut off their funds. Ask them to pack up and leave. They know that.

But then, considering the acquiescence of the U.S. delegation to last week's developments, why should they?

[From the Wall Street Journal, Nov. 20, 1974]

TERRORISM AND THE UN

Word is finally getting out that some nations, Israel and South Africa among them, can't get a fair trial at the United Nations. The current General Assembly President, Algerian Foreign Minister Abdelazziz Bouteflika, has been criticized for a series of one-sided rulings last week, notably the suspension of South Africa from the Assembly, limitations on Israel's right to speak in the "Palestine Question" debate, and the awarding of head-of-state honors to Palestine guerrilla chief Yasir Arafat.

We, on the contrary, feel some sense of gratitude of Mr. Bouteflika. He is single-handedly dramatizing the extent to which the UN's original high hopes and purposes have been compromised. And a realistic view of the UN's limitations is vital to American policy.

The dashing 39-year-old Mr. Bouteflika personifies the Arab-African coalition in the General Assembly. Thanks to a combination of oil money and Third World moral suasion, this bloc delivers at least 70 votes in that 138-member body on almost anything that strikes its fancy. Most of these recent decisions were probably illegal by international law and UN procedure, but that is just quibbling. The important point is the major constitutional change this bloc has brought about in the U.N. It has produced a new sort of bicameral hypocrisy.

In the process, the General Assembly is changing the definition of a phenomenon the rest of us persist in calling "terrorism." Mr. Arafat knew his audience at the UN, and we are grateful to him, too, for spelling out just what was going on. "The difference between the revolutionary and the terrorist," he said, "lies in the reason for which each fights. For whoever stands by a just cause and fights for the freedom and liberation of his land from the invaders, the settlers and the colonialists, cannot possibly be called terrorist. . . . Many of you who are here in the Assembly Hall were considered terrorists."

By reasoning current at the UN, the very fact a "settler-colonial regime" exists amounts to aggression and oppression, and therefore anything it does is the real terrorism.

But "national liberation movements" fight in self-defense and therefore have *carte blanche* to struggle "by any means at their disposal" (to quote a General Assembly resolution of November 30, 1970). This language is in the draft of the Palestine resolution that the Arab countries will most likely ask the General Assembly to adopt at the end of this week.

Some Western diplomats may argue half-heartedly that such struggle would be limited by the principles of the United Nations, but the Palestinians have already answered that. In yesterday morning's attack on Beit Shean, the guerrillas showed that their right to struggle includes the attempt to take hostages in civilian apartment buildings. This sort of incident used to be considered beyond the pale, but we are confident that in the course of this week's General Assembly debate, the marvelously flexible Third World logic will manage to read it into the UN charter.

The end result will be to show for all to see that the UN has forsaken its early, noble ambitions to be an instrument of peace and has chosen instead to embrace the foulest means of political struggle. Its already demoralized bureaucracy will not be able to conceal that fact from the world at large and this in turn could have serious consequences for some of the technical work it performs—through the Food and Agriculture Organization and World Health Organization, for example—which does have value.

This is a chastening outcome for the United States, which did so much to bring the institution into being. The UN expresses hopes important to mankind, hopes of a universal world body, devoted to peaceful settlement of disputes. Even though these high hopes have never been met in the body's history, their power has enabled the U.S. to use the UN as an instrument of largely positive policies. But with the UN itself flouting its principles, denying universal membership, and sanctioning violence for "correct" purposes, any constructive use becomes increasingly doubtful.

The U.S. is contributing nearly $60 million to the current UN budget, some 25% of the total. It might be time to consider in all seriousness whether this money would be better spent buying food for starving Third World masses. If the General Assembly is going to abandon peacekeeping and support terrorism there is no reason why it should do so on a U.S. allowance.

[From the Richmond News Leader, Nov. 18, 1974]

THE BARREL OF A GUN

The Palestine Liberation Organization subscribes to Chairman Mao's dictum that power comes from the barrel of a gun. Perhaps the PLO is correct.

First, the Arab states decreed that the PLO should speak at the United Nations for the Palestinian people. Then the UN General Assembly invited Yasir Arafat, leader of the PLO, to present the Palestinian case. So it goes at the UN, where a few years back delegates debated ways to counter terrorism. Now they have elected to reward it. Collecting that reward was the unlikely Arafat—a plump opportunist whom no one took seriously a decade ago.

Emotions ran high when Arafat addressed the General Assembly. Supporters of Israel turned out massively in New York. Surely President Ford and congressional leaders in Washington received the message: Israel is *not* entirely alone in the world.

Arafat's odd, theatrical performance was designed to give the impression of moderation. To believe him, one must believe that the PLO is simply an altruistic body devoted to the brotherhood of man. But Yasir giveth, and Yasir taketh away: "I come bearing an olive branch and a gun. Do not let the olive branch fall from my hand. Do not let the olive branch fall from my hand." Which is to say that the olive branch may fall from his hand, and the gun will not.

Other Arafat statements are equally stern stuff. He has come close to predicting war with Israel on several occasions. And, in a revealing interview with Oriana Fallaci, published last week in *The New Republic*, he said:

This war has just started. We are just beginning to get ready for what will be a long, long war, a war that will run for generations. . . . What you should have asked is: How long can the Israeli go on? We shall never stop until we can go back home and Israel is destroyed. The alliance of the Arab world will make this possible. We don't want peace, we want victory. Peace for us means Israel's destruction and nothing else. What you call peace is peace for Israel, and for the imperialists. For us it is shame and injustice. We shall fight on to victory. Even for decades, for generations if necessary.

That is hardly the statement of a man who lives by the olive branch. But Arafat's diatribe does get at the nub of the problem—the problem of land. The Palestinians believe that with the connivance of a West consumed with guilt because of the Nazi holocaust, the Israelis stole their land. Claims to the land which now is Israel date back to biblical times, and the claims are complicated. Yet the Israeli claim is as good as any.

Arafat's reception at the UN tightens the pressure on Israel. Arabs comprise 3 percent of the world's population. They possess 16 percent of the votes in the UN General Assembly, and they have access to many more. They inhabit 15 percent of the earth's surface, control 60 percent of the world's known oil reserves, and sit on a seemingly unlimited supply of cash. That oil and that money have shifted the balance of world diplomacy against Israel, and the possibility that she will be ejected from the UN grows stronger each day.

The economic strain of maintaining the Israeli citizen-army is tremendous. Yet that army stands strong—and motivated. Those who underestimate Israel will do so at their peril. So perhaps the heroes of Munich and Maalot must learn again—and again, and again—that power does indeed come from the barrel of a gun.

[From the Northern Virginia Daily, Nov. 20, 1974]

BASTARDIZING THE U.N. CHARTER

In a recent issue of his Washington "Exclusive," Fulton Lewis III made this assertion: "The United Nations has sunk to new depths of irresponsibility." Throughout its 29-year history, Mr. Lewis said, the UN has shown itself to be an "irresponsible, farcical, pathetically inept and morally bankrupt organization, which deserves neither our respect nor our financial support."

Whatever the UN started out to be—and no one questions its lofty purposes—the organization soon got bogged down in a morass of inconsistent, self-serving political maneuvers by which individual member states denied justice in favor of nationalistic opportunism.

The list is long and can be documented. Outstanding among the UN's non-successes was the rape of Hungary in 1956, when the troops of Soviet Russia invaded Hungary on a massive scale to enforce on her a government completely subservient to the Kremlin. The UN did nothing while the sovereignty of a member state was violated by another member state.

The invasion of Czechoslovakia by Soviet troops in 1968, to crush a move toward democratic liberalization by the Czech government, was a more recent example of UN ineptitude. Again, the UN stood by and did nothing.

The UN Security Council ruling in late 1966 which branded the little African nation of Rhodesia "a threat to world peace" was utterly ridiculous.

The action, in 1971, in which Nationalist China (one of the UN's founding nations) was ousted from UN membership, at the time Communist China was accepted, was another blot on the UN's tarnished record for which there was no valid justification.

The UN Charter limits membership to

"peace-loving nations." It must have been difficult, even for the most insouciant nations, to reconcile this blatant favoritism in accepting Peking's membership after having just prior to that labeled Red China an "international outlaw."

Just several weeks ago the UN added a new laurel to its non-illustrious record when the General Assembly overrode a Security Council veto to bar South Africa from exercising a member's right to speak in General Assembly debate and to vote in the Assembly or its committees. The reason: because a group of newly emerged black African nations, supported by the Arab nations, disapproved of the South African policy of apartheid.

This brings us up to the UN's crowning achievement of last week centered around the appearance of the Palestinian leader Yasir Arafat.

We felt that the appearance of Arafat before the General Assembly was justified because, insofar as the Arab world is concerned, he is the spokesman for the Palestinian Liberation Organization, which in turn presumes to speak for the several million Palestinians in the Mideast.

The world cannot continue to sweep the Palestinian question under the rug. It is a key point in any Mideast solution. This being the case, if a lasting peace in the Mideast is the universal objective, it would seem that a UN forum was the proper place to hear all sides of the matter.

It was not the fact that Arafat was invited to present the Palestinian side that we found objectionable. Where else could it be more effectively done than a UN forum?

What did bother us was the obsequious, ingratiating treatment given this revolutionary by UN officials. Arafat received all of the pomp and circumstance usually reserved for heads of state.

But, so far as we know, no head of state ever appeared before the General Assembly armed, as did Arafat, who arrived attired in his traditional Arab headdress and around his waist a holstered pistol.

His appearance, which in his own words symbolized "bearing an olive branch and a freedom fighter's gun," was hardly the fitting approach to peace-loving nations, and was an inappropriate arrogance which under normal circumstances should be enough to turn off possible converts.

But, if this show of insolent haughtiness ruffled the feathers of UN officialdom we have heard nothing about it.

The Arafat confrontation turned out to be an unfortunate violation of appropriate decorum on his part. We hope that if the PLO leader is invited back again he will be told to leave his guns at home.

At some point, the antics of the UN must be weighed by the responsible, "peace-loving" members such as the U.S. All too often what occurs in the UN General Assembly constitutes an embarrassment to the U.S., sometimes amounting almost to an affront to our national dignity.

And, for this we ante-up 40 percent of the UN budget each year.

[From the Hearst newspapers, Nov. 17, 1974]

A TRIUMPH FOR TERROR

(By William Randolph Hearst)

NEW YORK.—The formally invited appearance of Yasir Arafat before the United Nations General Assembly this week was a nauseating spectacle for all of us who can recall the lofty ideals proclaimed in San Francisco when the world organization was founded there nearly 30 years ago.

One picture summed up the whole sickening scene here last Wednesday. It was the picture of Arafat, top emissary of Middle East terrorism, clasping his hands above his head like a triumphant pugilist while a majority of the General Assembly delegates gave him a standing ovation.

It was indeed a moment of historic triumph for the sinister man recently selected by the Arab countries as official national spokesman for the Palestinian refugees. It also was a new low in shame for the UN, whose every precept of peace through reasonable dialogue had notoriously been violated by its murderous guest.

Arafat's lengthy speech before the UN was hailed in some quarters as surprisingly low-key and moderate. In some ways it was. He didn't, after all, blow up any planes at Kennedy Airport, nor kidnap and hold for ransom anybody while he was in town, nor call for the complete destruction of Israel—the original aim of the Fedayeen in his Palestine Liberation Organization (PLO).

No, not that. All he demanded was Israel's replacement by a Palestine state in which Moslems, Jews and Christians theoretically would live happily together under his concept of Arab justice. He was deliberately vague on how this outrageously impossible idea might be realized. Nevertheless it was applauded by his supporters as a statesmanlike pronouncement.

Arafat, his pudgy cheeks shaved for a change, obviously agreed with them. What he was holding in one hand, he said, was "an olive branch." With unbelievable audacity, he pictured his proposal as a kind of noble concession.

The true colors of the terrorist leader, however, were simultaneously revealed. He gave a grim warning of intensified guerrilla horrors by declaring that in his other hand he held a "freedom fighter's gun." "Do not let the olive branch fall, he said ominously.

Close-up photographs later revealed that the speaker was, indeed, wearing a holster on his belt which may or may not have held a pistol. His aides claimed variously that he was unarmed or that the holster was for his familiar dark glasses. Photographers at the scene insisted they knew a pistol holder when they saw one, however fleetingly.

Whether he was lugging a pistol when addressing what is supposed to be a world peace organization really is immaterial. The consummate gall inherent in his speech proved he is fully capable of such an act.

Some statesmanship! Some moderation! Arafat in actuality called for what would amount to the dissolution of Israel, whose existence was created and guaranteed by the UN—a point underscored in the icy rebuttal speech by the Israeli chief delegate, Yosef Tekoah. Never, said Tekoah, would Israel permit the establishment of PLO authority in any part of Palestine.

It was like the celebrated case of an irresistible force colliding head on with an immovable body, and Arafat obviously had anticipated this. In his speech he foresaw the looming possibility of a fifth Middle East war, which he said could end in nuclear destruction.

More to the point, and significantly revealing what the UN has become, the terrorist leader hinted that Israel may well be suspended from UN membership—as South Africa was earlier in the week by a 91–22 vote in the General Assembly.

And thereby hangs a tale whose telling is crucial if the degeneration of the UN is to be understood fully. When the UN was founded its General Assembly was formed of countries supposedly all dedicated to the same principles of humanitarian cooperation. Each member, regardless of size, was given an equal vote.

Today the General Assembly has 138 member nations. More and more, over the years, gang-ups by smaller and underdeveloped countries of the so-called Third World have been forcing actions which serve purely personal interests by combining their voting strength—even when some such actions not only violate UN ideals but its operational rules.

That is what happened this week when the African bloc, justifiably angry at South Africa's continuing Apartheid racial injustice, finally succeeded in effectively barring that country from UN participation by a tricky circumvention of the rules. In exchange for Arab bloc support, the Africans on Wednesday rose to cheer and applaud Arafat.

Today's UN General Assembly, in point of fact, is being largely run for the special interests of the Third World bloc. This means, bluntly, that the developed nations which originally conceived and largely support the UN financially, can be and often are at the mercy of the underdeveloped and irresponsible.

The Arafat UN spectacle, conceivably, might be viewed as a nightmare joke showing how far the world organization has been led astray by its preponderance of small countries jealous of the big power democracies.

It could—if the current events weren't so tragically serious and threatening to world stability. At the very least, all the painfully achieved progress by Secretary of State Kissinger toward compromise in the Mideast has been thrown out of kilter and an indignant Israel rendered more suspicious, wary and more politically united than ever.

Most important is the new kind of shame the UN has heaped upon itself. By inviting Yasir Arafat to speak with all the trappings of a head of state, the UN in effect put the stamp of its international approval on terrorism.

The sickening prestige accorded to Arafat inevitably and automatically has placed world peace in grave new peril.

Personally, I am just about fed up with the entire UN organization. It is simply too much when a guerrilla goon like Arafat, who has no formal standing in the UN whatever, can get up before the body and confidently threaten to have it oust a veteran member if it doesn't bow to his ultimatums.

When bunches of Third World nations with no regard for the legally drawn charter gang up and start purging properly admitted UN members because they don't like their domestic policies—then a reassessment of General Assembly voting power and procedures is due.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a statement that I made on the floor of the Senate on June 8, 1973, dealing with the United Nations, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGAL IMPORTATION OF CHROME AND NICKEL FROM RHODESIA

Mr. HARRY F. BYRD, JR. Mr. President, the press reports today that the United States Ambassador to the United Nations, Mr. John H. Scali, stated yesterday that the United States is in "open violation of international law" in allowing the importation of Rhodesian chrome and nickel.

Mr. President, I think that perhaps Ambassador Scali has been affected by the rarefied atmosphere of the penthouse apartment he has in the Waldorf Towers in New York City.

Mr. Scali went on, according to the news report, to say that because the United Nations Security Council resolution in 1966 had ordered an economic boycott of Rhodesia it was "legally binding on the United States."

Mr. President, let us explore that a little bit. The United Nations did decree sanctions against Rhodesia.

The President of the United States at that time, Lyndon B. Johnson, in 1967, acting on his own, without consultation with Congress, put into effect economic sanctions against that nation. The economic sanctions are in effect today, with one exception: the Congress of the United States adopted legislation which stated that the importation of a strategic material from a non-Communist country could not be denied if the same strategic material was being imported from a Communist country.

That legislation passed the Senate of the United States. It passed the House of Representatives. It was approved by the Congress of the United States, it was signed into law by the President of the United States. There has been a court test brought by various Members of the House of Representatives, seeking to have that law nullified. The courts have upheld what the Congress of the United States did.

So, Congress, acting on a matter affecting our own national interest, and taking the steps prescribed under the Constitution, enacted legislation which is now a part of the law of our Nation.

One would think that the American Ambassador to the United Nations would feel an obligation to support the laws of our Nation. One would think the Ambassador to the United Nations would have an obligation to support the duly enacted laws—laws enacted by Congress, signed by the President, and approved by the courts. But now we find him making speeches in New York, saying that the U.S. Congress acted illegally. Nonsense.

Yes, I think Mr. Scali has been affected by the rarefied atmosphere of that magnificent penthouse apartment that the Government of the United States furnishes him in the Waldorf Towers in New York City.

It is interesting to note that the taxpayers of the United States pay a rent of $33,000 a year for that apartment in the Waldorf, for the American Ambassador to live there. Well, we want the American Ambassador to have good quarters. But we do not want him to be affected by the rarefied atmosphere that he finds himself in when he gets into such luxurious and sumptuous quarters.

He says the Security Council decision is legally binding on the United States. What he is saying is that the U.S. Congress must subordinate itself to any acts taken by the Security Council of the United Nations.

He must know that that is not correct. If he does not know it is not correct, he should read the laws and understand the Constitution of our Nation.

Congress did not turn over to the United Nations the right to determine what laws Congress can and cannot make. Yes, I think the American Ambassador to the United Nations should represent the people of the United States and uphold the laws of the United States while he is an Ambassador, rather than inaccurately to condemn Congress and condemn the President, who signed the bill into law.

Another aspect worth considering is that the legislation which the American Ambassador, Mr. Scali, condemns was approved by Members of Congress from 46 of the 50 States. Senators and Representatives from 46 of the 50 States taken together supported the legislation which Ambassador Scali says is illegal. Congress did not turn over to Ambassador Scali the determination of what is legal and what is illegal.

I happen to be a supporter of the United Nations. I returned to San Francisco in 1945, when the United Nations was being formed. I came back from the Pacific—Okinawa—as a naval officer. I held high hopes that the world organization being formed in 1945 in San Francisco would bring about world peace.

Things have changed greatly since then. At that time 51 nations were members of the United Nations, all of them having a long history of established government. Now, 132 nations are members, most of them having had very little experience in self-government, and very few of them being in a position to attempt to tell the rest of the nations of the world how to handle their own problems.

Be that as it may, it is discouraging to me when the American Ambassador to the United Nations makes a public speech in New York, saying that Congress acted illegally in passing legislation affecting its own domestic problems, its own domestic needs.

The first obligation of the Congress of the United States is to the people of the United States. The first obligation of our Ambassador to the United Nations is to support the laws of the United States.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a speech that I made in the Senate on June 14, 1973, be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SANCTIONS AGAINST RHODESIA

Mr. HARRY F. BYRD, JR. Mr. President, on June 7, in New York City, Ambassador John Scali, U.S. Representative to the United Nations, delivered an address. This address was published in the CONGRESSIONAL RECORD of Wednesday, June 13, at the request of the distinguished senior Senator from Wyoming (Mr. MCGEE).

The address of Ambassador Scali dealt with the United Nations. It was delivered before an audience of persons interested in the world organization. I have read this address carefully. With the exception of two or three paragraphs, it is a speech that I could comfortably have delivered myself.

Mr. Scali in the course of his remarks stated that as a newly returned young war correspondent, he got back to the United States about the time that the United Nations was formed in San Francisco in 1945.

I had a similar experience as a young naval officer. I returned from Okinawa to San Francisco at the time the United Nations Conference there was in progress. So both of us developed an early interest in this world organization—an interest that both of us have kept through the years.

Then Mr. Scali says:

"It is a truism to say that the world community, and particularly the American people, have been disappointed in the achievements of the United Nations thus far."

I concur in that view, I must say that I have been disappointed in the achievements of the United Nations, just as Ambassador Scali indicates that he has been disappointed.

Overall, I think it is a good speech. It is a careful, well-written address, and very sincere. The aspect of it with which I do not agree consists of only two paragraphs—with the rest of the speech I am in full agreement—wherein Ambassador Scali attacks the Congress of the United States because of legislation which the Congress passed 2 years ago.

The legislation under attack by Ambassador Scali permits the importation of chrome from Rhodesia under certain conditions, and in so doing it sets aside the embargo placed on trade with Rhodesia insofar as the importation of chrome is concerned.

Mr. Scali is careless with his facts. He says:

"At that time, nearly two years ago, Congress passed legislation making it impossible——"

I am reading from his speech——

"for the executive branch to prevent importation of chrome and other strategic commodities from Rhodesia, as required by the Security Council."

Mr. Scali is not factually correct. He is incorrect. The legislation did not make it impossible for the executive branch to prevent importation from Rhodesia.

What the legislation did say—and I would suggest that Ambassador Scali get a copy of it and read it—is that the importation of chrome from a Free World country cannot be prohibited if that same strategic material is being imported from a Communist-dominated country, in this case Russia.

So if the President of the United States does not want to have chrome imported from Rhodesia, he can stop the importation of chrome from Russia. In that case, the law which Congress passed would not be effective. So there is a way, if the President of the United States so desires, that the importation of this strategic material from Rhodesia can be prevented.

That is a relatively minor point. That is not the reason why I am calling attention to Ambassador Scali's speech today. I think he ought to get his facts straight.

But that is not the principal reason I am taking the floor. The reason I am taking the floor today is this: He says that the action of the Security Council of the United Nations is legally binding on the United States. He condemns Congress for doing what he says is in open violation of international law. Let us see first what is this open violation of international law.

Congress taking note of the embargo put on trade with Rhodesia, and noting that the bulk of the world's chrome supply is in Rhodesia, and noting as a result of the embargo the United States was forced to rely on Communist Russia for a majority of its chrome imports, passed legislation which states that the President cannot prohibit the importation of strategic material from a non-Communist country if the same material is being imported from a Communist country.

Yet the Ambassador to the United Nations says that the Congress acted illegally. He is wrong. Our Ambassador to the United Nations, Mr. John Scali, says that the position of the Security Council in regard to the embargo on trade with Rhodesia "is legally binding on the United States." Nonsense.

Has Congress abdicated its right to pass laws for the benefit of the people of America, and given that right to the United Nations in New York? Ambassador Scali thinks so. But the Senator from Virginia does not think so.

I know an effort will be made again to repeal what Congress passed 2 years ago. There are Members of Congress who take the same view as does Ambassador Scali—that whatever the world organization in New York says, whatever the Security Council says, is binding on the United States. I disagree.

Mr. Scali, in the earlier part of his speech—and, as I say, I am in agreement with virtually all of his speech except for two paragraphs—says, speaking of the United Nations, that—

"We did not create an instant world government. Instead, what we put in place was an international forum."

He says that we do not have a world government; we have an international forum; and that that international forum can dictate to Congress; and if Congress goes contrary to action taken by the Security Council, it is going contrary to something that is legally binding on the United States. I submit that Mr. Scali is just as wrong as he can be.

Mr. LONG. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, it was my privilege to serve for at least one brief period as a delegate to the United Nations. I came away with this conclusion: That the sooner we in Congress, and the American people, recognize the United Nations to be exactly what everybody else on God's green Earth believes it to be, the better off everybody, including ourselves, will be. What the United Nations really is, is clearly a debating society. To pretend that it is something else is to mislead oneself.

People generally follow what the United

Nations recommends if they find it to their advantage, otherwise they ignore it. When the United Nations recommends that people do something, they will be prevailed upon to do it, even though they may not be inclined to do so, because the United States might offer them the advantage of a trade concession or offer to do something that they want us to do in other respects. But the idea that the United Nations has this great power to move the world in one direction or the other is not shared by the rest of the world. They use it only when they find it to their advantage to use it for their own interests.

The United States, I suppose, is the only nation on Earth that permits the United Nations, this international debating society, to use the United States. My only regret is that I was not permitted to vote to decline to finance any more activities of the United Nations. So, I should like to make it clear that my vote in the State Department appropriation bill we just passed today was dictated by other things that were in the bill. If it had been purely a $200 million appropriation for the United Nations, I would have said it was not worth $2, that if we were interested in seeing something going on, we could find something more interesting than the United Nations and we should go somewhere else.

If Mr. Scali thinks that the other nations of the world respect a resolution of the Security Council of the United Nations or of the General Assembly as being international law binding on them, I would invite him to go around the world and find out how many nations do regard it as being international law binding upon them. I think that he will find this organization has more respect in the United States—which pays most of its expenses, provides it with a home, and sponsored the idea to begin with—than anywhere else on earth.

Any respect the United Nations enjoys among the American people has declined drastically year by year to the point where I would think its impotence, its effectiveness, and its ability to do that for which it was organized in the first instance has declined to the point where a lot of us, who had such high hopes, now feel we would be better off if we dissolved that outfit and put something else in to take its place, to do that which the United Nations was organized to do to begin with.

But in spite the efforts of those who did not agree with the objectives of the United Nations, such as the Communist blocs, which prevented that organization from being what it could have been, which many of us hoped that it would be, we joined in seeking to promote peace, in working together for the good of the world, and to strengthen world government rather than to undermine and destroy it. So that the purpose of the United Nations has been so completely negated by those who did not share that desire, it has probably became as much of an impediment to achieving what it was organized to do as it has been an asset for that purpose.

So, if Mr. Scali has not become aware of what the United Nations really is, what the rest of the world knows it to be, I would invite him to take a trip around the world and find out for himself whether the other nations of the world regard a United Nations resolution as being international law binding on them.

Mr. HARRY F. BYRD, JR. Yes, and I would be interested, too, to know how many Members of the Congress of the United States feel that their votes are bound by what the United Nations Security Council does, and how many Members of the Congress of the United States feel that they cannot pass legislation here, affecting the United States of America and the inhabitants thereof, if such legislation goes counter to something that the United Nations Security Council in New York has dictated.

Mr. LONG. Mr. President, it was my experience that much of the time we spent at the United Nations was a very frustrating experience and could have been much better spent somewhere else. I would think that Mr. Scali would be well advised to spend some of his time reading the speech of the distinguished Senator from Virginia (Mr. HARRY F. BYRD, Jr.). He would find it to be a far better investment of his time and energy than in observing and entering into the activities that occur at the United Nations.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator from Louisiana for his comments. In connection with his comments, let me say that the United Nations has changed a great deal since 1945 when it was first organized. At that time, there were 51 members, all of whom had a long record of government—in many cases self-government, but in any case a long record of government.

Now there are 132 nations who are members, and few of the new ones have any record of government. There is very little education in those nations. They are small, which is no fault of theirs, of course, but in many cases they lack the experience with government even to govern themselves effectively. Many of them, however, are not only telling the world how to govern itself, but are telling the United States how to govern itself.

Yet our Ambassador to the United Nations, who is supposed to represent the laws of the United States, says that the U.S. Congress is acting illegally, that we are bound—the Senator from Louisiana, the Senator from West Virginia, the Senator from Oklahoma, the Senator from Virginia—by some action that the Security Council in New York takes.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Virginia yield to me, since he has referred to me?

Mr. HARRY F. BYRD, JR. I am happy to yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. When I was elected to this body, and each time I have been reelected, I have had to take an oath upon entering the office of U.S. Senator to uphold and defend the Constitution of the United States. I did that gladly and willingly and I would not have it any other way. But I have never yet taken an oath to uphold a constitution of the United Nations. That has not been required of me. I am not so sure that I would take such an oath.

I am not wholly against the United Nations. I think it has done some good. But I am not in agreement with many of its actions. It is a weak vessel. But, that is not the point.

My first allegiance is to the United States of America. On the other hand, my allegiance—if I have any—to the United Nations is somewhere way, way, way down the line.

Now, insofar as U.N. sanctions against Rhodesia are concerned, I should like to ask the distinguished senior Senator from Virginia whether he believes Rhodesia, in any way, constitutes a threat to the peace and security of the world.

Mr. HARRY F. BYRD, JR. By no stretch of anyone's imagination do I see how it could possibly be construed as a threat to the peace of the world.

Mr. ROBERT C. BYRD. Has Rhodesia, in any of its actions that the distinguished Senator from Virginia can remember, offended or threatened the security of the United States of America? Has it taken any action with respect to trade with the United States or against the good name of the United States that would be offensive to this country?

Mr. HARRY F. BYRD, JR. Not to my knowledge.

Mr. ROBERT C. BYRD. Are there any United Nations sanctions against trading with the Soviet Union—a country which is feared by much of the free world and which on many occasions has threatened the peace and security of other countries, including our own?

Mr. HARRY F. BYRD, JR. There are no sanctions against trading with the Soviet Union. There were no sanctions against trading with North Vietnam at the time North Vietnam was killing 50,000 Americans and wounding 300,000 others.

Mr. ROBERT C. BYRD. Are there any United Nations sanctions against trading with the People's Republic of China—a government which contributed to the killing of Americans and allies in Vietnam?

Mr. HARRY F. BYRD, JR. There are no sanctions whatsoever.

Mr. ROBERT C. BYRD. Then why are there sanctions against trading with Rhodesia?

Mr. HARRY F. BYRD, JR. I cannot understand why there should be. The principal reason seems to be that Rhodesia is seeking to do what the United States did almost 200 years ago; namely, to declare her independence from Great Britain. Whether she should be a part of Great Britain or independent of Great Britain, I do not think is for us in the Senate of the United States to say. Whatever she wants to do is all right with me, or whatever they want to do between them is all right with me.

But I do not want to see our country institute sanctions against another country because that country seeks her independence from the same country from which we sought our independence in 1776.

Mr. ROBERT C. BYRD. Does the Senator feel that the United States has been largely persuaded in this venture by virtue of its allegiance to and warm friendship with Great Britain?

Mr. HARRY F. BYRD, JR. Certainly, our delegates to the United Nations followed closely the recommendations, the suggestions, and the views of Great Britain.

Mr. ROBERT C. BYRD. Did our friends in Great Britain apply sanctions against trading with North Vietnam during the years North Vietnam was killing American fighting men in South Vietnam?

Mr. HARRY F. BYRD, JR. No, Great Britain did not apply sanctions against North Vietnam. More than that, Great Britain permitted ships flying her flag to carry cargo to North Vietnam at a time when the United States was heavily engaged in military activity in that area.

Mr. ROBERT C. BYRD. In other words Great Britain had no compunctions against trading with our enemy at a time when our enemy was killing American fighting men. But, at the same time, we went along with Great Britain in applying sanctions against a little country that was not killing American fighting men, a country with which we were not and are not at war, and a country that did not then and does not now constitute a threat to the peace and security of our own country or of Great Britain or of the world. Is that a fair statement to make?

Mr. HARRY F. BYRD, JR. I think that is a very fair statement, a perfectly fair statement.

Mr. ROBERT C. BYRD. May I say to the distinguished senior Senator from Virginia that he does not stand alone in this matter, although he has been alone in taking the floor here from time to time to speak on the subject. I have been willing to just to listen, because I felt that I could learn. But I assure him that I stand with him in this matter; and if the votes of the Senate upon several occasions are to be taken as any indication of the overall sentiment of the Senate, he knows that he has considerable company here with him. I hope he will continue to take the position he is taking. I, for one, will continue to stand by his side on this issue.

Mr. HARRY F. BYRD, JR. I am very grateful to my close friend, the Senator from West Virginia. There is no one with whom I would rather stand side by side than the able and distinguished Senator from West Virginia (Mr. Robert C. Byrd). I am grateful for his remarks.

The point that the able Senator from West Virginia raised, as to whether Rhodesia constitutes a threat to world peace, gets to the heart of the problem that the Security Council of the United Nations had to face when the decision was made to apply sanctions. Under the United Nations Charter, the only lawful right the Security Council has to demand sanctions is to make a case that a particular country is a threat to world peace.

How can anyone say that this small, landlocked country—with a very small defense force—can constitute a threat to world peace? It shows the hypocrisy of this whole thing.

I have never been to Rhodesia. I do not know many Rhodesians, I have no personal interest in this matter at all. But, as a matter of principle, I became interested in this matter in 1966 and 1967.

I think it is absolutely outrageous for this great country, the United States, to apply sanctions against a peaceful, little country which by no stretch of the imagination can be construed as a threat to world peace.

To show further the hypocrisy, it was just 2 weeks ago that the American Ambassador to the United Nations and the British representative to the United Nations vetoed in the Security Council an effort to apply sanctions to South Africa and to Portugal.

South Africa has for herself, and Portugal has for her colonies, a similar philosophy of government, one might say, insofar as the handling of certain problems in those countries is concerned, as does Rhodesia. Yet, sanctions were not applied against South Africa or Portugal, because the American and British representatives vetoed that proposal.

If our Ambassador vetoed the proposal to declare sanctions against South Africa, which he did, and if he vetoed the proposal to declare sanctions against Portugal—the Portuguese colonies of Angola and Mozambique have the racial elements that are subject to laws similar to those in Rhodesia—then, to my mind, it clearly comes down to the fact that the only reason there are sanctions against Rhodesia is that Rhodesia is trying to get her independence from Great Britain, and the United States is helping to prevent that from being done.

I think that is a matter to be determined by Great Britain and Rhodesia, a matter to be worked out between themselves.

What I am deeply concerned about is that the American Ambassador to the United Nations, Mr. John Scali, says:

"The action of the Security Council is legally binding on the United States."

He calls on Congress to change the law so that we will conform ourselves to the action taken by the Security Council of the United Nations in regard to sanctions against Rhodesia. Well, I sort of hope that issue will come up.

Mr. Robert C. Byrd. Mr. President, will the Senator yield?

Mr. Harry F. Byrd, Jr. I yield.

Mr. Robert C. Byrd. Did I correctly understand the Senator to say that the actions by the Security Council of the United Nations are legally binding upon the Congress of the United States?

Mr. Harry F. Byrd, Jr. In reply, let me read a sentence from the speech by Ambassador Scali:

"At that time, the Congress voted legislation making it impossible for the Executive Branch to prevent imports of chrome and other strategic commodities from Rhodesia as required by the Security Council, a decision which the United States voted and which is legally binding on the United States."

Mr. Robert C. Byrd. Notwithstanding the action of Congress to the contrary?

Mr. Harry F. Byrd, Jr. Notwithstanding the action of Congress, the ambassador representing the United States says that our laws must be subordinated to the decrees of the United Nations Security Council.

Mr. Robert C. Byrd. This should come as an eye-opener to all Members of Congress.

Mr. Harry F. Byrd, Jr. I would think so.

Mr. Robert C. Byrd. Even those Members of Congress who may in this particular instance disagree with the position of the able senior Senator from Virginia with respect to the importation of chromium ore.

Mr. Harry F. Byrd, Jr. Yes.

Mr. Robert C. Byrd. Even though they may disagree with him on that question. I wonder how many Members of Congress would swallow this doctrine that the action of the U.N. Security Council is binding on the United States, notwithstanding the action of the Federal legislature to the contrary. That is a pretty far-reaching doctrine, in my estimation.

Mr. Harry F. Byrd, Jr. What the Ambassador to the United Nations says is more far-reaching than the question of whether chrome should be imported from Rhodesia; much more important than whether there should be sanctions. He is hitting at the heart of the legislative system of the United States.

Mr. Robert C. Byrd. Is he not refuting what he said earlier, if I understand what the Senator read earlier—and I have great respect for Mr. Scali. I do not want the Record to misrepresent me in this respect, but I understood the able senior Senator from Virginia to say earlier that in reading the statement by Mr. Scali——

Mr. Harry F. Byrd, Jr. Perhaps this was the statement:

We can see now clearly that we did not create an instant world government.

Mr. Robert C. Byrd. Right. Is not Mr. Scali in another part of his statement refuting what he said in that statement?

Mr. Harry F. Byrd, Jr. That is right.

Mr. Robert C. Byrd. He said we did not create an instant world government, but now he is saying in another part of his statement that the actions of the United Nations are superior to the actions of the U.S. Congress to the contrary; and therefore, insofar as the United States is concerned, it is in essence, a member of a world government that is supreme to the Government of the United States, as one of the components of that world government.

Mr. Harry F. Byrd, Jr. Yes. That is what he is arguing in the latter part of his speech. In the first part he stated:

We can see now clearly that we did not create an instant world government. Instead, what we put in place was an international forum.

Mr. Robert C. Byrd. How, then, can the decisions of a mere international forum be superior to the contrary actions of the duly constituted Federal legislature of one of the participants—to wit, the United States—in that international forum?

Mr. Harry F. Byrd, Jr. To me, it cannot, I would think regardless of how a Member of the Senate or Member of the House might stand on the question of sanctions against Rhodesia on the importation of chrome, it seems to me that all of us must stand foursquare for the principle that we cannot be bound in our deliberations here by what might be done by the Security Council of the United States in the city of New York.

If we get to the point that Ambassador Scali is arguing, I am not sure I want to remain a Member of this body, as fine a body as it is, and as fine a group of men as it is. I am going to vote for the best interests of the people of the United States. As the Senator from West Virginia said, he took an oath to uphold the Constitution of the United States and his obligation is to the United States and the people of the States.

Mr. Scali pointed out that the United States has not created a world government. Ambassador Scali makes that clear in his own statement. If we have not gone into a world government, how can an international forum, as he calls it, decree laws for the United States and dictate to the Congress of the United States what is and what is not legally binding on it?

I know a lot of people in Congress want to give more power to the President, whoever he might be; many people in Congress want to give more power to the United Nations; and some in Congress are not particularly concerned how they use their responsibility and they are perfectly willing to give away the prerogatives and let someone else assume the responsibility.

However, how many Members of the Senate and how many Members of the House of Representatives agree with Ambassador Scali that if the Security Council votes a certain action, that that action is binding on the Congress of the United States? I would like to see a rollcall on that, if there is any way to bring it about. I just do not believe that the men who are sitting in this Chamber and the men sitting in the Chamber across the hall, the vast majority of them, are going to subordinate their own judgment and their own convictions, and their own responsibilities to represent the people who sent them here, and that they are going to abdicate that responsibility to a group in New York City.

Mr. Robert C. Byrd. Mr. President, may I say that once the American people realize that that kind of understanding is abroad, then there will be even less support for the United Nations than there is now.

Mr. Harry F. Byrd, Jr. Yes. I think the Senator from West Virginia is correct in that appraisal and I personally would not like to see less support for the United Nations. I think it has a role to play.

Mr. Robert C. Byrd. Mr. President, I wish to associate myself with the Senator's statement also in that regard.

Mr. Harry F. Byrd, Jr. I think it has a role to play, but I do not think it is being helped when the American Ambassador makes such a speech. Most of the speech is good, as I said in my opening remarks. I could have delivered that speech very comfortably if he had left out those two paragraphs saying that the Security Council can dictate decisions to the Congress of the United States. I do not believe that people of this country would stand for any such proposal as that. I believe he would be rendering a greater service to this world organization and one which I felt a rapport with, when I came from Okinawa, in 1945, when it was formed. He would be helping that organization if he would carry out the laws of the Congress of the United States and explain to his colleagues in New York in the Security Council and the General Assembly of the United Nations that this is a free country and that we have not turned over the prerogatives of the United States to the United Nations.

THE PRESIDENT'S MEETING WITH MR. BREZHNEV

Mr. HARRY F. BYRD, JR., Mr. President, the able columnist, J. F. terHorst, writing in the Washington Star-News of November 30, discussed the meeting between President Ford and Russia's party leader Brezhnev. In this column, Mr. terHorst, who at one time was Special Assistant to Mr. Ford at the White House, said that White House aides stated that something in the personal chemistry of the President's first summit meeting with Brezhnev led the President

to accept the Kremlin's verbal pledge to put a cap on the nuclear bottle.

Mr. terHorst expressed some skepticism. He says:

> Maybe so, but we owe ourselves, and the President owes to us, a certain wariness over the process.

Then Mr. terHorst says that any agreements should require verification.

I ask unanimous consent that this column by Mr. J. F. terHorst, captioned, "About the Bear Hug," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, Nov. 30, 1974]

ABOUT THE BEAR HUG

(By J. F. terHorst)

President Ford's bear hug with Soviet party leader Brezhnev demonstrates that you can teach a new trick to an old cold warrior.

The trick, in this instance, is Ford's willingness to trust the Russians on several important aspects of nuclear arms limitations. The President and Brezhnev have agreed—verbally—to put an overall ceiling on nuclear missiles and bombers and to limit the number of missiles each country may equip with multiple warheads. Four things should be kept in mind about this Ford-Brezhnev understanding.

First, it is no more than a handshake at this point. It may be that a handshake with the Kremlin leadership is as valid as any paper treaty. Diplomatic history has proven repeatedly that formal treaties also are more often honored in the breach than in their observance.

Secondly, the pact does signify that the concept of detente is still alive and well in both Washington and Moscow. Neither side can afford a costly arms race.

Thirdly, assuming the two sides get their negotiators to agree on technical ways to carry out the Ford-Brezhnev agreement, there still is the question of verification. How will the U.S. know that the Soviets are living up to a true arms limit?

Finally, the Ford-Brezhnev agreement amounts to an increase in weaponry, not a reduction. The two leaders may have agreed at Vladivostok to narrow the negotiating gap, but they have not yet agreed to shrink their nuclear arsenals. The ceilings they talked about are higher than the numbers of weapons both sides possess.

For more than a quarter century, Ford was in the vanguard of those in Congress who did not believe the Russians could be trusted. They bemoaned Yalta, Potsdam and Soviet tinkering with the boundaries of Western Europe and West Berlin time and again. Ford led congressional drives to keep America militarily strong because of the fear that a weak America could not maintain a posture of standing up to the Soviets for very long.

Ford has not, to my knowledge, abandoned that belief. But we are told by White House aides that something in the personal chemistry of his first summit meeting with Brezhnev led the President to accept the Kremlin's verbal pledge to put a cap on the nuclear bottle.

Maybe so. But we owe ourselves, and the President owes to us, a certain wariness over the process. It would not take much for the Vladivostok agreement to come apart at the next round of SALT talks between the negotiators because of the technical difficulties of determining what amounts to true parity between two greatly different systems of nuclear armaments.

Verification becomes essential, then, as a litmus test of any American-Soviet agreement to curb the arms race. For example, how will we know that the Soviets won't secretly install more multiple warheads than the agreement permits?

To know this becomes particularly important because the Vladivostok pact apparently allows the Russians to retain their advantage in the "throw-weight" of missiles. The more of an edge the Soviets retain, the greater is the need to make sure that they do not exceed any agreed limit on MIRVs.

The next SALT pact must be airtight, without ambiguity. And the only way to insure that is for Ford to insist on some verification system that can test the intentions and the performance of both sides.

If that comes about, then we will know that the bear hugs between Ford and Brezhnev at Vladivostok represent a new reality. Trusting the Russians was never a Ford credo in the past. Now that he is president, it is even more essential that we know he is going to insist on cutting the cards before he accepts any nuclear deal.

ECONOMIC AND INFLATIONARY POLICIES

Mr. HARRY F. BYRD, JR. Mr. President, the Richmond Times-Dispatch of Sunday, December 1, 1974, published an excellent editorial on the Nation's economic and inflationary policies—problems, I should say. The Times-Dispatch editorial says:

> The most effective way to solve the Nation's economic problems—to halt soaring prices and rocketing interest rates, to overcome shortages and to combat economic stagnation—is "to put our monetary and fiscal house in order."

Mr. President, I ask unanimous consent that this editorial from the Richmond Times-Dispatch, whose editor of the editorial page is Edward Grimsley, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAUSE AND CURE

Reprinted elsewhere in this section today is an article that explains with impressive lucidity the basic cause of inflation and proposes a logical solution. Written by Dr. W. Philip Gramm, professor of economics at Texas A&M, the article should be required reading for every official who has a role in shaping the federal government's economic policies—including the President, his advisors and congressmen.

Essentially, Dr. Gramm believes, the cause of inflation is deficit federal financing. By spending more money each year than it collects in revenues, the federal government expands the nation's supply of money and stimulates the demand for goods and services. Since demand has tended to outpace productivity, the prices of goods and services have increased steadily and immensely.

Dr. Gramm notes that since 1965, federal expenditures have exceeded federal income by a total of $100 billion. And the government has "financed 40 per cent of that deficit by simply printing money."

When the federal government increases its taxes to finance increased expenditures, there is little resultant difference in the total amount of spending within the economy. Private spending power is reduced by the amount that public spending power is increased. But when the government obtains the extra funds it needs by selling bonds to the Federal Reserve Bank and writing checks on the proceeds in effect creating new money, there is no decline in the amount of money available for private spending. Instead, there is a net *increase* in the total amount of money floating around the economy, and this, in turn, results in a net increase in the "total demand for goods and services," Dr. Gramm notes. And prices, inevitably, go up.

Since its founding, the United States, Dr. Gramm writes, has experienced five major bouts with inflation and each has been associated with a war: The Revolutionary War, the War of 1812, The Civil War, World War II and the Vietnam War. This fifth siege of inflation is the first, he says to extend for a prolonged period beyond the end of a war and into a period of peace.

And why has it done so? Primarily, he contends, because Washington has been trying to substitute money for ideas, operating on the theory that the best way to solve any problem is to smother it wih dollar bills. Ever since the Great Society days of President Lyndon Johnson, the federal government has been spraying money all over the place in an effort to eradicate poverty and numerous other social ailments. Many of these programs have been poorly planned and sloppily administered, and the primary result has been waste. Very few problems have been solved.

As a specific example of the ineffectiveness of money alone in solving problems, Dr. Gramm cited the experience of former Mayor John Lindsay of New York City. Mr. Lindsay had suggested, at the beginning of his administration that he could solve his city's problems simply by doubling the size of his budget. But what really happened?

"The day John Lindsay left office," Dr. Gramm writes, "his budget was 2.2 times what it was the day he took office, and by every index from garbage collection to crime in the streets, New York City was a worse place to live the day he left than the day he came. And the reason is that money does not solve problems, ideas solve problems. And government has not had a viable idea in 40 years."

The rate of increase in federal spending in recent years has been dizzying. It took 180 years for the federal budget to go from zero to $100 billion a year. But it went from $100 billion to $200 billion in only ten years, and it has grown from $200 billion to $300 billion in only four. At the moment, Dr. Gramm tells us, the "federal government is financing at such a rate that . . . it is absorbing 60 per cent of all the funds raised in U.S. capital markets."

The most effective way to solve the nation's economic problems—to halt soaring prices and rocketing interest rates, to overcome shortages and to combat economic stagnation—is "to put our monetary and fiscal house in order." The government needs to stop deficit financing, suppress the temptation to apply wage and price controls—which, he notes, have never worked in the history of the world—and permit the economy to adhere as closely as possible to the principles of free enterprise. Big government does not solve problems, and "spending more of the taxpayers' money cannot turn a bad idea into a good one."

Dr. Gramm's solution, however, is not likely to be attempted until and unless the nation obtains a new kind of leadership. Leadership that "can turn this country around." Leadership that will "fulfill the ideals and aspirations of a revolution which occurred almost two hundred years ago." There are men, certainly, who have the ability to provide this kind of leadership. The truly troubling question, though, is whether they have the courage to do so.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I call for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold that?

Mr. ALLEN. Yes, I withhold.

Mr. MANSFIELD. Will the Senator be willing to make that request tomorrow? I imagine a lot of the members may have gone home because of the weather and other factors.

Mr. ALLEN. I just wish to make sure that there is a yea-and-nay vote, and that it is not passed by a voice vote during some lull in the proceedings.

Mr. MANSFIELD. I agree with the Senator, and I assure him that his rights will be protected.

Mr. ALLEN. I appreciate the assurance of the majority leader.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What time do we come in tomorrow?

The PRESIDING OFFICER. There is an order that the Senate convene at 10:30 a.m.

ADJOURNMENT UNTIL 10:30 A.M.

Mr. MANSFIELD. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in adjournment until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:20 p.m. the Senate adjourned until tomorrow, Tuesday, December 3, 1974, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate December 2, 1974:

THE JUDICIARY

James M. Fitzgerald, of Alaska, to be U.S. district judge for the district of Alaska vice Raymond E. Plummer, retired.

James P. Churchill, of Michigan, to be U.S. district judge for the eastern district of Michigan vice Stephen J. Roth, deceased.

H. Dale Cook, of Oklahoma, to be U.S. district judge for the northern, eastern, and western districts of Oklahoma vice Luther L. Bohanon, retired.

CORPORATION FOR PUBLIC BROADCASTING

Jack J. Valenti, of Texas, to be a member of the Board of Directors of the Corporation for Public Broadcasting for the remainder of the term expiring March 26, 1976, vice Irving Kristol.

ENERGY RESEARCH AND DEVELOPMENT

Robert C. Seamans, Jr., of Massachusetts, to be Administrator of Energy Research and Development; new position.

ENVIRONMENTAL PROTECTION AGENCY

Wilson K. Talley, of California, to be an Assistant Administrator of the Environmental Protection Agency, vice Stanley M. Greenfield, resigned.

FEDERAL ENERGY ADMINISTRATION

Frank G. Zarb, of New York, to be Administrator of the Federal Energy Administration, vice John C. Sawhill, resigned.

NATIONAL CREDIT UNION BOARD

Kathryne Ford Vachon, of Florida, to be a Member of the National Credit Union Board for the remainder of the term expiring December 31, 1978, vice Lorena Causey Matthews, resigned.

NUCLEAR REGULATORY COMMISSION

William A. Anders, of Virginia, to be a member of the Nuclear Regulatory Commission. (New position)

RAILROAD RETIREMENT BOARD

Neil P. Speirs, of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1974. (Reappointment)

IN THE ARMY

The following-named officers for promotion in the Army of the United States under the provisions of Public Law 92-129:

ARMY PROMOTION LIST

To be colonel

Abercrombie, Edward, 258-36-8723.
Absher, Richard L., 342-22-9072.
Adams, Basil R., 003-12-8058.
Adsit, Charles C., 188-24-8295.
Adsit, John M., 397-28-2973.
Aguanno, Edwin M., 122-20-5324.
Albright, Anthony F., 155-24-0827.
Allaire, Christop E., 022-24-9633.
Ament, Richard G., 552-42-3251.
Anderson, George B., 565-38-0233.
Archibald, Norman E., 549-36-1583.
Arciero, Robert G., 038-20-1404.
Ashworth, Servetus, 008-22-6913.
Austin, Freddie C., 262-32-9916.
Bacon, Willis G., 462-42-1158.
Badovinac, Nick J., 565-16-6996.
Bailey, George A., 044-24-9690.
Baker, Jack E., 514-20-6038.
Ballard, Lowell L., 240-30-0847.
Barker, Llyle J., Jr., 282-30-5149.
Barlow, Keith A., 231-36-9522.
Bartlett, Gerald T., 549-40-1608.
Barton, Robert H., 223-36-5556.
Bartos, Robert E., 316-24-7209.
Bartron, Hubert K., 541-26-3184.
Basha, Robert T., 248-56-8370.
Baxter, George M., 530-16-1229.
Bearden, Winston H., 427-64-2290.
Bell, Glenn N., 521-42-9083.
Beizt, Charles A., Jr., 172-26-0002.,
Benfer, Richard H., 215-28-6360.
Benn, Clark H., 136-32-5529.
Berg, Roland E., 473-28-3366.
Bergeson, Delreed, 519-32-2251.
Berry, Fred C., Jr., 331-24-2308.
Bickston, Walter J., 078-24-8171.
Bills, Arthur D., 057-24-4957.
Bishop, Ted E., 277-28-5319.
Bjorn, Edward D., 131-22-8492.
Blagg, Thomas E., 429-54-0528.
Blahna, Gary L., 561-44-8120.
Blahuta, Norman G., 454-38-6170.
Boden, William C., 140-24-2298.
Boehnke, Roger H., 485-22-6347.
Boose, Gordon D., 205-22-6321.
Borum, William S., 499-32-5237.
Bouffard, Robert L., 198-24-8174.
Bowman, Ronald N., 008-20-5811.
Boyd, William P., 245-60-8251.
Boyle, Dennis M., 178-24-9662.
Bradshaw, Jack O., 316-36-1251.
Bramblet, William B., 315-28-2755.
Brashears, Bobby F., 400-42-4368.
Bringham, John L., 549-32-8098.
Brinton, John R., 518-26-1546.
Brock, Mervin E., 544-26-5802.
Brogi, David M., 053-28-8480.
Brooks, Buford, 417-38-5219.
Brown, Dallas C., Jr., 299-28-6134.
Brown, Sam A., 527-34-0399.
Browne, Roger J., 225-34-2414.
Buckley, Paul R., 023-24-1154.
Bullock, Victor T., 442-32-7043.
Bunker, Robert M., 031-30-2292.
Burbach, Frederick, 507-30-1460.
Burbules, Peter G., 352-24-3958.
Burns, William F., 161-28-1817.
Bush, Emory W., 239-40-7506.
Bussey, Charles D., 579-38-4703.
Butler, Joe C., 463-40-4467.
Callaway, Luke L., Jr., 408-54-6085.
Caron, John A., 502-22-3967.
Carr, Robert F., 254-44-8234.
Carroll, William F., 087-26-3397.
Carter, Leonard E., 559-36-7072.
Chambers, Andrew P., 578-38-2372.
Chambers, John A., 503-30-5170.
Chandler, Edwin W., 224-40-5021.
Chandler, James D., 407-38-9413.
Chesbro, John S., 019-22-8644.
Chikalla, Gerald G., 399-26-0820.
Chomko, Gene N., 192-24-8987.
Christenson, Willar, 506-36-2087.
Chritton, William R., 498-36-4236.
Clark, Davis, 425-46-2986.
Cocke, Eugene R., 238-44-0212.
Coggins, James E., 256-38-5813.
Coleman, Alton H., 254-46-0407.
Collins, Harold E., 242-38-8382.
Corbin, Delmar L., 481-24-9796.
Cottle, Robert E., 235-40-8838.
Crancer, John W., 514-40-3555.
Crisp, William H., 258-38-5969.
Croft, John A., 207-26-8153.
Crook, George R., 465-36-6197.
Cuthbertson, Robert, 040-28-2599.
Cutolo, Edward P., 110-24-5186.
Dambrauskas, Vincent T., 386-32-3884.
Dandridge, James T., 421-36-8671.
Daniels, Geoffrey M., 140-24-0584.
Darling, Sterling P., 462-40-4828.
Davis, James M., 237-48-1174.
Davis, Roger K., 540-36-6500.
Davis, Sidney, 161-22-4887.
Davis, Willie L., 246-40-7704.
Dawkins, Peter M., 385-32-5992.
Day, Frank L., 229-42-6141.
Defatta, Vincent P., 439-44-2903.
Dehrkoop, Clinton B., 525-60-1961.
Deitch, Raymond, 197-24-8338.
Delandro, Donald J., 433-48-7552.
Delaney, Robert F., 067-26-8514.
Denman, Jerry L., 428-50-1986.
Dettmar, Richard P., 076-22-6123.
Devers, John P., 161-26-0440.
Dewey, Desmond D., 043-24-9016.
Dewitt, William W., 327-24-3424.
Dillon, Gregory P., 526-30-5057.
Dinardo, Nicola, 199-28-0788.
Dirmeyer, Robert P., 462-40-5629.
Dister, Arthur C., Jr., 293-26-9326.
Dixon, Herbert M., 462-44-4994.
Dockler, Gordon S., 513-24-6670.
Donohue, John E., 139-22-1442.
Doty, Daniel W., 532-28-3751.
Dozier, James L., 261-42-4071.
Drexler, Charles H., 257-48-3800.
Driscoll, Paul C., 516-26-9929.
Drudik, Robert L., 398-28-1145.
Druit, Clifford A., 442-30-1785.
Dugan, John E., 076-22-4253.
Dunaway, Roy S., 255-40-9418.
Durkin, Michael J., 194-26-7694.
Edgar, James S., 136-32-5228.
Ellis, Alvin C., 420-52-8631.

Ellison, Henry L., 249-50-8420.
English, Don C., 432-58-9696.
Engram, Edwin J., 231-24-0226.
Enloe, James A., 439-44-5727.
Epling, William Y., 220-28-7215.
Farmer, Douglas H., 242-38-6910.
Farrar, John H., Jr., 214-34-6686.
Faulk, Emmett A. L., 250-40-1296.
Fernander, Bobbie B., 260-44-3525.
Finehout, Arthur W., 047-20-7655.
Finkbiner, Glenn G., 466-38-9327.
Fisher, Paul D., 239-46-1932.
Fitch, John B., 156-20-9534.
Fitzpatrick, William, 281-28-1253.
Flenniken, David B., 449-44-7914.
Flynn, Thomas J., 083-22-9818.
Forrell, William J., 235-44-4697.
Forte, Johnie, Jr., 458-50-7790.
Foss, John W., 472-32-7251.
Foster, Howard R., 448-18-1260.
Fox, Eugene, 125-26-0142.
Fox, Frederick W., 235-48-0501.
Franseen, Leonard R., 439-44-2411.
Frederick, William, 073-28-6799.
Freimark, Gaillard, 270-24-2625.
Fry, Dudley L., 551-36-1397.
Fuchigami, Harry H., 575-30-5687.
Fust, John W., Jr., 403-40-2212.
Gabbert, Howard M., 570-48-8796.
Galloway, Frederick, 579-40-9090.
Ganahl, Joseph, 287-26-8044.
Garretson, Edmund S., 041-26-7375.
Gazlay, John C., 263-40-1116.
Geesey, Edwin P., 185-26-1429.
Getz, Charles E., 021-28-9732.
Gheen, John W., 471-30-9988.
Gibson, Mack L., Jr., 249-44-3681.
Gilmore, Joseph R., 425-58-6798.
Glover, Alfred P., 256-40-7192.
Gomez, Robert M., 440-28-5944.
Gosney, Robert R., 455-46-8938.
Grace, William P., II, 574-12-9306.
Graham, Tasman L., 518-38-7604.
Graham, Todd P., 365-32-5614.
Grant, John C., 003-22-6055.
Graves, James R., 432-56-0603.
Graves, Richard G., 305-36-5367.
Green, David E., 419-38-5729.
Griffin, Richard W., 402-36-4146.
Gruen, Robert W., 488-32-0624.
Grummt, Otto C., 187-24-5182.
Guthrie, Edward R., 414-46-9505.
Hall, James R., Jr., 422-42-5563.
Haller, Douglas L., 222-16-5959.
Hallmark, Robert C., 467-48-0557.
Halsey, Milton B., 514-40-3593.
Hamilton, John M., 579-36-6419.
Hanmer, Stephan R., 226-42-8887.
Hannas, Robert, 065-24-5124.
Harman, Asher W., Jr., 229-40-3405.
Harrell, Wilford R., 427-42-4864.
Harris, Loston, 453-44-5276.
Harrison, William H., 400-42-2736.
Hathaway, Warren A., 007-30-3467.
Haywood, Willie M., 243-44-2169.
Hearn, Jerry L., 258-46-4019.
Hegdahl, James O., 504-26-6147.
Hellmuth, Harry E., 326-24-3929.
Hesson, James M., 476-26-8437.
Hickman, Jere L., 413-38-9025.
Hilbert, Donald C., 099-24-3255.
Hill, Michael E., 509-26-8925.
Himmel, Daniel L., 076-22-2430.
Hincke, John I., 586-60-2842.
Hoagland, David O., 059-26-5730.
Hock, Robert C., 166-26-6926.
Hodges, Charles E., 411-48-7263.
Hoey, Stanislaus J., 428-58-5757.
Hoffert, Charles E., 579-48-9404.
Hoffman, Howard J., 202-24-1289.
Holt, Daniel R., 423-42-3840.
Honsinger, Larry E., 481-30-1565.
Horan Michael J., 468-24-0763.
Horst, Thomas G., 387-28-5077.
Houser, Houston P., 579-46-0568.
Howe, Robert H., 247-52-1522.
Huhn, John N., 124-26-8850.
Hunt, Larry H., 245-52-1923.
Ihara, Les S., 576-22-7829.
Jackson, James C., 261-38-3751.
Jacobs, Irwin M., 566-46-2819.
Johnson, John C., 413-48-9566.
Johnson, William D., 526-38-2269.
Jones, Warren A., 415-44-6963.
Kattar, Richard J., 011-22-0191.
Kause, Kaye D., 298-26-2419.
Kelley, William B., 218-24-0034.
Kells, Robert A., 157-24-4518.
Kelly, Thomas W., 207-26-7144.
Kem, Richard S., 310-34-8520.
Klein, William E., 423-34-1779.
Knight, Emmett F., 536-26-0786.
Knoff, Edward M., Jr., 408-46-3489.
Koloski, John J., 106-28-9824.
Komornik, Ronald G., 386-24-3287.
Krause George W., 199-12-2421.
Lally, Michael J., Jr., 566-40-7866.
Larkin, Phillip, 482-30-0717.
Laseau, Joseph N., 373-30-7822.
Lawson, Warren G., 485-30-6503.
Lay, Gibert R., 453-36-1305.
Leach, Ercie J., 401-40-4249.
Leard, Robert E., 579-52-8484.
Lee, Ray H., 516-26-9773.
Legener, Richard G., 395-26-0596.
Lemanski, Ronald J., 395-24-9425.
Leva, Neil I., 453-36-9564.
Levanger, John C. 529-52-1823.
Littlefield, Richard 056-30-5282.
Livingston, Allen C., 249-40-6552.
Lloyd, Luther R., 273-28-4945.
Lockridge, Robert W., 408-52-6792.
Long, Arthur W., 523-36-5852.
Long, John E., 441-36-9904.
Lott, Kirby J., 316-40-2316.
Lovett, John A., 296-28-0472.
Lucke, David B., 373-32-1258.
Ludwig, Daniel D., 332-24-7680.
Luster, Albert B., 434-42-7997.
Lutz, Joseph C., 308-30-5139.
Lykke, Arthur F., Jr., 531-30-1239.
Mackey, William C., 449-48-6903.
Maddox, Bobby J., 443-34-7942.
Maher, Kevin L., 103-26-2065.
Malone, Albert W., 444-28-8489.
Mansfield, Tommy M., 439-44-7949.
Marchioli, Alexander, 110-22-9024.
Marder, Everett J., 018-22-8879.
Marko, George F., 360-24-3976.
Martin, Jesse H., 200-22-1990.
Martin, John R., 315-30-6105.
Mason, Elijah F., 243-44-4321.
Mathison, Theodore, 468-34-9475.
Matsumoto, Glenn K., 506-30-3179.
Matthews, Church M., 577-44-3067.
Mayhew, Charles H., 250-52-2995.
Mays, George G., 265-30-6510.
McCall, James F., 189-28-0974.
McCarthy, James F., 342-26-3298.
McCarthy, John W., 188-24-3016.
McClain, Terrence W., 046-24-1433.
McCormick, Richard, 508-36-7431.
McDonald, Payton R., 424-32-6432.
McGee, Carl D., 447-34-1877.
McGraw, John F., Jr., 242-44-3841.
McGregor, John E., 321-26-8669.
McGurl, Peter W., 016-24-9583.
McHugh, Thomas E., 039-20-9291.
McKee, Richard W., 318-26-2563.
McKinney, Leon E., 410-44-9565.
McManus, Richard J., 155-22-4228.
McNall, Jack G., 183-24-8224.
McNamee, Alfred A., 266-42-0729.
McNider, Henry B., 421-38-0079.
McQueen, James T., 249-34-8878.
Meister, Melvin E., 504-28-7958.
Merklinger, George, 389-24-4884.
Merrick, Philip B., 323-22-5952.
Messer, Hollis D., 421-46-0215.
Miller, James R., 491-30-6593.
Miller, James R., 223-38-1647.
Mitchell, Glenn W., 461-40-0526.
Mitchell, John H., 577-44-2713.
Monteith, Gerald E., 501-28-1765.
Moore, George D., Jr., 013-24-4641.
Moran, Conrad V., 003-18-9751.
Moran, John F., 010-22-3919.
Morelli, Donald R., 181-26-7434.
Moseley, Robert L., 247-50-7606.
Mullen, Jack. L., 133-24-3264.
Mullins, Thomas E., 524-32-1969.
Munn, William R., 284-30-0066.
Nack, Thomas P., 500-30-3304.
Narus, William E., Jr., 450-68-6126.
Newton, George F., 036-22-7106.
Nicholson, John W., 480-28-2904.
Nidever, Richard L., 573-36-5830.
Nix, Eddie M., 439-44-7505.
Norbo, Gary J., 516-38-2130.
Nuckolls, Donald R., 527-36-5427.
Odom, William E., 410-64-2620.
O'Neil, Henry R., 035-22-4527.
Ordway, Roderic E., 578-48-2182.
Oshei, Donald M., 092-24-3490.
Owel, William R., 362-30-0780.
Pagano, Edward G., 574-10-0734.
Page, George W., 535-38-2152.
Palmer, Dave R., 460-64-5096.
Palmer, John L., 424-38-0734.
Palmer, Warren T., 283-22-9038.
Panzer, Donald F., 380-30-9322.
Parchinski, Edward, 123-26-6169.
Parini, Romano J., 554-36-5931.
Parker, Don L., 404-44-5848.
Parker, John R., 461-52-5051.
Parker, Julius, Jr., 459-50-6028.
Parlas, Joseph L., 207-22-6055.
Passmore, Edwin E., 040-26-8877.
Pate, Robert I., 404-36-2801.
Patnode, Clarence A., 112-24-8174.
Pattakos, Arion N., 153-24-0343.
Paul, William V., 064-22-7888.
Pearson, Hampton R., 231-16-8001.
Pelham, Wendall L., 563-36-3969.
Penny, H. Glenn, Jr., 227-34-0071.
Peters, Billy, 410-42-4061.
Petitt, Homer, Jr., 458-28-7920.
Poel, David J., 368-30-2762.
Pole, Frederick R., 458-42-8046.
Pospisil, Vladimir, 453-50-7787.
Powell, Colin L., 113-28-4024.
Powers, George F., Jr., 257-38-9936.
Prather, Charles G., 521-42-2096.
Prescott, Warren T., 265-42-4307.
Price, Roger J., 429-56-0953.
Priore, Fortunato R., 101-28-5585.
Putnam, Carl M., 249-42-3871.
Quinn, Hugh J., 114-24-2340.
Rabin, Ronald J., 080-24-6400.
Rackley, Jerry D., 453-38-3502.
Ransone, James F., Jr., 235-48-4323.
Rappaport, Richard, 043-24-3544.
Ray, James W., 412-46-9379.
Ray, Robert L., 097-28-8081.
Rayl, Wallace I., 301-28-2167.
Reeves, Donald W., 353-24-0420.
Rhode, Michael, Jr., 249-46-3833.
Rice, Harley E., 271-30-4259.
Ridgway, John J., 514-20-5497.
Ripple, Larry M., 465-40-1653.
Riscassi, Robert W., 042-28-4021.
Robertson, George R., 258-50-8463.
Rogers, William R., 544-32-3254.
Rose, Harold P., 463-40-7503.
Rose, Robert S., 192-22—4088.
Ross, Jimmy D., 431-60-9422.
Routh, Elmer L., 523-26-3312.
Rowan, George R., Jr., 577-46-4188.
Rowe, Alvin G., 480-26-8577.
Rudd, William C., 224-38-5985.
Rudrow, Robert G., Jr., 222-18-5478.
Rush, Karl C., 183-26-9531.
Rushkowski, Edward, 211-24-7816.
Russell, James F., 432-50-3637.
Ryan, James P., 045-24-7149.
Rydel, Albert S., 207-26-7727.
Savoldi, William R., 311-32-6632.
Sawey, James W., 525-62-7099.
Schaefer, John R., 286-28-3601.
Scheikert, Paul, Jr., 321-34-0873.
Schmidt, Charles E., 269-30-5304.
Schober, Frank J., Jr., 552-44-3199.
Scholz, John C., 213-32-5184.
Schwarzkopf, H. Norman, 144-26-7662.
Scott, Jerry C., 441-32-9567.
Search, Charles T., 084-26-7145.
Selig, William L., 500-32-5569.
Sexton, Herman L., 430-58-2961.
Shalikashvili, Otha, 321-34-2031.
Shamblee, Curtis G., 416-38-1757.
Shannon, John W., 402-42-2616.
Sheider, Augustus L., 246-34-1458.

Shirey, James C., 198-24-5949.
Shirley, Frank R., 247-48-8371.
Sink, Herbert T., 243-44-9445.
Sisinyak, Mark J., 376-40-7001.
Sloan, James H., Jr., 465-42-0915.
Smart, Ernest A., 007-26-0038.
Smiley, Philip, 248-42-8927.
Smith, Dan R., 397-24-6119.
Smith, James L., Jr., 262-42-0052.
Smith, John A., 215-28-2035.
Smith, Lowell G., 348-26-7239.
Snodgrass, John C., 412-64-8485.
Snyder, Quay C., 161-20-4177.
Spain, Harold D., 432-42-6757.
Spencer, Bryan S., 461-54-7942.
Spencer, William H., 425-44-3215.
Spero, Paul G., 050-24-7555.
Speth, Gerald L., 529-38-5446.
Springman, Robert W., 529-36-3819.
Spruill, Joseph L., 239-46-0356.
Stallard, James E., 410-64-3624.
Stallings, Joseph L., 151-20-5164.
Stevens, Ronald J., 150-26-2757.
Stevenson, Harry K., 140-24-4362.
Stiner, Carl W., 412-54-9881.
Stokes, William M., 223-40-6504.
Street, Clover B., Jr., 214-30-6510.
Streett, William B., Jr., 429-44-6911.
Sullivan, Robert P., 062-26-3389.
Sullivan, Roland R., 074-22-1404.
Svirsky, William R., 016-24-0071.
Sweede, Jack E., 285-24-7499.
Templeton, James L., 251-38-1996.
Thomas, David L., 295-28-9151.
Thomas, John A., 576-24-0521.
Thompson, Bill T., 461-38-4540.
Thompson, Robert S., 520-26-9204.
Thorpe, John C., 075-24-5641.
Tinsley, Philip, Jr., 048-22-4368.
Tolbert, James R., 247-40-7073.
Trevethan, Alexander, 396-26-6620.
Tripp, Richard L., 277-28-3255.
Tuck, John S., 019-24-9237.
Turner, James J., 463-34-3221.
Underhill, Victor S., 553-32-0405.
Ushijima, Ronald R., 575-34-4267.
Vanden, Bosch J., 397-28-2053.
Vaughn, Luther C., 262-46-2153.
Vavra, George R., 570-38-7212.
Vinson, Newell E., 213-22-2162.
Vornsand, Glenn E., 462-44-5024.
Wakefield, Jack E., 327-24-4265.
Waldron, Edward E., 360-16-2350.
Walton, Frank G., 152-22-3512.
Ward, Gayle G., 436-42-3826.
Ward, Stanley D., 228-36-0495.
Washer, Robert J., 338-26-0597.
Wasko, Frank J., 512-26-2403.
Weafer, William J., 025-24-9135.
Weathers, John T., 415-38-7257.
Weaver, Richard L., 435-44-7702.
Weckerling, John H., 577-46-3939.
Weinstein, Leslie H., 449-64-5110.
West, Arvid E., 389-32-1909.
Whalen, Donald P., 224-52-4500.
Whiddon, Orren R., 464-52-8938.
Whipple, Winthrop J., 002-22-6232.
White, James S., 295-26-8374.
White, Ulysses X., 262-30-5412.
Whittaker, Howard C., 226-38-8392.
Wilkie, James B., 247-42-6479.
Wilks, Clarence D., 540-30-2990.
Williamson, Rayburn, 348-24-9503.
Willner, Larry E., 051-24-0334.
Wilmes, John J., 473-30-2724.
Witter, Robert A., 282-26-0612.
Witteried, Peter F., 322-26-3728.
Wix, William M., 221-20-0439.
Woerner, Frederick, 191-26-8730.
Woith, Francis E., 320-24-1645.
Woodall, James R., 466-34-7556.
Woods, Stephen R., Jr., 415-52-0442.
Wright, Elden H., 233-42-8745.
Yore, Joseph A., 157-22-9641.
Young, Raymond H., 448-30-3009.
Zabcik, Franklin M., 458-52-7771.
Zion, Robert B., 516-38-4779.

CHAPLAIN CORPS

To be colonel

Alder, Louis G., 520-18-9568.
Day, Roland F., 228-42-0913.
Degi, Joseph, Jr., 301-16-6787.
Howerton, Robert B., 431-42-8330.
Stevey, John E., 171-26-0434.
Straub, Frederick W., 060-24-5247.

WOMEN'S ARMY CORPS

To be colonel

Williams, Mary R., 217-28-3457.

DENTAL CORPS

To be colonel

Belenky, Michael M., 384-34-6266.
Bjorngjeld, Paul S., 476-36-5809.
Bowles, William F., 412-58-0685.
Brown, John S., 303-28-4821.
Byzewski, Lewis R., 502-32-0064.
Cohen, George R., 101-24-5763.
Endicott, William R., 509-28-0736.
Freeny, Robert H., 426-58-2215.
Greene, James H., 187-22-3614.
Grove, Henry F., III, 387-30-2105.
Kau, Leon Y., 575-28-0344.
King, Billie C., 415-40-6915.
Levin, Marvin P., 219-34-2243.
Lewis, Jack A., 379-30-8275.
Loke, Michael W., 225-44-1909.
Mullins, Billy P., 414-26-1713.
Rice, Jack D., 301-26-9574.
Shell, Doran D., 726-18-2931.
Stegman, Donald D., 214-42-0357.
Watts, Thomas R., 516-42-5529.

MEDICAL SERVICE CORPS

To be colonel

Allgood, Gerald D., 440-32-7049.
Beach, Douglas J., 570-40-9205.
Beckley, Leander K., 576-24-3039.
Brissee, John A., 389-32-8933.
Chapin, George E., Jr., 029-20-2705.
Christ, Charles E., 159-30-8839.
Eldridge, Bruce F., 551-42-7121.
Girone, Gerard M., 088-24-7829.
Green, Bruce E., 373-26-6720.
Hille, Robert A., 047-24-7562.
McWilliam, Robert D., 554-40-7078.
Miller, Henry T., 213-30-9107.
Miller, Vandy L., 232-44-0027.
Muntz, David C., 364-32-3459.
Otterstedt, Charles, 479-40-3435.
Scott, Richard H., 554-40-5032.
Silvernale, Douglas, 477-32-4073.
Stoltz, Richard B., 492-32-7847.
Wood, Theodore D., 184-24-7322.

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Hammil, Janet A., 534-24-2471.

VETERINARY CORPS

To be colonel

Stewart, Roland Ray, 283-26-9611.

ARMY NURSE CORPS

To be colonel

Barcus, Billie J., 463-24-0270.
Garlick, John B., 068-20-8127.
Moynahan, Hannah S., 001-24-5274.

MEDICAL CORPS

To be lieutenant colonel

Benson, William L., 542-44-8864.
McCarty, Garland E., 435-60-7702.
Parry, William H., 313-36-7917.
Prall, Robert H., 145-28-9497.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

ARMY PROMOTION LIST

To be major

Collier, William P., 225-42-1866.
Cook, Jay C., 519-44-0203.
DeYoung, Clarence M., Jr., 267-42-6674.
Fletcher, Tyrone P., 267-52-7293.
Johnson, Bruce G., 382-34-8061.
Kintigh, Jerry L., 514-36-3078.
May, James L., 241-56-1903.
Quamo, George, 055-32-8806.
Sheets, Jon R., 234-58-2849.
Silveria, Donald C., 464-56-1715.
Sinclair, James V., 247-50-1213.
Smith, Floyd D., 556-40-1426.
Steen, Robert S., 424-50-6195.
Vickers, George F., 234-56-2672.
Weikle, Robert W., 234-56-7370.
Williams, Charles E., 212-32-7378.
Woodward, Joe L., 457-48-3173.

CHAPLAIN CORPS

To be major

Vaughn, Curry N., Jr., 400-48-7250.

ARMY PROMOTION LIST

To be captain

Angsten, Joseph J., Jr., 137-36-8748.
Bartley, Randall B., 532-38-9695.
Booth, Lawrence R., 230-52-2296.
Bowden, Gerald, 450-66-2916.
Brown, Bradley N., 546-66-8592.
Cathey, Theodore F., 576-34-6005.
Champlain, Robert A., 568-46-5987.
Collins, Van A., 465-56-0022.
Corley, Milton D., 265-62-0935.
Crenshaw, Chauncey F., 230-58-7191.
Davis, Gaylerd E., 246-76-7328.
DePue, John F., 158-34-7819.
Finklea, Alfred M., Jr., 249-72-7813.
Fritz, Harold A., 349-40-0227.
Gibbons, Thomas U., 058-32-5879.
Green, Kirby L., 515-40-7176.
Hanson, Peter B., 033-32-3578.
Harrington, Peter B., 024-32-7875.
Hartley, Charles R., 422-52-5642.
Harvey, Noel M., 574-14-7692.
Hillmer, Norval J., Jr., 520-46-3261.
James, Richard J., 499-46-5732.
Jones, James M., Jr., 215-38-1600.
Kondik, William T., 204-32-7435.
Kunzman, Anthony T., 387-42-3738.
Latta, Byron F., 512-40-9403.
Locastro, Dominic J., 497-44-4134.
Madison, James F., 235-66-1177.
Maxwell, Calvin W., 585-03-1292.
McLain, Ford R., 104-34-2616.
Mendes, Paul P., 151-36-5662.
Morgan, David T., Jr., 171-36-5264.
Morgenstern, Michael E., 556-52-9822.
Niles, David P., 006-40-8239.
O'Connell, David L., 007-42-7308.
O'Connor, Joseph W., 477-52-0811.
Ory, Ronald R., 345-34-3434.
Parker, James O., III, 261-78-0992.
Platt, Richard W., Jr., 155-34-3684.
Raether, James G., 388-44-4111.
Rivest, Joseph R., 124-34-6732.
Roberson, Gary F., 240-68-3299.
Rue, William K., 136-40-1791.
Rzonca, Raymond J., 349-36-4964.
Salvatore, Ronald A., 119-32-6292.
Schnabel, James D., 466-64-9671.
Schock, Thomas W., 384-40-2292.
Schrader, Robert F., 114-32-0383.
Semon, Richard, 142-36-7582.
Shields, Buren R., II, 529-64-7239.
Shiffert, Alvin M., Jr., 146-36-9302.
Smith, James B., 503-50-4645.
Smith, Thurman R., 263-96-0996.
Stafford, Edward P., Jr., 577-58-3839.
Sullivan, Bloomer D., 441-42-5119.
Tallman, James A., 180-36-5221.
Tarpley, John J., 246-68-7378.
Tarpley, Richard W., 457-66-5982.
Tsutsumi, Susumu, 538-38-0774.
Weeks, Howard R., 465-58-8742.
Zepko, John J., 118-34-6322.

The following-named officers for promotion in the Regular Army of the United States under the provisions of title 10, United States Code, sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Leskiw, Myron J., 221-36-3642.
Leigh, James F., 178-38-7236.

Miller, Stephen C., 483-64-2580.
Russell, Eric J., 272-44-3518.
Ruth, Dennis R., 532-42-8030.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 2, 1974:

DEPARTMENT OF STATE

Charles W. Robinson, of California, to be Under Secretary of State for Economic Affairs.

Frank C. Carlucci, of Pennsylvania, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

Theodore R. Britton, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Grenada.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

Air Force nominations beginning Max L. Abram, to be major, and ending Hubert E. Wrenn, to be major, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 2, 1974.

Air Force nominations beginning Col. William A. Orth for appointment as permanent professor, U.S. Air Force Academy, and ending Robert S. Watt, to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 3, 1974.

IN THE MARINE CORPS

Marine Corps nominations beginning Roberta M. Baro, to be captain, and ending James G. Zumwalt II, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 2. 1974.

Marine Corps nominations beginning Kenneth W. Dixon, to be second lieutenant, and ending Robert M. Hall, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 7, 1974.

Marine Corps nominations of Terrance M. Fortman, to be second lieutenant, and Tommy A. Harmon, to be chief warrant officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 7, 1974.

The nomination of John R. Bourgeois, U.S. Marine Corps, to be first lieutenant, which nomination was received by the Senate and appeared in the CONGRESSIONAL RECORD on October 15, 1974.

IN THE DIPLOMATIC AND FOREIGN SERVICE

Diplomatic and Foreign Service nominations beginning Lillie Levine, for reappointment as a Foreign Service officer of Class three, a consular officer, and a Secretary in the Diplomatic Service of the United States of America, and ending Larry G. Millspaugh to be a consular officer of the United States of America, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 18, 1974.

EXTENSIONS OF REMARKS

POLISH DAILY NEWS—70TH ANNIVERSARY

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 26, 1974

Mr. NEDZI. Mr. Speaker, the Polish Daily News of Michigan has long been one of the most distinguished foreign language newspapers in the United States.

At a time when the foreign language press is slowly shrinking in number, the Polish Daily News has continued to maintain its vigor and its excellence due in essential measure to the outstanding talents and energy of two extraordinary men, Mr. Stanley Krajewski, vice president and editor in chief, and Mr. Adam Sarnacki, president and general manager. Speaking personally, the Polish Daily News, Dziennik Polski, is one of my favorite newspapers.

On October 23, 1974, the Polish Daily News celebrated its 70th anniversay with a banquet at the Polish Century Club in Detroit, Mich. The keynote speaker was Col. George H. Janczewski, U.S. Air Force. Colonel Janczewski was born in Poland, was a member of Poland's wartime underground army and fought in the famous Warsaw uprising of 1944. He immigrated to the United States, where he joined the U.S. Air Force in 1951. He served in Air Force intelligence assignments and subsequently taught Russian and German at the U.S. Air Force Academy culminating his career there as professor of foreign languages. He is currently a senior research fellow of the Strategic Research Group, the National War College where he specializes in Soviet and East European affairs.

Colonel Janczewski's wide experience in the area of East-West relations makes him an eminently qualified commentator on Polish-United States relations and I include his thoughtful and provocative remarks in the RECORD for the benefit of my collegues:

SPEECH OF COL. GEORGE H. JANCZEWSKI

It is a distinct honor for me to be here with you to celebrate the 70th Anniversary of the Polish Daily News, a newspaper which gave me my first start here in 1947 when I arrived in the United States as a young emigrant from Europe.

An ethnic newspaper which survives 70 years in America is a rarity and a testimony not only to a skillful management but especially to the support of thousands of readers who for decades persevered in retaining their Polish heritage, the traditions, and, most of all, the Polish language.

I would like to talk to you today about Poland, about the Polish-Americans, and about the future. Some of you may find my remarks controversial. If you do, I only ask that you examine these remarks against the current realities and against certain historical perspectives.

Ever since the Conferences of Teheran and Yalta, the Polish-Americans have adopted a negative attitude toward the Communist Government of Poland. In the decades gone by, we the Americans of Polish extraction have loyally supported our government in its anti-Communist posture. We disapproved of the Soviet domination of Poland, we disapproved and we criticized the lack of freedom in Poland and the failure of the Soviet Union to live up to its promises to hold free and unfettered elections in Poland. But what we disapproved most of all was the wanton terror in Poland under Stalinism when Poles persecuted Poles, and when the revolution from above wrought havoc in all echelons of society, when thousands of patriotic Poles were imprisoned, tortured and killed because their political orientation was not Communist.

We were full of protests and denunciations even against our own American government when it failed to resurrect a free and an independent Poland, as if we really believed that Poland was the conscience of the nations or the center of the world. The world, however, faced a more formidable array of tasks. The war-torn and devastated countries needed rebuilding and feeding. The menace of communism threatened to fill the vacuum in countries where hunger and destruction, and collapse of governments created fertile grounds for revolutions.

America faced the challenge and responded with a massive assistance to our former allies and enemies alike. Through the Marshall Plan and countless other loans and gifts, through massive economic assistance, Europe and Asia, with the help of their own people, recovered to prosper and to organize an effective defense community against the advance of communsm and Soviet expansion. Today, the North Atlantic Treaty Organization with its American nuclear umbrella is a formidable deterrent against Communist aggression. It is this alliance and the system of other collective security arrangements in which the United States plays a major role, which have been able to deter the Soviet Union from further expansion. In Korea, in Berlin, in Cuba, in Vietnam, and in the Middle East, the United States attempted to contain communism and to arrive at compromises designed to reduce tensions and to stop armed confrontations whenever and wherever they developed. In our policy of detente, we have also improved our relations with the People's Republic of China.

In the meantime, the Soviet Union which extended its control over Eastern Europe after World War II has learned that, while the acquisition of the empire might have been relatively easy, keeping control of the satellites was becoming increasingly difficult. In the last decades seven out of the former eight of the Soviet satellites attempted at one time or another to pursue a course different than the one dictated by Moscow. Poland is one of those nations. First in Poznan in June of 1956, then again in October of 1956, the Polish workers and students demanded and succeeded in being allowed to pursue their own national road to socialism. Gomulka, and with him many other socialist leaders, have learned that if they want to survive they must strike a balance between satisfying the demands from Moscow and those of their own population. The Polish workers of Szczecin and Gdansk gave the most recent proof of that formula when their strikes and demonstrations toppled Gomulka and brought Edward Gierek to the leadership.

In the recent decades the Polish-American relations have undergone significant improvements. In fact, of all the countries of Eastern Europe, Poland's relations with the United States are the best.

I have recently visited Warsaw, Bucharest, Sofia, Belgrade, Budapest and Prague, on an official trip. I talked with officials and private citizens, and had opportunities to compare one country with another.

To be sure, Moscow's control of the East Europeans is still formidable but much of the cohesion and solidarity of the "socialist camp" has eroded. Poland itself is a contradiction in theory and practice of communism. The government reconstructed a great number of old historical churches destroyed during the war in Warsaw. The Catholic religion embraced by an overwhelming percentage of the Poles for centuries continues to be practiced with overflowing churches for Sunday services. Recent rapprochement between Warsaw and Vatican could well end in a concordat between the two states which incidentally characterized the pre-war Poland's relations with the Vatican. Over 80 percent of the arable land in Poland is privately owned. Among the socialist states in Eastern Europe, Poland is the only country where collectivization was reversed. There are some private shops and even small private manufacturing enterprises. Terror seems to have disappeared. Gierek's loyalty to Moscow in foreign policy permits Poland to follow its own course in internal affairs. While in other countries of Eastern Europe, a visitor is exposed to frequent sights of placards and banners proclaiming the eternal friendship with the Soviet Union, in Poland such slogans are rarely found and huge portraits of Gierek are nonexistent. While all military uniforms of other East European armed forces are adorned by a red star, such stars are absent from Polish uniforms; in their place is the Polish national emblem, an eagle. The militia seem polite, are said to be well educated, and are well dressed. There is even a certain latitude in the press and in the other media.

Periodically, there is a purge of some editors, as was recently the case with several hundred national television personnel who were charged with non-socialist programming, i.e., failure to concentrate on programming which depicts fruits of labor. But the purges do not eliminate all sinners, and the government's policy seems in this respect more pro forma than real. Economically, Poland still suffers from a crippling shortage of housing, dependency on the Soviet Union for her oil needs, some shortages of meat and poor quality of consumer goods. In coal mining, however, Poland has become world's fourth largest producer and world's second largest exporter. Poland's industry is developing rapidly, and a visitor is struck by construction of apartment houses, highways, hotels a number of other projects.

The Poles view detente with a very positive attitude. Gierek stressed in several of his speeches in Washington recently that Poland desires continued increase in trade with the United States. In this respect, the trade between the two countries is expected to exceed $1 billion in 1975 and double that rate by 1980. Poland is prepared to discuss joint venture projects, foreign investments, exchanges of information and of people, and seems at this point to be the only socialist country which supports the free flow of information and ideas within the current Conference on European Security and Cooperation. Certainly, some aspects of Secretary Gierek's speeches could well run into snags, but the tangible accomplishments in the American-Polish relations, trade and dialogs remain undeniable. The bilateral relations between Poland and the West are much more extensive than one would suspect. Even in their foreign policy, the Poles, who can usually be counted on supporting Moscow, are at times more reasonable and can be persuaded not to go to extremes. For quite some time recently, the Poles were somewhat uneasy about the delayed invitation to Secretary Gierek in return for Nixon's 1972 visit to Warsaw. As I just mentioned, Gierek and a group of his associates visited the United States at the invitation of President Ford, who, in turn, was invited by Gierek to visit Poland. The American Ambassador to Poland, Richard T. Davies is an old friend of the Poles; he is well-liked and popular, perhaps because many of his speeches are delivered in Polish, and because his experience in Poland is quite extensive. The Ambassador has a very able staff, among them a political officer Jack Scanlan, another American not of Polish extraction whose Polish is quite good. There is also, as many of you know, Mr. Baldyga from Chicago who occupies one of the senior positions in the Embassy. The Polish Ambassador in Washington, Dr. Witold Trampczynski, whom I have met a number of times, is a well-known professor of economics who has been partly responsible for the recent improvement in the American-Polish relations.

Having said all this, I must now also say that Poland remains within the Soviet sphere of influence, whether we like it or not. Detente can be reversed but in the meantime there are opportunities for us of which we should take advantage. In our criticism of the Communist government in Poland in the recent decades, we often forgot the 35 million Poles. From our distant but safe land of the brave, it was and remains easy to demand and to criticize, to threaten and to ostracize, but Poland today needs much more than just packages from relatives in America and tourist visits by Polonia.

We left Poland, we found a new prosperous, free and a happy land in our great America but millions of Poles remained home, suffered, worked and survived. Perhaps it may also be wise for us to remember that in her history of over 1000 years Poland had undergone countless invasions, partitions and occupations, and changes in borders, but the Polish nation survived all these trials and tribulations and still exists today as a viable state with a great opportunity for the future.

The era of detente could well be another tactic of Moscow, as some critics charge. It could be, however, that the Soviet Union is substantially preoccupied with her problems with the People's Republic of China, internal economic difficulties, demands of her own populations, and is finding increasingly difficult to control her Eastern European allies. Whatever the case, we in the West ought to take advantage of the opportunities to increase our contacts, visits, exchanges and trade with Eastern Europe. There are many ways in which we can contribute to the improvement in American-East European relations. Clearly, we ought not to go to any extremes without extracting certain quids for our quos.

What tasks lie ahead for the Polonia? I am certainly not the one to provide an answer to that question. You are. My remarks are intended only to provide food for thought. Can we expect that revolutions, martyrdom, coup d'etats, or miracles will suddenly make Poland independent? Or should we, Americans of Polish extraction be less romantic, less emotional and more pragmatic attempting to find ways and means by which we can support our American government and thus contribute to the improvement of the Polish-American relations and the well-being of the 35 million Poles.

It could well be that certain negative aspects of the attitudes of Polonia toward Poland still embraced by some of our key leaders may have become obsolete and counterproductive. Surely the astounding accomplishments in reconstruction, in industrializations, in education, in science, in technology, rebuilding of churches, and the gradual decrease of restrictions were accomplished by the Poles in Poland, not the Russians. It was the Polish people whose talents, perseverance, ambition, ability and pride made the country stand on its feet again despite political circumstances. It was the continual pressure and demands of the Poles which contributed to the changes and forced their leaders to yield.

President Ford made it clear that the United States will continue its foreign policy of the previous administration. In 1971 President Nixon, in his annual foreign policy statement, said: ". . . The United States views the countries of Eastern Europe as sovereign, not as a part of a monolith. And we can accept no doctrine that abridges their right to seek reciprocal improvement of relations with us or others. We are prepared to enter into negotiations with the nations of Eastern Europe looking to a gradual normalization of relations. . . ."

There is no doubt in my mind that Brezhnev's doctrine can and might be applied to Poland or any other country in Eastern Europe if their disagreements with Moscow were to reach an acute stage. The Soviet Union has no intentions of releasing its hold and control of Eastern Europe. Further, neither Gierek nor any other Communist leader of Eastern Europe could afford at this time to grant complete freedom to the people. Yet, Moscow's control over the East Europeans is eroding from within despite Soviet intentions to the contrary.

New generations of people grew up on all sides of the world's political spectrum. The young Poles in Poland know no other Poland except the one in which they grew up. They are intensely proud of being Polish but aware of their political limitations and realities. Yet, they are pro-American, eager to adopt Western styles in clothing, in appearance, in music, and they envy us our way of life. The opportunity to influence these young people is ours. The American policy of normalization of relations, of increase in trade and greater involvement in the East European countries cannot fail in the long run if we really believe we have something to offer.

(This part spoken in Polish:)

Colleagues of the Haller's Army, of Monte Cassino, of Warsaw Uprising, Ladies and Gentlemen—We are faced with a dilemma unsolved for many years: Should we look at the issue of Poland only with Polish eyes, or should we as the Americans of Polish extraction approach this issue less emotionally, less romantically and more pragmatically. Never in the Polish-American relations was Polonia as large as it is at this time. Its influences upon the development of the United States are formidable, though not always fully appreciated.

Today, we are celebrating the 70th Anniversary of the Polish Daily News in Detroit. The role of the press is to report objectively—conclusions, interpretations and opinions belong to the readers. In my opinion, the *Polish Daily News* in Detroit fulfilled and fulfills that role in a splendid fashion (end of remarks in Polish)

In closing, Ladies and Gentlemen, I want to stress very emphatically that the era of detente offers opportunities for the improvement in the political and economic relations between Poland and the United States. Military and defense aspects are in an entirely different realm.

Thank you.

SENATE—*Tuesday, December 3, 1974*

The Senate met at 10:30 a.m. and was called to order by the Acting President pro tempore (Mr. Metcalf).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

"Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths."—Proverbs 3: 5, 6.

Eternal Father, in all our need we trust Thee, we lean upon Thee, we acknowledge Thee in personal life, in our homes and in the work of this place. Direct our actions according to Thy will for the betterment of this Nation and the advancement of Thy kingdom among the nations of the earth.

In Thy holy name, we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, December 2, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REMOVAL OF INJUNCTON OF SECRECY FROM THE INTERNATIONAL AGREEMENT FOR THE CREATION AT PARIS OF AN INTERNATIONAL OFFICE OF EPIZOOTICS (EX. M. 93D CONG., 2D SESS.)

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the International Agreement for the Creation at Paris of an International Office of Epizootics, originated in Paris on January 25, 1924 (Ex. M, 93d Cong., 2d sess.), transmitted to the Senate yesterday by the President of the United States, and that the agreement with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the Record.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, as in executive session.

The message from the President is as follows:

To the Senate of the United States:

To receive the advice and consent of the Senate to accession, I transmit herewith the International Agreement for the Creation at Paris of an International Office of Epizootics, originated in Paris on January 25, 1924.

In the nearly fifty years of its existence, the International Office of Epizootics (OIE) has become the most important organization in international control of animal diseases. Its current 79-nation membership includes most major developed countries other than the United States. The OIE provides timely warnings to its members of animal disease outbreaks, a form of exchange of technical information, and other valuable services. In these times of increased concern about food availability at home and abroad, the United States is obliged to help protect that supply. The cost of participation in OIE is small when weighed against its potential benefits. Also the United States can make its scientific and managerial experience in disease control available through OIE in an effective way to underline our international interest in food supply.

I, therefore, recommend that the Senate grant early and favorable consideration to the Agreement and give its advice and consent to accession.

Gerald R. Ford.

The White House, *December 2, 1974.*

THE ECONOMY

Mr. MANSFIELD. Mr. President, the Honorable Pierre S. du Pont, a Member of Congress from Delaware, has furnished me with copies of two editorials that were printed in the Newark, Del., Weekly Post.

The editorials were written in letter form; one addressed to the President and to myself as a Senate leader and the other to me alone. What these commentaries concern is the economy. What they reflect is a growing awareness in this Nation that those in positions of leadership are grappling with various diverse approaches offered to counter recession and bring inflation under control. What is demonstrated is that no single concrete course of action has been agreed upon so far. While I am singled out for criticism in these editorials, I do not take the criticism personally. In a sense it is what I am here for. It is true, nevertheless, that the Democratic majority has called for a halt to voluntary restraint as the way of restoring order to an economy now in chaos.

It is true that the Senate Democratic majority has offered for consideration a number of proposals that call for decisive action. Those proposals—unanimously adopted by the Senate Democratic conference on the 21st of November—provide as follows, and I ask unanimous consent that they may be included in the Record at this point.

There being no objection, the proposals were ordered to be printed in the Record, as follows:

Resolution on Economic Action Adopted by Majority Conference—November 21, 1974

(1) Creating a job program and expanding unemployment benefits to mitigate the hardships of unemployment;

(2) Reviving the Reconstruction Finance Corporation to deal with the credit needs of ailing businesses during times of economic crisis;

(3) Establishing credit procedures so as to allocate credit on a priority basis in the light of the Nation's critical needs;

(4) Implementing mandatory allocations and, if need be, the equitable rationing of energy, enforcing other conservation measures, including a basic 55 miles per hour speed law and reducing wastage in the utility and other industrial fields to the end that dependency on foreign sources of petroleum can be reduced by one million barrels per day as the President has suggested;

(5) Formulating a system under which, when needed as a last resort, effective controls can be imposed to encompass prices, wages, rents and profits, and high interest rates, assuring that such a system is developed and enforced fairly and equitably and without discrimination in terms of the overall needs of the Nation;

(6) Curbing excessive profits and restraining the indiscriminate flow of capital abroad, through the taxing power while conversely, cutting taxes on Americans hardest hit by inflation, those in low and moderate income categories and those on modest fixed incomes;

(7) And, generally, by adopting a budgetary policy that minimizes deficit financing by reducing inflationary federal spending while maintaining a federal commitment to increase productivity and human welfare.

Mr. MANSFIELD. These proposals are offered for consideration. Each of them must bear up under the scrutiny of investigations, hearings, expert analysis, and whatever else it takes.

As to action regarding wages, prices, profits, rents, and interest rates, it is called for only "as needed" and "as a last resort." The same is true for energy rationing, energy taxes, or whatever else it takes to reduce our dependence for petroleum on foreign sources.

It is against this backdrop therefore that these proposals have been offered; they provide an alternative to a program based on voluntary restraint—a concept that simply has not worked, and, in my judgment, will not work.

If we are to be successful, however, it will require cooperation; cooperation within our own party and between parties and cooperation between Houses of Congress and between the legislative and executive branches.

As to these particular editorials, Mr. President, I welcome them. I welcome the comments and suggestions of all citizens interested in restoring this Nation's economy. I welcome the criticism as well. I am not an economist. I am one Senator. I do not profess to have the answers. I can only try.

I ask unanimous consent that these two editorials from the Newark, Del., Weekly Post be printed at this point in the Record together with the covering letter of Representtive du Pont.

There being no objection, the editorials

and covering letter were ordered to be printed in the Record, as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 27, 1974.
Senator MIKE MANSFIELD,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MANSFIELD: At the request of one of my constituents, Mr. R. B. Rockwell, of the Newark Weekly Post, I've enclosed a copy of two editorials that have recently run in his paper. I think they make the point, very strongly, that a little leadership is needed. While they are not entirely flattering, either to the President or the Democrat Congress, I thought them worth sharing with you and hope you'll take the time to peruse them.

Sincerely yours,

PIERRE S. DU PONT,
Member of Congress.

[From the Weekly Post, Nov. 13, 1974]

DEAR SENATOR MANSFIELD

A couple of weeks back we wrote you and President Ford an open letter about the economy and what you ought to be doing about it. Our contention was, and is, that both you and the President are wrong in your approaches to the problem, he with a "Whip Inflation Now" (WIN) program, and you with your advocation of various price and wage controls.

What is needed, to solve our economic crisis, and to stabilize the economy for the future, is a new point of departure. What is needed is to stop, revalue our dollar, and start all over again. But, start with a sound dollar, not a paper one subject to the inflationary whimsy of politicians and their trade.

This open letter is an extension of the other one. It is addressed to you, and not the President, because in the wake of a Democratic sweep of the Congress and the Senate of the United States, the power to lead us from the morass of forty years of fiscal absurdity leading to the present difficulty, rests with you as leader of the Senate.

Please Senator Mansfield do the right thing. Don't ration our fuel or control our wages and prices, by edict, in a futile effort to prop up our increasingly worthless dollar. No matter what you do, the dollar in its present form will remain worthless. It will remain so because it is worthless all by itself. You cannot wish value into it. You cannot make it valuable simply by saying it is. It is, after all, only a piece of paper and the whole world knows it.

There is deep distrust of dollars in that great big world out there Senator. This is why the Arabs want so many of them in exchange for a bucket of oil, while charging a lesser price to most of the Communist countries which, in spite of their dubious politics, have had the good sense to maintain solid gold currencies. Put yourself in an Arab's shoes Senator. What had you rather sell your bucket of oil for, a piece of paper of questionable value, or a piece of gold?

One doesn't have to be an Arab to come to the right answer.

And so it is, simplified of course for the sake of clarity, that our worthless paper dollar you would attempt to prop up, is making it wiser for the Arabs to fuel the Russian and Chinese economy and industry instead of our own, and at a price which gives the Russians and the Chinese a worldwide trade advantage over us.

Our industrial capacity is geared, Senator, for a large export trade with other nations. Allow our paper dollar to be the villain in eliminating that export market, and you will close down American industry. This will translate into millions of jobless citizens, serious shortages of essential commodities and materials, deprivation and even hunger.

The latter two, Senator, will spell an armed revolution in the United States. It will start in the slums of our cities Senator. And it will end in the total destruction of the United States. An outraged burning of our cities will be the end of our commerce, trade, and communications centers.

Without them we cannot survive.

By failure to recognize the need for a sound dollar Senator, you risk a chaos this nation has never known, one that will even eclipse the cataclysmic events of 1861 to 1865. Unlike our civil war which saw one part of the country against the other, the chaos we refer to will be the whole country against itself, part of it wielding a mindless torch, the other part not caring.

The result will be a political power vacuum.

Somebody will step in to fill it Mr. Senator.

Please don't think that since this prospect is unthinkable that it is incredible.

It happens to be just about exactly how Mr. Hitler came to power in Germany.

Senator please be very careful. You flirt with an ism of some kind other than capitalism. Just what kind of ism it is doesn't matter. One is as bad as another.

[From the Weekly Post, Nov. 23, 1974]

DEAR MR. PRESIDENT GERALD FORD, AND
DEAR MR. SENATOR MIKE MANSFIELD

Must you go on, in the shambles of your paper economy, blaming all us middle Americans for the wreck? Must you go on Mr. President with the suggestions of "Whip Inflation Now Gardens", or suggestions that we are so extra wasteful? And you Mr. Senator, must you go on saying that what we need is another round of wage and price controls, augmented by still other government restraints we haven't experienced yet?

Why are you, the leaders of our nation, licensed to so insult our intelligence with your silliness?

Mr. President, do you really think we can plant a WIN garden now, and eat turnips in January? Did you ever try growing pole beans in a snowstorm?

Maybe you meant WIN gardens for next summer. Well, if so, what are we supposed to do with the turnips and beans then? Can them maybe?

Mr. President hasn't anybody told you that a mason jar, and lid, and seal, and the energy required to can the beans or whatever, exceeds in cost, the price of a store bought can of beans? And Mr. Senator, can't you see by now that if you place mandatory controls and restraints on farmers, who grow the beans for that store bought can, and place them at a level of no profit to the farmers, as you also suggest, that the farmers will stop growing beans? Can't you see, Mr. Senator, that while this will settle the price of beans at a steady level, there won't be any beans?

Can't you people see what is happening to calves and hogs in the Midwest? Can't you see the same thing will happen to beans?

Somebody must have told you last week, Mr. President, that the problem with the economy was waste! It must have been quite a revelation, and a matter of considerable importance to you, because you requested network television time to tell us about it.

You asked us to take a "trash inventory" in our homes and then lick inflation by cutting down on waste.

We took such a trash inventory, Mr. President, and we suggest it is representative of the trash inventory of most middle American homes these days. The "trash" was mostly paper. There are some old newspapers we use as fish wrappers for the freezer, others with screaming accounts about Watergate or Wilbur Mills which we have saved for laughs on cold winter nights, and some we save as blotters in the event a water pipe breaks.

The paper bags, Mr. President, are used as garbage can liners in lieu of those plastic bags which cost a lot, and are made from petroleum. And the cardboard boxes we keep around, which can be categorized as "trash", get used for storing things in.

Might it occur to you Mr. President that these boxes came our way because they were the containers of products we have bought; manufactured items which gave somebody a job, a manufacturer, a wholesaler and retailer a profit? Don't you realize these boxes that are part of our "trash" provided income for a tree farmer in Georgia, a paper mill in Alabama, and truck drivers, or tugboat captains and barge owners, from Arkansas to North Carolina to Maine or California?

And you Senator, would you really regulate all these people and profits and incomes? Could you really do it intelligently? Do you really know all about how much it takes to grow a pine tree in Mississippi and at the same time know all the problems of pushing a barge of sugar profitably from Florida to New York?

Can't you see Senator that to implement your ideas will require such a host of bureaucrats in so many fields of interest, that the tax burden on middle America to support them will spell total defeat for each and every one of us?

Senator Mansfield, we well remember a day several years ago in the corridor of the Senate Office Building when you took a half hour of your valuable time for an idle chat with a small weekly newspaper from Delaware, a place so far from Montana that what it did or didn't say about you would be of no consequence to you. How we appreciated that, and still do! There are not many men in such high places who will bother unless confronted by the New York Times.

What we remember most though, about that unexpected interview Senator, was your wisdom and knowledge of affairs in the nation.

And you Mr. President, what an impression of similar wisdom and knowledge you made years ago when you teamed up on television with Senator Dirksen in criticism of the opposition.

Mr. President and Mr. Senator what has happened to you over the years? Have you been in high places for such a very long time that you have lost sight of lower places? Have you ivory towered yourselves away from the middle America of your support, all us lesser mortals who don't waste simply because we can't afford to, and haven't been able to for a long long time; us lesser folks whose financial solvency is pennies away from the surface of the tax water anyway and another tax nickel will drown us?

Our majority of silence grows restless Mr. President and Mr. Senator.

You tell us we waste!

The government wastes Mr. President. It has taken in taxes, in ever increasing amounts, the fruits of our productivity, our effort, our labor, and wasted it. It has wasted it in all areas from the military to welfare. Then when it ran short of money to waste, it simply printed up some more, and otherwise inflated the money supply to elevate the economy still more, so it could tax still more to waste.

The government sold us bonds Mr. President. It told us we would be patriotic to buy them and that the investment was safe.

Then, by inflating the money supply, it systematically eroded their value so that the interest they earned was meaningless. Many of the bonds, Mr. President were bought with silver and silver certificates. They were paid back with paper, pure paper.

Not only has the government wasted us, wasted our productivity, and the fruits of our labor Mr. Senator and Mr. President, it has cheated and defrauded us.

Do you by chance engage in the practice of scapegoatery? Do you blame us for waste; and accuse our industry, our labor, our businessmen, our doctors, our energy producers for high prices and unfair profits, when the real villain is you and your government? Do you harass us with your army of "consumerists", and regulators, and carpetbag bureaucrats to divert attention from the root cause of it all, the government itself which has destroyed the value of our money?

Please Mr. President and Mr. Senator, stop the fraud. Bring it to a halt. Be honest. Bring us the greatness of the United States that once was, a greatness not of glib politicians and slogans but one of integrity, sound money, and good credit that was respected all over the world and most importantly, by ourselves.

We do not respect our own government Mr. President and Mr. Senator, which is to say we do not respect ourselves.

WIN won't work Mr. President.

We will not man the barricades in support of platitudes and slogans that conceal a fraud that is the instrument of the destruction of all our basic freedoms, a fraud that would crucify mankind on a cross of paper.

Show us instead a goal of value, Mr. President. Lead us to a new currency that is sound all by itself without the need of promises by politicians, slogans, charts, graphs, or other indexes which mean nothing.

Give us this kind of target Mr. President, and you will show us the way to respect in ourselves and our government. You will restore our national pride.

Give us this kind of leadership, Mr. President, and we will storm Bunker Hill all over again.

Sincerely,

THE WEEKLY POST.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

THE ECONOMY

Mr. HUGH SCOTT. Mr. President, the Senators of my party met this morning in conference to discuss the economy, to give consideration to the problems created by the interaction of inflation and recession, to discuss the recommendations of the President in his 31-point program, to discuss proposals of economists, and to consider the suggestions of the majority.

It was our belief that we owe it to the President, in aid of his program, to consider and promptly recommend such action as seems desirable, both short term and long term, having to do at this point particularly with the matters of energy and job creation.

A committee was appointed to report 1 week from today, just before our next policy committee luncheon, and that committee consists of the Senator from Texas (Mr. TOWER), as chairman; the Senator from New York (Mr. JAVITS), the Senator from Nebraska (Mr. CURTIS), the Senator from Illinois (Mr. PERCY), the Senator from Arizona (Mr. FANNIN), the Senator from Tennessee (Mr. BAKER), and the Senator from Alaska (Mr. STEVENS).

It is not our purpose to seek or to encourage any form of confrontation whatever with anyone.

We want to help the President. We want to be supportive of his proposals. We are aware that in an interview appearing in a magazine this week he said that if certain economic conditions were to eventuate there would be additional proposals which he would plan to make to Congress. These proposals were not detailed in the interview. But, having this in mind, we felt that perhaps we could contribute something to the President's consideration and to the consideration of Congress.

There are some suggestions of the majority, of course, with which we will be glad to cooperate and give them our help. I mentioned particularly my personal feeling that a recreation of the old Reconstruction Finance Corporation is a good thing. It was about the only one of the alphabetical agencies which ended with total credit and profit.

There are other matters which I have personally indicated my support for in the past.

Our purpose then is entirely constructive. It is in no way political. The elections are well past us, and it is our hope that working together and working with the President we can pull the country out of the slough of despond, and move uphill again and return our people to as nearly full employment as possible, and to defeat this monstrous inflation which is the thief of everyone's pocketbook.

So we are prepared to help and to do our very best.

I yield back the remainder of my time. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I just want to compliment the Senator for a most constructive statement, and I join him in the remarks he just made.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there now be a period of 30 minutes for the transaction of routine morning business, with a time limitation on statements not to extend beyond 11 o'clock.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Alabama is recognized.

DESEGREGATION OF PUBLIC SCHOOLS

Mr. ALLEN. Mr. President, on Sunday, December 1, 1974, an article appeared in the Birmingham, Alabama News entitled "North Flunking Test of Desegregation."

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFEREES: NORTH FLUNKING TEST OF DESEGREGATION

(By Walter Morrison)

TOPEKA, KANS.—The South is getting a passing grade—indeed, high marks, in some instances—but the North is flunking the test of school desegregation.

That conclusion was reached by participants in a two-day conference last week. It marked the 20th anniversary of the Supreme Court's decision outlawing segregated schools.

"An agenda for completing the job of school desegregation" was the theme of the conference, and the conferees, who came from 32 states, made it clear that they believed that job is primarily centered in the North.

"The record in the North is abysmal," remarked the conference coordinator, Miss Althea T. L. Simmons, director of education and training for the National Association for the Advancement of Colored People.

The NAACP and Washburn University were the sponsors of the conference.

Miss Simmons said the NAACP was finding it necessary "to fight the same old tooth and nail battle" in the North that was waged in the South in the 1950s and 1960s for desegregation.

"The North did not believe that the 1954 decision applied to it, and Northerners have been acting on that premise," she said.

Miss Simmons said conference participants would leave Topeka determined to show that "the North can't get by with what the South couldn't get by with."

After 20 years, she said, there was a "weariness" with "finding ourselves still at the old store doing the same old job."

She said she hoped that the job of desegregation could be completed in five years, and said a report recommending such a target date would be submitted to the NAACP's board of directors at its meeting in January.

"A quarter of a century is long enough," she said.

Papers and discussions at the conference concentrated on segregation in the schools of the North. Although most speakers said they believed the Nixon administration had made cheap political use of the issue of busing for desegregation, there was not an apparent willingness to abandon that tool.

One speaker, Dan W. Dodson, scholar-in-residence at Southwestern University, Austin Tex., said of busing:

"Suffice the remark that desegregation is the issue of supreme importance. If that takes busing, so be it."

Speakers said the Nixon administration had acquiesced in perpetuating Northern school segregation and claimed there were "bulging" files on desegregation complaints that have not been acted on by federal agencies.

Although he joined in the criticism of the Nixon administration, Buell G. Gallagher, vice chairman of the NAACP Board of Directors, said a key decision, adverse to desegregation, had been made by the Johnson administration when, in 1966, it did not withdraw federal funds from Chicago schools. He called Chicago "the most segregated city in the North."

Roy Wilkins, NAACP executive director, said the progress made since 1954 should not be disparaged. "A doctrine imbedded in the thinking, nay, in the lifestyle of a whole people, has been uprooted," he said.

Mr. ALLEN. Mr. President, a conference was held in Topeka, Kans., last month sponsored by the NAACP and Washburn University. The Presiding Officer will recall that the *Brown* case decided 20 years ago originated in the State of Kansas and this conference was held to mark the 20th anniversary of the Supreme Court's decision in that case outlawing segregated schools.

Representatives from 32 States attended this conference. The director of the conference was Miss Althea T. L. Simmons, who is director of education and training for the National Association for the Advancement of Colored People.

Her comment was:

> The North did not believe that the 1954 decision applied to it, and Northerners have been acting on that premise.

Mr. President, representing the people of the State of Alabama in the U.S. Senate, I am proud of the record of the people of the South in complying with the Supreme Court decision ordering desegregation of public schools. I believe our people have set a great example for observance of law, for compliance with the edicts of the Supreme Court, and all we have been seeking, we who represent the people of the South, is a uniform policy regarding desegregation of public schools.

Any rule, if applicable throughout the Nation, will certainly be complied with in the South. But, Mr. President, if the people of the South have desegregated their schools in compliance with the orders of the Supreme Court, we wonder why the systems outside the South are not complying with the Supreme Court decisions.

I am delighted that the role of the people of the South in complying with the Supreme Court decisions is recognized throughout the land. If some method could be devised that the Supreme Court would uphold to end forced mass busing of schoolchildren and if we could have neighborhood schools and freedom of choice in the South and throughout the country, this could well solve this problem of desegregation of our schools.

Mr. President, I am pleased that the role of the South in desegregating the public schools is spoken of with approval by the members of this conference, by the NAACP, by Washburn University, and by the people who came to the conference from 32 States of the Union.

OPPOSITION TO MILITARY ACTION AGAINST ARABS

Mr. ALLEN. Mr. President, I am appalled that the suggestion would seriously be made that the United States take over Arab lands and oil by military force. It would be entirely out of keeping with the character of our Nation and our people. We have fought World War I, World War II, the Korean war and the Vietnam war in support of freedom and democracy and a people's right of self-determination, but never to acquire a foot of territory. Such action on our part would probably bring on war with Russia, but more important than any other consideration would be that America would lose its soul if it stooped to such an infamous policy, and a nation, just like an individual, must have character to make life worth living.

If necessary let us do without Arab oil, even if we have to cut back drastically on consumption, and let us get on with the task of providing self-sufficiency in energy for America.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

APPROVAL OF BILLS

A message from the President of the United States stated that on November 30, 1974, he approved and signed the following bills:

S. 1227. An Act to amend section 415 of the Communicatioms Act of 1934, as amended, to provide for a two-year period of limitations in proceedings against carriers for the recovery of overcharges or damages not based on overcharges.

S. 1479. An Act to amend subsection (b) of section 214 and subsection (c)(1) of section 222 of the Communications Act of 1934, as amended, in order to designate the Secretary of Defense (rather than the Secretaries of the Army and the Navy) as the person entitled to receive official notice of the filing of certain applications in the common carrier service and to provide notice to the Secretary of State where under section 214 applications involve service to foreign points.

S. 2457. An Act to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate a message from the President of the United States submitting the nomination of Richard B. Parker, of Kansas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria, which was referred to the Committee on Foreign Relations.

MESSAGE FROM THE HOUSE

At 3:14 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed, without amendment, the following Senate bills:

S. 1561. An act to provide that Mansfield Lake, Indiana, shall be known as "Cecil M. Harden Lake";

S. 3537. An act to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085); and

S. 3546. An act to extend for one year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

The message also announced that the House agrees to the amendment of the Senate to the amendments of the House to the bill (S. 433) to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes.

The message further announced that, on reconsideration, and two-thirds of the House of Representatives voting in the affirmative, the bill (H.R. 12628) to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans' reemployment rights; and for other purposes, which was returned by the President of the United States with his objections, was passed.

The message also announced that Mr. HENDERSON was appointed as a manager on the part of the House of the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10701) to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities, vice Mr. HOWARD, resigned.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare, without amendment:

S. 2931. A bill to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada (Rept. No. 93–1301).

By Mr. MANSFIELD, from the Committee on Appropriations, with amendments:

H.R. 17468. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1302).

By Mr. HATHAWAY, from the Committee on Banking, Housing and Urban Affairs:

S. 4204. An original bill to authorize the Secretary of the Treasury to continue the minting of dollars, half dollars, and quarter dollars bearing the current design and coinage date during calendar year 1975, and for other purposes (Rept. No. 93–1303).

By Mr. PERCY, from the Committee on Foreign Relations:

S. Res. 440. A resolution relating to the world food shortages and rapid population growth (Rept. No. 93-1304).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. MUSKIE, from the Committee on Government Operations:

Paul H. O'Neill, of Virginia, to be Deputy Director of the Office of Management and Budget.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SPARKMAN:

S. 4199. A bill to amend the Securities Act of 1933. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CASE:

S. 4200. A bill to amend the act of September 5, 1962, to authorize the acquisition of land for the Edison National Historic Site in the State of New Jersey, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA:

S. 4201. A bill for the relief of the estate of Melvin D. Anderson. Referred to the Committee on the Judiciary.

By Mr. TAFT:

S. 4202. A bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare inflation impact statements in connection with legislation reported by Senate and House Committees. Referred to the Committee on Government Operations.

By Mr. BROOKE:

S. 4203. A bill to repeal exemptions in the antitrust laws relating to fair trade laws. Referred to the Committee on the Judiciary.

By Mr. HATHAWAY, from the Committee on Banking, Housing and Urban Affairs:

S. 4204. An original bill to authorize the Secretary of the Treasury to continue the minting of dollars, half dollars, and quarter dollars bearing the current design and coinage date during calendar year 1975, and for other purposes. Placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN:

S. 4199. A bill to amend the Securities Act of 1933. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, I am today introducing a bill entitled the Housing Securities Act of 1974. This is another in a series of steps being taken to implement the efforts of the Federal Home Loan Mortgage Corporation to develop an effective secondary mortgage market for the entire housing industry. This bill has been prepared by the Federal Home Loan Mortgage Corporation and has been coordinated each step of the way with the Securities and Exchange Commission. Changes recommended by the SEC have been included. Basically, the bill will exempt certain secondary mortgage market transactions from the registration provisions of the Securities Act of 1933.

I realize that no serious action on this bill can be concluded during the current year and I propose to reintroduce it in 1975. This action taken today, however, will permit those who are interested to review this proposal and hopefully lead to well considered action in 1975.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill, an explanatory statement, and a copy of a letter from Mr. Ray Garrett, Chairman of the Securities and Exchange Commission be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS—S. 4199

Sec. 1. Title.

Sec. 2. Adds a new paragraph 5 to Section 4 of the Securities Act of 1933 which exempts from the registration provisions of that Act:

(a) Transactions involving an offer or sale of certain mortgages or participation interests in such mortgages

(1) originated by certain financial institutions, including savings and loan associations, sold individually or in packages in minimum denominations of not less than $250,000, and sold for cash or a promise to pay cash within sixty (60) days to a purchaser for its own account, and

(2) originated by an FHA-approved mortgagee, sold individually or in packages in minimum denominations of not less than $250,000 and sold for cash or a promise to pay cash within sixty (60) days to a purchaser for its own account, provided that such sales may be made only to certain financial institutions, including savings and loan associations, certain insurance companies, the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA) or the Government National Mortgage Association (GNMA).

(b) Transactions involving non-assignable commitments to buy or sell mortgages which would qualify under the transactional exemption found in paragraph (a) above where such commitments are to be completed within two (2) years. The party contracting to sell mortgages pursuant to such commitment must be any eligible originator mentioned in paragraph (a) above and the party contracting to purchase mortgages pursuant to such commitment must be any eligible originator mentioned in paragraph (a)(1) above, certain insurance companies, FHLMC, FHMA, or GNMA.

(c) Transactions involving resales of the securities acquired pursuant to the proposed exemptions which meet the conditions for sale relating to the package size of the security ($250,000) and where the resales are for cash or promise to pay cash within sixty (60) days to a purchaser for its own account.

EXPLANATORY STATEMENT TO ACCOMPANY A BILL TO EXEMPT CERTAIN MORTGAGE TRANSACTIONS FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933

The secondary mortgage market involves the transfer of mortgages from the loan originator to another investor in order to provide liquidity to the primary market, the market in which loans are made to borrowers by originators. The liquidity goal of a viable secondary mortgage market is essential to the effective functioning of the primary market because in a local area with relatively high construction levels, local lenders can be quickly "loanedup" and forced to withdraw from the primary market due to a lack of lendable funds unless there is access to secondary market funds. The importance of this function is illustrated by the fact that currently the secondary market totals approximately $25 billion a year. This represents approximately 22% of all mortgage loan originations.

The Federal Home Loan Mortgage Corporation (FHLMC) was established in 1970 by Congress to foster and encourage a viable secondary market. It was with this Congressional mandate in mind that FHLMC became the moving force behind AMMINET, a new corporation organized to aid the secondary market. AMMINET, an acronym for the Automated Mortgage Market Information Network, Incorporated, is a nonprofit corporation established by the FHLMC and five industry trade associations (U.S. League of Savings Associations, American Bankers Association, National League of Insured Savings Associations, Mortgage Bankers Association and National Association of Mutual Savings Banks). The impetus for the creation of AMMINET stemmed from the fact that although the present secondary market is a multi-billion dollar market, it is largely inefficient, operating primarily by word of mouth, and up until the creation of AMMINET had no central market system. AMMINET's goal is to help move mortgage funds from capital-surplus areas to capital-deficient areas more rapidly through the use of advanced technology, thereby effecting a more efficient allocation of mortgage funds and a more beneficial secondary mortgage market.

As a mortgage is essentially a secured promissory note, and hence a security, there were numerous questions to be resolved with respect to the Federal Securities laws regarding the establishment of AMMINET. The Securities and Exchange Commission ("SEC") has been most helpful in this process and has given FHLMC a no-action position under the Securities and Exchange Act of 1954 ("1934 Act") regarding the operation of AMMINET, and, in addition, has granted an exemption to the broker-dealer requirements and the net capital requirements of the 1934 Act for those who deal in certain mortgages. With respect to the Securities Act of 1933 ("1933 Act"), however, the Commission felt it did not have the power to grant a similar exemption from the registration requirement of the 1933 Act and it was with that in mind that the staffs of the SEC and FHLMC met to discuss needed legislation. The proposed legislation was the result of those meetings between both groups, as evidenced by the letter from Chairman Ray Garrett, Jr. of the SEC to Chairman Thomas Bomar of the Federal Home Loan Bank Board commenting on the proposed legislation and supporting it, a copy of which is attached. Chairman Garrett's comments were incorporated into the proposed legislation.

The proposed legislation would exempt from the registration provisions of the 1933 Act those transactions involving the offer or sale of certain mortgages and participation interests in such mortgages where (1) they are originated by a commercial bank, savings and loan association, savings bank or similar financial institution; (2) the aggregate sales price per purchaser is not less than $250,000; (3) the purchaser pays cash within sixty (60) days; and (4) the purchaser buys for its own account.

Transactions involving mortgages originated by mortgage bankers would also be exempt to the extent that they meet requirements (2), (3) and (4) outlined above and are sold to certain regulated lenders, including commercial banks, savings and loan associations, savings banks, certain insurance companies, or Federal National Mortgage Association ("FNMA"), FHLMC, or Government National Mortgage Association ("GNMA"). Commitments regarding any mortgage which is the subject matter of the transactional exemption would also be exempted where the commitments are between certain qualified originators and other qualified originators, certain insurance companies, FNMA, FHLMC or GNMA.

It was felt that the high dollar amount of each transaction—$250,000—and the fact that the mortgages must be originated by regulated institutions when they are sold to the general public, are sufficient safeguards to warrant a transactional exemption from the 1933 Act. Subsequent sales of the packages would also be permissible when the terms of the exemption are followed. The alternative to the exemption would either be registration under the 1933 Act or utilization of the so-called private offering exemption, found in Section 4 of the 1933 Act.

Registration would require disclosure of such information as the homeowner's history as a wage earner, his current salary, his prospects for the future, information about his property, local legal considerations such as, for example, stringent redemption laws and a general description of local geographic concerns. This information would not only be cumbersome and costly to obtain and process through the SEC, but would also delay the sale of mortgages until the registration statement was effective. In addition, the disclosure required would be necessary for each mortgage in the mortgage package. Mechanically, such a disclosure document would be an administrative nightmare, unduly burdensome to prepare, and, because of its sheer size, overwhelming to a prospective purchaser.

On the other hand, the other alternative to exemption, namely utilization of the private offering exemption, contradicts the FHLMC/AMMINET goal of having a viable secondary mortgage market. In a private offering the purchaser must agree to assume the risk of the security for an indefinite period of time which, in most cases, requires investment for at least two years. The purpose of a viable secondary mortgage market, however, is to enable originators to liquidate their mortgages to obtain funds to originate new mortgages whenever those funds are needed. Any warranty concerning a holding period given by a purchaser would not only discourage present originators who have capital surpluses from purchasing mortgages, but would also destroy the marketability of mortgages to institutional investors such as insurance companies and pension funds who wish to have some degree of liquidity.

In light of the manifest disadvantages of registration or use of the private offering exemption in the secondary mortgage market, the only alternative which appears to be acceptable is an exemption for transactions in large denominations, the type of exemption which will be created by the proposed legislation.

If the proposed legislation is not adopted, neither AMMINET nor any other trading system for mortgages can operate, and without an information system such as AMMINET, the attempt of both FHLMC and the Federal Home Loan Bank Board to provide for the efficient movement of money from capital-surplus to capital-deficient areas within thrift institutions and to attract new money into the mortgage market will be severely hampered. If that occurs, the loser will be the American public which is anxious that adequate funds be available to finance the purchase of critically needed housing.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., November 20, 1974.

Hon. THOMAS R. BOMAR,
Chairman, Federal Home Loan Mortgage Corporation, Washington, D.C.

DEAR TOM: Thank you for your letter of November 8, 1974, requesting the Commission's views on the legislation proposed by the Federal Home Loan Mortgage Corporation ("FHLMC") to amend Section 4 of the Securities Act of 1933 ("1933 Act"). I understand that FHLMC intends to have the legislative proposal introduced on its behalf shortly, and I am pleased that the Commission has been given the opportunity to comment on it prior to its introduction.

The Commission has examined the proposed legislation, which would create a limited exemption from the registration requirements of the 1933 Act for certain transactions involving mortgages and related securities. FHLMC believes that the exemption is necessary to enable it to fulfill its statutory objective of creating a liquid secondary mortgage market, that in turn would generate additional funds for the housing industry. Should the Congress be persuaded that proposed exemption is necessary and desirable to achieve FHLMC's purpose, we believe that the legislation that you have proposed would provide an appropriate means of accomplishing this result. The Commission recognizes that the proposed exemption contains a number of restrictions that would limit its availability only to transactions involving investors who have substantial resources and which would further circumscribe offerings made in reliance upon it, so as to limit the need for registration to protect the parties involved. Accordingly, in light of the above and subject to the following comments, the Commission supports this narrow exemption.

The Commission believes that certain interpretive problems may arise if the proposed legislation is enacted in the form submitted to us. The Commission therefore recommends for your consideration the following suggested changes:

(1) The words "one or more," if inserted in the first line of paragraph 5(a) immediately prior to the words "promissory notes", would make clear that a package of notes sold in a single transaction would be exempt equally as a separate note;

(2) The phrase "and where the foregoing securities are subject to the three conditions for sale set forth in subparagraphs (a)(1)(i)(iii)" would, if added at the end of paragraph (b), remove all doubt that the securities underlying the commitment contracts are subject to the three conditions for sale set forth in the above-mentioned subparagraphs.

In addition to the foregoing, it appears to the Commission that the question of resales of the securities acquired pursuant to the proposed exemption should be clarified. In our view, any such resales should be subject to the three conditions for sale set forth in paragraph 5(a)(1). We therefore recommend that FHLMC consider adding a new paragraph (c) to its legislative proposal for this purpose. Such a provision might be phrased in the following manner, or in words to that effect:

"(c) The exemption provided by paragraphs (a) and (b) hereof shall not apply to resales of the securities acquired pursuant thereto, unless each of the conditions for sale contained in subparagraphs (a)(1)(i)–(iii) are satisfied."

The Commission also understands that the reference in subparagraph (a)(2) of the legislation to the HUD Secretary's statutory authority to approve mortgagees will be changed from "12 U.S.C., Section 1703, 1707 (b)" to "12 U.S.C., Sections 1709 and 1715b, as amended."

Sincerely,

RAY GARRETT, JR., *Chairman.*

By Mr. CASE:

S. 4200. A bill to amend the Act of September 5, 1962, to authorize the acquisition of land for the Edison National Historic Site in the State of New Jersey, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. CASE. Mr. President, today I am introducing legislation to add 1.39 acres to the Edison National Historic Site at West Orange, N.J.

While I recognize that little time for action remains in the 93d Congress, I am offering this legislation at this time because the tract is now for sale and it may be too late to act in the next Congress. The land can be obtained for $75,000 and the expenditure is authorized by my bill.

The Edison National Historic Site is made up of the home and laboratories where Thomas Alva Edison lived and worked for 44 years and is comprised of approximately 20 acres—most of which were acquired by donation.

Yearly, thousands of persons visit this site and currently they are taken on guided tours to certain of the historic buildings.

Eventually, it is planned to construct a visitors center on this tract. Such a center will further open the historic structures to visitors by providing alternate work space for the administrative staff which now uses space in the historic buildings themselves.

In addition, future construction plans call for an improved storage vault and space for certain documents, models, and experiments which, the Park Service reports, are now stored in closets and other rooms.

The Park Service tells me that the addition of this 1.39 acres of land will not only improve visitor access, but will add to the overall appearance of the historic site.

As I have said, the owner of the property, the West Orange Redevelopment Authority, fully intends to dispose of the property and the Park Service tells me that allowing the acreage to be sold for development purposes would effectively destroy its future plans for improving the Edison Historic Site.

I hope that this matter can be handled expeditiously and completely by the time of adjournment.

By Mr. TAFT:

S. 4202. A bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare inflation impact statements in connection with legislation reported by Senate and House committees. Referred to the Committee on Government Operations.

Mr. TAFT. Mr. President, today I am introducing the "Inflation Impact Statement Act of 1974."

The basic purpose of this legislation is to require the new Congressional Budget Office to supply the Congress with an estimate of the impact on the aggregate rate of inflation and the cost of particular goods and services, for 5 fiscal years, of any legislation which is reported by congressional committees for further congressional consideration. In view of the tremendous impact which the Government's programs can have both directly and indirectly on inflation, I believe that prompt enactment of this legislation is essential. It would be a great advance over the important step forward this Congress took when it imposed a similar requirement relating to projected actual Federal budget costs of legislative proposals, in the Congressional Budget Act of 1974.

In the recent economic summits and debate on the inflation problem, it has been emphasized that Government programs are often considerably more costly to consumers than their direct cost in terms of Government funding. For example, the expense of just completing required paperwork for the Government has been estimated to be $50 billion per year. Government safety and antipollution standards have added $320 to the cost of a new car over the last 4 years; mileage requirements which would bring about 30 to 40 percent improvement in miles per gallon would add another $200 to $400 to the price of a new car by 1980. The use of tariffs and import quotas to protect domestic industries costs consumers $10 billion per year in higher prices. When the medicare and medicaid programs were put into effect, the additional pressure on hospital services helped increase the inflation rate from about 8 percent per year to around 12 to 15 percent.

All too often, these types of Government-induced inflation escape adequate legislative attention because they do not show up in the Federal budget. However, it is clear that Congress has an obligation to face up to the total costs and inflation impact, not just the budget impact of the proposals it must evaluate. My bill would help Congress fulfill that obligation.

In recognition of this problem, President Ford took a major step forward when he announced that future new Government regulations would carry an inflation impact statement. However, the imposition of that requirement at the regulation stage is only part of the battle. It is probably even more important that overall impact on inflation be considered fully at the time Congress shapes the basic legislation which determines the structure of the Government's programs. Thus, I feel that President Ford was on target when he urged Congress to pass legislation such as this bill promptly.

My legislation offers possible improvements upon the work of others who have been interested in this type of initiative. In particular, the Senator from Kansas (Mr. DOLE) has been a leader in this effort and has introduced other legislation with the same purpose in mind.

I ask unanimous consent that a copy of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4202

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

That this Act may be cited as the "Inflation Impact Statement Act of 1974".

SEC. 2. FINDINGS.

The Congress finds that—

(1) inflation is a grave problem facing Americans;

(2) Federal programs and expenditures which Congress authorizes have a significant impact on inflation;

(3) Congress has a particular responsibility to consider whether any legislative proposal which comes before it for possible action would augment or reduce inflation; and

(4) it is imperative that Congress be informed in advance of the impact on inflation of any such legislative proposal so that such impact can be considered fully as Congress evaluates the proposal.

SEC. 3. INFLATION IMPACT STATEMENTS.

(a) Section 403 of the Congressional Budget Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (1),

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and",

(3) by inserting after paragraph (2) the following new paragraph:

"(3) an inflation impact statement with respect to such bill or resolution. As used in this paragraph, the term "inflation impact statement" means an estimate, to the extent practicable, of the probable impact of such bill or resolution on the aggregate rate of inflation and the cost of particular goods and services in the fiscal year in which it is to become effective and in each of the four fiscal years following such fiscal year, together with the basis for such estimate. Such estimate shall be based on the amount of new budget authority authorized by such bill or resolution and amounts of new budget authority at specified projected levels assumed to be authorized by subsequent legislation, unless, with respect to any fiscal year for which such estimate is required, the Director determines that it is improbable that outlays will occur", and

(4) by striking out "estimate and comparison" in the last sentence and inserting in lieu thereof "estimate, comparison, and statement".

(b) The provisions of subsection (a) are enacted by the Congress as an exercise of its rulemaking power as provided by section 904(a) of the Congressional Budget Act of 1974.

By Mr. BROOKE:

S. 4203. A bill to repeal exemptions in the antitrust laws relating to fair trade laws. Referred to the Committee on the Judiciary.

Mr. BROOKE. Mr. President, double digit inflation is now haunting the American consumer. In the past 6 months the Consumer Price Index has risen an average of 1½ percent a month; in the past 7 years the cost of living has spiraled by almost 50 percent. Dollar wages have increased at a brisk 7 percent rate over the past 2 years, but prices have increased even more. We are experiencing the sharpest decline of consumer buying power since the removal of World War II price controls. It is now time for the Congress of the United States to seize the initiative and attack our No. 1 enemy—inflation.

President Ford has held a summit conference on inflation out of which have come many ideas for fighting inflation. In his economic address to the Congress following the conference, the President presented his legislative proposals. The Congress showed itself capable of acting with speed and incisiveness in at least one instance. On September 10, 1974, Senator CRANSTON and I introduced the Home Purchase Assistance Act of 1974 to provide needed mortgage funds for the suffering home buyer and housing industry. Just 35 days later, on October 15, the final version of the bill had been reported to the floor of both Houses, debated, differences resolved, and passed by the Congress. On October 18, President Ford signed the bill into law. Congress had perceived a need, found a solution, and acted.

Today, I am introducing another anti-inflationary measure that I hope will command the same cooperation and result in the same incisive and affirmative action. This legislation repeals resale price maintenance laws. It ends fair trade.

Fair trade laws, also known as resale price maintenance or quality stabilization laws, have been in effect since the depression. In simple terms, they allow a manufacturer to enter into an agreement with a retailer setting the minimum price at which his identifiable product may be sold. California passed the first State law in 1931 and most States followed soon after. It became apparent, however, that these State laws when applied to interstate commerce, violated Federal antitrust laws. Thus, in 1937, Congress passed the Miller-Tydings Act granting State fair trade laws an exemption from the Sherman Antitrust Act. In 1952, the McGuire Act granted State fair trade laws exemption from the Federal Trade Commission Act, thus legalizing nonsigner provisions. These provisions, which had been enacted by some States, permit a manufacturer to sign a single fair trade agreement with one retailer, and then enforce the agreement against all other retailers in the State, even though they were not parties to the contract.

At the present time, 13 States have valid nonsigner provisions—Arizona, California, Connecticut, Delaware, Illinois, Maryland, New Hampshire, New Jersey, New York, Ohio, Tennessee, Virginia, and Wisconsin. In addition, 23 other States have fair trade laws with nonsigner provisions—Arkansas, Colorado, Florida, Georgia, Idaho, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Washington, and West Virginia. In all, 36 States have some form of fair trade laws currently in being.

The Miller-Tydings Act and the McGuire Act are permissive statutes. They allow States to enact laws that would otherwise be in violation of Federal statutes. In effect, they permit States to regulate goods that are in interstate commerce. They provide a Federal umbrella for restrictive State laws. Today, I propose we remove that umbrella and thus nullify the State laws as they apply to interstate commerce. I propose that we get the Federal Government out of the marketplace and permit competition rather than restrictive private agreements to fix prices.

It is important to note that neither the Federal nor the State government actually enforce any fair trade agreements. Should a manufacturer discover that a valid fair trade agreement into which he has entered is being violated, he must go to court and sue for damages. The Government plays no role in this action.

Exponents of fair trade agreements base their arguments on the economic and social conditions that prevailed almost a half century ago. In the first part of the 20th century, this country underwent its gravest and most prolonged depression during which real income fell by more than 30 percent, unemployment rose from 3 to 25 percent and more than 200,000 business firms failed. The country was desperate for a remedy so when resale price maintenance was proposed as a panacea to the country's grave problems, and argued with logic that appeared to be valid, it was quickly embraced.

Resale price maintenance has long been touted as our savior from the evils of predatory price cutting as a form of competition in which a retail firm lowers its prices in order to draw business away from its competitors and eliminate them from the market. Once the predatory firm establishes control over the market and somehow prevents any new firms from entering, it then raises prices in order to gain monopolistic profits. Thus, it is argued, that while in the short run the consumer will obtain goods at low prices, in the long run prices will be higher and the number of stores selling and servicing these goods will be lower. Exponents of resale price maintenance often argue that fair trade acts as a countervailing force to the market power of chain and discount stores. These outlets are often unjustifiably accused of bait merchandising and plotting to destroy independent retail outlets. However, exponents always fail to note that there are already State and Federal laws prohibiting false and misleading advertising, including the use of "bait and switch" and other discredited ruses. It is true that chain stores give retailers a run for their money by instituting more efficient marketing techniques and offering less frills. But this should be seen as a challenge to the less efficient retailers to develop new merchandising techniques, rather than as a threat to their existence. However, the evidence, including Justice Department and other studies, amply document the fact that more business failures occur in fair trade States than in non-fair trade States—proving that fair trade does not prevent business failures.

The most persuasive study supporting this assertion was done by Prof. Stewart Munro Lee of Geneva College and reported in the spring, 1965, volume of the Journal of Retailing. Professor Lee wrote:

> Data show no perceptible effect of fair trade laws on the total number of retail stores, the number of drug stores, or on the rates of failure in retailing in general or in the drug trade. Indeed, when one examines the details of this table closely, it appears that, if anything, the fair trade laws have opposite effects of those claimed.

This system of State resale price maintenance which is permitted by Federal law reduces competition and restricts our system of free enterprise at all levels of product distribution. The U.S. Department of Justice has estimated that resale price maintenance increases prices on fair traded goods by 18 to 27 percent—many economists feel that this increases the consumer price index by nearly 20 percent. Conservatively, this costs the American consumer over $2 billion a year in higher prices. For example, a set of golf clubs that lists for $220 can be purchased in nonfair trade areas for $136; a $49 electric shaver sells for $32; a $1,360 component stereo system can be obtained for $915 and a $560 19-inch color television sells for $483. The marketing techniques that have been established by chain and discount stores reduces the markup on consumer goods to 10 or 20 percent rather than the standard 40 to 60 percent. This is, of course, important to all consumers, but particularly to the 23 million low income people in the United States.

In the January 1969, Economic Report of the President, it was estimated that fair trade then cost consumers $1.5 billion annually. When that figure is updated by the consumer index, it reveals that American consumers are now paying a hidden subsidy of $2.1 billion a year for fair trade. To remove that $2.1 billion unnecessary burden from our economy would be one of the most immediate anti-inflationary steps we could take.

Prof. Hendrik S. Houthakker of Harvard, a former member of the President's Council of Economic Advisors, wrote an article entitled, "A Positive Strategy Against Inflation" in the Wall Street Journal of July 30, 1974. Professor Houthakker wrote:

> Our economy has to be made less prone to inflation and more responsive to anti-inflationary policies. This means, in particular, that institutional barriers to price declines have to be removed. . . .

Specifically, Professor Houthakker wrote that we could curb inflation by, among other actions, abolishing resale price maintenance.

At the same time, the respected publication of the Consumers Union, "Consumer Reports" ran an article in its November issue entitled "Good-Bye to Good Buys in Audio Equipment?" Following the article was an editorial entitled "What's Fair about Fair Trade Laws?" The article observed that fair trade "confers price fixing power on private individuals without any recourse for public review of these pricing decisions. While the Governor of New York, Vice-Presidential designee Nelson Rockefeller described fair trade as 'an affront to the American system of competitive free enterprise'. Rockefeller advocates repeal of existing fair trade laws. So does CU."

Aside from its inflationary effect, one of the most persuasive arguments against resale price maintenance is that it tends to freeze the channels of distribution and retard the advancement of technology. Fair trade helps protect those retail outlets that are unwilling or unable to improve their methods of operation. By restricting competition in price, fair trade provides for competition on the basis of advertising, salesmanship, and nonessential services. A Canadian committee set up to study the problem of resale price maintenance stated that:

> The crux of the problem of resale maintenance, is whether the consumer should reap the benefits of the most efficient forms of retailing or . . . should be forced to pay more in order to make retailing . . . a more comfortable occupation. . . .

In the past, the most vocal support for fair trade legislation has been from the small business community. It is this sector of our economy, it has been argued, that would be most injured by weakening or repealing fair trade. Yet, one of the most active and highly respected small business organizations in the country, the Smaller Business Association of New England—SBANE, vigorously supports the repeal of fair trade laws. In a statement issued on November 14, 1974, Oliver O. Ward, president of SBANE, called fair trade laws anticompetitive and obsolete. I ask unanimous consent that the full text of the SBANE statement be printed in the RECORD immediately following the printing of the text of the bill.

Businessmen making transactions must have the freedom to change their prices; to increase or decrease sales as they see fit. It is the price of the goods to which suppliers and consumers react. We must permit the retailer to establish the level of service and extras that he wants to include with the product along with the right to set the selling price. To permit the manufacturer the right of price fixing places the entire chain of distribution in a straitjacket.

Resale price maintenance stifles innovation and forces production in the wrong direction. It is amply documented that resale price maintenance forces entrepreneurs to engage in inefficient promotional campaigns in order to develop volume—that is costly for both the businessman and the consumer.

The consumer, the businessman, and the country are all best served by a dynamic and competitive system of marketing. We cannot on the one hand celebrate the beauties of free competition and then squelch it the moment it benefits consumers. Competition forces retailers, wholesalers, and manufacturers to provide the consumer the most for his money. A repeal of the fair trade laws will stimulate an increase in productive efficiency. This, coupled with increased volume due to lower prices, will provide all levels of distribution with increased profits while providing the consumer more goods at lower prices.

Resale price maintenance has brought about three major distortions in our economy. They are: First, artificially high prices; second, restraint of innovation and efficiency; and third, an increased reliance on costly promotional devices that increase prices.

There has been a good deal of talk in the past few months about biting the bullet to stop inflation. The time has come to stop talking and to act. Strong opinion has developed throughout the country to decrease the role of the Federal Government in business activities so that the economy can react to normal market forces. The 1930's were a time of trauma when order in the marketplace was desired regardless of cost. The 1970's and the decades ahead are a different time with different institutions and different problems requiring different solutions. Now is the time to rid the economy of inflation-causing, competition-depressing, artificial encumbrances.

Fair trade legislation was an idea whose time had come and has now gone.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 4203

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, as amended (15 U.S.C. 1), is amended by striking out the colon preceding the first proviso in the first sentence and all that follows before the period at the end of such sentence.

SEC. 2. Paragraphs (2)–(5) of section 5 (a) of the Federal Trade Commission Act, as amended (15 U.S.C. 45(a)), are repealed.

SEC. 3. The amendments made by this Act shall become effective 90 days following the date on which this Act is enacted.

SMALLER BUSINESS ASSOCIATION
OF NEW ENGLAND, INC.,
Waltham, Mass., November 14, 1974.

STATEMENT OF OLIVER O. WARD, PRESIDENT OF SBANE

"SBANE supports legislation sponsored by Senator Edward Brooke to repeal the Fair Trade Laws because they are a strict form of price maintenance which is anti-competitive and not in the public interest. We believe that not only are the laws obsolete, but through the years, their enforcement has become almost non-existent in many states.

At a time when consumer dissatisfaction is at its highest level in 25 years, and the small business community is mounting substantial efforts to re-examine, and wherever possible, abolish over-zealous federal legislation, it would seem that the Fair Trade Laws repeal would be a good beginning.

In an October meeting that representatives of SBANE held with President Ford and other small business organizations, President Ford noted with concern an increase in the apparent alarm in the business community over regulatory agencies and promised that his Administration would come to grips with bureaucracy. Senator Brooke's legislation is most welcome.

Many large companies have traditionally favored Fair Trade Laws on the basis of their sheltering effect of the small retailer from the big discounters. We believe that small businesses in the retail field can be competitive and thrive through the flexibility and extra service available from the neighborhood small retail establishment.

Laws should not protect inefficient small businesses from the open market and the overall benefits of the repeal of the Fair Trade Laws and a return to a more competitive free enterprise system, is a legislative action to everyone's benefit."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3890

At the request of Mr. RIBICOFF, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 3890, a bill to assure Polish and Czechoslovakian war veterans living in the United States of veterans' medical benefits.

S. 3911

At the request of Mr. BENTSEN, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 3911, a bill to establish a Commission on Federal Paperwork.

S. 4117

At the request of Mr. RIBICOFF, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 4117, the Anti-Inflation Tax Reform Act of 1974.

S. 4163

At the request of Mr. BAYH, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 4163, a bill to amend title IX of the Education Amendments of 1972.

S. 4187

At the request of Mr. MONDALE, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 4187, the Tax Reform and Relief Act of 1974.

S. 4191

At the request of Mr. BENTSEN, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 4191, the Internal Revenue Service Reform and Taxpayer Privacy Act.

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENT NO. 2002

(Ordered to be printed and to lie on the table.)

Mr. NELSON (for himself, Mr. HATHAWAY, Mr. ABOUREZK, Mr. TUNNEY, Mr. CHURCH, Mr. HUGHES, Mr. CLARK, Mr. MONDALE, Mr. CRANSTON, Mr. PROXMIRE, Mr. MUSKIE, Mr. HART, Mr. EAGLETON, and Mr. KENNEDY) submitted an amendment intended to be proposed by them jointly to the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 2003

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON submitted amendment intended to be proposed by him to the bill (S. 3394), supra.

AMENDMENT NO. 2004

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON (for himself and Mr. STEVENSON) submitted an amendment intended to be proposed by them jointly to the bill (S. 3394), supra.

COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1996

At his own request, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of Amendment No. 1996, intended to be proposed to the bill (S. 2350), the Earth Resources Satellite program.

NOTICE OF HEARING ON STATUS OF FEDERAL LANDS IN ALASKA

Mr. JACKSON. Mr. President, I wish to announce an oversight hearing by the Interior and Insular Affairs Committee on the status of Federal lands in Alaska. The hearing will be limited to departmental witnesses and will be held on December 10, 1974 at 10:00 a.m. in room 3110, Dirksen Senate Office Building. As background, I ask unanimous consent to have printed in the RECORD my letter to Secretary Morton inviting him to testify. Additional information may be obtained by contacting Steven P. Quarles, special counsel to the committee, at 224-0611.

There being no objection, the letter was ordered to be printed in the RECORD, as follows.

U.S. SENATE,
Washington, D.C., December 2, 1974.

Hon. ROGERS C. B. MORTON,
Secretary of the Interior,
Washington, D.C.

MY DEAR MR. SECRETARY: In recent months we have exchanged correspondence about the Department's management of the lands identified pursuant to paragraphs 17(d)(1) and (2) of the Alaska Native Claims Settlement Act pending final Congressional action on these lands. In order to have a public discussion of the issues involved, I have scheduled a public hearing for 10:00 o'clock, December 10, 1974, in Room 3110 Dirksen Senate Office Building. Mike Harvey of the Committee staff informally advised Mr. Brown, the Department's Legislative Counsel, about this hearing in early November.

Of particular concern to this Committee will be any actions which the Department may have taken or might take to reduce the ability of Congress to decide which public lands in Alaska shall be designated as components of the National Park, Wildlife Refuge, Forest, and Wild and Scenic Rivers systems.

As you know, I introduced, by request, both the Administration proposal (S. 2917) and a citizen interest measure (S. 2918) to provide notice to all concerned parties of the areas which Congress, beginning next year, proposes to consider for possible inclusion of the four systems.

We will wish to explore with you what efforts your Department is making to insure that the lands proposed for designation in the various legislative proposals pending before Congress are protected pending Congressional consideration and what problems, if any, you may be experiencing in providing that protection.

In particular, the Committee will wish to have you or your representative discuss the following items:

(1) the recent identification of potential transportation corridors and to what extent these corridors cross lands identified in the legislative proposals;

(2) what is the status of and the Department's position on State selection of any of those lands;

(3) the status of any of those lands which have since been identified for possible Native selection if they are not selected;

(4) the recent recommendation to the Committee on Interior and Insular Affairs in the House of Representatives that authority be given to identify petroleum reserves on public lands, including d-2 lands;

(5) the effect, if any, of the ultimate definition of "navigable waters" upon the lands identified in the legislative proposals.

Presently, we plan to limit the witnesses to Department representatives.

Should you have any questions, please contact Mike Harvey of the Committee staff (224-1076).

Sincerely yours,

HENRY M. JACKSON,
Chairman.

ADDITIONAL STATEMENTS

EARTH RESOURCES SATELLITE PROGRAM—S. 2350

Mr. **GOLDWATER**. Mr. President, I have requested to become a cosponsor of amendment No. 1996, because I believe that the earth resources technology satellite program needs continuity.

As matters now stand, the United States has no scheduled follow-on after ERTS-B is launched next January. Users of ERTS data are understandably concerned over the prospect of a lack of data in future years.

Despite our hesitating signals over the future of the ERTS program, Brazil, Canada, Italy, and Iran are purchasing ground stations to retrieve ERTS information. It may be that recognition of the value of the ERTS program is stronger abroad than it is at home.

During the recent World Food Conference held in Rome, Secretary of State Kissinger stated, and I quote:

> We also plan a number of new projects next year. Our space, agriculture and weather agencies will test advanced satellite techniques for surveying and forecasting important food crops. We will begin in North America and then broaden the project to other parts of the world. To supplement the WMO study on climate, we have begun our own analysis of the relationship between climatic patterns and crop yields over a statistically significant period. This is a promising and potentially vital contribution to rational planning of global production.

In order to carry out Secretary Kissinger's program, the United States will conduct a large area crop inventory experiment otherwise known as LACIE. This will be a joint investigation by the U.S. Department of Agriculture, the National Oceanographic and Atmospheric Administration, the Department of Commerce, and the National Aeronautics and Space Administration.

The purpose of this experiment is to find out whether data gathered by spacecraft and analyzed with the aid of computers can improve the timeliness and accuracy of major crop forecast.

Here is a part of the NASA description of the LACIE experiment:

> At the outset LACIE will concentrate on wheat grown in the North American area. The experiment will combine crop acreage measurements obtained from ERTS-B data and meteorological information from NOAA satellites and from ground stations designed to relate weather conditions to yield assessment and ultimately to production forecasts. A particular state of several states initially will be chosen for detailed evaluation, particularly as to the adequacy of the yield modeling. At the same time area estimates will be made by a sampling technique covering the entire region. If during the first year this activity proves successful and useful, it will be extended in the second year to other regions and ultimately to other crops.

It is clear from the foregoing that LACIE is a 2-year experiment. The authors of the experiment are assuming the ERTS-B will have a 2-year useful life.

This kind of assumption is not unreasonable, but what happens if the spacecraft fails? We have no backup satellite ready for launch.

In view of the serious foreign policy problems we have had over the export of grains, and because world grain markets have a direct impact on the American consumer, it seems to me we ought to push any technology that can help in producing accurate world crop forecasts. At least, we should have a backup satellite for ERTS-B.

The Aeronautical and Space Sciences Committee has received favorable comment on the ERTS program from many State and local governments. In addition, we are now beginning to get a better idea of the use made of ERTS data by private industry.

Private users have reported higher productivity and substantial savings. While the full story is not yet known, what we now know is encouraging.

ERTS technology is in its infancy. We have enough information now to believe that ERTS technology holds the promise for greatly improving the way man manages his resources.

I submit it is time for the U.S. Government to show determination on the future of ERTS and to get the show on the road.

MEDDLING AND "FAIRNESS"

Mr. **PROXMIRE**. Mr. President, broadcasting is supposed to have the same guarantees of freedom under the first amendment as do other media of communication. Everyone agrees to that, or at least gives lipservice to that idea. Yet, in practice, broadcasters do not have those guarantees. Their freedoms have been abridged by the very existence of the Federal Communications Commission.

In addition, the FCC directly and indirectly controls material broadcast over the air.

To me and to others in and out of broadcasting, that control violates the first amendment to the Constitution.

Sometimes the controls are subtle. Sometimes they are evident.

Yet, broadcasting is thought to be unique because its signals are carried by the airwaves. Because of the laws of physics, only one signal can occupy a slice of the electromagnetic spectrum at one time to remain intelligible.

So, for more than a half century, we have had laws governing their use.

That seems fair enough. One broadcaster should not be permitted to interfere with the signal of another.

But, as an outgrowth of that, a philosophy of operation has grown up that goes beyond the physics of broadcasting. That philosophy goes to that which is broadcast.

The Government has not said that because only one printing press can occupy a particular spot at one time or because only one magazine can use a particular space on a newsstand at one moment the Government must control the words printed on each page. That would be ridiculous.

Why, then, do we make such a claim for broadcasting?

There is no reason.

Oh, a reason is propounded. That is that there is a scarcity of space in the spectrum.

But that argument does not stand up in the face of reality. Radio and television stations outnumber general circulation newspapers. One has to look very carefully to find a market area where that is not true. And, with the advent of cable television, the argument of scarcity can be discarded entirely.

What kinds of controls are there?

A recent editorial in the Milwaukee Journal and a recent column by James J. Kilpatrick will give two good examples.

The editorial deals with the FCC's prime time rule, and the column concerns the so-called fairness doctrine.

I do not agree entirely with either the editorial or the column. I do agree, however, with their overall messages.

Mr. President, I ask unanimous consent that the Journal editorial and the Kilpatrick column be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal, Nov. 25, 1974]

FCC MEDDLING DOESN'T WORK

Four years ago, the Federal Communications Commission cut back network television programming in prime evening hours with the objectives of lessening network influence on local stations and permitting more independent producers to have access to prime time. It was also hoped that stations would produce more local programs. The plan has failed on all three counts.

The FCC prime time rule has improved the earnings of networks and local stations. It has stimulated little new independent programming other than game shows and 1950s program revivals. And local programming in prime time remains virtually non-existent nationally.

Television is now a major part of the American experience, significantly shaping public perception of events, people, ideas, products and social attitudes. In light of this enormous impact, it is fair, and important, to question whether the net effect of this rule on the quality of television programming has been positive or negative.

From all appearances, there has been a general deterioration in quality. Game shows, which return a large income on a small investment, have crowded out other programming in the half hour slot. More and more they show nearly hysterical contestants bent on greedy ends, appealing to a grubby instinct that has not been subjected to the same criticism as violence or sex.

But beyond subjective judgments based largely on personal taste, there are other arguments. Nothing, for example, has been offered specifically for children, who comprise a large segment of the television audience at this early evening hour. The FCC has recently announced exemptions to the prime time rule, one of which is aimed at increasing the number of children's specials and documentaries in the local half hour.

But this is simply attempting to fine tune a basically botched picture. And it raises the larger question of the propriety of FCC attempts to influence program policy for television. Thus far, the FCC's tampering has not served the public well. The rule should be abandoned.

[From Memphis Star, Nov. 26, 1974]

TV FAIRNESS AND WHAT'S NEWS

(By James J. Kilpatrick)

WASHINGTON.—The Institute for American Strategy last month released a thoughtful and thought-provoking study of the coverage given by the Columbia Broadcasting System in 1972–73 to news of national defense. The institute charges CBS News with imbalance, and the charge is well taken.

The evidence amassed by the institute is overwhelming. Under the direction of Ernest W. Lefever, a distinguished scholar in world affairs, a team of analysts undertook a meticulous examination of the CBS evening news. They isolated every reference to national security over a two-year period, studied the transcripts and tabulated their findings.

American attitudes on defense may be classified roughly in terms of the hawk, the sparrow and the dove. The hawk believes national defense efforts should be increased, the sparrow believes present levels are adequate, and the dove believes these levels should be reduced. As to Vietnam, the hawk defends U.S. involvement, the sparrow feels yes-and-no, and the dove deplores the whole thing.

Such classifications are fairly within the range of statistical analysis. The institute's study found that the 1972 CBS News gave 79 sentences to the hawk point of view, 774 to the sparrows and 1,382 to the doves. The imbalance was even more glaring in coverage of Vietnam. The hawks got 25 sentences, the sparrows 493 and the doves 1,201.

The same imbalance was found in coverage of other news in the field of national security, CBS gave virtually no attention to Soviet military build-up; its news editors sought out doves for interviews; most damning of all, the network's own reporters regularly expressed their own opinions in the guise of news.

An analysis of 2,235 "viewpoint sentences" found that 416 originated with CBS newsmen; of these, 3.4 percent inclined toward the hawks, 12.5 toward the sparrows, 84.1 to the doves.

In brief: "A consistent and careful viewer of the CBS evening news, with no other sources of military information, would have gained a strange and massively lopsided picture of our national defense issues and options . . . CBS News gave 17 times as much attention to views advocating that the U.S. government do substantially less in defense and national security than to views advocating that the government do more."

Richard S. Salant, president of CBS News, has responded to the institute's study with a request for more information on the methodology. He promises to take the institute's charges seriously and to examine the data. It is a reasonable reply.

So much for the institute's accusations and the network's initial response. Something more remains to be said on the nature of news and the task of editorial judgment. The institute complains repeatedly, for example, that CBS carried little about "the mission" of the Air Force, "the mission" of the Navy, and "the mission" of the Army. The institute objects that CBS ignored significant news of national security and gave time instead, on a given night, to such events as the trial of Angela Davis.

Well, the trouble is that "the mission" isn't news; and put to a choice between reporting Adm. Moorer on Soviet submarines and covering the trial of Angela Davis, 99 editors out of 100 would take the Davis trial.

The Institute for American Strategy is obsessed with national defense—a useful obsession. But a thousand other outfits have a thousand other newsworthy obsessions: abortion, gun control, fluoridation, organic gardening, racial balance busing, women's rights, historic preservation. It is likely that every one of them could compile a statistical violation of the fairness doctrine.

On the record, CBS News evidently failed to meet requirements of the fairness doctrine in its coverage of national security news. But to some degree, fairness, like beauty, lies in the eye of the beholder. If Solomon himself were sitting in for Walter Cronkite, complaints would still be heard. In the news business, alas, that's the way it is.

Mr. PROXMIRE. Mr. President, the point made by the Journal is clear. One cannot meddle with freedom without botching the job. No one can deny that it is desirable for local television stations to do more original programing. But ordering the networks not to feed local stations for the first half hour of the prime time block has not brought about the desired results.

The fact is, there is no way to force results that are desired. But more important, there is no way to bring agreement on what is desired.

If a controller could be successful in exercising his desires in television programing, does that mean that the viewers' desires will be fulfilled? Of course not.

The controller would be interfering with the freedom of the viewers. By definition, that is not freedom.

The viewers must exercise their freedom by watching or not watching by switching the dial. That is all the control that is needed.

If we do not trust the citizens of this country to exercise their judgment, their good taste, their moral convictions, by watching or not watching certain types of programing, then there is no reason for a free society.

As for the Kilpatrick column, I can have no quarrel with the Institute for American Strategy carrying out any study it might wish to make and getting publicity for such a study. That is another exercise of the first amendment.

But, if that study becomes a subject of a complaint to the FCC and the FCC acts to force CBS to carry certain stories and not to carry other stories because of those complaints, then there is no freedom of the press as far as broadcasting goes.

Mr. Kilpatrick makes the correct conclusion, which holds regardless of the rightness or wrongness of the institute's findings. Every group in the country that espouses a cause can make complaints. Mr. Kilpatrick writes:

> If Solomon himself were sitting in for Walter Cronkite complaints would still be heard.

A free people must be able to hear all kinds of news and all kinds of opinion freely expressed to make judgments in order to keep their freedom.

The Pilgrims who fled England to gain exactly that freedom are being mocked by our current system that controls material broadcast.

The King of England destroyed the Pilgrims' printing press. When they fled to Holland, the King of England used his influence over Dutch authorities to again destroy their printing press.

They had to come to the New World to find freedom. The people of the Colonies had to revolt from British rule to win freedom of religion, of speech, of the press, of petition to government, of self-rule.

We are about to celebrate the Bicentennial of that Declaration of Independence.

One meaningful way to celebrate would be the elimination of controls over broadcasting—our modern printing press.

Mr. President, that is why when the 94th Congress convenes I will introduce legislation to clarify the first amendment.

WYOMING HEROES

Mr. HANSEN. Mr. President, two Wyoming men have demonstrated their courage and dedication to the preservation of human life.

Larry L. Larson and Joe Fehr, both U.S. Forest Service employees stationed at Buffalo, Wyo., risked their lives recently to rescue two Coloradans who had been tossed into the icy waters of a reservoir when their boat capsized.

Larson and Fehr were on the shore and observed the plight of the Coloradans in the water. Neither of the Coloradans could swim. Apparently without hesitation Larson and Fehr jumped into the near-freezing waters and brought them to shore—a distance of from 100 to 150 yards.

Mr. President, I believe it most appropriate that the heroic deed of Mr. Larson and Mr. Fehr be brought to the attention of the Senate and the Nation. There is no more precious resource than human life, and Mr. Larson emphasized this when rejecting an offered reward from the Coloradans:

> No amount of money in the world would get me to swim in these icy waters—I'd only do it to save a life.

I ask unanimous consent that an article from the Buffalo Bulletin describing the successful lifesaving effort be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Buffalo (Wyo.) Bulletin, Nov. 7, 1974]

PLUNGE INTO ICY WATERS TO SAVE FISHERMEN

(By Sue Myers)

Two Denver men undoubtedly owe their lives to Larry L. Larson and Joe Fehr of the Buffalo Forest Service staff.

The two men, who were described as "in their middle 50's", were fishing at the Lower Todd reservoir on the Elsom ranch south of Buffalo recently when the boat they were using capsized.

Larson and Fehr, who were fishing from shore on the far side of the reservoir, witnessed the accident and raced to their aid. The Denver men were clinging to the boat and neither was wearing a lifejacket.

Larson spotted the discarded lifejackets on the shore, grabbed them, and shedding his clothing, jumped into the icy water. He swam out to the boat and helped the men into the lifejackets. Both of the accident victims were scared and unable to swim so Larson pulled up one anchor and began trying to tow the boat and the men to shore, a distance of 100–150 yards.

However, he didn't realize the men had put down a second anchor and he was unable to make much progress so Fehr, who had been watching from shore, shed his clothing and swam out to assist.

As they were trying to make their way to land, Don Gilbert and his son from Buffalo drove up and, when the party was close enough, threw them a rope and helped pull the boat to shore.

Fehr, Larson and the two Denver men, whose names are not known, had been in the icy water only about 15–20 minutes, but all were suffering to some degree from exposure when pulled out. No lasting effects from the ordeal resulted, but both Larson and Fehr reported they had sore muscles—not only from the physical exertion but also from the uncontrollable shaking spell both endured after they began to get warm.

Following the incident, one of the Denver men offered Larson $100 for his efforts but Larson refused saying "No amount of money in the world would get me to swim in these icy waters—I'd only do it to save a life."

RON WHITE

Mr. BENTSEN. Mr. President, tragedy struck Washington over this Thanksgiving Day weekend. As thousands of our friends and neighbors returned to their homes, a TWA flight from the Midwest on Sunday lost its way in a brutal storm and crashed near Dulles International Airport.

None of the 92 persons on board survived the crash. In this time of deep anguish, I would like to extend my sympathies to their families and friends.

In a very personal way, I share their sorrow. A member of my staff, Ronald White, was lost on that flight.

Ron was a most remarkable individual. Those who knew him will never forget his dedication, his concern for the needs of others, his compassion for his fellow man, and his genuine decency. Nor will they forget his ability to laugh, with others and at himself. His self-effacing humor was so refreshing in this world of the self-righteous.

My staff and I wish his mother, Mrs. William L. White, of Mt. Vernon, Ohio, and wife of the late Mr. William L. White; his brother Bill, of Pittsburgh, Pa.; and the other members of his family our deepest sympathies and offer our prayers for strength in the difficult weeks ahead.

Ron was a good and decent man, and we shall miss him very much.

AGAINST SEX DISCRIMINATION

Mr. PACKWOOD. Mr. President, in recent years, we have become increasingly aware of the pervasiveness of sex discrimination. Children are exposed at very early ages to stereotyped sex roles, and one of the most forceful—if subtle—means of communicating such stereotypes has been through children's literature. Though no less offensive than racial or religious discrimination, sex discrimination has managed to slip by almost unnoticed over the years. Fortunately, we have all become more sensitive to the subleties of sex discrimination, and as a consequence a new and sincere effort is underway first, to focus on sex discrimination wherever it exists, and second, to neutralize any discriminatory references that are found.

Recently, the McGraw-Hill Book Co. published a set of guidelines to be used as an aid in raising their writers' consciousness on sex discrimination issues. Hopefully, in short time, such arbitrary and mechanical guidelines will outwear their usefulness, and the English language will adapt itself to a nondiscriminatory posture. It is to be hoped that in even shorter time, writers of children's literature in particular, will become more sensitive to the nature of sex discrimination, and its subtle power over the young mind, and will make appropriate changes in their writing to equalize the treatment of individuals, be they male or female.

Mr. President, I believe the McGraw-Hill guidelines can be a useful consciousness-raising tool for others than writers, and I therefore ask unanimous consent that they be printed in the RECORD.

There being no objection, the guidelines were ordered to be printed in the RECORD, as follows:

GUIDELINES FOR EQUAL TREATMENT OF THE SEXES IN MCGRAW-HILL BOOK CO. PUBLICATIONS

(These materials may be reproduced in whole or in part without written permission provided that each such reproduction carries an acknowledgement to the McGraw-Hill Book Company.)

INTRODUCTION

The word sexism was coined, by analogy to racism, to denote discrimination based on gender. In its original sense, sexism referred to prejudice against the female sex. In a broader sense, the term now indicates any arbitrary stereotyping of males and females on the basis of their gender.

We are endeavoring through these guidelines to eliminate sexist assumptions from McGraw-Hill Book Company publications and to encourage a greater freedom for all individuals to pursue their interests and realize their potentials. Specifically, these guidelines are designed to make McGraw-Hill staff members and McGraw-Hill authors aware of the ways in which males and females have been stereotyped in publications; to show the role language has played in reinforcing inequality; and to indicate positive approaches toward providing fair, accurate, and balanced treatment of both sexes in our publications.

One approach is to recruit more women as authors and contributors in all fields. The writings and viewpoints of women should be represented in quotations and references whenever possible. Anthologies should include a larger proportion of selections by and about women in fields where suitable materials are available but women are currently underrepresented.

Women as well as men have been leaders and heroes, explorers and pioneers, and have made notable contributions to science, medicine, law, business, politics, civics, economics, literature, the arts, sports, and other areas of endeavor. Books dealing with subjects like these, as well as general histories, should acknowledge the achievements of women. The fact that women's rights, opportunities, and accomplishments have been limited by the social customs and conditions of their time should be openly discussed whenever relevant to the topic at hand.

We realize that the language of literature cannot be prescribed. The recommendations in these guidelines, thus, are intended primarily for use in teaching materials, reference works, and nonfiction works in general.

NONSEXIST TREATMENT OF WOMEN AND MEN

Men and women should be treated primarily as people, and not primarily as members of opposite sexes. Their shared humanity and common attributes should be stressed—not their gender difference. Neither sex should be stereotyped or arbitrarily assigned to a leading or secondary role.

1. a. Though many women will continue to choose traditional occupations such as homemaker or secretary, women should not be type-cast in these roles but shown in a wide variety of professions and trades: as doctors and dentists, not always as nurses; as principals and professors not always as teachers; as lawyers and judges, not always as social workers; as bank presidents, not always as tellers; as members of Congress, not always as members of the League of Women Voters.

b. Similarly, men should not be shown as constantly subject to the "masculine mystique" in their interests, attitudes, or careers, They should not be made to feel that their self-worth depends entirely upon their income level or the status level of their jobs. They should not be conditioned to believe that a man ought to earn more than a woman or that he ought to be the sole support of a family.

c. An attempt should be made to break job stereotypes for both women and men. No job should be considered sex-typed, and it should never be implied that certain jobs are incompatible with a woman's "femininity" or a man's "masculinity." Thus, women as well as men should be soon shown as accountants, engineers, pilots, plumbers, bridge-builders, computer operators, TV repairers, and astronauts, while men as well as women should be shown as nurses, grade-school teachers, secretaries, typists, librarians, file clerks, switchboard operators, and baby-sitters.

Women within a profession should be shown at all professional levels, including the top levels. Women should be portrayed in positions of authority over men and over other women, and there should be no implication that a man loses face or that a woman faces difficulty if the employer or supervisor is a woman. All work should be treated as honorable and worthy of respect; no job or job choices should be downgraded. Instead, women and men should be offered more options than were available to them when work was stereotyped by sex.

d. Books designed for children at the preschool, elementary, and secondary levels should show married women who work outside the home and should treat them favorably. Teaching materials should not assume or imply that most women are wives who are also full-time mothers, but should instead emphasize the fact that women have choices about their marital status, just as men do: that some women choose to stay permanently single and some are in no hurry to marry; that some women marry but do not have children, while others marry, have children, and continue to work outside the home. Thus, a text might say that some married people have children and some do not, and that sometimes one or both parents work outside the home. Instructional materials should never imply that all women have a "mother instinct" or that the emotional life of a family suffers because a woman works. Instead they might state that when both parents work outside the home there is usually either greater sharing of the child-rearing activities or reliance on day-care centers, nursery schools, or other help.

According to Labor Department statistics for 1972, over 42 per cent of all mothers with children under 18 worked outside the home, and about a third of these working mothers had children under 6. Publications ought to reflect this reality.

Both men and women should be shown engaged in home maintenance activities, ranging from cooking and housecleaning to washing the car and making household repairs. Sometimes the man should be shown preparing the meals, doing the laundry, or diapering the baby, while the woman builds bookcases or takes out the trash.

e. Girls should be shown as having, and exercising, the same options as boys in their play and career choices. In school materials, girls should be encouraged to show an interest in mathematics, mechanical skills, and active sports, for example, while boys should never be made to feel ashamed of an interest in poetry, art, or music, or an aptitude for cooking, sewing, or child care. Course materials should be addressed to students of both sexes. For example, home economics courses should apply to boys as well as girls, and shop to girls as well as boys. Both males and females should be shown in textbook illustrations depicting career choices.

When as a practical matter it is known that a book will be used primarily by women for the life of the edition (say, the next five years), it is pointless to pretend that the readership is divided equally between males and females. In such cases it may be more beneficial to address the book fully to women and exploit every opportunity (1) to point out to them a broader set of options than they might otherwise have considered, and (2) to encourage them to aspire to a more active, assertive, and policymaking role than they might otherwise have thought of.

f. Women and girls should be portrayed as active participants in the same proportion as men and boys in stories, examples, problems, illustrations, discussion questions, test items, and exercises, regardless of subject matter. Women should not be stereotyped in examples by being spoken of only in connection with cooking, sewing, shopping, and similar activities.

2.a. Members of both sexes should be represented as whole human beings with human strengths and weaknesses, not masculine or feminine ones. Women and girls should be shown as having the same abilities, interests, and ambitions as men and boys. Characteristics that have been traditionally praised in males—such as boldness, initiative, and assertiveness—should also be praised in females. Characteristics that have been praised in females—such as gentleness, compassion, and sensitivity—should also be praised in males.

b. Like men and boys, women and girls should be portrayed as independent, active, strong, courageous, competent, decisive, persistent, serious-minded, and successful. They should appear as logical thinkers, problem-solvers, and decision makers. They should be shown as interested in their work, pursuing a variety of career goals, and both deserving of and receiving public recognition for their accomplishments.

c. Sometimes men should be shown as quiet and passive, or fearful and indecisive, or illogical and immature. Similarly, women should sometimes be shown as tough, aggressive, and insensitive. Stereotypes of the logical, objective male and the emotional, subjective female are to be avoided. In descriptions, the smarter, braver, or more successful person should be a woman or girl as often as a man or boy. In illustrations, the taller, heavier, stronger, or more active person should not always be male, especially when children are portrayed.

3. Women and men should be treated with the same respect, dignity, and seriousness. Neither should be trivialized or stereotyped, either in text or in illustrations. Women should not be described by physical attributes when men are being described by mental attributes or professional position. Instead, both sexes should be dealt with in the same terms. References to a man's or a woman's appearance, charm, or intuition should be avoided when irrelevant.

NO

Henry Harris is a shrewd lawyer and his wife Ann is a striking brunette.

YES

The Harrises are an attractive couple. Henry is a handsome blond and Ann is a striking brunette.

OR

The Harrises are highly respected in their fields. Ann is an accomplished musician and Henry is a shrewd lawyer.

The Harrises are an interesting couple. Henry is a shrewd lawyer and Ann is very active in community (or church or civic) affairs.

a. In descriptions of women, a patronizing or girl-watching tone should be avoided, as should sexual innuendoes, jokes, and puns. Examples of practices to be avoided: focusing on physical appearance (a buxom blonde); using special female-gender word forms (poetess, aviatrix, usherette); treating women as sex objects or portraying the typical woman as weak, helpless, or hysterical; making women figures of fun or objects of scorn and treating their issues as humorous or unimportant.

Examples of stereotypes to be avoided: scatterbrained female, fragile flower, goddess on a pedestal, catty gossip, henpecking shrew, apron-wearing mother, frustrated spinster, ladylike little girl. Jokes at women's expense—such as the woman driver or nagging mother-in-law cliches—are to be avoided.

"NO" and "YES"

(NOTE (a) indicates "no" and (b) indicates "yes.")

(a) The fair sex; the weaker sex.

(b) Women.

(a) The distaff side.

(b) The female side or line.

(a) The girls or the ladies (when adult females are meant).

(b) The women.

(a) Girl, as in: I'll have my girl check that.

(b) I'll have my secretary (or my assistant) check that. (Or use the person's name.)

(a) Lady used as a modifier, as in lady lawyer.

(b) Lawyer (A woman may be identified simply through the choice of pronouns, as in: The lawyer made her summation to the jury. Try to avoid gender modifiers altogether. When you must modify, use woman or female, as in: a course on women writers, or the airline's first female pilot.)

(a) The little woman; the better half; the ball and chain.

(b) Wife.

(a) Female-gender word forms, such as authoress, poetess, Jewess.

(b) Author, poet, Jew.

(a) Female-gender or diminutive word forms, such as suffragette, usherette, aviatrix.

(b) Suffragist, usher, aviator (or pilot).

(a) Libber (a put-down).

(b) Feminist; liberationist.

(a) Sweet young thing.

(b) Young woman; girl.

(a) Co-ed (as a noun).

(b) Student.

(Note: Logically, co-ed should refer to any student at a co-educational college or university. Since it does not, it is a sexist term.)

(a) Housewife.

(b) Homemaker for a person who works at home, or rephrase with a more pecise or more inclusive term.

(a) The sound of the drilling disturbed the housewives in the neighborhood.

(b) The sound of the drilling disturbed everyone within earshot (or everyone in the neighborhood).

(a) Housewives are feeling the pinch of higher prices.

(b) Consumers (customers or shoppers) are feeling the pinch of higher prices.

(a) Career girl or career woman.

(b) Name the woman's profession: Attorney Ellen Smith; Maria Sanchez, a journalist or editor or business executive or doctor or lawyer or agent.

(a) Cleaning woman, cleaning lady, or maid.

(b) Housekeeper; house or office cleaner.

b. In descriptions of men, especially men in the home, references to general ineptness should be avoided. Men should not be characterized as dependent on women for meals, or clumsy in household maintenance, or as foolish in self-care.

To be avoided: characteristics that stress men's dependence on women for advice on what to wear and what to eat, inability of men to care for themselves in times of illness, and men as objects of fun (the henpecked husband).

c. Women should be treated as part of the rule, not as the exception.

Generic terms, such as doctor and nurse, should be assumed to include both men and women, and modified titles such as "woman doctor" or "male nurse," should be avoided. Work should never be stereotyped as "woman's work" or as "a man-sized job." Writers should avoid showing a "gee-whiz" attitude toward women who perform competently; ("Though a woman, she ran the business as well as any man" or "Though a woman, she ran the business efficiently.")

d. Women should be spoken of as participants in the action, not as possessions of the men. Terms such as pioneer, farmer, and settler should not be used as though they applied only to adult males.

"NO" AND "YES"

(NOTE: (a) indicates "no" and (b) indicates "yes.")

(b) Pioneer families moved West.

(a) Pioneers moved West, taking their wives and children with them.

(b) Pioneer men and women (or pioneer couples) moved West, taking their children with them.

e. Women should not be portrayed as needing male permission in order to act or to exercise rights (except, of course, for historical or factual accuracy).

"NO" AND "YES"

(a) Jim Weiss allows his wife to work part-time.

(b) Judy Weiss works part-time.

4. Women should be recognized for their own achievements. Intelligent, daring, and

innovative women, both in history and in fiction, should be provided as role-models for girls, and leaders in the fight for women's rights should be honored and respected, not mocked or ignored.

5. In references to humanity at large, language should operate to include women and girls. Terms that tend to exclude females should be avoided whenever possible.

a. The word *man* has long been used not only to denote a person of male gender, but also generically to denote humanity at large. To many people today, however, the word *man* has become so closely associated with the first meaning (a male human being) that they consider it no longer broad enough to be applied to any person or to human beings as a whole. In deference to this position, alternative expressions should be used in place of *man* (or derivative constructions used generically to signify humanity at large) whenever such substitutions can be made without producing an awkward or artificial construction. In cases where man-words must be used, special efforts should be made to ensure that pictures and other devices make explicit that such referenecs include women.

Here are some possible substitutions for man-words:

"NO" AND "YES"

(NOTE: (a) indicates "no" and (b) indicates "yes.")

(a) Mankind.

(b) Humanity, human beings, human race, people.

(a) Primitive man.

(b) Primitive people or peoples; primitive human beings; primitive men and women.

(a) Man's achievements.

(b) Human achievements.

(a) If a man drove 50 miles at 60 mph. . . .

(b) If a person (or driver) drove 50 miles at 60 mph. . . .

(a) The best man for the job.

(b) The best person (or candidate) for the job.

(a) Manmade.

(b) Artificial; synthetic, manufactured; constructed; of human origin.

(a) Manpower.

(b) Human power; human energy; workers; workforce.

(a) Grow to manhood.

(b) Grow to adulthood; grow to manhood or womanhood.

b. The English language lacks a generic singular pronoun signifying he or she, and therefore it has been customary and grammatically sanctioned to use masculine pronouns in expressions such as "one . . . he," "anyone . . . he," and "each child opens his book." Nevertheless, avoid when possible the pronouns he, him, and his in reference to the hypothetical person or humanity in general.

Various alternatives may be considered:

(1) Reword to eliminate unnecessary gender pronouns.

"NO" (a) AND "YES" (b)

(a) The average American drinks his coffee black.

(b) The average American drinks black coffee.

(2) Recast into the plural.

(b) Most Americans drink their coffee black.

(3) Replace the masculine pronoun with one, you, he or she, her or his, as appropriate. (Use he or she and its variations sparingly to avoid clumsy prose.)

(4) Alternate male and female expressions and examples.

"NO (a) AND "YES" (b)

(a) I've often heard supervisors say, "He's not the right man for the job," or "He lacks the qualifications for success."

(b) I've often heard supervisors say, "She's not the right person for the job," or "He lacks the qualifications for success."

(5) To avoid severe problems of repetition or inept wording, it may sometimes be best to use the generic he freely, but to add, in the preface and as often as necessary in the text, emphatic statements to the effect that the masculine pronoune are being used for succinctness and are intended to refer to both females and males.

These guidelines can only suggest a few solutions to difficult problems of rewording. The proper solution in any given passage must depend on the context and on the author's intention. For example, it would be wrong to pluralize in contexts stressing a one-to-one relationship, as between teacher and child. In such cases, either using the expression he or she or alternating he and she, as appropriate, will be acceptable.

c. Occupational terms ending in *man* should be replaced whenever possible by terms that can include members of either sex unless they refer to a particular person.

"NO" AND "YES"

(NOTE: (a) indicates "no" and (b) indicates "yes.").

(a) Congressman.

(b) Member of Congress; representative (but Congressman Koch and Congresswoman Holtzman).

(a) Businessman.

(b) Business executive; business manager.

(a) Fireman.

(b) Fire fighter.

(a) Mailman.

(b) Mail carrier; letter carrier.

(a) Salesman.

(b) Sales representative; salesperson; sales clerk.

(a) Insurance man.

(b) Insurance agent.

(a) Statesman.

(b) Leader; public servant.

(a) Chairman.

(b) The person presiding at (or chairing) a meeting; the presiding officer; the chair; head; leader; coordinator; moderator.

(a) Cameraman.

(b) Camera operator.

(a) Foreman.

(b) Supervisor.

d. Language that assumes all readers are male should be avoided.

(a) You and your wife.

(b) You and your spouse.

(a) When you shave in the morning.

(b) When you brush your teeth (or wash up) in the morning.

6. The language used to designate and describe females and males should treat the sexes equally.

a. Parallel language should be used for women and men.

"NO" (a) AND "YES" (b)

(NOTE: (a) indicates "no" and (b) indicates "yes.")

(a) The men and the ladies.

(b) The men and the women.

(b) The ladies and the gentlemen.

(b) The girls and the boys.

(a) Man and wife.

(b) Husband and wife.

Note that *lady* and *gentleman, wife* and *husband,* and *mother* and *father* are role words. *Ladies* should be used for women only when men are being referred to as *gentlemen.* Similarly, women should be called *wives* and *mothers* only when men are referred to as *husbands* and *fathers.* Like a male shopper, a woman in a grocery store should be called a *customer,* not a *housewife.*

b. Women should be identified by their own names (e.g., Indira Gandhi). They should not be referred to in terms of their roles as wife, mother, sister, or daughter unless it is in these roles that they are significant in context. Nor should they be identified in terms of their marital relationships (Mrs. Gandhi) unless this brief form is stylistically more convenient (than, say Prime Minister Gandhi) or is paired up with similar references to men.

(1) A woman should be referred to by name in the same way that a man is. Both should be called by their full name, by first or last name only, or by title.

"NO" (a) AND "YES" (b)

(a) Bobby Riggs and Billie Jean.

(b) Bobby Riggs and Billie Jean King.

(a) Billie Jean and Riggs.

(b) Billie Jean and Bobby.

(a) Mrs. King and Riggs.

(b) King and Riggs.

(b) Ms. King (because she prefers Ms.) and Mr. Riggs.

(a) Mrs. Meir and Moshe Dayan.

(b) Golda Meir and Moshe Dayan or Mrs. Meir and Dr. Dayan.

(2) Unnecessary reference to or emphasis on a woman's marital status should be avoided. Whether married or not, a woman may be referred to by the name by which she chooses to be known, whether her name is her original name or her married name.

c. Whenever possible, a term should be used that includes both sexes. Unnecessary references to gender should be avoided.

"NO" (a) AND "YES" (b)

(a) College boys and co-eds.

(b) Students.

d. Insofar as possible, job titles should be nonsexist. Different nomenclature should not be used for the same job depending on whether it is held by a male or by a female. (See also paragraph 5c for additional examples of words ending in man.)

"NO" (a) AND "YES" (b)

(a) Steward or purser or stewardess.

(b) Flight attendant.

(a) Policeman and policewoman.

(b) Police officer.

(a) Maid and houseboy.

(b) House or office cleaner; servant.

e. Different pronouns should not be linked with certain work or occupations on the assumption that the worker is always (or usually) female or male. Instead either pluralize or use he or she and she or he.

"NO" (a) AND "YES" (b)

(a) The consumer or shopper . . . she.

(b) Consumers or shoppers . . . they.

(a) The secretary . . . she.

(b) Secretaries . . . they.

(a) The breadwinner . . . his earnings.

(b) The breadwinner . . . his or her earnings or breadwinners . . . their earnings.

f. Males should not always be first in order of mention. Instead, alternate the order, sometimes using: women and men, gentlemen and ladies, she or he, or his.

CONCLUSION

It is hoped that these guidelines have alerted authors and staff members to the problems of sex discrimination and to various ways of solving them.

SKYROCKETING DEFENSE COSTS MAKE PRIVATE FORTUNES LOOK SMALL

Mr. PROXMIRE. Mr. President, many times it is easy to lose track of the significance of huge amounts of money. We use terms like one billion or two billion with such ease that it is difficult to imagine just how much money this means. This is particularly true when discussing the defense budget.

The recent public examination of the personal fortune of Nelson Rockefeller provides an interesting example of the contrast between public and private expenditures.

Murray Marder of the Washington Post has drawn the comparison in such a way as to make it easy to understand. The entire Rockefeller fortune of $62.5 million, as filed with the Senate Rules and House Judiciary Committees, would pay for no more than three and probably only two modern tactical fighters of the F–14 type.

Mr. President, I ask unanimous consent that the Washington Post article making these comparisons be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEAPONS COSTS MAKE A FORTUNE LOOK SMALL

(By Murray Marder)

Money, in personal terms, evidently has little relationship to money in governmental terms in the mind of the average American, a current study suggests.

For months, news headlines have focused with fascination on what is inevitably described in superlatives as the "immense," "huge," or "tremendous" wealth of vice presidential nominee Nelson A. Rockefeller.

In terms of prices for what is really expensive in the world today, however, namely sophisticated weaponry, the Rockefeller fortune would not even gain him entry to the bush-league class of nations.

A study by William D. White for the Brookings Institution shows that since World War II, the average cost of producing a US fighter plane has doubled every 4½ years "from an average of $99,400 in 1943 to $10,900,000 in 1975."

The Navy's F14 Tomcat fighter carries a price tag of about $17.8 million. According to analyst White, this most expensive tactical warplane, "fully equipped" with Phoenix missiles and other advanced equipment, "will cost $28 million, or seven times as much as the F4 Phantom 2s it is replacing, and 275 times as much as the most advanced Navy fighter of the Second World War."

At these prices, the entire, immediate personal wealth of Rockefeller, listed at $62,5 million in reports filed with the Senate Rules and House Judiciary committees, could pay for two tactical aircraft, with a little left over for replacing missiles that are fired.

Or the Rockefeller fortune could buy five average-priced fighter planes—if the purchase is made in a hurry before prices go higher.

Similarly, all the Rockefeller wealth would not come close to paying for one of the huge, new B1 bombers, which carry a still-climbing price tag of about $76 million each, including massive research and development costs.

As another example, all the immediate Rockefeller wealth plus his share of trust funds with total net assets of $120 million, would hardly cover a down payment on the planned Trident nuclear submarine. They carry a price tag of about $13 billion each so far.

The numbing costs of sophisticated weaponry have been cited somberly by Defense Secretary James R. Schlesinger and others who justify the expenditures as well as by defense critics who deplore the spending. Years ago defense experts began worrying about the spiral, in such terms as. "We've got to stop using $15 million airplanes to try and knock out $3000 trucks."

In this study, White attributes only about one-third of the combined effects of inflation and shrinking production orders to the skyrocketing costs of post-World War II aircraft. The remainder of the price spiral is attributed to the growing technical complexity of aircraft designing.

The $100-million-each fighter plane, White cautions, is not too far over the cost horizon.

As costs escalate, White forecasts the nation will reach the point where it will no longer be willing to finance the acquisition of aircraft built to traditional US military standards of versatility and ultra-sophistication, in quantities needed for conventional war.

Mr. PROXMIRE. Mr. President, the point that can be drawn from this comparison should not go unrecognized. We are fast pricing ourselves out of an adequate defense. Every new super sophisticated weapon sends us down the road to lower force levels. The point is soon approaching when we will have disarmed this country unilaterally.

It is time for a return to reason. We need replacement aircraft and other weapons at a reasonable cost that will not drive down the force levels. When will the Defense Department take steps to reverse this process?

MAINTAINING AN EQUILIBRIUM OF POWER

Mr. GOLDWATER. Mr. President, before we went into recess, it was my rare privilege and honor to attend the annual reception and dinner for the Association of the U.S. Army. At that occasion, we were addressed by the Honorable James R. Schlesinger, Secretary of Defense. It was such an outstanding statement of what I believe our policies should be that I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MAINTAINING AN EQUILIBRIUM OF POWER

It is the American role to be the mainstay of a system of mutual security—to maintain a worldwide military balance on which the hopes for stability and, therefore, detente rests.

The Army is the visible embodiment of the military strength of one of the world's two most powerful nations. But the Army is more than a visible means of expressing U.S. power. Should the need arise, it is the only and necessary means of contributing to the physical defense and control of land areas critical to the Free World. Only land forces can fully satisfy that purpose.

It is a pleasure to be with you tonight and to salute your wisdom in selecting Ellsworth Bunker for the George Catlett Marshall Memorial Award. Ambassador Bunker is truly in the greatest American tradition of dedicated public service so ideally exemplified by General Marshall.

I know that Ambassador Bunker understands, as his words indicated and as General Marshall understood, the peculiar problems faced by a defense establishment in a democratic society. This Association itself exists to support an institution, the U.S. Army—which is at the same time so reflective of American life and so indispensable an instrument for the fulfillment of the American role in the world.

As you all know, when American values are in flux, the Army tends to suffer. When our society undergoes illusions of perpetual peace—as it does periodically—the Army tends to dwindle. How, in the circumstances, are we to achieve the necessary stability for this indispensable institution?

Let me start my answer by mentioning two small episodes in the career of our late, admired, and beloved Chief of Staff, General Abe. The first incident occurred last spring at Graftenwoehr, when Abe asked a battalion commander how well his troops got on with the Germans. "We've been down here six weeks, sir, right next to a German unit," was the response—prideful in its grasp of the vital importance of international good will—"and in all that time there has not even been a single fist-fight."

"Do you mean to tell me," countered Abe with some mischief in his eye, "that these men lack fighting spirit?"

From so brief an exchange one might rapidly learn that a successful Army is based, not on simple adherence to the norms of correct deportment, but on the pride and self-confidence that readily spill over into combativeness. "Lack of fighting spirit," a concomitant of correct deportment—that would surely have earned for Abe some tongue-clucking from those who dispense the patent medicines of the moral field. Nonetheless, in any successful Army, confidence and combativeness must be fostered and captured. No Army can afford to assume that the meek will inherit the earth.

To delineate the style and character of an Army is quite different from establishing a reason for its existence. That brings me to my second Abrams episode, one which might not elicit tongue-clucking but would certainly cause head-shaking among those academics who develop text book maxims of prudent bureaucratic behavior for leaders of government institutions. When called upon to explain why the Army needed to maintain the then-current 13 divisions, Abe would respond: "Let us turn to an even more fundamental question; why do we need any Army at all?"

How bold!—Are not institutional stability, equity to those who have dedicated their careers and lives to the institution, tradition, or historical inheritance reasons sufficient in themselves? Logically the answer is no. The Army, as an instrument of national policy supported by the public, must be reviewed in each historical timeframe and justified by its continuing contribution to the national purpose. But what is the role of the Army when major conflicts, it is believed will not occur, when the environment is one of détente, and when there are stockpiles of nuclear weapons for deterrence purposes? What, more fundamentally, is the national purpose in the decade ahead and what is the role of the U.S. Armed Forces of which the Army is an integral part?

Let me deal with these questions as succinctly as I can.

Destiny has called the United States to the role of leader and mainstay of the free world, however you may wish to define it. There is no other nation that can carry that burden. If we should fail to carry out our responsibilities, the price will be high. Historically we will be judged not by our excuses, but by our failures and our lost opportunities.

It is the American role to be the mainstay of a system of mutual security—to maintain a worldwide military balance on which the hopes for stability, and therefore détente rests. Without an underlying equilibrium of force there can be no stability, but only a volatile shifting of political alliances, or political frontiers, and regions of political domination. On an equilibrium of power rests the hoped-for détente, the shaping and maintenance of a true détente, and the ability to prevent the catastrophic disarray of the free world should détente dissolve.

The objective of military balance implies that we measure our capabilities against those of the other superpower, for the United States and the Soviet Union dispose of military capabilities which are in a class by themselves. The American role in maintaining a worldwide military balance is, I fear, better understood in Moscow than it is in this country. It is understood there that failure to maintain a military equilibrium will result in a shift of the correlation of forces, to use the Leninist phrase, adversely against the West with consequent major political adjustments to follow.

To understand the requirements of the military balance so necessary to the security of the Free World demands intellectual discipline and a rejection of the mindless cliches which all too frequently have characterized our domestic debates on military issues in recent years. Despite its advocacy by some, there can be no unilateral disarmament by the United States even in a relative sense. The aggregate of military power represented by the Armed Forces of the United States and its allies must be of both the size and the composition needed to preclude any major level or area of weakness that could prove tempting or destabilizing. In a more general sense, these forces must serve not only as a necessary symbol of power, but also as a physical counterweight to potentially hostile forces organized elsewhere in the world. Such a counterweight is an essential ingredient in deterrence.

It was in the 1950s that some nations in the Western Alliance, even more so than in the United States, made the intriguing and convenient discovery that there was an intangible phenomenon called deterrence, painless in that it would work without the unpleasant necessity of anyone being prepared to fight. Even more miraculously, it turned out that deterrence was low in cost—in contrast to defense. This observation led, in turn, to the enchanging discoveries for some that one could substantially reduce defense capabilities.

At base, this was nothing but a dangerous illusion, and hopefully this is better understood as the period of nuclear predominance for the United States has disappeared. Deterrence and defense are not substitutes for one another; defense capabilities, representing the potential for effective counteraction, are the essential condition of deterrence. This simple truth is especially evident in a crisis, when the forces designed for deterrence only may abruptly be found to be disappointingly lacking in credibility.

Deterrence, in other words, is not something free-floating that exists independently of a credible, implementable threat. It requires the most careful structuring of forces that is fully consistent with an agreed-on alliance strategy. By contrast with the 1950s when the great nuclear superiority of the United States concealed any basic deficiencies in strategy and force structure, it is now evident that deterrence does not simply derive from a pile of nuclear weapons—a pile which, one is persuaded, frightens one's opponents at least as much as the people it is designed to protect.

In the 1950s, as you may recall, there was some misunderstanding of the role to be played by balanced military forces as opposed to simple reliance on nuclear retaliation. The "Fifties," if nothing else, were a period during which even our military institutions became unduly intrigued with the novelty of nuclear explosives.

In those years, the trumpet sounded uncertainly even within the Army itself, as I am sure General Taylor will regretfully agree. I can recall one Army colonel who informed me rather dejectedly that his mission over the next decade would be simply to guard SAC bases. So far had the illusion of pushbutton warfare gone.

More recently, somewhat similar illusions to those of the fifties regarding deterrence have emerged regarding detente. Detente is believed somehow to obviate the need for deterrence and defense. But make no mistake about it: there is no conflict between detente and defense. They are inextricably bound up one with another in the maintenance of an equilibrium of power.

A closed society, like the Soviet Union, has no difficulty in pursuing detente and in simultaneously strengthening its defense efforts. Soviet defense budgets grow by three to five percent per annum in real terms. And next year, the Soviets will start what promises to be the most dramatic deployment of strategic offensive forces in the entire history of strategic nuclear arms.

Under such circumstances, this nation should be under no illusions regarding the necessity of maintaining a military balance and all the capabilities that go with it. If indeed we are to maintain a military posture second to none, as it is so popular to proclaim, there is no substitute for the hard and unremitting effort to keep up the nation's defenses.

But where does the Army with its conventional strength fit into this scheme of things? Part of the answer lies in the necessity of keeping the nuclear threshold high to maintain deterrence across the entire spectrum of risk. With the world armed as it presently is, none of us should casually entrust the security of the Free World to the easy belief in early access to nuclear weapons.

Another part of the answer is that the Army is the visible embodiment of the military strength of one of the world's two most powerful nations. But the Army is more than a visible means of expressing U.S. power. Should the need arise, it is the only and necessary means of contributing to the physical defense and control of land areas critical to the Free World. Only land forces can fully satisfy that purpose.

These needs were recognized in the early 1960s, and we began the strengthening of the general purpose forces. But the effort quickly became both identified with and obscured by our subsequent involvement in the Vietnamese war. The Army found itself the principal target of much of the public disaffection that arose at the end of the 1960s and continued into the early years of this decade.

On the defensive in terms of public support, the Army's manpower has been reduced from a peak of 1.5 million men in fiscal year 1968 to the current level of 785,000. Annual cutbacks in manpower have caused continued personnel turbulence and precluded the stability that is essential for force planning. The threat of further annual cutbacks in the future has heightened that instability.

The stark reality is that the post-Vietnam reductions in the defense budget have left our general purpose forces on the thin side and notably so in the case of the Army. At 785,000 men and women, Army personnel strength is 20 percent below the level prior to Vietnam. It is at the lowest point since the period of Louis Johnson just before the Korean war.

At 13 divisions, the Army is hard pressed to fulfill even the nominal requirements for a one-and-a-half war capability established as the peacetime strategy after Vietnam. For the critical task of NATO reinforcement, the Army remains only marginally adequate to make its contribution in light of the continuing buildup of forces by the Soviet Union in Eastern Europe.

The upshot is that the Army has required more than anything else a period of stability and some tender loving care. It did not need any further buffeting; it has received enough. It did not require any further punishment for alleged deficiencies. Least of all did it need more splendid analyses justifying even further cutbacks as a means of furthering the national security.

I believe the Army is back on its feet. Now, it faces two obligations: First, through a process of continuous self-examination, it must achieve the adjustments to ensure that the resources provided to the Army are efficiently devoted—not to some past inheritance—but as the Army's contribution to our overall military posture and to the nation's foreign policy objectives.

A major part of the first task has been to revitalize the Army post-Vietnam: to regain stability and end the turbulence, point the Army toward its major European mission, improve its training and readiness. All of this was well under way under General Abrams.

A second part of this task has been to persuade the Congress that we can no longer tolerate reductions to fund necessary pay and price increases at the expense of our equally necessary non-nuclear capability to fight—and hence to deter. We must have both.

For this fiscal year, and hopefully for the future, depending on how hard you work, the difficulty has been resolved by the decision to hold the Army's authorized strength at 785,000 men. In return, the Army is expected to and will—convert headquarters and marginal support capabilities into additional combat power. The firm intention is to build a strength of 16 divisions. Given stability and the proper incentives, the Army can do the job. The goal—16 divisions and 785,000 men and women—will continue to enjoy my support and already has that of Secretary Callaway and General Weyand. To succeed, however, it must also have Congressional understanding and backing. I believe we have a good hope of achieving that end.

I mentioned a second obligation, but it is easier to describe than it is to meet. As you know, all large organizations must have their system: the rules, codes, and routines by which they run. Such a system tends to place a high value on conformity and to suppress iconoclasm. It is good at taking care of small errors at the price of allowing much larger errors—whether of commission or omission. The system invites the danger of becoming an object of worship: a golden calf or graven image. The ultimate effect of system worship or ossification.

I stress this organizational problem because, in the years ahead, the Army leadership will need to devote an increasing share of its attention to broader issues of strategy while maintaining the necessary and welcome but routine activities such as training and readiness. It is at least as important that the Army adapt to its changing national mission as that it score well by its technical internal criteria of performance. In short, it must be capable of imaginative, innovative, and non-routine responses.

Of special importance is how it deals with the weapons acquisition process: whether it achieves the optimum balance between R&D and procurement; whether it strikes the right balance between pushing the state of the art, aiming for numbers, affordability and maintainability. Quality, as we all know, is not the whole story. When Daniel Boone, who shot fifty bears a year, was replaced by fifty hunters who averaged two each, the bears saw no occasion to celebrate the decline in human markmanship.

I recognize that these times are not especially hospitable to the military enterprise, whether we are talking about R&D strategy or the role of the standing Army in a nuclear age. One is tempted, in the circumstances, to repeat those lines from the old sentry-box in Gibraltar:

> God and the soldier
> All men adore
> In time of trouble
> And no more;
> For when war is over
> And all things righted
> God is neglected—
> The old soldier slighted.

But all things are not righted. By contrast to this reasonably cheerful 18th Century view, we may recall the more sombre words of Winston Churchill in the waning days of World War I.

"Death stands at attention—obedient, expectant, ready to serve, . . . ready, if called upon, to pulverize . . . civilization." But fortunately, Churchill did not leave it at that. He also reminded us, in 1918, that "a frail, bewildered being"—Man—remains the master. In these circumstances, it is imperative that the soldier (young or old) not be slighted. With your support, we shall avoid either of these two outcomes.

IN ANSWER TO GEN. GEORGE BROWN

Mr. MUSKIE. Mr. President, I call to the attention of my colleagues a letter to the editor, printed in the New York Times of November 21, from the Washington representative of the American Jewish Committee, Hyman Bookbinder.

Mr. Bookbinder wrote in response to the controversy surrounding Gen. George Brown's recent remarks. In his letter, he defends the right of Jewish lobbies to represent the varied interests of the American Jewish community, as well as to support a broad range of issues before Congress. I think he puts the matter in sound perspective, and I ask unanimous consent that Mr. Bookbinder's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

In Answer to Gen. George Brown

To the Editor:

Whether or not Gen. George Brown is removed from his critical post as Chairman of the Joint Chiefs of Staff is perhaps the least important aspect of the ugly incident.

In the long run it will be less important what happens to the George Brown who carelessly came out of the closet recently, than what happens to the who-knows-how-many-other George Browns across the spectrum of American life. Why do presumably intelligent and otherwise civilized Americans continue to hold these distorted views of Jews? Why do they perpetuate calumnies about Jews that has been so thoroughly and frequently refuted and repudiated?

It is shocking enough that because of these lies the Jewish people continue to be threatened in various places around the world with discrimination, suppression and even annihiliation. But I find it intolerable that in addition we are accused of seeking to counteract these threats with a "powerful Jewish lobby."

Of course, there are efforts by American Jews to enlighten and persuade and advocate—just as there are by all kinds of groups. And, happy to record, on every issue—"Jewish" issues and "non-Jewish" issues—Jews do not struggle alone. But should there be any wonder that on some issues and under some circumstances there is a special Jewish presence? Can it really be difficult for anyone to understand that when another six million Jews are threatened with physical and or cultural genocide—three million in Israel and three million in the Soviet Union—American Jews will not standy idly by? Should we have to justify efforts in support of our co-religionists' self-defense through the basic American democratic way—public education and advocacy?

As one of the mere handful of professionals involved in these efforts, I am troubled by the fact that we are never "exposed" for our efforts on behalf of social programs or alleviation of world hunger or integrity of the political process. Even with the overwhelming problems of Jewish security, we heed our Judiac admonition to pursue justice for all people.

Two thousand years ago, Hillel said it for all time and for all peoples: "If I am not for myself, who will be for me? But if I am only for myself, what am I?" And Jews know that Hillel did not speak, then or now, for Jews alone. It is not the Jewish lobby that voted arms for Israel's self-defense or for freer Soviet emigration. It is the vast majority of Congress that acted in the best traditions of American compassion and enlightened self-interest.

American Jews make no apology for trying to make effective use of our democratic processes or trying to invoke our nation's best instincts. Rather, we assert our right to life—and, yes, also to liberty and the pursuit of happiness. And we assert our determination to work and "lobby" for these rights.

Hyman Bookbinder.

Washington, *November 15, 1974.*

AN ENLIGHTENED VIEW OF THE BICENTENNIAL CELEBRATION

Mr. CURTIS. Mr. President, very few States have grasped the significance and spirit of the celebration of our Nation's 200th birthday like my home State of Nebraska. Communities large and small—from the metropolitan areas of Omaha and Lincoln in the east to the wide open spaces of Sioux County in the west—are actively participating in the Bicentennial commemoration. Each day, more and more communities are applying for Bicentennial recognition and new Bicentennial projects are continually being formulated.

One man who has done much to stimulate interest in the Bicentennial is my colleague, the senior Senator from Nebraska. He has traveled all over our State to promote the interests of the Bicentennial and inform our citizens about this worthwhile program.

Recently, Senator Hruska was in Grand Island to address a special "town meeting" which was convened to discuss the selection of an appropriate Bicentennial project.

Senator Hruska was asked to address the fine gathering. Because I believe his remarks represent an enlightened view of the Bicentennial celebration and an excellent discussion of the meaning of this important event in our Nation's history, I commend it to my colleagues and to all other interested citizens. Mr. President, I ask unanimous consent that the remarks of Senator Hruska at Grand Island, Nebr., be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Roman L. Hruska

Mr. Bish, Chairman Leininger, and ladies and gentlemen. This is a very splendid occasion. It is the hope of the Congress that this type of town meeting will be or has been held in thousands upon thousands of communities in America in preparation for the 200th birthday of our Republic.

I think all patriotic citizens look forward to the time when we can put in proper perspective what our founding fathers had in mind in 1776. We should ponder what they started with, the intervening decades of struggle, and results which we see today. But, before we go on, an added note. We should also project our thinking and our hopes and our aspirations to the 300th birthday of our country. When we do this and put it in perspective, I believe we will get a better idea and a better understanding of the duties and responsibilities that face us now.

The background and the description of the Bicentennial you already know. It will be explained in greater detail by Bicentennial State Director Mr. Don Searcy who will be on this program a little later. He is an active and dedicated worker and as head of the State Bicentennial effort, he is working to ensure the success of this great holiday.

Regarding your decision to select a Bicentennial project, you should be able to do almost anything that would be in keeping with the three themes of our Bicentennial observance—"Festival," "Heritage" and "Horizons." Almost anything would do. As a matter of fact, John Warner, former Secretary of the Navy, and now the head of the American resolution Bicentennial Administration, one time told me, "Roman, tell the people they can sponsor almost anything. Paint it red, white and blue and dedicate it to the Bicentennial and you've got a winning item." It's almost like the merchandise that is sold all over Nebraska in the fall of the year. Paint it red and put on the words "Go Big Red" and you can sell it. It is a sure thing.

No big money is particularly necessary. There is no deed for a big fuss. It is not necessary to think in terms of astronomical figures, although it can be done. The real thing is that we should do something that will record our own traditions, our own heritage and the lore of our part of the country. And if that is repeated many, many times throughout America we will have a record of the progress of the human race, the progress of civilization, and the progress of our Republic for the decades ahead.

I suggested that no great amount of money is necessary. The Senate subcommittee that actually granted the charter to the original American Revolution Bicentennial Commission is composed of two members—Senator John McClellan, a Democrat, and a good one, from Arkansas, and Roman Hruska, description omitted, from Nebraska. We held a hearing in which the Executive Director of the Bicentennial Commission was before us. This was four or five years ago. And Senator McClellan, who is known for his rather tight hold on his personal purse string as well as on the public monies, asked the Director, "And how much money is this effort for the Bicentennial going to cost?" And the Director said, "I do not know. There is no way of telling." Senator McClellan then asked him, "Well, how much do you think it could possibly cost?" And the Director's answer was, "Well, it could be $5 billion, it could be $10 billion, it could be as much as $25 billion." Mr. McClellan was somewhat taken aback. He asked, "Where are you going to get the money?" The Executive Director hastened to reply that the Commission is asking for no federally appropriated funds to allocate to any place in America for the purpose of celebrating the Bicentennial.

Whatever is done will be done by the sum total of all the communities, the cities, the counties, the states, and it will depend upon their source of funds either from private donations or from other levels of government. Senator McClellan and I agreed that this is the correct way to proceed.

One key to the Bicentennial observance is in individual participation. It is incumbent upon us to instill into every one who participates in this effort a rededication of loyalty to the country. Another key to a proper Bicentennial celebration is community involvement—from voluntary organizations composed either of business or professional or civic groups, or of formal governmental organizations and institutions.

But whatever the effort, it should be a meaningful contribution, a meaningful goal to improve the quality of life in America. And the Bicentennial should be an incentive for that special impetus.

Now the basis for this Bicentennial effort evolved in an interesting fashion. In the past we have had many efforts to celebrate. For example, one was in 1876, the year my father came to America. You are being addressed by the son of an immigrant. My father was three months old when we came through Ellis Island in 1876. Some people think 1976 is for the purpose of celebrating the Bicentennial of America. That's not really true. That's a sort of a supposition; a front as it were. The real purpose is to celebrate the 100th anniversary of my father coming to America! I just wanted to get that straight with you people.

But, seriously, it is interesting that the development of the nation's Centennial in 1876 evolved into a celebration at a single location in Philadelphia. That city was designated as the center of attraction where there was the building of fairgrounds, the building of exhibition places, and all of America was flocking there to be a part of the celebration. That might have been all right then. But, how could it possibly work now with a nation of 213 million people scattered all the way from the rocky shores of Maine to Hawaii? How could it? And if we had the Bicentennial celebration in Boston where they had the tea party, or in Lexington or Concord where they fired the shot that was heard around the world, or at Bunker Hill, or at Independence Hall in Pennsylvania, how many Americans could come to that central point and celebrate the 200th birthday? A very small percentage of the people. So that plan was discarded in a great hurry. Not even a region would do. Not New England, nor the Middle Atlantic States, nor Virginia where so much of our colonial history developed.

So, it was decided that we would not do that type of thing. We would celebrate every where and give everyone a chance to participate in many different ways.

Not too long ago, Don Searcy and I went to Blair, Nebraska, that delightful place north of Omaha overlooking the Missouri River. It is full of history, full of natural beauty—almost as beautiful as your landscape around Grand Island—and there we observed the dedication of the site where a monument will be erected to the honor of Black Elk, the Oglalla Sioux "holy man" and the late John Neihardt, poet laureate of Nebraska. Black Elk was one of the early prophets and greater gods of the Indian tribes. Many of you are familiar with Mr. Neihardt's book, "Black Elk Speaks." It is a tremendous philosophic treatise. The City of Blair has decided, in cooperation with Dana College which owned the summit of the hill there, it would be able to build a park and memorial to Black Elk and to Neihardt. What a terrific idea because their values are universal.

Their values are permanent and are something to which the people who will succeed us here 100 years from now can relate with great profit and with great inspiration.

There are other ways to commemorate the Bicentennial. Bellevue, the first territorial capital of Nebraska, has the structure of the oldest church in the state. It is being restored and designated as an historical landmark. The first bank in Nebraska was located in Bellevue. That is also being preserved.

In O'Neill, Nebraska, where we were earlier this year, there will be the effort to memorialize and perpetuate the efforts of Moses P. Kincaid, a native son. Did you ever hear of the Kincaiders? The homesteaders? That's where it started. Had it not been for the Homestead Act it might have come about that this great Midwest, instead of being the home of the independent family farm, would have been covered by large plantations. What a horrible fate that would have been. So Congressman Moses P. Kincaid will be honored and memorialized there in the O'Neill area.

In Lincoln, there were discovered some columns from the U.S. Treasury Building of 1836. When the building was razed in Washington, D.C., those columns found their way to Lincoln, Nebraska. There they were later discovered half covered with dirt. Now, they will be centered in a monument in a suitable place to memorialize the days of Andrew Jackson and the national bank.

And then we have the first Nebraska township in Adams County. It qualifies as a Bicentennial community because it is a political subdivision. It was the first township organization in the state of Nebraska. That also will be memorialized.

Isn't it fine that future generations will be able to go to these places and contemplate about what our forefathers have accomplished? And in doing so, they might say: "They have done much, but they have finished nothing."

So, if we get pretty proud about our accomplishments, just remember those words. "Our forefathers, they have done much, but they have finished nothing." Those words were uttered by a great philosopher of over 2,000 years ago. So life marches on, doesn't it?

So, you see, many types of things can be designated Bicentennial projects. Of course, great attention will be paid to the original 13 colonies and the history that surrounds them. And that's as it should be, because they were there at the beginning. But here in the Middle West we have had another type of revolution, haven't we? I prefer, and I think most people would prefer to call it an evolution—the winning of the West. It started with a great flourish right after the Civil War. There were many beginnings before that time, but certainly, after the Civil War there was a great expansion into the Middle West. It received a giant push when the "golden spike" was driven at Promontory Point in Utah and the rails of the Union Pacific crossed the State of Nebraska and the intervening states all the way from Council Bluffs, Iowa, to the Pacific Coast. This action expanded the horizons of our country because it made possible for the first time a direct transportation and communication link between the Atlantic and Pacific Oceans.

In the last 20 years we probably have had more new ideas developed and put to use than we have in all the preceding years back to 1492 when Columbus first set foot on the continent. We have had new visions. All this indicates to us that the revolution is not finished. The revolution progresses in different forms, in different shapes, in different content, and different substance, but it goes on and on and on. That is the nature of life.

By engaging in this Bicentennial exercise we are asked to participate for that fraction of time which constitutes 200 years in the march of civilization. Arnold Toynbee, the historian well known to all, tells us that higher civilization goes back at least 6,000 years. Our Western Civilization, the Anglo-Saxon Civilization, goes back a thousand years or so to the battle of Hastings in the British Isles. Here in the U.S. we are celebrating only our 200th anniversary. That should make us humble. But it also should make us appreciative. I'm sure that it does.

But whatever we do and whatever direction we pursue, the Bicentennial objective should be to attract attention and visitors to our communities and to invigorate and refresh the community's social and economic life. That is the idea behind the Bicentennial observance. It will be to enlighten and preserve in the minds of all of us—and especially in the minds and thoughts and beliefs and convictions of our youth—the greatness and the true meaning of the Republic.

In that connection we can note in the events of the last few years that there have been many trials and tribulations. There are many deficiencies that have asserted themselves from time to time against a background of great achievement and against a background of even greater progress. But, in spite of all the difficulties we think have beset us, recall the words of Winston Churchill, that great humanitarian, that citizen of the universe. He said, "Many forms of government have been tried, and will be tried in this world of sin and woe. No one pretends that Democracy is perfect or all-wise. Indeed it has been said that Democracy is the worst form of government except all those other forms that have been tried from time to time."

And isn't that right? If there are any teachers in the audience, have them try that out on their students. If we destroy what we have, what will we put in its place? It's our job to make what we have better than ever before and to try to withstand unthinking criticism.

It is in that spirit that I commend you people for your interest in the Bicentennial celebration and your interest in furthering the efforts of its programs.

ARMY DIVISIONS GOING TO 16?

Mr. PROXMIRE. Mr. President, almost without notice, the planned number of Army divisions has been increased from 13 to 16. These new divisions are presumed to be generated by turning support and headquarters personnel into front-line soldiers.

While no one disputes the almost desperate need to cut back on the support echelons, the decision to increase the number of divisions to 16 is most important and demands a thorough congressional hearing.

As of this time, there has been no systematic justification presented to Congress for the increase. Yet, this is one of the most important military questions in recent years.

Perhaps there is a need for increased divisions. Maybe a case can be made, but it has not been made yet.

On the other hand, there is a distinct requirement to hold all Federal spending in line. The new divisions will cost more. The first increases for these divisions should show up in the new budget. At that time there should be a careful analysis of this issue.

Mr. President, the New York Times has printed an editorial in support of the 16 division recommendation. I ask unanimous consent that this editorial be printed in the Record.

Although this statement does not represent my views, it is the type of analysis that Congress should be making.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Needed Army Reform

Defense Secretary Schlesinger's effort to get sixteen combat divisions instead of thirteen out of the Army's 785,000 men—200,000 fewer men than the sixteen-division Army of pre-Vietnam 1964—is an ambitious, long-overdue and much-needed reform.

Three decades and many reorganizations after the defeat of Hitler and Japan, the Army's conventional forces remain better structured to win World War II than any major war they might have to wage in the last quarter of the twentieth century. Their heavy divisions of about 48,000 men each, including support elements, are designed to fight as self-sustaining expeditionary forces in a long war against any imaginary adversary anywhere overseas. But their chief potential adversary, the Soviet Army in Central Europe, is built quite differently.

The average Soviet division packs about as much combat power as an American division. But it is only about half as large because it is tailored for a short, intensive, armored conflict on European terrain and its support elements are cut to a minimum. Of every 100 men, about 75 are assigned to combat units in a Soviet division and 25 to support functions, while in American and West European divisions the combat-support ratio is about 50–50.

As a result, the United States Army, with about 190,000 ground troops in Central Europe, fields only 4⅓ divisions. Russia, with 460,000 men, fields 27 divisions. The Warsaw Pact as a whole, with about 925,000 ground troops, has 58 ready divisions. NATO has almost the same number of troops, if five French divisions are counted, but only 29⅓ active divisions.

The American capability for protracted combat—provided by extensive support forces, supply stockpiles, medical facilities, repair shops—would be of little use if the Russians reached the Rhine in a few days.

The irony is that American military leaders in Washington and a succession of American Supreme Commanders in NATO have always doubted the possibility of a conventional war of extended duration in Central Europe. But they have hedged their bets by structuring the American forces to sustain a long war. These "long-war hedges" absorb far more manpower than the "fat" that usually attracts Congressional criticism, such as PX's, commissaries, swollen headquarters, excess officer slots, personal chauffeurs and other peacetime luxuries.

The Schlesinger reorganization, set in motion by the late Army Chief of Staff, Gen. Creighton Abrams, will not satisfy the Army's more radical critics. Former Rand panelist Steven Canby, a West Pointer, argues in a new report by the International Institute for Strategic Studies that American divisions and combat power could be doubled for a short war by adopting a structure modeled more on the Soviet divisions they face.

However, even the much more modest objective of the Secretary will not be achieved easily. Mr. Schlesinger's warnings against "system worship" and "ossification" hint at some of the resistance to change in the Army bureaucracy, but the Nunn Amendment, adopted by Congress last year, already requires replacement of 18,000 support troops in Europe with combat units.

Similar reforms are under way in the West German Army and are being urged on other NATO countries. Although Soviet military capabilities in Europe have been increased rather than reduced, détente is exerting downward pressure on NATO defense budgets and manpower. Unilateral cuts followed by mutual force reductions negotiated with the Warsaw Pact in the Vienna talks, which are expected to produce initial results by the end of next year, could make the conventional defense of West Europe more difficult, lowering the threshold of nuclear war or increasing the risk of renewed Soviet adventurism at a later date.

In this context, the Schlesinger effort to restore the Army's pre-Vietnam combat power with 20 percent less troops appears as more than a mere efficiency drive or an example for European allies. It has become a vital necessity if the military balance in Central Europe, and the détente it underpins, are both to continue.

THE ROLE AND RIGHTS OF THE PRESS

Mr. MATHIAS. Mr. President, Mr. Justice Potter Stewart delivered an address at the Sesquicentennial Convocation of the Yale Law School regarding the role and the rights of the press. Excerpts of that address were published in the Washington Post on November 11, 1974, and I ask unanimous consent that the article be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MATHIAS. Mr. President, we have passed through a very dramatic period, when the rights of the press were pitted for a time against the power of political officers. The apparent success of the press and media in weathering the storm should not blind us to the fact that many of the issues raised have been left unresolved. They can again reappear, although perhaps in a different form.

I believe that Mr. Justice Stewart's address is a valuable reminder of this and I believe that the viewpoint it expresses should be noted by all those charged with the welfare of our system of government.

EXHIBIT 1

THE ROLE AND RIGHTS OF THE PRESS

(by Potter Stewart)

It was less than a decade ago—during the Vietnam years—that the people of our country began to become aware of the twin phenomena on a national scale of so-called investigative reporting and an adversary press—that is, a press adversary to the executive branch of the federal government. And only in the two short years that culminated last summer in the resignation of a President did we fully realize the enormous power that an investigative and adversary press can exert.

The public opinion polls that I have seen indicate that some Americans firmly believe that the former Vice President and former President of the United States were hounded out of office by an arrogant and irresponsible press that had outrageously usurped dictatorial power. And it seems clear that many more Americans, while appreciating and even applauding the service performed by the press in exposing official wrongdoing at the highest levels of our national government, are nonetheless deeply disturbed by what they consider to be the illegitimate power of the organized press in the political structure of our society. It is my thesis that, on the contrary, the established American press in the past 10 years, and particularly in the past two years, has performed precisely the function it was intended to perform by those who wrote the First Amendment of our Constitution. I further submit that this thesis is supported by the relevant decisions of the Supreme Court.

Surprisingly, despite the importance of newspapers in the political and social life of our country, the Supreme Court has not until very recently been called upon to delineate their constitutional role in our structure of government.

Our history is filled with struggles over the rights and prerogatives of the press, but these disputes rarely found their way to the Supreme Court. The early years of the Republic witnessed controversy over the constitutional validity of the short-lived Alien and Sedition Act, but the controversy never reached the Court. In the next half century there was nationwide turmoil over the right of the organized press to advocate the then subversive view that slavery should be abolished. In Illinois a publisher was killed for publishing abolitionist views. But none of this history made First Amendment law because the Court had earlier held that the Bill of Rights applied only against the federal government, not against the individual states.

With the passage of the Fourteenth Amendment, the constitutional framework was modified, and by the 1920s the Court had established that the protections of the First Amendment extend against all government—federal, state, and local.

The next 50 years witnessed a great outpouring of First Amendment litigation, all of which inspired books and articles beyond number. But, with few exceptions, neither these First Amendment cases nor their commentators squarely considered the Constitution's guarantee of a free press. Instead, the focus was on its guarantee of free speech. The Court's decisions dealt with the rights of isolated individuals, or of unpopular minority groups, to stand up against governmental power representing an angry or frightened majority. The cases that came to the Court during those years involved the rights of the soapbox orator, the nonconformist pamphleteer, the religious evangelist. The Court was seldom asked to define the rights and privileges, or the responsibilities, of the organized press.

In very recent years cases involving the established press finally have begun to reach the Supreme Court, and they have presented a variety of problems, sometimes arising in complicated factual settings.

In a series of cases, the Court has been called upon to consider the limits imposed by the free press guarantee upon a state's common or statutory law of libel. As a result of those cases, a public figure cannot successfully sue a publisher for libel unless he can show that the publisher maliciously printed a damaging untruth.

The Court has also been called upon to decide whether a newspaper reporter has a First Amendment privilege to refuse to disclose his confidential sources to a grand jury. By a divided vote, the Court found no such privilege to exist in the circumstances of the cases before it.

In another noteworthy case, the Court was asked by the Justice Department to restrain publication by the New York Times and other newspapers of the so-called Pentagon Papers. The Court declined to do so.

In yet another case, the question to be decided was whether political groups have a First Amendment or statutory right of access to the federally regulated broadcast channels of radio and television. The Court held there was no such right of access.

Last term the Court confronted a Florida statute that required newspapers to grant a "right of reply" to political candidates they had criticized. The Court unanimously held this statute to be inconsistent with the guarantee of a free press.

It seems to me that the Court's approach to all these cases has uniformly reflected its understanding that the free press guarantee is, in essence, a structural provision of the Constitution. Most of the other provisions in the Bill of Rights protect specific liberties or specific rights of individuals: freedom of speech, freedom of worship, the right to counsel, the privilege against compulsory self-incrimination, to name a few. In contrast, the free press clause extends protection to an institution. The publishing business is, in short, the only organized private business that is given explicit constitutional protection.

This basic understanding is essential, I think, to avoid an elementary error of constitutional law. It is tempting to suggest that freedom of the press means only that newspaper publishers are guaranteed freedom of expression. They are guaranteed that freedom, to be sure, but so are we all, because of the free speech clause. If the free press guarantee meant no more than freedom of expression, it would be a constitutional redundancy. Between 1776 and the drafting of our Constitution, many of the state constitutions contained clauses protecting freedom of the press while at the same time recognizing no general freedom of speech. By including both guarantees in the First Amendment, the Founders quite clearly recognized the distinction between the two.

It is also a mistake to suppose that the only purpose of the constitutional guarantee of a free press is to insure that a newspaper will serve as a neutral form for debate, a "market place for ideas," a kind of Hyde Park corner for the community. A related theory sees the press as a neutral conduit of information between the people and their elected leaders. These theories, in my view, again give insufficient weight to the institutional autonomy of the press that it was the purpose of the Constitution to guarantee.

In setting up the three branches of the federal government, the Founders deliberately created an internally competitive system. As Mr. Justice Brandeis once wrote: "The [Founders'] purpose was, not to avoid friction, but, by means of the inevitable friction incident to the distribution of the governmental powers among three departments, to save the people from autocracy."

The primary purpose of the constitutional guarantee of a free press was a similar one: to create a fourth institution outside the government as an additional check on the three official branches. Consider the opening words of the free press clause of the Massachusetts Constitution, drafted by John Adams:

> "The liberty of the press is essential to the security of the state."

The relevant metaphor, I think, is the metaphor of the fourth estate. What Thomas Carlyle wrote about the British government a century ago has a curiously contemporary ring:

> "Burke said there were Three Estates in Parliament; but, in the Reporters' Gallery yonder, there sat a Fourth Estate more important far than they all. It is not a figure of speech or witty saying; it is a literal fact—very momentus to us in these times."

For centuries before our Revolution, the press in England had been licensed, censored, and bedeviled by prosecutions for seditious libel. The British Crown knew that a free press was not just a neutral vehicle for the balanced discussion of diverse ideas. Instead, the free press meant organized, expert scrutiny of government. The press was a conspiracy of the intellect, with the courage of numbers. This formidable check on official power was what the British Crown had feared—and what the American Founders decided to risk.

It is this constitutional understanding, I think, that provides the unifying principle underlying the Supreme Court's recent decisions dealing with the organized press.

Consider first the libel cases. Officials within the three governmental branches are, for all practical purposes, immune from libel and slander suits for statements that they make in the line of duty. This immunity, which has both constitutional and common law origins, aims to insure bold and vigorous prosecution of the public's business. The same basic reasoning applies to the press. By contrast, the Court has never suggested that the constitutional right of free *speech* gives an *individual* any immunity from liability for either libel or slander.

In the cases involving the newspaper reporters' claims that they had a constitutional privilege not to disclose their confidential news sources to a grand jury, the Court rejected the claims by a vote of five to four, or, considering Mr. Justice Powell's concurring opinion, perhaps by a vote of four and a half to four and a half. But if freedom of the press means simply freedom of speech for reporters, this question of a reporter's asserted right to withhold information would have answered itself. None of us—as individuals—has a "free speech" right to refuse to tell a grand jury the identity of someone who has given us information relevant to the grand jury's legitimate inquiry. Only if a reporter is a representative of a protected *institution* does the question become a different one. The members of the Court disagreed in answering the qeustion, but the question did not answer itself.

The cases involving the so-called "right of access" to the press raised the issue whether the First Amendment allows government, or indeed *requires* government, to regulate the press so as to make it a genuinely fair and open "market place for ideas." The Court's answer was "no" to both questions. If a newspaper wants to serve as a neutral market place for debate, that is an objective which it is free to choose. And, within limits, that choice is probably necessary to commercially successful journalism. But it is a choice that government cannot constitutionally impose.

Finally the Pentagon Papers case involved the line between secrecy and openness in the affairs of government. The question, or at least one question, was whether that line is drawn by the Constitution itself. The Justice Department asked the Court to find in the Constitution a basis for prohibiting the publication of allegedly stolen government documents. The Court could find no such prohibition. So far as the Constitution goes, the autonomous press may publish what it knows, and may seek to learn what it can.

But this autonomy cuts both ways. The press is free to do battle against secrecy and deception in government. But the press cannot expect from the Constitution any guarantee that it will succeed. There is no constitutional right to have access to particular government information, or to require openness from the bureaucracy. The public's interest in knowing about its government is protected by the guarantee of a free press, but the protection is indirect. The Constitution itself is neither a Freedom of Information Act nor an Official Secrets Act.

The Constitution, in other words, establishes the contest, not its resolution. Congress may provide a resolution, at least in some instances, through carefully drawn legislation. For the rest, we must rely, as so often in our system we must, on the tug and pull of the political forces in American society.

Newspapers, television networks and magazines have sometimes been outrageously abusive, untruthful, arrogant and hypocritical. But it hardly follows that elimination of a strong and independent press is the way to eliminate abusiveness, untruth, arrogance or hypocrisy from government itself.

It is quite possible to conceive of the survival of our Republic without an autonomous press. For openness and honesty in government, for an adequate flow of information between the people and their representatives, for a sufficient check on autocracy and despotism, the traditional competition between the three branches of government, supplemented by vigorous political activity, might be enough.

The press could be relegated to the status of a public utility. The guarantee of free speech would presumably put some limitation on the regulation to which the press could be subjected. But if there were no guarantee of a free press, government could convert the communications media into a neutral "market place of ideas." Newspapers and television networks could then be required to promote contemporary government policy or current notions of social justice.

Such a constitution is possible; it might work reasonably well. But it is not the Constitution the Founders wrote. It is not the Constitution that has carried us through nearly two centuries of national life. Perhaps our liberties might survive without an independent established press. But the Founders doubted it, and, in the year 1974, I think we can all be thankful for their doubts.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in 1950 the Senate Foreign Relations Committee opened hearings on the Genocide Convention. Although most of the testimony supported the ratification of this important human rights treaty, there were a number of legal arguments made against ratification.

For a number of reasons, including the opening of the Korean War, the treaty languished before the Senate for two decades. In 1970, the committee resumed consideration of the treaty and Mr. Robert Layton of the New York State Bar Association was one of the witnesses. He presented a report on behalf of that organization's Committee on International Law, which evaluated many of the legal objections that had been raised in the 1950 hearings.

Quite frankly, Mr. President, they found these objections are simply not valid.

I think their evaluation is worth the attention of my colleagues and I ask unanimous consent that an excerpt from the written statement of Mr. Layton be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NEW YORK STATE BAR ASSOCIATION, COMMITTEE ON INTERNATIONAL LAW

REPORT ON THE GENOCIDE CONVENTION

Twenty years have passed since the Senate of the United States declined to give its advice and consent to ratification of the Genocide Convention. The Convention has not been reconsidered by the Committee on Foreign Relations since its formal vote to table the matter in 1950.

Many local and state bar associations analyzed the Convention at the time of its first presentation and reported favorably with respect to the legal issues raised by ratification. The American Bar Association, through a resolution of its House of Delegates, recommended that the proposed Convention not be approved since it "raises important fundamental questions but does not resolve them in a manner consistent with our form of Government," although within the American Bar Association its Section of International and Comparative Law recommended ratification with certain understandings of reservations. Recently the President's Commission for the Observance of Human Rights Year 1968 recommended ratification of the Convention following study of the legal questions involved by a Special Committee of Lawyers.

Most currently we are advised that the American Bar Association is in process of reconsidering its former position on the Convention, and in view of the position taken by the Chairman of the Senate Committee on Foreign Relations that "the Committee's disposition may be influenced if the American Bar Association were to recommend ratification," the matter appears most appropriate for review by this Committee.

DESCRIPTION OF THE CONVENTION

The basic purpose of the Convention is prevention of the destruction of a human group as such. The Convention defines genocide to mean certain acts committed with the intent to destroy, in whole or in part, a national, ethnic, racial, or religious group, as such. The acts include killing, causing serious bodily or mental harm, inflicting conditions of life calculated to bring about physical destruction, imposing birth prevention measures, and forcible transfer of children. The parties undertake to punish guilty persons and to enact the necessary implementing legislation. There is a provision for trial by a court of the state where the act was committed or by such international penal tribunal as may have jurisdiction.

Article I reads as follows:

"The contracting parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and punish."

Apparently the word "confirm" was used since in 1946 the General Assembly of the U.N. adopted a resolution affirming that genocide is a crime under international law, which the civilized world condemns. The basic concept changed the preexisting principle generally recognized that the manner in which a state treats its own citizens is not a matter with which international law was concerned.

Article II of the Convention provides as follows:

"In the present convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:

"(a) Killing members of the group;

"(b) Causing serious bodily or mental harm to members of the group;

"(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

"(d) Imposing measures intended to prevent births within the group;

"(e) Forcibly transferring children of the group to another group."

In 1949 the then Acting Secretary of State who transmitted the Convention to the President of the United States observed that this article requires that there should be a specific intent to destroy a racial, religious, national or ethnical group as such, in whole or in part.

The report further pointed out that "the destruction of a group may be caused not only by killing. Bodily mutilation or disintegration of the mind caused by the imposition of stupefying drugs may destroy a group. So may sterilization of a group, as may the dispersal of its children."

Cultural groups and political groups are not included in the definition.

Article III of the Convention reads:

"The following acts shall be punishable:

"(a) Genocide;

"(b) Conspiracy to commit genocide;

"(c) Direct and public incitement to commit genocide;

"(d) Attempt to commit genocide;

"(e) Complicity in genocide."

Pursuant to Article IV, the parties agree to punish guilty persons irrespective of their status.

By Article V the parties undertake to enact "in accordance with their respective constitutions" the necessary legislation to give effect to the Convention and in particular to provide effective penalties for persons guilty of genocide or any of the other acts enumerated in Article III.

The Convention does not purport to require any party to enact such legislation otherwise than in accordance with the country's constitutional provisions.

Article VI provides that persons charged with genocide or any of the acts enumerated in Article III shall be tried by a competent tribunal of the state in the territory in which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those contracting parties which shall have accepted its jurisdiction.

The State Department report makes the following observations in this connection:

". . . Thus, the commission in American territory of genocidal acts would be tried only in American courts. No international tribunal is authorized to try anyone for the crime of genocide. Should such a tribunal be established. Senate advice and consent to United States ratification of any agreement establishing it would be necessary before such an agreement would be binding on the United States."

In the intervening twenty years no such international tribunal has come into existence. Were it put forward, Senate advice and consent would still be required for the United States to accept its jurisdiction.

The Convention provides for extradition in accordance with the internal laws of the parties and treaties in force, genocide not to be considered a political crime for purposes of extradition.

ARGUMENTS AGAINST RATIFICATION

The arguments against ratification expressed over twenty years ago do not differ markedly from those recently made in opposition to the human rights conventions on abolition of slavery, on forced labor, and on protecting the political rights of women. They have not improved with age.

The subject matter is alleged not to be of international concern, but domestic in nature, and thus beyond the constitutional treaty-making power. Little need be said to indicate that the subject of genocide is, if anything primarily of international concern. In 1948, the United States participated in the drafting of the Convention, signed it in 1948, and has reason for being party to the Convention for reasons of its relations with other countries. The concept of annihilation of a group had no prior existence as a subject for domestic treatment and introduced a new concept even to international law. Being a problem of international scope and concern, it is the proper subject of a treaty. There is little doubt that adherence to the Genocide Convention is authorized by the United States Constitution.

I was claimed that since Article III of the Convention makes "direct and public incitement to commit genocide" a crime, the First Amendment right to free speech is violated. This view entirely overlooked the fact that the treaty requires Congress or the states to enact enabling legislation before such acts could be prosecuted. Clearly it is constitutionally permissible to enact legislation that makes incitement, and not advocacy, a crime and we cannot lightly speculate that Congress would pass unconstitutional enabling legislation. Similarly the claim that "genocide" as a crime is defined too vaguely has no merit unless we assume that the Congress is unable to define it for United States standards of intent and specificity when it passes enabling legislation. As lawyers, we should be careful to distinguish between, on the one hand, factual allegations which raise serious question whether genocide as legally defined has been committed and, on the other hand, the frequent loose employment of the term "genocide" for rhetorical purposes without regard to facts which come within the specific definition of the term.

The emotional objection that Article VI of the proposed Convention dooms the American citizen to trial, conviction and sentence in foreign courts without benefit of our traditional criminal law safeguards has no valid basis. The Article does not confer jurisdiction on foreign courts to try Americans for acts committed in the United States and, unless an international tribunal is established, they can be tried only in American courts. As noted above, no such international tribunal has been established and if it should be proposed we would then have to decide whether the United States should adhere to any compulsory jurisdiction given to the court. The argument has no merit.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current U.S. Census Bureau approximations, the total population of the United States as of December 1 was 213,062,044. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,500,575 since December 1 of last year. It also represents an increase of 146,142 since November 1 of this year, that is, in just the last month.

Over the year, therefore, we have added enough additional people to fill three cities the size of Kansas City, Mo. And in just 1 short month, we have added more than the combined populations of Boise, Idaho, and Eugene, Oreg.

WORLD OIL PRICE MUST COME DOWN

Mr. PERCY. Mr. President, the inescapable linkage becomes clearer each day between this country's profligate use of energy, the staggering cartel-administered price of world oil, the burdensome worldwide inflation, the accelerating whirlpool toward worldwide depression, the impending collapse of the world monetary order, and the potential for conflict in the Middle East. In a pair of remarkable and widely quoted speeches delivered in November, the Secretaries of State and the Treasury addressed this problem from the standpoint of U.S. financial, economic, and foreign policy. These two speeches have stimulated the national debate on the directions this Nation must take to avert economic disaster in 1975.

I have often expressed my own view that the urgent solution to this rapidly deteriorating situation lies in bringing down the world price of oil by dramatically reducing worldwide consumption far below the present rate of OPEC production. The United States must lead in this effort—by cutting about 1.7 million barrels per day from our present consumption of oil by the end of 1975—because we use and waste more energy than anyone else.

In order to be sure of achieving this essential objective fairly and equitably, we cannot rely on purely voluntary measures. I have proposed a series of specific mandatory energy conservation measures—including an increased gasoline tax on nonessential driving and an auto efficiency tax incentive program for new car purchases—which if enacted will accomplish at least a 10 percent in U.S. oil consumption.

Another prestigious voice has recently been added to the burgeoning debate on this most critical problem. In testimony before the Joint Economic Committee, Federal Reserve Chairman Arthur F. Burns stated the situation succinctly:

> The fundamental problem is the huge oil bill of the importing countries, and a fundamental solution requires that the price of oil be reduced. The OPEC cartel will not last forever, and the most promising way of breaking or weakening it is to bring about changes in the demand and supply relationship of the oil market.
>
> We should now do our part by moving more decisively to conserve energy, by moving more resolutely to develop domestic alternatives to imported oil, and by reducing our vulnerability to the threat of embargo by increasing our storage capacity.

In view of the gravity of the international energy situation, I believe that some preliminary planning on stronger measures to reduce domestic consumption should be undertaken at once. These might include a sizable tax on gasoline, or on imported oil, or on automobiles according to their weight or horsepower.

Mr. President, I ask unanimous consent that Dr. Burns' testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY ARTHUR F. BURNS, CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

No economic event in a long generation, excluding only wartime upheavals, has so seriously disrupted our economy as the manipulation of oil prices and supplies over the past year. The fourfold increase in the international price of oil has compounded the domestic economic problems of other oil-importing nations as well as our own. International financial relationships have been upset. Plans to reform the international monetary system have been partially derailed. And with further interruptions in the flow of oil still a possibility to be reckoned with, a great cloud of uncertainty now surrounds the economic future of nations around the world.

My remarks this morning will concentrate on some of the implications of high oil prices for international finance—as this Committee has requested. But I cannot be silent on the bearing of oil prices on our domestic economy or our international political position.

The manipulation of oil prices and supplies by the oil-exporting countries came at a most inopportune time for the United States. In the middle of 1973, wholesale prices of industrial commodities were already rising at an annual rate of more than 10 per cent; our industrial plant was operating at virtually full capacity, and many major industrial materials were in extremely short supply. Inflationary expectations were therefore becoming more deeply ingrained at the very time when inflation was curtailing the purchasing power of worker incomes and creating some weaknesses for big-ticket items in consumer markets. Thus, the oil embargo, together with the huge increase in oil prices that began in the fall of 1973, contributed to the twin economic problems plaguing us in 1974—namely, high rates of inflation and weakness in production.

Furthermore, the increases in the price of oil have added to the imbalances that have made the current period of economic weakness so unusual by historical standards. Some sectors that depend heavily on a plentiful supply of inexpensive fuel—such as the automobile industry—have had to contend with sharp declines in sales and considerable idle capacity. At the same time, the oil crisis bolstered the demand for energy-saving equipment and stimulated the production of alternative sources of energy. Thus, the energy crisis contributed to the tightness in markets for business capital goods that marked much of this past year.

The adverse effects of rising oil prices have been felt even more acutely in some foreign countries than in the United States. This year, inflation is proceeding at historically high rates throughout the industrial world, while output is growing only slowly or actually declining. In Japan—which has been particularly hard hit because of its heavy dependence on imported oil—consumer prices are 24% higher than a year ago, while economic activity is below the level of 1973. This weak performance of the Japanese economy is particularly striking when viewed against the background of the preceding decade, when the output of Japan grew at an average annual rate of over 10%.

At the other end of the spectrum, several countries—most notably Canada—have gotten off rather lightly because of their plentiful domestic supplies of oil. Even these countries, however, have been adversely affected by the combination of inflationary pressures and sluggish economic activity of their trading partners.

Economic difficulties are by no means confined to the industrial countries. In particular, because of the heavy reliance on oil in the production of fertilizers, the high price of oil has contributed to the danger of widespread starvation in a number of the less developed countries.

On the other side of the ledger, the increases in the price of oil have resulted in a spectacular jump in the income of members of OPEC—that is, the Organization of Petroleum Exporting Countries. The United States alone will spend about $27.5 billion on fuel imports this year, in contrast to $8.8 billion for substantially the same volume of imports in 1973. The higher price of imported oil has in effect been a heavy tax on American consumers, and it has taken its toll in weaker domestic markets.

Through the first ten months of 1974, the OPEC nations have received from other countries about $75 billion in oil revenues, nearly three times the amount obtained during the whole of 1973. The imports of OPEC nations have risen rapidly in percentage terms, but they have fallen far short of their increased revenues. As a result, oil producing countries have achieved an estimated $45 billion surplus on goods and services during the first ten months of this year. Most of this sum has been invested in highly liquid short-term instruments in the Euro-currency markets and in the British and U.S. money markets.

Of the $45 billion, about $10½ billion has been placed in the United States. This includes about $5 billion in marketable securities issued by the Federal Government or its agencies, chiefly Treasury bills. Most of the remainder has been placed on deposit in our banks, with scattered amounts invested in real estate, bank acceptances, and other private securities.

Of the total increase in OPEC assets of about $45 billion, by far the largest share—about $16½ billion or more than one-third of the total—has gone into the Euro-currency market. Nearly all of this is in the form of Euro-dollar deposits, the average maturity of which is quite short. A large proportion consists of 2-day call deposits, and most of the remainder run 6 months or less. Banks located in Britain have been the predominant recipients of these deposits.

Several of the oil-exporting countries—notably Kuwait, the United Arab Emirates, and Nigeria—have traditionally kept part of their reserves in sterling. Those traditional ties are being maintained. During the first ten months of 1974, OPEC sterling holdings increased by the equivalent of about $6½ billion. Again, most of this sum has gone into short-term assets, and only relatively small amounts have been invested in government bonds, private securities, and real estate.

The OPEC holdings thus far specified—in the United States, Britain, and the Euro-currency markets—account for roughly three-quarters of the total increase of $45 billion of OPEC assets. Of the remainder, an estimated $3½ billion has been loaned to governmental bodies in continental Western Europe and Japan. Bonds issued by international financial institutions, or loans to the International Monetary Fund for use under the Oil Facility, account for $2 billion. Another $2 billion has been devoted to grants or credits to less-developed countries, either directly or through contributions to regional development banks. Egypt has probably been the largest recipient of such aid. The remaining increases in OPEC assets—estimated at $4 billion—have been scattered among other items, including private securities and real estate in continental Europe and Japan.

To date, the huge financial flows to and from OPEC countries have been handled mainly—and also reasonably well—by private markets, particularly commercial banks. But there is no room for complacency regarding the future. Because of the lag in payments to the oil-producing countries, the peak rates of financial flows to these countries have been experienced only for a few months. Greater strains in financial markets may well develop in the future not only because of new financial flows to the OPEC countries, but also as a result of the growing volume of assets that they will already have acquired.

As a matter of arithmetic, the volume of foreign assets accumulated by the OPEC countries will depend on four factors: first, the flow of oil revenues to the OPEC countries; second, the flow of their other earnings, particularly investment income; third, the expenditures of the OPEC countries on imports of goods and services; and fourth, the financial resources which these countries transfer to others in the form of aid.

Roughly speaking, oil revenues of the OPEC nations will amount to something in excess of $100 billion per year, if their current oil exports and prices are maintained. This is four times as large as the figure for 1973. On the import side, some of the OPEC countries—such as Indonesia, Iran, Nigeria, and Venezuela—have large absorptive capacities. But a substantial proportion of the earnings of other oil exporters—notably Saudi Arabia and the states of the Persian Gulf—will not be spent for additional imports in the near future. The two other key factors in the picture—the flow of investment earnings to the OPEC countries and the transfer of resources from the OPEC nations to the less developed countries—are as yet quite small compared to the flow of oil revenues. While the future volume of aid by the OPEC countries is uncertain, their investment earnings promise to grow at a very rapid rate.

All this suggests very large OPEC surpluses—of perhaps 55 to 60 billion dollars in 1975, something like $50 billion in 1976, and continuing large surpluses for at least another five years. The practical counterpart of these surpluses would be the accumulation of a huge mountain of debts by the oil-importing countries—unless the price of oil comes down or unless the consuming nations take major steps to reduce dependence on imported oil.

In view of the enormous debts in prospect for oil-importing countries, it is only natural for governmental leaders and private financiers to concern themselves with "recycling." But preoccupation with "recycling" techniques has had the unfortunate effect of diverting attention from the fundamental need to bring down the price of oil. Unless that is done, it is extremely doubtful whether the financial problems released by the huge increase in the price of oil will prove manageable. As a practical matter, "recycling" simply means that oil-importing countries will slip more and more deeply into debt. Piling debt on top of debt—or speaking more realistically, piling dubious debt on top of good debt—neither can nor should go on indefinitely.

If the price of oil remains at anything like its present level—and there are repeated stirings in OPEC countries to move it still higher—there will be a massive redistribution of economic and political power among the countries of the world. This of itself carriers dangers for our country's future. In addition, the huge and growing financial reserves of OPEC countries may cause very serious problems for some of the countries—both in the industrial and less developed parts of the world—that will simultaneously be piling up, or even just handling, enormous debts.

Clearly, as the financial assets in the hands of the OPEC countries grow, the burden of servicing these assets will grow. The burden of future repayment will grow. Furthermore, as the potential for shifts in deposits from one bank to another increases, financial institutions here and there may become vulnerable. So too may foreign exchange markets, if funds should be moved abruptly and on a large scale from one currency into another. These dangers can be easily exaggerated, but they cannot be dismissed. Nor can we ignore the possibility that this or that foreign industrial country, already finding itself in a weakened position, may be unable to adjust sufficiently to the burdensome price of oil and as a result suffer economic and political collapse.

As I have already noted, commercial banks, particularly banks in the Euro-currency markets, have been playing a major role as intermediaries in the oil-related financial flows, taking the deposits of the OPEC nations and relending them. Thus far, they have been able to cope with the strains brought on by the oil financing. But OPEC money cannot continue to be directed to the banks on anything like the recent scale.

Financial prudence sets limits to the willingness of banks to rely on large, interest-bearing, potentially volatile deposits from relatively few sources. Banks must be concerned that the maturity structure of their assets and liabilities does not endanger their liquidity. They must be concerned that their exposure in any one country does not become excessive. They must be concerned about the decline in the ratio of their capital to their liabilities. The well-publicized difficulties of several banks heavily engaged in international finance have served as a warning that bankers have not overlooked. Nor have their regulators been entirely silent.

It is clear, therefore, that banks cannot prudently continue to play the role of intermediary for flows of oil money to the extent that they have in the recent past. Indeed, as banks have moved toward the limits of sound intermediation, they have begun to shave the interest rates at which they will accept large new deposits on a short-term basis. In recent months, OPEC countries have not put so large a share of their assets in the Euro-currency markets as they did in the first half of 1974. And there have been some indications of larger diversification of OPEC holdings among countries.

As yet, however, there has been no large shift by OPEC nations into longer-term assets; as noted earlier, most of their holdings continue to be short-term assets. This may simply reflect a lag in the adjustment of the OPEC countries to their newly won affluence. As large and growing creditors, they have an increasing stake in international financial stability, and they should contribute to it by moving more rapidly to acquire longer-term assets. Further reductions in the interest rates paid on large short-term deposits would hasten such movement.

Even so, the plight of countries whose weak financial position makes them unable to borrow in international financial markets will remain very worrisome. To be sure, it is desirable that they, along with other oil-consuming nations, look sternly to measures of oil conservation and the development of alternative sources of power as a means of controlling their deficits. But as long as oil prices remain at their present level, a huge overall deficit will remain for the oil importers as a group; and some countries will have disproportionately large deficits. If help is not provided to those in a weak financial situation, they may be driven towards beggar-thy-neighbor trade policies, thus disrupting international trading relationships. They may be driven towards excessively tight domestic policies, threatening a prolonged recession and political disorder. And in their desolate need, they may be tempted to bend to the political will of oil-exporting countries in order to obtain loans.

It is therefore to the interest of the United States and the entire community of industrial nations that we develop institutions to ease the financial strains to which any one of them may be subjected. If the weaker countries are left unprotected to face their oil bills, they may be forced into special arrangements with oil-producing countries. Such arrangements would undercut the bargaining power of the oil-consuming nations, and delay the day when the present exorbitant oil prices are reduced.

It is towards the goal of unity and mutual aid among the industrial countries that a new initiative has recently been announced by Secretary Kissinger and elaborated by Secretary Simon. The American proposal for a new financial mechanism, to be developed in association with the Organization for Economic Cooperation and Development, would provide stand-by financial assistance to participating countries that find themselves in difficulty after reasonable efforts on their part to deal with their oil import and balance of payments problems. The proposal is intended to promote cooperation among oil-importing countries and to facilitate rational dialogue with the oil-exporting countries. It is not intended to replace the private market and other official channels such as the International Monetary Fund, but rather to supplement them.

The details of the American proposal remain to be worked out, and the proposal itself must still be negotiated with other countries. It is nevertheless clear that any new financing facility must have sufficient resources at its disposal to meet the needs of countries in difficulty. Unless that is assured, the new facility will not serve the purpose of providing mutual security to its participants. In consideration of this security, participating countries should undertake cooperative efforts to reduce dependence on oil imports. They should also undertake to follow responsible adjustment policies, avoiding the use of trade restrictions. The facility might be financed through direct contributions by the participating governments or through loan guarantees, with the credit risks being shared. In either case, Congressional authority will be needed for U.S. participation.

The program proposed by the Administration thus has the objective of bringing the major oil-consuming countries together in a common effort. It has two major aspects: cooperation to reduce dependence on imported oil and financial cooperation. Financial cooperation is important; it can contribute to international economic and political stability in the face of large oil deficits. But financial cooperation alone is not enough. Even with an orderly financing of deficits, the immense burden of carrying and ultimately repaying the debts will still remain. Financial cooperation may ease the transition, but it does not answer the most troublesome question: "A transition to *what*?"

The fundamental problem is the huge oil bill of the importing countries, and a fundamental solution requires that the price of oil be reduced. The OPEC cartel will not last forever, and the most promising way of breaking or weakening it is to bring about changes in the demand and supply relationship of the oil market. Already some change in this relationship is taking place. Excess capacity of oil producers is now much larger than it was last year. New oil discoveries have occurred in Bolivia, China, Malaysia, and Mexico, to name a few. The proven oil resources of the North Sea have doubled in the past year. In the United States, the potential of off-shore oil fields is enormous. The high price of oil is thus stimulating the search for new oil fields, and also the development of coal, nuclear power, and other alternative sources of energy.

While the effects of these adjustments on the supply side will not become quickly visible, immediate adjustments are already taking place on the demand side. Oil consumption of the importing countries will be about 3% less this year than last. A number of countries have recently stepped up their efforts to save oil. France has set a limit on expenditures for oil imports. The recent British budget again hiked the gasoline tax, and as a consequence the British motorist will now pay about $1.20 per gallon.

The United States consumes about 30 per cent of world oil production. Partly for that reason, partly also because of our strategic role in the world, other nations look to us for leadership. The Administration has invited other industrial countries to join us in a vigorous cooperative effort to deal with the grave oil problem. We should now do our part by moving more decisively to conserve energy, by moving more resolutely to develop domestic alternatives to imported oil, and by reducing our vulnerability to the threat of embargo by increasing our storage capacity.

This October, the President outlined a number of proposals to conserve energy and develop alternative domestic sources. The President's program included legislation to require the use of coal or nuclear power in new electric generating plants, and the conversion of existing plants to coal. It included proposals for gasoline savings on new automobiles, for fuel savings by industry, and for further conservation within the government. The immediate objective of the program was to achieve a reduction of 1 million barrels a day in oil consumption by the end of 1975. These proposals by the President deserve strong support from the Congress and the general public.

While the President's program emphasizes voluntary actions, it is well to keep in mind that he has indicated that more stringent measures to reduce dependence on imported oil may become necessary in the future. In view of the gravity of the international energy situation, I believe that some preliminary planning on stronger measures to reduce domestic consumption should be undertaken at once. These might include a sizable tax on gasoline, or on imported oil, or on automobiles according to their weight or horsepower.

The recent report of the Federal Energy Administration on Project Independence also deserves prompt attention by the Congress. While this report does not offer specific recommendations for the reduction of oil imports, it does provide a wealth of information and analysis regarding the steps that might be taken to increase domestic sources of energy, to conserve fuel, and to establish standby emergency programs, including stockpiling. It is high time that we moved from the rhetoric to the reality of Project Independence, and the FEA study can help to speed and guide our path to this objective.

In conclusion, I can only say to this Committee that the problems caused by the recent manipulation of oil prices and supplies are among the gravest with which this nation has had to contend under peacetime conditions. Unless we take stronger measures than we have yet done to conserve oil, to develop alternative sources of energy, and to lead other industrial nations in a common policy to lighten the burdens that OPEC oil actions have imposed on the world, we may endanger our nation's future. The policy that I have advocated this morning is a policy of austerity. I recognize that it must be carried out prudently—if possible, without intensifying the recessionary tendencies that are already developing in our economy. The alternative of drift, I fear, may lead to a permanent decline of our nation's economic and political power in a very troubled world.

DR. DONN B. MURPHY

Mr. MONTOYA. Mr. President, Dr. Donn B. Murphy, a professor in the Nation's Capital, is having a great impact on the theater in this country and has been honored for his 20 years' contribution in teaching theater at Georgetown University where he is director of theater and a full professor in the department of fine arts.

In dealing with hundreds of students and guiding their interest in the various aspects of theatrical endeavor, including playwriting, acting, television production and stagecraft, Dr. Murphy has exemplified some of the best qualities of the dedicated teacher and finest skills of a theatrical director. He has extended his service beyond the academic community as well, notably as technical adviser to Mrs. John Kennedy for opera and theatrical performance at the White House. In this capacity he worked with many major theatrical artists, designers and musicians and gave his students the opportunity to assist in the preparation and presentation of performances in the executive mansion.

Dr. Murphy's influence has extended beyond the classroom through the work of many of his students who follow his example and exemplify his principles as they move into significant positions in the professional and regional theaters. He counts among his proteges actors, stage managers, directors of theater and opera, producers, and among playwrights, a winner of the annual professional award for best American play.

Among the honors tendered him by his colleagues and others are two citations from the Washington Theater Alliance, a Fellowship in International Theater from the Ford Foundation, two special awards from the Army Theater Project, and an award from the American College Theater Festival.

Dr. Murphy has distinguished himself in such private work as his direction of a drama group for patients at a psychiatric hospital and in such public positions as production coordinator and director of the film festival in the U.S. pavilion at the Man and His World Exposition in Montreal in 1971.

Most important, this teacher through his own high professional standards, his energetic curiosity and honest humanity, his keen insights and patience, inspires in those he teaches a creativity and a respect for creativity which enrich their lives and those they in turn serve, and to that degree enhance the theatrical arts in our country.

BILLIONS SPENT TO EASE HUNGER—AND THE EFFORT BACKFIRES

Mr. HANSEN. Mr. President, judging from input I have had over the past 8 years of my Senate service, the people of Wyoming are as charitable as any in the United States, and we live in a country of the most generous people in the world. Wyoming people are very sympathetic to the hungry people of the world, and Wyoming people want to see the world's standard of living enhanced. But almost without exception, Wyoming people seem to have strong reservations about the entire U.S. foreign aid program.

Their argument is not so much against the philosophy of foreign aid, although I believe Wyoming people basically are most inclined to help those who show a willingness to help themselves; but rather, Wyoming people oppose what they see as massive failures of the U.S. foreign aid program.

There apparently is a belief in this country, that the United States can feed the world. We have the greatest agricultural production in Earth's history. And we have the capability to feed a great part of the world. But we cannot do it for free—any longer. American food producers, to continue their extraordinary performance, have to have fuel, fertilizer, credit, and other production inputs. All of these areas have been hit hard by inflation, and availability of fuel and fertilizer remains a big question for all farmers and ranchers.

The record prices on petroleum imports, the source of the farmer's fuel supply and the product from which much of his fertilizer is a by-product, have made it imperative that the best possible price be received for America's food exports. Agriculture presents the best opportunity to improve the U.S. balance of trade. On the other hand, to give away vast stores of food to foreign nations that have an open record of mismanagement and corruption will further worsen the balance of trade, and waste the leverage in the one area of production in which the United States is clearly superior over all nations.

A November 28 article in the Philadelphia Inquirer addressed itself to the inadequacies of the U.S. foreign aid program. The picture painted by Inquirer staff writers Donald L. Barlett and James B. Steele is not pleasant to contemplate. Their articles were based on a 7-month investigation of the foreign aid program, that apparently took them to several countries and involved examination of the administration of the aid programs, both by agents of the United States, and by foreign governments.

In brief, they found that:

The United States has mistakenly tried to transplant to primitive societies farming techniques perfected in this country, on the assumption that what works in Iowa and Indiana will work in India and Indonesia. It will not, and for the subsistence farmers in many faraway places, the results have been catastrophic;

Programs such as food for peace, motivated by humanitarian impulses, have actually caused many poor countries to fail to even try to increase their own agricultural production—because it is cheaper and easier for them to obtain food from the United States than to grow it at home;

All too often, aid is spent on expensive, showcase projects that benefit only a handful of farmers and make no contribution to the country's overall agricultural needs;

Even in established projects, aid, instead of flowing to needy small farmers, often benefits large farmers or pays the salaries of educated, elite bureaucracies in the developing countries that have grown up to administer aid programs;

Agricultural assistance has also had the ironic effect of postponing or delaying indefinitely necessary painful reforms in many nations that, if taken, would substantially increase food production and relieve misery.

I ask unanimous consent that their article—"Billions Spent To Ease Hunger—And the Effort Backfires"—be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILLIONS SPENT TO EASE HUNGER—AND THE EFFORT BACKFIRES

(By Donald L. Barlett and James B. Steele)

The United States foreign aid program has spent 30 years and billions and billions of dollars on agricultural programs designed to alleviate hunger in poor countries around the world.

That effort has largely failed.

In many instances, it has worse than failed; it has backfired, actually holding down food production in foreign countries and increasing their reliance on shiploads of U.S. food and dollars.

Consequently, many of those same countries are now faced with mass starvation, the prospect of certain and recurring food shortages for the foreseeable future and a continuing inability to grow enough food to feed themselves.

U.S. agricultural aid, like the entire $172 billion foreign aid program, has been undertaken with the best of intentions. And, also like the entire foreign aid program, it is an example of funds misspent, misdirected and, ultimately, wasted.

Poor, hungry people in developing countries are still poor and hungry and more dependent than ever on the outside world for food to stay alive.

The Inquirer's probe of agricultural assistance—part of a seven-month investigation of the flawed U.S. foreign aid program—found that:

The United States has mistakenly tried to transplant to primitive societies farming techniques perfected in this country, on the assumption that what works in Iowa and Indiana will work in India and Indonesia. It won't, and for the subsistence farmers in far away places, the results have been catastrophic.

Programs such as Food for Peace, motivated by humanitarian impulses, have actually caused many poor countries to fail to even try to increase their own agricultural production—because it is cheaper and easier for them to obtain food from the United States than to grow it at home.

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Even in established projects, aid, instead of flowing to needy small farmers, often benefits large farmers or pays the salaries of educated, elite bureaucracies in the developing countries that have grown up to administer aid programs.

Agricultural assistance has also had the ironic effect of postponing or delaying indefinitely necessary, painful reforms in many nations that, if taken, would substantially increase food production and relieve misery.

In country after country, The Inquirer investigation established, if there is one lesson to be learned after the expenditure of more than $172 billion in American foreign aid, it is this:

Unless the government receiving the assistance has enacted sound policies of its own, no amount of foreign aid will do the least bit of good.

This is especially true in less developed countries, where corruption is systematic and in countries where governments have failed to institute even the most basic self-help measures.

Says a senior staff assistant for the Senate Foreign Relations Committee.

"External assistance is of minimal value unless the internal society is straightened out. India is a good example of an internal society that has not been straightened out."

Says a State Department official, privately echoing the same sentiments after years of overseas duty:

"There are some countries where assistance is a complete waste. India is a good example. Every dollar we put into India is a dollar down the drain."

Their observations relate to foreign aid in general. But in no other facet of the foreign aid program are their assessments more painfully applicable than in the area of agricultural assistance.

Over the years, the United States' foreign aid program has provided a staggering amount of agricultural assistance to the rest of the world in the form of direct food aid or assistance in agricultural planning.

Since the food for peace program was enacted by Congress in 1954, the nation has shipped agricultural products valued at $22.4 billion to more than 100 countries.

NEW METHODS TAUGHT

Agricultural experts from American colleges and universities have studied exotic tropical diseases and worked closely with poor farmers to teach them new farming methods.

Billions of dollars have been poured into large-scale projects in irrigation, colonization, farm resettlement and tropical agricultural research.

It is true that the United States' foreign aid program has done all of that. Yet whether the vehicle of the aid program has been direct non-repayable U.S. grants, or insurance guarantees to private companies engaged in farming, or agricultural loans from international organizations such as the World Bank, there has also been one failure after another.

In South Korea, the government has implemented a patchwork agricultural policy over the last decade, with the backing of the State Department, which has adversely affected food supplies. Korean farmers explained to The Inquirer what has happened:

Several years ago, the government told farmers to raise chickens. Everyone built chicken coops. Then, the price of chicken feed went up 500 percent due to soaring demand and the price of eggs went up only 20 percent.

Everyone stopped raising chickens.

Then they were told to raise pigs. Then, it was tobacco. Another year, it was angora rabbits (for the fur). Another year, it was cows. All these enterprises had the same predictable result: A farmer would buy a calf for $150, feed it for six months and then be able to sell it for only $125.

This year, the Korean government is pushing sunflowers.

CHICKEN RAISING PLAN

In West Africa, a $1.4 million State Department project to raise chickens for domestic consumption in the three food-short nations of Mali, Mauritania and Senegal failed because U.S. planners did not take into account the fact that those nations did not have enough grain to feed both their populations and support a poultry industry.

In Thailand, the State Department enthusiastically supported a private American company's plan to increase corn production by guaranteeing the project 100 percent.

The idea, according to a State Department release, was to transplant to rural Thailand "the familiar county-agent concept of U.S. agriculture in providing farmers advice on the use of fertilizers, seed selection, cultivation and other aspects of successful farming."

But the project failed because it was undercapitalized from the start by the American company. It ended up costing the American foreign aid program $6.7 million to cover staggering operating losses.

In India, the United States poured in more than 41 million metric tons of wheat during the 1960s under the foreign aid program.

"By giving her so much food, we gave India a crutch," says a senior aide to the Senate Foreign Relations Committee. "As a result she had postponed all the hard, tough political and economic decisions that must be made."

Those decisions include whether India will continue to pour millions of dollars into her growing military program or divert some of that money to provide food for her hungry masses.

Now, as starvation marches across vast reaches of Africa and Asia, many undeveloped countries have sought to blame their plight on developed nations, especially the United States, and are demanding more help.

But during all of the discussion about famine and its causes and its possible cures, there is one subject that goes unmentioned: The failure of developing countries to institute necessary self-help measures to increase agricultural production—a failure that no amount of American foreign aid can ever overcome.

There is, in short, great potential for increasing agricultural production in many undeveloped countries.

But for one reason or another—all related to the failure of internal government policies or an inability to face certain hard political realities these governments have refused to come to grips with their problems, and agricultural production has suffered.

Take the case of Colombia, one of the nations visited and studied in detail by Inquirer reporters as part of the newspaper's foreign aid investigation.

Long a focal point for Amrican aid in Latin America, Colombia has received $1.4 billion in loans and grants directly from the United States since 1946.

In addition, Colombia has received loans of $1.1 billion from the World Bank and $619 million from the Inter-American Development Bank. Both lending agencies depend heavily on the United States for financial support.

MANY-FACETED PLAN

Of the total aid amount, several hundred million dollars have gone into agricultural programs, ranging from the colonizing of Colombia's vast, sparsely populated eastern plains to the upgrading of national agricultural planning.

It has been poured into a variety of different agencies administering a variety of different programs—all aimed at making Colombia's 23 million inhabitants less dependent on the outside world for certain foods.

But perhaps the story of just one agency which has been a leading recipient of American aid—the Colombia agrarian reform institute (INCORA)—explains why per capita agricultural production in Colombia is just barely keeping pace with population growth.

INCORA, a government agency, was created in 1962 to carry out the provisions of a newly-passed agrarian reform law. The purpose was ostensibly to change the maldistribution of land in Colombia.

As in many developing nations, Colombia's good agricultural land is held by only a few families. They are wealthy aristocrats, for the most part, who can trace their lineage well into the nation's Spanish past.

Colombia is a mountainous country dominated by three separate ranges of the Andes. The best land is in the level, fertile valleys between the ranges. It is there that Colombia's elite have held sway for centuries.

With all the good land taken, small farmers settled for smaller holdings in the sides of the mountains where farming conditions are more difficult and soils are poorer than in the valleys below.

The 1960 census showed the extent of this pattern. Large farms of 247 acres or more made up only 3.5 percent of Colombia's total farms. But small farms of 12.4 or fewer acres comprised 62.5 percent of the nation's farms.

Even though Colombia is rich in soils and climates, and capable of producing a wide variety of crops, productivity has always been low.

One reason is that land taxes are very low, thus encouraging underuse of the good land, and the Colombian government has never applied pressure on large landholders to force them to use their land more efficiently.

Thus in Colombia, the problems of agriculture are largely political and a World Bank study of 1970 summed it up this way:

"The soil and climate endowment of much of this land is good . . . What is needed is well-directed pressure to bring the land into greater productivity."

In its own way, INCORA was supposed to exert "well-directed pressure," but the agency was probably doomed to fail from the start.

There never has been broad-based support for true agrarian reform from either of Colombia's two major political parties which have governed the country in recent years.

Both the liberal and conservative parties contain members who are large, wealthy landowners and whose interests would be directly affected by any ambitious program of radical reform.

NO MAJOR CHANGES

Consequently, in the 13 years since the agrarian reform act was passed, there has been no fundamental change in the way land is owned in Colombia.

At the same time, there has also been a genuine difference of opinion in Colombia, as elsewhere, over whether radical redistribution of land by expropriation or other forceful means would help or hurt agricultural production.

Whatever one believes, the problem is that Colombia has been unable to decide on whether to institute true agrarian reform or drop the program altogether.

"If anything, agrarian reform has been an impediment to agricultural production in Colombia," believes one U.S. official who spent years observing Colombian agriculture. "It has created uncertainty."

On one hand, INCORA has been unable to make any fundamental change in the country's maldistribution of land.

But on the other, every Colombian government usually pays at least lip service to the agrarian reform idea, which in turn creates some unwillingness on the part of major farmers to invest heavily in agriculture for fear their land might one day be expropriated.

None of Colombia's indecision, however, has deterred the United States foreign aid program from consistently pouring money into INCORA, even when it was obvious that the agency was making no strides toward land reform at all.

Even when INCORA's performance is criticized by other U.S. agencies, such as the General Accounting Office (GAO), the State Department speedily rushes to INCORA's defense.

A 1967 GAO audit, for example, concluded that INCORA, even with heavy U.S. support, had been unable to achieve "any appreciable success in effectively transforming the maldistribution of land in Colombia."

The State Department's AID office in Bogota prepared a seven-page answer to the GAO criticism that was in short, an endorsement of INCORA policies, saying the agency's main objective "was to continue its steady progress" involving Colombia's age-old rural problems.

"Even more significant," read the AID memo, "is INCORA's recognition both of the magnitude of the problems which face overall agrarian reform in Colombia, and the fact that it is adopting what we consider to be reasonable solutions to these problems . . ."

Seven years later, INCORA is no closer to achieving agrarian reform than it was in 1967.

INCORA has been such an obvious flop that now even AID's Bogota office is saying, at least privately, what critics of INCORA have been saying for years.

"I don't think the performance of INCORA has been very effective," one high AID official told The Inquirer.

Colombia's National Planning Department was unable to provide The Inquirer with up-to-date statistics showing current land ownership patterns, but one high department official said there has been virtually no change.

"Big interests stood in the way of land reform," he said, "so there has been little change at all. And it is not a high priority with this government either."

Although Colombia has achieved some success in producing more export commodities such as cotton and beef, per capita food production has just kept pace with population growth the last decade.

LITTLE CREDIT GIVEN

An American agriculturist who has spent years observing Colombian agriculture told The Inquirer that U.S. aid to Colombian agriculture has played little, if any, role in the increase.

"The crops that show the increase are exports such as coffee, cotton or beef," he said. "And these are produced mostly by commercial farmers using modern technology."

The aid money has not helped the small, subsistence farmers who comprise the backbone of Colombia's rural society, as evidenced in part by the continuing exodus of the rural poor to Colombia's big cities.

Bogota, the capital, was a city of 664,000 in 1951. By 1964, the population was 1.6 million. Today, the population is estimated at 2.7 million.

In fact, it may be much higher. No one has any scientific way of counting the thousands of poor farmers who yearly stream into Bogota and other large cities to escape the desperate poverty of the countryside.

"We have just operated an international social welfare program in agriculture," says one disillusioned American of the Colombian program. "The money that has gone to INCORA has not prepared anyone for the future or to become a productive member of Colombian society."

Colombians are still debating over who benefited from the millions that INCORA has spent since 1962—since there are so few visible signs of agricultural progress.

There have been repeated charges in the Colombian legislature of corruption in INCORA. Lawmakers have charged that in cases where INCORA has actually purchased land from wealthy owners for redistribution to needy peasants, the agency paid excessive prices.

INEPT PLANNING

But in most projects examined by The Inquirer in Colombia, there was another possible explanation for INCORA's poor performance—politics and inept planning.

In 1968, for example, the Inter-American Development Bank (IDB) loaned INCORA $35.9 million for a major colonization project on Colombia's vast, largely unpopulated eastern plains.

The bank, which is largely supported by the United States, put up the funds to build access roads, schools, hospitals and other community facilities to encourage the colonization of potentially productive agrarian land.

For its part, INCORA was to provide teachers, hospital beds, educational facilities and other assistance as part of the total development package.

The schools, hospitals and roads were built largely with U.S.-supplied funds. But the Colombian government then failed to provide the teachers or the other facilities because the national government decided to de-emphasize agrarian reform in 1970.

"We built the hospitals, but they did not provide the beds," said Nestor Sanchez, assistant director of the IDB in Bogota. "You go into some of those areas today and you find empty schools.

"The idea was to aid the spontaneous settlement of those areas that was already underway. People have been going there, but conditions are bad and getting worse all the time."

Not long ago, a band of angry poor farmers in one such settlement village locked a group of Colombian authorities in a building and demanded that the Colombian president come visit to see living conditions that had been aggravated by the government's failure to live up to its end of the bargain.

While Colombia has been unable to make certain tough political decisions that conceivably might greatly spur food production, South Korea has aggressively adopted policies in the last decade that have actually retarded agricultural production.

A few statistics on imports and prices perhaps best underscore the dismal failure of President Park Chung Hee's autocratic administration in dealing with the problem of food.

Rice has long been the staple of the Korean diet. In the years following the Korean War, the United States exported rice to Korea, but by 1960 those exports were no longer needed.

In 1961, then-Gen. Park came to power in a military coup. Shortly thereafter, he launched what was called a "New Life Campaign," dispatching his army troops to the countryside to fight poverty.

News accounts at the time reported that troops explained to the rural folk that Korean farmers were "lazy and suffer from feudalistic thinking" and only through a massive reconstruction effort would there be "jobs and rice for all."

By 1970—after nine years and millions of dollars in American foreign aid money plowed into Korea's agricultural sector to increase production and organize 4–H Clubs—the Korean government had managed to:

Drive tens of thousands of farmers from their land; hold down the living conditions of those farmers who remained behind; and make Korea dependent on American rice and other food products once again. Indeed, Korea's increases in rice production have failed to keep pace with the country's population growth.

From 1970 to 1973, the United States had to export 1.553 million metric tons of rice to Korea—or nearly four times as much rice as was shipped during the 10-year period from 1950 to 1959, when the country was in the midst of, and recovering from, the war.

LOW-INTEREST LOANS

Much of the rice, along with a substantial volume of wheat, that was shipped to Korea the last few years, was sold through low-interest, long-term loans, running up to 40 years, under the American foreign aid program.

At the same time President Park has been increasing rice imports from the United States, he has been urging Koreans to eat less rice. Restaurants are not permitted to serve rice two days a week and barley is blended in with the rice that is served, a combination many Koreans find distasteful.

For the Park administration, the rice imports have served several purposes.

They have enabled the government to avoid dealing seriously with the agricultural economy, so that all its energies could be focused on building an industrial base and increasing exports.

As The Inquirer disclosed earlier this week, that industrial base is built on low wages and poor working conditions and is heavily dependent on cheap female labor.

The government also has used the cheap American rice to hold down the price of rice in Seoul, undercutting the price of rice grown by Korean farmers.

Last July, the retail price of a bag of rice sold in Seoul was $3.51. In the provincial city of Kwangju, the price was $3.76. In the port city of Inchon, it was $4.26. Red beans that sold for $3.38 in Seoul went for $3.51 in Kwangju and $4.01 in Inchon.

By keeping food prices down in Seoul, long-time American residents in Korea say, President Park has reduced the chances for large-scale demonstrations against his other policies and decrees which curtail individual freedoms and liberties.

SEOUL MIGRATION

With the government's disastrous agricultural policies and the emphasis in non-farm jobs and cheap food, rural folk, as might be expected, have flocked to Seoul. The city now holds nearly one-fifth of Korea's entire 32 million population, and is one of the world's most densely populated cities.

The resulting urban sprawl has aggravated the country's food problem in another way:

Apartment complexes, factories, squatters' huts, houses and expressways continue to push out from Seoul, taking more and more of what once was some of Korea's best rice growing land.

As for the farmers, the more things change, the more they remain the same. Like the government's experimental agricultural policies and the government's agricultural cooperatives, all backed and often financially supported by the American State Department.

The names of the farmers are not important, only what they have to say. They remain anonymous because Koreans who speak with an American reporter are risking arrest. And Koreans who speak critically of their government are risking long prison sentences.

It is sufficient to say that their ages range from the 30s to the 60s and that they live on Yong Jong Island, located a slow, 20 minute boat ride from Inchon.

There are, on the island, about 14,000 Koreans, a Catholic church that has been there some 70 years, an American priest who has been in residence since the mid-1960s, one doctor who has treated more than 7,800 patients in the last eight years, and hundreds of mud-brick and concrete block houses with thatched roofs that do not have amenities like floors or running water or electricity.

CO-OPS CRITICIZED

One farmer is talking about the agricultural cooperative.

"You have to belong to the co-op to buy fertilizer so there is no real love for it. The orders to join come from above (the government). If you don't belong to the co-op, you can't get any fertilizer. It is a threat they hold over the farmer's head."

As a requirement for membership in the co-op, the farmer says he must donate about 65 pounds of rice each year to the organization.

In return, he can buy co-op fertilizer at the same price he could buy it on the open market and the canshop in the co-op store, a kind of general store where prices are higher than in Inchon. So, he says, "there is no use to the co-op."

What happens to the rice the farmer turns over to the co-op?

"The co-op sells the rice to the government. The money they get from the government goes to pay the salaries of the co-op people. There are no benefits to the farmer," he says.

The farmers say they have gone through all this before, with other cooperatives. Each time the cooperatives failed for the same reason—corruption.

GAMBLING PHILOSOPHY

The farmers complain, too, about the low price for rice—which is deliberately held down by the government—and a variety of other government policies that allow some prices to rise while others are controlled.

In other countries, observes a long-time American resident of Korea who has worked closely with the rural people, the farmers say "the weather is a gamble. Here they say tomorrow's government decision is a gamble."

Curiously, the American State Department—undaunted by the Park government's 13-year string of agricultural failures—continues to pour money into the agricultural sector, pretending that modern technology somehow can overcome disastrous government policies.

A State Department official says, talking of plans for the future:

"We're going to bring in United States scientists to work on research breakthroughs in all grains—rice, wheat and barley."

Mr. HANSEN. Mr. President, in addition to the $172 billion cost of the entire foreign aid program described in the Inquirer series, the Senate Finance Committee's Oct. 29, 1973, report on "Foreign Indebtedness to the United States," gave some indication of the extent of other areas of foreign aid—capital export.

According to the committee report:

> Since 1917 the United States Government has transferred abroad (loans and grants) approximately $258 billion in financial resources, almost $200 billion of which has been committed since World War II.

These financial resoruces are broken down as follows: World War I, $12.2 billion; World War II, Lend-Lease, $50.2 billion; post-World War II, $195.6 billion. The World War I figure excludes interest, and the post-World War II figure includes $11.1 billion in fiscal year 1973 and a then-projected $11 billion for fiscal year 1974, but did not include any of the expected increases in aid noted by the committee as resulting from the Middle East War.

Mr. President, I suggest that the United States has serious economic problems and can no longer be what critics have termed "Uncle Sugar" to the entire world. I also suggest that the concern expressed by Wyoming people reflects what is felt throughout the United States, and that the Congress, in considering foreign aid authorizations and appropriations, would be well-advised at the same time to consider the views and very real needs of the people of the United States.

A TRIBUTE TO LOUIS B. RUSSELL

Mr. BAYH. Mr. President, last week while the Senate was in recess, Indiana and the Nation lost Louis B. Russell, the world's longest living heart transplant recipient. As we mourn his loss, it is important for all mankind to recognize that Mr. Russell made the most of the more than 6 years that medical science was able to add to his life.

My sympathy goes out to his family and especially to his daughter, Connie, who has been a member of my staff.

For more than 6 years after he received the heart of a teenage Virginia boy, Louis Russell made full use of his additional years by helping others. Not only did Mr. Russell return to teaching industrial arts at Joyce Kilmer Junior High School in Indianapolis, but he also took up the cause of heart disease as he spoke to hundreds of groups and involved himself in a number of fundraising activities to conquer the disease.

In addition, Mr. Russell warned Indianapolis youth of dangers of drug abuse and became a lay chaplain with the city police force.

Not forgetting the uncertainty he once faced in anticipation of receiving a new heart, Mr. Russell also counseled patients who faced heart surgery. In fact, even in the week before his death, Mr. Russell shared the final days of his extended life by advising and encouraging two more patients who were about to receive new hearts at the Medical College of Virginia.

Mr. Russell once said that he was not afraid to die and added that the extra time since his heart transplant had been "the best years of my life." Mr. Russell said:

> I don't know what the future holds for me, but I do know who holds the future.

Perhaps Mr. Russell expressed his philosophy best when he said that he didn't mind being a "guinea pig" if the experiment he was involved in would help others. Mr. Russell said:

> I'm alive, and maybe because of me and my operation, what doctors learn can help other people live.

Louis Russell was a man who gave much more than he received. Indiana and the Nation have benefited greatly from his courage and his generosity.

THE PROGRAM OF ACTION OF THE WORLD FOOD CONFERENCE

Mr. PERCY. Mr. President, the theme of the World Food Conference was articulated by Secretary Kissinger in his keynote address when he called on the assembled nations to pledge "that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition."

This theme is repeated throughout the program of action adopted by the Conference. The Secretary's very words were incorporated, at the suggestion of the U.S. delegation, in resolution 1:

> The World Food Conference *Resolves* that all governments should accept the removal of the scourge of hunger and malnutrition, which at present afflicts many millions of human beings, as the objective of the international community as a whole, and accept the goal that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition.

In our concern about the projected shortage of basic foodstuffs in the next 6 to 9 months and the apparent failure of the World Food Conference to solve this problem, we have tended to overlook three important facts.

First, the World Food Conference was convened by the United Nations to design an international strategy to deal with medium- and long-term issues of food production and world food security. It was not intended or organized to come to grips with the very real and urgent problems caused by food shortages this year.

Second, the World Food Conference has set an ambitious and not easily attainable goal for the international community and has agreed to this goal without dissent: We shall eliminate hunger and malnutrition in 10 years' time.

And third, the World Food Conference, in a spirit of compromise and cooperation seldom witnessed on the international scene, achieved a remarkable degree of consensus on a Programme of Action which includes a Declaration on the Eradication of Hunger and Malnutrition and 22 separate resolutions. If this Programme of Action is fully, speedily, and successfully implemented, then I believe we shall be able to achieve our goal.

I call these facts to the attention of my colleagues in order to place the results of the World Food Conference into more perspective.

I want to point out as well that the resolutions taken together do provide a coherent strategy for attacking the world food and nutrition problem. They touch on subjects ranging from priorities for agricultural and rural development to improved food aid programs, from the role of women in agriculture and development to efforts to make more available agricultural inputs such as fertilizer, pesticides, and seeds. Other resolutions speak to the issues of population, grain reserves, trade barriers, and research and training. In addition, resolution XXIII recommends the establishment of an International Agricultural Development Fund and resolution XXIII provides for a World Food Council and other bodies to oversee the implementation of the Programme of Action.

Mr. President, in a meeting the size of the World Food Conference in which 133 nations are confronting a problem as complex as the food problem we must always be prepared to accept something less than we had hoped for. No nation, no

nongovernmental organization, and no concerned individual achieved everything he or it may have hoped for at Rome.

The results of the World Food Conference taken as a whole, however, are quite striking. The Programme of Action holds great promise for success. The United States should work cooperatively and energetically with the other nations of the world to implement the resolution as quickly as possible.

In order to provide a basis for judging the World Food Conference, I ask unanimous consent that the Programme of Action adopted by the Conference, including the declaration and 22 resolutions, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Part Two. Programme of Action

IV. DECLARATION ON THE ERADICATION OF HUNGER AND MALNUTRITION [1]

The World Food Conference, convened by the General Assembly of the United Nations [2] and entrusted with developing ways and means whereby the international community, as a whole, could take specific action to resolve the world food problem within the broader context of development and international economic cooperation, *adopts the following*

UNIVERSAL DECLARATION ON THE ERADICATION OF HUNGER AND MALNUTRITION

Recognizing that:

(i) The grave food crisis that is afflicting the peoples of the developing countries where most of the world's hungry and ill-nourished live and where more than two thirds of the world's population produce about one third of the world's food—an imbalance which threatens to increase in the next ten years—is not only fraught with grave economic and social implications, but also acutely jeopardizes the most fundamental principles and values associated with the right to life and human dignity as enshrined in the Universal Declaration of Human Rights; [3]

(ii) The elimination of hunger and malnutrition, included as one of the objectives in the United Nations Declaration on Social Progress and Development,[4] as well as the elimination of the causes that determine this situation are the common objectives of all nations;

(iii) The situation of the peoples afflicted by hunger and malnutrition arises from their historical circumstances, including social inequalities, including in many cases alien and colonial domination, foreign occupation, racial discrimination, *apartheid* and neo-colonialism in all its forms, which continue to be among the greatest obstacles to the full emancipation and progress of the developing countries and all the peoples involved;

(iv) This situation has been aggravated in recent years by a series of crises to which the world economy has been subjected, such as the deterioration in the international monetary system, inflationary increase in import costs, the heavy burdens imposed by external debt on the balance of payments of many developing countries, rising food demand partly due to demographic pressure, speculation, and a shortage of and increased costs of essential agricultural inputs;

(v) These phenomena are considered within the framework of the on-going negotiations on the Charter of Economic Rights and Duties of States, and urging the General Assembly of the United Nations unanimously to agree upon and to adopt a Charter that will be an effective instrument for the establishment of new international economic relations based on principles of equity and justice;

(vi) All countries, big or small, rich or poor, are equal. All countries have the full right to participate in the decisions on the food problem;

(vii) The well-being of the peoples of the world largely depends on the adequate production and distribution of food as well as the establishment of a world food security system which would ensure adequate availability and reasonable prices of food at all times, irrespective of periodic fluctuations and vagaries of weather and free of political and economic pressures, and should thus facilitate, amongst other things, the development process of developing countries;

(viii) Peace and justice encompass an economic dimension helping the solution of the world economic problems, the liquidation of under-development, offering a lasting and definitive solution of the food problem for all peoples and guaranteeing to all countries the right to implement freely and effectively their development programmes. To this effect, it is necessary to eliminate threats and resort to force and to promote peaceful co-operation between States to the fullest extent possible, to apply the principles of non-interference in each other's internal affairs, full equality of rights, respect of national independence and sovereignty as well as to encourage the peaceful co-operation between all States, irrespective of their political, social and economic systems. The further improvement of international relations will create better conditions for international co-operation in all fields which should make possible large financial and material resources to be used, *inter alia,* for developing agricultural production and substantially improving world food security;

(ix) For a lasting solution of the food problem all efforts should be made to eliminate the widening gaps which today separate developed and developing countries and to bring about a new international economic order. It should be possible for all countries to participate actively and effectively in the new international economic relations by the establishment of suitable international systems, where appropriate, capable of producing adequate action in order to establish just and equitable relations in international economic co-operation;

(x) Developing countries reaffirm their belief that the primary responsibility for ensuring their own rapid development rests with themselves. They declare, therefore, their readiness to continue to intensify their individual and collective efforts with the view to expanding their mutual co-operation in the field of agricultural development and food production including the eradication of hunger and malnutrition;

(xi) Since, for various reasons, many developing countries are not yet always able to meet their own food needs, urgent and effective international action should be taken to assist them, free of political pressures, consistent with the aims and objectives of the Declaration on the Establishment of a New International Economic Order [5] and the Programme of Action [6] of the sixth special session of the General Assembly of the United Nations.

The Conference consequently solemnly proclaims:

1. Every man, woman and child has the inalienable right to be free from hunger and malnutrition in order to develop fully and maintain their physical and mental faculties. Society today already possesses sufficient resources, organizational ability, and technology and hence the competence to achieve this objective. Accordingly, the eradication of hunger is a common objective of all the countries of the international community, especially of the developed countries and others in a position to help.

2. It is a fundamental responsibility of Governments to work together for higher food production and a more equitable and efficient distribution of food between countries and within countries. Governments should initiate immediately a greater concerted attack on chronic malnutrition and deficiency diseases among the vulnerable and lower income groups. In order to ensure adequate nutrition for all, Governments should formulate appropriate food and nutrition policies integrated in over-all socio-economic and agricultural development plans based on adequate knowledge of available as well as potential food resources. The importance of human milk in this connexion should be stressed on nutritional grounds.

3. Food problems must be tackled during the preparation and implementation of national plans and programmes for economic and social development, with emphasis on their humanitarian aspects.

4. It is a responsibility of each State concerned, in accordance with its sovereign judgement and internal legislation, to remove the obstacles to food production and provide proper incentives to agricultural producers. Of prime importance for the attainment of these objectives are effective measures of socio-economic transformation by agrarian, tax, credit and investment policy reform and the reorganization of rural structures, such as the reform of the conditions of ownership, the encouragement of producer and consumer co-operatives, the mobilization of the full potential of human resources, both male and female, in the developing countries for an integrated rural development and the involvement of the small farmers, fishermen and the landless workers in attaining the required food production and employment targets. Moreover, it is necessary to recognize the key role of women in agricultural production and rural economy in many countries, and to ensure that appropriate education, extension programmes and financial facilities are made available to women on equal terms with men.

5. Marine and inland water resources are today becoming more important than ever as a source of food and economic posperity. Accordingly, action should be taken to promote a rational exploitation of these resources, preferably for direct human consumption, in order to contribute to meeting the food requirements of all peoples.

6. The efforts to increase food production should be complemented by every endeavour to prevent wastage of food in all its forms.

7. To give impetus to food production in developing countries and in particular in the least developed and most seriously affected among them, urgent and effective international action should be taken, by the developed countries and other countries in a position to do so, to provide them with sustained additional technical and financial assistance on favorable terms and in a volume sufficient to their needs on the basis of bilateral and multilateral arrangements. This assistance must be free of conditions inconsistent with sovereignty of the receiving States.

8. All countries, and primarily the highly industrialized countries, should promote the advancement of food production technology and should make all efforts to promote the transfer, adaptation and dissemination of appropriate food production technology for the benefit of the developing countries and to that end they should *inter alia* make all

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[1] Adopted by the Conference at its 16th meeting on 16 November 1974.

[2] Resolution 3180 (XXVIII) of 17 December 1973.

[3] General Assembly resolution 217 A (III) of 10 December 1948.

[4] General Assembly resolution 2542 (XXIV) of 11 December 1969.

[5] General Assembly resolutions 3201 and 3202 (S-VI) of 1 May 1974.

efforts to disseminate the results of their research work to Governments and scientific institutions of developing countries in order to enable them to promote a sustained agricultural development.

9. To assure the proper conservation of natural resources being utilized or utilizable for food production, all countries must collaborate in order to facilitate the preservation of the environment, including the marine environment.

10. All developed countries and others able to do so should collaborate technically and financially with the developing countries in their efforts to expand land and water resources for agricultural production and to assure a rapid increase in the availability, at fair costs, of agricultural inputs such as fertilizers and other chemicals, high-quality seeds, credit and technology. Co-operation among developing countries, in this connexion, is also important.

11. All States should strive to the utmost to readjust, where appropriate, their agricultural policies to give priority to food production recognizing, in this connexion, the interrelationship between the world food problem and international trade. In the determination of attitudes toward farm support programmes for domestic food production, developed countries should take into account, as far as possible, the interest of the food exporting developing countries, in order to avoid detrimental effect on their exports. Moreover, all countries should co-operate to devise effective steps to deal with the problem of stabilizing world markets and promoting equitable and remunerative prices, where appropriate through international arrangements, to improve access to markets through reduction or elimination of tariff and non-tariff barriers on the products of interest to the developing countries, to substantially increase the export earnings of these countries, to contribute to the diversification of their exports, and apply to them, in the multilateral trade negotiations, the principles as agreed upon in the Tokyo Declaration including the concept of non-reciprocity and more favourable treatment.

12. As it is the common responsibility of the entire international community to ensure the availabiilty at all times of adequate world supplies of basic food-stuffs by way of appropriate reserves including emergency reserves, all countries should co-operate in the establishment of an effective system of world food security by:

Participating in and supporting the operation of the Global Information and Early Warning System on Food and Agriculture;

Adhering to the objectives, policies and guidelines of the proposed International Undertaking on World Food Security as endorsed by the World Food Conference;

Ear-marking, where possible, stocks or funds for meeting international emergency food requirements as envisaged in the proposed International Undertaking on World Food Security and developing international guidelines to provide for the co-ordination and the utilization of such stocks;

Co-operating in the provision of food aid for meeting emergency and nutritional needs as well as for stimulating rural employment through development projects.

All donor countries should accept and implement the concept of forward planning of food aid and make all efforts to provide commodities and/or financial assistance that will ensure adequate quantities of grains and other food commodities. Time is short. Urgent and sustained action is vital. The Conference, therefore, calls upon all peoples expressing their will as individuals, and through their Governments and non-governmental organizations, to work together to bring about the end of the age-old scourge of hunger.

The Conference affirms:

The determination of the participating States to make full use of the United Nations system in the implementation of this Declaration and the other decisions adopted by the Conference.

V. RESOLUTIONS ADOPTED BY THE CONFERENCE—RESOLUTION I

Objectives and strategies of food production

The World Food Conference,

Recalling General Assembly resolution 3201 (S–VI) and 3202 (S–VI) of 1 May 1974, concerning the Declaration and the Programme of Action on the Establishment of a New International Economic Order and the subsequent ECOSOC resolution 1911 (LVII) on its implementation, as adopted.

Recalling General Assembly Resolution 3180 (XXVIII) of 17 December 1973 on the World Food Conference,

Recognizing that past trends in food production and productivity in the majority of developing countries have been unsatisfactory, for reasons, among others, of inadequate socio-economic structures, insufficient investment funds, paucity of trained manpower, and unfavourable trade relations,

Noting that if these trends were to continue the expected increase in the demand for food in these countries will raise their import requirements to unmanageable proportions, aggravate malnutrition and intensify human suffering,

Expressing concern at the inadequate performance of agriculture, including livestock and fisheries, in many developing countries in relation to the targets of the Second United Nations Development Decade and their own national objectives, at the new constraints created by the scarcity of inputs and at the inadequacy of the present level of resources including development assistance flowing to agriculture in these countries.

Considering that agricultural production in the developing countries requires the availability of inputs at reasonable prices,

Stressing that an increase in agricultural productivity and sustained expansion of food production in these countries at a rate much faster than in the past is essential in order to meet the rapidly growing demand for food, due to rising population and incomes, the requirements for security stocks and the need to raise the consumption by undernourished people to universally accepted standards,

Recognizing the importance of fish products for the improvement of quality of human diet and the potential for increased fish production especially in developing countries,

Recognizing that in many developing countries there is considerable scope for increased production through bringing new land under cultivation or through more intensive use of land already under cultivation, development in these countries, as part of the International Development Strategy for the Second United Nations Development Decade,

Recognizing that in many developing countries large quantities of food are lost between the farm field and the consumer and that the deterioration in the nutritional value of food before it reaches the consumer is a serious problem;

Considering that conditions in certain developed countries are favourable for the rapid increase of food production and recognizing that some countries can produce more food than they need and thus are able to export; that reliance on this production to supply the growing needs of the developing countries and some developed countries is increasing; that for years these exporting countries have been concerned that production at full capacity could create undesirable surpluses and thus depressed markets, which would deprive farmers of incentives to invest and to produce, and that in view of the present and prospective demand for food in the world, such a concern may no longer be relevant,

Stressing the urgent need for greater efforts by the developing countries themselves and for increased regional, sub-regional and international co-operation for agricultural[1]

Stressing the importance, in selecting the measures to be taken to achieve the urgently needed increases in food output, of taking into account the need for the most efficient use of land and water resources, the short and long-term effects of alternative technologies on the quality of the environment,

Affirming that in order to solve the food problem, highest priority should be given to policies and programmes for increasing food production and improving food utilization in developing countries, so as to achieve a minimum agricultural growth rate of 4 per cent per annum, placing appropriate emphasis on (i) providing adequate supplies of essential inputs, such as fertilizers, pesticides, quality seeds, farm and fishery equipment and machinery, fuel, breeding stock and water; (ii) ensuring sufficient incentives to farmers; (iii) developing rural infrastructures, including storage, processing, transportation, marketing, input supply systems, credit and educational and social amenities; (iv) conservation and improvement of existing cultivated and cultivable land; (v) reclamation and development of new land; (vi) promoting research training and extension; (vii) progressive social and structural transformation of agriculture; (viii) active participation of the rural population, particularly small farmers and landless workers in the development process, and (ix) providing the necessary financial resources.

1. Resolves that all governments should accept the removal of the scourge of hunger and malnutrition, which at present afflicts many millions of human beings, as the objective of the international community as a whole, and accept the goal that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition,

2. Calls on the government of each developing country to:

(i) accord a high priority to agricultural and fisheries development;

(ii) formulate food production and food utilization objectives, targets and policies, for the short, medium and long-term, with full participation of producers, their families, and farmers' and fishermen's organizations, taking into account its demographic and general development goals and consistent with good environment practices;

(iii) take measures for agrarian reform and a progressive change in the socio-economic structures and relationships in rural areas; and

(iv) develop adequate supporting services for agricultural and fisheries development, including those for education, research, extension and training, marketing, storage and processing, transport, as well as credit facilities and incentives to enable producers to buy the required inputs;

3. Calls on all governments able to furnish external assistance to substantially increase, their official development assistance to agriculture in developing countries, especially the least developed and the most seriously affected countries, including capital assistance on soft terms, technical assistance, transfer of appropriate technology and programme loans for imports of essential inputs;

4. Requests governments to make arrangements whereby developing countries will

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[1] Including livestock and fisheries.

have access to inputs such as fertilizer, pesticides, agricultural machinery and equipment in sufficient quantity and at reasonable prices;

5. Urges governments to respond to the appeal of the Secretary-General of the United Nations for contributions to the Special Programme, the urgent implementation of which is essential for ensuring progress in resolving the food problem of the developing countries seriously affected by the economic crisis, and to contribute generously to the International Fund for Agricultural Development proposed by the Conference;

6. Urges the developed countries concerned to adopt and to implement agricultural policies which encourage the early expansion of food production while taking into account a satisfactory level of income for producers and world food requirements and the need of maintaining reasonable prices for consumers, such policies should not impede or delay the increase in food production by developing countries, both for domestic consumption and for export;

7. Requests all countries to reduce to a minimum the waste of food and of agricultural resources, in particular land, water and all forms of energy; and to ensure the rational utilization of fisheries resources;

8. Calls on the regional economic commissions to continue their important contribution to the task of stimulating co-ordinated economic development in their respective regions, by cooperating in the efforts in this direction that the countries in those regions are making;

9. Urges FAO in consultation with UNDP and other relevant international institutions, with due regard for national sovereignty:

(a) to formulate economic, social, physical and biological criteria for selecting suitable additional areas for food production,

(b) to make an inventory, on the basis of these criteria, of the areas most suitable for additional production,

(c) to make an inventory of resources available for financing additional production, and

(d) to indicate ways and means for carrying out programmes and projects for additional food production;

10. Requests the World Bank, Regional Banks, UNDP, FAO, UNIDO and other international agencies, through modification of their existing policies and criteria as appropriate, to substantially increase their assistance for agriculture and fisheries in developing countries giving priority to programmes and projects aimed at benefiting the poorest groups of the population and placing equal emphasis on both economic and social benefits; simplify and streamline the procedures for the granting of such assistance; and mobilize the support of the entire international community including non-governmental organizations, for the urgent task of overcoming hunger and malnutrition.

RESOLUTION II

Priorities for agricultural and rural development

The World Conference,

Recognizing that self-reliance, relying on the masses of people, tapping fully the potentialities of the country and striving in accordance with each country's respective conditions for the maximum possible degree of self-sufficiency in basic foods is the fundamental approach to the solution of the food problem of developing countries,

Recognizing the urgent need for expanding and improving the productivity base of agriculture through fuller and more efficient utilization of land and water resources, through application and adaptation of improved technology consistent with the local ecological conditions, and through agrarian reforms and other appropriate socio-economic changes in the organization of rural communities,

Recognizing the vital importance of mobilizing the people through their organizations for rural development, and particularly of involving small farmers and landless labourers in the planning and operation of programmes aimed at improving their living standards and those of their families and at a more equitable distribution of income,

Stressing the severe problem of rural unemployment and under-employment,

Emphasizing the critical need for the strengthening of the administrative capacity of government organizations and of rural infrastructures, down to the village level including housing and health services, agricultural extension and communication and other family well-being services, and for greatly expanded rural education and technical and vocational training programmes, particularly the need for universal literacy,

Recognizing the important role of women in rural life, in the production, processing, marketing and consumption of food, in family nutrition, in decisions on family size and child spacing and in child care and education, the need to involve them fully in the process of rural development, and the implications thereof for education and extension,

Affirming that a determining element in rural development and in reducing rural unemployment, is the capacity of the rural community to expand, intensify, and diversify its activities in crop production, animal husbandry, forestry, fisheries, agro-allied and other rural-based industries and public works programmes, and that in support of these, the necessary production structure and infrastructure needs to be established,

Noting that no single pattern of social, economic or institutional set-up can be applicable to all countries, that the concept of integrated rural development is sufficiently flexible for countries to design operational strategies appropriate to their own circumstances, and recalling the efforts made in promoting the concept of integrated rural development,

1. Calls on governments to bring about appropriate progressive agrarian reforms in accordance with the political objectives and administrative capabilities of each country, adequate means of information and motivation and other institutional improvements in rural areas aimed at employment and income generation, at organizing, activating and assisting the rural population, including nomads, for participation in integrated rural development and at eliminating exploitative patterns of land tenure, credit and marketing systems where they still prevail, calls on them to improve credit marketing and inputs distribution systems and recommends that existing and experienced institutions and organizations in the developed countries should be mobilized as much as possible to take part in agricultural development work, and also to make all efforts to carry out Economic and Social Council Resolution 1707 (LIII) on Agrarian Reform;

2. Invites governments to promote the development of cooperative organizations and other associations for the mass of farmers and rural workers for agricultural and rural development and for generating greater self-reliance, self-sufficiency and motivation;

3. Requests all governments to intensify their efforts in both formal and nonformal education of rural people with emphasis on what is relevant to their needs, taking into account the special role of women in agriculture and rural life in many societies, and to aim at the elimination of illiteracy within a decade;

4. Calls on each country to identify and implement with greater financial and policy support such food production and rural development programmes as are best suited to its specific national and regional characteristics and circumstances and which are required to achieve its national and international food production objectives, bearing in mind the development of appropriate technology, and the establishment of price relationships which will lead to increased incomes;

5. Calls on UNDP, IBRD, FAO and other international and bilateral agencies to review their criteria for financial, technical and other assistance for integrated rural development; to give greater importance to social criteria so as to implement broader and longer-range programmes of rural development; and if necessary improve their technical and administrative capacity for implementing these programmes;

6. Urges governments, UNDP and the other international and bilateral agencies to cooperate in accelerating the planning and implementation of integrated rural development programmes and to devote greatly expanded resources to these activities;

7. Calls on FAO and other United Nations organizations concerned to collect, evaluate and disseminate the results and experience from past and ongoing rural development programmes, to determine the suitability of these programmes in bringing about both expanding agriculture production and social integration.

RESOLUTION III

Fertilizers

The World Food Conference,

Recognizing the vital role of fertilizers in increasing food production, the urgency of eliminating the current global shortage of fertilizers, and the necessity of ensuring on a continuing basis the adequate and regular supply of fertilizers to all countries,

Recognizing further that the present international prices of fertilizers reflect to a considerable extent their scarcity value and are threatening food production efforts in developing countries,

Noting the recent increased activity of the international community in respect of fertilizers, including the establishment of the FAO Commission on Fertilizers, the International Fertilizer Supply Scheme, the International Fertilizer Development Centre in the USA, the important activities of the IBRD and UNIDO and the funding operations of the United Nations Emergency Operation,

Taking note of the Economic and Social Council resolution 1836, of the proposal by Sri Lanka and the Economic and Social Commission for Asia and the Pacific, and of the proposal by Mexico which were designed to ensure the availability of scarce and essential agricultural inputs like fertilizers,

Taking note of the growing awareness of the importance of fertilizers as an appropriate instrument for external assistance in increasing food supplies in developing countries, both on a bilateral and multilateral basis,

Stressing the need for increased and coordinated international efforts to improve fertilizer availability, particularly to developing countries, and define the elements of an effective international fertilizer policy,

Recognizing also that increasing availability and applications of fertilizer in developing countries need to be promoted in conjunction with the use of other inputs and rural services, and taking into account the Conference Resolutions on related inputs such as pesticides and seeds,

1. Recommends that during the current period of supply shortages and high prices, the international organizations and bilateral

aid agencies significantly intensify their effort to meet the needs of developing countries, particularly the least developed and those most seriously affected by economic crisis, through increased material and financial support to the International Fertilizer Supply Scheme and by stepping up bilateral efforts, so as to bridge the gap in supply as estimated by the Scheme from time to time;

2. Calls upon developed countries, international agencies and others in a position to do so to extend assistance in the form of grants and concessional loans to enable developing countries to import urgently needed fertilizers and raw materials;

3. Recommends that FAO, UNIDO and IBRD jointly organize a programme to assist developing countries to improve the efficiency of their fertilizer plant operations coordinating with agencies providing assistance for this purpose;

4. Urges international institutions, developed countries and others in a position to do so to provide financial assistance, technical assistance, technology and equipment on favorable terms, to build required additional fertilizer production capacities in appropriate developing countries that possess oil and natural gas, phosphate rock and or other natural resources such as coal, in other developing countries where specific local factors justify such investments, and also to assist all developing countries with storage facilities, distribution services and other related infrastructures;

5. Requests that interested countries and parties actively explore the possibilities for setting up cooperative ventures in the fertilizer field among countries producing fertilizer raw materials, countries with established fertilizer production industries and fertilizer consuming countries with a view to the promotion of more economic and stable fertilizer production and supply systems, and to consider any other measure that may be needed to channel adequate investments into the fertilizer field;

6. Requests the FAO Commission on Fertilizers, in collaboration with the member states of the United Nations and the other international organizations concerned such as UNIDO and IBRD, to undertake as a matter of urgency an authoritative analysis of the long term fertilizer supply and demand position in order to provide the elements of a world fertilizer policy which would include the overall aim of avoiding cyclical imbalances between supply and demand, help ensure that fertilizer prices are stabilized at reasonable levels and would enable developing countries to obtain fertilizers they need for their food and agricultural production;

7. Requests that all countries should introduce standards for ensuring, fertilizer quality and policies and measures for the promotion of the most efficient and effective use of available fertilizers including the application of mineral fertilizers as well as alternative and additional sources of plant nutrients such as organic fertilizers, legume crops and other means of biologically fixing nitrogen and recycling of wastes and combining fertilizer use with other improved agricultural practices; it also recommends that each fertilizer consuming nation call upon its citizens voluntarily to reduce non-critical uses of fertilizer toward making available more fertilizers for food production in developing countries.

8. Recommends the intensification of international efforts in the transfer of technical knowledge, particularly on the intermediate level, in order to increase production and to make more effective use of fertilizers, including the improvement of extension services and training of farmers in all countries, as well as research on methods to augment soil fertility and plant growth through the development of improved mineral fertilizers, greater utilization of locally available plant nutrients, of different types of organic fertilizers, biological fixation of nitrogen, on microelements, and on food crop varieties that are efficient in the uptake of plant nutrients from the soil.

RESOLUTION IV

Food and agricultural research, extension and training [1]

The World Food Conference,

Recalling the General Assembly Resolution 3202 (SVI) of 1 May 1974, relating to the Programme of Action concerning the Establishment of a New International Economic Order, as adopted,

Recalling further the General Assembly Resolution 3.68 (XXIIVI) of 17 December 1973, by which the Assembly requested the strengthening of economic, scientific and technical cooperation between Member States;

Considering that coordinated basic and applied research conducted in, or for the benefit of, the developing countries, in all fields of food and agricultural development, both technical and socio-economic, is vital to increasing food, agricultural and fisheries production and the optimum utilization of resources, and must therefore enjoy high priority at the national, regional and international levels;

Expressing its concern at the inadequate amount of basic and particularly of applied research directed to developing new agricultural technology suited to the needs of developing countries, especially tropical and sub-tropical areas; as well as at weaknesses in adaptive research, training, and extension to achieve more effective transfer and utilization of both existing and new technology, especially in fields related to food production and utilization under the local environmental, agricultural, and socio-economic conditions in each country;

Noting that much of current research both lacks coordination and makes inadequate use of important information already available from research in ecologically comparable regions;

Recognizing that the paucity of trained technical personnel at various levels required both for the conduct of research and for the transmission of the results of research to agricultural producers is a major constraint in increasing agricultural production; and recalling the recommendations on this subject made by the First World Conference Agricultural Education and Training (Copenhagen 1970),

Affirming its conviction that strengthening research, technical training, and the extension and dissemination of research results to all agricultural and marine producers, and especially to small farmers and fishermen in line with the national goals of developing countries, must be accorded a priority merited by its crucial role in providing new means of increasing food and agricultural production;

1. Urges all governments to evaluate the scope and organization of their national agricultural research, training, and extension programs, and their linkages with relevant universities, international and regional institutions, and agro-industry research efforts, with a view to taking all necessary measures (including additional financial provision) to strengthen national programs to cover priority areas of food and agricultural production more adequately, including *inter alia* environmental and socio-economic considerations;

2. Invites countries which enjoy a high level of development of scientific agriculture to ensure that no onerous conditions or limitations are placed on the transfer of agricultural technology, which might impede its ready acquisition and assimilation by the developing countries;

3. Requests the concerned national, regional, and international research institutions to intensify their efforts to examine the possibilites of new as well as traditional food crop, livestock and fisheries production systems, and the potential for the development of water resources and the efficient use of land, water, fertilizer and other inputs for significantly increasing food production in the developing countries; to improve the nutritional quality of both conventional and non-conventional foods; to investigate the problems connected with opening up of new lands in the light of diverse land use requirements, ecological and tenure systems and the need to conserve soil fertility; and, in close cooperation with extension services, to develop studies aimed at a better understanding of the motivation of the rural populace and thus to assist them in improved participation in the benefits to be gained from the application of research results;

4. Recommends the strengthening and expansion of programs relating to the survey, conservation and effective utilization of agricultural resources, particularly of soil, water and plant and animal genetic resources; and *urges* the rapid establishment of a global network of plant genetic resource centers and the extension of this to animal genetic resources.

5. Recommends the stepping-up of cooperative goal-oriented basic research programs, involving research centers of developed countries, international and regional research institutes, and suitable institutions in developing countries on problems relating to the development of appropriate technology for increasing productivity, improving marketing and reducing costs of production; examples of such research are: biological nitrogen fixation, utilization of solar and geophysical energy, production physiology for raising yield ceilings, plant introduction and genetic breeding using wide germ plasm resources, and development of new human and animal food sources.

6. Recommends that the concerned national and international institutions intensify basic and applied research regarding

(i) the impact of different ecological conditions, particularly climate, weather, and their variability, on agricultural production in various climatic zones and particularly in tropical and climatically marginal (e.g., semi-arid and arid) land areas,

(ii) the application of meteorological information and knowledge in planning agricultural reesarch and land-use and management systems, including the development of alternative cropping strategies to suit different weather conditions so as to minimize the adverse effects of aberrant weather and encourage production patterns in tune with the climatic potential.

7. Recommends the rapid expansion of applied research in national, regional and international research centres, so as to bring about a continuing rise in the economic yield and nutritional value of plants and farm animals, taking into account the need to improve biological efficiency so as to economize in inputs, without detriment to the long-term production potential of specific farming systems;

8. Recommends that research, possibly on a regional basis, be undertaken in order to develop coastal fisheries and marine and inland aquaculture to the fullest; and urges developed fishing nations to provide developing countries with the necessary technical

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[1] Agriculture is here taken as including production of plants, livestock, and fish.

assistance for the exploitation, management processing and marketing of these resources;

9. Recommends the following early action with a view to reinforcing and improving the co-ordination of research efforts directed to these goals and the rapid dissemination of results to agricultural producers:

(i) that FAO undertake the systematic collection, and dissemination of data on current research, and the results of research already carried out in the developing countries, and that additional resources be provided for this purpose and for permitting the exchange of experience and data between existing centres;

(ii) that the resources of the Consultative Group on International Agricultural Research, co-sponsored by FAO, UNDP, and the World Bank, be substantially enlarged to enable it to augment the number and scope of international and regional research programmes in and for the developing countries, with the objective of complementing and helping to strengthen research in the developing countries through promoting co-operative research networks, assisting in adaptive research at the national level and in training programmes, and the dissemination of research information at all levels; and *further recommends* that the Technical Advisory Committee and the Consultative Group study the feasibility of an international programme on the use of remote sensing techniques in agriculture, including the use of data from Earth Resources Satellites;

(iii) that consideration shall be given by FAO, UNDP and the World Bank to establishing a co-ordinated programme for the improvement of extension systems;

(iv) that extensive adaptive research programmes be developed involving testing in farmers' fields and economic and technical viability of new technology and thereby tailoring recommendations to suit specific locations, farming situations and socio-economic conditions; and subsequently the organization of widespread on-farm demonstrations ranging from small plot demonstrations to whole villages or water-shed demonstrations; and that whole village or other appropriate pilot projects be developed and implemented jointly by agricultural and social scientists so as to bring about an understanding of the institutional and socio-economic requirements of new technology;

(v) that priority be given to, and increased resources made available for, the development of agricultural education and training at all levels, in order that the required training programmes can be provided—including training of research and extension workers in management techniques, special basic and in-service technical training for graduate and middle-level extension personnel, and farmers' training, including programmes for rural women and children, aiming at the achievement of an integrated educational system for the rural population within an appropriate political and social framework;

(vi) that all countries co-operate in special measures aimed at reducing the loss of specialized technical personnel from the developing countries;

(vii) that means be found to facilitate the acquisition by developing countries, under favourable terms, of the equipment required for agricultural research and experimental development activities, including better access to the world's germ plasm resources, and

(viii) that to support these recommendations national, regional and international resources devoted to agricultural research, extension, and training in and for developing countries should be increased severalfold in real terms by 1985.

RESOLUTION V

Policies and programmes to improve nutrition

The World Food Conference,

Considering that large numbers of people, particularly the less advantaged in many countries, lack adequate and appropriate food resulting in adverse effects on their health, their development and their ability to learn and work for basic livelihood; whereas overconsumption among the affluent not only impairs their health but also contributes to reducing the food availability for less advantaged groups and furthermore, large food resources are used to feed animals.

Recognizing that malnutrition is closely linked to widespread poverty and inadequate social and institutional structures, and that its effects are aggravated by infectious diseases and the lack of environmental sanitation; and that increased agricultural production and increased incomes may not by themselves lead to improved nutrition; and that to this end a more just and equitable distribution of food and incomes is essential, among nations as well as within countries among their various social categories,

Recognizing that information on food consumption patterns and on their consequences for the nutrition and health status of the majority of the population in developing countries is insufficient and inadequate, and that improved knowledge about how to prevent malnutrition through better use of available food resources, including human milk, is essential.

Considering the relationship which often exists between child and mother, malnutrition and too close pregnancies,

Recognizing that food and nutritional aspects are generally not sufficiently taken into account in the formulation of national development plans,

Considering the need for improving nutrition in all countries and that the present consumption patterns of the affluent need not be taken as a model,

Recommends.

1. That all governments and the international community as a whole, in pursuance of their determination to eliminate within a decade hunger and malnutrition, formulate and integrate concerted food and nutritional plans and policies aiming at the improvement of consumption patterns in their socio-economic and agricultural planning, and for that purpose assess the character, extent and degree of malnutrition in all socio-economic groups as well as the preconditions for improving their nutritional status;

2. That FAO, in cooperation with WHO, UNICEF, WFP, IBRD, UNDP and UNESCO, assisted by PAG, prepare a project proposal for assisting governments to develop intersectoral food and nutrition plans; this proposal to be communicated to the FAO Council at its mid-1975 session through its Food and Nutrition Policy Committee, and to the governing bodies of the other interested agencies;

3. That governments, with their own resources, supplemented with food, financial and technical assistance from multilateral or bilateral external sources, and in close co-operation with agricultural production programmes initiate new or strengthen existing good and nutrition intervention programmes, on a scale large enough to cover on a continuing basis a substantial part of the vulnerable groups;

4. That governments include nutrition education in the curricula for educational programmes at all levels and that all concerned in the fields of agriculture, health and general education be appropriately trained to enable them to further the nutrition education of the public within their domains;

5. That governments strengthen basic health, family well-being and planning services and improve environmental conditions, including rural water supplies and the elimination of water-borne diseases; and provide treatment and rehabilitation of those suffering from protein-energy malnutrition;

6. That governments consider the key role of women and take steps to improve their nutrition, their educational levels and their working conditions; and to encourage them and enable them to breast-feed their children;

7. That governments review special feeding programmes within the context of their food and nutrition strategies to determine desirability and the feasibility of undertaking such new programmes, or improving existing ones, particularly amongst the vulnerable groups (children, pregnant and nursing mothers), but also for school children, workers and others; such programmes should promote increased local food production and processing thereby stimulating local initiative and employment and should also include an element of nutrition-education;

8. That the international agencies, non-governmental agencies and countries which are in a position to provide funds and foods for this purpose, should provide assistance to governments who will request such aid in order to introduce in the period 1975–76, emergency programmes for supplementary feeding of a substantial number of the malnourished children with due attention to basic health and other essential services for the welfare of all children at risk;

9. That governments should explore the desirability and feasibility of meeting nutrient deficiencies, through fortification of staples or other widely-consumed foods, with amino-acids, protein concentrates, vitamins and minerals, and that, with the assistance of WHO in cooperation with other organizations concerned, should establish a world-wide control programme aimed at substantially reducing deficiencies of vitamin A, iodine, iron/folate, vitamin D, riboflavine, and thiamine as quickly as possible;

10. That FAO, in association with other international and non-governmental organizations concerned, undertakes an inventory of vegetable food resources other than cereals, such as roots, tubers, legumes, vegetables and fruits, including also those from unconventional sources, and that it studies the possibility of increasing their production and consumption, particularly in countries where malnutrition prevails;

11. That governments take action to strengthen and modernize consumer education services, food legislation and food control programmes and the relevant aspects of marketing practices, aiming at the protection of the consumer (avoiding false and misleading information from mass-media and commercial fraud, and that they increase their support of the Codex Alimentarius Commission;

12. That the joint FAO/WHO food contamination monitoring programme, in co-operation with UNEP, be further developed in order to provide early information to the national authorities for appropriate action;

13. That a global nutrition surveillance system be established by FAO, WHO and UNICEF to monitor the food and nutrition conditions of the disadvantaged groups of the population at risk, and to provide a method of rapid and permanent assessment of all factors which influence food consumption patterns and nutritional status;

14. That governments consider establishing facilities and funds for applied nutrition research related to economic, cultural, social and medical aspects of production, processing, preservation, storage, distribu-

tion and utilization of food and that FAO, WHO and UNICEF arrange for an internationally coordinated programme in applied nutritional research including establishing priorities, identifying appropriate research centres and generating the necessary fundings;

15. That governments should associate, wherever practicable non-governmental organizations whose programmes include nutrition-related activities, with their nutritional efforts, particularly in the areas of food and nutrition programmes, nutrition education and feeding programmes for the most vulnerable groups.

RESOLUTION VI

World soil charter and land capability assessment

The World Food Conference,

Noting that land resources are limited and that of the total land area of the world only a small percentage is currently used to feed the world population which is likely to double by the end of the century,

Considering that meeting the food requirements of mankind including the eradication of malnutrition, entails:

The intensification of crop production including multiple cropping, wherever this can be safely accomplished,

The bringing into cultivation of new lands, wherever conditions for sustained cropping prevail, with a view to considerably increasing the land areas used for food production,

The establishment and better utilization of grasslands,

Conscious of the dangers of soil degradation resulting from inadequate measures for intensifying crop production and grazing, particularly in areas which are exposed to water and wind erosion, or salinity and alkalinity,

1. Recommends that Governments apply appropriate soil protection and conservation techniques in conjunction with the measures they take to intensify crop production and grazing and bring new lands into cultivation;

2. Recommends that FAO, UNESCO and UNEP, in cooperation with WMO, and other competent international organizations, and in consultation with Governments concerned, prepare without delay an assessment of the lands that can still be brought into cultivation, taking proper account of forestry for the protection of catchment areas of land required for alternative uses. Such an assessment should take into account primarily the hazards of irreversible soil degradation as well as the order of magnitude of costs and agricultural and other inputs required;

3. Urges that the Food and Agriculture Organization of the United Nations select the most appropriate ways and means to establish a World Soil Charter which would be the basis for an international cooperation towards the most rational use of the world's land resources.

RESOLUTION VII

Scientific water management: irrigation, drainage and flood control

The World Food Conference,

Recognising the vital role of water in agricultural development and consequently of completing projects under construction, improving existing irrigation systems and developing new irrigation facilities in developing countries,

Recognising that extending the area under assured irrigation has become particularly urgent, since variability in weather and climate is becoming an increasingly important factor in influencing the world food situation,

Noting that considerable ground and surface water resources are yet to be exploited and that available evidence on benefit/cost is favourable to their development and utilisation,

Noting that a large number of irrigation schemes are operating at low levels of efficiency,

Noting also that extensive irrigated areas have gone out of cultivation or their production capabilities have been reduced due to waterlogging, salinity and alkalinity,

Noting that colossal damage to crops due to floods has become an increasingly recurring phenomenon in some regions, calling for urgent action with respect to control measures,

Noting that efficient water conservation and use will be essential for increasing agricultural production in semi-arid and arid areas, as well as for desert creep control,

Considering that the principal obstacles to fully exploiting the potential water resources and adopting effective drainage and flood control measures are shortage of financial resources, equipment and trained manpower, to ensure regional cooperation and to evolve ecologically sound policies,

1. Recommends urgent action to be taken by governments and international agencies such as FAO and WMO to implement the following:

(a) Undertake, wherever needed, exhaustive climatic, hydrological and irrigation potential, hydro-power potentials and desert creep surveys;

(b) Rapid expansion of irrigation capacities in areas where surface water and/or groundwater reserves are available for rational exploitation, so as to facilitate both the improvement of productivity and intensity of cropping;

(c) Development of techniques for the safe utilization of brackish water for food production in areas where sweet surface/groundwater is not available;

(d) Reclamation of areas affected by waterlogging, salinity and alkalinity and prevention of salinisation of irrigated areas;

(e) Identification of groundwater resources, exploration of the economic feasibility of using non-conventional sources of water and research and development efforts in the most economical use of water with such techniques as drip and sprinkler irrigation in arid areas where shortage of water, rather than land, is the limiting factor in crop production;

(f) Sound exploitation of groundwater resources, water harvesting and conservation in the soil profile and in run-off farm ponds together with techniques for the efficient use of the water thus made available in semi-arid and in drought-prone areas;

(g) Flood protection and flood control measures, including watershed management and soil conservation to mitigate the damage to crops in high rainfall and flood-prone areas; to render where feasible, the flood-free period into a major cropping season through development of lift irrigation and ground water exploitation;

(h) Establishment of suitable drainage systems and appropriate steps to control salinity in swampy areas as well as in areas exposed to tidal inundation;

(i) Taking all necessary measures and developing techniques to combat desert creep;

2. Calls on international institutions and bilateral and multilateral aid agencies to provide substantially increased external assistance to enable the developing countries to undertake rapidly action set out under paragraph 1;

3. Urges governments and international agencies to assess and make appropriate arrangements for meeting the energy requirements for irrigation and to encourage intensive research on using solar hydro-electric power, geo-thermal and wind energy in agricultural operation;

4. Urges governments and international agencies to strengthen and where necessary to initiate national, regional research and training in all aspects of water technology related to specific farming systems and to improve the administration and management of water delivery systems;

RESOLUTION VIII

Women and food

The World Food Conference,

Considering that the major part of the required increase in food production must occur in the developing countries if the present tragedy of starvation and malnutrition for uncounted millions is not to continue,

Recognizing that rural women in the developing world account for at least fifty percent of food production.

Knowing that women everywhere generally play the major role in procurement and preparation of food consumed by their families,

Recognizing the important role of the mother in the health development of the future generation through proper lactation and furthermore that mothers in most cultures are the best source of food for their very young children.

Reaffirming the importance of the World Health Assembly resolution on lactation in May this year,

1. Calls on all governments to involve women fully in the decision-making machinery for food production and nutrition policies as part of total development strategy;

2. Calls on all governments to provide to women in law and fact the right to full access to all medical and social services particularly special nutritious food for mothers and means to space their children to allow maximum lactation, as well as education and information essential to the nurture and growth of mentally and physically healthy children;

3. Calls on all governments to include in their plan provision for education and training for women on equal basis with men in food production and agricultural technology, marketing and distribution techniques, as well as consumer, credit and nutrition information;

4. Calls on all governments to promote equal rights and responsibilities for men and women in order that the energy, talent and ability of women can be fully utilized in partnership with men in the battle against world hunger.

RESOLUTION IX

Achievement of a desirable balance between population and food supply

The World Food Conference,

Recognizing that the increasing demand for food is related in particular to the unprecedented population growth, which has doubled the world's population in a single generation,

Realizing that despite improved agricultural technology, an appreciable share of the human race continues to be seriously undernourished, and that many millions face actual starvation,

Bearing in mind that land and water resources are limited and further that due to underdevelopment of such resources in developing countries, it is becoming increasingly difficult to meet the food needs of a rapidly growing world population.

Recalling that in recent months in Bucharest a consensus was reached on a World Population Plan of Action,

Stressing that the increases in supply of food can be achieved only by economic development,

Now calls on all governments and on people everywhere not only to make every possible effort to grow and equitably distribute sufficient food and income so that all human beings may have an adequate diet—a short-range goal which priority and the best techniques might make possible—but also to support, for a longer-term solution, rational population policies ensuring to couples the right to determine the number and spacing of births, freely and responsibly, in accordance with national needs within the context of an overall development strategy.

RESOLUTION X

Pesticides[*]

The World Food Conference,

Recognizing that pesticides are in short supply, particularly in developing countries, and are important inputs for improving agricultural and livestock production, storage and distribution, and in health,

Recognizing the need for adequate measures to ensure the production and supply of appropriate pesticides and application equipment at reasonable prices and to increase the efficiency of pesticide use,

Noting the urgent need to examine alternative methods of pest control, including cultural practices and biological control,

1. Recommends that international coordination be established to facilitate the supply for developing countries or their common control organizations with a maximum assurance under favourable economic conditions of necessary pesticides and equipment and advice on their efficient and safe use, including wherever possible the encouragement of local manufacture, and the establishment of adequate revolving reserve stocks to cater for any emergencies;

2. Recommends a coordinated programme including the necessary elements of supply, information, training, research and quality control, to increase the efficiency of protection measures;

3. Recommends a strong continuing programme of research into the mechanism of resistance in both plants and pests, especially in tropical and sub-tropical areas on the development of integrated pest management for major cropping systems, on the residual effects of pesticides in soils, water, crops, livestock, environment and human habitat;

4. Calls on FAO in cooperation with UNEP, WHO and UNIDO to convene on an urgent basis an *ad hoc* consultation, including member governments and industry, to recommend ways and means to give effect to the intentions of this resolution, including the supply-demand information that FAO has been collecting, the investment required in pesticides and equipment supply, the standardization of regulatory procedures and environmental rules, examination of alternative methods of pest control and to take follow-up action.

RESOLUTION XI

Programme for the control of African animal trypanosomiasis

The World Food Conference,

Recognizing the importance of African animal trypanosomiasis as a major limiting factor to rural development in general and animal production in particular in a large number of African countries,

Taking note that progress in trypanosomiasis and tsetse control techniques now makes possible the implementation of large-scale operations,

Recognizing that the effective implementation of an internationally coordinated programme for the control of African animal trypanosomiasis could open up vast areas of land for animal and crop production thus providing the potential for greatly increased animal protein and other food supplies both to overcome deficits in the African continent and to provide surpluses for export,

Recognizing the socio-economic benefits which would accrue to rural populations from such a programme, including a significant contribution to the control of human trypanosomiasis,

Taking note that trypanosomiasis and tsetse control should be considered as the first phase of an integrated plan of economic development to be followed by projects covering appropriate land and water conservation and utilization, including forestry, pasture improvement, livestock management, animal health, livestock marketing and processing, as well as training in their various fields,

1. Recommends that FAO in cooperation with the governments of the countries concerned, interested international organizations and specialized research institutes, and with the support of bilateral and multilateral assistance agencies, launch as a matter of urgency a long-term programme for the control of African animal trypanosomiasis as a project of high priority;

2. Calls for immediate establishment of a small coordinating unit at FAO Headquarters to start the first phase of the programme devoted to training, pilot field control projects and applied research, in preparation for future large-scale operations;

3. Recommends that FAO take immediately the necessary steps to mobilize the funds and services required for the programme.

RESOLUTION XII

Seed[*] industry development

Recognizing the urgent need to increase agricultural production in many countries to meet worldwide food demand,

Recognizing the importance which a secured supply of viable seeds of high genetical and physical purity of high-yielding and adapted varieties has to increasing crop production and productivity,

Affirming therefore that the development of seed industries should be given high priority in national agricultural development strategies,

Stressing the need that some countries experiencing frequent emergencies such as drought, flooding, typhoons, etc., which cause severe crop damage, will have to establish adequate regional and/or national seed reserve stocks to satisfy the need of adequate seed supplies for the subsequent season.

Stressing the increasing international linkages in crop research and in the trade of seeds and the need to guard against introduction of seed-borne pests and diseases,

1. Urges the governments of developing countries to make short and long-term commitments of manpower, institutional and financial resources for seed industry development in their national agricultural development plans;

2. Requests interested countries and parties to introduce policies and measures for the production, processing, quality control, distribution, marketing, legislation, promotion and education of farmers in the utilization of quality seed;

3. Recommends that the international assistance of the FAO Seed Industry Development Programme be strengthened, so that national seed production and utilization efforts, both for domestic use and exports, including the training of competent technical and mangerial manpower, can be furthered to meet demands.

RESOLUTION XIII

International Fund for Agricultural Development

The World Food Conference,

Recognizing the need for substantial increase in investment in agriculture for increasing food and agricultural production in the developing countries;

Recognizing that provision of an adequate supply and proper utilization of food are the common responsibility of all members of the International Community; and

Recognizing further that the prospects of the world food situation call for urgent and co-ordinated measures by all member countries;

Resolves that:

1. An International Fund for Agricultural Development should be established immediately to finance agricultural development projects primarily for food production in the developing countries;

2. All developed countries and all those developing countries that are in a position to contribute to this Fund should do so on a voluntary basis;

3. The Fund should be administered by a Governing Board consisting of representatives of contributing developed countries, contributing developing countries, and potential recipient countries, taking into consideration the need for equitable distribution of representation amongst these three categories and ensuring regional balance amongst the potential recipient representations;

4. The disbursements from the Fund should be carried out through existing international and/or regional institutions in accordance with the regulations and criteria to be established by the Governing Board;

5. The Secretary-General of the United Nations should be requested to convene urgently a meeting of all interested countries mentioned in paragraph 3 and institutions to work out the details, including the size of, and commitments to, the Fund;

6. The Fund should become operative as soon as the Secretary-General of the United Nations determines, in consultation with representatives of the countries having pledged contributions to the Fund, that it holds promise of generating substantial additional resources for assistance to developing countries and that its operations have a reasonable prospect of continuity.

RESOLUTION XIV

Reduction of military expenditures for increasing food production

The World Food Conference,

Recalling General Assembly Resolution 3180 (XXVIII), which stipulates that the principal purpose of the World Food Conference is to devise ways and means by which the international community as a whole may deal concretely with the world food problem,

Recalling further General Assembly Resolution 3121 (XXVIII), establishing that the contributions to the World Food Programme must be augmented by substantial additional contributions from other sources,

Stressing heading 2 "Food" of General Assembly Resolution 3202 (VI), on a Programme of Action on the Establishment of a New International Economic Order,

Considering also General Assembly Resolution 2667 (XXV), 2831 (XXVI) and 3075 (XXVIII) "Economic and social consequences of the armaments race and its extremely harmful effects on world peace and security",

Recalling also General Assembly Resolution 3093 (XXVIII), on "Reduction of the military budgets of States permanent members of the Security Council by 10 percent and utilization of part of the funds thus saved to provide assistance to developing countries",

Noting FAO Resolution 3/73 which recognizes that the guaranteeing of world food security is the joint responsibility of the entire international community,

Considering with concern that there is a severe world food crisis which must be confronted energetically by all states,

Recalling with equal concern that the Report of the Group of Experts on Disarmament and Development (A/9770) estimates that more than 200 thousand million dollars are spent annually for military purposes, which shows the enormous disproportion between the military expenditures and the present goals of agriculture development aid,

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[*] Includes insecticides, herbicides, fungicides, acaricides, rodenticides, avicides, growth regulators and other pest control measures.

[*] "Seed" in this resolution refers to both sexually and vegetatively propagated planting materials.

Calls on the states participating in the Conference to take the necessary measures for the most rapid implementation of the Resolutions of the General Assembly and other organs of United Nations pertaining to the reduction of military expenditures on behalf of development, and to allocate a growing proportion of the sums so released to the financing of food production in developing countries and the establishment of reserves to deal with emergency cases.

RESOLUTION XV

Food aid to victims of colonial wars in Africa

The World Food Conference,

Recalling resolution 3118 (XXVIII) of the General Assembly of the United Nations regarding assistance to populations in colonial territories and other relevant United Nations resolutions,

Recalling resolution 1892 (LVII) of the Economic and Social Council on the implementation of the Declaration on the Granting of Independence to Colonial Territories and Peoples,

Noting with satisfaction the decisions adopted by the twenty-fifth and twenty-sixth sessions of the Intergovernmental Committee of the World Food Programme for providing assistance in all its forms to these territories,

Bearing in mind the progress achieved so far in the process of total independence of territories under Portuguese administration,

Taking into account the repressive measures employed by the former fascist-colonialist Portuguese regime during the wars of national liberation in Guinea-Bissau, Mozambique and Angola.

Gravely concerned about the destruction and devastation of the agricultural potential of these countries and the serious food shortage prevailing in these countries,

Aware that the populations in these countries have been deprived in the past of any assistance from the United Nations or from the United Nations family of organizations due to the former Portuguese policy,

1. Requests the Director-General of FAO and the Executive Director of WFP to take immediate action to intensify food aid to the populations of Guinea-Bissau, Cape Verde, Mozambique, Angola, Sao Tome and Principe;

2. Requests the Secretary-General of the United Nations and all the executive heads of organizations within the United Nations system to take all necessary measures to assist the national liberation movements or the governments of these countries to formulate a comprehensive plan of national reconstruction;

3. Invites all Governments and non-governmental organizations to give their assistance to compensate for the manifold damage arising out of the struggles for national liberation.

RESOLUTION XVI

Global information and early-warning system on food and agriculture

The World Food Conference,

Recognizing that the capacity of Governments to take prompt and appropriate measures to deal with food shortages would be enhanced by the furnishing by all countries of timely and adequate information concerning the current and prospective crop and food situation, and further recognizing the growing interdependence of countries in this respect,

Stressing the urgent need for establishing on a world-wide basis a Food Information and Early Warning System which would aim at (a) identifying countries and regions where acute food shortages and malnutrition problems are thought to be imminent; (b) monitoring world food supply-demand conditions so as to enable Governments to take timely and appropriate measures; and (c) contributing to the effective functioning of the proposed International Undertaking on World Food Security,

Recognizing the important role of a comprehensive and timely flow of information and forecasts on the situation and prospects for agricultural production, import requirements, export availabilities, livestock health, inputs and trade in meeting the requirements of world food security and market stability, and trade in meeting the requirements of world food security and market stability, at equitable and remunerative prices in a constantly changing food and agriculture situation,

Noting that a world information system requires a regular supply of reliable reports and observations,

Recognizing that the areas most severely affected by food shortages, for which it is particularly important to have timely and adequate information, are often those which do not possess the necessary resources and techniques to supply the information needed for the proper functioning of the System and recognizing also that the problem of inadequate food information and data collection in developing countries is largely a result of inadequate institutions,

Noting that the Governments of all major food producing and consuming countries have expressed their willingness in principle to participate in expanding the existing information arrangements into a more comprehensive and global system, and also noting the importance of strengthening the information functions of FAO, International Wheat Council and other international organizations concerned with food and agriculture,

Welcoming the action being taken by FAO to strengthen its food information and early warning systems following a decision by the FAO Conference in 1973,

1. Resolves that a Global Information and Early Warning System on Food and Agriculture (hereinafter referred to as the "System") should be established and agrees that FAO is the most appropriate organization to operate and supervise the System;

2. Requests FAO, in co-operation with other concerned international organizations, particularly the International Wheat Council, to formulate arrangements necessary for the establishment of the System, and to submit them for final approval by Governments participating in the System;

3. Requests all Governments to participate in the System and extend full co-operation, on a voluntary and regular basis, by furnishing as much current information and forecasts as possible, including current information and forecasts obtained from the statistics and regular studies which are published, initially on basic food product, including in particular wheat, rice, coarse grains, soybeans, and livestock products and, to the extent practicable, other important food products and other relevant aspects of their food supply and demand situation affecting world food security, such as prices and production of inputs and equipment required for agricultural production, the food industry and livestock health, taking account of and respecting in full the sovereign rights of Governments in this regard;

4. Requests Governments to take steps, where necessary, to amplify and otherwise improve their data collection and dissemination services in these fields; and further requests FAO, WMO, WHO, the Intergovernmental Bureau for Informatics and other multilateral and bilateral sources to urgently assist interested Governments with technical and financial assistance on particular aspects in strengthening existing arrangements for data collection and dissemination in the fields of food production, nutritional levels at various income levels, input supplies, meteorology and crop/weather relationships, on a national or regional level as appropriate, and to co-ordinate this action with that of the World Food Council provided for in Conference resolution XXI on arrangements for follow-up action;

5. Requests that the information thus collected be fully analysed and disseminated periodically to all participating Governments, and for their exclusive use; it being understood that, where requested, certain information provided by Governments would be disseminated in aggregate form particularly in order to avoid unfavourable market repercussions;

6. Requests the World Meteorological Organization, in co-operation with FAO (a) to provide, as a part of the System, regular assessments of current and recent weather on the basis of the information presently assembled through the World Weather Watch, so as to identify agriculturally significant changes in weather patterns; (b) to expand and establish joint research projects particularly in arid and semi-arid areas, to investigate weather/crop relationships taking account of the effect of soil moisture conditions; (c) to strengthen the present global weather monitoring systems in regard to the adequacy of meteorological observations, and data processing systems, at the national and regional levels, in order to make them directly relevant to agricultural needs; and (d) to encourage investigations on the assessment of the probability of adverse weather conditions occurring in various agricultural areas, and on a better understanding of the causes of climatic variations.

RESOLUTION XVII

International undertaking on world food security

The World Food Conference,

Stressing the urgent need for ensuring the availability at all times of adequate world supplies of basic food-stuffs particularly so as to avoid acute food shortages in the event of widespread crop failure, natural or other disasters, to sustain a steady expansion of food consumption in countries with low levels of per capita intake, and offset fluctuations in production and prices.

Recognizing that very low levels of world food stocks, primarily cereals, pose a serious threat to consumption levels and make the world too dependent on the vagaries of weather,

Welcoming the progress already made through FAO towards developing a common approach for attaining the objectives of world food security, and noting that all major food producing and consuming countries support these objectives,

Reaffirming the common responsibility of the entire international community in evolving policies and arrangements designed to ensure world wood security, and in particular in maintaining adequate national or regional stocks as envisaged in the proposed International Undertaking on World Food Security,

Recognizing that universal participation of all producing and consuming countries is essential for the achievement of the global objectives of world food security, and stressing the importance of adherence to the objectives, policies and guidelines of the proposed International Undertaking by all Governments, taking account of its voluntary nature and the sovereign rights of nations,

Recognizing the difficulties currently faced especially by the developing countries in building up stocks through lack of adequate domestic supplies in excess of current consumption needs, the present high prices of foodgrains in world markets and the constraints imposed by serious balance of payments difficulties, which require an immediate increase in the food production of the developed countries while the developing countries are simultaneously assisted to increase their food production and build up their own stocks,

1. Endorses the objectives, policies and guidelines as set out in the text of the pro-

posed International Undertaking on World Food Security,[1] *invites* all Governments to express their readiness to adopt them and *urges* all Governments to co-operate in bringing into operation the proposed International Undertaking as soon as possible;

2. Calls for the early completion by the FAO bodies of the operational and other practical arrangements required for the implementation of the proposed International Undertaking, including the examination of practical economic and administrative problems involved;

3. Invites Governments of all major food, primarily cereals, producing, consuming and trading countries to enter as soon as possible into discussion in appropriate international fora, with a view to accelerating the implementation of the principles contained in the proposed International Undertaking on World Food Security, and also with a view to studying the feasibility of establishing grain reserves to be located at strategic points;

4. Urges Governments and the concerned international and regional organizations to provide the necessary technical, financial and food assistance in the form of grants or on specially favourable terms to develop and implement appropriate national food stocks policies in developing countries, including the extension of storage and transport facilities, within the priorities of their national development programme, so that they are in a position to participate effectively in a World food security policy.

RESOLUTION XVIII

An improved policy for food aid

The World Food Conference,

Recognizing that, while the ultimate solution to the problem of food shortages in developing countries lies in increased production in these countries, during the interim period food aid on grant basis and any additional food transfers on concessional or agreed-upon terms to developing countries will continue to be needed, primarily for meeting emergency and nutritional needs, as well as for stimulating rural employment through development projects,

Stressing the importance of evolving a longer-term food aid policy to ensure a reasonable degree of continuity in physical supplies,

Noting that contrary to earlier expectations, the year 1974 has failed to bring the good harvest needed for the replenishment of stocks and re-establishment of a reasonable degree of security in world food supplies, and expressing concern that most developing countries will not be able to finance their increased food import bills in the immediate period ahead,

Stressing that food aid should be provided in forms consonant with the sovereign rights of nations, neither interfering with the development objectives of recipient countries nor imposing the political objectives of donor countries upon them,

Emphasizing further the paramount importance of ensuring that food aid is provided in forms which are voluntary in nature and are consistent with the agricultural development plans of recipient countries with the ultimate aim of promoting their long-term development efforts and ensuring that it does not act as a disincentive to local production and cause adverse repercussions on the domestic market or international trade, in particular of developing countries,

Taking note with interest of the work of the General Assembly at its twenty-ninth session on the subject of strengthening the Office of the United Nations Disaster Relief Co-ordinator, in particular in relation to disaster preparedness and pre-disaster planning,

Recognizing the need to increase the resources of the World Food Programme, so as to enable it to play a greater and more effective role in rendering development assistance to developing countries in promoting food security and in emergency operations, and also recognizing the need to increase the resources of UNICEF, to enable it to play a greater role in meeting the food needs of children in emergency operations,

1. Affirms the need for continuity of a minimum level of food aid in physical terms, in order to insulate food aid programmes from the effects of excessive fluctuations in production and prices;

2. Recommends that all donor countries accept and implement the concept of forward planning of food aid, make all efforts to provide commodities and/or financial assistance that will ensure in physical terms at least 10 million tons of grains as food aid a year, starting from 1975, and also to provide adequate quantities of other food commodities;

3. Requests that interested cereals exporting and importing countries as well as current and potential financial contributors meet as soon as possible to take cognizance of the needs and to consider ways and means to increase food availability and financing facilities during 1975 and 1976 for the affected developing countries and, in particular, for those most seriously affected by the current food problem;

4. Urges all donor countries to (a) channel a more significant proportion of food aid through the World Food Programme, (b) consider increasing progressively the grant component in their bilateral food aid programmes, (c) consider contributing part of any food aid repayments for supplementary nutrition programmes and emergency relief, (d) provide, as appropriate, additional cash resources to food aid programmes for commodity purchases from developing countries to the maximum extent possible;

5. Recommends that the Intergovernmental Committee of the World Food Programme, reconstitute as recommended in Conference resolution XXI on arrangements for follow-up action, be entrusted with the task of formulating proposals for more effective coordination of multilateral, bilateral and non-governmental food aid programmes and of co-ordinating emergency food aid;

6. Recommends that Governments, where possible, earmark stocks or funds for meeting international emergency requirements, as envisaged in the proposed International Undertaking on World Food Security, and further recommends that international guidelines for such emergency stocks be developed as a part of the proposed Undertaking to provide for an effective co-ordination of emergency stocks and to ensure that food relief reaches the neediest and most vulnerable groups in developing countries;

7. Recommends that a part of the proposed emergency stocks be placed at disposal of the World Food Programme, on a voluntary basis, in order to increase its capacity to render speedy assistance in emergency situations.

RESOLUTION XIX

International trade, stabilization and agricultural adjustment

The World Food Conference,

Recognizing the interrelationship between the world food problem and international trade, and the role which international trade based on mutual and equitable benefits can play in solving the world food problem, including its development aspects,

Bearing in mind that the instability in the world agricultural markets as reflected in excessive fluctuations of prices and the uncertainty about availability of agricultural products in world markets benefits neither the producer nor the consumer countries and has negative impacts on their economies, particularly of developing countries,

Bearing in mind also that this instability seriously affects the planning of export opportunities and of import requirements,

Considering the need for stability in world markets for food, taking full account of this respect of the interests of developing importing countries which cannot afford high prices for their imports and the interests of developing exporting countries to have increased access to markets for their exports and recalling in this connexion the International Strategy for the Second United Nations Development Decade and the United Nations General Assembly Programme of Action on the Establishment of a New International Economic Order,

Recognizing the role of on-going activities of UNCTAD, GATT, FAO, the International Wheat Council and other international organizations which have a direct or indirect concern with the question of expansion and access to markets and pricing policy,

Emphasizing the urgent need for food deficit developing countries to have available food imports at stable and reasonable prices,

Endorsing the view that increasing interdependence of the economies of individual countries necessitates a global concept of agricultural adjustment,

Bearing in mind that the international trade of agricultural and especially food products has been restricted by various tariffs and non-tariff barriers as well as by other restrictions which impose a heavy burden on the balance of payments, particularly of developing countries and that these problems have been aggravated by inflation and monetary crises.

Bearing in mind that the foreign exchange earnings of the majority of developing countries are predominantly dependent on exports of agricultural and food products and recognizing that the share of these developing countries in the world agricultural exports, already modest, is continuously declining.

Bearing also in mind that the provision of agricultural inputs at reasonable and stable prices has a fundamental effect upon enhancing stability in the markets of agricultural products exported by developing countries,

Underlining the importance of national measures such as agrarian reforms, market organization, development of infrastructure, etc., for allowing the benefit of possibilities created by trade expansion to accrue to the poorer sections of the rural population,

1. Calls upon all Governments to co-operate in promoting a steady and increasing expansion and liberalization of world trade with special reference to food products and an improvement in the welfare and living standards of all peoples, in particular those of developing countries; accordingly, requests all Governments to co-operate, inter alia, towards the progressive reduction or abolition of obstacles to trade and all discriminatory practices taking into account the principle of most-favored nation treatment as applicable in GATT and towards the improvement of the international framework for the conduct of world trade; to these ends, co-ordinated efforts shall be made to solve in an equitable way the trade problems of all countries taking into account the specific trade problems of the developing countries;

2. Urges Governments to take measures aimed at securing additional benefits for the international trade of developing countries so as to achieve a substantial increase in their foreign exchange earnings, the diversification of their exports, the acceleration of the rate of growth of their trade, taking into account their development needs, an improvement in the possibilities for these countries to participate in the expansion of world trade and a balance more favorable to developing countries in the sharing of the advantages resulting from this expansion,

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[1] E/CONF.65 4, chapter 14, annex A.

through, in the largest possible measure, a substantial improvement in the conditions of access for the products of interest to the developing countries and, wherever appropriate, measures designed to attain stable, equitable and remunerative prices particularly for food and agricultural products;

3. Calls upon all Governments to co-operate in taking measures to prevent speculative practices aimed at destabilization of markets and attaining of extra profits;

4. Calls upon Governments to devise in the appropriate organizations, effective steps for dealing with the problem of stabilizing world markets particularly for food-stuffs and specially through international arrangements aimed, inter alia, at increasing food production, particularly in developing countries, alleviating food shortages, ensuring food security, and promoting prices which are remunerative to producers and fair to consumers, and which give particular attention to the interests of developing countries as importers and exporters;

5. Urges UNCTAD to intensify its efforts in considering new approaches to international commodity problems and policies and in elaborating further the proposals for an overall integrated programme for commodities, with particular reference to foodstuffs to give priority consideration to recommendations including a time-table of work for appropriate action at an early date;

6. Requests the responsible international bodies to give the highest possible priority to speed up the consultations and negotiations within agreed time limits for reaching agreements on reduction or elimination of barriers and restrictions in international trade and enabling substantially improved access of agricultural and food products of developing countries to the markets of developed countries in accordance with basic objectives guiding the comprehensive multilateral trade negotiations within the framework of the GATT as agreed upon in Tokyo, including the concept of non-reciprocity and of special and more favourable treatment through differential measures in favour of developing countries through negotiations, where this is feasible and appropriate;

7. Requests all developed countries to implement, improve and enlarge their schemes under the Generalized System of Preferences and to consider its extension to food and agricultural commodities, including those which are processed or semi-processed;

8. Urges the Governments participating in the intensive ad hoc consultations on commodities, as well as other Governments, to make determined efforts to achieve substantial and concrete results in the fields of access to markets and pricing policy and recommends to all Governments to take concrete action on proposals made in the intensive consultations which are accepted by them;

9. Calls upon Governments of developed countries, in the determination of attitudes towards farm support programmes for domestic food production, to take into account as far as possible the interests of the food exporting developing countries, in order to avoid detrimental effects to their exports;

10. Requests the developed countries to enable and facilitate to the extent possible the expansion of food and agricultural imports from developing countries, in competition with domestic production, thus providing a fair and reasonable opportunity to increase their export earnings and to allow developing countries which export to these developed markets to plan their production and exports on a forward basis;

11. Reaffirms the importance given by the member countries of the FAO to international agricultural adjustment and the need for Governments to work together toward greater consistency in their national and regional policies bearing on future changes in food and agriculture;

12. Requests that FAO take full account of the discussions and decisions of the World Food Conference in formulating and implementing the proposed strategy of the international agricultural adjustment;

13. Requests the Government of developed countries and international organizations concerned to increase the field assistance to the developing countries in export promotion activities and mechanisms, and in training of agricultural marketing and trade personnel taking due account of the diversification process and development needs;

14. Calls upon countries and organizations concerned to devote special attention to the solution of the problems facing developing countries in the matter of transportation of food stuffs;

15. Invites the developing countries to expand their mutual economic co-operation and invites the developed countries and the international organizations concerned to maintain and expand their support for economic co-operation among developing countries;

16. Stresses the need for measures assuring the poorer sections of the rural population of their share in the opportunities and benefits offered by trade expansion;

17. Requests the World Food Programme and other international organizations concerned to give priority to the use of cash resources available for multilateral or bilateral food aid for purchases in developing countries at competitive world market prices and terms;

18. Urges the developed countries and other countries concerned and international financial institutions concerned to give favourable consideration to the provision of adequate assistance to developing countries in cases of balance-of-payments difficulties arising from fluctuations in export receipts or import costs, particularly with regard to food;

19. Requests the Government of all countries and international organizations concerned, when considering all the subjects contained in this resolution, to give the highest possible priority and the most favourable terms to the least developed, landlocked and island developing countries and to developing countries most seriously affected by economic crises.

RESOLUTION XX

Payment of travel costs and other related expenses to representatives of national liberation movements

The World Food Conference,

Recalling resolution 1892 (LVII) of 8 August 1974 of the Economic and Social Council, and in particular paragraph 2(d),

Recalling further resolution XX of the World Population Conference,

Decides to request the General Assembly to defray all travel costs and other related expenses of representatives of the national liberation movements who have participated in the World Food Conference.

RESOLUTION XXI

Expression of thanks

The World Food Conference,

Recognizing the gravity of the world food problem and national and international efforts to find adequate solutions thereof,

Convinced that the World Food Conference which took place at Rome from 5 to 16 November 1974 represents a major contribution to the efforts of the United States as well as the international community to find urgent solutions to the immediate and long-term problems of food shortages, hunger and malnutrition,

Expresses its deep appreciation to the President of the Republic of Italy, Mr. Giovanni Leone and to all the people of the Republic of Italy for hosting the World Food Conference at Rome, and for their generous hospitality and great contribution to the successful completion of the work of the Conference.

VI. FOLLOW-UP ACTION.—RESOLUTION XXII[1]

Arrangements for follow-up action, including appropriate operational machinery on recommendations or resolutions of the Conference

The World Food Conference,

Recognizing that an assurance of adequate world food supplies is a matter of life and death for millions of human beings,

Appreciating the complex nature of the world food problem, which can only be solved through an integrated multi-disciplinary approach within the framework of economic and social development as a whole,

Considering that collective world food security within the framework of a world food policy should be promoted and its concept further defined and elaborated, so that it should foster the acceleration of the process of rural development in developing countries as well as ensure the improvement of international co-operation,

Appreciating the need to co-ordinate and strengthen the work of the international agencies concerned, and to ensure that their operational activities are co-ordinated in an effective and integrated world food policy,

Recognizing in particular the need for improved institutional arrangements to increase world food production, to safeguard world food security, to improve world food trade, and to ensure that timely action is taken to meet the threat of acute food shortages or famines in the different developing regions,

1. Calls upon the General Assembly to establish a World Food Council, at the ministerial or pleniopotentiary level, to function as an organ of the United Nations reporting to the General Assembly through the Economic and Social Council, to serve as a coordinating mechanism to provide over-all, integrated and continuing attention for the successful co-ordination and follow-up of policies concerning food production, nutrition, food security, food trade and food aid, as well as other related matters, by all the agencies of the United Nations system;

2. Takes note of the fact that interagency meetings between the Secretary-General of the United Nations and the heads of the specialized agencies provide an opportunity for considering necessary constitutional amendments to improve the functioning of the United Nations system;

3. Requests that the present resolution be taken into account in such consultations with a view to facilitating its early implementation;

4. Recommends that:

(a) The World Food Council should consist of . . . members, nominated by the Economic and Social Council and elected by the General Assembly, taking into consideration balanced geographical representation. The Council should invite the heads of United Nations agencies concerned to attend its sessions;

(b) The Council should elect its President on the basis of geographical rotation and approve its rules of procedure. It should be serviced within the framework of FAO, with headquarters at Rome;

(c) The Council should review periodically major problems and policy issues affecting the world food situation, and the steps being proposed or taken to resolve them by Governments, by the United Nations system and its regional organizations, and should further recommend remedial action as appropriate. The scope of the Council's review should extend to all aspects of world food problems in order to adopt an integrated approach towards their solution;

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[1] Adopted by the Conference at its 16th meeting on 16 November 1974.

(d) The Council should establish its own programme of action for co-ordination of relevant United Nations bodies and agencies. While doing so, it should give special attention to the problem of the least developed countries and the countries most seriously affected;

(e) The Council should maintain contacts with, receive reports from, give advice to, and make recommendations to United Nations bodies and agencies with regard to the formulation and follow-up of world food policies;

(f) The Council should work in full cooperation with regional bodies to formulate and follow-up policies approved by the Council. Committees to be established by these regional bodies should be serviced by existing United Nations or FAO bodies in the region concerned;

5. Recommends further that the FAO establish a Committee on World Food Security as a standing committee of the FAO Council. The Committee should submit periodic and special reports to the World Food Council. The functions of the Committee on World Food Security should include the following:

(a) to keep the current and prospective demand, supply and stock position for basic food-stuffs under continuous review, in the context of world food security, and to disseminate timely information on developments;

(b) to make periodic evaluations of the adequacy of current and prospective stock levels, in aggregate, in exporting and importing countries, in order to assure a regular flow of supplies of basic food-stuffs to meet requirements in domestic and world markets, including food aid requirements, in time of short crops and serious crop failure;

(c) to review the steps taken by Governments to implement the proposed International Undertaking on World Food Security;

(d) to recommend such short-term and long-term policy action as may be considered necessary to remedy any difficulty foreseen in assuring adequate cereal supplies for minimum world food security;

6. Recommends further that the Intergovernmental Committee of the World Food Programme be reconstituted so as to enable it to help evolve and co-ordinate short-term and longer-term food aid policies recommended by the Conference, in addition to discharging its existing functions. The reconstituted Committee should be called, and function as, the Committee on Food Aid Policies and Programmes. The Committee should submit periodical and special reports to the World Food Council. The functions of the Committee on Food Aid Policies and Programmes should include the following:

(a) to provide a forum for intergovernmental consultations on national and international food aid programmes and policies, with particular reference to possibilities of securing improved co-ordination between bilateral and multilateral food aid;

(b) to review periodically general trends in food aid requirements and food aid availabilities;

(c) to recommend to Government, through the World Food Council, improvements in food aid policies and programmes on such matters as programme priorities, composition of food aid commodities and other related subjects;

7. Recommends further that the Governing Board of the proposed International Fund for Agricultural Development should submit information periodically to the World Food Council on the programmes approved by the Board. The Board should take into consideration the advice and recommendations of the Council;

8. Recommends that the World Food Council should receive periodic reports from UNCTAD, through the Economic and Social Council, on the world food trade situation, as well as on the effective progress to increase trade liberalization and access to international markets for food products exported by developing countries. UNCTAD should take into consideration the advice and recommendations of the Council on these matters. The Council should also seek to arrange for the receipt of relevant information from the GATT. In its recommendation on food trade matters, the Council should pay particular attention to the resolutions and recommendations of the Conference;

9. Requests the FAO to initiate urgent steps, through its Commission on Fertilizers, for following up on Conference resolution . . . on Fertilizers, and to take appropriate initiatives with respect to fertilizers, pesticides, fungicides and herbicides, working in close co-operation with UNIDO and IBRD, and other agencies. The FAO Commission on Fertilizers should submit periodic reports to the World Food Council, and should be guided by the advice and recommendations of the Council;

10. Requests FAO to examine its ability to follow up on Conference resolution XVI on the Global Information System and Early-Warning System in Food and Agriculture, with a view to recommending to the FAO Council, at its sixty-fifth session in 1975, any new arrangements which may be necessary with respect to its activities in this field, and to initiate whatever other arrangements may be necessary to facilitate global coverage as called for by the above-mentioned resolution, drawing upon the help in this regard of ECOSOC, if necessary, as well as that of the International Wheat Council and other organizations. Periodic reports on progress should be submitted to the World Food Council;

11. Requests the Economic and Social Council to consider on an urgent basis, and make recommendations, whether or not rearrangements in the United Nations system or new institutional bodies may be justified in order to ensure effective follow-up on Conference resolution V on nutrition, examining nutritional activities within bodies such as the United Nations, the specialized agencies, in particular FAO and WHO, UNICEF, and the World Food Programme, and also giving appropriate attention to nutritional programmes being conducted on a bilateral basis;

12. Requests the Consultative Group on International Agricultural Research (CGIAR) and the Technical Advisory Committee to assume leadership in following up on the research aspect of Conference resolution IV on research;

13. Requests FAO, IBRD, UNDP and other relevant international organizations and interested Governments to investigate the desirability of introducing an organizational approach, along the lines of the Consultative Group—Technical Advisory Committee for Agricultural Research, for other sectors such as extension, agricultural credit and rural development;

14. Requests the IBRD, FAO and UNDP to organize a Consultative Group on Food Production and Investment in Developing Countries (CGFPI), to be composed of bilateral and multilateral donors and representatives of developing countries, chosen as in the case of the CGIAR, to be staffed jointly by the IBRD, FAO and UNDP, and invites this Consultative Group to keep the World Food Council informed of its activities to increase, co-ordinate, and improve the efficiency of financial and technical assistance to agricultural production in developing countries;

15. Recommends that the main functions of the CGFPI should be (a) to encourage a larger flow of external resources for food production, (b) to improve the co-ordination of activities of different multilateral and bilateral donors providing financial and technical assistance for food production and (c) to ensure a more effective use of available resources;

16. Anticipating the possibility that such measures as may be agreed to provide financial assistance to developing countries for procurement of food and necessary food production inputs, particularly fertilizers and pesticides, and for investment in food production and distribution systems, may not fulfill all needs, requests the Development Committee established by the IBRD and IMF to keep under consant review the adequacy of the external resources available for these purposes, especially to the less advantaged countries, and to consider in association with the CGFPI new measures which may be necessary to achieve the required volume of resources transfers.

CONDITIONS FOR SOVIET JEWS ARE STILL BAD

Mr. TUNNEY. Mr. President, I was very pleased to learn several weeks ago that the long impasse between the administration and a large bipartisan majority of Congress over the Jackson amendment had been resolved, with the announcement of an agreement to end harrassment and allow greatly increased emigration for Jews and other persons wishing to leave the Soviet Union. Unfortunately, reports which have reached me indicate that harrassment has not slackened, but has increased, in recent months. This underscores the importance of vigilant observation by the American public, and the Congress, of the actual implementation of the emigration agreements, after the necessary legislation is passed by the United States.

One very disturbing case which has attracted recent attention is that of Dr. Mikhail Shtern. In a ghastly reminder of the infamous "Doctor's Plot" of the late Stalinist era, Dr. Shtern has been accused of poisoning young children, a totally false charge. Dr. Shtern's trial is scheduled to begin on December 10. It is hoped that the intense, worldwide outcry against this miscarriage of justice will again delay, and perhaps nullify the proceedings against Dr. Shtern.

Mr. President, I ask unanimous consent to have printed in the RECORD a brief article about the Shtern case which appeared in last Sunday's Parade magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TACTICS OF THE KGB

When Secretary of State Henry Kissinger was last in Moscow a group of 70 Jews tried to have him intervene in the case of Mikhail Shtern, 56, head of the endocrinology department of the Vinnitsa Hospital, in the Ukraine. As is usually the case, the appeal was made through Western correspondents.

Last year Dr. Shtern and his family decided to emigrate to Israel. Immediately, the KGB raided his apartment, seized his papers, tossed him into jail on trumped-up charges of bribery, then had his two sons dismissed from their jobs.

When the bribery charges could not be proved, the police thought up new ones. They accused Dr. Shtern of poisoning young children brought to him for treatment. Colonel Tarnovsky, chief of the Vinnitsa police, canvassed the city, looking for citizens who would substantiate the charges. Since Shtern has been practicing medicine in Vinnitsa for 30 years and is well-loved and widely respected by the townspeople, no one could be found to give such evidence.

Nevertheless, Dr. Shtern remains in the Vinnitsa prison, has become tubercular, will soon die if not released.

Another case attracting attention in Vinnitsa concerns Isaak Shkolnik, who planned to emigrate to Israel. Shkolnik was accused of being a British spy. When the Vinnitsa police could not prove that, they promptly changed their story, accused Shkolnik of being an Israeli spy.

This is the sort of harassment going on all over the Soviet Union where there are no rights for dissidents and emigrants.

Mr. TUNNEY. Mr. President, another case which has dragged on for 5 years is that of Vladimir Slepak, who is now one of the leaders of the Moscow Jewish community. His suffering, and that of his family, is unfortunately typical of the policy enforced by the Soviet authorities, and which I hope and expect will be eliminated with the new agreement

Slepak has been one of the most courageous of the dissidents in the Soviet Union. An electronics engineer, 48 years of age, with a family of five, Vladimir Slepak first applied for an exit visa in February of 1969. His wife is a physician specializing in roentgenology. Since applying for a visa, Slepak has been subjected to numerous indignities typical for anyone voicing a desire to leave the Soviet Union.

Since 1969, neither Slepak nor his wife nor any other member of the family has been able to obtain employment. Slepak is listed as a "parasite," a term of Soviet bureaucratic jargon indicating a person who does not work—even if his failure to obtain work is official policy. For his "parasitism," Slepak is repeatedly picked up by the police for questioning, and he has been in and out of jail numerous times. His telephone has been disconnected.

Additionally, Soviet authorities have told Slepak that he may not leave the Soviet Union because he is in possession of sensitve information in his field. This is difficult to believe since he has not worked in his field for 5 years, and his knowledge is surely now obsolete.

CARGO PREFERENCE

Mr. CURTIS. Mr. President, the evidence continues to build up against H.R. 8193. As I have from time to time reported to the Senate, there appears to be almost unanimity among scholars and other interested people that this bill, the Energy Transportation Security Act or the so-called oil cargo preference bill, is highly inflationary. One aspect that I think needs attention is that many proponents of this legislation have tried to say it would help the workers of this country.

I would like to quote from the letter I received recently from the Secretary of Labor, Peter Brennan, where he points out that it will be the American worker who will suffer most from the inflationary impact of H.R. 8193:

> I share your concern over inflation. It has been a heavy burden to the American workers. I believe the bill will indeed mean increased costs to the American consumers, but since estimates of the cost of the bill depend on assumptions about the availability of and charter rates for foreign flag ships, it would be difficult for me to confirm the estimates provided you already.
>
> Yet, I am persuaded that any reasonable modification of the estimates in the enclosures to your letter would still leave the Act with a very considerable inflationary potential.

Also the Secretary of Transportation, Mr. Claude S. Brinegar, wrote an excellent analysis of the inflationary impact of this bill. Mr. President, I ask unanimous consent that his letter and the attachment thereto be printed in the RECORD.

There being no objection, the letter and attachment were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., November 21, 1974.

Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: This is in further response to your letter of October 29, requesting Departmental views on the inflationary potential of H.R. 8193, the Energy Transportation Security Act of 1974.

This bill would require that at least 20% of the gross tonnage of all oil imported in bulk into the United States on ocean vessels be transported in privately owned United States flag commercial vessels. The amount required to be so carried would be increased to 25% after June 30, 1975, and to 30% after June 30, 1977, if the Secretary of Commerce determines prior to those effective dates that there will be adequate United States tonnage available to carry the required quantities of oil.

The Department agrees with the appraisal of the cost of the legislation prepared by the Federal Energy Administration, as well as the analysis of the economic impact of the bill prepared by the U.S. Chamber of Commerce—both of which were enclosed with your letter. Attached is a summary of our views on the inflationary and other related consequences should H.R. 8193 become law.

Thank you for the opportunity to comment on this legislation. It is my hope that the Senate will consider carefully these views before voting on the conference report on the bill.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this letter.

Sincerely,

CLAUDE S. BRINEGAR.

DOT POSTION ON INFLATIONARY AND RELATED CONSEQUENCES OF H.R. 8193

Passage of the pending oil cargo preference legislation would have an adverse impact on the U.S. economy and on U.S. foreign relations.

INFLATIONARY CONSEQUENCES

The proposed legislation would contribute to inflationary pressure both in the construction and operation of U.S.-flag tankers.

SHIP CONSTRUCTION

The current U.S. shipbuilding program has stretched the limits of U.S. shipyard capacity in the construction of large tankers. The proposed legislation would create an even greater demand for such ships and for the steel used in their construction which is already in short supply. This would be expected to result in higher prices, thus contributing to inflation.

SHIP OPERATION

By creating a restricted market with limited competition, U.S.-flag tanker operators would be able to charge very high rates for the carriage of oil imports. With widespread reports of excess capacity in oil tankers throughout the world, this legislation will not only contribute to the excess tonnage, but would preclude U.S. consumers from taking advantage of foreign tankers at low rates.

If there is no system of equalizing fuel costs throughout the nation, much of the added costs of cargo preference would be borne by those U.S. regions that rely heavily on oil imports, such as New England, the Middle Atlantic States, the West Coast, and Hawaii, and would be passed on to the consumer. Such an increase could be reflected in the cost of aviation and automotive fuels, electricity, and heating, as well as in the cost of manufactured and processed goods.

INTERNATIONAL IMPLICATIONS

Proponents of the legislation claim that cargo preference is used by many other nations, and this is certainly true. However, the enactment of this legislation which would apply U.S. cargo preference to commercial cargoes for the first time on a permanent basis, could serve as an example for foreign countries to increase their support for national flag shipping through discrimination.

Enactment of the legislation might put additional stress on our relations with other maritime nations and violate U.S. treaties of Friendship, Commerce and Navigation with more than twenty countries.

Because higher oil costs raise the cost of U.S. production, passage of the legislation would run counter to current U.S. efforts to increase exports and improve our balance of payments posture. Furthermore, its passage would result in the creation of that type of trade barrier which this nation has traditionally opposed while generally advocating the liberalization of international commerce.

Mr. CURTIS. Mr. President, Mr. George M. Stafford, Chairman of the Interstate Commerce Commission, hinted in a letter to me about the inflationary ripple effect this legislation will have on the economy. He said:

> Since the modes that we regulate consume substantial quantities of fuel we do have concern about the possibility of increased cost. For instance, trucks in this country consume approximately 550,000 barrels of diesel fuel daily, of which 40 percent is used by regulated trucking. Railroads use approximately 270,340 barrels of diesel fuel daily. This fuel usage data reflects an area of general concern over the impact of th proposed legislation on the modes we regulate, inasmuch as any increase in the price of diesel fuel would have a substantial impact on transportation costs. Ultimately, it would appear that such costs would likely be borne by consumers, as these additional costs triggered rate increase proposals . . . We also have concern as to what shortages (steel) might do to our present effort to restructure and restore the rail system in the Northeast to an economic, efficient system.

Mr. Beryl W. Spinkel, executive vice president and economist of the Harris Trust and Savings Bank, said of the bill in his letter:

I am certainly of the view that this Bill should be defeated for the reasons presented in the Chamber of Commerce paper. It would reduce the efficiency of our economy, would add to inflationary pressures and would create an unfortunate precedent that might lead to retaliation by other countries. I appreciate your interest in this matter and you certainly have my wholehearted support and efforts to avoid the legal requirements that 30% of all oil imports be carried in U.S. built tankers.

I ask unanimous consent that both letters be printed in full in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
Washington, D.C., November 27, 1974.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: This responds to your October 29 letter and enclosures, requesting my comments on the inflationary potential of H.R. 8193, the Energy Transportation Security Act of 1974. That bill would require up to 30 percent of all U.S. oil imports to be carried on U.S. built and registered tankers. The enclosures to your letter, prepared by the U.S. Chamber of Commerce and the Federal Energy Administration, indicate that this legislation might cost United States citizens $25 billion to $30 billion over the ten-year period 1975–85.

I share your concern over inflation. It has been a heavy burden to the American workers. I believe the bill will indeed mean increased costs to the American consumers, but since estimates of the cost of the bill depend on assumptions about the availability of and charter rates for foreign flag ships, it would be difficult for me to confirm the estimates provided you already.

Yet, I am persuaded that any reasonable modification of the estimates in the enclosures to your letter would still leave the Act with a very considerable inflationary potential.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this letter.

Sincerely,

PETER J. BRENNAN,
Secretary of Labor.

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., November 21, 1974.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: I have your recent letter calling attention to the fact that the Senate will shortly consider the Conference Report on H.R. 8193, the Energy Security Act of 1974, and asking for my independent opinion on the legislation's inflationary potential should it be enacted.

The bill would require that by June 30, 1977, thirty percent of all United States petroleum imports be transported in U.S. flag vessels. The Secretary of Commerce is given appropriate authority to administer the legislation.

As you know, there are no provisions in the bill that directly affect the functions of the Interstate Commerce Commission. Certainly, we share with you your concern about the legislation's possible inflationary impact. Statistics show that transportation prices of modes subject to our jurisdiction have been far less inflationary than the average for the overall economy. We feel that this, in part, can be explained because of our examination of productivity in reviewing proposed rate increases.

Since the modes that we regulate consume substantial quantities of fuel we do have concern about the possibility of increased cost. For instance, trucks in this country consume approximately 550,000 barrels of diesel fuel daily, of which 40 percent is used by regulated trucking. Railroads use approximately 270,340 barrels of diesel fuel daily. This fuel usage data reflects an area of general concern over the impact of the proposed legislation on the modes we regulate, inasmuch as any increase in the price of diesel fuel would have a substantial impact on transportation costs. Ultimately, it would appear that such costs would likely be borne by consumers, as these additional costs triggered rate increase proposals. . . .

Finally, it is apparent that this legislation would stimulate shipbuilding. Although this would provide jobs, it would exacerbate the current steel shortage. Domestic modes of transport—particularly the railroads—could be subject to further delays in obtaining new equipment. If this were to occur, it would hinder our present efforts to improve car service in the railroad industry, such as through the medium of the proceeding in Ex Parte No. 241, *Investigation of Adequacy of Freight Car Ownership.* At the same time, any increases in steel shortages and prices generated by these new demands would likewise make it more difficult for the railroads to meet the needed levels of track replacement. Such effects would be contrary to our goal to attack the problem of "deferred maintenance" on the railroads, as recently illustrated by the conditions that we adopted in Ex Parte No. 305, *Nationwide Increase of Ten Percent in Freight Rates and Charges, 1974.* We also have concern as to what shortages might do to our present effort to restructure and restore the rail system in the Northeast to an economic, efficient system.

I trust that the above will be of some use to you in the Senate's deliberations on H.R. 8193.

Sincerely yours,

GEORGE M. STAFFORD,
Chairman.

HARRIS TRUST AND SAVINGS BANK,
Chicago, Ill., November 19, 1974.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Thank you for your inquiry concerning the inflation impact of HR8193. I am sorry I have not been able to respond sooner due to an extended business trip.

I am certainly of the view that this Bill should be defeated for the reasons presented in the Chamber of Commerce paper. It would reduce the efficiency of our economy, would add to inflationary pressures and would create an unfortunate precedent that might lead to retaliation by other countries.

I appreciate your interest in this matter and you certainly have my wholehearted support and efforts to avoid the legal requirements that 30% of all oil imports be carried in U.S. built tankers.

Sincerely,

BERYL W. SPRINKEL,
Executive Vice President.

DEPARTMENT OF STATE COMMUNICATION ON U.S. POLICY TOWARD CYPRUS

Mr. KENNEDY. Mr. President, on October 25 I wrote to Secretary of State Henry A. Kissinger to inquire about U.S. policy toward Cyprus and the eastern Mediterranean area. My inquiry followed the submission of a report by a special study mission sent to Cyprus by the Subcommittee on Refugees, which I serve as chairman. In light of the findings of the study mission, I submitted to the Department of State a series of questions on U.S. policy toward the Cyprus crisis, as well as a list of recommendations prepared by the study mission.

This past week I received a lengthy response from the Department which I would like, Mr. President, to share with my colleagues in the Senate. Regrettably, the Department's communication raises as many questions as it answers.

Particularly troubling is the Department's response to my questions concerning continued U.S. military assistance to Turkey. There is evidence, Mr. President, that the Congress and the American people have once again been misled regarding our foreign military assistance program.

Despite assurances given in Ankara to the Refugee Subcommittee's study mission that there was no change in the rate of delivery of U.S. military hardware to Turkey during, or subsequent to, Turkey's invasion of Cyprus—and contrary to the clear signals from Congress against more aid to Turkey at this time, and the prohibitions of law—we learn today that the administration has actually escalated military aid to Turkey, despite the lack of progress in negotiations.

According to the Department of State's figures, over $40,000,000 in military hardware was shipped to Turkey in the first quarter—July to September—of this fiscal year. And this is a sharp increase over the quarterly shipments earlier this year and, if the administration has its way, the United States will deliver $218 million in military aid to Turkey, an increase of nearly $31 million over last year.

And all indicators suggest, Mr. President, that the heavy shipments of American arms to Turkey continues today, despite the continued lack of progress in negotiations over Cyprus. The President was given time by Congress to further negotiations. But he has used that time to ship more arms to Turkey, without any visible progress toward negotiations.

The Department's response expresses optimism over "moving the parties involved on Cyprus to early negotiations," but other parts of their response contradicts this hope. For example, the Department clearly does not anticipate any early "gesture of goodwill" by Turkey to break the deadlock over negotiations, especially a gesture which would permit a substantial number of refugees to return to their homes. Yet, they acknowledge that this is an "essential prerequisite."

Mr. President, the Department's response also reveals that the administration continues to refuse to tell Congress and the American people whether it was illegal to ship military aid to Turkey following its invasion of Cyprus. In response to my specific question as to the Department's final conclusion of its review of the legality of U.S. military aid to Turkey, they write:

After carefully weighing the legal and foreign policy considerations, the Administration decided that it was impossible *publicly* to express a legal conclusion on the issue of Turkey's eligibility for further assistance and sales without undermining our foreign policy objective of persuading Turkey and Greece to enter into direct negotiations for a solution of the Cyprus problem." (italics added)

It would appear, Mr. President, that the Department's refusal to state publicly its finding regarding the legality of military aid to Turkey, prior to the enactment on October 17 of the continuing resolution (H.J. Res. 1167), is tacit admission that it does in fact believe it was a violation of law to ship military hardware to Turkey after July 20. Furthermore, the Department fails to respond to my inquiry over the rate of delivery of U.S. military aid to Turkey in October and November of this year, after congressional action on the issue.

Mr. President, in order to share with my colleagues the Department's communication on U.S. policy toward the Cyprus crisis, I ask unanimous consent that the full text of my letter of October 25, and the Department's response on November 22, with enclosures, be printed in the Record.

There being no objection, the letters and enclosures were ordered to be printed in the Record, as follows:

October 25, 1974.

Hon. Henry A. Kissinger,
Secretary of State, Department of State,
Washington, D.C.

Dear Mr. Secretary: As you know, there is continuing and, I feel, growing Congressional and public concern over the course of American policy towards recent developments on Cyprus. Of special concern to many Americans are the refugee and related humanitarian problems resulting from Turkish military operations on the island.

In this connection, the Subcommittee on Refugees has conducted two days of hearings with Assistant Secretary for European Affairs Arthur A. Hartman, and a three member Study Mission, representing the Subcommittee recently traveled to the island to survey humanitarian needs. I have also introduced a foreign aid amendment, prepared in cooperation with officials in the Executive Branch, which, among other things, would authorize humanitarian assistance to Cyprus.

With the full cooperation of the Department, the Subcommittee's Study Mission traveled to Cyprus and the Eastern Mediterranean in late August and early September, and recently they filed a report of their findings and recommendations. The report has been informally made available to officials in the Executive Branch, and some conversations have followed between members of the Department's Cyprus Task Force and the Study Mission. The findings and recommendations focus on humanitarian issues, but they also include material on the broader aspects of United States policy towards Cyprus. A copy of the recommendations is enclosed, and I would appreciate very much getting the Department's detailed comments on the Study Mission's views and suggestions. I would also appreciate the Department's comment and views on the enclosed series of questions based on the hearings with Assistant Secretary Hartman and additional inquiry of the Subcommittee.

In light of the urgent humanitarian problems on Cyprus, and the intense congressional and public interest in developments on the island, I am extremely hopeful, Mr. Secretary, that the Subcommittee can anticipate a response to the enclosed inquiries within the next ten days. Many thanks for your consideration, and I look forward to hearing from you soon.

Sincerely,

Edward M. Kennedy,
Chairman, Subcommittee on Refugees.

November 22, 1974.

Dear Senator Kennedy: Knowing that you would be anxious to have a reply before he returns from his current trip to the Far East, Secretary Kissinger has asked that I answer the questions contained in your letter of October 25 concerning current U.S. views and policies regarding Cyprus. We had hoped to get a response off to you sooner. However, I hope you will understand that the fluidity of the situation, the comprehensive nature of your questions, and our desire to give as full a response as possible prevented us from doing so.

The Secretary would like you to know that he fully shares your concern over Cyprus—both as a humanitarian and political problem. The Secretary would also like you to know that he is urgently concerned that Congress and the Administration work together and that he stands ready to cooperate as fully as possible with you and your colleagues.

Should you have any further questions, we would be happy to answer them informally with your staff, or more formally through testimony before your Subcommittee on Refugees.

Cordially,

Linwood Holton,
Assistant Secretary for Congressional Relations.

Enclosure

Questions and Answers on U.S. Policy Toward Cyprus From Correspondence Between Senator Edward M. Kennedy and the Department of State

(1) Generally define the objectives and content of current United States policy toward Cyprus.

Answer: "The United States has four principal objectives in Cyprus: a) to support the independence, sovereignty, and territorial integrity of Cyprus; b) to relieve the human suffering on the Island caused by the tragic outbreak of fighting this summer; c) to achieve a negotiated settlement which will enable all Cypriots to live in peace and security; and d) to remove Cyprus as an irritant in Greek-Turkish relations, and as a source of instability in the Eastern Mediterranean.

"Thousands of Cypriots have been displaced from their homes, and this means that we view movement on the Cyprus issue as much from a humanitarian as from a political standpoint. To meet urgent humanitarian needs, the United States has contributed over $10.5 million to the international relief effort (including $7.3 million toward the UNHCR's $22 million appeal), has actively supported the UNHCR appeal by urging other countries to respond generously, and has sent disaster relief specialists to the field to coordinate U.S. assistance, assess relief needs on a continuing basis, and advise how we can most usefully be of assistance in the coming months.

"Throughout the present crisis we have urged moderation and restraint on the parties, worked to foster a climate for negotiations, and actively supported the intercommunal talks between Acting President Clerides and Vice President Denktash. These talks have achieved agreement on a number of important humanitarian issues and have established an essential framework for broadened discussions on a political settlement. We have also explored in detail with the parties directly involved ways in which these broader discussions might be facilitated.

"The negotiating process has, to be sure, moved more slowly than we had hoped. Nevertheless, our efforts to advance this process continue. The elections in Greece which have given Prime Minister Caramanlis a substantial majority and the designation of yet-to-be-confirmed new government in Ankara give promise of moving the parties involved on Cyprus to early negotiations."

(2) Apart from the Cypriot inter-communal talks between Acting President Clerides and Vice President Denktash, generally define the current status of negotiations over Cyprus.

a. Does the United States anticipate a resumption of the Geneva talks? Are alternative formats, involving other governments or NATO or the United Nations, possible or desirable?

Answer: "a) Our current efforts are aimed at facilitating broadened discussions within the framework of the Clerides-Denktash talks. We anticipate that at some stage Greece and Turkey will participate more directly in the discussions, and this could of course involve a Geneva-type framework. At this time, however, we have no fixed ideas on the type of framework that would be more appropriate, other than our general view that a smaller forum involving only the parties directly involved is likely to be more productive than a larger forum."

b. In his October 14 message to Congress, the President stated that "the United States is making every effort to play a useful role in assisting the parties to a resolution of the Cyprus dispute." Define and characterize these efforts and the kind of "useful role" the United States is or anticipates undertaking to encourage and facilitate "a resolution of the Cyprus dispute."

Answer: "b) We believe we have played a useful supporting role in the effort to move the negotiating process forward. The Secretary has met with the Foreign Ministers of Greece, Turkey, and Cyprus, and with Archbishop Makarios on several occasions in an effort to develop a dialogue, identify areas of possible agreement, and sustain momentum toward negotiations."

c. In his September 26 testimony before the Refugee Subcommittee, Assistant Secretary Hartman repeatedly spoke of American efforts to find and suggest "common ground", between the parties to the Cyprus dispute, in order to facilitate a resumption of negotiations. What should Congress and the American people understand by "common ground"? What, in the Department's view, are the ingredients of this "common ground" in light of the Turkish occupation and what is the appropriate basis for negotiations?

Answer: "c) The 'common ground' to which Assistant Secretary Hartman referred in his September 26 testimony before the Refugee Subcommittee is an expandable concept. In the early stages of the crisis, the only 'common ground' was the belief of all parties that the sovereignty, independence, and territorial integrity of Cyprus should be maintained and that the crisis should be resolved through negotiations. Now the common ground includes agreement by Greece, Turkey, and Cyprus on the November 1 UN Resolution which outlines some of the essential subjects that will have to be addressed in any future negotiated agreement."

d. Earlier, at a news conference on August 19, Secretary Kissinger spoke of the need for Turkey "to display flexibility and a concern for Greek sensitivities. . . ." What should Congress and the American people understand by the need for Turkey "to display flexibility and a concern for Greek sensitivities"? Does this include a "gesture of goodwill" which is often mentioned in public debate over Cyprus, and which Assistant Secretary Hartman spoke of in his

September 26 testimony before the Refugee Subcommittee? And, in practical terms, what kinds of action by Turkey, in the Department's view, would constitute a meaningful "gesture of goodwill"? And what are the possibilities for such a gesture being made before the end of the year? In the Department's view, does such a gesture require the return of a substantial number of refugees to their homes?

Answer: "d) The Secretary's August 19 statement about the need for Turkey to display flexibility and a concern for Greek sensitivities was meant to include possible steps designed to advance the negotiating process. These steps might be made in areas such as refugee return, troop withdrawals, pullback from present lines, and the reopening of Nicosia Airport. The parties themselves must decide what steps or gestures are necessary and meaningful. In this regard, what we meant here were first steps, indicating an intention to negotiate rather than final positions to be taken in the negotiations. Given the uncertainties in the governmental situation in Turkey, it is difficult to estimate when some kind of initial steps or gestures will be made."

e. Also on August 19, Secretary Kissinger said that "we will use our influence in any negotiation to take into full account Greek honor and national dignity." In his October 14 message to Congress, the President also refers to "the honor and dignity of Greece" as a factor in our diplomacy toward the Cyprus problem. What actions or developments, in the Department's view, would "take into full account Greek honor and national dignity"—in terms of a resumption of negotiations, the negotiating process, or a final settlement.

Answer: "e) Only the Greek Government can decide what would satisfy Greek honor and dignity vis-a-vis Cyprus. We would imagine, however, that further indications of Turkey's good faith and progress toward negotiations, are essential prerequisites."

f. What are the Department's views on what Assistant Secretary Hartman calls "the guarantee for the eventual outcome", or settlement, of the Cyprus problem?

Answer: "f) We believe that some system of guarantees, like those written into the 1956–60 negotiations will probably be required but we have no fixed views on what guarantees will be necessary or who the guarantor powers will or should be."

g. What are the Department's views on various proposals for the neutralization and demilitarization of Cyprus?

Answer: "g) The nature and size of the armed forces in the Republic of Cyprus are matters to be decided by the parties themselves.

(3.) Assess the status of Turkish military forces on Cyprus in terms of their numbers, kinds of units, equipment, maintenance costs, resupply, et cetera.

Answer: "We are in the process of improving our information about the size and status of Turkish military forces on Cyprus. Our best current information is that there are 35–37,000 Turkish troops on the Island."

(4.) What is the Department's assessment of reports that Ankara has introduced civilian administrators, laborers, and others from the mainland into the occupied areas of Cyprus?

Answer: "Some civilian administrators, laborers, and others have been sent to Cyprus from the mainland. Our understanding is that most of these people have been assigned to the Island on a temporary basis, and have come without their families."

(5.) Assess the stability of the ceasefire line, and the frequency and source of ceasefire violations.

Answer: "The cease-fire line has been stable since mid-August. There have been only a few brief, isolated, and militarily insignificant incidents. According to the UN Forces in Cyprus, which investigate each incident as part of their peace-keeping duties, both sides have at various times provoked minor infractions."

(6) Comment on recent reports that Turkey has systematically and extensively mined the ceasefire line on Cyprus, and has constructed heavy fortifications or other barriers on or behind this line.

Answer: "The Department does not have precise information regarding the extent to which Turkey has fortified its line of control in the northern region of Cyprus. Construction of some defensive fortifications has been reported, however."

(7) In the context of explaining American policy toward Cyprus, officials in the Executive Branch have spoken of the need "to protect American interests" in Turkey. Define these interests and their significance to our immediate and longer term national interest and security in the Eastern Mediterranean area.

Answer: "The United States and Turkey share a common interest in preventing Soviet aggression and expansion southward into the Mediterranean. We are both NATO allies, and by participating in this common endeavor, we share basic foreign policy and defense goals. Through this mutuality of interest, we have built common defense installations, are granted overflight rights and port facilities. It is also in the U.S. interest to have a friendly ally control access to the Black Sea. We welcome continued Turkish membership in CENTO, and Turkish assistance in our common efforts to combat international narcotics trafficking."

(8) In this regard, define the number, nature, and purposes of American military/intelligence and related installations in Turkey. What is the number of American personnel maintaining and operating these installations? And how many of these are involved in intelligence operations?

Answer: "Turkey and the U.S. maintain one large, two medium, and several smaller common defense installations in Turkey. There are between seven and eight thousand American military personnel working at these installations. Further questions about the number of U.S. personnel assigned to monitoring or intelligency duties should be addressed to the Director of Central Intelligence.

(9) Define the kinds, categories and levels of economic and military assistance given or projected to the government of Turkey for fiscal years 1973 through 1975.

Answer: "The following table shows military and economic assistance to Turkey for FY 1973 through FY 1975:

[In millions of dollars]

	1973	1974	1975 (estimate)[1]
Economic assistance:			
Development loans	9.0	0	0
Technical assistance	2.8	1.8	1.1
Public Law 480 school lunch	6.1	2.8	2.1
Opium agreement	5.0	0	0
Total economic	22.9	4.6	3.2
Military:			
Credit sales	20.0	75.0	90.0
Grant	58.5	63.7	80.0
Excess equipment	43.9	37.3	35.0
Supply operations	10.6	11.4	13.0
Total military	133.0	187.4	218.0

[1] Fiscal year 1975 military assistance/sales figures are requested amounts and should not be compared with 1973 and 1974 figures which are actual amounts disbursed.

(10.) On a monthly basis since January 1974, define the volume and kinds of American military shipments to Turkey, and those scheduled or projected for delivery through the end of the current fiscal year.

Answer: "[Department of State estimates put Military Assistance Program deliveries for CY 1974 at $46,175,000 through September. Foreign Military Sales deliveries total $43,409,000 during the same period. The combined total is $89,584,000.]"

(11.) Comment on reports that American military equipment is being or has been, transferred, or sold to Turkey through third parties, such as Iran.

Answer: "Except for unconfirmed reports that some quantity of US-manufactured small arms and ammunition have been sent to Turkey by Libya, the Department is unaware of any military equipment of US origin having been sold or otherwise transferred to Turkey by third countries. The Federal Republic of Germany had until mid-1974 a military assistance and sales program. Similarly, we understand that the Turkish and Italian Governments have recently concluded a commercial sales agreement providing for Turkish purchase of Italian-made aircraft of US design. This transaction was arranged by the Governments of Turkey and Italy, and the US Government was informed in advance about the arrangement."

(12.) Given the Turkish invasion of Cyprus, what is the Department's final conclusion on the legality of continuing military assistance to Turkey, under the provisions of the Foreign Assistance Act of 1961, as amended?

Answer: "Turkey has maintained that its actions were justified as measures consistent with the UN Charter under the 1960 Treaty of Guaranty to which the Government of Turkey, the United Kingdom, Greece and Cyprus are parties. It was clear that Turkey felt its actions were justified and necessary in light of the events which had transpired on Cyprus prior to the Turkish intervention. After carefully weighing the legal and foreign policy considerations, the Administration decided that it was impossible publicly to express a legal conclusion on the issue of Turkey's eligibility for further assistance and sales without undermining our foreign policy objective of persuading Turkey and Greece to enter into direct negotiations for a solution of the Cyprus problem."

(13.) In his September 26 testimony before the Refugee Subcommittee, Assistant Secretary Hartman said:

"And when I saw the Deputy [United Nations] High Commissioner [for Refugees], I said to him, I do not think it is realistic at all for you to be talking only about this period from September 1 through December 31, because when you are talking to these governments, you cannot just come around to them sometime in December and say, look, we have a new requirement now for 1975. While, none of us want to give the impression that we think this is a problem that is not going to be solved by negotiation, I think it is only wise and prudent . . . to hope for the best and plan for the worst."

Elaborate on this statement in terms of the Department's views, as of now, on the time frame for contingency planning, the costs involved in providing relief assistance to the refugees, and the level of support the United States is prepared to give to the UNHCR program. Also, in what other ways is the United States prepared to support rehabilitation and recovery efforts on Cyprus?

Answer: "We understand that the UNHCR's current $22 million appeal has been met, and that some of this money will be available for relief efforts in 1975. Additional assistance, however, will definitely be necessary for at least 6–12 months and perhaps longer. Accordingly, we are keeping a disaster relief specialist in Cyprus to advise us of relief requirements on a continuing basis and AID is asking Congress in its budget request for an additional $10 million for the Cyprus relief effort."

TURKEY

[Dollar amounts in thousands]

1. STATUS OF MAP DELIVERIES

Item	January–March 1974		April–June 1974		July–September 1974	
	Quantity	Cost	Quantity	Cost	Quantity	Cost
Fighter F–100	33	$244				
Cargo C–130	2	8,000				
Aircraft mods, AGE and other		456		$1,038		$785
Aircraft spare parts		691		605		1,546
Total aircraft		9,391		1,643		2,331
Carr pers armd full track	118	2,984	120	5,421		
Artillery SP 105 mm how			34	196	21	$41
Artillery SP other	24	448			31	1,333
Medium tanks	30		12			
Semitrailers, all types	167		1	1	100	
Trailers, all types	184		178	40	122	4
Trucks, ¼-T, all types	149		13	31	5	23
Trucks, ¾-T, all types					361	
Trucks, 2½-T, all types	147		87	64	37	6
Trucks, 5-T, all types	270		166	22	44	3
Other trucks	37	30	11	65		27
Submachine guns				21		
Other weapons and ordnance eqp		21		78		
106 mm recoilless rifles			57	616		
Weapons spares		241		126		66
107—4.2-in. mortars			18	132		
Automotive supply and eqp. spares		1,093		1,446		1,015
Total vehicles and weapons		4,817		8,259		2,518
Nike missiles and sup eqp		38		172		
Falcon missiles and sup eqp		2		25		10
Tow missiles and sup eqp						14
Missile spare parts		125		129		115
Total missiles		165		326		140
Tel & Tel terminal and trans eqp	32	74		74		
Radios, tactical	248	183	478	560	8	12
Misc boats and craft	8	221				
Ship cost sharing		449		374		348
Ship spare parts		42		75		96
Total ships		712		449		444
Radio ground—Air comm eqp	3	$9				
Radio mbl and transprtbl eqp	110	103	48	$270	101	$88
Other communications eqp		61		322		124
Communication eqp spares		96		95		100
Total communications eqp		526		1,321		324
Military bridges			4	483		
Major construction eqp items	2					
Tractors crawler and wheeled			1	1		
Tool kits and sets	1		1		3	1
Fork lift trucks			1		2	
Misc other support eqp		714		368		257
Generators 30kW and larger			2	2	6	2
Other supplies		52		16		134
POL, gases and fuels						1
Total other equipment and supplies		766		870		395
Repair and rehab		219		4,270		3,857
Training		706		116		480
Other services		164		430		510
Other ammo and components				4		22
Total ammunition				4		22
Total program		17,466		17,688		11,021

2. STATUS OF FMS DELIVERIES

Item	January–March 1974		April–June 1974		July–September 1974	
	Quantity	Cost	Quantity	Cost	Quantity	Cost
Fighter F–4E					4	$13,589
Aircraft mods, AGE and other		$627		$838		2,229
Aircraft spare parts		439		887		1,961
Total aircraft		1,065		1,725		17,779
Destroyers	2	450				
Submarines	7	1,150				
Auxiliary ocean tugs	1	45				
Ship spare parts		709		263		
Total ships		2,354		263		
Carr pers armd full track			132	4,577		
Other weapons and ordnance				176		25
Total vehicles and weapons				4,753		25
Other ammo and components		59		268		385
Artillery proj 5-inch and over	1,391	154	723	32	350	39
Artillery charges	1,638	80				
Bombs	22,400	127	9,440	274	250	353
Total ammunition		420		574		779
Rockeye					218	$697
Missile spare parts						6
Total missiles						704
Other communications eqp				$9		68
Radios, tactical		$67				
Communication eqp spares		14		29		38
Total communication equipment		81		39		106
Tool kits and sets			8	4		
Misc other support eqp		216		21		38
Other supplies		27		36		
Total other eqp		243		61		38
Repair and rehab				2,042		
Supply operations		73		158		510
Training and training aids		18		3		9,331
Other services		8		14		237
Country total		4,262		9,638		29,509

N ote: Totals may not add due to rounding.

THE NEED FOR LAND USE PLANNING

Mr. BROOKE. Mr. President, we in New England are rightly proud of the many aspects of our region. But I think it fair to say that we are most proud of our land. No words can adequately describe these lands; their warmth, beauty and tradition mean something different to each observer. Yet I think all would agree that these lands are the heart of New England's heritage, the soul of New England's existence.

Now our land is threatened. The slow, methodical pace of development is taking a heavy toll. In December's Country Journal, Mr. John C. Page carefully examines this rueful course of events. And though his article, entitled "New England's Manmade Land-Use Dilemma," deals directly with our region, it speaks eloquently to the kinds of problems which face communities throughout the Nation. I therefore recommend it to my colleagues with the hope that it will strengthen our collective resolve to enact meaningful land use planning legislation early in the 94th Congress.

The failure of the 93d Congress to pass this legislation will stand as an indelible blemish on our record. The administration, too, shares this shame, for its previously stated support unfortunately floundered at the key moment in last winter's House debate. Meanwhile the toll mounts.

Mr. President, rhetoric is the stock in trade of every politician. But no amount of rhetoric can do justice to the need for this Nation to care for its lands. We are after all the stewards of these lands; if we abuse them, we will suffer—so will our children. All of which begs the question: if we will not care for our lands, who will?

I ask unanimous consent that Mr. Page's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Country Journal, December 1974]

NEW ENGLAND'S MANMADE LAND-USE DILEMMA

(By John C. Page)

One of the characteristics of the human race is that we are forever trying to apply yesterday's ideas or tools to today's problems. Nowhere is this more apparent than in our approach to the use of land here in New England.

For a couple of centuries the value of land was based pretty much on what it would produce in the way of food and timber. Land sold for prices that reflected these uses. Property taxes were levied according to productive capacity of the land. Although there probably never was and never will be a time when landowners, as a whole, didn't think they were overtaxed on their land, at least there was some logic to basing taxes on productive capacity.

Then the planners began to hang up maps showing how the great megalopolis was about to engulf the coastline from Portland, Maine to Richmond, Virginia and stretch inland far enough to include most of New England in the checkered areas on their charts. Parts of New England were becoming very un-New Englandlike. Pressures from the inner cities were forcing people out into the boondocks: they wanted elbow room, had the money, and were willing to pay for it, and the price they were willing to pay was greater than the productive capacity of the land.

Now, when people started to pay more for land than they could hope to derive from it as a producer of food and fiber, the folk who assess taxes made note of this. The appetite of our society for tax money to provide services is insatiable. Everybody wants services like better roads, better schools, sewer and water lines, to say nothing of what we call "human services programs." So those who are trying to make a living in farming and forestry saw the property taxes go up on their land. Its assessment for tax purposes is now based on what it will sell for, rather than on what it will produce. We call this "fair market value." But some tax people are so obsessed with "fair market value" that they couldn't possibly understand what "fair taxes" might be.

The families that have farmed land and logged it for generations, and would like to continue to do so, find themselves in a dilemma. How to pay property taxes on "fair market value" when the land itself won't generate enough money for the taxes? How to keep the land in agriculture and forestry from one generation to another when the opportunity to cash in for a bundle is forever staring its owners in the face? How to transfer a farm or a forest to the next generation at a price that will permit the younger generation to pay for it from the productive capacity of the land, and still not be forced to sell it to pay estate taxes which will probably be assessed on its "fair market value"?

The people who come to the country and pay higher prices than the productive capacity of the land warrants are also in a dilemma. They came here and paid these prices, presumbly, to become a part of rural New England—to see hillsides on which cattle are grazing, open pastures, and quaint little villages with the independent Yankee running the local store. Few of them have any intention of farming or of using the forests to support their investment. What they see increasingly, however, is the postcard New England that drew them here being eaten up by their own action and by the actions of others who have similar desires.

These people buy up farms at nonfarm prices and lament that agriculture is going to the dogs. Yet they can't seem to understand that their own collective actions are bringing this about. These people rapidly become acquainted with the fair-market-value concept, which is the basis of the tax bills they receive, and they have to dig up the money from sources other than agricultural or forestry pursuits, or—if they cannot—they have to sell out.

A lot has been said and written about land speculators who are interested only in buying land, holding it long enough to escape taxation through the capital-gains loophole, and leaving with their pockets lined. Those who are trying to hang on and make a go of it on the land usually regard the speculator as the other guy, who is out to make a fast buck.

To be realistic, speculators aren't always the other guys. Actually, anyone who has a clear title to a piece of land in this economic climate is forced to be a speculator of sorts, unless he has a bankroll to pay the ever-increasing taxes and hold on, regardless of whether or not the productive capacity of the land will carry his investment.

Yesterday's ideas, when applied to today's realities in New England, aren't working. How long will it be before we are really a part of the checkered area on the map of megalopolis? Don't blame the speculators and the real estate men, who are operating by the rules of today's ball game. Don't blame the farmer who sells out to someone from "away" for two or three times what his son, or another aspiring farmer, can pay for a farm, and still operate it as a farm and pay for it from farming.

Blame all of us for our unwillingness to face up to the situation we are in and to use the common-sense tools available to us. For too long we have looked upon the deed to a piece of land as a license to do as we damn please with it, without regard to the consequences to our neighbors, to our municipalities, or to society as a whole. There is no felt obligation on the part of most landowners to look forward a generation or two and make note of the fact that we will need land to produce food, and forests for lumber and paper. We continue to build houses on our best flat farmland and let the hillsides—which would be *good* places for houses—grow up to brush. We put bulldozers to work on fragile uplands because they happen to be near ski areas and destroy land that does well for forestry but that creates nothing but problems when developed.

We have, so far, been unwilling to commit our land to a use on a permanent basis that would tie the value of the land to that use and stabilize the taxes to that use.

We have been unwilling to offer landowners the simple right to commit their land, or part of their land, to permanent agricultural or forest use and to be taxed accordingly. We have, basically, been unwilling to separate development rights from ownership rights for other uses and to tax land, accordingly, even where landowners would be willing to make such commitments.

What we fail to realize is that when a buyer comes here and pays $2,000 an acre for a piece of land, when it may be worth $500 for farming or $50 for forestry, he has committed his dollars to developing that land in order to come out with his economic shirt, over the long run. Would he pay $2,000 an acre for that land without the right to carve it up and plant houses on it?

If a farmer wants to keep a farm or a forest in the family and have its value and its taxes—including estate taxes—set accordingly, then he should have the opportunity to do this. If he chooses to retain the development rights and the higher value that would accompany them, then let that value be the "fair market value" for taxation.

Most states have passed some stop-gap laws and regulations that allow temporary tax relief for temporary agreements with the local tax authorities. But there is no long-term commitment of land to any particular use, and it is only a matter of time until the landowner gets the big offer he can't resist. In some states, the seller is obliged to reimburse the municipality for taxes forgiven in prior years, but this is peanuts compared with the long green that the land will bring for development.

It is not always high property taxes that force a sale, but more often the huge prices offered for the land. It isn't too critical whether the taxes are $10 an acre per year or $30 an acre per year if land worth $500 for farming can be sold for $2,000 an acre. The high tax may be unfair, and really too high, but it is not as powerful a factor in forcing a sale as the enormous offers that do not reflect the productive capacity of the land.

If a local town reduces taxes, thinking that this will prevent a change in land use and keep land from passing into the hands of people who pay so much they have to cut it up and develop it, then that town is naive indeed. If we face the economic facts of life, the stabilization of land will come about only when land is worth as much for food and fiber production as it is for development. People are not that hungry yet, and before they are I fear they will be asking, "What happened?" Remember, New England produces only two and a half per cent of the food we use in the United States, and we could replace this much food easily from other parts of the country. But only if *they* don't do what we are doing here.

People who pay the long prices aren't dummies. They have every intention of making a bundle and avoiding the payment of income taxes at resale time through the capital-gains loophole. Unfortunately, however, what capital-gains taxes they do pay go to federal and state treasuries instead of to local treasuries, where land taxes have long been the major source of financing local needs. It would seem reasonable that taxes on land gains should stay on the local level, but locals have less than no chance of pulling this off.

Another example of using the wrong tools can be observed by looking at the zoning ordinances and plans which towns have prepared at great expense—both in dollars and in the hundreds of hours of time and effort expended by countless enlightened citizens.

Except in rare instances, land is not indicated on these plans as agricultural or forest land, but rather as "rural residential," where both farming *and* residential development are allowed. Many of these plans and zoning ordinances are not what the people who work on them know is needed, but are proved by citizens who can be, or think they can be, affected and by people who make no effort to understand the problems of the present, to say nothing of the future.

The gist of too many of these regulations, which can be voted out when they don't work, is that only one house can be built on five acres or on twenty-five acres. All New England needs is one house on each five acres.

If we make the little checkered areas on our megalopolis map the right size, we can forget all about sound land use and put a house right in the center of each little check and then build roads to each house, and everybody can be employed fixing these roads and keeping the snow plowed. Such zoning does nothing but pay lip service to agricultural and forestry pursuits on a long-term basis.

Once we get a house on every five acres, it won't be long before the five-acre chunks are broken down into five one-acre chunks with a house planted in each of them. Then we really will be part of megalopolis. The people who come here to enjoy the New England countryside will find the countryside gone, and they will start looking for a new countryside to escape to.

Our major error is in not deciding *now* which land is to be left in forests, which land is to be reserved to produce food for our expanding population, and which land will be devoted to the building of houses, businesses, and factories—and then sticking with out decision. Some countries did this centuries ago. But this cannot and will not be done here if everybody has, as a part of ownership rights, the right to do as they please with their land, regardless of its effect on today's and tomorrow's society.

There is still enough rock-ribbed Yankee conservatism in my veins to make me believe that there is nothing wrong, morally or otherwise, with buying land at one price and selling it at another at a profit. But I cannot concoct a logical reason why only half of the profit in a sale should be subject to income taxes as a capital gain, when the majority of the people who earn their living by the sweat of their brows are taxed on *all* they make.

Nor do I think it prudent to destroy our good food-producing land or our best forest land, when we have plenty of other land suitable for developing. Since the majority of people alive today will live to see our world population climb from just under four billion to more than six billion people, and since the likelihood of increasing food production at the same rate is not promising, and since half the people in the world are already underfed and undernourished, we had better pay some attention to preserving our remaining productive land—which covers only ten to twelve per cent of the earth's surface. If ordinary people cannot foresee the necessity of preserving good land for food production, then we'd better make it a matter of national policy and, whenever such land exists earmark a reasonable amount of it for food production. Otherwise it may be too late before the need dawns on the average citizen.

As a practical matter, it would be better and more palatable if the regulation of land use were to be accomplished at local levels where the people really know (or could find out if they wished) what the land is best suited for. Federal and state guidelines under which local governments could operate would be the best way to do it, but local land-use planners will have to be serious about using these guidelines, and the general public will have to support them. The alternative is to have hordes of federal and state regulators grinding up the locals between their bureaucratic millstones. Here, as in any phase of governmental operations, the big boys will tend the sheep if the locals are using the haystack or simply giving lip service to the need for sound long-term land-use planning.

Setting aside land for future use on the basis of its capability has to have a foundation that treats all people alike. Criteria have already been established for much of our land. The Soil Conservation Service has maps, and is daily making maps, that provide a solid, logical, and detailed survey of the land's capacity for use for various purposes. These maps also indicate the special precautions that must be taken to overcome the land's limitations if it is to be developed or used for any other purpose. Soils maps aren't just the scribblings of bureaucrats; they are based upon a worldwide system of soils mapping which started more than 100 years ago and has been steadily refined since. Soils are named, as are plants or animals in their kingdoms, and the basis of classifying soils is just as orderly, scientific, and repeatable as with plants or animals.

Most folks don't understand what a good soils mapper can tell them about the nature of a soil as he walks over it and probes it with an augur. He can tell the origin of the soil. Was it laid down by a glacier, as much of New England was, and formed into various kinds of soil as a result of weather, location, parent material, etc., since that time? Was it deposited by running water, as in the case of the so-called bottom lands along our streams? If it was, the severity and frequency of flooding can be estimated from its present nature. Was it deposited by still water as much of the Champlain Valley was, when Lake Champlain was much larger? And if so, what is the drainage pattern, where is the hardpan, the water table from acre to acre? Was it laid down by wind as some of our Great Plains soils were—deep soils blown in by prevailing westerly winds, which stripped other lands of their topsoil? Was it formed in place, as are many of our southern and tropical soils, and then simply weathered to varying degrees over the centuries?

A good soils man can look at the color of subsoils and see whether the land has a fluctuating water table. (Soils in this part of the world tend to show a mottling of gray and red in varying degrees, depending on how much of the time they are water-logged.) He can feel the texture of soil, and see how it ranges all the way from overdrained gravels and sands to the impermeable clays. He can measure the slopes, determine the degree of erosion that has occurred, and interpret the effect this will have if the land is used for farming or for building purposes. He can locate the shallow or bedrock soils, and map those that contain the New England "jewels" from which stone walls are made. He can by observation and simple tests tell what the parent material of the soil was—whether, for instance, it is of granite origin, as are the soils of the Green Mountains and the Berkshires, or whether it has a limestone influence from the Taconic range.

Combinations of these and other factors tend to give a soil an identity. Soils which are alike and were developed under the same conditions are given a name. In a glaciated area like New England there are hundreds of variations of these factors and hundreds of soil names and sub-names. At first, the world's soils were named for the place where they were first found and identified, such as Copake (New York), Panton (Vermont), Hadley (Massachusetts), Merrimack (New Hampshire), and so on, all over the country. About two decades ago the soils men of the world got together in Belgium and subsequently worked for years to develop a worldwide system of naming soils that is known as the Seventh Approximation System. The nomenclature system is still being refined, and there is a slot in it for all the soils that formerly had location names.

The advantage of the new system is that the same soils, wherever they are located in the world, mean the same thing to a soils scientist from Russia (where soils classification originated over a century ago) as they do to a soils scientist from New Hampshire or Brazil.

This system does nothing to lessen or increase what a scientist already knows about the capability of the soil, but it does allow him to describe soil he finds in a given location by the same name it has elsewhere. At present, each soil has a range of capability for various purposes, as for example, the ability to absorb effluent from a septic tank. As time goes on and as the nomenclature system is refined, these ranges can be narrowed more precisely than is possible at present.

Some of the locals and the people who want to use land only as a commodity to make a profit on will note, in looking at these soils maps, that their land is in a flood plain and will eventually be under water. Or they find that the soil is too heavy or too close to the water table to take sewage; or that the ledge is too close to the surface for their purposes; or that the surface of the land is fine but that the cellar hole of a house built there would be in a swamp. These people don't think much of soils maps because they interfere with their plans to strike it rich, regardless of the consequences on future owners and the neighborhood, and on municipalities that have to build flood walls, sewer lines, and roads to make up for the shortcomings of the land's capability after the fellow who developed it is basking in the Florida sunshine or doing some more developing somewhere else.

There is nothing wrong with carving up land for homesites. People do have to have a place to live. But there is something wrong with carving up land that isn't capable of supporting a new use. There is something wrong with carving up land and burdening the other people in a municipality with paying for services necessary to overcome the shortcomings of the land's capability. There is something very wrong with carving up good productive fields, which we will most certainly need to feed future generations, when there is other land more suitable for development.

And there is something very wrong with taxing land on the basis of what it will bring, rather than on what it will produce. Unless we make a commitment to how land is to be used—a long-term commitment—I fear that we cannot do a fair job of taxing property. Much farm and forest land has the capability for high-value development, but at the same time it is being used and *should* be used for the production of food and fiber.

When a taxing system puts an unsupportable burden on an owner who has no intention of developing his land, forcing him to sell out to somebody who has to carve it up to get out of it economically—there is something wrong with that, too. Saddest of all is the destruction of a farm business that might otherwise support families for generations to come.

If we continue our present helterskelter, wheeling-dealing land-use pattern, I fear that we will soon have no place to hunt deer, no place to raise our food, no place to take a walk without stumbling over the folks who abide in the next house in the next little square on our megalopolitan map.

Land-use planning and a willingness to accept and generally stick with it is the only way I can see to keep what's left of New England, New England-like. In fact, it is already too late to correct many of the mistakes we have made and are making. When I see God's name in ink on a deed, then I'll go along with what some people think are God-given rights to do as they please with the land, regardless of its effect on everybody else. I see some hope in the newer breed of land developers who are sensitive to the effect of their own actions on society. I see some hope in the increasing awareness by landowners and the general public of the importance of using land according to its capability and its effect on today's society and on future generations. But I am not hopeful that New England people as a whole will respond to the need before the situation is irreversible.

Perhaps we are to busy digging up tax money to pay for our past follies to look ahead to even more troubled times. Perhaps each of us should ask whether our children and grandchildren really want us to leave them a fat trust fund we make from turning our land over to the megalopolis makers, or whether they want a decent New England to live in and to leave to their own children.

We might all remember the story of the man who was told that the land he paid $5,000 for a decade ago would now bring $50,000. He told the real estate agent that, in this case, he didn't figure money was a very good investment and that he'd keep his land.

LEGAL RESEARCH AND SERVICES FOR THE ELDERLY

Mr. TUNNEY. Mr. President, as a member of the Senate Committee on Aging and the chairman of the Judiciary Subcommittee on Representation of Citizen Interests, I have been deeply concerned about the pressing need to strengthen legal representation for the elderly.

In far too many cases today older Americans are forced to fend for themselves when confronted with a legal problem, whether it involves litigation, planning their personal affairs, or just understanding the technical aspects of Federal programs.

Yet, the elderly's need for competent legal representation is perhaps more intense than for any other age group.

Upon reaching retirement age older Americans become increasingly involved with a wide range of Federal programs, such as social security, medicare, railroad retirement, medicaid, VA pension benefits, supplemental security income, food stamps, and others.

Quite frequently, these programs are expressed in rather technical and complicated language, which is not always readily understandable by the layman.

However, the availability of competent counsel—whether it be a trained lawyer or a paralegal for nontechnical issues—is indispensable for responding to the legal problems now confronting the elderly.

These points were made very convincingly during a hearing which I conducted last June in Los Angeles on "Improving Legal Representation for Older Americans."

In addition, the hearing record provided a blueprint for action on several fronts.

One immediate priority area is to expand legal representation under the Older Americans Act.

In this regard, the legal research and services for the elderly program, which is sponsored by the National Council on Senior Citizens, has undertaken many worthwhile and positive actions on behalf of the elderly.

A recent article by Mr. David Marlin, the director for LRSE, describes some of these activities in a clear and concise manner. Additionally, Mr. Marlin focuses on several key needs for strengthening legal representation for older Americans.

Mr. President, I commend the article in "Aging" magazine—entitled "AoA-Funded Unit Provides Research, Legal Services for Elderly"—to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AoA-FUNDED UNIT PROVIDES RESEARCH, LEGAL SERVICE FOR ELDERLY

(By David H. Marlin)

Are State agencies on aging able to obtain legal advice on State legislative needs of older persons, or on how to structure their programs to comply with existing law, or in the delivery of legal services to elderly individuals or groups?

Do area agencies have the services of lawyers to provide similar advice and counsel on the area and local levels?

Do private social service agencies who serve older persons, and do organizations of the elderly themselves, have attorneys to advise them and represent their interests?

And are lawyers from the private and public bar, law professors, and law students aware of their opportunities to advance the interests of the elderly and, as a result, the communities where they live?

These questions have received serious consideration by the Administration on Aging and resulted in a pilot Model Project grant last December to the National Council of Senior Citizens to develop legal resources for older persons in the Mid-Atlantic Region.

The project, operated by Legal Research and Services for the Elderly under my direction, is active in Pennsylvania, Maryland, and Virginia. Its objective is cooperation between the legal and the aging professions.

Legal Research and Services for the Elderly pioneered in identifying the legal problems of older persons with an Office of Economic Opportunity research-demonstration grant in 1968. Twelve pilot projects were created to research legal issues, deliver legal services, and provide model forms and materials for lawyers, legislators, and senior citizens.

Under the AoA grant, LRSE has contracted for legal research with three law schools: University of Pennsylvania, University of Maryland, and George Washington University. Law students, with faculty supervision, are looking at problems of SSI, probate reform, protective services, condominium conversions, domiciliary care, property tax relief, and consumer protections.

In Pennsylvania, at the request of the State Commissioner on Aging, LRSE has drafted a bill defining the functions and responsibilities of the State and area agencies on aging.

The Older Pennsylvanians Act also proposes a strong statewide citizens council to advise the Pennsylvania Commissioner on Aging and conduct oversight hearings on State activities. The bill has been forwarded to the Commissioner for review. Public hearings are expected this fall.

LRSE is also preparing for the Pennsylvania Commissioner proposed statutes to regulate personal, foster, and boarding home care and to provide legal authority and protections for conservatorships and guardianships.

Staff of LRSE also have met with area agency on aging directors of Pittsburgh, Wilkes-Barre, Allentown, Monessen, and several other Pennsylvania communities to discuss legal programs for their areas.

A broad range of legislative proposals is being prepared for the Maryland Commission on Aging for its submission to the Maryland General Assembly. Among the issues are hearing aid reform, protective services, and condominium conversion control.

LRSE also has assisted two community organizations in Maryland with legal service projects.

The Waxter Senior Citizens Center in Baltimore (*Aging*, June–July '74, p. 6) has proposed the addition of legal sevices to its other social services available at the Center and has requested the University of Baltimore Law School to supply students under the Supervision of a professor.

The program, if funded, would also conduct seminars on legal education. LRSE has assisted in the negotiations and provided information on similar projects elsewhere.

"Busing for United Seniors," an elderly activist group in Prince Georges County, Maryland, contacted LRSE for advice in establishing a health clinic. Assistance was provided in leasing the facility, in negotiating with the the county hospital and public health department, and in enlisting support of the county medical society. The clinic now provides full diagnostic services 3 days a week and is staffed by doctors and nurses.

LRSE has consulted with the Montgomery County Commission on Aging on condominium conversions, and with the Legal Aid Bureau of Baltimore that operates a Title III legal project and is preparing training materials for paralegals and professionals in aging.

LRSE is drafting a manual which spells out what kind of legal issues affect older persons, and most importantly, how attorneys can be helpful.

This manual will be made available to private and public groups at their request. The manual describes the relevant legal issues, discusses the roles that government agencies, lawyers, community organizations, social service groups, and professionals in the field of aging play in serving the needs of the elderly, and offers numerous options in selecting and organizing legal projects for senior citizens.

In response to requests from Virginia, LRSE has recently expanded its focus to include that State. Activities there are still developing.

Working at the local level, LRSE has assisted the Arlington, Va. Commission on Aging and the newly funded County Legal Aid Society in planning legal services for the elderly. LRSE attorneys advised on placement of attorneys, outreach to elderly clients, effective use of paralegals, senior representation on the board of directors, and substantive legal issues affecting the aged.

LRSE is currently planning to expand its assistance with legal projects to the entire Northern Virginia area working through the Area Agency for Northern Virginia and the Northern Virginia Federation of Senior Citizens.

On the State level, LRSE maintains communication with the Virginia Legislative Study Commission on Needs of the Elderly. This commission will issue a report and legislative recommendations early next year. At that time LRSE's expertise in drafting State legislation affecting the elderly will be available to assist. LRSE has initiated contact with Virginia's new Office on Aging. Their attorneys hope to begin visiting Virginia's area agencies in early fall.

LRSE publishes a quarterly newsletter detailing its activities, which can be obtained by writing to LRSE, 1511 K St., N.W., Washington, D.C. 20005.

FOOD STAMP CUTBACK: AN UNWISE DECISION

Mr. McGOVERN. Mr. President, the decision by this administration, reiterated last night by the President in his nationally televised newscast, to cut the budget for the food stamp program by increasing the cost to recipients will dismay many who depend on this program to make ends meet.

Indeed, it is dismaying to many of us in the Congress who have sought over the years to advance this Nation's commitment to end hunger in America, once and for all. The President's decision strikes me as a first serious step backward in the effort to meet this commitment.

More than 4 years ago, President Ford's predecessor sent a message to Congress pledging to put an end to hunger in America for all time. Apparently, President Ford has decided that this great and compassionate Nation can no longer afford to keep that promise.

There are many ways to fight inflation in this country that make economic and social sense. But cutting the food stamp program now and risking increased hunger in thousands of American families makes no sense at all.

It makes even less sense when you look at who will be hurt first and hardest by these cuts. The proposal to cut the food stamps by $325 million hits hardest those least capable of coping with inflation—the elderly, and the poorest of the poor.

The President said at his press conference last night that his budget cutting means some Americans will have to pay "slightly more" for food stamps. But the facts show that 95 percent of the 14 million Americans now using the stamps will have to pay more, causing many to drop out of the program.

Under the proposal, the cost of stamps will increase 100 percent or more to many recipients, and elderly participants who receive SSI will no longer find any incentive to stand in the long food stamp certification lines. For example, an SSI recipient who receives $146 per month will pay on January 1, $30, 20 percent of their income for $46 in stamps. On March 1, under the President's proposal that same person will pay $43 for the same amount of stamps, or 30 percent of their income.

The budget cutting comes at a time

when the Nation's economic picture is dark. Estimates of unemployment in 1975 have risen, even from conservative experts, to 8 and 9 percent. Food prices in 1975, according to respected analysts, could rise another 15 to 20 percent.

The U.S. Department of Agriculture said yesterday that grain again will be in short supply next year, meaning more increases, and increases that will hit especially hard at those at the bottom of the economic ladder who are already eating plenty of cereal, beans, and rice.

In this time, the administration should be employing the food stamp program to act as a cushion for American workers and those who have helped build America, but are now out of the workforce because of age or disability. Instead, the administration is moving to take away protection in the most basic area of human need—food.

I intend to introduce legislation immediately after the convening of the next Congress to prevent the President from taking this action. At a time of great inflation, fears of another bad crop year, and rising unemployment, we should be increasing food stamp assistance, not cutting back.

Mr. President, I ask unanimous consent to have printed in the Record a table showing the comparative costs to recipients of food stamps under the present program and with the President's proposed increases.

There being no objection, the table was ordered to be printed in the Record, as follows:

FOOD STAMP COST CHANGES UNDER THE FORD PLAN

Household size	Monthly income	Food stamp allotment	January 1 purchase price	March 1 purchase price	Change in purchase price (percent)
1	$29	$46	$1	$8	+700
1	39	46	4	11	+175
1	146	46	30	43	+43
4	39	154	4	11	+175
4	49	154	7	14	+100
4	149	154	37	44	+19

TRANSCRIPT OF MARTIN AGRONSKY SHOW

Mr. ROBERT C. BYRD. Mr. President, on Monday, November 18, I was interviewed on Evening Edition, a 30-minute public affairs program on the Eastern Education Television Network. The interview was conducted by the program's host, Martin Agronsky, and John Hall, Washington correspondent for the Hearst newspapers.

I ask unanimous consent that the transcript be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

The Martin Agronsky Show

Martin Agronsky. Senator, you have concluded in the Rules Committee now the inquiry into the possibility of confirming the nomination of Nelson Rockefeller as Vice President. What is your conclusion? Yours personally.

Robert C. Byrd: Well, may I say that I still have some doubts in my own mind. I've said from time to time, in a hypothetical situation, that if I had to vote today, I would resolve those doubts in favor of the nominee; but this doesn't mean that I am committed to vote for it, for the nomination. I still may vote against it. I want to reflect further on it. I also want to go over the transcript—and even though the nomination will be ready for Senate action around the first of December—again in my own mind and more and more coming around to the view point—as I think about it, that the Senate really ought not vote finally on that nomination until the House Judiciary Committee has completed its hearings. I would hasten to say, however, that, in that event, I would hope that the House would complete its action and the Senate its action before the Congress adjourns.

Agronsky. Before this Session is over?

Byrd. Yes.

John Hall. Senator, what is it that bothers you most out of the hearings? Is it his penchant for giving away money? Is it the book? Or is it just his enormous wealth and how he might use it as Vice President?

Byrd. There are a number of things that trouble me. As to the book, that in itself would not cause me to vote against Mr. Rockefeller. He made a mistake; he said he made a mistake; and although some of the circumstances in connection with the publication of that book and the revelation of the facts afterward are reminiscent—as I said during the hearings—the dirty tricks of the "Nixon era"—and also the coverups of that——

Agronsky. . . . and the laundered money.

Byrd. Yes, and the laundered money. But that in itself now that he has said he made a mistake. After all, when a man makes a mistake, all he can do is say that he made a mistake and apologize for it. So, I would not vote against him wholly on that account but that's just one thing. The various gifts and loans, the thing that troubles me there is the possible mis-use of money, either intentionally or unintentionally, consciously or subconsciously—which at least leaves the impression, or could leave the impression, that money is being used to affect the operations of the government. And, in this way, I think it undermines the integrity of government. Here, again one can't be absolutely sure that any laws were violated, but, there is a curious pattern in connection with these various loans and gifts—so curious as not to be coincidental, which leaves the impression that in each case, the laws—either the tipping statute or the bribery statute of New York—were kept fully in mind so that in every case a crucial element, in one or the other by the laws was, almost at least, always absent. So it does leave the impression that the explanation that these were given on the basis of friendship, love and affection was always said and done with the laws and the sanctions of the laws in mind. This is not to gainsay that the explanations could not have been feasible and factual, but it still leaves the suspicion.

Agronsky. You know Senator, let me put it this way, you feel then that in relation to the gifts specifically, that somehow or other Mr. Rockefeller was always sailing close to the wind legally, and the residue of that doubt in your mind is a feeling whether ethically his explanation should be accepted. Is that a fair way to put it?

Byrd. It is. I am not saying that his motives were not the best. I don't put myself in the position of a jury to determine whether or not a law has been violated. But, there is not only the legal consideration; there is also the ethical consideration and this is the nagging question that continues to bother me.

Agronsky. You haven't resolved yet?

Byrd. No. The overall question, is the question that I put on the first day of the hearings, some time ago, when I brought up the question of tying the power of vast wealth with the great power of high public office, and whether or not a person in that position could really relate to the man in the street; whether or not he could really, after living in this environment of inherited wealth that has come up through generations, whether he really can differentiate between the interests of the country and the interests of big wealth.

Hall. Why would the committee not inquire into his vast wealth? It went into his personal holdings but not those of his family, his connections with oil and the possible conflicts of interests he might encounter there.

Byrd. Well, I think that there is only so much of questioning and investigating a committee can do. I think that it has done its job well. I think that the context of the overall question that I put—and which Mr. Rockefeller in his re-appearance before the committee last week, in his prepared statement, focused on again, he had come around to the realization that this great wealth is really not a myth and that it did pose a serious question.

Agronsky. Do you feel, Senator, you know you get into an area there that is difficult to be specific, but here we have Nelson Rockefeller responding once to reporters' question about giving away these large sums of money, saying that $10 to him, or that, giving away a hundred thousand dollars to him, was like someone else giving away $10. Now, the mind boggles really at a man to whom 10 bucks is the same as a hundred thousand dollars because apparently he has limitless, boundless wealth. And one wonders in that connection—I want to carry a step further—whether a man with that kind of background, that kind of upbringing, that kind of mental process, is really the man you want sitting in that traditional heartbeat away from the President. As a President how would such a man function? He is totally incapable—that is not meant even as a criticism but by virtue of an accident of birth—totally incapable of ever associating himself with the concerns and the feelings of the average human being.

Byrd. This is one of the things that troubles all of us. Even though it may seem only like a 10 dollar gift to him, it is still a hundred thousand dollars gift to the other fellow—to the recipient. And I think it would be difficult for the impact to be lost on him as he goes about making his decisions that affect the public interest. On the other side of the equation, I think we have to remember that Mr. Rockefeller is a man of tremendous capacity and ability and much experience in governing, and he is the President's nominee. The country needs a Vice President. So, these are the troublesome questions on both sides that have to be weighed.

Hall. Isn't this the kind of thing that the 25th amendment contemplates—that you are to examine in that Committee a man's wealth?

Byrd. I don't think that we can avoid examining this in connection with a man like Mr. Rockefeller. Handling a nomination of a man like Mr. Ford is much more simple than dealing with the nomination of a man like Nelson Rockefeller. He is a unique man, and in connection with this conflict of interest which is always haunting us, as we consider this nomination, take for example the vast Rockefeller interests and holdings in Latin America, Central America, and South America, one wonders whether or not those interests might subconsciously have some influence upon the formulation of our foreign policy if the nominee were to become Vice President and if under the 25th amendment process he ultimately became President, as Mr. Ford did. Then there is another side to that coin: How will the people in Latin America, and South America view our foreign policy, as they look at the holdings and the publicly visible Rockefeller interests in those areas? Will they view the operation of those businesses as a manifestation of the foreign policy of the United States? So, here is where I'm concerned about conflict of interest. Whereas the man may have the best of intentions, I'm afraid that these problems will be unavoidable.

Hall. Then why is it that you recommended him to President Ford?

Byrd. Well, there are two reasons, first he asked me; I didn't advance the recommendation voluntarily.

Agronsky. He asked you to recommend a man or he asked you whether you would approve of Rockefeller?

Byrd. No. He called me on the telephone, and he said I just want you to know that if you have any suggestions as to a nominee, or as to a number of persons for the Vice Presidency I'd like to have you write them down. I said that I can give you the only suggestion I have, I can give it to you now—it's Nelson Rockefeller, and the reason I say that is because he is a man of ability and great capacity and experience in governing and I said I think that is what is needed now. That was the sum and substance of it.

Agronsky. That was off the cuff really and—

Byrd. Yes.

Agronsky. You really hadn't had an opportunity to think it through, and since you have thought it through now, you do have doubts and some misgivings obviously.

Byrd. Still have doubts and misgivings; yet, I can't gainsay those facts which I iterated to the President, Mr. Rockefeller is a man who has all of these talents, and they are needed in this government. That kind of competence is needed in our government today, as it has never been before, but there is the other side of the equation that is troublesome, and at some point we are going to get down and weigh these and resolve some of our doubts. Some of them I could resolve readily in his favor—for example, the book and the coverup. It was a sordid episode; one that was very regrettable, but that in itself would not cause me to vote against him.

Agronsky. You don't think that his conduct in that is a disqualification?

Byrd. I don't think that, in itself, would be.

Agronsky. Let me point out to you, that—we keep skirting around is—when you come to it, it is an interesting point. Don't you find a very fundamental irony in the fact that in our kind of a system, a capitalistic system in which we believe in free enterprise and in which we discover, in a situation like this, can be regarded perhaps as a disqualification for high office.

Byrd. Well, there are problems and questions that arise from the possession of this tremendous wealth. It is just beyond the comprehension of people like myself and beyond the comprehension of many multimillionaires, I'm sure, this kind of wealth that we are talking about here, and it goes beyond Mr. Rockefeller, Mr. Nelson Rockefeller himself, as you pointed out. It's just overwhelming, and it does pose very serious, very serious questions, that continue to trouble me. Here is a man of great charm. He comes into the committee shaking hands, and charming everybody—a tremendous personality, and a man of tremendous talents and capacity to bring other talent in—and in connection with gifts and loans, that was one way of bringing them in. That's a discouraging side of this business of recruiting talent, but its hard to—I think that those of us on the committee, it was our business not to regard the charm and his personality but to try to get to some of these troublesome questions, and some of them I don't think can be answered.

Hall. Senator, you sound like you'd be happy if the President would withdraw the nomination; at least now you are talking about the reservations and also speaking of the delay until December or until the House Judiciary Committee votes.

Byrd. I'm not advocating delay by the Congress, but I think that the Senate—this is my own personal view point only, and I've only reached it after reflecting upon it more and more—I think the Senate would be well advised to wait until the House Judiciary Committee has completed its hearings. That committee will have the benefit of all the work we've done, plus the additional work that its investigators and its members will be able to accomplish. But certainly I don't want to see this nomination put over till next year.

Agronsky. Senator, two questions, I want to follow up John's question. Do you think that the President would be well-advised to reconsider his nomination?

Byrd. No, I don't at this point, I don't. I think that he has presented the nomination, and I think we ought to complete the job. I don't think we ought to act with haste—but with fairness. Because after all, we are standing in the place of 140 million American voters and 210 million American people as we carry out our functions under the 25th amendment. And it's a tremendous responsibility, and I don't mind telling you that I view it with some dread—this business of making this decision, in the stead of the American people.

Agronsky. Senator, have you ever had the opportunity to talk to the President again since the hearings began?

Byrd. No I have not. I don't know of anything I could say that would bear upon this, that would be pertainent or important.

Agronsky. Let's carry it back to the 25th amendment again, talking about ironies, and this thing is just full of them. We now have a President who clearly, it is most unlikely, would, under any circumstances in a party convention have been nominated for the Presidency by his party.

Byrd. He was never even considered.

Agronsky. Never even considered. We now have in Mr. Rockefeller a man who tried and failed on 3 occasions——

Byrd. To get the nomination of his party.

Agronsky. Correct. Don't we have to start wondering how well the 25th amendment works; shouldn't we perhaps seek another method?

Byrd. I think it worked very well in the case of Mr. Ford. But since he has become President—he has no national constituency; he wasn't selected by the American people; he wasn't even selected by his own party—then he appoints someone else. So here, what we have are the two top officers, the two top individuals in our government who will have been voted on and elected by 535 members of Congress—not by the American people. This does——

Agronsky. It bothers you.

Byrd. It does, and I think that the 25th amendment certainly ought to be reexamined. I don't have any proposal at the moment but, I think with this experience in mind we're in a better position to study that amendment and to make suggestions as to its modification.

Agronsky. What about the idea of a special election in a circumstance such as this? Suppose, for example, instead of the 25th amendment we had a system whereby, we could have immediately a special election in which the country, in effect, would take on the role of the Congress, and it could confirm a man proposed by the President to succeed to the Vice Presidency.

Byrd. I think there certainly should be consideration given to a special election under certain circumstances—depending upon the timing at which the vacancy occurred.

Agronsky. Well let's take the timing that the vacancy did indeed occur, which was a little over 3½ months ago. Do you think that a special election would have made sense then?

Byrd. I think that a special election, with the Presidential term extending to 1976 as it does—the term to which Mr. Nixon was elected will not expire until the end of 1976; well, that's over two years away—I think that in that situation, a special election certainly ought to be had. The precise details I'm not in a position to suggest.

Agronsky. Well do you reflect the view of your colleagues in the Congress? Do you think that they are going to take another look at the 25th, and see if they can do something about changing some of its provisions or providing an alternative?

Byrd. I have the impression that they will, because I think that they are as concerned as I am.

Hall. Can I get back to one question, that the committee didn't seem to dispose of—a promise from the governor that he wouldn't give away his money as Vice President to federal employees except at Christmas times, and weddings—he didn't mention bar mitzvahs—and in a case of extreme medical hardship. Does that kind of pledge do any good, I mean is it worthwhile?

Byrd. I made no contribution to that, and without any reflection on the Senators who were advocating it—Senator Pell advocated it, and I think that he is to be complimented on the objective he was seeking—I really don't think this can be made effective. I think that the fact that Mr. Rockefeller has gone through this heat—to which he was entitled—as far as I'm concerned I never asked a single question that I didn't think was appropriate or that I shouldn't have asked had I been in his shoes on the other side of the table—he went through some heat; he is going to go through some more in the House—I think he has learned some lessons, and he has so stated in his appearance before our committee. So I don't think he will make the mistakes in judgment, the same mistakes in judgment again. I don't think that such an agreement is effective, and frankly I think it is really asking too much of one nominee to just pick him out and say that he has to do this or that.

Hall. Ought there be legislation do you think for what David Broder calls politicians on the give? There is virtually nothing except the anti-tipping statute; I don't know whether there is anything on the federal level.

Byrd. It certainly would be worthy of consideration, I think. One very disturbing element in this whole thing is, that the country has no Vice President at this time. The President is out of the country, and I shudder at the political crisis that might occur if anything should happen. But this is the way the 25th amendment works, and we do have to be careful and thorough in our examination of the nominee.

Agronsky. Senator, let me ask you to put on your other hat now, as the Senate Majority Whip. The last election has given your party an enormous majority in the House, increased your seats in the Senate so that there is a substantial majority. And the question has been raised is whether it is possible for the Congress to function under our system as an initiator of legislation in dealing with problems such as those of the economy, in the absence of a strong Presidential leadership. What are the Democrats thinking about that?

Byrd. Well, you have a number of questions there. First of all, let me say that the Congress can initiate some legislation, but the Congress is not Constitutionally structured to formulate national programs. This can only be done by the Chief Executive. In my judgment what will happen will be that the joint leadership—the House leadership and the Senate leadership—will meet and will attempt to formulate certain legislation that will deal with some of the areas we are troubled about—for instance growing unemployment. Certainly we would want to expand the unemployment compensation program. We would want to enact legislation, I should think, to deal with public service employment. But these are band-aids; they really don't correct the ill. There are other things we might do. We might legislate standby wage and price controls. We might legislate standby gasoline rationing authority. But these are just pieces. We are not in a position, 535 men and women, to sit down and agree on a comprehensive, all embracive, well coordinated package to deal with recession, unemployment, business stagnation, and inflation. The leadership has to come from the one man who administers these programs, and regardless of what programs we might enact if the will and the determination is not there in the executive branch to make those programs work, then they simply won't work.

Agronsky. There is another irony. Here you sit, the Whip of the Democrats in the Senate of the United States, and you indicate, that now, as a citizen, not so much as a politician, that you feel that leadership has to come from the White House and that it is not coming from there. I don't even think you raise that in a partisan sense.

Byrd. I hope I don't. It has to come from the one man who has the moral authority to administer programs and to appeal to the people for their cooperation—because without their cooperation we're not going to make any voluntary programs work. It has to come from the one man. My concern is that the President—as decent, and personable and lovable, as he is—doesn't seem to be hearing or listening, and he doesn't seem really to have come to grips with this thing. He goes off to other countries on good-will trips; we have domestic problems at home; the economy is in a mess; we have a possible coal strike; we have problems in the Middle East. It seems to me that those good-will trips could have been put off and he could have stayed here and dealt with these problems, and it makes me feel that he really doesn't understand the condition our country is in and what the people are worried about.

Hall. What does Congress do if apparently he has abdicated his leadership role? Do you just sit back and carp at him?

Byrd. Oh no! We have to cooperate where we can, but we must remember the basic premise that leadership has to come from the one man in the government who is in a position to lead.

Agronsky. The final and fundamental irony is that if he does provide that leadership he may get reelected and not a Democrat.

Byrd. Well, we still have to cooperate in the interest of the country.

Agronsky. Thank you. Good night for Evening Edition.

QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the conference report on H.R. 15977, which the clerk will state.

The assistant legislative clerk read as follows:

The report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the 1 hour of debate on invoking cloture on the conference report on H.R. 15977, under rule XXII, will begin at this time, after which, under the rule, the Chair will direct the clerk to call the roll to ascertain the presence of a quorum, followed by the vote on the motion to invoke cloture.

Mr. MANSFIELD. Mr. President, I allocate my time to the distinguished Senator from Illinois (Mr. Stevenson).

Mr. SCHWEIKER. Mr. President, I rise to speak in opposition to the conference report.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. SCHWEIKER. Mr. President, in opposing this conference report, I first would like to establish the fact that only 63 minutes of debate have actually occurred on this conference report. I am deeply disappointed that the proponents of the conference report have seen fit to file a cloture motion when we have had time to discuss it for only 63 minutes. I think this has to be some sort of record in terms of invoking cloture on alleged extended debate.

I have from the journal clerk his tally of the 63 minutes of debate, and I am putting a letter on the desk of each Senator to the effect that only 63 minutes of debate have occurred, when in fact we are debating a bill that will control the disposition of $25 billion of U.S. funds.

Whether one is for or against the Bank in policy—and I happen to be against the conference report—it seems ironic that we would consider only 63 minutes of debate sufficient to discuss the disposition of $25 billion of U.S. funds.

So I think the key issue right now is whether we shall have an opportunity to debate our foreign policy as it relates to the Bank, our export-import policy, our economic hardships and problems at home in relation to the Bank, and the lending policies of the Bank and whether they are relevant to the national interests of the country. Certainly it warrants more than this time.

So I hope that my colleagues will vote against the cloture motion, because there is no reason to invoke cloture at this point, with only 63 minutes of debate having been used to explore a $25 billion bill.

Second, I invite the attention of my colleagues to an article published in the November 29 issue of the Philadelphia Inquirer, with the headline "'EXIM' Bank May Be Going Overboard on Its Loans." I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"EXIM" BANK MAY BE GOING OVERBOARD ON ITS LOANS

(By Donald L. Barlett and James B. Steele)

Like the steadily growing $172 billion American foreign aid program that it helps support, the United States Export-Import Bank (Exim Bank) appears to be running out of control.

In the five fiscal years in which Henry Kearns served as president and chairman of the Exim Bank, the bank's authorizations—loans, guarantees and insurance—exceeded its total authorizations for the previous 36 years.

From 1970 to 1974, Exim Bank authorizations amounted to $34.2 billion—or $3.3 billion more than the $30.9 billion in authorizations dating from the day the bank went into business in 1934 until Kearns took over in 1969.

The figure includes direct loans as well as Exim Bank guarantees and insurance covering loans by other institutions.

Long an enthusiastic supporter of foreign trade subsidies, Kearns, addressing a World Trade Week luncheon in San Francisco back in 1960, recommended the creation of:

"More favorable and responsive credit terms (for export loans) preferably by the financial community, but if not forthcoming from this source, by the federal government."

Nine years after delivering that speech—he was assistant secretary of commerce for international affairs at the time—Kearns assumed the top post at the Exim Bank. The bank's authorizations soared.

Lending money at interest rates below the prevailing market rate, Kearns' Exim Bank:

Subsidized the sale of American aircraft to airlines around the world—from the Dutch KLM to Germany's Lufthansa to Japan Air Lines—at the expense of competing U.S. airlines.

Subsidized the sale of equipment for the enlargement of oil refineries in Iran and Indonesia and the expansion of oil fields in Nigeria—three countries that tripled the price of their oil exports to the United States last year.

Subsidized the sale of machinery and equipment to a variety of low-wage plants in countries like South Korea, the Philippines, Thailand and the Republic of China—including textile plants that in turn have exported finished products back to the United States, undercutting the prices of American manufactured products.

While Exim Bank officials traditionally have maintained that the bank's chief purpose is to support the sale and export of American manufactured goods, the fact is that bank loans quite often are included as part of an overall foreign aid package to particular country.

Thus, when the State Department was arranging foreign assistance funds for the National Police force in Colombia, the Exim Bank agreed to provide the money for the purchase of police vehicles and spare parts.

And when Henry Kearns helped set up the Siam Kraft Paper Company Ltd. in Thailand—again with the support of the State Department's foreign aid program—it was the Exim Bank that provided half the money for the project.

The close working relationship between the Exim Bank and State Department—which passed on bank loans—was attested to last year by Sidney Weintraub, deputy assistant secretary for the international finance and development.

Weintraub told a subcommittee of the Senate Committee on Banking, Housing and Urban Affairs:

"Since the Export-Import Bank supports transactions in a variety of countries and in constantly changing political and economic conditions, mechanisms have been established to insure that there is appropriate coordination between the bank and the Department of State.

"State has provided the bank with detailed analyses of country conditions when the bank was considering new programs or when problems seemed to be developing."

> While Exim Bank officials and its supporters say the bank is necessary to support American exports, there is a growing belief that the bank's loans in many cases have harmed businesses in the United States and resulted in a loss of jobs.
>
> And as expenditures by the bank continue to spiral, there also is mounting skepticism as to whether the government should subsidize exporting industries at the expense of non-exporting industries.
>
> William H. Branson, professor of economics and international affairs at Princeton University, put it this way when he testified before the Senate banking subcommittee last year:
>
> "Exports aren't a good in themselves. Exports are national output that U.S. consumers don't get to consume."

Mr. SCHWEIKER. Mr. President, I will specifically discuss the conference report and one of the reasons why I am opposed to it.

I was very disturbed when I read the conference report, because I was able very quickly to earmark 13 points by which the Senate position receded to the House position and where we actually weakened the oversight of the Senate and the House of Representatives over the Bank and gave it a license to freewheel its policies, irrespective of the economic conditions of our country, irrespective of what a national policy should be, and irrespective of whether it reflects the national interest or not.

I point out the conferees' own language, by which they gave in from the Senate position to the House position and the effect this has.

Item No. 1 that I have earmarked appears on page 7 of the conference report:

> The Senate amendment contained a provision amending section 2(b) (1) of the Export-Import Bank Act specifying that the Bank may—

not shall——

> provide financing at rates and terms that are "competitive" with those of other government-supported export financing entities. The House bill contained no comparable provision. The Senate receded to the House.

Some of the people who have been following this debate may recognize the fact that I had an amendment that was defeated on the floor of the Senate which would have required licensing to be competitive with commercial rates, that we eliminate the subsidy part of it. That amendment was defeated. But there was a weak amendment in the Senate bill that provided that the Export-Import Bank may provide financing at rates competitive with Government-supported export financing entities. The House would not accept that amendment, and there is no restriction whatsoever, even though it was permissive.

Giveaway No. 2 in conference appears on page 8:

> The Senate amendment contained a provision directing the bank to provide financing "only to the extent that sufficient private financing is unavailable." The House bill contained no comparable provision. The Senate receded to the House.

Once again, we had one other restriction—it was very mild and minor—that said that the Export-Import Bank shall only lend our money in deals and ventures to the extent that sufficient private financing is unavailable. What is so wrong about that? The Senate conferees gave in to the House and wiped out that minor and mild limitation, too.

Giveaway No. 3:

> The Senate amendment contained a provision specifying that the Board of Directors of the Bank should not authorize loans, guarantees or insurance which may have serious adverse effects on the competitive position of United States industries, the availability of materials which are in short supply in the United States, or employment in the United States.

That also seems like a very reasonable and rather normal approach to the Export-Import Bank facilities and whether or not their actions will have adverse economic effects on the competitive position of our industries, the availability of materials, or short supply in the United States.

> The House bill contained no comparable provision. The conferees accepted an amendment which specified that the Board of Directors, in authorizing loans or guarantees, shall take into account any serious adverse effects on the competitive position of United States industry, the availability of materials which are in short supply in the United States and employment in the United States.

So here, once again, we had a very strong statement of policy on the part of the Senate which said that the Bank should not authorize loans, guarantees, or insurance which affects the availability of materials, employment, or short supply. The conferees watered that down to an almost meaningless provision that said "shall take into account." It does not say how they shall take it into account or what the consequences of that accounting are. That is giveaway No. 3.

Giveaway No. 4. Once again, these are right in the conference's own report. I am pulling the language directly from the report itself.

Giveaway No. 4 to the House and to letting the freewheeling Export-Import Bank continue with no congressional restraints whatsoever—I quote on page 9:

> The Senate amendment contained a provision requiring that the Bank submit to Congress prior to final approval by the Board a detailed statement on any proposed transaction involving a loan, guarantee, or combination thereof of $60 million or more and specified what such a statement should contain. The House bill contained a provision requiring that the Bank submit to Congress prior to final approval by the Board a detailed statement of any proposed transaction involving loans of $50 million or more to a communist country, and contained similar language specifying what such a statement should contain.

Once again, the conference adopted a compromise provision requiring that the Bank submit a detailed statement to Congress 30 days prior to final approval of any proposed transaction involving a loan of $50 million or more to any country, and specifying what such a statement should contain, with reporting requirements.

The Senate language had provisions involving a loan or a guarantee, because, as we know, its guarantee business is just as important as the loan business. But, again, the Senate backed away from its tougher requirements and only took the loan. So there was no requirement of reporting large transactions if they are guarantees, as opposed to loans. Since we know a substantial proportion of the Bank's business is guarantees as well as loans, once again, it is less oversight, less congressional restraint and integration of a bank's policy to a national policy.

Point No. 5. The Senate amendment contained a provision requiring that the President must find that a transaction involving an Export-Import Bank loan, guarantee or combination thereof of $40 million or more to a Communist country is in the national interest and report that determination to Congress within 30 days. The House bill contained no comparable provision. The conferees adopted a provision requiring that the President must find that a transaction involved in an Export-Import Bank loan—loan—of $50 million or more to a Communist country is in the national interest.

Once again, they completely eliminate the idea of a guarantee. So we again relieve the Export-Import Bank of any reporting requirements as far as guarantees are concerned.

Giveaway No. 6. On page 9 of the report, the Senate amendment contained a provision specifying that the President may not determine that a transaction is in the national interest if it would or may result in the United States becoming dependent upon a Communist country for essential materials, articles, or supplies which are or may be in short supply. The House bill contained no comparable provision, and the famous words, which seemed redundant throughout the whole report, "The Senate receded to the House"—giveaway No. 6.

Giveaway No. 7 follows right after that. The Senate amendment contained a provision specifying that the Bank shall not guarantee, insure, or extend credit or participate in any extension of credit in connection with any credit sales of defense articles or defense services to any country. So here was a limitation on the kind of business the Bank may do, and with the thought that, since there is already a provision for military sales, they should not get into this, the House bill contained no similar provision. The Senate receded to the House on point No. 7.

Giveaway No. 8 is found on page 10.

> The Senate amendment contained a provision specifying that the Bank shall not approve any loans or guarantees or combination thereof in connection with exports to the Soviet Union in an aggregate mount in excess of $300 million. The House bill contained no similar provision.

The House receded to the Senate with an amendment—with an amendment—establishing a $300 million ceiling with a provision that the ceiling may be raised—may be raised—on a finding by the President that raising the ceiling is in the national interest and a submission of that finding by the President to both Houses of Congress together with a justification for the new ceiling.

So while they allegedly receded with an amendment, in fact, they wiped out the intent of that provision, which was absolutely to prohibit any loan in an aggregate amount or combination in excess of $300 million, and the House came up with a counter-proposal that said that may be waived if the President finds it in the national interest.

Well, we do not have to go back far in the history of my efforts in this work to find out that one of the issues that has been contradistinctive to the law and contradistinctive to what the Comptroller General ruled was that, when this first permission was given some years back to sell to a Communist country, specifically, the Senate had written in a proviso that no such sale could take place unless the President found in each transaction that that transaction was in the national interest. Somewhere along the way, the executive branch superseded that authority and just filed a letter of intent to the extent that it was in the national interest to trade with a Communist country, period, regardless of the merits of the transaction, as was prescribed by law.

I got a Comptroller General's ruling confirming that the Government was in violation of that law. Yet here, having been burned already and having found out in fact that the executive branch did not even keep faith with the Senate provisions some years back saying that each transaction had to be determined on its own basis, we found, in fact, that they ignored it and ignored the Comptroller General's ruling as well. Now they come in and water down the Senate ceiling. So once again, the President can waive it if he determines it is in the national interest.

Giveaway No. 9. The Senate amendments contained a provision that after June 30, 1976, the bank shall issue no loan, guarantee, or insurance in connection with the purchase of any goods or services by a Communist country other than Romania and Yugoslavia. The House bill contained no similar provision. The Senate receded to the House.

That seems to be the whole story in this report. That is the ninth giveaway that the Senate conferees receded to the House.

Giveaway No. 10:

> The Senate amendment contained a provision requiring the Bank to include in its annual report a detailed listing of all transactions involving the purchase of goods or services by a foreign subsidiary or affiliate of a United States entity.

The House bill contained no similar provision and—you guessed it—the Senate receded to the House. So they are even afraid to have the bank list in any amount of detail the transaction where a foreign subsidiary or affiliate of a U.S. entity is involved.

Now, what are they trying to cover up? What are they trying to hide? Why will they not put it on the record? Why is it that every single giveaway was a matter where they did not want to go through the report to Congress, where they did not want to put it in the record, where they did not want any constraint or limitation whatsoever? Everywhere we turn we see the same story. That is why I say it was a sellout to the House in all of this conference report.

Point No. 11—and this is one, also, that I had expressed a great deal of interest in and was cosponsoring with Senator CHURCH on energy. I had my own amendment, but then supported his. We seem to be in the middle of an energy crisis. Here was an energy amendment in the bill.

Giveaway No. 11.

> The Senate amendment contained a requirement that the President of the Bank shall transmit to the Congress a special message with respect to any proposal to finance the purchase, lease, or procurement of any product or service which in a communist country involves research, exploration, or production of fossil fuel energy resources and further provides that no such transaction may be approved without prior Congressional adoption of a concurrent resolution of approval.

The House bill contained no comparable provision and—you guessed it—the Senate receded to the House.

This very specifically goes to the heart of the whole issue of are we going to give 7 percent or 8 percent money to Siberia to develop natural gas? The answer is yes, we very specifically are.

About a week ago, over the weekend, there was a little squib in the Washington Star-News, entitled "Siberian Gas Pact." I quote from the 23d day of November from the Washington Star-News:

> SIBERIAN GAS PACT
>
> An American firm, the Soviet Union and Japanese businessmen yesterday signed a two-year agreement for joint exploration for natural gas in Siberia. The U.S. concern, El Paso Gas Co. of Houston, said that if the effort confirms the existence of vast gas deposits believed to exist in the area it could lead to other agreements for delivery of the gas to American and Japanese markets.

Here is really the irony of it. Not only are we going to finance 6 or 7, or whatever the amount is, billions of dollars for the North Star and other gas projects, allegedly to ship it back to our own country, but now, for the first time, we find out we may not ship it back to our own country; we may ship it to Japan.

How ridiculous can one institution get, and how harmful to our national interests can they be? And why are they so restrictive?

I can see exactly why they knocked my 11th amendment, or my 11th giveaway out, that Senator CHURCH and I had proposed, because they do have up their sleeves the Siberian gas pact. It came out about 10 days ago, as I say, and a little research showed me that the whole deal is written into a contract on the contingency that the Eximbank gives them 7 or 8 percent money.

Of course, any company in the world today would like to get 7 or 8 percent money, and I do not question that the deal might fall through if they did not get 7 or 8 percent money, so that is why they made it contingent.

So one of the real safeguards we had debated in the Senate and had added as a Senate amendment was completely wiped out.

Mr. President, I shall not be much longer. I just wish to continue to enumerate the setouts the conferees made in the conference. I have enumerated No. 11, the Siberian energy deal. No. 12 I read from the report:

> The Senate amendment contained a provision prohibiting the Bank from extending its programs to any foreign country in connection with the purchase or lease of any product which is necessary for the production, refining, and transportation of oil and/or gas and which has been determined by the National Advisory Council in consultation with the FEA and the Department of Commerce to be in short supply and with such exception as the President may determine necessary. The House bill contained no comparable provision. The Senate receded to the House.

Mr. President, this is the height of folly. We included a safeguard provision that the President have final oversight to determine what items are in oversupply and may be subject to this kind of deals, and they wiped out the restriction.

No. 13, the final one I wish to enumerate this morning:

> The Senate amendment contained a provision which would remove the exclusion of receipts and expenditures of the Bank from the Unified Budget totals. The House bill contained no comparable provision. The Senate receded to the House.

This was the amendment of the distinguished Senator from Wisconsin (Mr. PROXMIRE). It was a very key amendment. We had a vote on it, he won very handily, and that, too, was given away in conference.

In the 13 years I have been in the House of Representatives and the Senate, I cannot recall when I have ever seen a conference report come out that was so one sided. We simply wiped out the Senate bill in conference, and took the House bill. The House bill provided that the Bank may continue its free-wheeling and free-dealing policies, irrespective of an energy crisis, irrespective of the economic impact, irrespective of unemployment, irrespective of a recession, irrespective of anything.

Here we see a trend that is totally contrary to what Congress has done in the war powers bill, which restored its authority, power, and oversight. This is completely contrary to what Congress has done in the Budget Control Act of 1974, which restored the power of the purse to Congress. Here we see a trend in exactly the opposite direction.

In good conscience, Mr. President, I am going to have to vote this conference report down because, as the Senator from Wisconsin suggested, it is a completely new bill, a sellout to the House, and we have only had 63 minutes of debate on it, to begin with.

(The following proceedings occurred during the foregoing remarks by Mr. SCHWEIKER, and are printed at this point in the RECORD by unanimous consent.)

Mr. STEVENSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. SCHWEIKER. I yield.

Mr. STEVENSON. I ask unanimous consent that the time on this cloture motion, 1 hour commencing at 11 a.m., be equally divided between the proponents and the opponents of the motion, with the time of the proponents to be controlled by myself and the time of the opponents controlled by the Senator from Pennsylvania (Mr. SCHWEIKER).

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, reserving the right to object, I ask the Senator from Illinois if it is true that on this very complicated conference report, a cloture motion has been filed after only

63 minutes were allowed for debate prior to yesterday, yesterday there was 15 or 20 minutes, and this morning those opposing the conference report, including this Senator, have 1 hour—one-half hour if the unanimous-consent request is granted.

It seems to me, as one who has favored cloture consistently in the past and felt that unlimited debate has been misused, that this is going much too far, to try to invoke cloture after only a couple of hours of discussion, and that the opponents of this far-reaching and very complicated measure being allowed only such a limited time makes this great deliberative body something of a joke in this respect.

I do agree wholeheartedly that to carry on for months and months in trying to kill legislation is one thing, but a few hours of debate on something this complicated, it seems to me, is warranted. The unanimous consent requested by the Senator from Illinois would aggravate that. It would mean only 7 minutes would remain for those who oppose the legislation, and the rest of the time would be available to those who favor it.

Mr. STEVENSON. Mr. President, this matter has been at issue for many months. The authorization for the Export-Import Bank expired June 30. Four times, on continuing resolutions, this matter has been before the Senate, and on all those occasions the matter has been debated and Senators have had an opportunity to discuss it. It was fully debated at the time the Eximbank legislation was before the Senate, and now the time has come to vote on the conference report.

I, as the author of most of the restrictions in the legislation which the Senate passed, share the concerns which have been expressed by the Senator from Pennsylvania and the Senator from Wisconsin, and I agree with their views about the conference report, and would like to go back to conference to try to do better.

But the Bank's authorizing legislation expired Saturday. It is out of existence at the moment. Originally it expired on June 30. It has been living off continuing resolutions ever since then.

I am trying to get this issue resolved, after a lengthy debate has already taken place. The only point I want to make is that the Senate has had an opportunity to debate this issue and now ought to be afforded an opportunity to vote. For myself, I would like to send it back to conference, but that is not the issue before the Senate now. The issue before the Senate is whether or not the Senate will give itself a chance to vote.

Mr. PROXMIRE. Mr. President, there has been no attempt, to my knowledge, to delay this matter up to this time, and I do not think there is an attempt to filibuster. Furthermore, the conference report is a new piece of legislation. It is entirely different from the bill, as the Senator from Pennsylvania has made abundantly clear in going over item after item after item. We have come out with modifications, with entirely new matter that does deserve a thorough discussion, and it seems to me that to cut off those who oppose the cloture motion with only a half hour is unfortunately a mistake.

I shall not object to the unanimous-consent request, but I think Senators ought to be aware of it.

Mr. STEVENSON. Mr. President, many of the proponents of the motion, as well as the opponents, I think, would like an opportunity to say something. So I renew my unanimous-consent request.

The PRESIDING OFFICER (Mr. HATHAWAY). Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. How much time does each side have remaining?

The PRESIDING OFFICER. Under the unanimous-consent agreement, the time began at 11 o'clock. The Senator from Pennsylvania has now used 28 minutes and has only 2 minutes remaining. There are 30 minutes remaining to the proponents.

Mr. STEVENSON. Mr. President, the issue before the Senate is whether the Senate will now be permitted to vote on the conference report.

The subject of the Eximbank has been debated on numerous occasions on the Senate floor in the past year. On four different occasions resolutions have been adopted continuing the life of the Eximbank. On another occasion permanent legislation was passed by the Senate which extended the life of the Bank.

There is nothing very complicated in this issue any longer. The conference report is clear on its face. It resolved many of the differences between the Senate and the House in favor of the House position, and as author of many of the restrictions contained in the Senate version, I share many of the concerns about the conference report expressed by the Senator from Pennsylvania.

Those restrictions are not the issue. The issue is whether now, after a period of many months, the Senate will be permitted an opportunity to vote on the conference report.

If the conference report is rejected, then there will be, in the remaining days of this session of Congress, an opportunity to create a new conference and to recommend to both bodies a different and, I would hope, improved Eximbank bill.

It is for that reason, Mr. President, that the Senate is, in my judgment, entitled now to vote, and I support the cloture petition and urge my colleagues to do likewise. I do so reminding them that the authorizing legislation for the Eximbank expired on Saturday. The Eximbank has gone out of existence, for all practical purposes.

It is incumbent on the Senate to act to decide this issue one way or the other. The House has already acted. It is now up to the Senate to act, and if it continues debate on this subject it may be necessary to adopt another continuing resolution, the matter could go over into the next session of Congress, and all of the issues which have been considered at length in committee and on the floor of the Senate will go unresolved in this session of Congress.

It would be in the best interests of the Bank to get these issues resolved and to get them resolved now by voting one way or the other on the conference report.

For those reasons, Mr. President, I urge the Senate to support the cloture motion.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I agree with the Senator from Illinois that the cloture motion should be agreed to so that we can proceed to vote on the conference report.

Unlike the Senator from Illinois, I do support the conference report on the Export-Import Bank amendments.

The Senate and the House have both agreed on the need for the continuation of the Export-Import Bank. As an institution, it fosters the exporting of goods and services, thereby contributing to the expansion and maintenance of high levels of employment and real income, and to the increased development of the productive resources of the United States.

This conference report continues the basic policy which we have set forth for the Bank and, in addition, adds significantly increased opportunities for congressional oversight of the Bank's operations.

We will extend the life of the Bank for 4 years while holding its new commitment authority to a level which will require the Bank to come back to us in 1976 for additional commitment authority. In this way, we can continually watch Eximbank's progress in pursing the objectives which we in the Congress have set forth.

One very important objective that this conference report sets forth for the Bank is to aid, counsel, assist, and protect the interests of small business concerns. As stated in both the Small Business Act and the conference report, this objective is intended to insure the preservation of free competitive enterprise in the United States.

Generally, the amendment contained in the conference report provides the Bank with additional guidance with respect to Congress interest in insuring that small businesses be provided with adequate opportunities to participate in Eximbank programs. The amendment will require that the Bank's Board of Directors designate one of the Bank's officers to serve as a direct conduit for information to and from small business—a small business ombudsman of sorts. This officer will also serve as the Bank's representative in consultation with the Small Business Administration and other Federal agencies in matters affecting small business concerns.

During our hearings on this legislation, the International Finance Subcommittee received evidence that the Bank has worked steadily to improve the position of small businesses in their operations. In our report to the Senate on this legislation, the Banking Committee stated that—

> The Bank has made significant efforts to increase small business participation in its programs . . . . The Committee believes that greater involvement by small businesses in export sales is desirable.

That is the essence of the amendment to the Export-Import Bank Act, a recognition that progress has been made—that still more can be done in the effort to encourage America's small businessmen to take an interest in world trade and the expanded market opportunities that trade has to offer.

It will be useful to review a segment of the remarks of Mr. William Casey, the Chairman of Eximbank, in his preface to the Bank's 1974 Annual Report. Mr. Casey has outlined the several programs in use by the Bank which are tailored for primary use by small businesses.

Mr. President, I would like to quote a few passages and later I shall ask unanimous consent that the text of the entire segment of Mr. Casey's statement be printed in the RECORD at the conclusion of my remarks.

The passages to which I call attention read as follows:

> Through its guarantee and insurance programs, which account for well over half of all transactions supported by the Bank, we provide assistance to hundreds of smaller exporters and banks which need supplementary assurances of repayment in order to extend private export credit on reasonable terms and conditions.
>
> Through an active program of seminars and training, Eximbank has helped to increase the number of companies and banks participating in export trade.
>
> The Discount Loan Facility encourages smaller banks to finance exports [through assurances of liquidity].
>
> The Cooperative Financing Facility also has been especially useful to the smaller exporter. Under this program, Eximbank allocates lines of credit to cooperating institutions overseas for loans to buyers of U.S. goods and services. This provision for "on-the-spot" local financing is especially helpful to the smaller U.S. exporter who has only limited credit financing resources at his command.

While the Bank has always supported small businesses with these programs and others which readily lend themselves to use by the small businessman, the conference report goes even further by instructing the Bank to make a greater effort to support small business thereby spreading the Bank's effectiveness into more areas of our country, and small business talents and products into more areas of our world.

Now, Mr. President, of course I hasten to point out that this is not the sole reason the Senate should vote to close off debate and thereafter should vote to approve this conference report. There are many other provisions in the law which meet the continually changing objectives of Congress through Eximbank in world trade.

Other Senators have already addressed themselves to these points and, undoubtedly, other Senators will continue to address themselves to the other points in the conference report before the final vote is taken.

I think the Bank is a badly needed institution today. We must have it if we are to compete on an equal status with our major trading competitors.

As every Senator knows, America must be able to export its goods and services if we are to be in a position to pay for the import of raw materials and other goods and services that are in demand by American industry and by American consumers.

In several key sectors of world trade, competition is so keen that it is essential to have Eximbank as a viable and effective institution to assist U.S. producers in meeting that competition.

Mr. President, I believe this is good legislation, that it is needed legislation, and I strongly urge the adoption of the cloture motion and thereafter adoption of the conference report.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from "The Chairman's Statement," 1974 Annual Report of the Export-Import Bank, from which I have read several paragraphs.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM "THE CHAIRMAN'S STATEMENT" 1974 ANNUAL REPORT OF THE EXPORT-IMPORT BANK

> While the U.S. export pattern is heavily influenced by sales of high technology products, projects and services, there is room, and need, too, for small company participation, innovation and exports. Our export base badly needs to be broadened, to be reinforced with small business enthusiasm, variety and innovativeness. Although the United States is the world's largest exporter, only about five percent of our manufacturing firms sell abroad. This number has to be increased, and facilitating this increase is one of the major challenges facing Eximbank.
>
> Traditionally the Bank has placed high priority on programs to assist small exporters and to involve a larger number of small and medium-sized firms and banks in the export business. Through its guarantee and insurance programs, which account for well over half of all transactions supported by the Bank, we provide assistance to hundreds of smaller exporters and banks which need supplementary assurances of repayment in order to extend private export credit on reasonable terms and conditions. Most guarantee and insurance policies are issued to support export sales in the $5,000 to $100,000 range—generally sales of small and medium-sized firms; and almost half of all short-term insurance policies are issued to exporters whose total annual export business is under $100,000. Through an active program of seminars and training, Eximbank has helped to increase the number of companies and banks participating in export trade. For example, during the past three years, the number of banks participating in Eximbank's guarantee program has increased 50%, to a total of 233, and the number of exporters has risen by a similar percentage.
>
> Other programs directed at the smaller or new exporter and banker include the Small Business Policy where eligibility for insurance is limited to businesses whose average annual exports over the preceding three years have not exceeded $200,000, and the Discount Loan Facility. The assurance of liquidity provided by the discount program encourages smaller banks to finance exports, thus making such financing more available to small producers. Since 1969 the number of banks using the program—often in support of transactions under $100,000—has increased from 27 to more than 190.
>
> The Cooperative Financing Facility also has been especially useful to the smaller exporter. Under this program Eximbank allocates lines of credit to cooperating institutions overseas for loans to buyers of U.S. goods and services. This provision for "on-the-spot" local financing is especially helpful to the smaller U.S. exporter who has only limited credit financing resources at his command. The Cooperative Financing Facility is becoming ever more active and now includes 350 foreign banks in 56 countries. Most transactions supported under this program are in the $10,000 to $200,000 range.
>
> Working with the worldwide network of close to 600 banks which utilize its programs to support the export efforts of smaller firms will continue to remain high on Eximbank's agenda.

Mr. TOWER. Mr. President, will the Senator yield me 3 minutes?

Mr. HATHAWAY. I am happy to yield 3 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I wish to associate myself with the remarks made by my distinguished colleague from Maine.

I am not one who has a history of voting for cloture very often in this body. As a matter of fact, as a member of the Southern caucus that used to be so ably presided over by the late great Senator Richard Russell of Georgia, I had learned that cloture was a dirty word.

However, perhaps I have gotten a bit pragmatic in my old age and decided from time to time that we do need to act with some dispatch.

I am aware that William White said in his book "Citadel," that the function of the Senate is to protect the minority from the precipitant and emotional tyranny of the majority.

I think essentially that is a Senate function, but I think in a matter of this kind when we have postponed action for so long with some four extensions of the life of Eximbank that perhaps all of the arguments that can be raised have been raised, the matter has been fully and thoroughly debated, and I think Senators are pretty well clear in their minds how they choose to vote.

I think in the interest of any orderly conduct of legislative business we should adopt the cloture motion today and proceed to vote this measure up or down on its merits.

I do believe that in a day when we are facing up to an $80 billion petro overhang, we better have Exim functioning, and functioning in such a way as to help us through our sales abroad to absorb some of that petro dollar overhang.

I think time now is of the essence and that we should proceed to invoke cloture and then proceed to debate, agree on the merits of the matter, and there will be time still remaining for that, and then vote it up or down.

Mr. AIKEN. Mr. President, will the Senator yield 1 or 2 minutes?

Mr. HATHAWAY. I am happy to yield to the Senator.

Mr. AIKEN. Mr. President, ordinarily, I would not vote for cloture because I, as a rule, feel that a measure should be debated substantially on the Senate floor before cloture is voted.

However, for two reasons, I will vote for cloture at this time. First, we are given to understand there has been only 60 minutes debate on this subject. There has been debate all the year on this subject, to the best of my recollection; and, second, a vote against cloture is presumably a vote to kill the bill.

Now, what does this bill mean to this country, what does it mean to my State?

It is estimated that exports from Vermont alone will amount to probably about $205 million this year. Those exports will be machines, machine tools, manufactured equipment and particularly affected will be the livestock industry of the United States, because we are exporting to these countries millions of dollars worth of livestock now which are kept off our own markets by exports to these countries which are trying to find some way to feed their own people adequately.

So for that reason, because my own State would be very adversely affected, because to kill this bill now could be a major contribution to a depression such as we never dreamed of before, and because I think that it has been debated for a long, long time, I will vote for cloture.

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

Mr. HATHAWAY. Mr President, I would like to make a few more points in regard to the conference report itself

WHAT DID THE CONFERENCE COMMITTEE DO?

In all, there were 30 items in dispute between the Senate and House during the conference on the Export-Import Bank Amendments of 1974. On 13 of those, the Senate receded to the House. On 12, the House receded. The remaining five items were subject to compromise agreements by the conferees. The rest of my remarks will outline the actions of the conference on some of the major points subject to resolution, but before I proceed to that outline, let me say that despite the suggestions of some that the Senate sold out to the House, it seemed to me that the conference agreement was a fairly good exchange and about an equal exchange.

PRENOTIFICATION

The Senate bill contained a provision which would require Eximbank to notify Congress 30 days prior to taking final action on a transaction anywhere in the world involving loans and guarantees of $60 million or more. The House bill contained a provision requiring 30-day prenotification on transactions involving loans of $50 or more but was limited to communist countries. The conference accepted the House "threshold" and the Senate "applicability" with the result that Eximbank will be required to report 30 days in advance of final action on any transaction involving a loan of $50 million or more, worldwide.

COMMUNIST COUNTRY TRADE

The Senate bill contained a provision requiring the President to determine that it is in the national interest to extend Eximbank facilities to a communist country and report that determination to Congress within 30 days or before the first transaction with that country is approved by the Bank, whichever comes first. The House bill contained a similar requirement but called for reporting the determination to Congress within 30 days after the Bank approves the first transaction with the country. The House receded to the Senate.

The Senate bill contained a requirement that the President determine that it is in the national interest for Eximbank to approve a specific transaction with a Communist country involving a loan and guarantee of $40 million or more. Again, the President would be required to report his determination to Congress within 30 days or before the Bank took final action on the transaction, whichever comes first. The House bill had no provision. The conference agreed to accept the Senate requirement with an amendment setting the threshold at transactions involving a loan of $50 million or more—the same threshold agreed upon for the prenotification requirement outlined above.

The Senate bill contained an amendment setting a ceiling of $300 million on new loans and guarantees with the U.S.S.R. The House bill had no provision. The conferees agreed to a compromise which would allow the President to increase the ceiling if he determines that such would be in the national interest. The compromise also requires the President to immediately report to Congress any action he takes to increase the ceiling along with a statement of his reasons for doing so.

Both versions contained language prohibiting Eximbank from financing trade with the U.S.S.R. until the trade bill is enacted into law. The conferees accepted the House language extending the prohibition to include any Federal program which "extends credit or credit guarantees or investment guarantees, directly or indirectly." Also, the conferees approved report language declaring the prohibition is intended to apply until such time as either H.R. 10710, the Trade Reform Act of 1973, or comparable legislation in the 94th Congress is enacted.

The Senate bill contained an amendment that would have required Congress to pass a concurrent resolution prior to Eximbank authorizing any financial aids for exports of energy-related goods and services to a Communist country. During the debate in the House on August 21, an amendment related to congressional approval of transactions with Communist countries was rejected by a vote of 215 to 178. The House bill had no provision. The Senate receded to the House.

INTEREST RATES

The House bill contained a provision directing Eximbank to peg their interest rate at the average cost of money to the Bank. The Senate bill had no provision. The Senate agreed to the House provision.

The Senate bill contained a provision prohibiting Treasury from lending to Eximbank at rates of interest below that being paid by Treasury. The House bill had no provision. The House receded to the Senate.

UNIFIED BUDGET

The Senate bill contained a requirement which would have returned Eximbank's receipts and expenditures to the unified budget. The House considered and rejected such a provision by a vote of 202 to 191. The House bill had no provision. The Senate receded to the House.

Of course, there were many other issues that were resolved by the conference committee. On some, the Senate receded: on others, the House did. On balance, though, it should be seen that the conference was in no way lopsided as has been charged by opponents of the conference report. In fact, the Senate's views and position were clearly and fairly represented and fought for by the Senate conferees.

Mr. CHURCH. Mr. President, I hope that my colleagues will join me in sending the Export-Import Bank bill back to conference. I believe that the final legislation must include provisions which provide for congressional approval prior to Export-Import Bank loan to the Soviet Union and guarantees to U.S. banks for the purpose of financing the development of Siberian natural gas. In recent weeks, conversations with both administration officials and gas company executives indicate that if the Export-Import Bank conference bill is approved in its present form the administration is likely to commit the U.S. Export-Import Bank to one or both of the multibillion dollar Siberian gas projects currently under negotiation.

Their two projects—the Yakutsk project and the North Star project involve total estimated costs of $13 million, The Export-Import Bank is expected to issue loans and guarantees in a total amount of $5 billion for both projects. The Japanese who are partners in the Yakutsk project would contribute approximately $2 billion toward the financing of the Yakutsk project. Both projects are spearheaded by U.S. corporations, in the case of the Yakutsk project, El Paso Natural Gas Co., and in the case of the North Star project, the Tenneco Corp.

I can understand the interest of these two corporations in these projects. They risk very little and stand to gain a great deal.

However, I cannot understand why the U.S. Government would be interested in financing these programs. They would commit at least $5 billion of Government funds and loans and guarantees over a 15-year period with only the promise of gas at approximately four times the present domestic price.

The only conceivable reason that these projects might be pushed by the U.S.

Government is that some people in the administration believe that they are a useful bargaining chip in our negotiations with the Soviet Union. Because of this foreign policy component of the projects, the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee, of which I am chairman, conducted extensive hearings on the gas projects over the summer. The hearings convinced us that it would be foolish for the Government to participate in these projects and that the Export-Import Bank should make no loans for the Yakutsk or North Star project without specific congressional approval. There are a number of reasons for this conclusion.

First, Export-Import Bank loans and guarantees for the Siberian LNG projects would mean that the U.S. taxpayer, not the Soviet Union and not the private U.S. corporations who are pushing the projects so hard, would bear the financial risks of these projects. If the projects are unsuccessful, it is the Government that would reimburse the private U.S. banks for Eximbank guaranteed money for the projects and it is the Government which would suffer the direct Export-Import Bank loan losses. If for some reason payment cannot be made for the LNG ships, it is the Government which would pay the shipbuilding companies under the terms of the Maritime Administration guarantees. Even the structure of the debt is disadvantageous, requiring repayment for that portion of the credit which has been extended by U.S. banks before any repayment to the Export-Import Bank. Only after 7–8 years would money of the direct loan portion of the debt extended by the Export-Import Bank begin to be repaid.

Second, the Siberian projects would absorb large amounts of U.S. steel and drilling equipment, raising the cost of these items here at home and slowing down attempts to find new oil and gas in North America. Documents submitted to the Export-Import Bank by U.S. companies interested in LNG projects were made available to the Subcommittee on Multinational Corporations. These documents demonstrate that much of the equipment needed for the Yakutsk project is available only in the United States and if used for a Siberian natural gas project would directly cut into our already scarce oil and gas development and exploration supplies.

There is already a 2-year waiting period for many of these supplies. The Oil and Gas Journal recently reported:

> Manufacturers warn that a scarcity of critical items such as masts and foundry castings could delay plans for production expansion. Demand for new rigs is spread fairly evenly across the entire range of models from small mobile land rigs and service units to offshore platform and mobile rigs. Estimates vary for future demand. But producers, drilling contractors, and rig manufacturers are in close agreement—if exploration and development incentives remain high, worldwide rig supply will lag behind for at least the next 2–3 years.

Clearly we should not be funding the export of gas drilling and transport equipment until we have satisfied our own demand.

Another problem with going forward with the Siberian LNG projects is that these projects are based on the present high price of crude oil. If oil prices go down then we will be stuck with the 25-year contract for extremely high price gas and the American gas consumers on the east and west coasts will be paying for uneconomic Siberian gas for the remainder of the century. For the United States to endorse contracts that would lock the east and west coasts into buying gas for the next 25 years is directly contrary to our standard policy of bringing about a severe reduction in the price of oil in the near future.

Fourth, the projects are suspect on foreign policy grounds. They would allow the Soviet Union to hold captive over $5 billion of U.S. loans and guarantees while making the east and west coast of the United States approximately 15 percent dependent on Soviet gas. Such dependence would give the Soviet Union a strong, strategic economic weapon. In our hearings Soviet experts testified that these projects might well create friction between the United States and the Soviet Union because of the very large debt burden that they would place on the U.S.S.R.

Finally, let me respond to some of the supporters of the conference bill. They argue that raising the Export-Import Bank loan authority from $20 to $25 billion is an insufficient increase to allow the LNG projects to go forward. Such an argument is not based on the facts. Either project by itself can be easily financed within the $25 billion ceiling and both projects can be financed if Eximbank cuts back slightly on loans to other countries. Besides, if Eximbank really has no intention of financing a Siberian gas development project it will not object to having the bill sent back to conference to place a restriction on Eximbank's authority to make LNG loans without congressional approval.

In summary, the Siberian LNG projects are of a unique nature. The foreign policy and economic implications are far greater than any other proposed Export-Import Bank project. The Congress has a responsibility to carefully consider the Siberian gas projects before any public moneys are used to fund them. It is, therefore, appropriate to reject the Export-Import Bank conference report and send it back to conference with instructions that no loans can be made to the Soviet Union for gas projects without the prior specific consent of Congress.

I wish to insert in the RECORD further information on the financial implications of the Yakutsk and North Star liquefied natural gas projects. These charts vividly set forth the reasons Congress must insist on being consulted before Export-Import Bank funds can be used to develop Siberian natural gas.

I also wish to insert a report of the agreement signed by the U.S. companies, the Japanese and the Soviet Union on November 25, agreeing to go forward with the Yakutsk LNG project if Congress approves the Export-Import Bank bill in its present form and if the Export-Import Bank agrees to provide funding.

I ask unanimous consent that these documents be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

YAKUTSK LIQUEFIED NATURAL GAS PROJECT

I.—U.S. Companies: El Paso Natural Gas (lead company), Occidental Petroleum Corp., and Bechtel, Inc. (Engineers and chief contractors).

II.—Japanese Consortium would participate with share equal to that of U.S.

III.—Volume and destination of gas:

1 billion cubic feet of natural gas per day to West Coast U.S. parts=about 15% of West Coast market area supply of gas.

1 billion cubic feet of natural gas per day to Japan. This flow would continue for at least 25 years.

IV.—Total project cost is $5 billion.

V.—Foreign procurement totals $3.8 billion (all in 1973 dollars).

Two phases (1) Exploration phase would reassure volume of gas in Yakutsk field at a total cost of $110 million to the U.S. An equal amount would be paid by Japan through export credits. (2) To complete the project purchases from the U.S. would be approximately $2.2 billion more in purchases for all construction by the U.S. companies. An additional $1.5 billion would be spent for goods and services from Japan.

[In 1973 dollars]

Procurement of foreign goods and services for U.S.S.R. facilities:

Exploration and confirmation	$220,000,000
Field development	135,000,000
Pipeline and compression	1,175,000,000
Liquefaction	359,000,000
Port and shipping terminal (50% Japanese and 50% United States)	35,000,000
Total	1,924,000,000
U.S. LNG Fleet	1,200,000,000
Japanese LNG Fleet	400,000,000
U.S. receiving and regasification facilities	150,000,000
Japanese receiving and regasification facilities	150,000,000
Total	3,824,000,000

In addition, the Soviet Union would spend approximately $1.2 billion on internal costs.

NORTH STAR LIQUEFIED NATURAL GAS PROJECT

I.—U.S. Companies: Tenneco, Texas Eastern Transmission Co., and Brown & Root, Inc. (Engineers).

II.—Volume and destination of gas: 2.1 billion cubic feet per day to the Philadelphia area of the U.S. for 25 years. This equals 10% of 1980 gas requirements for market area of New England, New York, New Jersey, Pennsylvania.

III.—Estimated total cost of the project is $8.2 billion.

IV.—Foreign Procurement total $6.7 billion.

(A) Purchases by Russians:

	U.S. financing	U.S.S.R. equity	Total project
Plant	$1.2	$0.3	$1.5
Pipeline	1.8	.4	2.2
Total	3.0	.7	3.7

(B) Purchases by U.S. companies: 20 ships at $131 million/ship, $2.6 billion; regasification and port facilities, $0.4 billion.

Total, $6.7 billion.

The Soviet Union is expected to spend about (in ruble equivalent) $1.5 billion on internal costs for construction, manpower, transportation, etc.

V.—U.S. Government Participation:

(A) Export-Import Bank, probably request for $1.0 to $1.7 billion Export Import Bank loan and $1.0 to $1.7 billion Ex-Im guarantee of private U.S. bank loans;

(B) FPC, Approval for Gas import prices; and

(C) Maritime Administration, Title XI insurance for LNG tanker construction.

Source: Texas Eastern Transmission Company.

VI.—U.S. Government Participation:

(A) Export-Import Bank—1. Preliminary request for $49.5 million loans and $49.5 million guarantee for exploration and confirmation stage. 2. Will be requested for 45% loaned and 45% guarantee of future procurement of United States goods and services for U.S.S.R. facilities. This will total about $400 million loan and $400 million guarantee;

(B) FPC, Approval for gas import prices.

(C) Maritime Administration, Subsidizes LNG Tanker construction.

Source: El Paso Natural Gas Corporation.

[From Platt's Oilgram News Service, Nov. 26, 1974]

CONDITIONAL $400 MILLION YAKUTSK PACT CONCLUDED

PARIS, November 25.—The USSR, Japan and the U.S. conditionally concluded here last weekend a two-year agreement to develop the Yakutsk area of eastern Siberia at an estimated $400-million (see 11/11 and 11/15 ONS).

But there will be "no deal," unless the Congress approves U.S. Export-Import Bank credits to the Soviet Union, U.S. officials said here today. Japan's Exim Bank will lend the USSR $100-million only if its U.S. counterpart extends the same credit, according to a communique issued after the concluding meeting Nov. 22.

The Japanese reportedly only initialed the agreement, pending the formation of a new company, while Occidental Petroleum, El Paso Natural Gas and the Soviet Foreign Trade Ministry formally signed.

Soviet trading agencies plan to handle purchases of U.S. and Japanese equipment and technology themselves, although the agreement commits signatories to provide technical assistance and advice in executing eventual contracts, other sources said.

These contracts are expected to total $200-million equally split between U.S. and Japanese suppliers.

Scheduling of future meetings of the three participants depends on U.S. Congressional action, sources added.

The PRESIDING OFFICER. Ten minutes remain for the proponents.

Mr. STEVENSON. Mr. President, this matter has been fully discussed by the Senate. It has been discussed in connection with no less than four continuing resolutions for the Eximbank, and also at the time the permanent legislation for the Eximbank was passed.

The time has come now to act one way or the other on the conference report. That is the only issue which remains before the Senate. The question is whether the debate will continue, perhaps making it necessary to carry this legislation over into the next session of Congress, or whether, by invoking cloture, the Senate will give itself an opportunity to act on the conference report to resolve issues finally which have been debated and debated at great length in the Senate.

I urge my colleagues to give themselves the opportunity to vote up or down on the conference report by voting to invoke cloture.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate having expired, pursuant to rule XXII the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, Export-Import Bank Act Amendment:

Bob Packwood, Robert Griffin, John Tower, Hugh Scott, Mike Mansfield, Jacob K. Javits, Adlai Stevenson, Lee Metcalf, John O. Pastore, Charles Percy, Daniel K. Inouye, Harold E. Hughes, Lowell Weicker, Edmund S. Muskie, Joseph M. Montoya, Howard H. Baker, Jr., Robert Taft, Bill Brock, Edward W. Brooke.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 511 Leg.]

Aiken
Allen
Baker
Bentsen
Biden
Byrd, Harry F., Jr.
Byrd, Robert C.
Church
Cook
Goldwater
Gravel
Gurney
Hart
Hartke
Hathaway
Helms
Mansfield
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stevenson
Tower
Weicker

The PRESIDING OFFICER (Mr. BIDEN). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Bayh
Beall
Bennett
Bible
Brock
Brooke
Buckley
Burdick
Cannon
Case
Chiles
Clark
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Griffin
Hansen
Haskell
Hatfield
Hollings
Hruska
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Stafford
Stennis
Stevens
Symington
Taft
Tunney
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from Utah (Mr. Moss) and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Hampshire (Mr. COTTON), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER (Mr. NUNN). The question is: Is it the sense of the Senate that debate on the conference report on the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. MAGNUSON), the Senator from Utah (Mr. Moss), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Hampshire (Mr. COTTON), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The yeas and nays resulted—yeas 51, nays 39, as follows:

[No. 512 Leg.]

YEAS—51

Abourezk
Aiken
Baker
Beall
Bennett
Biden
Brock
Brooke
Byrd, Robert C.
Clark
Cook
Cranston
Curtis
Dole
Fong
Griffin
Hart
Hartke
Hatfield
Hathaway
Huddleston
Hughes
Inouye
Javits
Kennedy
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Roth
Scott, Hugh
Stafford
Stevens
Stevenson
Taft
Tower
Tunney
Weicker
Williams

NAYS—39

Allen
Bartlett
Bayh
Bentsen
Bible
Buckley
Burdick
Byrd, Harry F., Jr.
Cannon
Case
Chiles
Church
Domenici
Dominick
Eagleton
Fannin
Goldwater
Gravel
Gurney
Hansen
Haskell
Helms
Hollings
Hruska
Jackson
Johnston
Long
McClellan
McClure
Nelson
Nunn
Proxmire
Ribicoff
Schweiker
Scott, William L.
Sparkman
Stennis
Symington
Young

NOT VOTING—10

Bellmon
Cotton
Eastland
Ervin
Fulbright
Humphrey
Magnuson
Moss
Talmadge
Thurmond

The PRESIDING OFFICER. On this vote there are 51 yeas and 39 nays. Two-thirds of the Senators present and voting not having voted in the affirmative, the cloture motion is not agreed to.

Mr. MANSFIELD. Mr. President, will the Senator——

Mr. ALLEN. Mr. President, I call for the yeas and the nays on the conference report if and when it comes up.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and the nays were ordered.

FOREIGN ASSISTANCE ACT OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 3394, which the clerk will state by title.

The legislative clerk read as follows:

Calendar No. 1232, S. 3394, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert in lieu thereof:

That this Act may be cited as the "Foreign Assistance Act of 1974".

FOOD AND NUTRITION

Sec. 2. Section 103 of the Foreign Assistance Act of 1961 as amended—

(1) by inserting the subsection designation "(a)" immediately before "In";

(2) by striking out "$291,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$291,000,000 for the fiscal year 1974, and $530,000,000 for the fiscal year 1975"; and

(3) by adding at the end thereof the following:

"(b) The Congress finds that, due to rising world food, fertilizer, and petroleum costs, human suffering and deprivation are growing in the poorest and most slowly developing countries. The greatest potential for significantly expanding world food production at relatively low cost lies in increasing the productivity of small farmers who constitute a majority of the nearly one billion people living in those countries. Increasing the emphasis on rural development and expanded food production in the poorest nations of the developing world is a matter of social justice as well as an important factor in slowing the rate of inflation in the industrialized countries. In the allocation of funds under this section, special attention should be given to increasing agricultural production in the countries with per capita incomes under $300 a year and which are the most severely affected by sharp increases in worldwide commodity prices.

"(c) Of the total amount obligated under this Act during any fiscal year after fiscal year 1975 to procure fertilizers for, and to provide such fertilizers to, foreign countries, not more than one-third of such amount may be obligated with respect to South Vietnam."

POPULATION PLANNING

Sec. 3. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 104, strike out "$145,000,000 for each of the fiscal years 1974 and 1975" and insert in lieu thereof "$145,000,000 for the fiscal year 1974, and $165,000,000 for the fiscal year 1975".

(2) In section 292, strike out "$130,000,000" and insert in lieu thereof "$150,000,000".

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Sec. 4. Section 105 of the Foreign Assistance Act of 1961 is amended by striking out "$90,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$90,000,000 for the fiscal year 1974, and $92,000,000 for the fiscal year 1975".

HOUSING GUARANTIES

Sec. 5. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, strike out "$305,000,000" and insert in lieu thereof "$405,000,000".

(2) In section 223(i), strike out "June 30, 1975" and insert in lieu thereof "June 30, 1976".

AGRICULTURE CREDIT PROGRAMS

Sec. 6. (a) Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended—

(1) by striking out the title heading and inserting in lieu thereof the following:

"TITLE III—HOUSING AND OTHER CREDIT GUARANTY PROGRAMS";

(2) by inserting immediately after section 222 the following new section:

"Sec. 222A. Agricultural and Productive Credit and Self-Help Community Development Programs.—(a) It is the sense of the Congress that in order to stimulate the participation of the private sector in the economic development of less-developed countries in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

"(b) To carry out the purposes of subsection (a), the agency primarily responsible for administering part I is authorized to issue guaranties, on such terms and conditions as it shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 50 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

"(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed $15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

"(d) The Inter-American Foundation shall be consulted in developing criteria for making loans eligible for guaranty coverage in Latin America under this section.

"(e) Not to exceed $3,000,000 of the guaranty reserve established under section 223 (b) shall be available to make such payments as may be necessary to discharge liabilities under guaranties issued under this section or any guaranties previously issued under section 240 of this Act.

"(f) Funds held by the Overseas Private Investment Corporation pursuant to section 236 may be available for meeting necessary administrative and operating expenses for carrying out the provisions of this section through June 30, 1976.

"(g) The Overseas Private Investment Corporation shall, upon enactment of this subsection, transfer to the agency primarily responsible for administering part I all obligations, assets, and related rights and responsibilities arising out of, or related to the predecessor program provided for in section 240 of this Act.

"(h) The authority of this section shall continue until December 31, 1977.

"(i) Notwithstanding the limitation in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities under this subsection. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

"(j) The President shall, on or before January 15, 1976, make a detailed report to the Congress on the results of the program established under this section, together with such recommendations as he may deem appropriate.";

(3) by striking out "section 221 or section 222" in section 223(a) and inserting "section 221, 222, or 222A" in lieu thereof;

(4) by striking out "this title" in section 223(b) and inserting "section 221 and section 222" in lieu thereof; and

(5) by striking out "section 221 or section 222" in section 223(d) and inserting "section 221, 222, 222A, or previously under section 240 of this Act" in lieu thereof.

(b) Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by striking out section 240.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 7. Section 302(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1975, $150,000,000" and inserting in lieu thereof "for the fiscal year 1975, $186,900,000".

MILITARY ASSISTANCE AUTHORIZATIONS

Sec. 8. Section 504(a) of the Foreign Assistance Act of 1961 is amended by striking out "$512,500,000 for the fiscal year 1974" and inserting in lieu thereof "$550,000,000 for the fiscal year 1975".

SPECIAL AUTHORITY

Sec. 9. Section 506 of the Foreign Assistance Act of 1961 is repealed.

MILITARY ASSISTANCE AUTHORIZATIONS FOR SOUTH VIETNAM

Sec. 10. Section 513 of the Foreign Assistance Act of 1961 is amended as follows:

(1) Strike out "Thailand and Laos" in the caption and insert in lieu thereof "Thailand, Laos, and South Vietnam".

(2) At the end thereof add the following new subsection:

"(c) After June 30, 1975, no military assistance shall be furnished by the United States to South Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act."

EXCESS DEFENSE ARTICLES

Sec. 11. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 514. LIMITATION ON THE GRANT OF EXCESS DEFENSE ARTICLES.—(a) The aggregate original acquisition cost of excess defense articles ordered during the fiscal year 1975 under this chapter for foreign countries and international organizations shall not exceed $150,000,000.

"(b) The value of any excess defense article furnished under this chapter to a foreign country or international organization by any agency of the United States Government shall be considered to be an expenditure made from funds appropriated under section 504 of this Act. Unless such agency certifies to the Comptroller General of the United States that the excess defense article it is ordering is not to be transferred by any means to a foreign country or international organization, when an order is placed for a defense article whose stock status is excess at the time ordered, a sum equal to the value thereof (less amounts to be transferred under section 632(d) of this Act) shall (1) be reserved and transferred to a suspense account, (2) remain in the suspense account until the excess defense article is either delivered to a foreign country or international organization or the order therefor is canceled, and (3) be transferred from the suspense account to (A) the general fund of the Treasury upon delivery of such article, or (B) the appropriation made under section 504 of this Act for the current fiscal year upon cancellation of the order. Such sum shall be transferred to the appropriation made under section 504 of this Act for the current fiscal year, upon delivery of such article, if at the time of delivery the stock status of the article is determined in accordance with section 644 (g) or (m) of this Act to be nonexcess.

"(c) The President shall promptly and fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons system was not included in the presentation material previously submitted to the Congress. Additionally, the President shall also submit a quarterly report to the Congress listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery."

(b) Sections 8 and 11 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (84 Stat. 2053), as amended, are repealed.

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 12. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by section 11 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 515. STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.—(a) Notwithstanding any other provision of law, no funds, other than funds made available under this chapter or section 401(a) of Public Law 89-367 (80 Stat. 37), or any subsequent corresponding legislation, may be obligated for the purpose of stockpiling any defense article or war reserve material, including the acquisition, storage, or maintenance of any war reserve equipment, secondary items, or munitions, if such article or material is set aside, reserved, or in any way earmarked or intended for future use by any foreign country under this Act or such section.

"(b) The cost of any such article or material set aside, reserved, or in any way earmarked or intended by the Department of Defense for future use by, for, or on behalf of the country referred to in section 401 (a)(1) of Public Law 89-367 (80 Stat. 37) shall be charged against the limitation specified in such section or any subsequent corresponding legislation, for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked or intended; and the cost of any such article or material set aside, reserved, or in any way earmarked or intended for future use by, for, or on behalf of any other foreign country shall be charged against funds authorized under this chapter for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked. No such article or material may be made available to or for use by any foreign country unless such article or material has been charged against the limitation specified in such section, or any subsequent corresponding legislation, or against funds authorized under this chapter, as appropriate."

MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS

SEC. 13. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 11(a) and 12 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 516. MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS.—Effective July 1, 1975, an amount equal to each sum expended under any provision of law, other than section 504 of this Act, with respect to any military assistance advisory group, military mission, or other organization of the United States performing activities similar to such group or mission, shall be deducted from the funds made available under such section 504, and (1) if reimbursement of such amount is requested by the agency of the United States Government making the expenditure, reimbursed to that agency, or (2) if no such reimbursement is requested, deposited in the Treasury as miscellaneous receipts."

TERMINATION OF AUTHORITY

SEC. 14. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 11, 12, and 13 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 517. TERMINATION OF AUTHORITY.—(a)(1) The President shall gradually reduce assistance (other than military training) provided under this chapter so that, not later than September 30, 1977, no assistance (other than military training) shall be provided under this chapter.

"(2) Paragraph (1) of this subsection shall not apply to funds obligated prior to October 1, 1977.

"(b) For each of the fiscal years 1975, 1976, and 1977, the President is authorized to finance procurements of defense articles and defense services (other than military training) by any foreign country receiving defense articles or defense services during fiscal year 1974 under this chapter on terms providing for payments to the United States Government in United States dollars (1) of the value of such articles and services which value shall not exceed during each such fiscal year the value of such articles and services (other than military training) furnished that country in fiscal year 1974 under this chapter, (2) at a rate of interest of not less than four per centum a year, and (3) within ten years after delivery of the defense articles or rendering of the defense services.

"(c)(1) By not later than September 30, 1977, all the functions of a military assistance advisory group, a military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be transferred to the Chief of the United States Diplomatic Mission to that country. Upon the transfer of such functions, that group, mission, or organization, as the case may be, shall cease to exist.

"(2) On and after October 1, 1977, the total number of military attachés assigned or detailed to the United States Diplomatic Mission of a foreign country shall not exceed by more than twenty-five per centum the total number of military attachés authorized to be assigned or detailed to that mission on June 30, 1974.

"(3) On and after October 1, 1977, no military assistance advisory group, military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be established or continued unless such group, mission, or organization is authorized by law specifically for that country."

(b) Effective October 1, 1977—

(1) the heading of chapter 1 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"CHAPTER 1—PROVIDING MILITARY TRAINING";

(2) sections 501, 502A, 514, and 516, and subsection (g) of section 644 of the Foreign Assistance Act of 1961 are repealed;

(3) section 502 of the Foreign Assistance Act of 1961 is amended by striking out the caption "Utilization of Defense Articles and Services" and inserting in lieu thereof "Providing Military Training", by striking out of the text "Defense articles and defense services" and inserting in lieu thereof "Military training", and by striking out the last sentence;

(4) the heading of chapter 2 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"CHAPTER 2—MILITARY TRAINING";

(5) chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by striking out sections 503 through 505 and inserting in lieu thereof the following:

"SEC. 503. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine, military training to any foreign country or international organization. Funds for such training shall be appropriated for each fiscal year pursuant to authorization for that fiscal year. After September 30, 1977, no such training shall be conducted outside the United States except by specific authorization of law.";

(6) section 511 of the Foreign Assistance Act of 1961 is amended by striking out of the section caption "Assistance" and inserting in lieu thereof "Training", and by striking out of the text "military assistance" and "such assistance" and inserting in lieu thereof "military training" and "such training", respectively;

(7) section 636(g)(1) of the Foreign Assistance Act of 1961 is amended by striking out "defense articles and defense services on a grant or sale basis" and inserting in lieu thereof "military training"; and

(8) section 644(m) of the Foreign Assistance Act of 1961 is amended by striking out subparagraph (1) and by striking out of subparagraphs (2) and (3) "nonexcess" wherever it appears.

TERMINATION OF MILITARY ASSISTANCE TO SOUTH KOREA

SEC. 15. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 11(a), 12, 13, and 14(a) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 518. TERMINATION OF MILITARY ASSISTANCE TO SOUTH KOREA.—(a) The total of (1) the amount of funds obligated under this chapter to furnish assistance to South Korea, and (2) the value of excess defense articles furnished to South Korea under this chapter, shall not exceed—

"(B) $61,000,000 during the fiscal year 1976; and

"(A) $91,500,000 during the fiscal year 1975;

"(C) $30,500,000 during the fiscal year 1977.

"(b) The aggregate total of credits extended, including participations in credits, and the principal amount of loans guaranteed, under the Foreign Military Sales Act with respect to South Korea shall not exceed—

"(1) $42,500,000 during the fiscal year 1975;

"(2) $28,300,000 during the fiscal year 1976; and

"(3) $14,150,000 during the fiscal year 1977.

"(c) On and after October 1, 1977, no assistance shall be furnished South Korea under this chapter, and no credits, including participations in credits, shall be extended, and no loans shall be guaranteed, under the Foreign Military Sales Act with respect to South Korea. The preceding sentence shall not apply with respect to funds obligated prior to such date."

SECURITY SUPPORTING ASSISTANCE

SEC. 16. Section 532 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1974 not to exceed $125,000,000, of which not less than $50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1975 not to exceed $675,000,000".

TRANSFER BETWEEN ACCOUNTS

SEC. 17. (a) Section 610 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), immediately after "any other provision of this Act", insert "(except funds made available under chapter 2 of part II of this Act)".

(2) Add at the end thereof the following new subsection:

"(c) Any funds which the President has notified Congress pursuant to section 653 that he intends to provide in military assistance to any country may be transferred to, and consolidated with, any other funds he has notified Congress pursuant to such section that he intends to provide to that country for development assistance purposes."

(b) Section 614 of such Act is amended by adding at the end of subsection (a) the following: "The authority of this section shall not be used to waive the limitations on transfers contained in section 610(a) of this Act.".

ASSISTANCE TO GREECE

SEC. 18. Section 620(v) of the Foreign Assistance Act of 1961 is repealed.

LIMITATION UPON ASSISTANCE TO OR FOR CHILE

SEC. 19. Notwithstanding any other provision of law, the total amount of assistance that may be made available for Chile under this or any other law during fiscal year 1975 may not exceed $55,000,000, none of which may be made available for the purpose of providing military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense).

RECONSTRUCTION, RELIEF, AND REHABILITATION

SEC. 20. (a) Section 203 of the Foreign Assistance Act of 1961 is amended by inserting immediately after "of this part." the following: "The balance of such receipts for fiscal year 1973 is authorized to be made available solely for the purposes of sections 639B, 639C, and 639D of this Act."

(b) Section 639B of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following: "Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance on such terms and conditions as he may determine, for reconstruction and economic development programs in the drought-stricken nations of Africa."

(c) The Foreign Assistance Act of 1961 is amended by adding after section 639B a new section 639C as follows:

"SEC. 639C. RELIEF AND REHABILITATION IN BANGLADESH AND CYPRUS.—(a) The Congress finds that the recent flooding in the people's Republic of Bangladesh, and the civil and international strife in the Republic of Cyprus, have caused great suffering and hardship for the peoples of the two Republics which cannot be alleviated with their internal resources. The President shall make every effort to develop and implement programs of relief and rehabilitation, in conjunction with other nations providing assistance, the United Nations, and other concerned international and regional organizations and voluntary agencies, to alleviate the hardships caused in these two nations.

"(b) Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance on such terms and conditions as he may determine, for disaster relief, rehabilitation, and related programs in the People's Republic of Bangladesh and the Republic of Cyprus."

(d) The Foreign Assistance Act of 1961 is amended by adding after section 639C, as added by subsection (c) of this section, the following new section:

"SEC. 639D. DISASTER RELIEF AND REHABILITATION.—Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance, on such terms and conditions as he may determine for disaster relief, rehabilitation, and related programs in the case of disasters that require large-scale relief and rehabilitation efforts which cannot be met adequately with the funds available for obligation under section 451 of this Act."

(e) The Foreign Assistance Act of 1961 is amended by adding after section 639D, as added by subsection (d) of this section, the following new section:

"SEC. 639E. INTERNATIONALIZATION OF ASSISTANCE.—Assistance for the purposes set forth in sections 639A, 639B, 639C, and 639D shall be distributed wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies."

ACCESS TO CERTAIN MILITARY BASES ABROAD

SEC. 21. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 659. ACCESS TO CERTAIN MILITARY BASES ABROAD.—None of the funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guaranties) under any law may be used to provide any kind of assistance to any foreign country in which a military base is located if—

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base:

unless and until the President has determined that the government of such country has, consistent with security authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

(b) Section 29 of the Foreign Assistance Act of 1973 is repealed.

PROHIBITING POLICE TRAINING

SEC. 22. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by section 21(a) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 660. PROHIBITING POLICE TRAINING.—(a) None of the funds made available to carry out this Act, and none of the local currencies generated under this Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other law enforcement forces for any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government within the United States or abroad.

"(b) Subsection (a) of this section shall not apply—

"(1) with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation which related to crimes of the nature which are unlawful under the laws of the United States; or

"(2) to any contract entered into prior to the date of enactment of this section with any person, organization, or agency of the United States Government to provide personnel to conduct, or assist in conducting, any such programs.

Notwithstanding clause (2), subsection (a) shall apply to any renewal or extension of any contract referred to in such paragraph entered into on or after such date of enactment."

(b) Section 112 of such Act is repealed.

LIMITING INTELLIGENCE ACTIVITIES

SEC. 23. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 21(a) and 22 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 661. LIMITATIONS UPON INTELLIGENCE ACTIVITIES.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency or any other agency of the United States Government for the conduct of operations in foreign countries pursuant to section 102(d)(5) of the National Security Act of 1947 (50 U.S.C. 403), other than operations intended solely for obtaining necessary intelligence. Notwithstanding the foregoing limitation, the President may authorize and direct that any operation in a foreign country be resumed, or that any other operation in a foreign country be initiated, and funds may be expended therefor, if, but not before, he (1) finds that such operation is important to the national security, and (2) transmits an appropriate report of his finding, together with an appropriate description of the nature and scope of such operation, to the committees of the Congress having jurisdiction to monitor and review the intelligence activities of the United States Government.

"(b) The provisions of subsection (a) of this section shall not apply during military operations by the United States under a declaration of war approved by the Congress or an exercise of powers by the President under the War Powers Resolution."

WAIVER OF PROHIBITION AGAINST ASSISTANCE TO COUNTRIES ENGAGING IN CERTAIN TRADE

SEC. 24. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 22 and 23 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 662. WAIVER OF PROHIBITION AGAINST ASSISTANCE TO COUNTRIES ENGAGING IN CERTAIN TRADE.—Any provision of this Act or the Agricultural Trade Development and Assistance Act of 1954 which prohibits assistance to a country because that country is engaging in trade with a designated country may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress."

POLICY WITH RESPECT TO INDOCHINA

SEC. 25. (a) The Congress finds that the cease-fire provided for in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any of the Vietnamese parties to the conflict. Military operations of an offensive and defensive nature continue throughout South Vietnam. In Cambodia, the civil war between insurgent forces and the Lon Nol government has intensified, resulting in widespread human suffering and the virtual destruction of the Cambodian economy.

(b) The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia are not in the interest of the parties directly engaged in the conflicts, the people of Indochina, or world peace. In order to lessen the human suffering in Indochina and to bring about a genuine peace there, the Congress urges and requests the President and the Secretary of State to undertake immediately the following measures:

(1) to initiate negotiations with representatives of the Soviet Union and the People's Republic of China to arrange a mutually agreed-upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict;

(2) to urge by all available means that the Government of the Khmer Republic enter into negotiations with representatives of the Khmer Government of National Union for the purpose of arranging an immediate cease-fire and political settlement of the conflict; and to use all available means to establish contact with the Khmer Government of National Union and to urge them to participate in such negotiations. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement;

(3) to utilize any public or private forum to negotiate directly with representaitves of the Democratic Republic of Vietnam, the Provisional Revolutionary Government, and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, including a full accounting for Americans missing in Indochina;

(4) to reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict; and

(5) to maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA

SEC. 26. (a) Congress finds that after expending over a billion dollars in funds for economic purposes in Indochina last year and vast amounts in previous years, little in lasting economic benefit remains. A large proportion of the funds expended have been used for consumable items related to the war effort. Very little of our money has found its way into capital investments of a lasting productive benefit to the people. Congress calls upon the President and Secretary of State to take immediately the following actions designed to maximize the benefit of United States economic assistance:

(1) to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources;

(2) to develop, in coordination with the recipient governments, other donors, and the multilateral financial institutions, a comprehensive plan for Indochina reconstruction and economic development;

(3) to develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct United States resources into areas of maximum benefits;

(4) to shift the emphasis of United States aid programs from consumption-oriented expenditures to economic development;

(5) to identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations and corruption, which should be undertaken if Indochinese economic development is to progress; and

(6) to include in Indochina economic planning and programing specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipients' efforts and to determine whether, and what amounts of, continued United States funding is justified.

(b) This section shall not be construed to imply continuation of a United States financial commitment beyond the authorization provided for in this Act or amendments made by this Act.

INDOCHINA POSTWAR RECONSTRUCTION

SEC. 27. Section 802 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 802. AUTHORIZATION.—There are authorized tc be appropriated to the President to furnish assistance for the relief and reconstruction of South Vietnam, Cambodia, and Laos as authorized by this part, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $504,000,000, and for the fiscal year 1975 not to exceed $617,000,000. Of the amount appropriated for fiscal year 1975—

"(1) $449,900,000 shall be available only for the relief and reconstruction of South Vietnam in accordance with section 806 of this Act;

"(2) $100,000,00 shall be available only for the relief and reconstruction of Cambodia in accordance with section 807 of this Act;

"(3) $40,000,000 shall be available only for the relief and reconstruction of Laos in accordance with section 808 of this Act;

"(4) $4,100,000 shall be available only for the regional development program;

"(5) $16,000,000 shall be available only for support costs for the agency primarily responsible for carrying out this part; and

"(6) $7,000,000 shall be available only for humanitarian assistance through international organizations.

Such amounts are authorized to remain available until expended."

ASSISTANCE TO SOUTH VIETNAMESE CHILDREN

SEC. 28. Section 803 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), strike out "rights, particularly children fathered by United States citizens" and insert in lieu thereof "rights".

(2) In subsection (b), immediately after the second sentence, insert the following: "Of the sums made available for South Vietnam under section 802(1) of this Act for fiscal year 1975, $10,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section."

LIMITATIONS WITH RESPECT TO SOUTH VIETNAM

SEC. 29. Part V of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 806. LIMITATIONS WITH RESPECT TO SOUTH VIETNAM.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $1,274,900,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of South Vietnam. Of that amount, there shall be available during such fiscal year—

"(1) $700,000,000 for military assistance;

"(2) $125,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $449,900,000 only for economic assistance, of which there shall be available—

"(A) $90,000,000 for humanitarian assistance, of which there shall be available—

"(i) $70,000,000 for refugee relief;

"(ii) $10,000,000 for child care; and

"(iii) $10,000,000 for health care;

"(B) $154,500,000 for agricultural assistance, of which there shall be available—

"(i) $35,000,000 for fertilizer;

"(ii) $12,000,000 for POL (for agriculture);

"(iii) $6,000,000 for insecticides and pesticides;

"(iv) $10,000,000 for agricultural machinery and equipment (including spare parts);

"(v) $3,500,000 for agricultural advisory services;

"(vi) $20,000,000 for rural credit;

"(vii) $10,000,000 for canal dredging;

"(viii) $4,000,000 for low-life pumps; and

"(ix) $4,000,000 for fish farm development;

"(C) $139,800,000 for industrial development assistance, of which there shall be available—

"(i) $124,000,000 for commodities;

"(ii) $10,000,000 for industrial credit; and

"(iii) $5,800,000 for industrial advisory services (including feasibility studies);

"(D) $65,600,000 for miscellaneous assistance, of which there shall be available—

"(i) $47,900,000 for the service sector (including POL, machinery, equipment and spare parts); and

"(ii) $17,700,000 for technical services and operating expenses.

"(b)(1) No funds made available under paragraph (2) or (3) of subsection (a) may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may more than 20 per centum of the funds made available under subparagraph (A), (B), (C), or (D) of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(2) Whenever the President determines it to be necessary in carrying out this part, any funds made available under any clause of subparagraph (A), (B), (C), or (D) of subsection (a) of this section may be transferred to, and consolidated with, the funds made available under any other clause of that same subparagraph.

"(3) The President shall fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of each transfer he intends to make under paragraph (1) or (2) of this subsection prior to making such transfer.

"(c) In computing the $1,274,900,000 limitation on obligational authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods,

supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of South Vietnam in such fiscal year by gift, donation, loan, lease, or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of South Vietnam but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of South Vietnam in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of South Vietnam for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of South Vietnam during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g)(1) Effective six months after the date of enactment of this section, the total number of civilian officers and employees, including contract employees, of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States present in South Vietnam shall not at any one time exceed four thousand, not more than two thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense. Effective one year after the date of enactment of this section, such total number shall not exceed at any one time three thousand, not more than one thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense.

"(2) Effective six months after the date of enactment of this section, the United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eight hundred individuals in South Vietnam who are citizens of countries other than South Vietnam or the United States. Effective one year after the date of enactment of this section, the total number of individuals whose compensation or allowance is so paid shall not exceed at any one time five hundred.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(4) This subsection shall not be construed to apply with respect to any individual in South Vietnam who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and **(B) engages only in activities providing humanitarian assistance in South Vietnam.**

"(h) This section shall not be construed as a commitment by the United State- to South Vietnam for its defense."

LIMITATIONS WITH RESPECT TO CAMBODIA

SEC. 30. (a) Part V of the Foreign Assistance Act of 1961, as amended by section 29 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 807. LIMITATIONS WITH RESPECT TO CAMBODIA.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $377,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Cambodia. Of that amount there shall be available—

"(1) $200,000,000 for military assistance;

"(2) $77,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $100,000,000 only for economic assistance, of which there shall be available—

"(A) $20,000,000 for humanitarian assistance;

"(B) $63,000,000 for commodity import assistance;

"(C) $15,000,000 for multilateral stabilization assistance; and

"(D) $2,000,000 for technical support and participant training.

"(b) No funds made available under paragraph (2) or (3) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may more than 20 per centum of the funds made available under any subparagraph of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the $377,000,000 limitation on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of Cambodia in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Cambodia but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Cambodia in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Cambodia for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount **of funds obligated in, to, for, or on behalf of Cambodia during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.**

"(g)(1) The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred.

"(2) The United States shall not, at any time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(4) This subsection shall not be construed to apply with respect to any individual in Cambodia who (A) is an employee or volunteer worker of a volunteer private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in Cambodia.

"(h) This section shall not be construed as a commitment by the United States to Cambodia for its defense."

(b) Sections 655 and 656 of such Act are repealed.

LIMITATIONS WITH RESPECT TO LAOS

SEC. 31. Part V of the Foreign Assistance Act of 1961, as amended by sections 29 and 30(a) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 808. LIMITATIONS WITH RESPECT TO LAOS.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $70,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Laos. Of that amount, there shall be available—

"(1) $30,000,000 for military assistance; and

"(2) $40,000,000 only for economic assistance, of which there shall be available—

"(A) $11,000,000 for humanitarian assistance;

"(B) $6,500,000 for reconstruction and development assistance;

"(C) $16,100,000 for stabilization assistance; and

"(D) $6,400,000 for technical support.

"(b) No funds made available under paragraph (2) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under paragraph (1) of such subsection, nor may more than 20 per centum of the funds made available under any subparagraph of paragraph (2) be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the limitations on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided, to, for, or on behalf of Laos in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Laos but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Laos in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Laos, for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Laos during the preceding quarter by the United States Government and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g) This section shall not be construed as a commitment by the United States to Laos for its defense."

POPULATION, NARCOTICS, INTERNATIONAL HUMANITARIAN AND REGIONAL PROGRAMS

SEC. 32. Part V of the Foreign Assistance Act of 1961, as amended by sections 29, 30(a), and 31 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 809. POPULATION, NARCOTICS, INTERNATIONAL HUMANITARIAN AND REGIONAL PROGRAMS.—The provisions of sections 806, 807, and 808 shall not apply to: (1) funds obligated for purposes of title X of chapter 2 of part I (programs relating to population growth); (2) funds made available under section 482 (programs relating to narcotics control); (3) funds made available under section 802(6) (humanitarian assistance through international organizations); or (4) funds obligated for regional programs."

TRANSFER OF FUNDS

SEC. 33. Part V of the Foreign Assistance Act of 1961, as amended by sections 29, 30 (a), 31, and 32 of this Act, is further amended by adding at the end thereof the following new section;

"SEC. 810. TRANSFER OF FUNDS.—(a) The authority of section 610 of this Act shall not apply with respect to any funds made available to South Vietnam, Cambodia, or Laos.

"(b) Any funds made available under any provision of this or any other law for the purpose of providing military assistance for South Vietnam, Laos, or Cambodia may be transferred to, and consolidated with, any funds made available to that country for war relief, reconstruction, or general economic development."

MIDDLE EAST ASSISTANCE

SEC. 34. (a) The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART VI

"SEC. 901. GENERAL AUTHORITY FOR ASSISTANCE TO THE MIDDLE EAST.—The President is authorized to furnish assistance authorized by this Act, and to provide credits and guaranties authorized by the Foreign Military Sales Act. Any such assistance, credits, and guaranties shall be provided in accordance with all the provisions applicable to that type of assistance under this Act and applicable to credits and guaranties under the Foreign Military Sales Act.

"SEC. 902. ALLOCATIONS.—(a) Of the funds appropriated to carry out chapter 2 of part II of this Act during the fiscal year 1975, not to exceed $100,000,000 may be made available for military assistance in the Middle East.

"(b) Of the funds appropriated to carry out chapter 4 of part II of this Act during the fiscal year 1975, not to exceed $667,500,000 may be made available for security supporting assistance in the Middle East.

"(c) Of the aggregate ceiling on credits and guaranties established by section 31(b) of the Foreign Military Sales Act during the fiscal year 1975, not to exceed $330,000,000 shall be available for countries in the Middle East.

"SEC. 903. SPECIAL REQUIREMENTS FUND.—(a) There are authorized to be appropriated to the President for the fiscal year 1975 not to exceed $100,000,000 to meet special requirements arising from time to time in the Middle East for the purpose of providing any type of assistance authorized by part I of this Act, in addition to funds otherwise available for such purpose. The funds authorized to be appropriated by this section shall be available for use by the President for assistance authorized by this Act in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.

"(b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programing and obligation of funds under subsection (a).

"(c)(1) Prior to obligating any amount for a project in excess of $1,000,000 from funds made available under this section, the President shall transmit a written report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day giving a complete explanation with respect to such proposed obligation. Each report shall include an explanation relating to only one project.

"(2) The President may make such obligation thirty days after the report has been so transmitted unless, before the end of the first period of thirty calendar days after the date on which the report is transmitted, a resolution is adopted disapproving the proposed obligation with respect to which the report is made.

"(3) Paragraphs (4) through (11) of this subsection are enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this subsection; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(4) For purposes of paragraphs (2) through (12) of this subsection, 'resolution' means only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress does not approve the obligation for ——— and explained in the report transmitted to Congress by the President on ———, 19—.', the first blank space therein being filled with the name of the foreign country or organization on whose behalf the obligation is to be incurred, and the other blank spaces therein being appropriately filled with the date of the transmittal of the report; but does not include a resolution specifying obligations for more than one proposed project.

"(5) If the committee, to which has been referred a resolution disapproving a proposed obligation, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same obligation which has been referred to the committee.

"(6) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed obligation), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(7) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same obligation.

"(8) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an obligation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(9) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(10) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to an obligation, and motions to proceed to the consideration of other business, are decided without debate.

"(11) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an obligation are decided without debate.

"(12) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"(A) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"(B) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted."

(b) Section 620(p) of such Act is repealed.

FOREIGN MILITARY SALES ACT AMENDMENTS

Sec. 35. (a) The Foreign Military Sales Act is amended as follows:

(1) Section 3(d) is amended to read as follows:

"(d) A country shall remain ineligible in accordance with subsection (c) of this section until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not recur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(2) Section 22 is amended by adding at the end thereof the following new subsection:

"(c) No sales of defense articles shall be made to the government of any economically developed country under the provisions of this section if such articles are generally available for purchase by such country from commercial sources in the United States."

(3) Section 23 is amended to read as follows:

"Sec. 23. Credit Sales.—The President is authorized to finance procurements of defense articles and defense services by friendly foreign countries and international organizations on terms requiring the payment to the United States Government in United States dollars of—

"(1) the value of such articles or services within a period not to exceed ten years after the delivery of such articles or the rendering of such services; and

"(2) interest on the unpaid balance of that obligation for payment of the value of such articles or services, at a rate equivalent to the current average interest rate, as of the last day of the month preceding the financing of such procurement, that the United States Government pays on outstanding marketable obligations of comparable maturity, unless the President certifies to Congress that the national interest requires a lesser rate of interest and states in the certification the lesser rate so required and the justification therefor."

(4) In subsections (a) and (b) of section 24, the parenthetical phrase in each is amended to read as follows: "(excluding United States Government agencies other than the Federal Financing Bank)".

(5) Section 24(c) is amended to read as follows:

"(c) Funds made available to carry out this Act shall be obligated in an amount equal to 25 per centum of the principal amount of contractual liability related to any guaranty issued prior to July 1, 1974, under this section. Funds made available to carry out this Act shall be obligated in an amount equal to 10 per centum of the principal amount of contractual liability related to any guaranty issued after June 30, 1974, under this section. All the funds so obligated shall constitute a single reserve for the payment of claims under such guaranties, and only such of the funds in the reserve as may be in excess from time to time of the total principal amount of contractual liability related to all outstanding guaranties under this section shall be deobligated and transferred to the general fund of the Treasury. Any guaranties issued hereunder shall be backed by the full faith and credit of the United States."

(6) Section 24 is amended by adding at the end thereof the following:

"(d) The President may guarantee under this section only those payments for any defense article or defense service which are due within ten years after that defense article is delivered or that defense service is rendered, except that such guaranty may be made for not more than twenty years if the President certifies to Congress that the national interest requires that the period of guaranty be longer than ten years, and states in the certification the country or international organization on whose behalf the guaranty is to be made, the period of the guaranty, and the justification for the longer period."

(7) In section 31—

(A) in subsection (a), strike out "$325,000,000 for the fiscal year 1974" and insert in lieu thereof "405,000,000 for the fiscal year 1975"; and

(B) in subsection (b)—

(i) strike out "$730,000,000 for the fiscal year 1974" and insert in lieu thereof "$872,500,000 for the fiscal year 1975"; and

(ii) add at the end thereof the following new sentence: "Of the funds made available under subsection (a) of this section, $100,000,000 shall first be obligated with respect to financing the procurement of defense articles and defense services by Israel under section 23 of this Act, except that Israel shall be released from contractual liability to repay the United States Government for the defense articles and defense services so financed."

(b) Obligations initially charged against appropriations made available for purposes authorized by section 31(a) of the Foreign Military Sales Act after June 30, 1974, and prior to the enactment of the amendment of that Act by paragraph (5) of subsection (a) of this section in an amount equal to 25 per centum of the principal amount of contractual liability related to guaranties issued pursuant to section 24(a) of that Act shall be adjusted to reflect such amendment with proper credit to the appropriations made available in the fiscal year 1975 to carry out that Act.

POLITICAL PRISONERS

Sec. 36. Section 32 of the Foreign Assistance Act of 1973 is amended by adding at the end thereof the following new sentence: "Commencing with respect to 1974, the President shall submit annually to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a written report setting forth fully the steps he has taken to carry out this section."

GORGAS MEMORIAL INSTITUTE

Sec. 37. The first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, as amended (22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION IN VIETNAM

Sec. 38. (a) There are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed $16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Vietnam. Funds appropriated under this subsection are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

(b) There are authorized to be appropriated to the Department of State not to exceed $11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

(c) Reimbursements received by the Agency for International Development under this section may be credited to applicable appropriations of the Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

POLICY ON ASSISTANCE TO AFRICA

Sec. 39. The President is requested to review the regional allocation of economic development assistance and to increase Africa's share of the Agency for International Development loans and grants. Per capita official development assistance to the developing countries of Africa, including both United States bilateral assistance and United States contributions to multilateral lending institutions should be raised to a level at least equal to those for Asia and Latin America. A special effort should be made to provide more assistance to the sixteen of the world's twenty-five least developed countries that are in Africa and to the fourteen African nations that are judged to be most seriously affected by rising costs of food and fuel. The President is requested to make a report to Congress on action taken to provide the developing countries of Africa with an equitable share of United States economic assistance at the time that the Agency for International Development's operational year budget for fiscal year 1975 is submitted to Congress and again with the submission to Congress of the proposed Agency for International Development budget for fiscal year 1976.

POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE, AND GUINEA-BISSAU

Sec. 40. (a) (1) Congress finds that the Government of Portugal's recognition of the right to independence of the African territories of Angola, Mozambique, and Guinea-Bissau marks a significant advance toward the goal of self-determination for all the peoples of Africa, without which peace on the continent is not secure.

(2) Congress finds that progress toward independence for the Portuguese Government and African leaders on the timing and nature of progress toward independence are being conducted with the aim of bringing permanent peace and stability to these countries and of guaranteeing the human rights of all their citizens.

(3) Congress finds that progress toward independence for the Portuguese African territories will have a significant impact on the international organizations and the community of nations.

(4) Congress commends the Portuguese Government's initiatives on these fronts as evidence of a reaffirmation of that Government's support for her obligations under both the United Nations Charter and the North Atlantic Treaty Organization.

Therefore, (b) Congress calls upon the President and the Secretary of State to take the following actions designed to make clear United States support for a peaceful and orderly transition to independence in the Portuguese African territories.

(1) An official statement should be issued of United States support for the independence of Angola, Mozambique, and Guinea-Bissau, and of our desire to have good relations with the future governments of the countries.

(2) It should be made clear to the Government of Portugal that we view the efforts toward a peaceful and just settlement of the conflict in the African territories as consistent with Portugal's obligations under the North Atlantic Treaty Organization partnership.

(3) The United States should encourage United Nations support for a peaceful transition to independence, negotiated settlement of all differences, and the protection of human rights of all citizens of the three territories.

(4) The United States should open a dialog with potential leaders of Angola, Mozambique, and Guinea-Bissau and assure them of our commitment to their genuine political and economic independence.

(5) The economic development needs of the three territories will be immense when

independence is achieved. Therefore, it is urged that the United States Agency for International Development devote immediate attention to assessing the economic situation in Angola, Mozambique, and Guinea-Bissau and be ready to cooperate with the future governments in providing the kind of assistance that will help make their independence viable. In addition, the United States Government should take the initiative among other donors, both bilateral and multilateral, in seeking significant contribution of development assistance for the three territories.

(6) In light of the need of Angola, Mozambique, and Guinea-Bissau for skilled and educated manpower, a priority consideration should be given to expanding immediately current United States programs of educational assistance to the territories as a timely and substantive contribution to their independence.

(c) Reports should be submitted to the Congress on the implementation of the proposals set forth in subsection (b) and Congress should be kept fully informed on developments in United States policy toward the independence of the Portuguese African territories.

(d) Since it is in the national interest of the United States to maintain and strengthen close relations with the independent nations of Africa, the Congress believes the positive initiatives should be undertaken without delay.

CONVENTIONAL ARMS TRADE

SEC. 41. (a) It is the sense of the Congress that the recent growth in international transfers of conventional arms to developing nations—

(1) is a cause for grave concern for the United States and other nations in that in particular areas of the world it increases the danger of potential violence among nations, and diverts scarce world resources from more peaceful uses; and

(2) could be controlled progressively through negotiations and agreements among supplier and recipient nations.

(b) Therefore, the President is urged to propose to the Geneva Conference of the Committee on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of—

(1) agreeing to workable limitations on conventional arms transfers; and

(2) establishing a mechanism through which such limitations could be effectively monitored.

(c) The President shall transmit to the Congress not later than six months after the enactment of this Act a report setting forth the steps he has taken to carry out this section.

CARIBBEAN DEVELOPMENT BANK

SEC. 42. (a) The President is authorized to transmit to the Caribbean Development Bank an instrument stating that the Commonwealth of Puerto Rico has the authority to conclude an agreement of accession with such bank and to assume rights and obligations pursuant to such agreement. However, such agreement shall be subject to the prior approval of the President.

(b) The instrument transmitted by the President to the Caribbean Development Bank under subsection (a) shall state that the United States shall not assume any financial or other responsibility for the performance of any obligation incurred by the Commonwealth of Puerto Rico pursuant to such agreement of accession or pursuant to any other aspect of its membership or participation in such bank.

(c) Such agreement of accession shall provide that the Commonwealth of Puerto Rico may not receive from the Caribbean Development Bank any funds provided to the bank by the United States.

EXPENSES OF UNITED STATES MEMBERSHIP IN UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

SEC. 43. No funds authorized to be appropriated under this or any other law may be made available to the United Nations Educational, Scientific, and Cultural Organization until the Secretary of State certifies that each resolution passed by such Organization not of an eductaional, scientific, or cultural character has been repealed.

Mr. PASTORE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. McGEE. I will be glad to yield.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. The Senators will please take their conversations outside the Chamber.

The Senator from Rhode Island.

H.R. 16609—JOINT COMMITTEE ON ATOMIC ENERGY DISCHARGED FROM FURTHER CONSIDERATION AND ORDERED PLACED ON THE CALENDAR

Mr. PASTORE. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy be discharged from further consideration of H.R. 16609, and that the bill be placed on the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. McGEE. I am glad to yield to the Senator from Nevada.

The PRESIDING OFFICER. The Senator cannot be heard. Will Senators please take their conversations outside the Chamber.

SENATE RESOLUTION 438—AUTHORIZING PRINTING OF ADDITIONAL COPIES OF SENATE REPORT ON NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT OF THE UNITED STATES

SENATE RESOLUTION 439—AUTHORIZING PRINTING OF ADDITIONAL COPIES OF THE SENATE HEARINGS ON THE NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT OF THE UNITED STATES

Mr. CANNON. Mr. President, I send to the desk two resolutions which would authorize the printing of additional copies of the hearing and report of the Committee on Rules and Administration on the nomination of Nelson A. Rockefeller to be Vice President of the United States.

I ask unanimous consent for the immediate consideration of these two resolutions. I believe the need for additional copies of the hearings and report is obvious because of the importance of their subject matter.

The PRESIDING OFFICER. Will the Senator suspend. Senators will please take their seats and cease all conversations.

Will the Senator suspend until the Senators take their seats, please.

The Senator from Nevada.

Mr. CANNON. The cost of the additional copies which would be printed pursuant to the two resolutions would not exceed $1,200 in each instance, the amount being the statutory limitation under a simple resolution.

The PRESIDING OFFICER. The clerk will state the first resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 438) authorizing the printing of additional copies of the Senate Report on the Nomination of Nelson A. Rockefeller to be Vice President of the United States.

The resolution was considered by unanimous consent and agreed to as follows:

Resolved, That there be printed for the use of the Committee on Rules and Administration such quantity of additional copies of its report on the nomination of Nelson A. Rockefeller to be Vice President of the United States as may be obtained pursuant to a simple resolution.

The PRESIDING OFFICER. The clerk will state the second resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 439) authorizing the printing of additional copies of the Senate hearings on the nomination of Nelson A. Rockefeller to be Vice President of the United States.

The resolution was considered by unanimous consent and agreed to as follows:

Resolved, That there be printed for the use of the Committee on Rules and Administration such quantity of additional copies of its hearings on the nomination of Nelson A. Rockefeller to be Vice President of the United States as may be obtained pursuant to a simple resolution.

Mr. CANNON. I thank the Senator for yielding.

Mr. GRIFFIN. Will the Senator yield to me for a brief unanimous-consent request?

Mr. McGEE. I yield to the distinguished minority whip.

SUBSTITUTION OF SENATOR STEVENS FOR SENATOR BAKER AS A CONFEREE—H.R. 15223

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senator from Alaska (Mr. STEVENS) be substituted as a conferee for the Senator from Tennessee (Mr. BAKER) on H.R. 15223, the Transportation of Hazardous Materials Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the distinguished majority whip.

ORDER FOR SENATE TO CONVENE AT 10:30 A.M. ON MONDAY, DECEMBER 9, 1974, AND FOR CONSIDERATION OF NOMINATION OF NELSON A. ROCKEFELLER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday the Senate meet at 10:30 a.m. and that at 11 o'clock a.m. the Senate go into executive session to consider the nomination of Mr. Nelson A. Rockefeller, with no time agreement as of now.

Mr. WEICKER. Reserving the right to object, would it be possible to address ourselves to this nomination on Friday?

Mr. ROBERT C. BYRD. No, the Senate will not be in session on Friday.

Mr. WEICKER. I just would inquire as to the reason for the delay, why this is being set for Monday, and why the matter cannot be handled this week?

Mr. ROBERT C. BYRD. For several days we have indicated that the nomination of Mr. Rockefeller would not be taken up until Monday of next week.

May I say to the distinguished Senator, I tried to work out—may I have the attention of the distinguished Senator from Connecticut?

I tried to work out an agreement that would accommodate the Senator's personal situation and I was unable to reach that agreement.

Mr. WEICKER. Well, I appreciate the efforts of the distinguished Senator from West Virginia on my behalf, but very frankly, I think this Rockefeller nomination should have been voted on even far earlier than next Monday. I think we have dillydallied with this long enough. Now it is set for this particular day when I am unable to be here.

Be that as it may, I am not trying to hold the Senate up from its business, but let the RECORD state that the Senator from Connecticut felt that we should have had a Vice President of the United States a month ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES TO OCCUR AFTER 4 P.M. ON MONDAY, DECEMBER 9, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent there be no rollcall votes Monday next prior to the hour of 4 o'clock p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. McGEE. Mr. President, I ask unanimous consent that Norvill Jones, John Ritch, Robert Dockery, and Pat Holt of the staff of the Foreign Relations Committee, Dick McCall of my staff, and Dan Spiegel of Senator HUMPHREY's staff be permitted to remain on the floor during the remainder of the Senate's consideration of S. 3394.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FOR 30 MINUTES

Mr. ROBERT C. BYRD. Mr. President, if no Senator seeks recognition at this time, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 12:45 p.m., recessed until 1:15 p.m.; whereupon, the Senate reassembled when called to order by the presiding officer (Mr. NUNN).

The PRESIDING OFFICER (Mr. NUNN). In my capacity as the Senator from Georgia, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 2001

Mr. HARRY F. BYRD, JR. Mr. President, I wish to read into the RECORD an amendment which I submitted yesterday to the Foreign Assistance Act. The amendment is as follows:

> Notwithstanding any other provisions of this Act, total contributions authorized herein to the United Nations or to any segment or subdivision of this world organization shall not exceed $156,148,000.

That is the amendment, Mr. President. The figure, $156,148,000, is the sum that was authorized for fiscal year 1974. The new bill for fiscal year 1975 increases that amount by $37,552,000.

It does not seem very logical to me that the Congress of the United States should reward the United Nations for its activities in November by increasing by 24 percent the U.S. taxpayer contribution.

For that reason, this amendment would keep the contributions to the United Nations at the same level as of fiscal year 1974.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, the distinguished Senator from Virginia has already addressed himself to his proposal with respect to this foreign assistance bill under which he would propose to cut back the authorization in this measure by several millions of dollars. In fact, he would return it to the 1974 level.

The committee, of course, dealt very carefully with this question, and the committee is caught up with an entirely different problem than the budget, per se, and its relative size to the proceeding here. Two years ago, in 1973, the appropriations for the UNDP, the United Nations Development Program, got fouled up in the continuing resolution that Congress retreated to when they were unable to bring out a bill.

As a result of that, the budgeted commitments of the United States under UNDP for economic development programs in developing areas fell short by more than $20 million.

In an attempt to keep its budgeted commitment, in allowing for the casualties that resulted from the continuing resolution of that year, it is necessary that we add on at least $20 million in this section for the U.N. in order to eliminate the split-year funding that has been taking place at the present time.

It is simply a matter of redeeming the credibility and the integrity of the United States in its commitments budgetarily in the United Nations.

Another small amount has been added on here for UNRWA and for UNICEF, and full explanations of the need in each of these categories are contained in the committee's report.

Mr. President, I ask unanimous consent, rather than my taking the time to explain to this Chamber, currently teeming with emptiness, that we print in the RECORD at this point as part of my remarks the full explanation from the committee's report.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SECTION 7. INTERNATIONAL ORGANIZATIONS AND PROGRAMS

This section increases the fiscal year 1975 authorization for international organizations and programs from $150,000,000, which is authorized under current law, to $186,900,000. The President requested an increase to $153,900,000. The Committee approved that request and authorized. at the initiative of Senator McGee, an additional $30,000,000. The sum added by the Committee is to be distributed as follows: U.N. Development Program (UNDP), $20,000,000; U.N. Relief and Works Agency (UNRWA), $10,000,000; and the U.N. Children's Fund (UNICEF), $3,000,000.

By providing an additional $20,000,000 for the UNDP, the United States will be able calendar year 1975, rather than the $100,000,000 proposed by President Nixon. The additional $20,000,000 available to UNDP would be used to end split-year funding for the UNDP which has been undertaken since calendar year 1973 when only $70,000,000 was provided for the UNDP under the fiscal year 1973 continuing resolution. At that time, in order to allow the United States to make a $90,000,000 contribution to UNDP in 1973, $20,000,000 had to be drawn from fiscal year 1974 funds. This additional authorization will remedy this situation by restoring our UNDP contribution to a full annual funding basis.

The Committee believes that strong U.S. support for the UNDP is important to our nation's effective participation in the United Nations. The level of our support for the UNDP is seen by the developing nations as a measuring stick of the seriousness of our participation in the United Nations organization.

An additional $3,000,000 is provided in order to make available the full $18,000,000 earmarked for UNICEF in the authorization bill last year. This amount is $3,000,000 above the amount requested by President Nixon for fiscal year 1975. Such an increase was believed to be justified by both the House Foreign Affairs and Senate Foreign Relations Committees last year in view of the fact that demands on UNICEF resources had increased markedly. Despite these increased needs, our contribution to UNICEF has remained at the $15,000,000 level since 1972.

The increase of $10,000,000 for UNRWA is for a special emergency contribution by the United States. UNRWA continues to be this year, as before, in serious long-term, financial difficulty. The negotiations on a peace settlement in the Middle East have given an additional importance to UNRWA's work. UNRWA's health, education, and food services have always been essential to a minimally acceptable standard of living for the refugees it serves in offering them more hope for the future, especially for their children. UNRWA has thus been central to maintaining such stability as the refuge areas have had, including those refugee areas in Israeli-held territory where some 40 percent of these refugees live. Any reduction now in U.S.-support for UNRWA in relation to its need, forcing the agency to cut back its services, would endanger not only this stability, but also the settlement negotiations. In particular, it would be seen as totally inconsistent with our repeatedly expressed position that a just and lasting peace in the Middle East cannot be established without taking into account the wishes and aspirations of the Palestinians.

The following table details the proposed distribution of all funds requested by the Executive Branch for voluntary contributions to international organizations:

VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS UNDER THE FOREIGN ASSISTANCE ACT

[In thousands of dollars]

	Fiscal year—		
	1973 Actual	1974 Estimate	1975 Estimate
AUTHORIZED UNDER SEC. 302(A) FAA			
United Nations programs:			
U.N. Development Program	70,851	[1] 90,226	110,047
U.N. Children's Fund	15,000	15,000	15,000
IAEA/Operational Fund	1,750	2,000	2,000
WMO/Voluntary Assistance Program	1,500	1,500	1,500
U.N./FAO World Food Program	1,500	1,500	1,500
U.N. Institute for Training and Research	400	400	400
WHO/International Agency for Research on Cancer	337		
International Secretariat for Volunteer Service	73	72	60
U.N. Relief and Works Agency	14,300	14,300	23,200
U.N. Fund for Namibia		50	50
World Heritage Trust Fund			143
Subtotal	105,441	125,048	153,900
AUTHORIZED ELSEWHERE			
U.N. Environment Fund [2]		7,500	10,000
U.N. Relief and Works Agency (expansion of training)		2,000	
Indus Basin:			
Loans	16,291	2,000	200
Grants	10,000	9,000	14,500
Total, International Organizations and Programs	131,732	145,548	178,600
Other appropriations:			
Population Planning and Health Funds:			
U.N. Fund for Population Activities	9,000	18,000	20,000
Organization for Economic Cooperation and Development	100	50	50
International Narcotics Control:			
U.N. Fund for Drug Abuse Control	4,000	2,000	5,000
Supporting Assistance:			
U.N. Force in Cyprus	2,400	1,600	4,800
Grand total	147,232	167,198	208 450

[1] $3,000,000 is contingent on reinterpretation of legislation by General Accounting Office.

[2] Authorized by separate legislation.

Source: AID.

Mr. AIKEN. I do hope that this Foreign Assistance Act can be acted upon and approved by the Senate promptly. I am not proud of the fact that in past years we have had to wait until almost the end of the fiscal year before deciding what to do about the appropriation for this purpose.

I believe that we now have a bill which can be approved not only by the executive branch but also by the House and the Senate as well. So I would hope that this bill can be passed without delay.

Mr. McGEE. Mr. President, I certainly agree with my colleague from Vermont. I would like to underscore the kind of effort at compromise and broad base of understanding that went into the preparation of this new foreign aid authorization bill, and I stress this is only authorization. This does not appropriate the money.

It simply puts on authorized ceilings in the various money matters that the Committee on Appropriations will have to settle upon. This is because of the status of the bill languishing at this late point in the term, seeking to arrive at a measure that the President will accept as the responsible leader of this country, that the people who have commitments in AID can live up to without having their credibility challenged and the various opinion groups within this body can likewise agree to.

I would hasten to add that as a devotee of the importance of responsible foreign assistance, I find many parts of this bill that I would not have written into it. But this is what the process is all about when we are trying to put together a common denominator in order to be responsible in reporting a bill that can be passed and one the President of the United States feels is in the national interest.

Therefore, it would be my hope, which I share with the distinguished Senator from Vermont, that our colleagues who anticipate amendments to the foreign aid authorization again might take a slightly more charitable view of it because it is very late in the season now. There will be a new foreign aid bill up very soon in the new year and, in my judgment, that would be the appropriate vehicle on which to hang all of the various amendments that they feel very strongly about.

Frankly, this bill has already been cut in every way imaginable. We have to put together a compromise that can be carried into law and achieve the signature of the President.

For those who just flatly oppose any kind of foreign assistance, this offers no haven and it was not written with their blanket opposition in mind. We simply have to call those votes as they fall. But in terms of those who believe something must be done in our national interest, though there be disagreement on how much and which things, this, I think, is the best compromise that honest minds and responsible individuals could put together in the name of the Foreign Relations Committee.

I stress that it came out of the committee with a virtually unanimous vote, 12 votes in favor, 1 vote abstaining, no opposition that was expressed. However, there were three or four absentees that morning.

In any case, it does represent an honest attempt at compromise and in that spirit its passage ought to be expedited and traditional efforts to change it in other ways significantly, I would express the hope, might be reserved for the new foreign aid bill that will come very soon after the Congress reconvenes in January.

Mr. AIKEN. Well, not only does this bill represent a meeting of the minds between the executive and the legislative branches, and I believe between the Senate and the House in the legislative branch, but I have yet to hear any great cries of dissension from other countries, from the countries which we are earnestly endeavoring to help out of their economic troubles and their educational or health troubles.

So it seems to me that this is a bill which could well set an example for other bills. I realize that there are always those who have amendments and amendments, trying to gain greater favor with the people to whom the amendments will give greater help, but this is, much to my surprise I might say, a bill which seems to represent a meeting of the minds of virtually everybody concerned.

If it goes through, and I hope it does, that will establish a precedent which might well be followed in other cases.

Mr. McGEE. Yes, the Senator is precisely right in the sense that the best of compromises on very deeply controversial areas is reflected in this measure as it is now reported out.

I would urge with him that this body expedite the completion of this measure with a minimum of delay, which I understand will likely be sometime tomorrow, pending agreement.

Mr. President, I ask unanimous consent that floor privileges for the duration of this bill be extended to Rudy Rousseau of Senator PEARSON's office and Marianne Albertson of Senator HUMPHREY's office.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask unanimous consent that the committee amendment be agreed to and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, 2 months ago a foreign aid bill came before the Senate for 2 days of active floor debate. By the time the dust had settled, 21 amendments had been added to the bill, making it increasingly unacceptable to all concerned. In its wisdom, the Senate voted to recommit that bill to the Foreign Relations Committee, thus stripping it of all amendments, including those originally recommended by the committee.

Now, Mr. President, having started afresh, the Foreign Relations Committee has reported a new foreign aid bill, one which I believe represents a reasonable compromise of the many diverse views and pressures which now surround the Nation's foreign aid program. The committee worked hard to come up with a workable solution that will meet with the approval of a significant majority of the members of this body. The committee realizes that the results will not please everyone. That is not possible—or desirable—under our legislative system.

I hope that my colleagues will study this bill and weigh the legislative situation carefully before offering amendments. If there is to be a foreign aid bill this year, we must avoid loading this bill down again with controversial amendments. This is most likely to lead either to defeat of the bill or a second recommittal.

In only a few months we will be dealing with a new foreign aid bill for the next fiscal year. I urge my colleagues to withhold their amendments until that time.

The first and most important point about this bill, which I cannot make too emphatically, is that this bill represents a substantial reduction in the amount requested by the executive branch. The executive branch requested new authorizations of $3.25 billion for the programs covered by this bill. The Foreign Relations Committee has cut that request $579 million, a reduction of 18 percent. This is a lot of money; about one-eighth of the $4.6 billion in budget cuts in domestic programs recently called for by the President.

For some Senators these cuts will be too small; for some, they are too large. But I believe the committee has struck a reasonable compromise, trimming where economies could best be achieved. This is a bill that recognizes both the dire straits of our economy as well as the priority needs of the American people. But it is continuing evidence of America's commitment to prudent humanitarianism in international affairs.

Two general changes have been made in the bill originally recommended by the committee. First, certain modest concessions have been made to executive branch objections to that earlier version. Second, certain amendments added when the bill came to the floor, but stripped when the bill was recommitted, have been included by the committee. The result of these changes is a bill which, I am informed, is acceptable to the administration. It was approved by a vote of 12 to 0 by the Foreign Relations Committee, with one member voting "Present." I hope that it will prove acceptable, with a minimum of revision, to my colleagues in the Senate.

Let me briefly outline the major provisions of the bill. S. 3394 provides authorizations in four general categories of assistance: First, worldwide development assistance; second, military grant aid and credits; third, relief and reconstruction in Indochina, and fourth, assistance directed toward peace in the Middle East.

WORLDWIDE DEVELOPMENT AID

First, worldwide development aid. Last year the Congress approved a 2-year authorization for development assistance. The amount authorized then for the 1975 fiscal year was approximately $1 billion. The bill now before the Senate contains a modest supplement to that authorization, proposed because of the mounting urgency surrounding the global problems of food and population. The importance of this additional aid was underscored dramatically at the recent World Food Conference. I am convinced that there is no more vital international contribution that the United States can now make than to provide its fair share in assisting other nations in moving rapidly toward self-sufficiency in the production of food. This additional aid will help nations like Bangladesh, India, and Pakistan to help themselves.

WORLDWIDE MILITARY AID

The second general category of authorizations in this bill is military aid. Here, the Foreign Relations Committee was most stringent in its recommendations. The administration's request for grant military assistance was $985 million. The committee recommends that this request be reduced to $550 million and that the entire military grant assistance program, and all military aid missions, be phased out over a 3-year period, beginning with the current fiscal year. This is a cut of 45 percent in the request for military grant aid. In addition, the committee has added a number of provisions limiting the military aid program and tightening congressional control while the program is being phased out. For example, the committee has eliminated the so-called "drawdown authority," which in previous years has allowed the President to give foreign countries arms and ammunition from our own military stocks. The committee also included provisions which prohibit military aid to Chile and curtail aid to South Korea.

INDOCHINA POSTWAR RECONSTRUCTION

The third general category is relief and reconstruction assistance in Indochina. Here again, the Foreign Relations Committee has been stringent in its recommendation. The administration's request for economic assistance, other than Public Law 480 food aid, was $940 million. The committee recommends that this be reduced to $617 million, a cut of 34 percent. In addition, the committee has included in the bill detailed limitations and guidance as to how this money can be used.

The committee's amendments are specifically designed to insure that this money will be devoted, to the maximum extent possible, to expenditures which can legitimately be called "reconstruction," and as little as possible to spending which simply maintains the status quo.

I urge my colleagues to study the Indochina policy provisions in this bill. I believe they represent a prudent and effective exercise of congerssional oversight responsibility.

MIDDLE EAST PEACE AID

The fourth and final general category is assistance in support of the administration's effort to achieve a lasting peace in the Middle East. The bill contains assistance for key nations in the current dispute—Israel, Jordan, and Egypt. For Israel, the bill contains $339.5 million in supporting assistance and $300 million in military credit sales, $100 million of which is to be forgiven. For Egypt, the bill contains $250 million in supporting assistance. For Jordan, the bill provides $77.5 million in supporting assistance and $130 million in military aid.

Finally, the bill authorizes a $100 million Special Requirements Fund which would permit aid for any purpose that would further peace in the Middle East, including aid to Syria. But the committee has included a provision which requires that Congress be notified in advance of proposed projects and it is given the right to veto proposed uses of this money.

The administration fully supports the amounts contained in this Middle East peace package. I hope that the Senate will also endorse this program, since it relates so vitally to the fragile situation in that part of the world.

In summation, Mr. President, I reiterate my request that the Senate show restraint in any attempts to modify this bill further. We have before us a bill which represents a sound and reasonable compromise of the administration's original request, the views of the Foreign Relations Committee as embodied in the bill previously reported, and in the amendments made earlier on the Senate floor. Let us not paint ourselves into the corner where the choice is only that of defeating this bill or recommitting it again. If so, the result will be either an end to the foreign aid program or extension of the existing program through a continuing resolution, amounting to an abdication of congressional control over foreign aid policy.

This bill has many meritorious provisions; they deserve to become law and they can become law if the Senate will accept the compromises which this bill represents.

I ask unanimous consent to have printed in the RECORD a summary of the major provisions of the bill and tables relative to the amounts involved.

There being no objection, the summary and the tables were ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR POLICY PROVISIONS IN THE BILL

I. INDOCHINA

1. Policy.—States a Congressional policy concerning the political/military situation in Indochina and principles to guide the U.S. economic assistance program.

2. Spending Ceilings.—Imposes fiscal year 1975 ceilings on obligations for assistance to Indochina: $1.27 billion for South Vietnam; $377 million for Cambodia; and $70 million for Laos.

3. Project and Program Authorizations.—Authorizes funds for economic assistance to South Vietnam, Cambodia, and Laos by specific project or program.

4. Personnel Ceiling in South Vietnam.—Imposes a ceiling on U.S. direct hire and contract personnel in South Vietnam of 4,000 to be reached within six months after enactment and a further reduction to not more than 3,000 by the end of fiscal year 1975. Personnel of humanitarian relief agencies are exempted from the ceiling.

5. Transfer Authority.—Allows military aid funds to be used for economic assistance purposes.

II. MILITARY ASSISTANCE

1. Phase Out of Military Grant Assistance and Military Missions.—Requires a phase out over a three-year period of military grant assistance and United States military aid missions to foreign countries.

2. Costs of Military Missions.—Requires that all costs of United States military missions abroad must be charged against appropriations for military grant assistance, beginning in FY 1976.

3. War Reserve Stockpiles for Foreign Countries.—Requires that any stockpiling of military equipment or material for foreign countries be financed out of funds appropriated for military assistance. No material can be provided to a foreign country from previously stockpiled materials unless the cost of the materials is charged against funds appropriated for the regular military assistance program or military aid to South Vietnam.

4. Authority to Draw on Defense Stocks.—Repeals the authority to draw on Department of Defense stocks for the purpose of providing additional military grant assistance to foreign countries.

5. Excess Defense Articles.—Tightens restrictions on the use of excess defense articles for foreign military aid by requiring that all grants of excess articles be charged against funds for military aid and by limiting FY 1975 excess defense article grants to $150 million, based on acquisition cost.

6. Military Aid to Korea.—Imposes a ceiling on military grant aid and credit sales to Korea of not more than three-fourths the FY 1974 level and phases out such assistance over a three-year period.

7. Arms Sales Through Commercial Channels.—Prohibits government procurement of arms for economically developed countries if the equipment or material is available through commercial channels.

8. Interest Rate On Credit Sales.—Imposes a minimum interest rate on credits extended to foreign countries for purchases of arms under the Foreign Military Sales Act of not less than the interest rate paid on Treasury borrowings of comparable maturity.

9. Military Aid to Chile.—Prohibits military assistance to Chile.

III. GENERAL

1. Israel.—Authorizes $339.5 million in economic assistance and $300 million in military credits for Israel.

2. Chile.—Imposes a fiscal year 1975 ceiling of $55 million on economic assistance to Chile.

3. Police Training.—Prohibits use of foreign aid funds for training foreign police, prison, or other law enforcement forces.

4. Disaster Relief.—Authorizes the use of approximately $110 million in loan reflows to meet humanitarian and reconstruction needs in Cyprus, Bangladesh, the Sahel and any other disaster areas.

5. Africa.—Calls for greater emphasis on Africa in U.S. assistance efforts.

6. Covert Operations.—Prohibits any non-intelligence-gathering covert activity abroad unless the President has first informed Congress of the importance and nature of such activity.

7. Contributions to UNESCO.—Prohibits U.S. contributions to UNESCO until that organization has repealed all resolutions not of an educational, scientific, or cultural nature.

8. Presidential Waiver.—Authorizes the President to waive any prohibitions on assistance to countries because they are trading with a designated country.

TABLE I.—FOREIGN ASSISTANCE AUTHORIZATIONS RECOMMENDED BY THE COMMITTEE ON FOREIGN RELATIONS

[In thousands of dollars]

	Fiscal year 1975 authorization request	Committee recommendation	Difference from request
1. Food and nutrition	255, 300	[1] 239, 000	—16, 300
2. Population planning and health		[1] 20, 000	+20, 000
3. Education and human resources development		[1] 2, 000	+2, 000
4. Gorgas Memorial—Panama		[1] 500	+500
5. International organizations and programs	3, 900	[1] 36, 900	+33, 000
6. Indochina postwar reconstruction	939, 800	617, 000	—322, 800
7. Security supporting assistance	385, 500	675, 000	+289, 500
8. Middle East Special Requirements Fund	100, 000	100, 000	
9. Military assistance program	985, 000	550, 000	—435 000
10. Foreign military credit sales	555, 000	[2] 405, 000	—150, 000
11. International Commission of Control and Supervision in Vietnam	27, 726	27, 726	
Total	3, 252, 226	2, 673, 126	—570, 100

[1] Supplemental to current authorization.

[2] Of this amount, $100,000,000 is to be in the nature of a grant to Israel.

TABLE II.—COMPARATIVE DATA ON FOREIGN ASSISTANCE ACTIVITIES, FISCAL YEARS 1974 AND 1975

[In thousands of dollars]

	Fiscal year 1974		Fiscal year 1975 request [1]		Committee recommendation
	Authorization	Appropriation	Appropriation	Authorization	
Development assistance:					
Food and nutrition	291, 000	284, 000	546, 300	[2] 255, 300	239, 000
Population planning and health	145, 000	135, 000	145, 000		[2] 20, 000
Education and human resources	90, 000	89, 000	90, 000		[2] 2, 000
Selected development problems	53, 000	40, 500	53, 000		
Selected countries and organizations	39, 000	36, 500	39, 000		
Total, functional development assistance	618, 000	585, 000	873, 300	[2] 255, 300	[2] 261, 000
International organizations and programs:					
UNDP and other programs	150, 000	125, 000	153, 900	[2] 3, 900	[2] 36, 900
Indus Basin Development Fund loans	(3)	2, 000	200		
Indus Basin Development Fund grants	14, 500	9, 000	14, 500		
UNRWA (expansion of training)	2, 000	2, 000			
U.N. Environment Fund	(4)	7, 500	10, 000		
Total, international organizations and programs	166, 500	145, 500	178, 600	[2] 3, 900	[2] 36, 900
American schools and hospitals abroad	19, 000	19, 000	10, 000		
Contingency fund	30, 000	15, 000	30, 000		
National Association Partners of the Alliance	934	750			
Albert Schweitzer Hospital	1, 000	1, 000			
Sahel drought relief	25, 000	25, 000			
Disaster relief and reconstruction	150, 000	150, 000			
Administrative expenses, AID	45, 000	40, 000	45, 000		
Administrative and other expenses, State	(5)	4, 800	5, 900		
Total, development assistance	905, 434	986, 050	1, 142, 800	[2] 259, 200	[2] 258, 900
Indochina postwar reconstruction	504, 000	[6] 489, 000	939, 800	939, 800	617, 000
Security supporting assistance	125, 000	112, 500	385, 500	385, 500	675, 000
Middle East Special Requirements Fund			100, 000	100, 000	100, 000
Total, AID	1, 684, 434	1, 597, 550	2, 568, 100	1, 684, 500	1, 689, 900
International Narcotics Control	42, 500	42, 500	42, 500		
Overseas Private Investment Corporation (reserves)	(5)	25, 000	25, 000		
Military assistance program (MAP)	512, 500	[7] 450, 000	985, 000	985, 000	550, 000
Foreign military credit sales	325, 000	325, 000	555, 000	555, 000	405, 000

TABLE II.—COMPARATIVE DATA ON FOREIGN ASSISTANCE ACTIVITIES, FISCAL YEARS, 1974 AND 1975

[In thousands of dollars]

	Fiscal year 1974		Fiscal year 1975 request[1]		
	Authorization	Appropriation	Appropriation	Authorization	Committee recommendation
Emergency security assistance:					
Israel	2,200,000	2,200,000			
Cambodia		[7] 150,000			
Total, foreign assistance items	4,764,434	4,790,050	4,175,600	3,224,500	2,644,900
Gorgas Memorial Institute	(9)	500	500	(9)	[9] 500
International Commission of Control and Supervision in Vietnam	4,500		[10] 27,726	[10] 27,626	[10] 27,726
Grand total	4,768,934	4,790,550	4,203,826	3,252,226	2,673,126

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[1] Request includes the following additional amounts not included in the President's fiscal year 1975 budget transmitted to the Congress on Feb. 4, 1974: Indochina postwar reconstruction, $150,000,000; security supporting assistance, $322,500,000; Middle East special requirements, $100,000,000; foreign military credit sales, $240,000,000; military assistance program, $60,000,000.

[2] Supplemental to existing authorization.

[3] Appropriation request authorized by FAA of 1967 which made available $51,200,000 until expended.

[4] Authorized by Public Law 93-188 which made available $40,000,000 until expended.

[5] Permanent authorization for such sums as may be necessary.

[6] Includes $49,000,000 supplemental appropriation.

[7] Excludes $250,000,000 in defense stocks provided to Cambodia under sec. of the FAA of 1961.

[8] Not authorized.

[9] Permanent authorization of $500,000 per annum.

[10] Includes $16,526,000 for fiscal year 1975 contribution to the ICCS and $11,200,000 for reimbursement to AID for fiscal year 1974 expenses of the ICCS.

Mr. McGEE. Mr. President, foreign assistance is not, and I emphasize not, a giveaway program. It is time this myth is laid to rest. Virtually all U.S. assistance consists not of dollars, but of goods and services from American sources. A large part of this assistance, moreover, is provided on a credit basis. Thus, taking AID programs as an example, the relatively modest part of the Agency's total expenditures spent overseas tends to be offset by repayments of interest and principal on past loans and credits. In fiscal year 1973, the last year for which estimates are available, AID operations in fact netted $60 million in earnings for the U.S. balance-of-payments account.

The food for peace program, which together with AID accounts for more than 90 percent of total U.S. economic aid, consists entirely of American goods, most of which are sold on credit. Thus, repayments on past credits more than offset current outflows of dollars for administrative and other expenses.

The operations of the international financial institutions, to which the United States is the largest single dollar contributor, are also balance of payments earners for the United States. For example, it has been estimated that in 1970, procurement in the United States of goods and services financed by the international financial institutions, as well as investments and other expenditures in the United States by the World Bank, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank earned a net $466 million for the U.S. balance of payments account. It has also been estimated that since 1964, the cumulative total of balance of payments net earnings from all spending in the United States by these institutions has been in excess of $2.5 billion.

Thus, the facts do not support the myth that foreign assistance is a giveaway program.

There is a distinct downward trend in foreign economic aid costs when seen in relation to total Federal budget outlays and the U.S. gross national product. For example:

In 1949, at the beginning of the Marshall Plan, foreign economic assistance costs amounted to 11.5 percent of the Federal budget. Today, this share is less than 1.5 percent.

In 1949, economic aid represented 2.78 percent of our gross national product, and has moved downward ever since. By 1973, the figure had fallen to 0.23 percent.

The declining trend is also evident when measured in relation to the economic assistance provided by other industrialized nations of the free world.

Of 16 member nations of the Development Assistance Committee—or DAC as it is commonly known, the United States ranked second in 1963 in value of economic aid expressed as a percent of gross national product. Since then, the downward drift has been steady. By 1973, our position had dropped to 14th.

In 1963, some 62 percent of the total dollar value of aid from DAC country sources came from the United States. This share, too, has fallen steadily. In 1973, while the dollar value of U.S. economic aid still exceeded that provided by any one of the other DAC member nations, it represented 32 percent of the total value of DAC aid.

To further illustrate the point, during the 4-year period from 1962 until 1965, total U.S. foreign assistance outlays consisting of bilateral and multilateral economic assistance and bilateral military assistance averaged $8.256 billion per year. During fiscal year 1974, and these are preliminary figures, total U.S. foreign assistance outlays were $8.530 billion. Thus, over a 12-year period of time, U.S. foreign assistance outlays have remained virtually the same. During the same time, bilateral and multilateral assistance declined from an average of $4.260 billion in the 1962 to 1965 period to $3.8 billion in fiscal year 1975.

What is particularly disturbing about this course of events is the fact that other donor nations, particularly the Western European nations, are somewhat dismayed that they will be unable to increase development assistance efforts this year. In discussing the issue with Western Europeans, I found they are determined to hold the line on development assistance outlays, despite the fact these nations are experiencing much more severe domestic economic problems than in the United States. Yet, we are confronted with cries to slash foreign assistance even more.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I ask unanimous consent that a member of my staff, Mr. William Heckman, be permitted the privilege of the floor during the debate of the foreign aid bill, and that Barbara Dickson, a member of my staff, be permitted the privilege of the floor during the debate on the Export-Import Bank Act amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McCLURE). Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I have an amendment to the pending bill which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> At the appropriate place, insert the following:
>
> APPOINTMENT OF CAREER FOREIGN SERVICE OFFICERS AS AMBASSADORS
>
> SEC. 33. Section 501 of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new subsection:
>
> "(d) After January 1, 1977 at any time, not less than 85 per centum of the total number of positions of ambassador which are occupied shall be career personnel in the Foreign Service.

Mr. MATHIAS. Mr. President, this is an amendment which I offered at an earlier point during this year. It is an amendment which was modified on the Senate floor when I offered it before to the extent that it provided that 80 percent of all the appointments to ambassadorial posts should be from the career service. As so amended, it was adopted unanimously by the Senate.

I was very pleased that it was adopted by the Senate, although I think, in its original form at 85 percent, and in the form in which I offer it today at 85 percent, it is still better because we have very fine, capable professional career Foreign Service officers. They are trained to represent the best interests of this country in the posts to which they are assigned. Many of them have spent a lifetime in the Foreign Service, in which they have gained expertise and knowledge. They become very sensitive listeners. They are able to report back to this Government in Washington on the political, economic, and social conditions of the countries of the world with which we have to live. I believe that they bring the highest degree of professionalism to the Foreign Service.

I have not suggested that there be a 100 percent requirement for ambassadorial posts to be drawn from the career Foreign Service because I believe that the President should be given some flexibility.

I think there are many distinguished American men and women in many fields, whether from the field of journalism or the field of academic life or from business life, or other political positions, all of whom could contribute in some way to the representation of the United States through embassies abroad. I do think that the backbone of our ambassadorial corps should be professional, should be the men and woman who have devoted their lives and their careers to this service. I think that that is not only in the best interest of the Government; I think it is simple fairness to the men and women who serve as Foreign Service officers.

It must be extremely frustrating for them, it must be extremely depressing for them, to devote their whole lives to service as Foreign Service officers and, when they reach that point in time when they might expect to become the top man or the top woman in some diplomatic post, to be appointed as ambassador or minister, then to find that that job goes to a purely political appointee, who may have minimal qualifications for the job; who, in fact, may not be particularly interested in the job, but who received it as a reward for services which are not really relevant to the representation of the United States of America as an ambassador to a foreign nation.

For that reason, I believe that we should require by law that 85 percent of all of our ambassadors should be appointed from the career Foreign Service.

While we are discussing this amendment, I mention in passing that I had a parallel amendment which I offered at an earlier time, and which was also unanimously adopted by the Senate. That was the amendment which provided for the disqualification of any appointee or nominee for an ambassadorial post who had made a very large political contribution in the last Presidential election. I have not offered that amendment today, and I do not intend to offer a similar amendment today, because that particular problem has been resolved by the new election reform law, which the Congress has adopted and which the President has signed. I feel that that amendment is no longer necessary.

This amendment now pending, which provides that 85 percent of all ambassadorial posts shall be filled from the career Foreign Service, is a basic and substantive reform which I feel is vitally necessary, both for the best representation of the United States abroad and for the morale and the proper discipline of the Foreign Service corps.

So, Mr. President, since the Senate has already approved this amendment in substantially the same form, within 5 percent, I feel that the Senate will again look favorably upon this reform which is so patently required by the best interests of the United States and our service abroad. I hope that the distinguished manager of the bill will respond to this proposal.

Mr. McGEE. Mr. President, I concur in the significance and the importance of the Senator's proposed amendment, for all of us recognize the depth of skill and capability in the career Foreign Service. But, as the Senator has properly allowed for in his proposed amendment, there is much to be said for x percentage of x number of ambassadorial posts to be reserved to the prerogative of the President, of whichever party he may be. We have many instances on record in which a so-called political appointment turned out to be very wise and, in some instances, even more effective than a career appointment.

I say to my colleague from Maryland that we are a little less certain of approximately where that percentage ought to lie or whether there ought to be some area of flexibility there. It is a basic, substantive reform approach in the present policy. It is my feeling that we might be better advised, at this very late stage in our efforts to get a compromise bill out, so that we do not have to go back into the continuing resolution business, which is a poor way to run the store, that the Senator should offer this reform amendment as a part of the new State authorization bill that will be introduced very shortly after Congress returns in January, as substantive legislation at that point, rather than on the AID authorization. It would represent no significant delay from the standpoint of time and, at the same time, would be helpful in our trying to hold together this rather complex compromise package in order to expedite legislation on some kind of a moderate foreign aid measure for this particular session, which is rapidly drawing to a close.

If the Senator wishes to express himself on whether it might be possible to make an adjustment, timewise, on that, I should be interested in hearing about that at this time. It has nothing to do with the merit of his proposal. It is, rather, the instrument to which it would be attached.

Mr. MATHIAS. I am reluctant to give up any time on this, because, No. 1, the Senate has already agreed in principle to this amendment.

No. 2, I am reluctant because, as the Senator says, we have made some good and helpful and beneficial noncareer appointments which have been good for the United States, good for our image in the world, and good for our representation at important points. But we have also made a lot of serious and foolish errors that I should like to see curtailed as soon as possible. I do recognize the legislative problems that exist.

I see the distinguished Senator from Vermont on his feet. I do not know whether he wishes me to yield.

Mr. AIKEN. Yes, if the Senator from Maryland will yield for just an instant, I wish to say that the bill which is now before us represents something of a miracle in the field of foreign aid legislation in that while it does not meet with absolute approval, it meets with tolerable approval on the part of the executive and legislative branches—both Houses of Congress—and even the people of the countries which it is designed to benefit.

I also would like to point out that when this bill was up before us, not only was the amendment offered by the Senator from Maryland accepted—two of them, I believe—but another which I offered, and several others, were accepted. All together they killed the bill, and it was referred back to our committee; and now the bill has been returned with very few of those amendments.

So, regardless of the merits of the amendment now proposed by the Senator from Maryland and the merits of the amendment which I had sponsored the last time the bill was before us, it seems to me best that we all restrain ourselves now until the new Congress meets in January, and get new legislation, not only in the Committee on Foreign Relations but in the other committees as well. I think it would be a very gratuitous move on the part of all of us who proposed those other amendments if we not push them now, and get what is not a completely satisfactory bill but a generally satisfactory bill through, so that we will not have to wait until next spring to decide how much we are going to authorize for foreign aid for the fiscal year 1975. I think last year or the year before it was well into March before we could reach an agreement, and that is ridiculous.

So I hope we will not have to deal with these amendments at this time.

Mr. MATHIAS. Mr. President, if I may just say a word more, as impatient as I may be on this subject——

Mr. AIKEN. Me, too.

Mr. MATHIAS. The Senator from Vermont, I think, by his very generous support in the past, has indicated that he is equally impatient, as has the Senator from Wyoming.

I cannot be impervious to the kind of arguments they make. The Senator from Vermont, with his unparalleled experience in this whole field, I think commands our respect and our admiration as well as our affection; and when he makes an argument he is very hard to resist.

I wonder if the Senator from Wyoming would be willing, on behalf of the committee, to seek the views of the Department on this subject at this time, so that there would not be any bureaucratic kind of delays when we get up to the point of action after the first of the year.

Mr. McGEE. Mr. President, it would be my recommendation to make sure that they get the message loudly and clearly down at the State Department; that they be presented with this colloquy directly, with the endorsement of those who have been involved in this colloquy.

It would be my hope not only to honor the impatience of the Senator from Maryland, but to insist that he continue that impatience, and I will join him in it, and that we make sure that this message is not ignored, shunted aside, or in other ways blunted at the departmental level. I would be prepared to follow up on that with him.

I was serious in sharing with the Senator from Vermont our conviction that in trying to hold together this minimal compromise package here, it would not be fatal even to the Senator's admirable impatience if it were put in the State authorization bill which will come up as soon as we get back, which would be an appropriate vehicle for it, and at the same time preserve our effort to try to get this compromise package adopted.

Mr. MATHIAS. I assume that they will get the message downtown, that they will understand what we are saying, and that the message will not need any kind of interpretation. But with the assurance of the Senator from Wyoming and the Senator from Vermont that we will deliver that message that we are going to be back on this floor with this amendment, we are going to plead for it and want to see it adopted——

Mr. McGEE. And that we want the Department to respond in meaningful ways to our questions and proposals in this direction, rather than another committee be set up to study the matter.

Mr. MATHIAS. So that they are on notice right now that this is going to come up.

Mr. AIKEN. Mr. President, I promise the Senator from Maryland that I will not vote against his amendment in the next Congress.

Mr. MATHIAS. I can only respond to the Senator from Vermont that I wish he were going to be here to vote for it.

Mr. McGEE. Mr. President, I wonder if it is possible to initiate a lingering proxy in this body, out of respect for those who have chosen a richer way of life. I will not make that as a parliamentary inquiry at this time, but suggest that the Parliamentarian consider the matter for some future inquiry.

Mr. MATHIAS. I would only suggest to the Senator from Vermont that if he can spare time from the cultivation of apple trees, pear trees, peach trees, and other useful and pleasant occupations to give us his endorsement of this principle at that time, it will be extremely helpful even though he will not actually be voting on the question.

Mr McGEE. It is my advice that he will be more powerful even than he is here, because he will have a four wheel drive when he gets back to Vermont.

Mr. MATHIAS. On that basis, Mr. President, and on the basis of the understandings reached here—and I am very grateful for the responses of both Senators—with that understanding, I will return with this amendment at the earliest opportunity.

Mr. McGEE. With the Senator from Wyoming as a comover.

Mr. MATHIAS. I thank the Senator. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. McGEE. Mr. President, we are waiting for Members of the other body who promised to be here by 2:30 with a proposal. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 37, line 14, strike the word "and".

On page 37, line 20, strike the period and insert in lieu thereof a semicolon and the word "and".

On page 37, between lines 20 and 21, insert the following new paragraph:

(7) to provide humanitarian assistance to Indochina wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel.

Mr. KENNEDY. Mr. President, under the proposed legislation I understand that there are six different areas which have been indicated as principles guiding the Indochina portion of the legislation that is before us.

The amendment I am offering is an effort to expand upon these principles governing economic aid to Indochina, which have been inserted into the bill by the Foreign Relations Committee.

Mr. President, I fully support and commend the action of the committee for clearly establishing the principles it has regarding further American economic assistance to the countries of Indochina. The committee's action on the bill goes a long way towards remedying some of the serious shortcomings in the administration's original proposal for Indochina aid, and it embodies many of the provisions I have sought in introducing my amendments last year and this past July.

So I want to commend the Foreign Relations Committee for clearly establishing a humanitarian priority in our economic assistance program for Indochina. It is long past due that our aid program recognize that people problems of the area—the needs of refugees, civilian casualties, orphans and others disadvantaged by a decade of war—and the reconstruction of civilian facilities, such as housing, hospitals, clinics and schools—these should be the overriding concern and objective of American assistance to the people of Indochina.

However, I believe there is a missing element in the bill's list of principles governing our economic aid program. This relates to the need to expand and strengthen the role and place of international and voluntary agencies in our humanitarian assistance program for Indochina. It is the purpose of my amendment to clearly establish as a principle objective of our aid that, "wherever practicable," American assistance to Indochina shall be distributed "under the auspices of and by the United Nations, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of U.S. Government personnel."

Over the past several years, this has been one of the most glaring omissions in our Government's budget requests for Indochina—the absence of any meaningful effort to promote or strengthen international cooperation in helping to heal the wounds of war in Indochina. This despite the hope in many quarters that a good share of the effort to provide humanitarian assistance to the millions of people in need can be carried out under some form of international cooperation—if not on a regional basis, then at least programs under international auspices for some of the special people problems which exist in the separate war-affected areas.

I have shared this hope. And, along with other Members of the Senate, I have long advocated that our Government actively encourage and support initiatives for expanding the participation and the role of the United Nations, its specialized agencies, the International Red Cross, and similar organizations, in the relief and rehabilitation programs in Indochina. Senators may recall that last year, the Senate adopted my amendments for this purpose to the fiscal year 1974 foreign assistance authorization bill. Although they were dropped in conference last year, I believe Senate action this year would strengthen the bill and will receive support in the House.

Mr. President, I believe the record is clear that a number of governments are now prepared to support and contribute to humanitarian programs in Indochina if they are under international auspices. The record is equally clear that those international arrangements are there—waiting and ready to be used. The International Red Cross is prepared to upgrade and expand their efforts in Indochina, especially in Cambodia. The record is clear that the United Nations stands ready to help. The record shows that UNICEF has new programs underway, and that the United Nations High Commissioner for Refugees—UNHCR—is soliciting international support for a new program of relief to all areas of Indochina. And other offices and agencies of the United Nations are also prepared to move in meeting humanitarian needs. What is missing is a clear and firm indication of U.S. support—of a meaningful pledge to help fund these international initiatives.

The administration's policy toward internationalizing assistance for Indochina has been ambiguous, to say the least. Despite public statements to the contrary—before the refugee subcommittee and elsewhere—our Government has done precious little to really support initiatives by the United Nations and other international bodies. In fact, apart from indicating some token contributions to the International Red Cross, and some mild interest in the modest program of the U.N. High Commissioner for Refugees, the administration's original budget presentation and subsequent statements on our foreign aid policy toward Indochina, all but ignore the creative possibilities for expanding international participation in this area.

In fact, in recent weeks officials of our Government have sought to attach unreasonable conditions on our support of international programs in all areas of Indochina. Such an attitude undercuts the effectiveness of such organizations as UNICEF and the U.N. High Commissioner, and threaten to unravel the international framework needed to meet the massive needs of orphans and children and other war victims in all the war-affected areas. It also serves to discourage contributions from other countries, ready and willing to contribute to humanitarian relief in Indochina, if it is undertaken under international auspices.

Mr. President, it is time for the administration to stop the foot-dragging and the negativism. It is time to support in a significant way, international efforts to meet the relief and rehabilitation needs of all the people of Indochina. It is time to break with the past, and to actively support new directions in our assistance policy toward Indochina.

The bill reported by the Foreign Relations Committee has made a giant step in this direction, and I hope my amendment will carry it one step further.

Mr. President, it seems to me that one of the most effective instruments in meeting humanitarian needs that we have seen in recent times, whether it has been in the area of Bangladesh or also to some extent in the Sahel, or other areas of very desperate need, has been through the established specialized agencies of the United Nations.

I happen to believe one of the finer jobs of the U.N. has been the work of its specialized agencies. These are made up of career individuals whose concern and commitment to humanitarian interests have been, I think, perhaps the brightest star of the United Nations.

I know that recently there have been steps taken within the U.N. that single out some of the specialized agencies for political recrimination. Of course, this is an aspect which I deplore because I think I can say without the possibility of contradiction that the various specialized agencies have recorded an admirable record in the area of humanitarian assistance wherever they have been called to play a role.

Even today in Indochina, there is an existence now—an international presence—that has the capacity to provide greater humanitarian assistance. I think it is entirely appropriate that we, to the extent that it is possible, and this is purely an advisory amendment, take advantage of that particular machinery.

It seems to me as well that we can lessen the burden on the American taxpayer.

In many instances, countries are quite willing to help and assist in humanitarian undertakings if they are under international auspices.

Too often in the past in Indochina we have made this strictly a U.S. undertaking and excluded the possibility for participation from other member states of the U.N.

First of all, to provide a more effective response to humanitarian needs; second, to reduce what I think is the ever increasing pressure on the American taxpayer; and third, because I think there are sound U.N. programs.

I think this amendment is useful and helpful.

Finally I would say, Mr. President, that this amendment follows a previous amendment to the last foreign aid bill, which was accepted.

This is a matter which is not new in terms of our understanding of it and I think it would be extremely useful in the area of humanitarian assistance in Indochina.

I urge adoption of the amendment and request the support of the floor manager.

Mr McGEE. Mr. President, I would like to say to the distinguished Senator from Massachusetts that the proposed language amendment squares very tightly with the position that has long been taken by the members of the Foreign Relations Committee. Falling, as it would, under that section of the bill pretty much covering economic aid to Indochina, it seems to me it makes even more articulate in terms of meaning that whole section.

On behalf of the committee, I would be authorized to accept that language as consistent with the intent of this section of the bill.

Mr. KENNEDY. I appreciate the support of the floor manager and his expression of support by the members of the committee.

I am prepared to vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. Kennedy).

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, after discussing the matter with the interested parties, at this time I wish to propound a unanimous-consent request: that there be 1 hour on amendments to the pending business, the time to be equally divided between the sponsor of the amendment and the manager of the bill, and 30 minutes on amendments to amendments, motions, and so forth, the time to be equally divided between the sponsor of the amendment to the amendment and the manager of the bill; that there be 2 hours on the bill, itself; that the vote occur not later than 6 p.m. tomorrow afternoon; that rule XII be waived and regular order be followed; and that all amendments be germane.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I thank the Presiding Officer.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 3394, a bill to amend the Foreign Assistance Act of 1961, and for other purposes, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any amendment in the second degree, debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Majority and Minority Leaders or their designees: *Provided,* That the said Leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Ordered further, that the vote on final passage of this bill shall occur not later than 6:00 p.m., Wednesday, Dec. 4, 1974.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. The time to be charged to both sides on the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I submitted to the Foreign Assistance Act of 1961 an amendment, the purpose of which was to make absolutely certain that in all foreign aid programs conducted by the U.S. Government in cooperation with the governments of other countries, we did not create a greater gap between the status of men and women in those countries than already existed. In fact, it would be the intention and purpose to use all the human resources in these countries in connection with the development programs of lesser developed countries.

Yet, as we saw the implementation of our foreign aid program with funds provided for training and for education, we saw the possibility that a preponderance of these funds might be going to the training and education—the giving of skills—to half the population, the men and not the women. This not only created a further gap between the sexes in these countries but also failed to take advantage of all the human resources available to these countries in their development program.

As a matter of fact, we have found in the administration of foreign assistance bills that the management, the policy positions taken, in connection with this legislation frequently was carried out predominantly by men, without really proper thought given to the possibility that sex discrimination was carried on.

As a result of the submission of this so-called Percy amendment, the Director of Foreign Assistance, Mr. Dan Parker, issued the "Percy amendment policy implementation plan," directing all agency development assistance plans to contain clear statements as to how women in developing countries will be involved in the development process and how the plan or proposal will benefit women and thus their capabilities.

I commend Mr. Parker for the extraordinary, fine way in which he has implemented this part of our foreign aid bill and for the excellent work being done within AID now to implement it in spirit and fully in accordance with the intention of Congress.

At the United Nations, on behalf of the United States, very recently, I submitted a similar amendment, so that in all development programs of the United Nations, this amendment and the policy of nondiscrimination by sexes would be observed. I am happy to report that the appropriate committee unanimously reported out for the consideration of the plenary session this particular amendment, submitted by me as a delegate to the United Nations this year, on behalf of the United States. I feel certain that this will be implemented in all future foreign aid and development assistance programs of the United Nations.

It would therefore seem appropriate, Mr. President, that the assistance programs that the U.S. Government has and contributes toward, such as the World Bank, would also have a policy, and that the U.S. delegate to those organizations be instructed to implement the policies and provisions that are now being carried out in our own foreign aid programs.

An amendment has been prepared by me which I feel will have the widespread support of the Members of the Senate. Other Members of the Senate who have particularly interested themselves in these matters include Senator Humphrey, and other members of the Committee on Foreign Relations in the past. I simply wish to indicate that it will be my intention, at some point in the future, on the first bill that the Committee on Foreign Relations considers in the next session of Congress, to introduce this amendment as an amendment to such bill, to be implemented as early as possible after that.

It would have been the intention of the Senator from Illinois to introduce an amendment to the present, pending bill, but the Senator from Illinois, as a member of the Committee on Foreign Relations, is fully supportive of the principle, supported by the administration, that it would impede the progress of the pending legislation if it were open for amendments, no matter how worthy those amendments may be. The need now, after almost half the fiscal year has passed, to enact an authorizing bill for foreign assistance is urgent, and no action should be taken that might possibly impede or slow up that process.

Therefore, I shall not offer the amendment today, but I simply wish to notify my colleagues that I shall offer the amendment at some future time on the first bill that will be taken up and considered by the Committee on Foreign Relations.

Mr. President, I ask unanimous consent that a copy of the proposed amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

At the end of the bill add the following new section:

INTEGRATION OF WOMEN

Sec. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 305. Integration of Women.—The President is requested to instruct each representative of the United States to each international organization of which the United States is a member (including but not limited to the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, and the Organization for Economic Cooperation and Development) to carry out their duties with respect to such organizations in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organizations, thereby improving the status of women."

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VIETNAM-ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974—VETO

The PRESIDING OFFICER (Mr. McClure) laid before the Senate a message from the House of Representatives, which was read, as follows:

The House of Representatives having proceeded to reconsider the bill (H.R. 12628) entitled "An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The PRESIDING OFFICER laid before the Senate a message from the President of the United States to the House of Representatives, as follows:

To the House of Representatives:

I am returning today without my approval H.R. 12628, a bill which would provide what I consider an excessive increase and liberalization of veterans' education and training benefits.

Instead, I urge the Congress to send me a veterans' education bill along the lines that I have proposed. By doing so, we can avoid adding another half billion dollar load to the already overburdened taxpayer. Failure to do so will mean that the Congress will in the aggregate—Federal pay deferral, Railroad Retirement and Veterans Education—add over one and a half billion dollars to the Federal deficit in 1975.

This bill which I am returning to the Congress provides benefits that are greater than those granted to World War II and Korea veterans. It would cost the taxpayers half a billion dollars more in fiscal year 1975 than is appropriate in view of the country's current economic circumstances.

The decision not to sign this bill has not been an easy one. But it is necessary if all of us are to operate with essential budgetary restraint. The Nation must reduce Federal spending if we are to stop the inflation spiral.

I have asked the Congress on previous occasions to join with me to hold down Federal spending and help whip inflation. In two important instances, the Federal pay deferral plan and the Railroad Retirement bill, the Congress refused to join with me and the result has added an additional one billion dollars to the Federal taxpayers' burden.

Veterans' benefits should—and can—be improved. I continue to support a responsible increase in education benefits for veterans. I again urge the Congress, as I have on many occasions, to enact a GI Bill providing for an 18.2 percent benefit increase rather than the 23 percent in this bill. Such action would be in keeping with the need for fiscal responsibility while recognizng the Nation's special debt to our veterans.

Since the Vietnam-era GI bill first went into effect in 1966, the total of veterans' benefit increases enacted through 1972 have substantially exceeded the rise in cost of living. Not including the provisions of this bill, the basic monthly education has increased by a $120 per month or 120 percent since 1966. This compares with an actual rise of 55 percent in the Consumer Price Index.

In addition to the 23 percent benefit increase, this bill extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. I believe the present entitlement of four academic years is sufficient time to permit a veteran to obtain his baccalaureate degree and to enable him to adjust to civilian life.

In addition, the bill contains other objectionable features despite my urging that they be eliminated. It establishes a new direct loan program for veteran students which departs from the sound objective of providing student aid through one department—Health, Education and Welfare—rather than through various Federal agencies. A direct loan program is also inefficient compared to available guaranteed loan programs, which provide substantially more assistance to the veteran at less cost to the Federal taxpayer.

I am returning this bill with reluctance, but it is my earnest hope that the Congress will demonstrate its willingness to join the executive branch in taking the difficult actions needed to hold down spending by the Federal Government while being equitable with our veterans.

GERALD R. FORD.

THE WHITE HOUSE, *November 26, 1974.*

The Senate proceeded to reconsider the bill (H.R. 12628), Vietnam-Era Veterans' Readjustment Assistance Act of 1974, returned by the President on November 26, 1974, without his approval, and passed by the House of Representatives, on reconsideration, on December 3, 1974.

The **PRESIDING OFFICER.** The question is, Shall the bill pass, the objection of the President of the United States to the contrary notwithstanding?

Who yields time?

Mr. **MANSFIELD.** Mr. President, I allocate my time to the chairman of the committee, the Senator from Indiana (Mr. HARTKE).

The **PRESIDING OFFICER.** The Senator from Indiana is recognized.

Mr. **HARTKE.** Mr. President, I ask unanimous consent that the following staff members of the Committee on Veterans' Affairs be permitted on the floor during consideration of this bill: Guy H. McMichael, Mary Whalen, Larry Chernikoff, and John Szabo.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **HARTKE.** Mr. President, I address myself today to the Vietnam-Era Veterans' Readjustment Assistance Act.

Mr. President, I yield myself 10 minutes.

The **PRESIDING OFFICER.** The Senator is recognized.

Mr. **HARTKE.** Mr. President, on November 26, the President returned to Congress without his approval, H.R. 12628, the Vietnam-Era Veterans' Readjustment Assistance Act of 1974. The veto of this important measure was unwarranted, unnecessary, and extremely unfortunate. I arise to urge my colleagues to support the motion to override the President's veto.

I term this an unfortunate veto, because I believe the President was ill served by those who advise him. There are a number of assertions contained in the veto message which cannot go unchallenged, together with unspoken implications which also must be examined.

GENERAL SUMMARY OF THE PROVISIONS OF THE VIETNAM-ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974

Before turning to the veto message, I believe that it would be worthwhile to briefly summarize the provisions of this comprehensive and important measure.

Title I amends title 38, United States Code, as follows:

First, increases the rates of monthly educational assistance allowance by 22.7 percent for eligible veterans under chapter 34 and for eligible wives, widows, and children training under chapter 35. Monthly allowance for a single veteran with no dependents is increased from $220 to $270. A married veteran's allowance is increased from $261 to $321 monthly. The allowance for a married veteran with a child is increased from $298 to $366 a month with provision for $22 for each additional dependent.

Second, increases by 18.2 percent the monthly training assistance allowance payable to eligible veterans or persons pursuing a full-time program of apprenticeship or other on-job training program. The initial monthly allowance for a single veteran with no dependents is increased from $160 to $189.

Third, liberalizes eligibility requirements for disabled Vietnam veterans to train under the vocational rehabilitation provisions of chapter 31 to equalize them with those in effect for veterans of World War II and the post-Korean conflict.

Fourth, clarifies and liberalizes the circumstances under which disabled veterans training under the vocational rehabilitation provisions of chapter 31 may qualify for individualized tutorial assistance.

Fifth, increases by 18.2 percent the educational allowance payable to eligible veterans or persons who are enrolled in PREP, flight training, or pursuing a program of education by correspondence.

Title II amends title 38, United States Code, as follows:

First, permits the initial 6 months of active duty training by Reserve and National Guard members to be counted toward entitlement for educational assistance under chapter 34, if the Reserve or Guard members subsequently serve on active duty for a consecutive 12 months or more.

Second, extends the maximum entitlement of educational assistance benefits for eligible veterans from 36 to 45 months to be utilized in pursuit of a program of education leading to a standard undergraduate college degree.

Third, clarifies and strengthens certain administrative provisions of the veterans VA educational assistance programs to prevent and mitigate against abuses by providing that courses with vocational objectives must demonstrate that at least 50 percent of the course graduates obtained employment in the occupational category for which the course was designed to provide training.

Fourth, provides that the Administrator shall not approve enrollment of an eligible veteran or person in any course which utilizes significant avocational and recreational themes in its advertising, or in any proprietary below-college level course in which more than 85 percent of the eligible students are wholly or partially subsidized by the Veterans' Administration.

Fifth, clarifies and strengthens certain administrative provisions of the VA educational assistance program to prevent abuses.

Sixth, authorizes up to 6 months of refresher training for veterans eligible under the current GI bill to update knowledge and skills in light of the technological advances occurring in their fields of employment during and since the period of their active military service.

Seventh, liberalizes the veteran-student service programs by raising the maximum work-study allowance from $250 to $625—increasing the maximum number of hours a veteran may work from 100 to 250—and removing any statutory ceiling on the number of veterans who can participate in the program.

Eighth, liberalizes the tutorial assistance program by extending the maximum assistance period from 9 to 12 months and increasing the monthly tutorial allowance from $50 to $60.

Ninth, liberalizes permissible absences for courses not leading to standard college degrees by excluding customary vacation period established by institutions in connection with Federal or State legal holidays.

Tenth, permits any joint apprenticeship training committee which acts as an annual reporting fee of $3 for each eligible veteran or person enrolled in VA educational programs in return for furnishing the VA with the reports or certificates of enrollment, attendance, and termination of such eligible veterans.

Eleventh, provides that occupation-vocational courses not leading to a standard college degree but offered on a clock-hour basis may in the alternative be measured on a credit-hour basis, provided that there is a minimum 22 hours of attendance per week.

Twelfth, provides that the Administrator shall not approve the enrollment of any eligible veteran or person in any course offered by an institution which utilizes erroneous, deceptive, or misleading advertising, sales, or enrollment practices of any type.

Thirteenth, directs the Administrator to measure and evaluate all programs authorized by title 38 with respect to their effectiveness, impact, and structure and mechanisms for the delivery of services, and to collect, collate, and analyze, on a continuing basis, full data regarding the operation of all such programs and to make available to the public and to the Congress on a regular basis such information and the results of his findings.

Fourteenth, increases the allowance payable to the Administrator for administrative expenses incurred by the State approving agencies in administering educational benefits under title 38.

Fifteenth, clarifies and strengthens the Administrator's functions and responsibilities under the VA outreach program to include greater use of telephone facilities and peer-group contact.

Sixteenth, establishes a veterans representative program to station a full-time VA employee at each educational institution where at least 500 veterans are enrolled to serve as a liaison between the VA and the school and to identify and resolve various problems with respect to the educational assistance program.

Seventeenth, directs the Administrator of Veterans' Affairs to seek to achieve maximum feasible effective coordination and interrelationship of services among all Federal programs and activities affecting veterans, and to seek to achieve the maximum coordination of their programs with the programs carried out by the Veterans' Administration.

Title III amends title 38, United States Code, as follows:

Authorizes supplementary assistance to veterans or eligible wives, widows, and children by direct loans to such individuals from the Veterans' Administration of up to $600 a school year to cover educational costs not otherwise provided for in title 38 or other Federal loan or grant programs.

Title IV amends title 38, United States Code, as follows:

First, extends chapter 41 benefits of job counseling, training, and placement services to wives and widows eligible under chapter 35.

Second, expands and strengthens the administrative controls which the Secretary of Labor is directed to establish in order to insure that eligible veterans, wives, and widows are promptly placed in a satisfactory job or job training or receive some other specific form of employment assistance; also requires the Secretary of Labor to establish standards for determining compliance by State public employment service agencies with the provisions of chapters 41 and 42.

Third, clarifies and strengthens existing law requiring that Federal contractors take actions in addition to job listing in order to insure affirmative action to employ and advance in employment qualified disabled and Vietnam-era veterans.

Fourth, provides that it is the policy of the United States to promote maximum employment and job advancement opportunities within the Federal Government for qualified disabled and Vietnam-era veterans, and provides for special Federal appointment authority and other mechanisms to carry out that policy.

Fifth, provides for clarification and recodification into title 38 of existing law on veterans' reemployment rights, and further extends those rights to veterans who were employed by States or their political subdivisions.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HARTKE. I ask unanimous consent to proceed for another 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Title V provides: All amendments become effective on the date of enactment except that the rate increase will be effective September 1, 1974, and the new loan program will be effective January 1, 1975. Veterans or dependents eligible for a loan on ar after January 1, 1975, shall be entitled to a loan amount reflective of the full amount of their tuition and all other costs of attendance which they have incurred for the academic year beginning on or about September 1, 1974.

In response to this measure which was unanimously approved by both Houses, on November 26 the President returned the bill with the veto message, which I ask unanimous consent to have printed in the Record at this time.

There being no objection, the message was ordered to be printed in the Record, as follows:

To the House of Representatives:

I am returning today without my approval H.R. 12628, a bill which would provide what I consider an excessive increase and liberalization of veterans' education and training benefits.

Instead, I urge the Congress to send me a veterans' education bill along the lines that I have proposed. By doing so, we can avoid adding another half billion dollar load to the already overburdened taxpayer. Failure to do so will mean that the Congress will in the aggregate—Federal pay deferral, Railroad Retirement and Veterans Education—add over one and a half billion dollars to the Federal deficit in 1975.

This bill which I am returning to the Congress provides benefits that are greater than those granted to World War II and Korea veterans. It would cost the taxpayers half a billion dollars more in fiscal year 1975 than is appropriate in view of the country's current economic circumstances.

The decision not to sign this bill has not been an easy one. But it is necessary if all of us are to operate with essential budgetary restraint. The Nation must reduce Federal spending if we are to stop the inflation spiral.

I have asked the Congress on previous occasions to join with me to hold down Federal spending and help whip inflation. In two important instances, the Federal pay deferral plan and the Railroad Retirement bill, the Congress refused to join with me and the result has added an additional one billion dollars to the Federal taxpayers' burden.

Veterans' benefits should—and can—be improved. I continue to support a responsible increase in education benefits for veterans. I again urge the Congress, as I have on many occasions, to enact a GI Bill providing for an 18.2 percent benefit increase rather than the 23 percent in this bill. Such action would be in keeping with the need for fiscal responsibility while recognizing the Nation's special debt to our veterans.

Since the Vietnam-era GI bill first went into effect in 1966, the total of veterans' benefit increases enacted through 1972 have substantially exceeded the rise in cost of living. Not including the provisions of this bill, the basic monthly education allowance has increased by a $120 per month or 120 percent since 1966. This compares with an actual rise of 55 percent in the Consumer Price Index.

In addition to the 23 percent benefit increase, this bill extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. I believe the present entitlement of four academic years is sufficient time to permit a veteran to obtain his baccalaureate degree and to enable him to adjust to civilian life.

In addition, the bill contains other objectionable features despite my urging that they be eliminated. It establishes a new direct loan program for veteran students which departs from the sound objective of providing student aid through one department—Health, Education and Welfare—rather than through various Federal agencies. A direct loan program is also inefficient compared to available guaranteed loan programs, which provide substantially more assistance to the veteran at less cost to the Federal taxpayer.

I am returning this bill with reluctance, but it is my earnest hope that the Congress will demonstrate its willingness to join the executive branch in taking the difficult actions needed to hold down spending by the Federal Government while being equitable with our veterans.

Gerald R. Ford.

The White House, *November 26, 1974.*

Mr. HARTKE. Mr. President, I believe it is important to address ourselves at the onset to the basic issues raised by the veto message. That is, that the assertion that the increases and liberalization provided for in this bill are not needed or in the President's own words, represent "excessive increases and liberalization of veterans education and training benefits." Clearly coupled is the issue of whether the benefits provided here will significantly accelerate the Nation's "inflation spiral," in the words of the President.

Mr. President, the fundamental premise that the benefits are not needed is further emphasized by the bold assertion in the veto message that under this bill the Vietnam veteran would receive "benefits greater than are accorded to World War II and Korean veterans." Every available study and bit of information simply contradicts that unsupported assertion. Beyond studies and reports however, anyone who has been in contact with young veterans struggling to attend school on the GI bill, knows firsthand that veterans are having a rough time of it today. Currently, a single veteran receives $1,980 a year, while a veteran with a dependent receives $2,349 annually. Under the bill vetoed by the President a single veteran's benefits would be increased to $2,430 a year while a veteran with a dependent would receive $2,889 annually to pay for tuition, books, fees, food, rent, clothing, medical supplies, and all the other basic necessities.

Every available study has concluded, contrary to the assertion of the veto message, that todays veterans do not receive adequate benefits and do not have the same educational opportunities that are available to their World War II counterparts. These include extensive studies by the League of Cities-the Conferences of Mayors, the Nader report on Vietnam veterans in the Veterans' Administration, the Ford Foundation, and perhaps most important an independent study conducted by the Educational Testing Service of Princeton, N.J. (ETS), pursuant to a Veterans' Administration contract last year. In its report to the VA, the ETS concluded:

> In general, the "real value" of the educational allowance available to veterans of World War II was greater than the current allowance being paid to veterans of the Vietnam Conflict when adjustments are made for the payment of tuition, fees, books and supplies.
>
> When educational allowances for the Vietnam veteran are adjusted for the average tuition, fees, books and supplies at a 4-year public institution, the benefits remaining are insufficient to meet the veteran's estimated living expenses.
>
> When total resources available to the veteran for an academic year are compared with his estimated living expenses for a similar period, substantial need exists for additional resources to meet educational costs.

Thus, to assert that veterans would be better off simply does not square with the facts. Using the most conservative indicator, the Consumer Price Index, and adjusting total dollars available to World War II veterans by the rise in the cost of living, today's veteran approaches parity under this bill but is not in a demonstrably superior position. More important, the use of the Consumer Price Index is the most conservative of indicators. It ignores the fact that a basic purpose of the educational assistance allowance is to enable veterans to pay school costs. While the Consumer Price Index has risen almost 200 percent since the World War II GI bill, the cost of education has increased more rapidly by 300 to 500 percent. Quite clearly today's veteran has a significant diminishment in the purchasing power of his VA educational assistance dollars. This diminished purchasing power is reflected in participation rates, which vary among States and which should be much higher than they currently are.

The veto message, somewhat disingenuously notes that benefits under the current GI bill since 1966 have risen at a faster rate than the Consumer Price Index. While this in itself is factually correct, it totally ignores the more significant fact that as originally enacted in 1966 a single veteran received $100 a month for full-time training, which was $10 a month less than a veteran received 14 years prior in 1952 under the Korean conflict program. To the extent that comparing benefit increases with the Consumer Price Index are meaningful, a more apt comparison, particularly as it relates to inflationary arguments, would be to measure the increase in benefits provided under this bill against the rise in the cost of living since enactment of the Vietnam Era Veterans Readjustment Assistance Act of 1972—Public Law 92-540.

Both President Nixon and President Ford have at one time or another this year paid lip service to providing cost-of-living increases to veterans. As recently as September 12, President Ford in a message to Congress acknowledged that "cost-of-living increases for our veterans in school are necessary." Measured by this standard since enactment of Public Law 92-540, the cost of living has risen 22 percent as of this past October, with 2 months remaining in the fall school semester alone. Yet in direct contradiction to earlier statements the administration is now apparently arguing for an 18.2-percent increase, effective January 1, 1975, which of course, obviously does not even keep pace with the cost of living. Is this what the President really means when he states that he "continues to support a responsible increase in educational benefits for veterans"?

Not only are these increases clearly justified, given educational costs today, but I do not believe they will have any significant impact on whatever inflationary problems the country is experiencing. Others have argued at great length and quite persuasively as to the effect of Government spending on our inflation problem today. I will not repeat them here other than to reemphasize their conclusion and my conviction that to focus on Government spending as the principal cause of inflation is to indulge in a fantasy that may comfort traditional mythology, but does little to deal with its true causes. Of course, it is a truism that the fight against inflation can and must be fought on many fronts.

However, two points should be made concerning this bill and inflation. Even with enactment of this legislation, veterans benefits as a percentage of the Federal tax dollar will not show any significant increase. In fact, veterans benefits as a percentage of the Federal budget have not increased in the past 5 years in spite of the addition of almost 6 million Vietnam era veterans returning to our country with readjustment problems, and needs which require temporary Federal expenditures. An examination of the record reveals that veterans benefits have not been excessive nor have they been a significant cause of increased Governmental expenditures. Consequently to that extent our attention must be directed to other areas of the budget if in fact there must be reductions in Federal expenditures.

Equally important, however, the President's message ignores the significant amount of compromise which has already occurred. The original Senate bill which passed by a vote of 91 to 0 on June 19, 1974, was considerably more expensive and included provision for the payment of a separate tuition allowance of up to $720 a school year. Excluding the 2-year extension which was enacted into law separately, the fiscal year 1975 cost of the Senate bill—including loan outlays which will be repaid by the veterans—was estimated by the Veterans' Administration to be approximately $1.5 billion.

The first conference report on August 9, by eliminating the tuition provision and reducing the authorized loans in half, and by other amendments reduced the Senate bill by almost $527 million to a fiscal year 1975 cost of $973 million. The second conference report, considered and approved by the Senate on October 10, and subsequently vetoed by the President, would cost $807.8 million by VA figures for the remainder of the fiscal year, a further reduction of over $165 million from the previous conference report which had been unanimously agreed to by all conferees and unanimously passed by the Senate. And, of course, these costs substantially decline in future years. Thus the bill vetoed by the President had been trimmed by over $672 million from the original bill, which represented a 46-percent reduction.

Again, it continues to escape me how a measure providing for a 22.7-percent increase can be inflationary when the cost of living has as of this past October risen 22 percent since the last time the GI bill was enacted and clearly will increase further as the students move further into the schoolyear. Thus, I believe the bill which has been approved, to use the President's words, is a "responsible" measure. As I have said before, to further require reduction would be asking the veteran not only to bite the bullet but to bite the dust as well.

But perhaps the most important point, and one point which cannot be overemphasized is that the money spent under this bill is an investment. Educational assistance to facilitate a veterans readjustment has been part of American law for over 30 years. Over 19 million veterans, almost 10 percent of the entire population in the United States have received educational assistance under the GI bill, since 1974. The impact of this GI bill on American society cannot be underestimated. For each dollar spent in educational benefits the Federal Government has received from $3 to $6 in additional tax revenues from veterans whose education has given them increased earning capacity. As the Bradley Commission noted in 1956:

> By any standard, the readjustment program . . . was one of the greatest efforts in human history to assure the well-being of millions of persons . . . . The Commission believes there is little question that the veterans' education program has been a great benefit to millions of veterans and to the Nation. The veterans' education program was a major contribution to the national welfare, and the country would be weaker educationally, economically, and in terms of national defense, if Educators, Veterans' organizations, the President and the Congress had not seen this new and momentous educational enterprise.

I ask unanimous consent to have printed in the RECORD a table which shows the number of veterans who received educational benefits under the GI bill program for fiscal year 1973 by type of program.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—TRAINEES UNDER THE GI BILL CUMULATIVE THROUGH FISCAL YEAR 1973 BY TYPE OF TRAINING

Training programs	Veterans (ch. 34)	Dependents (ch. 35)
Total all types of training	4,102,814	225,557
COLLEGE LEVEL		
Total	2,099,950	181,021
Academic degrees—field not specified—total	1,091,803	85,398
Associate in arts	332,362	14,541
Associated in science	41,460	1,840
Associated degree, n.e.c.[1]	160,535	9,962
Bachelor of arts	122,417	12,211
Bachelor of science	87,874	6,178
Bachelor's degree, n.e.c	235,110	36,911
Master of arts	26,305	1,032
Master of science	14,919	252
Master's degree, n.e.c	50,384	2,090
Doctor of philosophy	17,190	258
Doctor's degree, n.e.c	3,084	123
Post doctoral, n.e.c	163	17,736

TABLE 1.—TRAINEES UNDER THE GI BILL CUMULATIVE THROUGH FISCAL YEAR 1973 BY TYPE OF TRAINING—Con.

Training programs	Veterans (ch. 34)	Dependents (ch. 35)
Business and commerce	310,196	21,101
Education	122,003	5,686
Engineering	75,905	2,225
English and journalism	11,054	4,014
Fine and applied arts	26,237	501
Foreign languages	3,056	1,276
Law	37,734	1,559
Liberal arts (major not specified)	50,125	11,225
Life sciences—total	83,731	11,557
Agricultural sciences	13,088	1,249
Biological sciences	15,915	2,449
Medical and health sciences	54,728	7,589
Mathematics	7,849	964
Physical sciences	14,339	1,698
Social sciences	71,323	7,218
Theology	10,161	563
Technician courses—total	148,679	5,914
Business and commerce	28,766	1,025
Engineering and related	4,877	96
Medical and related	8,397	1,706
Other technician courses	106,639	3,087
All other academic fields	35,755	2,386
BELOW COLLEGE		
Total	1,659,354	44,449
Arts	105,832	2,016
Business	314,378	14,717
Services	109,132	12,408
Technical courses—total	192,980	2,240
Electronic	135,179	745
Engineering	33,284	219
Legal	8,116	0
Medical and related	7,123	917
Other technical, n.e.c.	9,278	359
Trade and industrial—total	649,847	11,810
Air conditioning	90,040	389
Construction	23,103	4,124
Electrical and electronic	205,541	1,670
Mechanical	182,755	3,507
Metal work	50,236	1,051
Other trade and industrial	98,172	1,069
Other institutional	185,664	1,258
Flight training—total	101,521	0
MAJOR OCCUPATIONAL OBJECTIVE JOB TRAINING		
Total	343,510	87
Technical and managerial	36,510	
Clerical and sales	7,904	
Service occupations	53,327	
Farming, fishery, forestry occupations	2,519	
Trade and industrial—total	228,565	
Processing occupations	8,794	
Machine trades occupations	62,453	
Benchwork occupations	11,829	
Structural work occupations	145,489	
Miscellaneous occupations	14,685	

Mr. HARTKE. Mr. President, it is clear that there is a great need now for investment in increasing America's productivity. The President himself has acknowledged that our country is in a recession. Unemployment continues to spiral upward, as young veterans and others are laid off in auto plants throughout the country and in steel mills in Gary. Moreover, young veterans continue to experience unemployment rates significantly higher than their nonveteran counterparts. The unemployment rate for younger Vietnam era veterans is currently 12 percent and for minority veterans exceeds 23 percent.

The issue before us then is really quite simple: we can either invest the money in the GI bill which enriches the lives of veterans and increases the productivity of our country and results in additional tax revenues, or we can simply pay out substantial sums of money much less productively as unemployment and welfare benefits. I hope we all have the commonsense to invest our money in the future of America rather than to dribble it out in welfare benefits.

It should also be observed that the President offers no statistical data to support his contention that the bill he regards as acceptable would cost $500 million less than the one before you today. Based on the President's past statements, as well as cost information previously supplied by the VA, the committee estimates that the cost differences would be probably less than $250 million, of which $80 million is in the form of loans which must be repaid by the veteran.

In the veto message the President also noted two programs authorized by this bill, which he particularly objected to. I believe it worthwhile to examine those objections and to give you our response to it. First, the President objects to the limited extension of entitlement of up to 9 months to enable the veteran to obtain his baccalaureate degree.

The committee has received considerable testimony that the past low level of benefits required many veterans to work long hours thus preventing them from taking full course loads and obtaining the necessary credits for graduation. Other veterans have lost credits when transferring from junior colleges to full 4-year institutions. Under the compromise agreement this limited extension of entitlement of up to 9 months will enable those veterans to obtain their baccalaureate degree. The cost of this program is not excessive. The first-year cost would be approximately $26.3 million. I should add that the Senate bill originally had a full extension of 9 months to enable veterans also to take additional graduate training which I supported and continue to support. I believe additional education, including graduate education is necessary today, and our investment in this additional education will also result in higher productivity.

Second, the President objected to the veterans education loan program, asserting that it departed from his objective anyway, of providing student aid through one department of the Department of Health, Education and Welfare. He also indicated that he believed the direct loan program would be "inefficient" compared to available guaranteed loan programs, which provides substantially more assistance to the veterans with less cost to the Federal taxpayer. Such a provision ignores both the intent and operation of this loan program. First, in order to qualify for a loan, the maximum up to $600, a veteran must show need and that he was unable to obtain any other Federal guaranteed or direct loans to satisfy those needs.

Veterans traditionally have a much better payback rate than others who borrow under Federal programs, and the carefully drawn provisions of the loan program in this bill should insure that defaults are kept to a minimum and that funds advanced are repaid. The VA estimates approximately 135,000 would qualify for loans up to approximately $80 million in volume the first year. It also should be noted that the Veterans' Administration has had over 25 years of experience in handling direct veteran housing loans with great success at little cost to the Federal taxpayer.

Finally, I wish to take this opportunity to clarify one possible misunderstanding with regard to the recodification of reemployment rights for disabled veterans. The current law provides that if disabled, a veteran who was previously employed and is not qualified to perform the duties of such position by reason of the disabilities sustained in service, he shall be offered such other position, the duties of which he is qualified to perform as will provide the veteran with like seniority status and pay or the nearest approximation thereof, consistent with the circumstances in each veteran's case.

I wish to make it clear that is the intent of all concerned that the employer retains this obligation and that he so clearly inform the veteran of the right to such similar employment and grant him a meaningful opportunity to accept such employment. In this case we intend to apply the principles of *Babbitt* v. *St. Louis-San Francisco Railway Co.* (Labor Relations Cases, CCH par. 14, 477, U.S.D.C., E.D. Missouri, 1974) requiring the returning veteran to be given such sufficient information by the employers to make a reasonably informed decision with respect to any position which he intended to protect or with respect to any other position which might be available to him.

Mr. President, in my capacity as Chairman of the Veterans' Affairs Committee I have received many hundreds of letters and telegrams revealing broad based support for this GI Education Bill. Prior to the veto, President Ford was urged by many organizations to sign the bill. I ask unanimous consent that two such expressions of support for H.R. 12628 from George Meany, president of the AFL-CIO and from James M. Wagonseller, national commander of the American Legion, be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AFL-CIO President George Meany today urged President Ford to reconsider his objections to the Vietnam Era Veterans Readjustment Act of 1974 and sign it into law. Meany said:

The measure would update the G.I. Bill and then better serve today's veterans, many of them union members or the sons and daughters of union members. Equity and decency argue that this bill should become law.

While the bill does not contain all that the AFL-CIO sought, it significantly increases benefits, provides low-interest tuition loans and authorizes a crackdown on so-called "approved for veterans" correspondence or vocational schools of a proprietary nature that have been preying on unsuspecting veterans through pernicious advertising.

This nation's veterans would be ill-served by a veto. The bill is not inflationary; rather it is an investment in America's future and a debt the nation owes those Vietnam veterans who sacrificed much for this country.

On behalf of the AFL-CIO, I urge President Ford to reconsider and sign the Vietnam Era Veterans Readjustment Act of 1974.

The American Legion,
Washington, D.C., November 20, 1974.

The President,
The White House,
Washington, D.C.

Dear Mr. President: It is my understanding that H.R. 12628, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, has been presented to you for approval. In a recent message to Congress you implied a possible intent to veto this bill, on the grounds that its cost would have an inflationary effect on the economy. Mr. President, it is the earnest hope of The American Legion that you will not veto this measure, but that you will give it your approval.

In fairness to the many thousands of Vietnam Era veterans, who served their country honestly and faithfully during the course of the Vietnam war, and who are now attempting to complete their readjustment to civilian life, H.R. 12628 merits your approval.

We disagree with your statement that the measure would have an inflationary effect on the economy. Its additional cost during the current fiscal year would be approximately 785 million dollars. That is not an excessive amount in a federal budget for the fiscal year that is currently more than 300 billion dollars. A meaningful program is not being provided under the present terms of the Veterans Education Assistance Program. The additional benefits included in H.R. 12628 are modest in the face of the current inflationary pressure affecting the economy.

Your recent promise of 70,000 jobs for Vietnam veterans is a laudable goal. We believe, however, that it is immeasurably more important to first consider upgrading the skills of these veterans, many of whom are underskilled and in need of an effective education and training program to properly equip them to compete in a job market in which employment opportunities are increasingly scarce.

No veteran can complete his education with the benefits given him by the Government. All of them will have to supplement the grants with other funds. On that basis, the cost of the program to the Government cannot be considered to be inflationary.

It is a fact, established by thorough research, accomplished 25 years after the end of World War II, that the total cost of the Education Program for WW II veterans has been recovered more than 100% by the U.S. Treasury through the added taxes paid by WW II veterans, whose incomes are significantly higher than they would have been without the advantage of education and training under the WW II G.I. Bill.

In the interests of simple justice for the Vietnam veteran, we strongly urge that you sign H.R. 12628. This course of action is the obvious intent of the American people as evidenced by the overwhelming and bipartisan support for the measure in the Congress, and each day that goes by without relief multiplies the hardship of a group who, in our opinion, have sacrificed enough.

Sincerely,

James M. Wagonseller,
National Commander.

Mr. HARTKE. Mr. President, after the Presidential veto, I received many more expressions of support for an override of that veto. This support came from all over the country. I ask unanimous consent that several examples of support for the override of the veto of H.R. 12628 from the Veterans of Foreign Wars, the American Legion, National Association of State Directors of Veterans' Affairs, the Commonwealth of Pennsylvania, and from several organizations in my own State of Indiana, be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Veterans of Foreign Wars,
Washington, D.C. November 19, 1974.

VETERANS SHOCKED AT PRESIDENT'S GI BILL STAND

"Veterans across this nation were shocked to learn that the President once again has threatened to veto legislation which will give cost of living increases to Vietnam veterans attending schools under the GI Bill," said John J. Stang, National Commander-in-Chief of the Veterans of Foreign Wars of the U.S.

"While on the one hand praising veterans for the contribution they made for their country, President Ford clearly is withholding the means for them to learn skills which will assist them, their cities and states and the nation. It is a fact that the income taxes paid by college graduates on earnings over that made by a high school graduate will more than pay for the investment by increasing payments for tuition now."

Stang pointed out that while the increase would be more than the Administration has asked for, many on the President's panel of economic advisors felt that Federal spending would not increase inflation. "This increase will permit the veteran to stay on the campus and will attract more students keeping them away from the unemployment rolls," Stang said.

"I can see nothing inflationary or undeserved about the legislation agreed to by both Houses of the Congress. The V.F.W. stands behind this intent to increase the GI Bill education assistance to keep pace with the rising costs of living and education. I consider this an investment in the future of our country and one richly deserved by these men and women.

"The V.F.W. accepts the challenge of proving who stands behind education for our Vietnam veterans. Presidential rhetoric acknowledging the great debt to those who served during the Vietnam era, will not pay their tuition, buy their books or feed their families," Stang said.

"A former President called upon these men to fight battles in Vietnam. Why should this President make them fight another battle—the battle of inflation?

"I call upon all veterans and their families to write their Senators and Congressmen to urge with all sincerity that the Congress override the veto and permit increases to be made to the educational assistance provided those who gave so much for their country," Stang said.

The American Legion,
Washington, D.C., November 26, 1974.

Subject Summary: American Legion National Commander Deplores Veto of GI Bill by President Ford.

Washington, D.C.: The American Legion National Commander.

James M. Wagonseller today issued the following statement in connection with the President's veto of the GI Bill educational benefits increase:

"The American Legion is shocked and disillusioned by your veto of legislation designed to improve the lot of the younger veteran seeking to further his education and increase his potential for future service to America.

"We are aware of heavy inflationary pressure for we are no more immune to them than any other group of Americans. However, we viewed this measure as an investment in America, both from a monetary standpoint and from the standpoint of developing America's human resources to the fullest.

"We have labored long and hard to help the younger veteran in his efforts to readjust. We believe America owes him a fighting chance. We believe his well being should take priority over that of draft dodgers and deserters who are being given a second chance. We are duty bound to support any effort to override this veto."

Washington, D.C.

Senator Vance Hartke,
Chairman, Committee on Veterans Affairs,
U.S. Senate,
Washington, D.C.

The Blinded Veterans Association considers it imperative that the U.S. Senate override President Ford's veto on the Veterans Education and Rehabilitation Amendments Act of 1974. On behalf of the Nation's veterans we respectfully urge your assistance in enacting H.R. 12628 into law.

Clyde W. Waugh,
National President and
Chairman of the Board.

Veterans of Foreign Wars,
Weirton, W. Va., November 27, 1974.

Hon. Vance Hartke,
Chairman, Senate Veterans Affairs Committee, Senate Office Building, Washington, D.C.

Dear Senator Hartke: Just as it has been rumored, President Ford has vetoed the Veterans Educational Bill H.R. 12628.

The President "speaks with forked tongue"; he praises the veteran but he fails to help the deserving veterans of our country. He has compassion for the deserters, traitors and the draft evaders.

The veteran who served our nation proudly and honorably should be the one to receive compassion, understanding and assistance from our President and our country.

I ask that you and your fine committee urge our Congress to over-ride the veto for I firmly believe that the passage of this bill is a great and worthy investment in the future of our country and should in no way be considered an inflationary bill.

Your continued great efforts in behalf of the veterans of our nation will be greatly appreciated.

Sincerely yours,

David J. Lowery.

State Directors of Veterans Affairs,
Santa Fe, N. Mex., November 26, 1974.

Hon. Vance Hartke,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: We strongly solicit your support in overriding any veto by the President of the United States on House Resolution No. 12628, Vietnam Era Veterans Readjustment Assistance Act.

We feel that this legislation is the greatest investment our country can make in the future education of our veteran population.

It is our opinion that this legislation is neither inflationary or fiscally irresponsible.

Sincerely yours,

Filberto Ruiz, Jr.,
Secretary-Treasurer.

Department of Military Affairs,
Harrisburg, Pa., November 27, 1974.

Hon. Vance Hartke,
U.S. Senator, Committee on Veterans Affairs, Russell Senate Office Building, Washington, D.C.

Dear Senator Hartke: President Ford has deemed it necessary to veto the Veterans Education Act. However, on behalf of the 400,000 Pennsylvania veterans who served during the Vietnam era, I urge you and your constituents to override the veto with all haste.

At this point, it is imperative that those young men and women who have served their country with honor and dignity be given the opportunity to acquire the educational skills and knowledge necessary to compete in these trying times.

If the President feels it is proper to give billions of dollars away in foreign aid, I think that it is prudent to pass this legislation. Let us first help those at home.

I respectfully urge your support. The veterans of Pennsylvania are depending on you.

Sincerely yours,

HAROLD WELLS,
Deputy Adjutant General
for Veterans Affairs.

STATE VETERANS AFFAIRS COMMISSION,
Jackson, Miss., November 27, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR MR. HARTKE: The President of the United States has taken what I consider shameful action on HR 12628. I am in a position to view the plight of the Vietnam veteran from two angles, one as Commissioner of Veterans Affairs involved in claims work and the other as Executive Secretary of the State Approving Agency for veterans education and training. My observation dictates that provisions of HR 12628 are warranted and overdue. All provisions in this legislation will be an investment in the future of America.

Please use your influence to override the President's veto when the opportunity presents itself next Tuesday.

Respectfully,

HUGH B. MCCLUER, Jr.,
Commissioner.

Senator VANCE HARTKE,
Senate Building,
Washington, D.C.:

Veteran of Foreign War Post 1114, Evansville, Ind., largest post in the world, request your support in passing veterans educational benefit increase.

ROY POUND, *Commander.*

Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: Indiana Gold Star VFW Post 1282, New Castle, Indiana, is on record as supporting Veterans Education bill H.R. 12628. Our membership is 500 plus, ask that you support overriding of President Ford's veto. We believe the veterans bill is an investment in our country's future. We must support the Vietnam veteran.

HERSHEL L. LOWE,
Commander.

Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.:

I as Indiana State VFW Auxiliary President, representing 21,573 members, urge you to back Vietnam veterans, vote to override President's veto H.R. 12628 Veterans Education bill. These young men are our future, we owe them an education. It will mean a greater America. Help those who fought to keep our home front. Free our 21,573 members. Ask you to vote to override this veto.

JAMESINE SWEET,
State President.

Mr. HARTKE. Mr. President, there has also been a considerable amount of press coverage on the plight of the Vietnam veterans and the need for the benefits provided in H.R. 12628. A number of papers have expressed their views in editorials. I ask unanimous consent that three representative editorials from the Washington Star-News, the Philadelphia Evening Bulletin, and the Christian Science Monitor be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, Oct. 30, 1947.]

WHAT THE VETERANS DESERVE

There is something almost incredible in President Ford's continued reluctance to accept the *veterans'* educational assistance bill passed by Congress just before the current recess. To veto it—a course he is still considering, from all indications—would stir up a hornet's nest next of public disfavor, and for no defensible reason on his part.

Concern over his delayed response to the benefits increase was evidenced most uncharacteristically on Veterans Day, after he spoke at Arlington in tribute to Vietnam vets as "the silent heroes of their generation. A spokesman for the Veterans of Foreign Wars told the crowd he hoped the sizable turnout had "convinced the President to sign that veterans' GI Bill." And though Ford smiled obligingly at the applause for that comment, White House officials are quoted as saying he still considers the bill "too inflationary."

We doubt that the public will readily accept this premise. Making the Vietnam-era veterans bear the brunt of anti-inflation policy, especially since the war itself helped ignite the inflation, is too much. They are struggling for education now on what amounts to a pittance of federal aid, against wildly inflated costs of college and other training. Many are not winning this battle, and memories of the much better educational rewards which World War II vets received are bitter indeed.

Ford, after all, has won a great deal already in the trimming of this legislation. It provides a 23 percent increase in educational benefits, at an added first-year cost of some $800 million. But Congress, reacting to an implied veto threat by Ford, cut out and drastically reduced some expensive features that were in the bill originally. As example, a $560 million tuition aid plan was thrown out and a student loan program was shrunk to about one-third its original size.

The President should be satisfied with the sizable economies he achieved in this reconsideration. There has been far too much delay in reaching congressional agreement, and the veterans—who deserve the best educational help this country reasonably can afford—are paying heavily for it. The matter simply must not be tossed back to Congress in the brief and hectic post-election session. If Ford vetoes this bill he may find that the Vietnam veterans are not so silent after all.

[From the Evening Bulletin, Nov. 7, 1974]

VETERANS EARNED EDUCATION

It was a sorry federal observance of Veterans Day that found Congress fearful of sending to President Ford an already approved bill increasing veterans education benefits by 23 percent. Congress believed he would exercise a "pocket veto" while it was recessed for the elections.

The President is concerned about the measure's $780-million impact on the budget. Cost is something to be concerned about. But this proposed expenditure is not simply another budget item; it's both a debt to ex-GIs and an investment in education. The cost can and should be compensated for by reductions elsewhere in the budget, preferably in military spending. Cutbacks in the number of troops overseas could help.

Surely a nation that can subsidize farmers, railroads and oil companies can give its veterans the priority they deserve in this regard!

The men who stand to benefit from the increased GI education money, for example from $220 a month for a single person to $270, are the same young men who didn't or couldn't go to college when the Vietnam draft was on.

Without the increase, more of these men will need jobs to supplement their income at college. Many already have to struggle to learn. Now after slogging through Vietnam swamps, are they expected to get up early or stay up late making ends meet with a part-time job in order to eke out an education?

States can do more to help, too.

In New Jersey, state aid to veterans in many cases is minimal. The present state budget contains the first $4 million earmarked especially for veterans' tuitions. But no enabling legislation has been passed.

New Jersey, moreover, computes 50 percent of veterans GI benefits in awarding grants. Much more generously, Pennsylvania takes neither GI money nor family income into account when determining education grant preferences.

This means virtually every veteran who indicates a real need can get a Pennsylvania grant of up to $1,200. The response has been so good that a supplemental $5.2-million appropriation for the overall grant program, which includes both veterans and nonveterans, is pending in the Legislation.

Yet without adequate living expenses from the Federal Government many ex-GIs will find—whether Veterans Day is observed Oct. 28 or Nov. 11—that the parade has passed, and the flags are down as they search for an education in the land they fought for.

[From the Christian Science Monitor, Nov. 1, 1974]

VETS VERSUS VETO

President Ford expressed the right sentiment on Veterans Day when he said: "I want to emphasize our debt to the Vietnam veterans."

The question is how much he is prepared to do to repay the debt.

Mr. Ford told an Arlington Cemetery audience that he was instructing federal government agencies to hire at least 70,000 Vietnam veterans. If carried through, this action would alleviate the unemployment of those whose military service put them out of step with the job market. Young minority veterans, like other minority groups, have had particular problems finding work.

Veterans' long-term employment prospects would be improved by the Vietnam Era Veterans' Readjustment Assistance Act of 1974. It has cleared Congress with provisions for increases in veterans' benefits for education, farm training, on-the-job training, and vocational rehabilitation. Yet at his Oct. 29 press conference, Mr. Ford hedged on whether he would support the bill and only expressed the "hope" that it would be legislation he could sign.

The President is supposed to have considered the bill inflationary even after Congress made cutbacks in the attempt to avoid an expected veto. The bill still merely increases the flat monthly educational assistance benefits. It has dropped the proposed flexible tuition assistance grants in addition to subsistence which gave World War II veterans more options in choosing colleges. But there is at least a welcome provision to study the possible abuses and administrative problems a tuition program might involve—so that such a program might be thoughtfully reconsidered.

Meanwhile, a recently released study by the Ford Foundation points out such problems as the lack of low-cost veterans' campus housing in comparison with post-World War II days. The net result is that "though average purchasing power for some categories of veterans is equal to or greater than that of World War II veterans, the value of benefits in terms of human capital investment is far less than the value of the first GI bill."

The new bill is a step toward redressing the balance. Surely Mr. Ford wants to do this, since he showed such sensitivity to the special psychological burden borne along with material needs by many veterans of a war denounced by peers and elders: "They served while some avoided service. They served without the full support that this nation has usually given its fighting forces. . . . I intend to see that [they] are not forgotten."

Mr. HARTKE. Finally, Mr. President, I wish to note the outstanding and continuing cooperation of all members of the Senate Committee on Veterans Affairs and of my colleagues on the House side.

Mr. McCLURE. Mr. President, I yield myself such time as I may consume.

Mr. President, I think it is significant that the members of the Veterans' Affairs Committee, Republicans and Democrats alike, have supported the bill which has passed the Senate and was agreed to in the conference, after a very long and difficult conference with the Members of the House, and that after that conference the Senate Members, both on the committee and in the body, again confirmed the action that was taken by the committee in coming up with this bill, which admittedly is not perfect, a bill which admittedly has a substantial impact upon the budget, and a bill which by design and not by accident goes beyond the budgetary expectations that were submitted to the Congress by the President of the United States.

I think I can safely speak for all of the Republican members of the committee, the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND), the Senator from Vermont (Mr. STAFFORD), and myself, in stating that we fully supported the bill knowing what its cost was and will be.

It was not simply a recognition that the amounts proposed in the budget for the increase in GI benefits were inadequate to meet the cost of living increases at the time they were proposed to go into effect, the somewhat over 8 percent that was proposed was not as great as the increased cost of living by the time of the beginning of the school year, and there was further recognition that the compromise which was then arrived at, slightly greater than 14 percent, would not be adequate to reflect the cost of living increase by the end of the school year in which the veterans are now enrolled.

There was also the agreement that the full 18 percent which has now been suggested as the compromise which should be granted does not adequately reflect the true costs of the increases in cost of education.

While the 18 percent may adequately reflect the general increase in cost of living since the last increase was granted to the veterans under this legislation, the cost of education has gone up more rapidly than the cost of living generally. The committee attempted to recognize that in one of two ways, by an increase in the subsistence allowance in connection with a granting of books and tuition allowance. The Senate committee had voted for that kind of a program.

The Members of the House of Representatives, on the other hand, were adamantly opposed to any such reinsituation of a program which they felt had been abused following the institution of the program following World War II, abused incidentally not by the veterans themselves, but by the educational institutions at which the veterans were enrolled.

Because the House refused to accept the tuition grant program, we insisted, in return, that the subsistance allowance be increased more than the general cost of living, in order to reflect that fact of life, that the educational cost has gone up more rapidly than other costs.

I think it should also be pointed out that the original compromise which was arrived at would have increased the subsistance allowance for those enrolled in academic pursuits, but not those in vocational educational and special programs, and that distinction or that disparity has been eliminated in the pending legislation.

I know that there are some veterans who are dissatisfied with the extension of benefits period from 36 to 45 months to the extent that it is limited to undergraduate studies. I guess it depends upon from which end we look at it, whether you are looking at it as a restriction on the right of all veterans, some of whom might like to be engaged in that additional 9-month period in graduate studies rather than undergraduate studies, or whether you look at it, as we did in the committee and in the conference, as an extension of benefits to that group of veterans who had been unable to complete their undergraduate training.

It was a recognition of the fact that many of our veterans today are married and have families. They are not able to be, in essence, full-time students, able to complete their undergraduate training in the normal 4 years. Because they work part time, they are unable to complete their training in the 36 months of entitlement that was granted.

We wished to extend the benefits to that particular group of veterans for that particular reason.

While I know that some veterans regard that as a discrimination against those who want to use it for an extension of their study period beyond a bachelor's degree, we viewed it as an extension of a benefit to the group that was particularly disadvantaged by the circumstances under which they found themselves and intended to relieve them of that burden.

Mr. President, at this time I will yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I thank the distinguished Senator.

Mr. President, I have supported the Senate version of the GI bill education amendments in the committee, on the floor, and in conference.

On the whole, I believe it is a good bill, and I must vote to override the Presidential veto.

As a member of the Senate Veterans' Affairs Committee, it was my duty and privilege to take part in drafting H.R. 12628. It was of great concern to me that we strike an even balance between a viable program for our veterans on the one hand, and the maintenance of fiscal integrity on the other. After the Senate passed the first version of the GI bill education amendments, subsequent meetings with the House resulted in a $400 million decrease in first year cost. The fiscal year 1975 cost of this bill is about $800 million.

Mr. President, I am convinced that we must all bite the bullet in order to control inflation. It is not my view, however, that the men who dodged the bullets in Vietnam should be the first ones to bite the bullet back home.

This is no time to deny education programs to our veterans who have served our country well. I urge my colleagues to vote to override the veto.

There are two main objections the President has raised on this bill. One is the loan program. I would simply state that this is a loan program and the loans will be repaid. There should not be too much objection to this program, as it will not add to the budget.

The other objection is the increase from 36 to 45 months of the time period in which a veteran can obtain a bachelor's degree.

I would simply remind the Senate that many of our veterans have to work. They cannot enter school like the ordinary student and pursue their studies full time. A great many of them are married and have families. I think it is reasonable that the time period be extended from 36 to 45 months.

I do not think that the President's position in vetoing this particular bill is sound. I have great regard for the President of the United States. I think he is a fine man, a man of intergrity, and good character. I think he is going to be a great leader for this country. However, I feel he is in error in vetoing this particular bill.

I urge the Senate to override the veto.

Mr. McCLURE. Mr. President, the Senator from South Carolina has adequately and, I believe, accurately reflected the position of all the Members on the minority side in the Veterans' Affairs Committee. He pointed out that, in addition to the 9-month extension, to which I had made reference earlier, the other major point of disagreement is in regard to the loan program, a program which the Senator from South Carolina has repeatedly made reference in the past, that it will, in the long run, have no budgetary impact because it is a loan program which will be repaid.

It has the greatest impact, according to the evidence that has been presented to the committee, on those students who are pursuing vocational training programs authorized under the bill. Those are people who perhaps need greater assistance, and need to have a sensitive concern for their needs. That is recognized in this legislation.

The question which has been raised about whether or not this is equal to the benefits which have been granted to the veterans of previous conflicts is one to which I think just passing reference should be made. That is the argument that some people make, that this is more generous than has been granted in the past.

I think those of us of my generation, who fought in the war a good many years ago, are inclined to look in terms of dollar equivalents and not in terms of educational opportunities.

It is our feeling that this bill does not go extensively beyond those benefits which were granted in the bill which was revised after the Korean conflict, and that the adjustments that we have made in the bill in terms of subsistence allowance, in terms of the loan program, and in terms of the extension of the 36 to 45 months for undergraduate study, do not significantly depart from the standards of benefits which have been granted to the veterans of the two previous wars.

I fully concur with the Senator from South Carolina. The men who have fought for this country, particularly those who fought during a period of time, who served during a period of time, in a war which did not have the unanimous support of the American people, are entitled to no less in terms of benefits than those who participated in earlier conflicts.

I share with the Senator from South Carolina the sentiments that he has expressed about our President. I think he is doing the very level best that he can do in terms of fighting the inflationary pressures that wrack our economy today, and he deserves our support.

This is not the place to begin; this is not the program that should be cut. I join with the Senator from South Carolina and the Senator from Indiana, the chairman of the committee, in urging that the Senate override the veto.

Mr. HARTKE. Will the Senator yield?

Mr. McCLURE. I yield.

Mr. HARTKE. Mr. President, I want to pay tribute to the Senator from Idaho (Mr. McClure) and also to the other members of the committee—Senator Talmadge, Senator Randolph, Senator Hughes, Senator Cranston, Senator Hansen, Senator Thurmond, and Senator Stafford—for their absolute 100-percent cooperation in developing what I consider a monumental achievement for the benefit of veterans.

I would also like to pay special tribute to the members of the staff who have worked so hard to bring together this legislation. It has not been easy. It has been a long struggle in trying to accommodate varying views, always keeping in mind that we are not really spending money. What we are doing is investing in those who have served their country. We are investing in a fashion which will make it possible for them to have an education which will provide not alone a better life for them, but better days as a result of their education.

At this time, with increased unemployment, I think it is important for us to recognize that what we need to do is to put people into positions where they can earn their own way, not into a position where they are on the unemployment rolls or the welfare rolls.

I would urge that we override this veto.

I want to say that of all the committees upon which I serve, I can say that I genuinely feel a deep affection for the members of this committee because of their sincerity and dedication, not alone to the work of the Senate, but most importantly for the benefit of veterans whom they are authorized and designated to serve.

Mr. THURMOND. Will the Senator yield?

Mr. McCLURE. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to take this opportunity to congratulate the Senator from Indiana (Mr. Hartke) and the Senator from Wyoming (Mr. Hansen) for the outstanding leadership they have exhibited in connection with this bill.

I also commend the Senator from Idaho (Mr. McClure) for the interest he has shown in the bill and the excellent work he has done on it.

A GI BILL DELAYED, FRUSTRATED, AND ENACTED AT LAST

Mr. CRANSTON. Mr. President, I rise to urge my colleagues in the Senate to vote to override the President's veto of the Vietnam-Era Veterans' Readjustment Assistance Act of 1974 (H.R. 12628), as reported from the committee on conference, and unanimously approved by both the House and the Senate on October 10 and 11, respectively.

Mr. President, this is the fourth time since late last spring that the Senate is acting upon this comprehensive bill to assist Vietnam-era veterans. Winter is now upon us and veterans are still waiting for the increases in GI bill benefits they were promised nearly a year ago.

The inequities have grown with the passing of the seasons. The President's veto of this bill, on November 26, just 2 days before Thanksgiving, was, indeed, a most peculiar way of giving thanks to the men and women who served our country in its time of need. I am confident that my colleagues in the Senate will not tolerate any further delays, and will act to resolve this situation, for once and for all.

Mr. President, the President's November 26, 1974, veto message on H.R. 12628 states his belief that this measure would provide for an excessive and inappropriate increase and liberalization of veterans' education and training benefits. The President further states that the bill provides benefits that are greater than those granted to World War II and Korea veterans.

Earlier, in a November 18 message to Congress, the President said he objected to:

> . . . the direct loan program . . . and the extension of educational benefits allowing Vietnam era veterans to attend school for 45 instead of the present 36 months. This extra entitlement goes beyond the standard for World War II and Korea veterans.

I strongly object to these contentions, and I will attempt to show why I believe they are mistaken.

INCREASES IN RATES

With regard to the proposed increase in benefits, I believe the actual rise in the Consumer Price Index—CPI—clearly justifies the increase approved by both Houses of Congress. Since the time the last veterans' benefit increases were enacted in 1972, through the last quarter of 1974, the CPI has risen 21 percent. The Data Research Incorporated model utilized by the Library of Congress forecasts an additional 2-percent increase during the first quarter of 1975. This would result in an increase in the cost of living by January 1975—at which time the President proposes any increases should take effect—well in excess of the 18.2-percent increase in educational benefits proposed by the President.

The President further claims that the bill provides benefits that are greater than those granted to World War II and Korean conflict veterans. I would point out that after World War II, in addition to a basic subsistence allowance, veterans were entitled to a tuition payment, which enabled a veteran to attend virtually any college in the country. A large number of Vietnam-era veterans have no choice but to attend low-cost, public institutions.

NINE-MONTH EXTENSION OF BENEFITS

The President further suggests that the present 36-month entitlement, or 4 academic years, is sufficient time for a veteran to obtain a baccalaureate degree and to enable readjustment to civilian life I maintain that the administration's position in this regard is inaccurate, shortsighted, and somewhat out of touch with the realities of today's world.

After World War II, Mr. President, a veteran was entitled to a maximum of 48 months of educational assistance benefits, in addition to a tuition payment. A veteran who served 32 months or more during World War II earned 48 months of educational benefits. A veteran who served 32 months or more during the Vietnam era, however, earned only 36 months of entitlement.

Further, a veteran who served for 30 months during World War II, earned 45 months of entitlement, while a Vietnam-era veteran, who served the same number of months, still earned only 36 months of educational assistance benefits.

Mr. President, where in these situations is the comparability in terms of benefits provided to veterans of World War II and the Vietnam War?

Mr. President, after World War II, approximately 7,800,000 veterans used their GI bill benefits. Of these, one million actually earned and used 48 months of educational or training benefits under the GI bill. It is estimated that another 5,100,000 World War II veterans were entitled to more than 36 months of benefits because of their length of service, although no data is available to show how many months of entitlement these 5,100,000 veterans actually used. Based on the data we have, Mr. President, it seems fair to conclude that probably at least another 1 to 2 million World War II GI bill trainees used significantly more than 36 months entitlement.

Thus, Mr. President, nearly 65 percent of all those who used the GI bill after World War II were entitled to more than 36 months of educational assistance benefits because of their length of service, and probably about 50 percent of those used more than 36 months' entitlement.

Mr. President, these facts indicate that the normal tour of duty of the World War II student-veteran was around 30 months which entitled him to 45 months of educational benefits. That is the same amount of time the vetoed bill would give Vietnam-era veterans for the normal tour of duty under this GI bill—18 to 24 months.

Mr. President, there is clearly an equity in the present situation. We tried, therefore, in a limited way—all too limited actually—to provide additional entitlement to provide Vietnam-era veterans comparability with their World War II counterparts, and to help these young veterans meet today's much greater need for higher education.

Vietnam-era veterans should not be penalized for serving only 2 years in a war we should never have entered in the first place. In these days of high unemployment, especially among young veterans, veterans need all the education and training they can possibly get.

Mr. President, during the Senate Veterans' Affairs Committee's consideration of S. 2784, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, last June, I proposed an amendment to increase the total GI Bill entitlement period by 9 months, from the present 36-month period to 45 months. I was especially gratified that this amendment was accepted by the committee and retained in the first conference report on H.R. 12628—which contained almost all the provisions of S. 2784— as I believed it improved significantly the overall educational assistance program by giving many veterans, who must take reduced credit loads in order to work to supplement their incomes, the opportunity of additional months of educational assistance they may need to complete their education. And as I said earlier, it provides Vietnam-era veterans with assistance more comparable to that available to their World War II counterparts.

The GI bill educational assistance program was originally designed to assist veterans in their readjustment to civilian life. Particularly, during this period when an undergraduate degree is absolutely necessary to achieve minimum competitiveness in today's job market, the GI bill should at least provide a fair opportunity for all veterans to obtain a a bachelor's degree.

However, the high cost of education, the loss of credits involved in transferring from a 2-year college to a 4-year college, and the lack of adequate GI bill benefits until very recently, have combined to make it difficult, if not impossible, for many veterans to complete baccalaureate degree requirements within 4 school years.

Further, Mr. President, VA statistics indicate that 48.8 percent of all GI bill trainees have dependents. Many of these veterans are forced to take reduced work loads in school in order to take jobs to support their families. The American Association of Community and Junior Colleges noted in testimony before the committee that "most veterans averaged only 12 credit-hours for an average semester." Under current law, veterans can receive full monthly benefits for 12 credit-hours of study. But as the National Association of Concerned Veterans—NACV—pointed out, 12 credit-hours per semester adds up to 96 credit-hours after 4 school years, or 24 credit-hours short of the 120 required for graduation. On a quarter system, 4 years of the minimum requirement will accumulate 144 or 36 credits short of the 180 necessary for graduation.

Additionally, many lower cost public institutions, where most veterans turn for their education, are overcrowded. As a result, it is often difficult for veterans to gain admission to required courses. According to a recent survey, it took 690 veterans an average of 5 years to complete their degrees at the California State University at Fullerton and the University of California at Irvine.

Mr. President, especially in view of the baccalaureate restriction on the extension of educational assistance eligibility, this provision is neither excessive, nor, as I believe I have demonstrated, does it provide benefits that are greater than those granted to World War II and Korean-conflict veterans.

Never in the history of GI bill readjustment assistance programs, beginning with the World War II GI bill which provided for 48 months of unrestricted entitlement in certain cases, and including both the Korean-conflict GI bill and the present program, has there ever been any stipulation as to the level of training—undergraduate or graduate—for which GI bill educational assistance must be used. Nor am I aware, Mr. President, that there has ever been such an underlying policy.

LOAN PROGRAM

In order to provide a further measure of equity to Vietnam-era veterans, a direct loan provision was included in H.R. 12628, as passed by the Congress, in order to assist veterans who are going to school in States where the tuition is above the national average.

Although the President contends that the new direct loan program departs from the sound objective of providing student aid through one department—Health, Education, and Welfare—rather than through various Federal agencies, and suggests that a direct loan program is inefficient compared to available guaranteed loan programs, this loan program clearly will help veterans going to higher cost institutions.

In the first place, the proposed maximum yearly loan was reduced in conference to $600, from $1,000 in the first conference agreement, and $2,000 in the original Senate bill. This loan program now, at least partially, represents our efforts to enact some program to deal with the variable tuition costs among universities and colleges, and particularly the education costs as they vary from State to State depending upon the availability of lower cost public education.

Mr. President, I think the fact that the VA estimates that approximately 136,000 veterans would receive these loans in the first full year of operation of the new program is probably the most telling argument showing the need for such a program. This very high rate of projected use for the first year of such a new program clearly demonstrates the difficulty which GI bill trainees are experiencing in obtaining regular education loans even under the program of federally insured loans under the Higher Education Act of 1965.

I have received numerous reports of student-veterans being ineligible for federally insured HEW student loans. The new loan program would help to fill this gap by providing a substantial benefit for veterans and eligible dependents who cannot obtain Higher Education Act federally insured loans.

This loan program is—even in its scaled-down form—an attempt merely to provide today's veteran with some support for attendance at high-cost schools—support which the tuition assistance provision in the original Senate-passed bill would have afforded in grant assistance. In fact, Mr. President, World War II GI bill trainees had available to them a tuition grant which covered completely all but the very most expensive college education. The truth is that the combination of the GI bill rate and the loan assistance provided for in the pending measure do not cover tuition at any Ivy League school—and, of course, the $600 maximum loan amount must be repaid.

EQUITY AND JUSTICE

Mr. President, the President has termed H.R. 12628 as "inflationary," and has indicated that this measure is in excess of $500 million over a cost-of-living increase bill he has said on several occasions he could support. The President, however, did not present any data to support this contention, and I am not aware of any. Yet the veto massage concludes by asking the Congress to cooperate in holding down Federal spending while at the same time "being equitable with our veterans."

I believe the Congress has already compromised and cooperated with the President. I feel strongly that any further compromise will result in great inequities to veterans.

Mr. President, I have said this many times before, but I believe it is well worth repeating. Although I am largely in agreement with President Ford's desire to cut the budget and to reduce overall Federal spending, scrimping on veterans' benefits, is not, nor will it ever be, responsible budgeting.

There is no question, Mr. President, that one of the first responsibilities of a democratic society is the maintenance of a stable economy—an economy which will provide all citizens with a fair opportunity to find work and earn a decent living. I have no argument with this, and I congratulate President Ford for his determination to achieve this goal.

This cannot be done, however, by asking young veterans to continue to make double and triple sacrifices. They have already given up 2 years or more to military service, often risking their lives and limbs. Yet, in the name of combating inflation, the past administration has steadily resisted congressional efforts to get additional funds for badly needed programs for veterans, and now the present administration is following the same course. Most young veterans have thus encountered difficulty in completing or even beginning their educations, many cannot find jobs, and some cannot get adequate medical care for their disabilities.

Mr. President, in November 1970, as chairman of the Veterans' Affairs Subcommittee of the Labor and Public Welfare Committee, I chaired hearings on unemployment and readjustment problems among young veterans. I stated then that there was great irony, as well as tragedy, in the economic recession and high unemployment.

The Vietnam war had been a major cause of our runaway inflation, and the Nixon administration instituted a number of fiscal year monetary policies to stop that inflation. All those policies succeeded in doing was depressing the economy and increasing unemployment. Most paradoxically, among the principal victims of unemployment were the young servicemen returning from the very war that brought about the inflation—and the administration's recessionist policies—in the first place.

Mr. President, we must correct this great injustice. Providing equitable benefits and services, employment opportunities, and quality medical care to our Nation's veterans is a cost of war that we can no more avoid than the costs of bombs and bullets, airplanes, and tanks—the necessities of waging war. Providing the funds necessary to afford veterans this just readjustment assistance is a cost of war we must and will pay, And we must do so willingly, not grudgingly.

Mr. President, there is no room for compromise in this regard. The men and women who served in Vietnam cooperated when they were asked to serve their country. They did not ask about the cost. I believe it is our moral obligation to reconcile the sacrifices they made by insuring Vietnam-era veterans of adequate readjustment assistance.

I would point out, Mr. President, that not only is this a cost of war which we are morally obliged to pay, but the amounts involved in this congressionally approved measure represent sound fiscal policy, as well. An August 21, the day the Senate passed the first conference agreement, at the inaugural hearings of the Senate Committee on the Budget, on which I am privileged to serve under the distinguished leadership of the Senator from Maine (Mr. MUSKIE), we heard testimony from two impressive but rather conflicting authorities: the Honorable Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System; and Prof. Walter W. Heller, of the University of Minnesota, former Chairman of the Council of Economic Advisers. Much of their testimony focused on whether or not there was a need for significant cuts in the fiscal year 1975 budget for Federal Government spending. These gentlemen differed with regard to this point, at least insofar as the magnitude of such proposed cuts.

They did not differ, however, on one very salient point. Chairman Burns stated that along with the need for the Congress and the executive branch to make certain substantial cuts in the Federal budget, there was a great need for compensatory increases in Federal spending for certain programs too. I will quote the word he used. He said we must "ameliorate" the impact which inflation has already had on certain groups in our society.

Professor Heller, who probably would define this group of inflation victims more broadly than Chairman Burns, made the same point and termed such "amelioration" as "reparations" for the sacrifices and hardship which these groups of individuals have experienced at the hands of our devastating inflation rate.

That, Mr. President, is really what this measure is all about: restoring the purchasing power, in terms of education and subsistence, of GI bill educational assistance and training allowances. This purchasing power already has been badly eroded and eaten up by the ravaging inflation of the 18 months since the last GI bill increase. Anyone who has tried to pay for an education in 1974 with the same amount of money needed to purchase an education in 1972 obviously knows that the 22.7-percent rate increase in the bill is fully justified.

So, Mr. President, I point out that in essence what we have here is a reparation in the war on inflation which we owe to our Vietnam-era veterans in terms of their right to adequate education and training benefits, to facilitate their readjustment.

Mr. President, during the 6 years in which I have been deeply involved in matters affecting our Nation's veterans, particularly Vietnam-era veterans, I have learned to expect, as a matter of course, threats of Presidential vetoes of legislation providing for badly needed increases in benefits to veterans, or administration recommendations of pitifully small budgetary increases in veterans benefit programs.

I had been encouraged, therefore, with certain statements made by President Ford last August. I found his expression of concern for the appalling rate of joblessness among young veterans and minority veterans, as well as his demand for the highest quality of care in VA hospitals and humane treatment for every veteran to be particularly noteworthy. I have long shared these concerns, and was glad to have President Ford's concurrence.

EDUCATION AND TRAINING BENEFITS EVEN MORE VITAL TO COMBAT HIGH UNEMPLOYMENT AMONG YOUNG VETERANS

Most regrettably, however, the President's concern was short lived. Despite the nearly 12-percent unemployment rate for young Vietnam-era veterans in October, an increase of more than 2 points over the previous 2 months, and despite the shockingly high rate of unemployment among young minority veterans—23.2 percent—the President vetoed a bill which would potentially prevent thousands of veterans from being relegated to the welfare and unemployment rolls because the bill is inflationary. The logic of this action escapes me. The money spent today on veterans is far better spent than the funding of welfare and unemployment programs tomorrow for the potentially large numbers of disadvantaged veterans.

Far too many Vietnam-era veterans have been victims of a vicious cycle of disadvantagement. The least educated men have been the most likely to enter the Armed Forces, to go into combat, and then, upon their return, they have the most difficulty in continuing their education and training or finding other than menial jobs. The disastrously high rate of unemployment among young veterans is just one of the results of this situation.

Mr. President, I believe such unemployment rates are a clear indication that we cannot do enough in terms of providing the kinds of programs and services that will encourage veterans to return to school, and help them to stay in school.

I, therefore, urge my colleagues to ensure that the provisions of H.R. 12628 reach all the veterans who are in great need of assistance by overriding the President's veto.

SUMMARY AND DISCUSSION OF MAJOR PROVISIONS OF REPORTED BILL

I would like to take this opportunity once again to discuss the many comprehensive provisions of this bill. With the exception of the baccalaureate restriction on the 9 additional months of eligibility for GI bill benefits, I am satisfied with the bill. Although I regret a number of compromises that had to be made in reaching agreement with the House, I am confident that the provisions of this measure will go far in dealing with a wide range of eduaction, training, and employment problems for the veteran and his or her family.

INCREASE IN RATES

Mr. President, in the committee bill as introduced, the basic monthly educational assistance allowance rate was set at $270 in an attempt to restore comparability with World War II GI bill rates. This rate was based on the $250 level which had been adopted unanimously, both in committee and in the Senate, in 1972, which our calculations showed were necessary to achieve GI bill benefit comparability at that time. This $250 figure was then adjusted by the cost-of-living increase—CPI—from fall 1972 to late fall 1973, when S. 2784 was introduced—December 6, 1973—which required about an 8-percent increase over this $250 figure. This basic GI bill rate was lowered to $260 per month in order to allow for the tuition assistance allowance program provision added to the bill in committee. The partial tuition assistance allowance program was considered, by the committee, to be an integral part of the rate increase package. The two together were a substitute for the original 22.7-percent rate increase included in S. 2784, as introduced last December 6.

In view of the House conferees' insistence that the tuition assistance provision be dropped from the bill, I am pleased that we were successful in insisting that the 23-percent increase in rates be restored in both the first and the second conference agreement and that the Congress approved this increase.

PROVISION OF EMPLOYMENT ASSISTANCE TO VIETNAM-ERA AND SERVICE-CONNECTED DISABLED VETERANS

Mr. President, in 1972 in title V of Public Law 92-540, we enacted the Veterans Employment and Readjustment

Act of 1972, which was derived directly from the provisions of S. 2091 which Senator HARTKE and I had introduced in June of 1971. Given our experience with the implementation of the various provisions added to title 38 in 1972 in chapters 41 and 42, Senator HARTKE and I proposed a series of strengthening amendments, which have been retained in the bill we are seeking to enact into law today.

First, Veterans Employment Service job counseling, training, and placement services would be expanded to serve wives and widows who are eligible for chapter 35 GI bill assistance.

Second, the Secretary of Labor is directed to establish stronger, expanded administrative controls under chapter 41 in order to insure that eligible veterans, wives, and widows are promptly placed in a satisfactory job or job training opportunity or receive some other specific form of employment assistance. The Secretary is also required to publish standards for determining compliance by State Public Employment Service agencies with the provisions of chapters 41 and 42.

Mr. President, the need for such mandatory specificity regarding this annual report was made very clear to us by the ridiculous three-page annual report concerning the implementation of existing chapter 41 provisions submitted—4 months after it was due—by the Secretary of Labor, and by the failure of the Secretary to carry out the chapter 42 "special emphasis" program.

Third, with regard to the chapter 42 "special emphasis" program the congressionally-approved bill clarifies and strengthens existing law by requiring that Federal contractors and all of their subcontractors take particular actions in addition to job listing in order to give "special emphasis" to the employment of qualified service-connected disabled and Vietnam-era veterans. The conference agreement passed by both Houses of Congress provides further clarification in this provision by making clear the intention of the Congress that all Federal contractors and all subcontractors under Federal contracts—not just prime subcontractors—are to take affirmative action in their employment practices in an effort to promote the greatest possible employment and advancement in employment of qualified service-connected and disabled veterans and veterans of the Vietnam-era.

Mr. President, the conferees intended in making this clarification, to insure that the goals of the program, as spelled out above, will be achieved according to an orderly and effective timetable backed up by an effective compliance mechanism. Specific numerical or percentage goals and timetables, however, need not necessarily be made applicable to contractors and subcontractors at this time and with respect to this provision. It may prove advantageous to await experience in administering the program before providing for the imposition of any such goals and timetables. Nevertheless, it was the intention of the conferees that the Congress be vigilant in insuring that the purposes and goals of this affirmative action program be vigorously pursued by the Labor Department.

Mr. President, unemployment continues to be a substantial problem among young veterans, of whom almost 12 percent are presently unemployed. The unemployment rate for young minority group veterans in the 3rd quarter of 1974 was 23.2 percent, almost twice as high as that of other young nonminority group veterans.

As a result of these disastrously high unemployment rates, we felt it necessary, not only to try to provide greater focus to the efforts of the Veterans Employment Service, but also to provide the Department of Labor with greater statutory specificity with respect to its efforts to promote employment of Vietnam-era veterans and service-connected disabled veterans in the private sector.

Fourth, H.R. 12628 also includes a provision I authored with Senator HARTKE stating that it is the policy of the United States to promote maximum employment and job advancement opportunities within the Federal Government for qualified service-connected disabled and Vietnam-era veterans, and providing for special Federal appointment authority and other mechanisms to carry out such policy.

Fifth, the bill provides for the codification into title 38 of existing law on veterans' reemployment rights, and further extends such rights to veterans who were employed by States or their political subdivisions.

STATUTORY AUTHORITY FOR VA'S VET REP PROGRAM

Mr. President, another provision I authored in the Senate-passed bill, establishing a veterans representative—Vet Rep—program, was accepted by the conference committee. This program will provide for a full-time VA employee at, or in connection with, each educational institution where at least 500 GI bill trainees are enrolled, who will serve as a liaison between the VA and the institution and identify and resolve various problems with respect to VA benefits, especially educational assistance, for veterans attending each such institution.

Mr. President, Senators may recall that on May 31, 1974, the White House released a formal announcement concerning the Veterans' Administration's new man-on-the-campus program. Earlier in May, the Veterans' Administration had briefed the Congress on its plans to implement this program designed to improve service relationships with veterans, their dependents, and veterans' service organizations. The man-on-the-campus, or Vet-Rep program involves placing VA counselors on college and university campuses to identify and resolve VA educational assistance allowance problems.

Mr. President, in the weeks that followed the original VA anouncement of these plans, there was considerable confusion, and much concern expressed by those persons already involved in campus veterans' programs. Specifically, Veterans cost-of-instruction—VCI—program campus coordinators, who are responsible for planning, implementing, and directing the full-time offices of veterans affairs established under a provision I authored in the Education Amendments of 1972, Public Law 92-318, feared their programs were about to be taken over by the VA. The VCI program was designed to provide incentives and supporting funds for colleges and universities to recruit veterans and to establish the kinds of special programs and services necessary to assist many veterans in readjusting to an academic setting.

VCI programs achieved a high level of success in their first year of operation despite the fact that in many cases VCI coordinators were unable to plan and develop special programs because they were forced to devote far too much of their time to the task of assisting veterans with VA-related problems, especially late arrival of GI bill checks. VCI coordinators were, in many cases, simply acting as a liaison between the veteran and the VA in the veteran's frustrating battle to receive VA educational benefits.

Unfortunately, Mr. President, the VA's early plans and job descriptions for the Vet Reps appeared suspiciously duplicative of the responsibilities already being met by VCI coordinators. VA memos concerning the Vet-Rep program contained terms such as "outreach" and "peer-counseling"—activities specifically required by law of VCI programs. Aggravating the situation was the fact that the VA, in the weeks just after announcing the program, made no attempt to consult VCI coordinators or to include them in any of the initial planning and implementation of this program, a program which directly would affect these already existing programs.

This understandably led to much hostility on the part of VCI coordinators and other campus veterans representatives across the Nation. My staff worked closely, during this period, with the Veterans' Administration, the Civil Service Commission, the Office of Management and Budget, and the White House to work out details of the program, and to insure that the concerns of VCI coordinators would be taken fully into consideration before plans for the program were finalized.

In connection with the Vet Rep provision, in the Senate- and House-passed conference report, the joint explanatory statement offers the following explanation:

> In adopting this provision, the conferees were keenly aware of the concerns which have been expressed to Members of both bodies about the implementation of this program which has already been undertaken administratively by the VA, and of the assurances received from the Office of Management and Budget, the White House, and the VA with respect to the intended operation of this program. Of specific concern is the understanding, most recently embodied in the Senate Appropriations Committee Report (No. 93-1056) on H.R. 15572, the fiscal year 1975 HUD-Space-Science-Veterans' Appropriations Act, that VA regional offices, with the concurrence of the Chief Benefits Director, will have considerable flexibility in the assignment of these new Vet Reps in terms of particular campus needs. This same flexibility is provided for in the conference

report. In those instances where a Vet Rep can perform more effectively in terms of carrying out the special responsibilities of liaison with the campus veterans, assignment of the Vet Reps to regional offices should be carried out in order to improve the capacity of those offices to provide effective services. At the same time, the conferees wished to call attention to the conference report provision which is intended to avoid any situation in which an educational institution might be in any way compelled to accept such an on-campus assignment by the VA—new section 243(a)(4) provides that the "inappropriateness of assignment of veterans' representatives to a particular educational institution" shall be grounds for reallocation of such Vet Reps to other educational institutions or to the regional office. The conferees expect that such assignment matters will be resolved amicably in close consultation and coordination with individual institutions, GI bill trainees at such institutions, and other interested parties.

VETERANS' OUTREACH

Mr. President, in 1970 and 1972 I authored and coauthorized with Senator Hartke, respectively, major new programs to provide special assistance to high school dropout veterans. These were the predischarge education programs—PREP—the special tutorial assistance program, the refresher, deficiency on-campus program, and the veterans outreach services program in 1970 in Public Law 91–219; and expansions and improvements of those programs and the addition of the veterans-student-services program in Public Law 92–540.

Unfortunately, the implementation of these programs by the Veterans' Administration has continued to be less than adequate and less than enthusiastic. There is a substantial need for improvement in the scope of the VA's outreach program and the methods which it employs to reach out to returning veterans, particularly educationally disadvantaged veterans, to attempt to encourage them to use their GI bill eligibility to receive education and training. I find the figures in a study by the General Accounting Office, in terms of the lack of actual knowledge on the part of returning veterans about their benefits, to be very discouraging and to be evidence of a very haphazard implementation by the Veterans' Administration since we inaugurated the program in 1970.

Mr. President, in the congressionally approved conference report we have adopted the Senate provisions to increase the tutorial assistance allowance from $50 to $60 a month and the number of months of tutorial assistance entitlement during which such allowance may be paid from 9 to 12 months. As I indicated above, I originally authored this provision, in the 1970 GI bill amendments, Public Law 91–219, to provide tutorial assistance to veterans who are in academic difficulty.

In addition, the veteran-student services program which we placed into law in Public Law 92–540, and which I originally proposed in 1970 in the Senate-passed S. 3657, and again in 1971 in S. 740 with Senator Hartke, would also be improved and expanded by a provision in H.R. 12628. When we originally passed this program in the Senate in 1972—as well as in 1970—there was no limitation on the number of veterans who could participate in this work-study program. However, in 1972, in working out the provisions which became Public Law 92–540, we agreed with the House to try this program out on the basis of about 16,000 so-called work/study agreements, effectuated through the limitation to 800 man-years of work contained in section 1685 of the present law. We also agreed to limit the number of hours that any veteran could work to 100 hours per academic year.

Given the experience with this new program and comments we have received from various VA regional offices and others, the conferees agreed to the Senate provision to expand the program so as to permit up to 250 hours of work for each individual veteran over an academic year and to remove the limit on the number of veterans who can participate during any one fiscal year. The need for the removal of this limitation was made especially clear by programs such as the veterans' educational incentive program in San Francisco, which was forced to postpone initiation of its "call-a-vet" project because no more VA work/study slots were available.

We see this program as a major way for the VA to improve and expand outreach efforts, pursuant to the new directions and authorities made by other amendments in the conference report, especially on college campuses under the supervision of the new veterans' representatives, provided for in section 214 (4) of the conference report, and also strongly believe that the program, as indicated in the provisions of the present law itself, should be directed far more to providing work/study veterans to carry out certain functions in connection with the VA medical program—a statutory function which has been virtually totally overlooked by the Veterans' Administration in its implementation of the present program.

PROGRAM EVALUATION AND COLLECTION OF STATISTICAL DATA

The original Senate-passed version of H.R. 12628 provided for a new subchapter under which, for the first time the Administrator of Veterans' Affairs would be required to provide for independent measurement and evaluation of the impact and effectiveness of all programs authorized under title 38, and their mechanisms for service delivery, and to collect, collate, and analyze on a continuing basis, full data regarding the operation of all such programs. The Administrator would be required to make available to the public the results of his finding.

Presently, Mr. President, the VA's evaluation activities are sporadic and the new section 219 contained in the Senate-passed bill are based directly on the evaluation provisions in sections 401 and 402 of the Rehabilitation Act of 1973—Public Law 93–112, of which I was a principal author with Senators Randolph and Stafford, who are also members of the Veterans' Affairs Committee, and who collaborated along with Senator Hartke and me on this provision in the Senate-passed bill Interim regulations regarding these Rehabilitation Act provisions were published in the Federal Register on July 2, 1974.

I am most pleased, therefore, that the conference agreement, passed by both Houses of Congress in October, embodies the essence of the Senate provision, although somewhat revising and condensing the language in order to provide for greater focus and more specificity.

In addition, Mr President, in the joint explanatory statement, the conferees stressed that in condensing the new section 219—evaluation and data collection—as adopted in the conference report, the requirement that, whenever feasible, the Administrator should arrange to obtain the specific views of program beneficiaries and program participants with respect to evaluation of such programs, was deleted as unnecessary. The conferees further stressed their belief that the Administrator already possesses the authority to do this, and that it would be desirable for him to exercise that authority, in addition to providing for evaluations conducted by fully independent personnel rather than those directly responsible for program operation and administration.

INTERAGENCY ADVISORY COMMITTEE ON VETERANS SERVICES

Mr. President, the conference agreement—in a new section 220 added to title 38—provided that the Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of service among all Federal programs and activities affecting veterans, in addition to the maximum coordination of their programs with the programs carried out by the Veterans' Administration. The conferees expect the Administrator to specify in his annual report the results of this new process.

This provision gives the Administrator for the first time a central role and responsibility in coordinating and stimulating all Federal programs affecting veterans. It is hoped that this responsibility will insure far more efficient implementation of these programs designed to help veterans. This was the purpose of the original provision I authorized in the original Senate amendment to establish an Inter-Agency Advisory Committee on Veterans Services, a structure which the House conferees found unnecessary to achieve these goals.

CONCLUSION

Mr. President, this bill when enacted will help literally millions of veterans, particularly Vietnam-era veterans, and dependents in our Nation. As I have said many times in the past, what these veterans really are asking for is no more than they deserve and are entitled to—that is, simple justice and equity, and comparability in benefits with what their fathers and brothers received after their service in prior wars.

I would like to stress once again, Mr. President, that this bill, unanimously passed by both Houses of Congress in October, is a symbol of compromise and cooperation, and, more importantly, is really the least we can do in terms of ensuring equity to Vietnam-era veterans. These veterans have waited long enough.

We must not ask them to wait any longer.

I strongly urge a unanimous vote to override the President's veto of this vital and comprehensive measure.

Mr. DOLE. Mr. President, let me say first that I intend to vote today for the enactment of a better veterans education bill.

MAJORITY SUPPORTS

On October 10, I initiated a letter to the President urging that the veterans education bill, as passed by the Congress, be signed into law. Sixty-two Senators joined me in signing that letter. The nine Senators of the Veterans' Affairs Committee sent a similar letter. I strongly urge those 71 Senators to join me today in voting to override the President's veto. By so doing, their action will support enactment of this legislation, as they supported enactment previously be signing the earlier letter.

On December 7, 1973, I joined with three of my colleagues, Senators McGovern, Mathias, and Inouye, to introduce the comprehensive Vietnam-era Veterans Education Benefits Act of 1973. It has been nearly 1 year to the day that we first introduced that bill. Since Pearl Harbor Day of 1973, there have been countless meetings, press conferences, testimony and statements made on the importance and need for an improved veterans education bill. Hopefully, our action here today will finally bring those efforts to fruition.

It is encouraging to note that some of the major provisions of the bill we are voting on today were included in the original bill we introduced nearly a year ago. While I am not satisfied that all the provisions in this measure are as good as those in the original bill, I believe that this legislation represents a substantial improvement and that it will be of a great deal of benefit to veterans in Kansas and every other State.

Of particular concern to many Kansas veterans is the limitation of the 9-month extension of entitlement in the present bill to undergraduates only. While this limitation did not exist in the comprehensive Vietnam-era Veterans Educational Benefits Act of 1973, it is my hope that progress can be made on liberalizing this provision in the future. I have noted that some concern has been expressed among Members of Congress already.

NEED IS CLEAR

The reasons for enacting this legislation have been gone over many times. We do not need to reiterate them today, although certainly the increased productivity that will result from this measure, the history of veterans education programs, and many other justifications are certainly important.

The simple fact is that veterans in Kansas and every other State have been waiting for more than a year for this improved veterans education program. They deserve an improved program. It is my hope that the Senate will move quickly today to override the President's veto of this measure.

Mr. MATHIAS. Mr. President, it was with deep regret that I read the President's veto message accompanying the return to Congress of H.R. 12628, the Vietnam-Era Veterans' Readjustment Assistance Act of 1974.

We are being asked to sustain this veto today largely on the supposition that it is an essential step toward reducing Federal expenditures and fighting inflation. And yet, I cannot help but observe that we are not considering here legislation which would establish some vast pork barrel programs, nor would it provide costly subsidies for special interests, nor expand the Federal bureaucracy, nor any of the other myriad of discretionary Government expenditures which we must carefully scrutinize to keep our budget in line.

Instead, we are considering much-needed and long-overdue legislation, which has already been compromised not once but twice in an effort to economize, and which represents the minimum necessary to fulfill our most basic commitment to the men and women who fought in our most recent war.

It is argued that this bill would be inflationary if enacted. I must reject that argument, for I am absolutely convinced that any such investment in education for our returning veterans will be more than repaid by their increased productivity which results. I am particularly hard put to understand how the battle against inflation can be won by the simple expedient of reducing veterans education benefits by $5 a month, as was proposed in the veto message.

But even if I accepted the argument that this bill will be inflationary—and I do not—I would be forced to support the effort to override this veto. This is simply because, inflationary or not, we are dealing here with the fulfillment of a commitment which I, for one, do not believe is subject to negotiation.

Let there be no mistake about it: The time to consider the likely budgetary impact of veterans benefits is before we enter a war, not afterwards. All too often, the patriotic rhetoric with which we send our sons and daughters off to war softens to a dim whisper when it comes time to pay the dues and provide adequate funding for their readjustment to civilian life after the fighting is over.

For these reasons, Mr. President, and while I regret that this vote is necessary at all, I am pleased to join the vast majority of my colleagues in both the House of Representatives and this Chamber in voting to override the President's veto of this measure, thus assuring its enactment at long last.

In the next session of Congress, of course, I look forward to working with my colleagues to improve education benefits for Vietnam veterans even further. Much remains to be done, even after this bill is enacted, such as the provision of direct tuition grants and the extension of entitlement to 45 months for all students, graduate and undergraduate alike, both of which were contained in the original Senate-passed bill, S. 2789.

But in the meantime, today's order of business is the enactment of this bill, H.R. 12628, without any further delay.

Mr. TUNNEY. Mr. President, once again, we in the Senate have been called upon to override an injudicious Presidential veto: in this case, the Vietnam-Era Veterans' Readjustment Assistance Act of 1974.

During the past few years, we have heard the rhetoric time and time again that our legislation is inflationary. I find it curious that domestic bills, aimed at alleviating the burdens now shouldered by various sectors of our society, are those most apt to be so labeled. I frankly cannot understand how the President can claim this bill is inflationary when it has been proven that adequate educational support will increase the economic output and earnings capability of this Nation's veterans. Moreover, I cannot think of anyone more deserving of decent Federal benefits than the veteran. This is the person who has willingly served his country in time of war—a war which was widely protested and domestically unpopular. Yet, the President, in nearly the same breath as granting amnesty to those who chose not to serve, refuses to honor, in a most basic way, the truly heroic individuals for our past military conflicts.

Specifically, Mr. Ford has requested that this bill be stripped of several major provisions: the tuition loan of up to $600 per year, the extension of undergraduate education time from 36 to 45 months, and the establishment of September 1, 1974, as the effective date. Beyond that, Mr. Ford wants the cost-of-living increase stripped down from 23 percent to 18.2 percent. I find this wholly unconscionable, and, apparently, thoughtless, because since 1972, when the veteran was last granted an increase, the cost of living alone has risen over 18 percent, and continues its upward spiral.

The House and Senate have worked assiduously on this bill. The Federal financial outlay has been twice trimmed. In fact, the price tag attached to this, the third version of the measure, has been decreased by 46 percent from the sum proposed in the original Senate version. Even in its most expensive form, the Veterans' Readjustment Assistance Act falls far short of the Federal funds offered up to the returning World War II veteran.

The bill provides the Vietnam-era veteran with benefits which are only a first step toward equity. Far from being a "give too much" measure, as the President's veto indicates, the bill actually lacks several needed improvements in the GI bill, which Congress was willing to postpone in the interests of getting the basic increase in benefits enacted. Apparently, even this minimum was too much for President Ford. And now, he wants the veterans to wait for yet another few months, even as they feel the ever-increasing crunch of inflation.

The House did its parts by voting 394 to 10 to restore the benefits to these deserving individuals who served their country in an unpopular and inglorious war. It is now up to the Senate, and I urge my colleagues to vote overwhelmingly for the financial aid that these over 7 million Vietnam era veterans, of whom over three-quarters of a million reside in California alone, so amply deserve.

Mr. MONDALE. Mr. President, there are approximately 25,000 veterans in Minnesota who depend upon the GI bill for help in continuing their education. These are men and women, from all parts of the State, who have served our country with honor as members of the various branches of the armed services. They have now returned to civilian life and want very badly to continue their educations so that they may get good jobs, take an active part in community life, support their families, and make an important contribution to the State of Minnesota and to this Nation.

President Ford's veto of the Vietnam-Era Veterans' Readjustment Assistance Act of 1974 was a cruel blow to these men and women. After returning from America's least popular war, many of them have faced repeated obstacles in civilian life. In the minds of many, they have been wrongly blamed for a war they did not start—a war they fought bravely in. Jobs have been difficult to find. Inflation has made the economics of civilian life a torture. And, for those fortunate enough to get into school, inflation has been an acute problem.

Finally, the U.S. Congress did something about the problems facing the veteran. Congress passed a bill which promised to make the financial burden of continuing education a little less severe, to ease the restrictions on educational benefits faced by many deserving veterans, to provide more flexibility in the forms of aid available. Then, President Ford told the veterans of Minnesota—and the veterans around the country—"no."

I cannot support the veto, Mr. President, and will vote to override it.

President Ford has told us that the bill is inflationary—that it costs too much. First of all, even taking President Ford's representations about costliness at face value, I would be hard pressed to find a more deserving place to put Federal money than in the GI bill—aiding veterans who have served this country honorably as they seek to continue their education and become even more productive members of society.

However, I think we must examine President Ford's representations very closely before we accept, at face value, the inflationary impact of this bill. I cannot forget, at the outset, that this bill has twice been trimmed in an effort to meet the President's economic objections. Many important and, in my opinion, necessary programs have been cut. This bill is 46 percent less costly than its original form.

And this is hardly a giveaway. It is an investment in America. It is estimated that, for every dollar we spend on this bill, we will see $6 to $8 returned to the FISC through the increased payment of taxes by those who are put into higher income tax brackets by their education and training. We could help these veterans with welfare or unemployment benefits, or we can help them with educational benefits. I choose the latter.

What amounts are really involved? According to my best calculations, this bill is approximately $130 million above what the President has said is acceptable to him. Indeed, a small fraction of the Federal budget. And, of this figure, more than half is in loan outlays which will be repaid by veterans.

Moreover, we are denying these benefits to a special segment of society. Special because of their important service to this country. But, special too because they have been victimized by civilian society. We need look no further than unemployment statistics to see why these veterans need these benefits. Unemployment among 20- to 24-year-old veterans is at about 12 percent—much higher than the national average—while unemployment among minority group veterans of the same age group is at 23 percent.

I simply cannot accept President Ford's reasons for vetoing this bill. I believe that we must override that veto.

There are many things left out of this bill that I wanted very badly to see in it and that I worked to see included. It was with great disappointment that I saw the Senate drop the tuition grant provision in conference. I wanted the low-cost direct loan provision at the Senate-passed $2,000-a-year level, instead of at the $600-a-year level contained in the conference report. There were other provisions that I feel should be before us today.

But, I firmly believe that this bill represents the very minimum we can, in good conscience, do for the Vietnam era veteran. I implore my colleagues to help the veterans of Minnesota, and the veterans of each and every State, by voting to override the Presidential veto of the Vietnam-Era Veterans' Readjustment Assistance Act of 1974.

Mr. KENNEDY. Mr. President, I am pleased to take the opportunity to explain why I shall vote to override the President's veto of the Vietnam-era Veterans Readjustment Assistance Act of 1974.

Every man and woman who served in our Armed Forces during the Vietnam war responded to the country's call to duty. They accepted their responsibility as defenders of our national policies and fulfilled their duty to our great country.

It is certainly appropriate therefore, to insure for these deserving veterans, every benefit that a grateful nation can adequately provide.

Vietnam veterans enrolled in the colleges and schools of Massachusetts have told me of their constant struggle to obtain the full range of services that should be delivered by a grateful nation. I have consistently joined our Nation's veterans in their campaign for properly deserved benefits. And I am pleased to have this opportunity to once again demonstrate my commitment to those who served when they were called. Since the troops returned from that war in Vietnam, the Congress has sought to assist with their efforts to regain a position in the society they defended. But the administration has mysteriously thwarted congressional efforts to provide aid to these gallant men and women and so it is, that once again the President has chosen to ignore the deserving claim of our veterans. In his veto of the measure to grant aid for these veterans, President Ford cited four objections for the provisions included in H.R. 12628.

First, the President's veto message claims the bill is excessive. He insists that Vietnam veterans would gain benefits that substantially exceed those earned by veterans from World War II and from the Korean war.

Yet, the Veterans' Administration has provided evidence on its own that concludes that the present Vietnam GI bill offers fewer educational opportunities than were available to the World War II veteran.

H.R. 12628 seeks to establish parity for today's veteran. It is not designed to exceed the benefits delivered to those who served in other wars.

Second, President Ford proclaims that this measure is inflationary because it would add $500 million in unnecessary costs to the already overburdened taxpayer.

I believe there is no way to responsibly label the benefits in this package as "unnecessary." GI bill expenditures represent an investment. With 23 percent of all minority veterans unemployed it can hardly be shown that aids for employment in this bill would overburden the taxpayer. It would be irresponsible to continue ignoring veterans' demands to gain work. Unemployment among all veterans has reached 12 percent. Shall this Nation abandon those who served to the grim choice of unemployment benefits, welfare, or an opportunity to gain useful work?

Moreover, the Congress has never received evidence that the bill would cost $500 million more than the amount the President regards as responsible. From the experience of World War II and Korea, we know that GI bill expenditures actually generate dollars. For each dollar spent on earlier veterans benefits the Federal Treasury received $3 to $6 in added tax revenues from the increased earning power that the education and training gave the veteran.

President Ford insists on more cost reductions. Yet, he ignores the important compromise that has already been made. This bill has been in two conferences. And the total cost has been reduced by 46 percent from the original Senate bill which passed 91 to 0 on June 19, 1974. The time for cost reductions has passed. Now is the time for action to provide the benefits our veterans so richly deserve.

Third, President Ford also objects to the 9-month extension of benefits which would guarantee veterans up to 45 months to obtain a baccalaureate degree. I have listened to veterans who have been forced to work while attending college, because past levels of educational benefits have been too low. For them it has not been possible to hold a job while attending classes and expect to earn a degree in 36 months. This 9-month extension is simply intended to provide veterans with just another aid in their quest to earn a degree.

Fourth, President Ford argues that the veteran loan program is inefficient, compared to other Federal programs.

This is a "last resort" loan program

providing up to $600 to veterans only if they can show need and are unable to obtain other Federal guaranteed or direct loans. The loan provision of this bill should insure that loan defaults are at a minimum. VA housing loan experience is long and broad. That experience can also contribute to the proper management of this new program.

Mr. President, H.R. 12628, fully deserves to be enacted because it will provide benefits to our veterans that are long overdue. Each benefit feature of the bill has been thoroughly considered by the Veterans Committee and by Members of the full Senate. So that we are now overriding the veto of a veterans benefit package that has three fundamental provisions:

First, this bill provides for a 22.7-percent increase in monthly educational assistance benefits—an unmarried veteran will now receive $270 per month. Under current law that veteran gets only $270 and a married veteran's benefits will go from $261 per month to $321.

Second, needy veterans, unable to obtain other Federal loans, will be eligible for a new $600 low-interest loan benefit program.

Third, finally, this bill enables veterans to spend 45 months instead of 36 months, in order to complete their study for a baccalaureate degree.

For nearly 4 months, both Houses of the Congress have been engaged in extensive negotiations on this package of benefits. I feel that the Senate must follow the lead taken by the House, and vote to override the President's veto of this important package of benefits for our Nation's Vietnam veterans.

Mr. McGOVERN. Mr. President, the President has vetoed the Vietnam veterans education and training bill. For those of us who have worked on the bill for so long, this was a disappointment. For the country as a whole and our many economic woes, it was certainly unwise. And for the young veterans who might have been able to scrape out a college education and a decent future, the decision was heartbreaking.

The veto is not without its own ironies. Former President Nixon killed a similar move 3 or 4 years ago with the same tired excuse. The money we are asking for to train and educate needy young veterans is too much and the total cost to the taxpayer is "not consistent with the national effort to contain inflation."

It is not ironic that some of the same men who labored under the former President are still sitting in key positions in relation to the fate of this bill. One must wonder, then, if the veto resulted out of some misguided sense of pride in the former administration, because it certainly is not in the national interest.

There can be little argument with the fact that many of us are still struggling to understand the current inflationary trends. However, in the effort to bring some sanity to our national economic picture, we may be rushing headlong to the sea not unlike so many lemmings whipped together and scrambling to stop the runaway Federal budget.

The plain fact of the matter is that cutting the Federal budget is not the best nor the most important way to approach the problem. Certainly every effort should be made to balance Federal spending, but, it should be done with a certain amount of care. In this regard, little attention has been given to the fact that money spent educating and training young veterans is one of the very best ways to fight inflation.

The money spent on my own education and that of hundreds of thousands of other World War II GI's was turned back to the Treasury several times over in increased tax revenue generated by the vastly increased earning power attained by the men who participated in the program.

I do not think it is going to far to say that the World War II GI bill was one of the major factors in preventing a widespread and lasting recession following the war effort in the late 1940's. Those of us who fought in the second great war came fresh from the battlefields to an immediate opportunity to further our education and find a place in society. The program was so successful that over 50 percent of the college population in the postwar years was made up of veterans.

More importantly, the immediate opportunity was there because the GI bill provided enough assistance so that any veteran, regardless of his family's financial stature, could afford to take advantage of it. The results are very clear. Hundreds of thousands of new doctors, lawyers, engineers, and teachers produced by an adequate GI bill resulted in greatly increased tax revenues and a bolstered national economy.

It goes without saying that the bill prevented the kind of massive unemployment problems now being experienced by so many young veterans.

Taken in this light, Mr. President, the justification for the present veto just does not hold any water.

And it doesn't begin to take into consideration the personal hardship being shared by millions of young men who have waited hopefully over the past 3 or 4 years for their country to show them some measure of gratitude for their service.

In the place of decent education benefits, the offering has been a half-hearted monthly allowance that serves more to frustrate college bound veterans than it does to give them the assistance they need.

In the place of adequate drug rehabilitation and readjustment assistance, they have been given a Catch 22 program that offers such assistance only to those who received honorable discharges. It does not take any particular brilliance to figure out that anyone who had a drug problem in the service came out with a less than honorable discharge because of the problem.

And, in the place of a working discharge review program, young veterans who experienced some difficulty while in the service have been handed a slow, cumbersome, and costly process that operates only out of the Pentagon while the wheels are greased for the men of conscience who chose jail or flight from the country to avoid being sent to fight someone else's war.

Finally, Mr. President, in the place of any kind of employment opportunities, the young veteran has been handed the bitter memories of an unpopular war and a nationwide recession.

The President's veto has the cumulative effect of wrapping up all the injustices into one bitter pill and forcing it down the throat of every Vietnam veteran in the country.

Many of us in the Congress feel very strongly about this bill. The many processes it has been through in the Congress and the many parliamentary precedents it has set since first coming to life many months ago would be sufficient to fill an interesting volume on how the Congress works both at its best and at its worst.

With all this in mind, I hope we can override President Ford's untimely veto. This would be a message to the young veterans across the country that the Congress can and will go to the well for them in spite of odds that sometimes bordered on the impossible during the last year and a half's struggle.

Mr. RANDOLPH. Mr. President, it is a privilege to support the efforts to override the President's veto of this education and training bill for Vietnam-era veterans.

As a member of the Senate Veterans' Committee, I had the responsibility of working with the other members of our committee in the development of this vital measure. As Senators know, this bill is the product of extensive consideration in the Senate and the House and during conference committee meetings. The conference report on the Vietnam Era Veterans' Readjustment Assistance Act of 1974 was signed by all member of the Committee on Veterans' Affairs, which is representative of the typical bipartisan approach of our committee. This includes the chairman, the Senator from Indiana (Mr. HARTKE), the Senator from Georgia (Mr. TALMADGE), the Senator from Iowa (Mr. HUGHES), the Senator from California (Mr. CRANSTON), the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND), the Senator from Vermont (Mr. STAFFORD), and the Senator from Idaho (Mr. McCLURE), who have all worked hard on the bill and contributed to the final measure vetoed by the President.

After final approval of the conference report we attempted to impress on the President the merits of this measure and the urgent need for veterans to have these increased benefits. A signature by the President would have strengthened the confidence of citizens in his Administration. It would have provided him with the opportunity to fulfill his pledge of cooperation with the Congress, since the total cost of the bill was reduced substantially.

Regrettably, the President did not understand the urgency or the need for this legislation. He apparently is content to fulfill our commitment to Veterans with promises rather than affirmative action. The President has failed to recognize that money spent on GI bills is perhaps one of the best investments this Nation can make. The experience of the World War II and Korean conflict GI bills has been that, for every dollar extended on this program, from $3 to $6 in additional tax revenues—resulting from the veterans' higher earning capacity—have been returned to the Treasury.

The President does not understand the impact of unemployment among Vietnam era veterans. It continues to be substantially higher than for nonveteran counterparts. Unemployment among young veterans is approximately 10 percent, with minority veterans ranging up to 20 percent.

Further, young veterans tend to be the last hired and the first fired and the downturn in the economy is having an impact on the already aggravated employment situation for Vietnam-era veterans. Many of these veterans lack skills and need additional education or training through apprentice on-the-job programs.

Thus, Mr. President, it becomes our responsibility in the Congress to insure that the commitment of this Nation to its veterans is carried through. Promises will not suffice. There must be adequate programs of opportunity and assistance to achieve this objective. The Vietnam Era Veterans' Readjustment Assistance Act of 1974 is a significant and vital effort toward this end. The Senate must vote—and I know it will—to override the President and bring into law this essential legislation.

The PRESIDING OFFICER. The hour of 4 p.m. has arrived.

The question is, Shall the bill (H.R. 12628) pass, the objections of the President of the United States to the contrary notwithstanding? The yeas and nays are mandatory under the Constitution. The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Magnuson), the Senator from Utah (Mr. Moss), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I further announce that, if present and voting, the Senator from Mississippi (Mr. Eastland), the Senator from Washington (Mr. Magnuson), the Senator from Minnesota (Mr. Humphrey), and the Senator from North Carolina (Mr. Ervin) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Colorado (Mr. Dominick) are necessarily absent.

I further announce that, if present and voting, the Senator from Colorado (Mr. Dominick) would vote "yea."

The yeas and nays resulted—yeas 90, nays 1, as follows:

[No. 513 Leg.]

YEAS—90

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Eagleton
Fannin
Fong
Goldwater
Gravel
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—1

Griffin

NOT VOTING—9

Bellmon
Dominick
Eastland
Ervin
Fulbright
Humphrey
Magnuson
Moss
Talmadge

The PRESIDING OFFICER. On this vote, the yeas are 90 and the nays 1. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States to the contrary notwithstanding.

Mr. HARTKE. Mr. President, on behalf of the veterans of America, I wish to express their gratitude to the entire Senate for the affirmative action which was taken today.

I thank the Chair.

The PRESIDING OFFICER (Mr. Goldwater). What is the will of the Senate?

Mr. BIBLE. Will the majority leader yield his time so I may ask for appointment of conferees?

Mr. MANSFIELD. Mr. President, I yield to the Senator from Nevada.

GRAND CANYON NATIONAL PARK, ARIZ.

Mr. BIBLE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1296.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1296) to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes, which were:

Page 1, line 9, strike out "Navajo Bridge", and insert: the mouth of the Paria River

Page 2, line 13, strike out all after "approximately" down to and including "acres," in line 14, and insert: one million four hundred and six thousand five hundred acres.

Page 2, line 17, strike out "113–91,005 and dated June 1973,", and insert: 113–20,021 and dated July 1974.

Page 2, line 23, after "study", insert: (i)

Page 3, line 1, after "areas", insert: , (ii) the area commonly known as the Parashaunt Allotment formerly located primarily within the Lake Mead National Recreation Area, and (iii) those lands within Kanab Canyon formerly under the jurisdiction of the Forest Service and Bureau of Land Management,

Page 3, line 22, after "donation", insert: or exchange

Page 5, strike out lines 7 through 9, inclusive.

Page 6, strike out all after line 21 over to and including line 15 on page 7, and insert:

Sec. 10. (a) For the purpose of enabling the tribe of Indians known as the Havasupai Indians of Arizona (hereinafter referred to as the "tribe") to improve the social, cultural, and economic life of its members, the lands generally depicted as the "Havasupai Reservation Addition" on the map described in section 3 of this Act, and consisting of approximately one hundred and eighty-five thousand acres of land and any improvements thereon, are hereby declared to be held by the United States in trust for the Havasupai Tribe. Such map, which shall delineate a boundary line generally one-fourth of a mile from the rim of the outer gorge of the Grand Canyon of the Colorado River and shall traverse Havasu Creek from a point on the rim at Yumtheska Point to Beaver Falls to a point on the rim at Ukwalla Point, shall be on file and available for public inspection in the Offices of the Secretary, Department of the Interior, Washington, District of Columbia.

(b) The lands held in trust pursuant to this section shall be included in the Havasupai Reservation, and shall be administered under the laws and regulations applicable to other trust Indian lands: *Provided*, That—

(1) the lands may be used for traditional purposes, including religious purposes and the gathering of, or hunting for, wild or native foods, materials for paints and medicines;

(2) the lands shall be available for use by the Havasupai Tribe for agricultural and grazing purposes, subject to the ability of such lands to sustain such use as determined by the Secretary;

(3) any areas historically used as burial grounds may continue to be so used;

(4) following a study to be done by the Secretary, he shall, in consultation with the Havasupai Tribal Council, develop and implement a plan for the use of this land by the tribe. Such plan shall include the selection of areas which may be used for residential, educational, and other community purposes;

(5) no commercial timber production, and no commercial mining or mineral production shall be permitted on such lands;

(6) nonmembers of the tribe shall be permitted to have access across such lands at locations established by the Secretary in consultation with the Tribal Council in order to visit adjacent parklands, and may, with the consent of the tribe, be permitted to enter and temporarily utilize lands within the reservation (or this addition thereto) for recreation purposes;

(7) except for the uses permitted in paragraphs 1 through 6 of this section, the lands hereby transferred to the tribe shall remain forever wild and no uses shall be permitted under the plan which detract from the existing scenic and natural values of such lands.

(c) The Secretary shall be responsible for the establishment and maintenance of conservation measures for these lands, including, without limitation, protection from fire, disease, insects, or trespass and reasonable prevention or elimination of erosion, damaging land use, overgrazing, or pollution. The Secretary of the Interior is authorized to contract with the Secretary of Agriculture for any services or materials deemed necesary to institute or carry out any such measures. Any authorized Federal programs available to any other Indian tribes to enhance their social, cultural, and economic well-being shall be deemed available to the tribe on these lands so long as such programs or projects are consistent with the purposes of this Act. For these purposes, and for the purpose of managing and preserving the resources of the Grand Canyon National Park, the Secretary shall have the right of access to any lands hereby included in the Havasupai Reservation. Nothing in this Act shall be construed to prohibit access by any members of the tribe to any sacred or religious places or burial grounds, native foods, paints, materials, and medicines located on public lands not otherwise covered in this Act.

(d) The Secretary shall permit any person presently exercising grazing privileges pursuant to Federal permit or lease in that part of the Kaibab National Forest designated as the "Raintank Allotment", and which is included in the Havasupai Reservation by this section, to continue in the exercise thereof, but no permit or renewal shall be extended beyond the period ending ten years from the date of enactment of this Act, at which time all rights of use and occupancy of the lands will be transferred to the tribe subject to the same terms and conditions as the other lands included in the reservation in paragraph (b) of this section.

(e) The Secretary, subject to such reasonable regulations as he may prescribe to protect the scenic, natural, and wildlife values thereof, shall permit the tribe to use lands within the Grand Canyon National Park which are designated as "Havasupai Use Lands" on the Grand Canyon National Park boundary map described in section 3 of this Act, and consisting of approximately ninety-five thousand three hundred acres of land, for grazing and other traditional purposes.

(f) By the enactment of this Act, the Congress recognizes and declares that all right, title, and interest in any lands not otherwise declared to be held in trust for the Havasupai Tribe or otherwise covered by this Act is extinguished. Section 3 of the Act of February 26, 1919 (40 Stat. 1177; 16 U.S.C. 223), is hereby repealed.

WILDERNESS STUDY

SEC. 11. Within two years from the date of enactment of this Act the Secretary of the Interior shall report to the President, in accordance with subsections 3(c) and 3(d) of the Wilderness Act (7 Stat. 90; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or nonsuitability of any area within the national park for preservation as wilderness and any designation of any such area as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

Page 7, line 17, strike out "SEC. 11.", and insert: SEC. 12.

Mr. BIBLE. Mr. President, I move that the Senate disagree to the amendments of the House to S. 1293, request a conference with the House on the disagreeing votes, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JACKSON, Mr. BIBLE, Mr. CHURCH, Mr. FANNIN, and Mr. HANSEN conferees on the part of the Senate.

Mr. BIBLE. Mr. President, I yield the floor to the majority leader.

FOREIGN ASSISTANCE ACT OF 1974

The PRESIDING OFFICER (Mr. GOLDWATER). The Chair lays before the Senate the pending business, which the Clerk will state.

The legislative clerk read as follows:

> A bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for the quorum call be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WEICKER). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Wisconsin 10 minutes on the bill.

FOREIGN GIFTS AMENDMENT

Mr. PROXMIRE. Mr. President, continuing reports of extravagant gift-giving among officials of the U.S. Government and foreign heads of State are distressing. It is high time the Congress put an end to this nonessential ingredient of our foreign policy. At a time when President Ford is asking the American people to make financial sacrifices in their daily lives to combat inflation, how can the Federal Government continue the snowballing trend of "Santa Claus diplomacy."

My amendment to S. 3394, which is called the foreign gifts amendment, would prohibit the expenditure of Federal taxpayer funds for the giving of gifts costing more than $50 to foreign heads of state or other foreign dignitaries with the understanding that the receipt of gifts from these foreign officials would also be eliminated.

EXAMPLES OF GIFT-GIVING

It is not the intention of this amendment to interfere with normal diplomatic activity nor to hamper the efforts of our top foreign policy officials to generate a mood of goodwill abroad. But when Presidential "tokens of détente" reach the $3 million mark—as in the case of the VH3A Sikorsky helicopter to Egyptian President Anwar Sadat—it is time to reassess the propriety of these expenditures. The executive branch has rarely, if ever, been held accountable as to where these gifts are going, where the funds come from, and how they are justified. Subsequent attempts by the GAO and congressional staffs to look into the sources of funding for these gifts and their costs have been met with resistance at both the State Department and the White House.

International gift-giving has quadrupled over the last 25 years. Surely we must ask "What are we buying with these exorbitant gestures of détente?"

I believe that my amendment will help to reassure the American taxpayer that his hard-earned dollar is not being used to maintain a Federal "Spiegel catalog" for foreign heads of State.

Let me give you a brief rundown of how the momentum of international gift-giving has snowballed in the past year.

THE SADAT HELICOPTER

The most obvious recent example was with the unprecedented gift of the VIP Navy Sikorsky helicopter from former President Nixon to Egyptian President Anwar Sadat during Mr. Nixon's June 1974 visit to Egypt. The General Accounting Office, in response to my request of June 27, confirmed that the helicopter was given under section 451 of the 1973 Foreign Assistance Act that is primarily reserved for disaster relief contingencies. The GAO reported that—

> Although not strictly illegal, the gift of a $3 million helicopter to President Anwar Sadat of Egypt was contrary to the intent of Congress.

Back in February of this year, President Nixon, under the authority of that all-purpose contingency act of the Foreign Assistance Act of 1961, permitted the granting of $10 million in excess Egyptian pounds to the Wafaa wa'l Amal—Royal and Hope Society—an Egyptian charitable organization headed by the wife of President Sadat. In order to make the grant legal, the President had to waive restrictions contained under section 620 of the act and fulfill two conditional waiver rights.

Then on October 7, 1974, it was reported that the United States was transferring a highly coveted $1 million tract of Government land to President Sadat so that the Egyptian President could build a mansion beside the Nile River in Cairo. This is even more suspicious when considering that the Egyptian President already has a palatial residence in Giza near the lavish hotel district in Cairo.

These examples of diplomatic extravagance and waste, coupled with the Secretary of State's habit of visiting foreign nations laden with gifts, must be incredibly frustrating and discouraging to the farmer in Wyoming or the factory worker in Milwaukee who may not be able to afford Christmas gifts for their children this month.

Mr. President, I have talked with many of my constituents in the last several months, and believe me, they are disturbed about this. They have brought up this helicopter gift a number of times. It has become a symbol of waste and extravagance in the Federal Government, and they wonder about the gift that came back, about which we do not have information.

Mr. President, the point I wish to make is this. It is not the legality nor illegality of these gifts that causes concern. Nor do I wish to inhibit the progress of détente with Egypt or any other nation. But at a time when inflation is at a record high and the Nation is crying out for decreased Federal spending, the Senate should see that the taxpayer is not saddled with the financial burden of supplying our top Government officials with free diplomatic "toys."

We are not a European monarchy. Nor are we an oil rich Middle East nation accustomed to lavish gift-giving. Foreign policy should be based on mutual self-interest—not the giving of gifts.

Mr. President, the Senate accepted a similar amendment of the preceding foreign aid bill. I hope that the committee will once again favorably look upon this amendment. It is the same $50 limitation for both gift giving and receiving. And the same authors of the original amendments, Senators BROOKE and MCGOVERN, are again cosponsoring this effort.

After having had an opportunity to talk with the distinguished acting chairman, the manager of the bill, the Senator from Wyoming (Mr. McGee), I have agreed that I would not press this amendment provided that we could get certain assurances. I would like to ask the distinguished Senator from Wyoming, will the committee consider and support comprehensive corrective legislation early in 1975?

Mr. McGEE. As a member of that committee, I am willing to take the initiative with the Senator from Wisconsin. My answer is yes, with no reservations. I think the Senator is precisely on the right track. As we have discussed the matter between the two of us, one of our concerns only is that this proposal, which is a basic and substantive change in what has been a habit in the past and a directive in this body, that more properly belongs on the State Department authorization bill, which will come up when Congress reconvenes. Even so, rather than wait for that length of time, I think we can begin to get the information from the Department at once.

Mr. PROXMIRE. That is very helpful and, for that reason, I ask in the interim would the committee require that the State Department release a full list of all gifts given by or received by U.S. officials, given or received, valued at more than $50 in 1974, and for that period of 1975 not covered by new legislation?

Mr. McGEE. All I can guarantee is that that would be the request. In other words, I cannot force, as the Senator would appreciate, the State Department to say, "That is what we are going to do," but that would be my intention, that would be our request, in the letter seeking that information, that it be released at once.

Mr. PROXMIRE. Would the Senator from Wyoming, as manager of the bill, also do his best to see that the committee determines what other Government officials give or receive gifts?

Mr. McGEE. The only hesitation I would have on that would be whether we were running too far afield in terms of our jurisdiction. I think that there might be more appropriate ways, and I am just a little hesitant to preempt the legislative responsibility of other committees. I will carry this to the State Department.

Mr. PROXMIRE. What this Senator had in mind was, of course, not to preempt the others. But, it would seem to me, that any gifts—that is what this would cover—to foreign heads of state or the receipt of gifts from foreign heads of state, of course, should come under the jurisdiction of the Committee on Foreign Relations.

Mr. McGEE. I misunderstood.

Mr. PROXMIRE. Even though it is done, say, by the Secretary of Commerce or some other, some Pentagon official.

Mr. McGEE. I would be prepared to add that to the letter of request to the Department.

Mr. PROXMIRE. Would the committee release the facts publicly, including the names of donors, recipients, and the costs or would the Senator support that release?

Mr. McGEE. I cannot commit the committee to that until I make that the subject of a committee decision. In other words, I cannot preempt that decision individually. However, that would be my recommendation to the committee. And, as the Senator would appreciate once more, I would not dare to say this is how the committee would vote on it, but I would make that recommendation with all the force that I could press on them.

Mr. PROXMIRE. May I say to my good friend, the Senator from Wyoming, that I was very anxious to have this amendment enacted. I think the Senator from Wyoming would probably support the amendment, too, and I am sure many other Senators would.

As I say, Senator Brooke and Senator McGovern are cosponsoring the amendment, and it was accepted the last time by the Senate. But, under the circumstances, I understand that it would really complicate the problem of the Senator from Wyoming if he accepted amendments, because he is anxious to get a bill, which is a clean bill, through.

Once he accepts amendments, it is going to be extremely difficult for him to do his job, in view of the assurances by the Senator from Wyoming that this will be given his support and can be called up early next year when the State Department legislation is before the Senate, not the foreign aid bill, because that would be a year or two from now——

Mr. McGEE. No, the appropriation bill.

Mr. PROXMIRE. I do not press my amendment.

Mr. McGEE. I appreciate the comments of the Senator from Wisconsin. We will proceed on that without delay. I shall likewise keep him informed as to what response we obtain to this request.

Mr. PROXMIRE. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, I suggest the absence of a quorum for the purpose of making an inquiry.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, there will be no further business on the pending matter tonight. But at this time I would like to call up once again briefly H.R. 15977, the Export-Import Bank conference report.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. STENNIS. Mr. President, may we have order? I know this is an important matter.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Oregon (Mr. Packwood) I send to the desk a cloture motion and ask that it be read.

The PRESIDING OFFICER. The cloture motion, having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, the Export-Import Bank Act Amendment.

John Tower, Edward W. Brooke, Adlai E. Stevenson, III, Howard H. Baker, Jr., Mike Mansfield, Charles McC. Mathias, Jr., Marlow W. Cook, Hugh Scott, Robert T. Stafford, Bob Packwood.

J. Glenn Beall, Jr., Harold E. Hughes, George McGovern, James Abourezk, Daniel K. Inouye, John V. Tunney, John A. Pastore, William D. Hathaway, Walter F. Mondale, Joseph R. Biden, Jr.

FOREIGN ASSISTANCE ACT OF 1974

Mr. MANSFIELD. Mr. President, I now ask unanimous consent that the Senate return to Calendar No. 1232, S. 3394, an act to amend the Foreign Assistance Act of 1961.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. MANSFIELD. Mr. President, there will be no further consideration of the pending business tonight, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Case). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 o'clock a.m., with statements limited therein to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

A UNANIMOUS-CONSENT AGREEMENT—AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 10 a.m. on tomorrow, the 1 hour for debate under rule XXII on the motion to invoke cloture on the Eximbank amendment, conference report, begin running with the time to be equally divided between Mr. SCHWEIKER and Mr. STEVENSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. PERCY. Mr. President, I ask unanimous consent that I may have 5 minutes to present a report of the Committee on Foreign Relations.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

SENATE RESOLUTION 440—RELATING TO THE WORLD FOOD SHORTAGES AND RAPID POPULATION GROWTH

Mr. PERCY. Mr. President, I ask unanimous consent that the report of the Committee on Foreign Relations in reporting a sense of the Senate resolution relating to the world food shortage and the rapid population growth be presented at this time and be taken up for immediate consideration.

Mr. President, I send the resolution to the desk and the report of the committee.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

> A resolution (S. Res. 440), relating to the world food shortages and rapid population growth.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. PERCY. Mr. President, there is no one among us who is not deeply aware of the current global food crisis. And there is no one among us who can avoid the realization that the Earth's current food problems—as well as virtually every other economic and social problem facing humankind—are and will continue to be exacerbated by unlimited global population growth. We all know the facts, or at least I hope we do: There are currently about 4 billion people on Earth. In 30 years, there will be twice that number. Developing countries, unable to provide even subsistence standards for their current populations have no chance of providing a decent life for twice or three times as many people.

We in Congress and most of the American public are becoming increasingly aware of these facts. And judging by the cooperative spirit among the delegations from all sizes and types of countries at the recent World Population Conference and World Food Conference, the other nations of the world are aware of them too, and they are eager to seek remedies to the mounting food and population problems we all face.

Global recognition of the interrelatedness of food supplies and population growth is an indication of significant progress. But the real work of seeking and implementing solutions remains. It is because this work will be difficult and because it will require an extraordinary degree of international spirit and cooperation that I ask my colleagues' support for this Senate resolution at this time.

This resolution is intended to express the sense of the Senate that, pursuant to the initial steps taken at the World Food and World Population Conferences, the United States should cooperate fully and energetically with other nations to implement effective national and international policies on food production, storage, and distribution and on population growth.

The resolution states that the United States should contribute to meeting the immediate threat of famine where it exists, should contribute its fair share to helping poor countries increase their food production, should support an international system of food reserves, should cooperate with other developed countries to increase economic development and population planning assistance, should support public and private sector family planning programs in all countries, should encourage efficient and equitable worldwide distribution of food, and should cooperate with other nations to implement agreements reached at the World Food and Population Conferences.

The resolution recognizes that the United States is already playing a leading role in such activities and is worded so as to emphasize that a concerted international attack on the problems of food and population must involve a fair sharing of the economic burden among those nations which are able to contribute.

Mr. President, this resolution is very similar to Senate Concurrent Resolution 113 that Senator HUMPHREY and I and 14 other Senators sponsored in August. At that time we proposed the resolution as a vehicle through which the Congress might express its view that the pending World Population and Food Conferences were of great importance and value in light of the Earth's rapidly worsening problems of food shortages and population growth.

The two conferences are now past. Both can be considered to have been successful steps toward global cooperative efforts to improve the quality of life for all people. But the critical and extremely complex nature of the international food and population problems requires continuing, concentrated efforts by all members of the international community to implement and enhance the agreements arrived at in the course of those meetings. The ultimate success of those ongoing efforts depends to a great extent upon the faith among nations that each country is seeking earnestly to do its fair share.

The provisions of this resolution are not controversial. The U.S. delegations to the Population and Food Conferences have already affirmed the critical food and population situations cited in this resolution. The operative paragraphs of this measure serve only to reinforce goals and commitments the United States has made at the two conferences and at the United Nations.

Nonetheless, the Senate Committee on Foreign Relations recognizes the need to approve this resolution at this time. While President Ford and Secretary of State Kissinger and U.S. delegations abroad have spoken of our concern for food and population programs, the U.S. Congress has not yet done so. In addition, the United Nations General Assembly, to which I am currently a delegate from the Congress, is now considering reports of both the World Population Conference and the World Food Conference. I believe an expression of support by the U.S. Senate for the implementation of the plans and programs coming out of the conferences will give beneficial impetus to that implementation.

Mr. President, many serious difficulties confront the people of all nations, but none is more serious than that of simple survival. Millions of our fellow humans already suffer the cruel effects of hunger and malnutrition. If strong steps are not taken to increase food production and simultaneously to limit the Earth's burgeoning population, millions of our fellow humans will face death from starvation. We all know that the United States is not willing to allow this fate to come to pass. We must, therefore, pledge ourselves to work in cooperation with our global neighbors to meet these challenges. This resolution can be seen to be an expression by the representatives of the American people of our dedication to avert such a fate. I ask for the unanimous approval of the Senate for this resolution.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 440) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas, it is the sense of the Senate that current and projected food shortages around the globe are aggravated by rapid world population growth, that national and international policies on food production, storage, and distribution and on population growth should be developed in order to accelerate economic and social progress in the developing nations and to improve the quality of life for all people, and that the United States, having participated in the development of such policies at the United Nations-sponsored World Food Conference and World Population Conference, should continue to cooperate fully with other nations in the implementation of those policies.

Whereas, in the past year, world grain reserves have reached record low levels, food prices have reached near record high levels, and adequate nutrition has become increasingly difficult for poor people in all nations to obtain; and

Whereas famine is now a grim reality for millions of people in several areas of the world and critical food shortages are now threatening the quality of life for additional millions around the world as the incidence of hunger and malnutrition reaches epidemic proportions; and

Whereas the world population of nearly four billion people currently increases by seventy-five million people annually and is expected to double in the next thirty years; and

Whereas rapid population increase has a critical impact on the already limited supplies of food and other resources and hampers individuals, families, and governments in their efforts to attain adequate diets and higher levels of economic and social development; and

Whereas projected increases in food supplies, when measured against current global rates of population increase, offer little possibility that the substandard dietary intake of millions of people in all parts of the world can be improved; and

Whereas the United Nations has designated 1974 as World Population Year and has sponsored both the World Population Conference and the World Food Conference this year out of concern over the increasingly critical international problems of food shortages and rapid population growth:

Now, therefore, be it resolved, That it is hereby declared to be the sense of the Senate that—

(1) the United States should continue to assist in meeting the growing economic and human crises in many developing countries both by taking steps to help meet the immediate threat of famine where it exists and by making available its fair share of the means and technology for these countries to increase their own food production; and

(2) the United States should take steps to help achieve international agreements on a system of food reserves sufficient to meet emergencies wherever they may arise and to provide insurance against unexpected shortfalls in food production; and

(3) since an increase in the standard of living of people in the developing nations, through expanded economic and social opportunities, is a necessary component of any program to promote a decline in population growth rates, the United States along with other developed countries, should continue and increase both bilateral and multilateral aid to promote social and economic development and to assist in implementing population programs in developing countries in accordance with their requests; and

(4) In the United States, as well as in other nations, governmental and private sector programs providing information and guidance to assist persons to make voluntary, free, and responsible decisions on the number and spacing of their children should continue to be encouraged; and

(5) the United States should encourage the efficient use and equitable distribution of food and other resources worldwide; and

(6) the designation by the United Nations of 1974 as World Population Year is welcome, as is the establishment of a National Commission for the Observance of World Population Year to promote within the United States a better understanding of the causes, nature, scope, and consequences of the problem of population growth, both national and international, and the relationship of this problem to the quality of human life; and

(7) the active participation of the United States delegations to the World Population Conference and World Food Conference in the elaboration of an effective world population plan of action and of comprehensive and constructive world food policies for recommendation to the respective governments is commended; and

(8) the United States should continue to cooperate fully with other nations in the implementation of the agreements reached at the World Population Conference and the World Food Conference whether and whenever possible.

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 4:59 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 5:08 p.m., when called to order by the Presiding Officer (Mr. GRIFFIN).

NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT OF THE UNITED STATES—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that on Monday there be not to exceed 5 hours of debate on the nomination of Mr. Nelson A. Rockefeller to be Vice President of the United States, the 5 hours to be divided as follows: 1 hour under the control of Mr. WILLIAM L. SCOTT of Virginia, 2 hours under the control of Mr. COOK, 2 hours under the control of Mr. CANNON.

Provided, further, that on Tuesday, at 2 p.m., there begin 1 hour of debate, to be equally divided between Mr. COOK and Mr. CANNON; that at the conclusion of the 1 hour of debate, a vote occur at 3 p.m. on the confirmation of the nomination of Mr. Rockefeller.

The PRESIDING OFFICER. Is there objection?

Mr. COOK. Mr. President, reserving the right to object—and I shall not object—I merely want the record to show that this is being done for the convenience of some of our colleagues who will not be here to vote on Monday.

I was very adamant about wanting to debate this matter on Monday and bring it to a conclusion on Monday, as I think the distinguished Senator from West Virginia was. We find that we cannot get a unanimous-consent agreement any other way.

Therefore, rather than have unlimited debate, which could start on Monday and conceivably go on and on, we have had to agree to this compromise. I wish the record to show that this nomination has now been before us in the Senate since the 20th day of August. It is now December. This matter should be behind us.

With the understanding, as we have now agreed, that the final disposition of this matter will be at 3 o'clock on Tuesday, December 10, and that we shall have an up-and-down vote, then I shall not register any objection so that it could not be accomplished.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

Mr. ROBERT C. BYRD. What the distinguished Senator from Kentucky has said is true. The leadership on both sides of the aisle endeavored to get an agreement whereby the vote would occur on Monday on the nomination of Mr. Rockefeller, but it was impossible to get such an agreement. This was the best we could do. I appreciate the cooperation of the Senator from Kentucky and all Senators in reaching this agreement.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COOK). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS FOR THE REMAINDER OF THE SESSION

Mr. ROBERT C. BYRD. Mr. President, the program for Thursday is unclear, but the Eximbank matter may still be before the Senate. On Friday, there will be no session.

On Monday, December 9, the Rockefeller nomination will be taken up. It will not be voted on, however, that day. An agreement has been entered into whereby on rollcall votes will occur on Monday prior to the hour of 4 o'clock p.m. After some debate on the Rockefeller nomination, that matter will be put aside on Monday for final disposition on Tuesday. When the nomination of Mr. Rockefeller has been laid aside on Monday, the trade bill and/or other matters will be taken up.

For the information of Senators, following this week, only 2 weeks remain before adjournment no later than Saturday, December 21. This means that, even including Saturday, December 21, we only have two Saturdays left. A large calendar of business still remains to be transacted. Therefore, Senators will want to adjust their schedules to accommodate long daily sessions, with likely Saturday sessions, and rollcall votes daily. The following measures are among those which we must try to dispose of, one way or another, before adjournment sine die.

Foreign aid authorization, which is pending; Eximbank conference report, which is pending; nomination of Nelson Rockefeller, which is scheduled now for Monday and Tuesday of next week; trade reform legislation, which will be taken up on Monday, December 9; the supplemental appropriations conference report; the agriculture appropriations conference report; the military construction authorization; the military construction appropriation; the standby emergency energy bill; the strip mining conference report, hopefully; the AEC authorization bill; the maritime program authorization bill; U.S. jurisdiction over ocean areas; S. 41780, a bill to provide for the extension of Head Start, Community Action, Community Economic Development, and other programs under the Economic Opportunity Act; and various other conference reports that may be ready to be called up, which I have not listed.

Additionally, severe unemployment may make it necessary to address the issue of a public service employment measure and extended unemployment benefits prior to the adjournment. The remaining business is not confined to the aforementioned measures, nor are they necessarily listed in the order in which they will be called up.

The joint leadership urges that no more bills be reported from committees unless absolutely necessary and, moreover, the joint leadership hopes that all Senators will do their utmost to assist in getting unanimous-consent agreement on measures so that all important business can be transacted by no later than the close of business on Saturday, December 21.

ORDER FOR EXTENSION OF TIME TO FILE CONFERENCE REPORT ON H.R. 11929

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senator from Tennessee (Mr. BAKER) will have until midnight tonight to file a conference report on H.R. 11929, the TVA pollution control bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 9:30 a.m. After the two leaders or their designees have been recognized under the standing order there will be a period for the transaction of routine morning business of not to extend beyond the hour of 10 o'clock a.m., with statements therein limited to 3 minutes each. At the hour of 10 o'clock tomorrow, the 1 hour of debate under rule XXII of the Standing Rules of the Senate on the motion to invoke cloture on the conference report on the Eximbank amendment will begin running.

At the hour of 11 o'clock a.m., the clerk will call the roll, a quorum call being automatic under the rule. Upon the establishment of a quorum the Senate will proceed to vote by rollcall, a rollcall vote being also automatic under the rule, on the motion to invoke cloture.

Upon the disposition of the Eximbank matter, which hopefully will be on tomorrow, the Senate will resume consideration of the foreign aid authorization bill. There is a time agreement thereon. Amendments thereto will be in order. Rollcall votes may be expected on amendments thereto, and a rollcall vote will occur on the final passage of the foreign aid bill, under the agreement previously entered into, at not later than the hour of 6 o'clock p.m. tomorrow.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9:30 tomorrow morning.

The motion was agreed to; and at 5:19 p.m., the Senate adjourned until tomorrow, Wednesday, December 4, 1974, at 9:30 a.m.

NOMINATION

Executive nomination received by the Senate December 3, 1974:

DEPARTMENT OF STATE

Richard B. Parker, of Kansas; a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

HOUSE OF REPRESENTATIVES—*Tuesday, December 3, 1974*

The House met at 12 o'clock noon.

Rev. James E. Edwards, First United Methodist Church, West Nanticoke, Pa., offered the following prayer:

Almighty God, humbly we come into Thy divine presence this day. Assembled here are those whose decisions and action will affect all mankind. Guide us, O Thou great Jehovah, for we are weak but Thou art mighty; hold us in Thy powerful hand.

The challenges and the tasks of the day are great. Realizing that Thou art our refuge and strength and a very present help in times of trouble and need, we turn to Thee.

Help us to look beyond ourselves, our ambitions, our prejudices, and to search ourselves that we may serve Thee and all peoples according to Thy will. Unite us in the spirit of love and knowledge and truth, through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10337. An act to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10701) entitled "An act to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. HOLLINGS, Mr. STEVENS, Mr. JACKSON, Mr. JOHNSTON, Mr. HANSEN, Mr. GRAVEL, Mr. BENTSEN, and Mr. BUCKLEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2743. An act to establish a program of loan guarantees to enable independent refiners of crude oil to construct or acquire new or expanded refining facilities in the United States; and

S. 2994. An act to amend the Public Health Service Act to assure the development of a national health policy and of effective State and area health planning and resources development programs, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., November 26, 1974.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: Pursuant to the permission granted on November 26, 1974, the Clerk has received the following messages from the Secretary of the Senate:

"That the Senate agreed to the conference report, agreeing to House amendments Nos. 9, 53, 57, 58, 66, and 98 to Senate amendments to H.R. 15580, an act making appropriations for the Departments of Labor, and Health, Education and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes.

"That the Senate passed without amendment H.R. 17503, an act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals."

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 27, 1974.

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives.

DEAR MR. SPEAKER: Pursuant to the permission granted on November 26, 1974, the Clerk has received the following message from the Secretary of the Senate:

"That the Senate agreed to the House amendments to the Senate amendments to H.R. 342, an act to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel."

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Tuesday, November 26, 1974, he did, on Wednesday, November 27, 1974, sign enrolled bills of the House, and an enrolled bill of the Senate as follows:

H.R. 342. An act to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, and to amend the Practice of Psychology Act and the District of Columbia Unemployment Compensation Act;

H.R. 15580. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes;

H.R. 17503. An act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals; and

S. 3202. An act to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that he will take the compulsory calling up of the Consent Calendar, but without objection, the Chair would like to recognize the gentleman from Pennsylvania (Mr. FLOOD) for a 1-minute speech before taking up any further business.

There was no objection.

THE REV. JAMES E. EDWARDS

(Mr. FLOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLOOD. Mr. Speaker, St. John Chrysostom wrote:

> So good a thing is virtue that even its enemies applaud and admire it.

Happily, he whom it has been my privilege to introduce to the House today as our chaplain for the day, who has led us in prayer before the Universal Father, is a man who knows no enemies save injustice and evil, a man whose service to God and to his fellow man and woman is a continuing inspiration and example of the meaning of virtue. I speak from a longstanding personal friendship in commending his life and work.

The deeply troubled times through which this Nation—and every nation—is passing cry out for men and women of deeply held religious convictions, of faith in God and in his purposes, and of trust in the promise of humanity when obedient to the high calling of a God-given destiny. James Edwards has witnessed in his public ministry and in his private life alike to the saving power of that faith, and in so doing he has touched the lives of innumerable persons.

In the Old Testament we read that—

> God giveth to a man that is good in his sight wisdom and knowledge and joy.

So it has been with James Edwards, who has crowned a rich life, filled with good deeds, in service as a lay pastor in his denomination, the United Methodist Church, ministering to three churches in the Wyoming Conference, Nanticoke, Askam, and Glen Lyon. A graduate of Ben Franklin High School in Carbondale, Pa., and the Lackawanna Bible Institute in Scranton, he has studied under the board of high education of his denomination. He has done graduate work at the University of Edinburgh. He served 4 years in the Korean war.

I congratulate him on this happy occasion, and I share the pride and the satisfaction of his parishioners, his many friends, and, above all, of his family—his wife, Marian—who is from Scranton—and his children, Hollie and Susan.

CHANGES IN LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I have asked for this time so that I may announce the program for this afternoon.

No. 1, Mr. Speaker, we will have the Consent Calendar; then No. 2, we will go to the Private Calendar; No. 3, we will take up the veterans veto; No. 4, we will take up the zinc veto; and No. 5, we will take up the safe drinking water bill. We will ask to take this up by unanimous consent, but if unanimous consent is not granted then the bill will immediately be brought up by suspension of the rules. Either way, it is our intention to take it up this afternoon.

Then, No. 6, we will take up the Nixon tapes bill by suspension of the rules, which is on the Suspension Calendar as No. 10. We will move that to the top of the list.

We will then continue with the suspensions, not necessarily in order, and we will add to the list H.R. 7077, Cuyahoga Recreation Area.

Insofar as additions tomorrow to the legislative schedule, we will have the supplemental appropriation conference report and the budget rescission bill.

That is the schedule for today and tomorrow.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. I would ask the gentleman from Massachusetts if it is the intention of the leadership to take up all of the bills listed under suspension of the rules today, or to remove some of them?

Mr. O'NEILL. I am sure the gentleman from Iowa is aware of the fact that the announcement of the proposed schedule, which was made last week and which is in the RECORD, it was explained to the Members of the House that it had been agreed to with the leadership on the other side that the Democrats and the Republicans were both going to have their caucuses on Monday, and that on Tuesday we would meet at 9 o'clock, and we just adjourned at a quarter of 12, and we are going to go back again at 6 o'clock.

So the expectation is that we will receive the accommodation from the gentleman's side of the aisle, and that the House will adjourn at perhaps 5 or 5:30, or thereabouts, and that then the Chamber will be available to the Democratic Members at 6 o'clock this evening so that they can move forward with their caucus. Then that we can meet again at 9 o'clock tomorrow morning.

But to explicitly answer the inquiry of the gentleman from Iowa, we will not be able to finish the suspensions that are on the calendar.

Mr. GROSS. I thank the gentleman.

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar.

The Clerk will call the first bill on the Consent Calendar.

EMERGENCY TOBACCO PRICE SUPPORT INCREASE

The Clerk called the bill (H.R. 16056) to provide for emergency increases in the support level for the 1974 crop of flue-cured tobacco.

Mr. ROSE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GRANGER DAM AND LAKE

The Clerk called the bill (H.R. 11802) to change the name of the Laneport Dam on the San Gabriel River in Texas to the Granger Dam.

There being no objection, the Clerk read the bill as follows:

H.R. 11802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Laneport Dam on the San Gabriel River near Granger, Texas, shall be known and designated as the "Granger Dam". Any reference in a law, map, regulation, document, record, or other paper of the United States to such dam shall be held to be a reference to the "Granger Dam".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That the Laneport Dam and Lake on the San Gabriel River near Granger, Texas, authorized by the Flood Control Act of 1954, shall hereafter be known as the Granger Dam and Lake, and any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held to refer to such project under and by the name of "Granger Dam and Lake".

The committee amendment was agreed to.

Mr. ROBERTS. Mr. Speaker, H.R. 11802 designates the Laneport Dam and Lake on the San Gabriel River, Tex., as the "Granger Dam and Lake." This project was authorized by the Flood Control Act of 1954 and is still under construction at the present time. The dam and lake will provide flood control, water supply, and recreation for the central portion of the Brazos River Basin. Granger, Tex., the town after which the project would be renamed was founded in 1882. It is the largest town in the area affected by the project and is located to the northwest of the site of Laneport Dam. In view of Granger's close proximity to the dam and lake, the designation of the project as the "Granger Dam and Lake" is appropriate.

The legislation has been reported with amendments of a technical nature which make it clear that both the dam and lake, and not just the dam, are being named after the town of Granger.

Mr. BLATNIK. Mr. Speaker, I rise in support of H.R. 11802. This bill would designate the Laneport Dam and Lake project on the San Gabriel River, Tex., as the Granger Dam and Lake after the city of Granger, Tex. The city of Granger was founded in 1882. It is the largest town in the vicinity of the project and will be a focal point for recreational and other activities associated with the project. For these reasons it is most appropriate to name the project after the town of Granger.

Mr. Speaker, I urge passage of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill designating the Laneport Dam and Lake on the San Gabriel River as the 'Grander Dam and Lake'."

A motion to reconsider was laid on the table.

HENSLEY LAKE

The Clerk called the bill (H.R. 12044) to modify section 201 of the Flood Control Act of 1962 (76 Stat. 1192) to change the name of the lake to be created by such project from "Hidden Lake" to "Hensley Lake."

There being no objection, the Clerk read the bill as follows:

H.R. 12044

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Hidden Reservoir flood control project, Madera County, California, as authorized by section 201 of the Flood Control Act of 1962 (76 Stat. 1192) is hereby modified to change the name of the lake to be created by such project from "Hidden Lake" to "Hensley Lake". Any law, regulation, document, or record of the United States in which "Hidden Lake" is designated or referred to shall be held to refer to such lake under and by the name of "Hensley Lake".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That the lake created by the Hidden Reservoir project, Fresno River, California, authorized by the Flood Control Act of 1962, shall hereafter be known as Hensley Lake, and any law, regulation, document, or record, of the United States in which such lake is designated or referred to shall be held to refer to such lake under and by the name of "Hensley Lake".

The committee amendment was agreed to.

Mr. ROBERTS. Mr. Speaker, H.R. 12044 designates the lake created by the Hidden Reservoir project on the Fresno River in California as "Hensley Lake." The Hidden Dam and Lake project is a part of the Fresno River Basin project. This project was authorized by the Flood Control Act of 1962, and is scheduled for completion before the end of 1974. When finished, the facility will provide flood control, irrigation, and recreation benefits to the area.

The name that would be given to the project is of historical significance to the area concerned. The Hensley family was among the most prominent and influential settlers within the Hidden Lake area of the central San Joaquin Valley in California. John J. Hensley first brought his family to the area in 1861. Over the years, the Hensleys have lived in various locations within the lake area. The last family home was constructed in 1908 near the Hensley Bridge within the project area.

Mr. Speaker, in view of the prominent role played by the Hensley family in the local history of the Hidden Lake area, it is appropriate that this project be named in their honor.

The bill has been reported with technical clarifying amendments which do not alter the substance of the legislation.

Mr. Speaker, I urge the passage of H.R. 12044.

Mr. BLATNIK. Mr. Speaker, I rise in support of H.R. 12044 which designates the lake created by the Hidden Reservoir project on the Fresno River in California as Hensley Lake. The Hensley family was very prominent in settling the Hidden Lake area in the central San Joaquin Valley of California. The family dates back to 1861 and has lived in the area since that time. It is fitting to name this project after the Hensley family in view of their long and productive association with the area.

Mr. Speaker, I urge passage of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill designating the lake created by the Hidden Reservoir project, Fresno River, California, as 'Hensley Lake.'"

A motion to reconsider was laid on the table.

O. C. FISHER DAM AND LAKE

The Clerk called the bill (H.R. 15322) designating San Angelo Dam and Reservoir on the North Concho River as the "O. C. Fisher Dam and Lake."

There being no objection, the Clerk read the bill as follows:

H.R. 15322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the San Angelo Dam and Reservoir, North Concho River, Texas, authorized by the Flood Control Act approved August 18, 1941, shall hereafter be known as the O. C. Fisher Dam and Lake, and any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held to refer to such project under and by the name of "O. C. Fisher Dam and Lake".

Mr. ROBERTS. Mr. Speaker, H.R. 15322 designates the San Angelo Dam and Reservoir on the North Concho River in Texas as the "O. C. Fisher Dam and Lake," after our distinguished colleague who represents the 21st District of Texas and is a resident of San Angelo.

It was there that he began his practice of law, and served as county attorney, State representative, and district attorney before being elected to the 78th and succeeding Congresses. He has been a leading sponsor of legislative proposals creating major water conservation and flood control projects in his district and was instrumental in obtaining approval for construction of the San Angelo Reservoir. Representative Fisher will be retiring from the Congress at the conclusion of the 93d Congress. In view of his long and distinguished career, and his many years of outstanding service to the people of his district and to his country, it is fitting that the San Angelo Dam and Reservoir be named in his honor as the "O. C. Fisher Dam and Lake."

Mr. Speaker, I urge the passage of H.R. 15322.

Mr. BLATNIK. Mr. Speaker, I rise in support of H.R. 15322. This bill names the San Angelo Dam and Reservoir on the North Concho River in Texas in honor of our distinguished colleague, O. C. Fisher. Congressman Fisher who represents the 21st District of Texas and resides in San Angelo has served in the Congress for 30 years, having been first elected to the 78th Congress. During that time he has been a major sponsor of legislative proposals for water resources development in his district and in his State, and played a significant role in securing the authorization of the San Angelo project. He will be retiring from the Congress at the conclusion of this session. In light of his many years of distinguished public service, both to the people of his district and of the entire country, it is most appropriate that the San Angelo Dam and Reservoir project be named in his honor.

Mr. Speaker, I urge passage of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CECIL M. HARDEN LAKE

The Clerk called the Senate bill (S. 1561) to provide that Mansfield Lake, Ind., shall be known as "Cecil M. Harden Lake."

There being no objection, the Clerk read the Senate bill as follows:

S. 1561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mansfield Lake, Indiana, created under authority of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat, 1215, as amended and supplemented) shall be known and designated hereafter as "Cecil M. Harden Lake". Any law, regulation, map, document, or record of the United States in which such lake is referred to shall be held to refer to such lake as Cecil M. Harden Lake.

Mr. BLATNIK. Mr. Speaker, I rise in support of S. 1561, which would name the Mansfield Lake project in Indiana in honor of former Congresswoman Cecil M. Harden. Congresswoman Harden served in Congress from 1949 to 1959, and during that period was an active and effective supporter of water resources development in Indiana and in the Nation. She was active in helping to secure the legislation authorizing construction of the Mansfield Lake project. In view of Mrs. Harden's years of service in the Congress and in other areas of public service, it is only fitting that the Mansfield Lake project be named in her honor.

Mr. Speaker, I urge passage of S. 1561.

Mr. ROBERTS. Mr. Speaker, the purpose of S. 1561 is to rename the Mansfield Lake project, located in Parke and Putnam Counties of Indiana, in honor of Cecil M. Harden, a distinguished former Congresswoman from that State.

The Mansfield Lake project was authorized by the Flood Control Act of 1938. Construction was started in October of 1956 and the project has been in operation for flood control since August of 1960. As well as providing flood control benefits, the Mansfield Lake project presently serves the purposes of outdoor recreation and fish and wildlife enhancement.

During her service in Congress from 1949 to 1959, Congresswoman Cecil M. Harden was an active supporter of water resources development and was a cosponsor of the legislation authorizing the construction of the Mansfield Lake project. Her career in public service has spanned 40 years. Mrs. Harden served as Assistant Postmaster General in 1959 and 1960. Most recently, she served on the White House Commission on Aging under former President Nixon. She presently resides in Covington, Ind.

It would be most fitting for the Congress to name Mansfield Lake after Cecil M. Harden in honor of her many years of dedicated public service, as well as her instrumental role in making the Mansfield Lake project a reality.

Mr. Speaker, I urge the passage of S. 1561.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MODIFYING SECTION 204 OF THE FLOOD CONTROL ACT OF 1965

The Clerk called the Senate bill (S. 3537) to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085).

There being no objection, the Clerk read the Senate bill as follows:

S. 3537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for flood protection and other purposes on Willow Creek, Oregon, as authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1085) is hereby modified to provide for reformulation and construction of the project for purposes of flood control, recreation, fish and wildlife, and future irrigation use in accordance with reclamation law of costs allocated to irrigation, and to authorize advance participation with the city of Heppner, Oregon, in the design and construction of those elements of the city's water supply system which must be relocated as a result of project construction. The discount rate applicable to the project prior to enactment of this Act shall remain in effect for purposes of cost-benefit analyses.

Mr. BLATNIK. Mr. Speaker, I rise in support of S. 3537, which authorizes necessary changes in the Corps of Engineers Willow Creek, Oreg., project. This project was originally authorized in 1965 to provide flood protection for the city of Heppner, Oreg. It also provided for irrigation, recreation, fish and wildlife enhancement, water supply, and water quality control.

As a result of detailed postauthorization, which the Corps of Engineers has conducted, it has been determined that changes in the project are necessary if it is to adequately meet present-day water resources needs. These changes require legislation.

The Willow Creek project is needed to protect the city of Heppner from a recurrence of disastrous flooding which has occurred in the past.

Mr. Speaker, I strongly urge passage of this legislation.

Mr. ROBERTS. Mr. Speaker, S. 3537 authorizes modifications to the Willow Cheek, Oreg., project which have become necessary subsequent to the original project authorization. The Willow Creek project was authorized by the Flood Control Act of 1965. It consists of a reservoir on Willow Creek near Heppner, Oreg., together with downstream channel improvement through the city of Heppner for the purposes of flood control, irrigation, recreation, fish and wildlife enhancement, water supply, and water quality control.

Since authorization of the project and during postauthorization studies, it has been determined that some changes are necessary to enable the project to meet present day water resources needs in the region. The channel improvement has been found to be unnecessary; irrigation is not economically justified at the present, but will be in the future; and the water supply and water quality storage are not necessary. Accordingly, the Corps of Engineers proposes to modify the project to provide a reservoir of the same capacity, but with increased flood control storage. The water supply and water quality storage and channel improvements have been deleted. The recreation and fish and wildlife purposes have been reduced, and the irrigation storage has been reduced and postponed to future use.

The cost of the modified project is $13 million—$1 million less than the authorized project—and the benefit-cost ratio is 1.4 based on an interest rate of 3¼ percent, the prevailing interest rate at the time of project authorization.

These proposed modifications to the project are of such significance as to require legislation. The Chief of Engineers has prepared a special report on the modifications, and that report is presently with the Secretary of the Army.

The city of Heppner is proceeding with the required modification of its water supply system to meet an anticipated population increase. The Willow Creek project will require relocation of parts of the city's water supply system. If the corps is able to participate now in the advance relocation of the water supply system, it will save about $190,000 in Federal expense which would otherwise be incurred later in relocating the modified system. This advance participation would be possible with the enactment of S. 3537.

The Willow Creek basin is totally unprotected from thunderstorm flooding of the disastrous proportions which claimed 247 lives in the flood of 1903. Although there has not been a recurrence of such a flood since then, it could happen at any time. The project is needed to protect against another similar disaster, and against the frequent lesser flooding which occurs in the area.

Mr. Speaker, I urge the passage of the bill S. 3537.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHESTER BRIDGE, MISS. AND ILL.

The Clerk called the Senate bill (S. 3546) to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

There being no objection, the Clerk read the Senate bill as follows:

S. 3546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out "June 1, 1974" and inserting in lieu thereof "June 1, 1975".

Mr. ROBERTS. Mr. Speaker, S. 3546 provides for a 1-year extension from June 1, 1974, to June 1, 1975, for entering into a contract approved in section 106 of the Water Resources Development Act of 1974. Section 106 authorized the States of Illinois and Missouri to contract with the city of Chester for the takeover of all operating responsibilities for the bridge between the two States at Chester, Ill. It also provides that tolls will be collected only until sufficient funds are accumulated to pay off the outstanding indebtedness. The contract will relieve the city of the operation and maintenance costs and permit the bridge to become toll-free.

The Chester Bridge has been operated as a toll facility since its construction in 1939, well beyond the 30 years which Congress has urged as the maximum for charging of tolls. Because of long-term indebtedness, as well as the maintenance and operating expenses, tolls will likely continue into the 1980's unless the city is relieved of these obligations.

Section 106 placed a June 1, 1974, time limit on contract negotiations. This was the date used when the legislation was first considered early in 1973 and would have provided a sufficient period for negotiations. However, because of the long delay in securing enactment of the legislation, and also because of the complexity of the negotiations, the date did not supply sufficient time. An extension is needed to allow work on the contract to be completed, and S. 3546 would extend that deadline to June 1, 1975.

Mr. Speaker, I urge the passage of S. 3546.

Mr. BLATNIK. Mr. Speaker, I rise in support of S. 3546. This legislation amends section 106 of the Water Resources Development Act of 1974 to provide for a 1-year extension, from June 1, 1974, to June 1, 1975, for entering into a contract approved by that section.

Section 106 authorized the States of Illinois and Missouri to contract with the city of Chester for the takeover of all operating responsibilities for the bridge between the two States and Chester. This will relieve the city of the operation and maintenance costs associated with the bridge, and enable the bridge to become toll free.

When section 106 was drafted, the parties were given until June 1, 1974, to enter into this agreement. This would have provided a sufficient period for negotiations except for the fact that there was a long delay involved in securing final passage of this particular Water Resources Development Act. Accordingly, when the act became law, sufficient time did not remain to complete the necessary and complex negotiations by the required date. S. 3546 would extend that date and provide sufficient time for completion of the negotiations.

Mr. Speaker, I urge passage of the bill, S. 3546.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This ends the call of the eligible bills on the Consent Calendar.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the six bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. JAMES V. STANTON. Mr. Speaker, I ask unanimous consent that the remainder of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

BLATANT ETHNIC SLURS MERIT IMMEDIATE DISMISSAL

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, in the past several weeks, this Nation has recoiled in shock and anger over the blatant ethnic slurs which have been hurled at several of our most prominent ethnic and religious groups, including Jewish Americans, Italo-Americans, and Roman Catholics, by two of the more powerful members of the Ford administration, Gen. George Brown, Chairman of the Joint Chiefs of Staff, and Secretary of Agriculture Earl Butz.

I feel that these vicious outbursts merit only one response, the immediate dismissal of both men. These men have shown not only the epitome of bad judgment, but more importantly have demonstrated signs of seething subconscious prejudices which make it undesirable for them to continue to hold their high positions of decision in Government and the military.

This Nation owes a great deal to each of the affronted groups, for each of them has and continues to make a sizable contribution to the continued well-being of this Nation. Yet, millions of Jews, Italians, and Roman Catholics have been subjected to the vilest type of insults at the hands of supposedly responsible members of the administration.

I think that the failure thus far to dismiss these individuals is deplorable. Apologies in this instance are not enough to erase the scars they have made. I am currently circulating a "Dear Colleague" letter which calls for the support of all the Members of the House to a letter I plan to send to the President calling upon him to dismiss these irresponsible public servants forthwith. I encourage and openly hope for your support on this issue by tomorrow.

TRIBUTE TO THE LATE HONORABLE JOHN J. McINTYRE

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO of Wyoming. Mr. Speaker, it is with regret that I announce to my colleagues the death of a former Member from Wyoming, Supreme Court Justice John J. McIntyre, who died in Cheyenne last weekend. He served in the 77th Congress, 1940, for one term and then served in the U.S. Army in World War II.

Supreme Court Justice McIntyre returned to Wyoming after service in World War II and was elected State auditor and served a 4-year term. In 1950, he was the Democratic nominee for Governor. In 1960 he was a successful candidate for supreme court justice in Wyoming. He served for the remainder of his life, some 14 years, as an excellent member of the Supreme Court of Wyoming.

It is with regret that I learned of his death and I express my sympathy to his widow and his four sons and his family. Some Members and especially the employees of the House will miss him, for he used to return for floor annual visits to Washington.

ONE BILLION BARREL OIL RESERVE IN ELK HILLS, CALIF.

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MELCHER. Mr. Speaker, the Naval Petroleum Reserve at Elk Hills, Calif., has a reserve of over 1 billion barrels of oil. In theory this oil being held in reserve for the military in case of a national emergency. During World War II, some of the oil was pumped and used but since that time it has only been on a standby basis. The problem of migration from the field has been adequately described in testimony we had before our Public Lands Subcommittee earlier this year. Migration or drainage of the oil outside the reserve means Uncle Sam looses the oil to private companies with oil wells around the reserve.

Mr. Speaker, we are faced now with a national need for more oil supplies. I believe we can develop a plan in the public interest to utilize this oil. It is a unitized field. Standard Oil of California holds part of it under the unitization contract of common ownership, but I believe we have the good common sense here in the Congress to develop a fair plan to utilize this oil now before too much migration of it occurs and the share due the United States is lost to private companies with pumping well surrounding the reserve.

We also have petroleum reserve No. 4 in Alaska with vast reserves there. For those of us who are concerned about holding some of the country's oil in reserve, we can look to the Naval Petroleum Reserve in Alaska as our trump card. At the same time we should wisely develop Elk Hills and utilize the oil now during this time of due need for petroleum within our own country.

Elk Hills can provide 300,000 barrels of crude oil per day. It would replace that much imported crude.

The obvious advantages include over a billion dollars a year to both help in balancing the Federal budget and to offset that amount in U.S. balance of payments.

WE MUST OPEN ELK HILLS AND RESERVE NO. 4 IN ALASKA

(Mr. BELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BELL. Mr. Speaker, every day we read in our newspapers about the Arabs and the Shah buying up our industry and land.

They tried to buy into Lockheed. Our biggest defense contractor.

They are already bankrolling Grumman Aviation, another large defense contractor.

They are buying into our oil companies.

They are buying American property.

Why?

Because we are buying billions of dollars of oil from them at their exorbitant prices.

They are using these billions in profits to buy America.

We must reduce our oil imports.

The best way is to conserve our fuel needs and develop our own oil resources.

The biggest untapped reserve in the contiguous United States is at Elk Hills, Calif.

We can save $1 billion each year—300,000 barrels a day—by developing the Elk Hills field.

But the Navy and the Armed Services Committee are blocking development.

They are damaging the national interest.

We must open Elk Hills. We must open Naval Petroleum Reserve No. 4 in Alaska.

On behalf of Congressman MELCHER and Congressman KETCHUM and myself, you are invited to hear more about this subject during special orders tonight, after the business of the House is completed.

GRAIN PROGRAM FOR 1975

(Mr. BURLISON of Missouri asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. BURLISON of Missouri. Mr. Speaker, the Department of Agriculture has just announced its grain program for 1975. It is disappointing to note that the loan program on soybeans has been discontinued.

It is true that the loan rate has been lowered so much over the years that it has little tangible value to the farmer. Since I entered the Congress in 1969 the administration, over my objections, has continually lowered the rate. The argument was that the loan was too high. The officials succeeded in getting it low enough that their argument now in eliminating it is that it is so low that it is not used. Their logic meets itself as it goes around in a circle. Some years ago before the administration lowered the loan from $2.40 per bushel to $2.20, I offered a floor amendment to increase it to $3. My amendment was opposed by the administration and defeated. In view of what has happened in the marketplace and production costs the past few years, the loan level now should be $4 or $5 rather than be eliminated. The Department has done everything conceivable to encourage all-out soybean production, but has refused to share with the farmer the risk of a surplus supply and rockbottom prices which a bumper crop may entail.

This is another in a long list of unfortunate concessions to the trade and processing industry in their constant effort to hold down the price of raw agricultural products.

CONGRESS SHOULD OVERRIDE VETO ON VETERANS EDUCATION

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, the President's veto of H.R. 12628 the bill increasing veterans' educational benefits is ill-advised, unfair to our Vietnam veterans and should be overridden today. It also seems to me that this veto when coupled with his earlier granting of amnesty indicates that President Ford has his priorities badly mixed up.

On the one hand, in his announcement of amnesty he has shown great concern for those who refused to serve their country during the Vietnam war for one reason or another. He has made clear his strong desire that such young men be treated fairly and given every benefit of the doubt. This is perhaps as it should be, but on the other hand, at least equal concern should be displayed for those young men whose lives were disrupted when they answered their country's call to military service in that tragic conflict. Certainly the President and the Congress should be giving their plight the higher priority. The Congress has done so but the President has not. In my opinion he has made a serious mistake and done a serious injustice to those who did serve by vetoing this important educational bill. Our Vietnam veterans have already had to wait far too long for this necessary increase in educational benefits. I would remind you that we in the House passed a strong bill way back on February 19, but this was followed by a long delay of 4 months before the Senate passed its version. It then took another 4 months before the House and Senate conferees reached an agreement on the version now before us. Mr. Speaker, I cannot in good conscience go along with the President in asking our Vietnam veterans to wait any longer or to accept an increase smaller than that provided in this bill, which is entirely reasonable when compared with educational benefits received by World War II and Korean veterans. They are having a tough enough time making the difficult transition back into civilian life, and have earned our support of their efforts to increase their chances of being useful productive citizens through additional education.

I, therefore, urge my colleagues to vote to override the veto of this bill, as I intend to do, when the matter comes before us later today.

SAFE DRINKING WATER ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 433) to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes, with a Senate amendment to the House amendments thereto, and concur in the Senate amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendments as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text of the bill, insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Safe Drinking Water Act".

PUBLIC WATER SYSTEMS

SEC. 2. (a) The Public Health Service Act is amended by inserting after title XIII the following new title:

"TITLE XIV—SAFETY OF PUBLIC WATER SYSTEMS

"PART A—DEFINITIONS

"DEFINITIONS

"SEC. 1401. For purposes of this title:

"(1) The term 'primary drinking water regulation' means a regulation which—

"(A) applies to public water systems;

"(B) specifies contaminants which, in the judgment of the Administrator, may have any adverse effect on the health of persons;

"(C) specifies for each such contaminant either—

"(i) a maximum contaminant level, if, in the judgment of the Administrator, it is economically and technologically feasible to ascertain the level of such contaminant in water in public water systems, or

"(ii) if, in the judgment of the Administrator, it is not economically or technologically feasible to so ascertain the level of such contaminant, each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412; and

"(D) contains criteria and procedures to assure a supply of drinking water which dependably complies with such maximum contaminant levels; including quality control and testing procedures to insure compliance with such levels and to insure proper operation and maintenance of the system, and requirements as to (i) the minimum quality of water which may be taken into the system and (ii) siting for new facilities for public water systems.

"(2) The term 'secondary drinking water regulation' means a regulation which applies to public water systems and which specifies the maximum contaminant levels which, in the judgment of the Administrator, are requisite to protect the public welfare. Such regulations may apply to any contaminant in drinking water (A) which may adversely affect the odor or appearance of such water and consequently may cause a substantial number of the persons served by the public water system providing such water to discontinue its use, or (B) which may otherwise adversely affect the public welfare. Such regulations may vary according to geographic and other circumstances.

"(3) The term 'maximum contaminant level' means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

"(4) The term 'public water system' means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. Such term includes (A) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (B) any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system.

"(5) The term 'supplier of water' means any person who owns or operates a public water system.

"(6) The term 'contaminant' means any physical, chemical, biological, or radiological substance or matter in water.

"(7) The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(8) The term 'Agency' means the Environmental Protection Agency.

"(9) The term 'Council' means the National Drinking Water Advisory Council established under section 1446.

"(10) The term 'municipality' means a city, town, or other public body created by or pursuant to State law, or an Indian tribal organization authorized by law.

"(11) The term 'Federal agency' means any department, agency, or instrumentality of the United States.

"(12) The term 'person' means an individual, corporation, company, association, partnership, State, or municipality.

"PART B—PUBLIC WATER SYSTEMS

"COVERAGE

"SEC. 1411. Subject to sections 1415 and 1416, national primary drinking water regulations under this part shall apply to each public water system in each State; except that such regulations shall not apply to a public water system—

"(1) which consists only of distribution and storage facilities (and does not have any collection and treatment facilities);

"(2) which obtains all of its water from, but is not owned or operated by, a public water system to which such regulations apply; and

"(3) which does not sell water to any person; and

"(4) which is not a carrier which conveys passengers in interstate commerce.

"NATIONAL DRINKING WATER REGULATIONS

"SEC. 1412. (a) (1) The Administrator shall publish proposed national interim primary drinking water regulations within 90 days after the date of enactment of this title. Within 180 days after such date of enactment, he shall promulgate such regulations with such modifications as he deems appropriate. Regulations under this paragraph may be amended from time to time.

"(2) National interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on the date of enactment of this title.

"(3) The interim primary regulations first promulgated under paragraph (1) shall take effect eighteen months after the date of their promulgation.

"(b) (1) (A) Within 10 days of the date the report on the study conducted pursuant to subsection (e) is submitted to Congress, the Administrator shall publish in the Federal Register, and provide opportunity for comment on, the—

"(i) proposals in the report for recommended maximum contaminant levels for national primary drinking water regulations, and

"(ii) list in the report of contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(B) Within 90 days after the date the

Administrator makes the publication required by subparagraph (A), he shall by rule establish recommended maximum contaminant levels for each contaminant which, in his judgment based on the report on the study conducted pursuant to subsection (e), may have any adverse effect on the health of persons. Each such recommended maximum contaminant level shall be set at a level at which, in the Administrator's judgment based on such report, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. In addition, he shall, on the basis of the report on the study conducted pursuant to subsection (e), list in the rules under this subparagraph any contaminant the level of which cannot be accurately enough measured in drinking water to establish a recommended maximum contaminant level and which may have any adverse effect on the health of persons. Based on information available to him, the Administrator may by rule change recommended levels established under this subparagraph or change such list.

"(2) On the date the Administrator establishes pursuant to paragraph (1)(B) recommended maximum contaminant levels he shall publish in the Federal Register proposed revised national primary drinking water regulations (meeting the requirements of paragraph (3)). Within 180 days after the date of such proposed regulations, he shall promulgate such revised drinking water regulations with such modifications as he deems appropriate.

"(3) Revised national primary drinking water regulations promulgated under paragraph (2) of this subsection shall be primary drinking water regulations which specify a maximum contaminant level or require the use of treatment techniques for each contaminant for which a recommended maximum contaminant level is established or which is listed in a rule under paragraph (1)(B). The maximum contaminant level specified in a revised national primary drinking water regulation for a contaminant shall be as close to the recommended maximum contaminant level established under paragraph (1)(B) for such contaminant as is feasible. A required treatment technique for a contaminant for which a recommended maximum contaminant level has been established under paragraph (1)(B) shall reduce such contaminant to a level which is as close to the recommended maximum contaminant level for such contaminant as is feasible. A required treatment technique for a contaminant which is listed under paragraph (1)(B) shall require treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible. For purposes of this paragraph, the term 'feasible' means feasible with the use of the best technology, treatment techniques, and other means, which the Administrator finds are generally available (taking cost into consideration).

"(4) Revised national primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, and other means permit greater protection of the health of persons, but in any event such regulations shall be reviewed at least once every 3 years.

"(5) Revised national primary drinking water regulations promulgated under this subsection (and amendments thereto) shall take effect eighteen months after the date of their promulgation. Regulations under subsection (a) shall be superseded by regulations under this subsection to the extent provided by the regulations under this subsection.

"(6) No national primary drinking water regulation may require the addition of any substance for preventive health care purposes unrelated to contamination of drinking water.

"(c) The Administrator shall publish proposed national secondary drinking water regulations within 270 days after the date of enactment of this title. Within 90 days after publication of any such regulation, he shall promulgate such regulation with such modifications as he deems appropriate. Regulations under this subsection may be amended from time to time.

"(d) Regulations under this section shall be prescribed in accordance with section 553 of title 5, United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary and the National Drinking Water Advisory Council.

"(e)(1) The Administrator shall enter into appropriate arrangements with the National Academy of Sciences (or with another independent scientific organization if appropriate arrangements cannot be made with such Academy) to conduct a study to determine (A) the maximum contaminant levels which should be recommended under subsection (b)(2) in order to protect the health of persons from any known or anticipated adverse effects, and (B) the existence of any contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

"(2) The result of the study shall be reported to Congress no later than 2 years after the date of enactment of this title. The report shall contain (A) a summary and evaluation of relevant publications and unpublished studies; (B) a statement of methodologies and assumptions for estimating the levels at which adverse health effects may occur; (C) a statement of methodologies and assumptions for estimating the margin of safety which should be incorporated in the national primary drinking water regulations; (D) proposals for recommended maximum contaminant levels for national primary drinking water regulations, based on the methodologies, assumptions, and studies referred to in clauses (A), (B), and (C) and in paragraph (4); (E) a list of contaminants the level of which in drinking water cannot be determined but which may have an adverse effect on the health of persons; and (F) recommended studies and test protocols for future research on the health effects of drinking water contaminants, including a list of the major research priorities and estimated costs necessary to conduct such priority research.

"(3) In developing its proposals for recommended maximum contaminant levels under paragraph (2)(D) the National Academy of Sciences (or other organization preparing the report) shall evaluate and explain (separately and in composite) the impact of the following considerations:

"(A) The existence of groups or individuals in the population which are more susceptible to adverse effects than the normal healthy adult.

"(B) The exposure to contaminants in other media than drinking water (including exposures in food, in the ambient air, and in occupational settings) and the resulting body burden of contaminants.

"(C) Synergistic effects resulting from exposure to or interaction by two or more contaminants.

"(D) The contaminant exposure and body burden levels which alter physiological function or structure in a manner reasonably suspected of increasing the risk of illness.

"(4) In making the study under this subsection, the National Academy of Sciences (or other organization) shall collect and correlate (A) morbidity and mortality data and (B) monitored data on the quality of drinking water. Any conclusions based on such correlation shall be included in the report of the study.

"(5) Neither the report of the study under this subsection nor any draft of such report shall be submitted to the Office of Management and Budget or to any other Federal agency (other than the Environmental Protection Agency) prior to its submission to Congress.

"(6) Of the funds authorized to be appropriated to the Administrator by this title, such amounts as may be required shall be available to carry out and to make the report directed by paragraph (2) of this subsection.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1413. (a) For purposes of this title, a State has primary enforcement responsibility for public water systems during any period for which the Administrator determines (pursuant to regulations prescribed under subsection (b)) that such State—

"(1) has adopted drinking water regulations which (A) in the case of the period beginning on the date the national interim primary drinking water regulations are promulgated under section 1412 and ending on the date such regulations take effect are no less stringent than such regulations, and (B) in the case of the period after such effective date are not less stringent than the interim and revised national primary drinking water regulations in effect under such section;

"(2) has adopted and is implementing adequate procedures for the enforcement of such State regulations, including conducting such monitoring and making such inspections as the Administrator may require by regulation;

"(3) will keep such records and make such reports with respect to its activities under paragraphs (1) and (2) as the Administrator may require by regulation; and

"(4) if it permits variances or exemptions, or both, from the requirements of its drinking water regulations which meet the requirements of paragraph (1), permits such variances and exemptions under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416; and

"(5) has adopted and can implement an adequate plan for the provision of safe drinking water under emergency circumstances.

"(b)(1) The Administrator shall, by regulation (proposed within 180 days of the date of the enactment of this title), prescribe the manner in which a State may apply to the Administrator for a determination that the requirements of paragraphs (1), (2), (3), and (4) of subsection (a) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Administrator may determine that such requirements are no longer met. Such regulations shall require that before a determination of the Administrator that such requirements are met or are no longer met with respect to a State may become effective, the Administrator shall notify such State of the determination and the reasons therefor and shall provide an opportunity for public hearing on the determination. Such regulations shall be promulgated (with such modifications as the Administrator deems appropriate) within 90 days of the publication of the proposed regulations in the Federal Register. The Administrator shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this paragraph. Such notice shall contain a copy of the regulations and shall specify a State's authority under this title when it is determined to have primary enforcement responsibility for public water systems.

"(2) When an application is submitted in accordance with the Administrator's regulations under paragraph (1), the Administrator shall within 90 days of the date on which such application is submitted (A) make the determination applied for, or (B) deny the application and notify the applicant in writing of the reasons for his denial.

"FAILURE BY STATE TO ASSURE ENFORCEMENT OF DRINKING WATER REGULATIONS

"SEC. 1414. (a) (1) (A) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for public water systems (within the meaning of section 1413(a)) that any public water system—

"(i) for which a variance under section 1415 or an exemption under section 1416 is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(ii) for which a variance under section 1415 or an exemption under section 1416 is in effect, does not comply with any schedule or other requirement imposed pursuant thereto.

he shall so notify the State and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with such regulation or requirement by the earliest feasible time.

"(B) If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of the notice given pursuant to subparagraph (A), he shall give public notice of such finding and request the State to report within fifteen days from the date of such public notice as to the steps being taken to bring the system into compliance (including reasons for anticipated steps to be taken to bring the system into compliance and for any failure to take steps to bring the system into compliance and for any failure to take steps to bring the system into compliance). If—

"(i) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to subparagraph (A); and

"(ii) (α) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence; or

"(β) the State submits such report within such period but the Administrator, after considering the report, determines that the State abused its discretion in carrying out primary enforcement responsibility for public water systems by both—

"(I) failing to implement by such sixtieth day adequate procedures to bring the system into compliance by the earliest feasible time, and

"(II) failing to assure by such day the provision through alternative means of safe drinking water by the earliest feasible time;

the Administrator may commence a civil action under subsection (b).

"(2) Whenever, on the basis of information available to him, the Administrator finds during a period during which a State does not have primary enforcement responsibility for public water systems that a public water system in such State—

"(A) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

"(B) for which a variance under section 1415(a) (2) or an exemption under section 1416(f) is in effect, does not comply with any schedule or other requirement imposed pursuant thereto.

he may commence a civil action under subsection (b).

"(b) The Administrator may bring a civil action in the appropriate United States ditsrict court to require compliance with a national primary drinking water regulation or with any schedule or other requirement imposed pursuant to a variance or exemption granted under section 1415 or 1416 if—

"(1) authorized under paragraph (1) or (2) of subsection (a), or

"(2) if requested by (A) the chief executive officer of the State in which is located the public water system which is not in compliance with such regulation or requirement, or (B) the agency of such State which has jurisdiction over compliance by public water systems in the State with national primary drinking water regulations or State drinking water regulations.

The court may enter, in an action brought under this subsection, such judgment as protection of public health may require, taking into consideration the time necessary to comply and the availability of alternative water supplies; and, if the court determines that there has been a willful violation of the regulation of schedule or other requirement with respect to which the action was brought, the court may, taking into account the seriousness of the violation, the population at risk, and other appropriate factors, impose on the violator a civil penalty of not to exceed $5,000 for each day in which such violation occurs.

"(c) Each owner or operator of a public water system shall give notice to the persons served by it—

"(1) of any failure on the part of the public water system to—

"(A) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation, or

"(B) perform monitoring required by section 1445(a), and

"(2) if the public water system is subject to a variance granted under section 1415(a) (1) (A) or 1415(a) (2) for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 1416, of—

"(A) the existence of such variance or exemption, and

"(B) any failure to comply with the requirements of any schedule prescribed pursuant to the variance or exemption.

The Administrator shall by regulation prescribe the form and manner for giving such notice. Such notice shall be given not less than once every 3 months, shall be given by publication in a newspaper of general circulation serving the area served by each such water system (as determined by the Administrator), and shall be furnished to the other communications media serving such area, and shall be furnished to the communications media as soon as practicable after the discovery of the violation with respect to which the notice is required. If the water bills of a public water system are issued more often than once every 3 months, such notice shall be included in at least one water bill of the system every 3 months, and if a public water system issues its water bills less often than once every 3 months, such notice shall be included in each of the water bills issued by the system. Any person who willfully violates this subsection or regulations thereunder shall be fined not more than $5,000.

"(d) Whenever, on the basis of information available to him, the Administrator finds that within a reasonable time after national secondary drinking water regulations have been promulgated, one or more public water systems in a State do not comply with such secondary regulations, and that such noncompliance appears to result from a failure of such State to take reasonable action to assure that public water systems throughout such State meet such secondary regulations, he shall so notify the State.

"(e) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting drinking water regulations or public water systems, but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"(f) If the Administrator makes a finding of noncompliance (described in subparagraph (A) or (B) of subsection (a) (1)) with respect to a public water system in a State which has primary enforcement responsibility, the Administrator may, for the purpose of assisting that State in carrying out such responsibility and upon the petition of such State or public water system or persons served by such system, hold, after appropriate notice, public hearings for the purpose of gathering information from technical or other experts, Federal, State, or other public officials, representataives of such public water system, persons served by such system, and other interested persons on—

"(1) the ways in which such system can within the earliest feasible time be brought into compliance with the regulation or requirement with respect to which such finding was made, and

"(2) the means for the maximum feasible protection of the public health during any period in which such system is not in compliance with a national primary drinking water regulation or requirement applicable to a variance or exemption.

On the basis of such hearings the Administrator shall issue recommendations which shall be sent to such State and public water system and shall be made available to the public and communications media.

"VARIANCES

"SEC. 1415. (a) Notwithstanding any other provision of this part, variances from national primary drinking water regulations may be granted as follows:

"(1) (A) A State which has primary enforcement responsibility for public water systems may grant one or more variances from an applicable national primary drinking water regulation to one or more public water systems within its jurisdiction which, because of characteristics of the raw water sources which are reasonably available to the systems, cannot meet the requirements respecting the maximum contaminant levels of such drinking water regulation despite application of the best technology, treatment techniques, or other means, which the Administrator finds are generally available (taking costs into consideration). Before a State may grant a variance under this subparagraph, the State must find that the variance will not result in an unreasonable risk to health. If a State grants a public water system a variance under this subparagraph, the State shall prescribe within one year of the date the variance is granted, a schedule for—

"(i) compliance (including increments of progress) by the public water system with each contaminant level requirement with respect to which the variance was granted, and

"(ii) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subparagraph may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice. A schedule prescribed pursuant to this subparagraph for a public water system granted a variance shall require compliance by the system with each contaminant level requirement with respect to which the variance was granted as expeditiously as practicable (as the State may reasonably determine).

"(B) (A) A State which has primary enforcement responsibility for public water systems may grant to one or more public water systems within its jurisdiction one or more variances from any provision of a national primary drinking water regulation which requires the use of a specified treatment technique with respect to a contaminant if the public water system applying for the variance demonstrates to the satisfaction of the State that such treatment technique is not necessary to protect the health of persons because of the nature of the raw water source of such system. A variance granted under this subparagraph shall be conditioned on such monitoring and other requirements as the Administrator may prescribe.

"(C) Before a variance proposed to be granted by a State under subparagraph (A) or (B) may take effect, such State shall provide notice and opportunity for public hearing on the proposed variance. A notice given pursuant to the preceding sentence may cover the granting of more than one variance and a hearing held pursuant to such notice shall include each of the variances covered by the notice. The State shall promptly notify the Administrator of all variances granted by it. Such notification shall contain the reason for the variance (and in the case of a variance under subparagraph (A), the basis for the finding required by that subparagraph before the granting of the variance) and documentation of the need for the variance.

"(D) Each public water system's variance granted by a State under subparagraph (A) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to that subparagraph. The requirements of each schedule prescribed by a State pursuant to that subparagraph shall be enforceable by the State under its laws. Any requirement of a schedule on which a variance granted under that subparagraph is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

"(E) Each schedule prescribed by a State pursuant to subparagraph (A) shall be deemed approved by the Administrator unless the variance for which it was prescribed is revoked by the Administrator under subparagraph (G) or the schedule is revised by the Administrator under such subparagraph.

"(F) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the variances granted under subparagraph (A) (and schedules prescribed pursuant thereto) and under subparagraph (B) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of variances and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (i) provide information respecting the location of data and other information respecting the variances to be reviewed (including data and other information concerning new scientific matters bearings on such variances), and (ii) advise of the opportunity to submit comments on the variances reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

"(G) (i) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting variances under subparagraph (A) or (B) or that in a substantial number of cases the State has failed to prescribe schedules in accordance with subparagraph (A), the Administrator shall notify the State of his findings. In determining if a State has abused its discretion in granting variances in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the variances and if the requirements applicable to the granting of the variances were complied with. A notice under this clause shall—

"(I) identify each public water system with respect to which the finding was made,

"(II) specify the reasons for the finding, and

"(III) as appropriate, propose revocations of specific variances or propose revised schedules or other requirements for specific public water systems granted variances, or both.

"(ii) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to clause (i) of this subparagraph. After a hearing on a notice pursuant to such clause, the Administrator shall (I) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (II) promulgate (with such modifications as he deems appropriate) such variance revocations and revised schedules or other requirements proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to clause (i) of this subparagraph, the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(iii) If a State is notified under clause (i) of this subparagraph of a finding of the Administrator made with respect to a variance granted a public water system within that State or to a schedule or other requirement for a variance and if, before a revocation of such variance or a revision of such schedule or other requirement promulgated by the Administrator takes effect, the State takes corrective action with respect to such variance or schedule or other requirement which the Administrator determines makes his finding inapplicable to such variance or schedule or other requirement, the Administrator shall rescind the application of his finding to that variance or schedule or other requirement. No variance revocation or revised schedule or other requirement may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule or other requirement was proposed.

"(2) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to grant variances in such State as the State would have under paragraph (1) if it had primary enforcement responsibility.

"(3) The Administrator may grant a variance from any treatment technique requirement of a national primary drinking water regulation upon a showing by any person that an alternative treatment technique not included in such requirement is at least as efficient in lowering the level of the contaminant with respect to which such requirement was prescribed. A variance under this paragraph shall be conditioned on the use of the alternative treatment technique which is the basis of the variance.

"(b) Any schedule or other requirement on which a variance granted under paragraph (1) (B) or (2) of subsection (a) is conditioned may be enforced under section 1414 as if such schedule or other requirement was part of a national primary drinking water regulation.

"(c) If an application for a variance under subsection (a) is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

"(d) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401 (1) (C) (ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b) (3).

"EXEMPTIONS

"SEC. 1416. (a) A State which has primary enforcement responsibility may exempt any public water system within the State's jurisdiction from any requirement respecting a maximum contaminant level or any treatment technique requirement, or from both, of an applicable national primary drinking water regulation upon a finding that—

"(1) due to compelling factors (which may include economic factors), the public water system is unable to comply with such contaminant level or treatment technique requirement, and

"(2) the public water system was in operation on the effective date of such contaminant level or treatment techique requirement, and

"(3) the granting of the exemption will not result in an unreasonabl risk to health.

"(b) (1) If a State grants a public water system an exemption under subsection (a), the State shall prescribe, within one year of the date the exemption is granted, a schedule for—

"(A) compliance (including increments of progress) by the public water system with each contaminant level requirement and treatment technique requirement with respect to which the exemption was granted, and

"(B) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement or treatment technique requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subsection may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice.

"(2) (A) A schedule prescribed pursuant

to this subsection for a public water system granted an exemption under subsection (a) shall require compliance by the system with each contaminant level and treatment technique requirement with respect to which the exemption was granted as expeditiously as practicable (as the State may reasonably determine) but (except as provided in subparagraph (B))—

"(i) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by the interim national primary drinking water regulations promulgated under section 1412 (a), not later than January 1, 1981; and

"(ii) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, not later than seven years after the date such requirement takes effect.

"(B) Notwithstanding clauses (i) and (ii) of subparagraph (A) of this paragraph, the final date for compliance prescribed in a schedule prescribed pursuant to this subsection for an exemption granted for a public water system which (as determined by the State granting the exemption) has entered into an enforceable agreement to become a part of a regional public water system shall—

"(i) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by interim national primary drinking water regulations, be not later than January 1, 1983; and

"(ii) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, be not later than nine years after such requirement takes effect.

"(3) Each public water system's exemption granted by a State under subsection (a) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to this subsection. The requirements of each schedule prescribed by a State pursuant to this subsection shall be enforceable by the State under its laws. Any requirement of a schedule on which an exemption granted under this section is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

"(4) Each schedule prescribed by a State pursuant to this subsection shall be deemed approved by the Administrator unless the exemption for which it was prescribed is revoked by the Administrator under subsection (d)(2) or the schedule is revised by the Administrator under such subsection.

"(c) Each State which grants an exemption under subsection (a) shall promptly notify the Administrator of the granting of such exemption. Such notification shall contain the reasons for the exemption (including the basis for the finding required by subsection (a)(3) before the exemption may be granted) and document the need for the exemption.

"(d)(1) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of exemptions and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (A) provide information respecting the location of data and other information respecting the exemptions to be reviewed (including data and other information concerning new scientific matters bearing on such exemptions), and (B) advise of the opportunity to submit comments on the exemptions reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

"(2)(A) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting exemptions under subsection (a) or failed to prescribe schedules in accordance with subsection (b), the Administrator shall notify the State of his finding. In determining if a State has abused its discretion in granting exemptions in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the exemptions and if the requirements applicable to the granting of the exemptions were complied with. A notice under this subparagraph shall—

"(i) identify each exempt public water system with respect to which the finding was made,

"(ii) specify the reasons for the finding, and

"(iii) as appropriate, propose revocations of specific exemptions or propose revised schedules for specific exempt public water systems, or both.

"(B) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to subparagraph (A). After a hearing on a notice pursuant to subparagraph (A), the Administrator shall (i) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (ii) promulgate (with such modifications as he deems appropriate) such exemption revocations and revised schedules proposed in such notice as he deems appropriate. Not later than 180 days after the date of notice is given pursuant to subparagraph (A), the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

"(C) If a State is notified under subparagraph (A) of a finding of the Administrator made with respect to an exemption granted a public water system within that State or to a schedule prescribed pursuant to such an exemption and if before a revocation of such exemption or a revision of such schedule promulgated by the Administrator takes effect the State takes corrective action with respect to such exemption or schedule which the Administrator determines makes his finding inapplicable to such exemption or schedule, the Administrator shall rescind the application of his finding to that exemption or schedule. No exemption revocation or revised schedule may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule was proposed.

"(e) For purposes of this section, the term 'treatment technique requirement' means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401 (1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

"(f) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to exempt public water systems in such State from maximum contaminant level requirements and treatment technique requirements under the same conditions and in the same manner as the State would be authorized to grant exemptions under this section if it had primary enforcement responsibility.

"(g) If an application for an exemption under this section is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

"PART C—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

"REGULATIONS FOR STATE PROGRAMS

"SEC. 1421. (a)(1) The Administrator shall publish proposed regulations for State underground injection control programs within 180 days after the date of enactment of this title. Within 180 days after publication of such proposed regulations, he shall promulgate such regulations with such modifications as he deems appropriate. Any regulation under this subsection may be amended from time to time.

"(2) Any regulation under this section shall be proposed and promulgated in accordance with section 553 of title 5. United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary, the National Drinking Water Advisory Council, and other appropriate Federal entities and with interested State entities.

"(b)(1) Regulations under subsection (a) for State underground injection programs shall contain minimum requirements for effective programs to prevent underground injection which endangers drinking water sources within the meaning of subsection (d)(2). Such regulations shall require that a State program, in order to be approved under section 1422—

"(A) shall prohibit, effective three years after the date of the enactment of this title, any underground injection in such State which is not authorized by a permit issued by the State (except that the regulations may permit a State to authorize underground injection by rule);

"(B) shall require (i) in the case of a program which provides for authorization of underground injection by permit, that the applicant for the permit to inject must satisfy the State that the underground injection will not endanger drinking water sources, and (ii) in the case of a program which provides for such an authorization by rule, that no rule may be promulgated which authorizes any underground injection which endangers drinking water sources;

"(C) shall include inspection, monitoring, recordkeeping, and reporting requirements; and

"(D) shall apply (i) as prescribed by section 1447(b), to underground injections by Federal agencies, and (ii) to underground injections by any other person whether or not occurring on property owned or leased by the United States.

"(2) Regulations by the Administrator under this section for State underground injection control programs may not prescribe requirements which interfere with or impede—

"(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(B) any underground injection for two secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection.

"(c)(1) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)) temporary permits for underground injection which may be effective until the expiration of four years after the date of enactment of this title, if—

"(A) the Administrator finds that the State has demonstrated that it is unable and could not reasonably have been able to process all permit applications within the time available;

"(B) the Administrator determines the adverse effect on the environment of such temporary permits is not unwarranted;

"(C) such temporary permits will be issued only with respect to injection wells in operation on the date on which such State's permit program approved under this part first takes effect and for which there was inadequate time to process its permit application; and

"(D) the Administrator determines the temporary permits require the use of adequate safeguards established by rules adopted by him.

"(2) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)), but after reasonable notice and hearing, one or more temporary permits each of which is applicable to a particular injection well and to the underground injection of a particular fluid and which may be effective until the expiration of four years after the date of enactment of this title, if the State finds, on the record of such hearing—

"(A) that technology (or other means) to permit safe injection of the fluid in accordance with the applicable underground injection control program is not generally available (taking costs into consideration);

"(B) that injection of the fluid would be less harmful to health than the use of other available means of disposing of waste or producing the desired product; and

"(C) that available technology or other means have been employed (and will be employed) to reduce the volume and toxicity of the fluid and to minimize the potentially adverse effect of the injection on the public health.

"(d) For purposes of this part:

"(1) The term 'underground injection' means the subsurface emplacement of fluids by well injection.

"(2) Underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.

"STATE PRIMARY ENFORCEMENT RESPONSIBILITY

"SEC. 1422. (a) Within 180 days after the date of enactment of this title, the Administrator shall list in the Federal Register each State for which in his judgment a State underground injection control program may be necessary to assure that underground injection will not endanger drinking water sources. Such list may be amended from time to time.

"(b)(1)(A) Each State listed under subsection (a) shall within 270 days after the date of promulgation of any regulation under section 1421 (or, if later, within 270 days after such State is first listed under subsection (a)) submit to the Administrator an application which contains a showing satisfactory to the Administrator that the State—

"(i) has adopted after reasonable notice and public hearings, and will implement, an underground injection control program which meets the requirements of regulations in effect under section 1421; and

"(ii) will keep such records and make such reports with respect to its activities under its underground injection control program as the Administrator may require by regulation.

"(B) Within 270 days of any amendment of a regulation under section 1421 revising or adding any requirement respecting State underground injection control programs, each State listed under subsection (a) shall submit (in such form and manner as the Administrator may require) a notice to the Administrator containing a showing satisfactory to him that the State underground injection control program meets the revised or added requirement.

"(2) Within ninety days after the State's application under paragraph (1)(A) or notice under paragraph (1)(B) and after reasonable opportunity for presentation of views, the Administrator shall by rule either approve, disapprove, or approve in part and disapprove in part, the State's underground injection control program.

"(3) If the Administrator approves the State's program under paragraph (2), the State shall have primary enforcement responsibility for underground water sources until such time as the Administrator determines, by rule, that such State no longer meets the requirements of clause (i) or (ii) of paragraph (1)(A) of this subsection.

"(4) Before promulgating any rule under paragraph (2) or (3) of this subsection, the Administrator shall provide opportunity for public hearing respecting such rule.

"(c) If the Administrator disapproves a State's program (or part thereof) under subsection (b)(2), if the Administrator determines under subsection (b)(3) that a State no longer meets the requirements of clause (i) or (ii) of subsection (b)(1)(A), or if a State fails to submit an application or notice before the date of expiration of the period specified in subsection (b)(1), the Administrator shall by regulation within 90 days after the date of such disapproval, determination, or expiration (as the case may be) prescribe (and may from time to time by regulation revise) a program applicable to such State meeting the requirements of section 1421(b). Such program may not include requirements which interfere with or impede—

"(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(2) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection. Such program shall apply in such State to the extent that a program adopted by such State which the Administrator determines meets such requirements is not in effect. Before promulgating any regulation under this section, the Administrator shall provide opportunity for public hearing respecting such regulation.

"(d) For purposes of this title, the term 'applicable underground injection control program' with respect to a State means the program (or most recent amendment thereof) (1) which has been adopted by the State and which has been approved under subsection (b), or (2) which has been prescribed by the Administrator under subsection (c).

"FAILURE OF STATE TO ASSURE ENFORCEMENT OF PROGRAM

"SEC. 1423. (a)(1) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3)) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement, he shall so notify the State and the person violating such requirement. If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of such notice, he shall give public notice of such finding and request the State to report within 15 days after the date of such public notice as to the steps being taken to bring such person into compliance with such requirement (including reasons for anticipated steps to be taken to bring such person into compliance with such requirement and for any failure to take steps to bring such person into compliance with such requirement). If—

"(A) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to the first sentence of this paragraph, and

"(B)(i) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence, or

"(ii) the State submits such report within such period but the Administrator, after considering the report, determines that by failing to take necessary steps to bring such person into compliance by such sixtieth day the State abused its discretion in carrying out primary enforcement responsibility for undeground water sources,

the Administrator may commence a civil action under subsection (b)(1).

"(2) Whenever the Administrator finds during a period during which a State does not have primary enforcement responsibility for underground water sources that any person subject to any requirement of any applicable underground injection control program in such State is violating such requirement, he may commence a civil action under subsection (b)(1).

"(b)(1) When authorized by subsection (a), the Administrator may bring a civil action under this paragraph in the appropriate United States district court to require compliance with any requirement of an applicable underground injection control program. The court may enter such judgment as protection of public health may require, including, in the case of an action brought against a person who violates an applicable requirement of an underground injection control program and who is located in a State which has primary enforcement responsibility for underground water sources, the imposition of a civil penalty of not to exceed $5,000 for each day such person violates such requirement after the expiration of 60 days after receiving notice under subsection (a)(1).

"(2) Any person who violates any requirement of an applicable underground injection control program to which he is subject during any period for which the State does not have primary enforcement responsibility for underground water sources (A) shall be subject to a civil penalty of not more than $5,000 for each day of such violation, or (B) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (B), be fined not more than $10,000 for each day of such violation.

"(c) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting underground injection but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

"INTERIM REGULATION OF UNDERGROUND INJECTIONS

"SEC. 1424. (a)(1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and ending on the date on which the applicable underground injection control program covering such area takes effect unless a permit for the operation of such well has been issued by the Administrator under subsection (b). The Administrator may so designate an area within a State if he finds that the area has one acquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health.

"(2) Upon receipt of a petition under paragraph (1) of this subsection, the Administrator shall publish it in the Federal Register and shall provide an opportunity to interested persons to submit written data, views, or arguments thereon. Not later than the 30th day following the date of the publication of a petition under this paragraph in the Federal Register, the Administrator shall either make the designation for which the petition is submitted or deny the petition.

"(b)(1) During the period beginning on the date an area is designated under subsection (a) and ending on the date the applicable underground injection control program covering such area takes effect, no new underground injection well may be operated in such area unless the Administrator has issued a permit for such operation.

"(2) Any person may petition the Administrator for the issuance of a permit for the operation of such a well in such an area. A petition submitted under this paragraph shall be submitted in such manner and contain such information as the Administrator may require by regulation. Upon receipt of such a petition, the Administrator shall publish it in the Federal Register. The Administrator shall give notice of any proceeding on a petition and shall provide opportunity for agency hearing. The Administrator shall act upon such petition on the record of any hearing held pursuant to the preceding sentence respecting such petition. Within 120 days of the publication in the Federal Register of a petition submitted under this paragraph, the Administrator shall either issue the permit for which the petition was submitted or shall deny its issuance.

"(3) The Administrator may issue a permit for the operation of a new underground injection well in an area designated under subsection (a) only if he finds that the operation of such well will not cause contamination of the aquifer of such area so as to create a significant hazard to public health. The Administrator may condition the issuance of such a permit upon the use of such control measures in connection with the operation of such well, for which the permit is to be issued, as he deems necessary to assure that the operation of the well will not contaminate the aquifer of the designated area in which the well is located so as to create a significant hazard to public health.

"(c) Any person who operates a new underground injection well in violation of subsection (b)(1) shall be subject to a civil penalty of not more than $5,000 for each day in which such violation occurs, or (2) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (1), be fined not more than $10,000 for each day in which such violation occurs. If the Administrator has reason to believe that any person is violating or will violate subsection (b), he may petition the United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce such subsection.

"(d) For purposes of this section, the term 'new underground injection well' means an underground injection well whose operation was not approved by appropriate State and Federal agencies before the date of the enactment of this title.

"(e) If the Administrator determines, on his own initiative or upon petition, that an area has an acquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health, he shall publish notice of that determination in the Federal Register. After the publication of any such notice, no commitment for Federal financial assistance (through a grant, contract, loan guarantee, or otherwise) may be entered into for any project which the Administrator determines may contaminate such acquifer through a recharge zone so as to create a significant hazard to public health, but a commitment for Federal financial assistance may, if authorized under another provision of law, be entered into to plan or design the project to assure that it will not so contaminate the acquifer.

"PART D—EMERGENCY POWERS

"EMERGENCY POWERS

"SEC. 1431. (a) Notwithstanding any other provision of this title, the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system may present an imminent and substantial endangerment to the health of persons, and that appropriate State and local authorities have not acted to protect the health of such persons, may take such actions as he may deem necessary in order to protect the health of such persons. To the extent he determines it to be practicable in light of such imminent endangerment, he shall consult with the State and local authorities in order to confirm the correctness of the information on which action proposed to be taken under this subsection is based and to ascertain the action which such authorities are or will be taking. The action which the Administrator may take may include (but shall not be limited to) (1) issuing such orders as may be necessary to protect the health of persons who are or may be users of such system (including travelers), and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction.

"(b) Any person who willfully violates or fails or refuses to comply with any order issued by the Administrator under subsection (a)(1) may, in an action brought in the appropriate United States district court to enforce such order, be fined not more than $5,000 for each day in which such violation occurs or failure to comply continues.

"PART E—GENERAL PROVISIONS

"ASSURANCE OF AVAILABILITY OF ADEQUATE SUPPLIES OF CHEMICALS NECESSARY FOR TREATMENT OF WATER

"SEC. 1441. (a) If any person who uses chlorine, activated carbon, lime, ammonia, soda ash, potassium permanganate, caustic soda, or other chemical or substance for the purpose of treating water in any public water system or in any public treatment works determines that the amount of such chemical or substance necessary to effectively treat such water is not reasonably available to him or will not be so, available to him when required for the effective treatment of such water, such person may apply to the Administrator for a certification (hereinafter in this section referred to as a 'certification of need') that the amount of such chemical or substance which such person requires to effectively treat such water is not reasonably available to him or will not be so available when required for the effective treatment of such water.

"(b)(1) An application for a certification of need shall be in such form and submitted in such manner as the Administrator may require and shall (A) specify the persons the applicant determines are able to provide the chemical or substance with respect to which the application is submitted, (B) specify the persons from whom the applicant has sought such chemical or substance, and (C) contain such other information as the Administrator may require.

"(2) Upon receipt of an application under this section, the Administrator shall (A) publish in the Federal Register a notice of the receipt of the application and a brief summary of it, (B) notify in writing each person whom the President or his delegate (after consultation with the Administrator) determines could be made subject to an order required to be issued upon the issuance of the certification of need applied for in such application, and (C) provide an opportunity for the submission of written comments on such application. The requirements of the preceding sentence of this paragraph shall not apply when the Administrator for good cause finds (and incorporates the finding with a brief statement of reasons therefor in the order issued) that waiver of such requirements is necessary in order to protect the public health.

"(3) Within 30 days after—

"(A) the date a notice is published under paragraph (2) in the Federal Register with respect to an application submitted under this section for the issuance of a certification of need, or

"(B) the date on which such application is received if as authorized by the second sentence of such paragraph no notice is published with respect to such application,

the Administrator shall take action either to issue or deny the issuance of a certification of need.

"(c)(1) If the Administrator finds that the amount of a chemical or substance necessary for an applicant under an application submitted under this section to effectively treat water in a public water system or in a public treatment works is not reasonably available to the applicant or will not be so available to him when required for the effective treatment of such water, the Administrator shall issue a certification of need. Not later than seven days following the issuance of such certification, the President or his delegate shall issue an order requiring the provision to such person of such amounts of such chemical or substance as the Administrator deems necessary in the certification of need issued for such person. Such order shall apply to such manufacturers, producers, processors, distributors, and repackagers of such chemical or substance as the President or his delegate deems necessary and appropriate, except that such order may not apply to any manufacturer, producer, or processor of such chemical or substance who manufactures, produces, or processes (as the case may be) such chemical or substance solely for its own use Persons subject to an order issued under this section shall be given a reasonable opportunity to consult with the

President or his delegate with respect to the implementation of the order.

"(2) Orders which are to be issued under paragraph (1) to manufacturers, producers, and processors of a chemical or substance shall be equitably apportioned, as far as practicable, among all manufacturers, producers, and processors of such chemical or substance; and orders which are to be issued under paragraph (1) to distributors and repackagers of a chemical or substance shall be equitably apportioned, as far as practicable, among all distributors and repackagers of such chemical or substance. In apportioning orders issued under paragraph (1) to manufacturers, producers, processors, distributors, and repackagers of chlorine, the President or his delegate shall, in carrying out the requirements of the preceding sentence, consider—

"(A) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

"(B) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

"(C) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

"(3) Subject to subsection (f), any person for whom a certification of need has been issued under this subsection may upon the expiration of the order issued under paragraph (1) upon such certification apply under this section for additional certifications.

"(d) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange a chemical or substance subject to an order issued pursuant to subsection (c)(1), that such delay or failure was caused solely by compliance with such order.

"(e)(1) Whoever knowingly fails to comply with any order issued pursuant to subsection (c)(1) shall be fined not more than $5,000 for each such failure to comply.

"(2) Whoever fails to comply with any order issued pursuant to subsection (c)(1) shall be subject to a civil penalty of not more than $2,500 for each such failure to comply.

"(3) Whenever the Administrator or the President or his delegate has reason to believe that any person is violating or will violate any order issued pursuant to subsection (c)(1), he may petition a United States district court to issue a temporary restraining order or preliminary or permanent injunction (including a mandatory injunction) to enforce the provision of such order.

"(f) No certification of need or order issued under this section may remain in effect—

"(1) for more than one year, or

"(2) after June 30, 1977,

whichever occurs first.

"RESEARCH, TECHNICAL ASSISTANCE INFORMATION, TRAINING OF PERSONNEL

"SEC. 1442. (a)(1) The Administrator may conduct research, studies, and demonstrations relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and other impairments of man resulting directly or indirectly from contaminants in water, or to the provision of a dependably safe supply of drinking water, including—

"(A) improved methods (i) to identify and measure the existence of contaminants in drinking water (including methods which may be used by State and local health and water officials), and (ii) to identify the source of such contaminants;

"(B) improved methods to identify and measure the health effects of contaminants in drinking water;

"(C) new methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove contaminants from water;

"(D) improved methods for providing a dependably safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing the health related hazards of drinking water; and

"(E) improved methods of protecting underground water sources of public water systems from contamination.

"(2) The Administrator shall, to the maximum extent feasible, provide technical assistance to the States and municipalities in the establishment and administration of public water system supervision programs (as defined in section 1443(c)(1)).

"(3) The Administrator shall conduct studies, and make periodic reports to Congress, on the costs of carrying out regulations prescribed under section 1412.

"(4) The Administrator shall conduct a survey and study of—

"(A) disposal of waste (including residential waste) which may endanger underground water which supplies, or can reasonably be expected to supply, any public water systems, and

"(B) means of control of such waste disposal.

Not later than one year after the date of enactment of this title, he shall transmit to the Congress the results of such survey and study, together with such recommendations as he deems appropriate.

"(5) The Administrator shall carry out a study of methods of underground injection which do not result in the degradation of underground drinking water sources.

"(6) The Administrator shall carry out a study of methods of preventing, detecting, and dealing with surface spills of contaminants which may degrade underground water sources for public water systems.

"(7) The Administrator shall carry out a study of virus contamination of drinking water sources and means of control of such contamination.

"(8) The Administrator shall carry out a study of the nature and extent of the impact on underground water which supplies or can reasonably be expected to supply public water systems of (A) abandoned injection or extraction wells; (B) intensive application of pesticides and fertilizers in underground water recharge areas; and (C) ponds, pools, lagoons, pits, or other surface disposal of contaminants in underground water recharge areas.

"(9) The Administrator shall conduct a comprehensive study of public water supplies and drinking water sources to determine the nature, extent, sources of and means of control of contamination by chemicals or other substances suspected of being carcinogenic. Not later than six months after the date of enactment of this title, he shall transmit to the Congress the initial results of such study, together with such recommendations for further review and corrective action as he deems appropriate.

"(b) In carrying out this title, the Administrator is authorized to—

"(1) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water together with appropriate recommendations in connection therewith;

"(2) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to the purposes of this title;

"(3) make grants to, and enter into contracts with, any public agency, educational institution, and any other organization, in accordance with procedures prescribed by the Administrator, under which he may pay all or a part of the costs (as may be determined by the Administrator) of any project or activity which is designed—

"(A) to develop, expand, or carry out a program (which may combine training education and employment) for training persons for occupations involving the public health aspects of providing safe drinking water;

"(B) to train inspectors and supervisory personnel to train or supervise persons in occupations involving the public health aspects of providing safe drinking water; or

"(C) to develop and expand the capability of programs of States and municipalities to carry out the purposes of this title (other than by carrying out State programs of public water system supervision or underground water source protection (as defined in section 1443(d))).

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1975; $25,000,000 for the fiscal year ending June 30, 1976; and $35,000,000 for the fiscal year ending June 30, 1977.

"GRANTS FOR STATE PROGRAMS

"SEC. 1443. (a)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out public water system supervision programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within one year from the date of such grant a public water system supervision program, and

"(B) will, within that one year, assume primary enforcement responsibility for public water systems within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than one year after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for public water systems within the State.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, a public water system supervision program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, number of public water systems, and other relevant factors. No State shall receive less than 1 per centum of the annual appropriation for grants under paragraph (1): *Provided,* That the Administrator may, by regulation, reduce such percentage in accordance with the criteria specified in this paragraph: *And provided further*, That such percentage shall not apply to grants allotted to Guam, American Samoa, or the Virgin Islands.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for the fiscal year ending June 30, 1977.

"(b)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out underground water source protection programs.

"(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

"(A) has established or will establish within two years from the date of such grant an underground water source protection, and

"(B) will, within such two years, assume primary enforcement responsibility for underground water sources within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than two years after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for underground water sources within the State.

"(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, an underground water source protection program.

"(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, and other relevant factors.

"(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, and $7,500,000 for the fiscal year ending June 30, 1977.

"(c) For purposes of this section:

"(1) The term 'public water system supervision program' means a program for the adoption and enforcement of drinking water regulations (with such variances and exemptions from such regulations under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416) which are no less stringent than the national primary drinking water regulations under section 1412, and for keeping records and making reports required by section 1413 (a)(3).

"(2) The term 'underground water source protection program' means a program for the adoption and enforcement of a program which meets the requirements of regulations under section 1421 and for keeping records and making reports required by section 1422(b)(1)(A)(ii).

"SPECIAL STUDY AND DEMONSTRATION PROJECT GRANTS; GUARANTEED LOANS

"SEC. 1444. (a) The Administrator may make grants to any person for the purposes of—

"(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology for providing a dependably safe supply of drinking water to the public; and

"(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health implications involved in the reclamation, recycling, and reuse of waste waters for drinking and the processes and methods for the preparation of safe and acceptable drinking water.

"(b) Grants made by the Administrator under this section shall be subject to the following limitations:

"(1) Grants under this section shall not exceed 66⅔ per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

"(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

"(3) Grants under this section shall not be made for any project unless the Administrator determines, after consulting the National Drinking Water Advisory Council, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

"(4) Priority for grants under this section shall be given where there are known or potential health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology.

"(c) For the purposes of making grants under subsections (a) and (b) of this section there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1975; and $7,500,000 for the fiscal year ending June 30, 1976; and $10,000,000 for the fiscal year ending June 30, 1977.

"(d) The Administrator during the fiscal years ending June 30, 1975, and June 30, 1976, shall carry out a program of guaranteeing loans made by private lenders to small public water systems for the purpose of enabling such systems to meet national primary drinking water regulations (including interim regulations) prescribed under section 1412. No such guarantee may be made with respect to a system unless (1) such system cannot reasonably obtain financial assistance necessary to comply with such regulations from any other source, and (2) the Administrator determines that any facilities constructed with a loan guaranteed under this subsection is not likely to be made obsolete by subsequent changes in primary regulations. The aggregate amount of indebtedness guaranteed with respect to any system may not exceed $50,000. The aggregate amount of indebtedness guaranteed under this subsection may not exceed $50,000,000. The Administrator shall prescribe regulations to carry out this subsection.

"RECORDS AND INSPECTIONS

"SEC. 1445. (a) Every person who is a supplier of water, who is or may be otherwise subject to a primary drinking water regulation prescribed under section 1412 or to an applicable underground injection control program (as defined in section 1422(c)), who is or may be subject to the permit requirement of section 1424 or to an order issued under section 1441, or who is a grantee, shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Administrator may reasonably require by regulation to assist him in establishing regulations under this title, in determining whether such person has acted or is acting in compliance with this title, or in administering any program of financial assistance under this title.

"(b)(1) Except as provided in paragraph (2), the Administrator, or representatives of the Administrator duly designated by him, upon presenting appropriate credentials and a written notice to any supplier of water or other person subject to a national primary drinking water regulation prescribed under section 1412 or applicable underground injection control program (or person in charge of any of the property of such supplier or other person), is authorized to enter any establishment, facility, or other property of such supplier or other person in order to determine whether such supplier or other person has acted or is acting in compliance with this title, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, or in order to test any feature of a public water system, including its raw water source. The Administrator or the Comptroller General (or any representative designated by either) shall have access for the purpose of audit and examination to any records, reports, or information of a grantee which are required to be maintained under subsection (a) or which are pertinent to any financial assistance under this title.

"(2) No entry may be made under the first sentence of paragraph (1) in an establishment, facility, or other property of a supplier of water or other person subject to a national primary drinking water regulation if the establishment, facility, or other property is located in a State which has primary enforcement responsibility for public water systems unless, before written notice of such entry is made, the Administrator (or his representative) notifies the State agency charged with responsibility for safe drinking water of the reasons for such entry. The Administrator shall, upon a showing by the State agency that such an entry will be detrimental to the administration of the State's program of primary enforcement responsibility, take such showing into consideration in determining whether to make such entry. No State agency which receives notice under this paragraph of an entry proposed to be made under paragraph (1) may use the information contained in the notice to inform the person whose property is proposed to be entered of the proposed entry; and if a State agency so uses such information, notice to the agency under this paragraph is not required until such time as the Administrator determines the agency has provided him satisfactory assurances that it will no longer so use information contained in a notice under this paragraph.

"(c) Whoever fails or refuses to comply with any requirement of subsection (a) or to allow the Administrator, the Comptroller General, or representatives of either, to enter and conduct any audit or inspection authorized by subsection (b) may be fined not more than $5,000.

"(d)(1) Subject to paragraph (2), upon a showing satisfactory to the Administrator by any person that any information required under this section from such person, if made public, would divulge trade secrets or secret processes of such person, the Administrator shall consider such information confidential in accordance with the purposes of section 1905 of title 18 of the United States Code. If the applicant fails to make a showing satisfactory to the Administrator, the Administrator shall give such applicant thirty days' notice before releasing the information to which the application relates (unless the public health or safety requires an earlier release of such information).

"(2) Any information required under this section (A) may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this title or to committees of the Congress, or when relevant in any proceeding under this title, and (B) shall be disclosed to the extent it deals with the level of contaminants in drinking water. For purposes of this section the term 'information required under this section' means any papers books, document, or information, or any particular part thereof, reported to or otherwise obtained by the Administrator under this section.

"(e) For purposes of this section, (1) the term 'grantee' means any person who applies for or receives financial assistance, by grant, contract, or loan guarantee under this title, and (2) the term 'person' includes a Federal agency.

"NATIONAL DRINKING WATER ADVISORY COUNCIL

"SEC. 1446. (a) (1) There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply. Each member of the Council shall hold office for a term of three years, except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(2) the terms of the members first taking office shall expire as follows: Five shall expire three years after the date of enactment of this title, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

The members of the Council shall be eligible for reappointment.

"(b) The Council shall advise, consult with, and make recommendations to, the Administrator on matters relating to activities, functions, and policies of the Agency under this title.

"(c) Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(d) Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.

"FEDERAL AGENCIES

"SEC. 1447. (a) Each Federal agency having jurisdiction over any federally owned or maintained public water system shall comply with all national primary drinking water regulations in effect under section 1412, and each Federal agency shall comply with any applicable underground injection control program, and shall keep such records and submit such reports as may be required under such program.

"(b) The Administrator shall waive compliance with subsection (a) upon request of the Secretary of Defense and upon a termination by the President that the requested waiver is necessary in the interest of national security. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this title. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national security purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national security, in which event the Administrator shall submit notice to the Armed Services Committee of the Senate and House of Representatives.

"JUDICIAL REVIEW

"SEC. 1448. (a) A petition for review of—

"(1) action of the Administrator in promulgating any national primary drinking water regulation under section 1412, any regulation under section 1413(b)(1), any regulation under section 1414(c), any regulation for State underground injection control programs under section 1421, or any general regulation for the administration of this title may be filed only in the United States Court of Appeals for the District of Columbia Circuit; and

"(2) action of the Administrator in promulgating any other regulation under this title, issuing any order under this title, or making any determination under this title may be filed only in the United States court of appeals for the appropriate circuit.

Any such petition shall be filed within the 45-day period beginning on the date of the promulgation of the regulations or issuance of the order with respect to which review is sought or on the date of the determination with respect to which review is sought, and may be filed after the expiration of such 45-day period if the petition is based solely on grounds arising after the expiration of such period. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(b) The United States district courts shall have jurisdiction of actions brought to review (1) the granting of, or the refusing to grant, a variance or exemption under section 1415 or 1416 or (2) the requirements of any schedule prescribed for a variance or exemption under such section or the failure to prescribe such a schedule. Such an action may only be brought upon a petition for review filed with the court within the 45-day period beginning on the date the action sought to be reviewed is taken or, in the case of a petition to review the refusal to grant a variance or exemption or the failure to prescribe a schedule, within the 45-day period beginning on the date action is required to be taken on the variance, exemption, or schedule, as the case may be. A petition for such review may be filed after the expiration of such period if the petition is based solely on grounds arising after the expiration of such period. Action with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(c) In any judicial proceeding in which review is sought of a determination under this title required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as to the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

"CITIZEN'S CIVIL ACTION

"SEC. 1449. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf—

"(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any requirement prescribed by or under this title, or

"(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this title which is not discretionary with the Administrator.

No action may be brought under paragraph (1) against a public water system for a violation of a requirement prescribed by or under this title which occurred within the 27-month period beginning on the first day of the month in which this title is enacted. The United States district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce in an action brought under this subsection any requirement prescribed by or under this title or to order the Administrator to perform an act or duty described in paragraph (2), as the case may be.

"(b) No civil action may be commenced—

"(1) under subsection (a)(1) of this section respecting violation of a requirement prescribed by or under this title—

"(A) prior to sixty days after the plaintiff has given notice of such violation (i) to the Administrator, (ii) to any alleged violator of such requirement and (iii) to the State in which the violation occurs, or

"(B) if the Administrator, the Attorney General, or the State has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such requirement, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection(a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the Administrator.

Notice required by this subsection shall be given in such manner as the Administrator shall prescribe by regulation. No person may commence a civil action under subsection (a) to require a State to prescribe a schedule under section 1415 or 1416 for a variance or exemption, unless such person shows to the satisfaction of the court that the State has in a substantial number of cases failed to prescribe such schedules.

"(c) In any action under this section, the Administrator or the Attorney General, if not a party, may intervene as a matter of right.

"(d) The court, in issuing any final order in any action brought under subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any requirement prescribed by or under this title or to seek any other relief.

"GENERAL PROVISIONS

"SEC. 1450. (a)(1) The Administrator is authorized to prescribe such regulations as are necessary or appropriate to carry out his functions under this title.

"(2) The Administrator may delegate any of his functions under this title (other than prescribing regulations) to any officer or employee of the Agency.

"(b) The Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this title.

"(c) Upon the request of a State or interstate agency, the Administrator may assign personnel of the Agency to such State or interstate agency for the purposes of carrying out the provisions of this title.

"(d)(1) The Administrator may make payments of grants under this title (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as he may determine.

"(2) Financial assistance may be made available in the form of grants only to individuals and nonprofit agencies or institutions. For purposes of this paragraph, the term 'nonprofit agency or institution' means an agency or institution no part of the net earnings of which inure, or may lawfully inure, to the benefit of any private shareholder or individual.

"(e) The Administrator shall take such action as may be necessary to assure compliance with provisions of the Act of March 3, 1931 (known as the Davis-Bacon Act; 40 U.S.C. 276a–276a(5)). The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(f) The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this title to which the Administrator is a party. Unless, within a reasonable time, the Attorney General notifies the Administrator that he will appear in such action, attorneys appointed by the Administrator shall appear and represent him.

"(g) The provisions of this title shall not be construed as affecting any authority of the Administrator under part G of title III of this Act.

"(h) Not later than April 1 of each year, the Administrator shall submit to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives a report respecting the activities of the Agency under this title and containing such recommendations for legislation as he considers necessary. The report of the Administrator under this subsection which is due not later than April 1, 1975, and each subsequent report of the Administrator under this subsection shall include a statement on the actual and anticipated cost to public water systems in each State of compliance with the requirements of this title. The Office of Management and Budget may review any report required by this subsection before its submission to such committees of Congress, but the Office may not revise any such report, require any revision in any such report, or delay its submission beyond the day prescribed for its submission, and may submit to such committees of Congress its comments respecting any such report.

"(i)(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

"(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of drinking water regulations or underground injection control programs of a State,

"(B) testified or is about to testify in any such proceeding, or

"(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this title.

"(2)(A) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

"(B)(i) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(ii) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (II) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (III) compensatory damages, and (IV) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(3)(A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

"(B) An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

"(4) Whenever a person has failed to comply with an order issued under paragraph (2)(B), the Secretary shall file a civil action in the United States District Court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this paragraph shall be heard and decided expeditiously.

"(5) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28 of the United States Code.

"(6) Paragraph (1) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this title."

(b) Section 2(f) of the Public Health Service Act is amended by inserting "(1)" after "except that" and by inserting before the semicolon at the end thereof the following: ", and (2) as used in title XIV such term includes Guam, American Samoa, and the Trust Territory of the Pacific Islands".

RURAL WATER SURVEY

SEC. 3. (a) The Administrator of the Environmental Protection Agency shall (after consultation with the Secretary of Agriculture and the several States) enter into arrangements with public or private entities as may be appropriate to conduct a survey of the quantity, quality, and availability of rural drinking water supplies. Such survey shall include, but not be limited to, the consideration of the number of residents in each rural area—

(1) presently being inadequately served by a public or private drinking water supply system, or by an individual home drinking water supply system;

(2) presently having limited or otherwise inadequate access to drinking water;

(3) who, due to the absence or inadequacy of a drinking water supply system, are exposed to an increased health hazard; and

(4) who have experienced incidents of chronic or acute illness, which may be attributed to the absence or inadequacy of a drinking water supply system.

(b) Such survey shall be completed within eighteen months of the date of enactment of this Act and a final report thereon submitted, not later than six months after the completion of such survey, to the President for transmittal to the Congress. Such report shall include recommendations for improving rural water supplies.

(c) There are authorized to be appropriated to carry out the provisions of this section $1,000,000 for the fiscal year ending June 30, 1975; $2,000,000 for the fiscal year ending June 30, 1976; and $1,000,000 for the fiscal year ending June 30, 1977.

BOTTLED DRINKING WATER

SEC. 4. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 409 the following new section:

"BOTTLED DRINKING WATER STANDARDS

"SEC. 410. Whenever the Administrator of the Environmental Protection Agency prescribes interim or revised national primary drinking water regulations under section 1412 of the Public Health Service Act, the Secretary shall consult with the Administrator and within 180 days after the promulgation of such drinking water regulations either promulgate amendments to regulations under this chapter applicable to bottled drinking water or publish in the Federal Register his reasons for not making such amendments.".

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if the gentleman from West Virginia would give the House an explanation of this amendment.

Mr. STAGGERS. Mr. Speaker, I will be happy to do so.

The amendment the Senate has passed here establishes subject matter jurisdiction in the Federal district courts to entertain certain specified suits. However, the amendment states that for 27 months after enactment no suit may be filed under this provision against public water systems. That really is the main essence of the amendment, because under existing title 28 of the United States Code, citizens have the right to bring a suit at any time now.

Actually the amendment—I do not know whether they intended it this way—but it prohibits any suit being brought under section 1449 for 27 months after enactment of this bill against any public water system.

Mr. GROSS. Is this the only Senate amendment to the bill?

Mr. STAGGERS. That is the only significant amendment.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his explanation.

I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. KAZEN. Mr. Speaker, at the time that the so-called Safe Drinking Water Act was considered in the House, I voted against its passage and during the debate set forth the reasons for my opposing the bill. As you know, the measure went to the Senate where it was amended. However, none of those amendments corrected the bill so as to overcome my objections. I am, therefore, still opposed to the passage of this measure.

Mr. FISHER. Mr. Speaker, I desire to register my opposition to S. 433. I voted against it when it was previously approved in the House on November 19, and I am still opposed to it. After approval in the House, the bill went back to the Senate where it was amended. Those amendments do not satisfy the objections which prompted me to vote against the measure in November, and I am opposing the new version which is now before us.

The Senate amendment to the House amendments was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KAZEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill S. 433, prior to passage.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

RESIGNATION AS MANAGER ON THE PART OF THE HOUSE IN CONFERENCE ON H.R. 10701

The SPEAKER laid before the House the following resignation from the Committee on Public Works:

WASHINGTON, D.C., *December 2, 1974.*

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby resign as a Manager on the part of the House in Conference on the bill H.R. 10701 to amend the Act of October 27, 1965 relating to the Public Works of Rivers and Harbors to provide for construction and operation of certain port facilities.

With all best wishes, I remain
Most sincerely,
JAMES J. HOWARD,
Member of Congress.

The SPEAKER without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT OF CONFEREE ON H.R. 10701, PUBLIC WORKS OF RIVERS AND HARBORS

The SPEAKER. The Chair appoints the following conferee to replace the gentleman from New Jersey (Mr. HOWARD) as manager on the part of the House in the conference on the bill H.R. 10701: Mr. HENDERSON of North Carolina.

VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President of the bill (H.R. 12628), Vietnam Era Veterans Readjustment Assistance Act of 1974.

The question is: Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from South Carolina (Mr. DORN).

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 647]

Anderson, Ill.
Andrews, N.C.
Beard
Brasco
Brown, Calif.
Burke, Calif.
Camp
Carey, N.Y.
Chisholm
Clark
Conyers
Cotter
Crane
Davis, Ga.
Dent
Esch
Eshleman
Findley
Foley
Fountain
Frelinghuysen
Frey
Froehlich
Gibbons
Green, Oreg.
Griffiths
Hansen, Wash.
Hawkins
Howard
Huber
Hunt
Jones, N.C.
Kemp
Long, Md.
Luken
McSpadden
Macdonald
Madigan
Maraziti
Martin, Nebr.
Mathias, Calif.
Melcher
Metcalfe
Michel, Ill.
Minshall, Ohio
Moorhead, Pa.
Parris
Podell
Powell, Ohio
Railsback
Rarick
Regula
Reid
Rhodes
Rooney, N.Y.
Rooney, Pa.
Roy
Sebelius
Sikes
Smith, N.Y.
Stubblefield
Udall
Van Deerlin
Vigorito
Wyman
Young, Ill.
Zion

The SPEAKER. On this rollcall 367 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. At the time the point of no quorum was made the Chair had recognized the gentleman from South Carolina (Mr. DORN).

Mr. DORN. Mr. Speaker, this is a historic moment. I am urging the Congress to override President Ford's veto of H.R. 12628. This bill would provide for a long overdue and urgently needed increase in GI educational benefits to Vietnam era veterans. This is the first time since becoming a member of the Veterans' Affairs Committee 24 years ago that I have asked the Congress to override a presidential veto of veterans legislation. In fact, this is the first time the Congress has been asked to override a veto of any veterans' education legislation. There has been no previous veto of education benefits for veterans by any President.

Since the founding of the Republic, the Congress and the American people have extended certain benefits to men and women who served our country during wartime. Veterans benefits were even extended to soldiers by the Plymouth Rock Colony in 1636 and were enacted by the Continental Congress during the Revolutionary War. A citizen who volunteered or was drafted to leave his home, his career, his family and friends has traditionally been considered a special individual—thus the enactment of veterans preference legislation.

Mr. Speaker, I regret it is necessary to again address the House on this bill. Every Member of the House is aware of the difficulties we have encountered in getting this legislation enacted into law.

As my colleagues recall, the House Committee on Veterans' Affairs gave the GI education bill amendments top priority on its legislative agenda for this session of the Congress. Under the leadership of the gentleman from New Jersey (Mr. HELSTOSKI) the Subcommittee on Education reported H.R. 12628 in early February and on February 19, the House passed the bill. It should have been enacted into law at that time. It was the beginning of the second school semester. I am convinced that the President at that time would have signed this increase into law. I had previously contacted the White House and learned that the President favored only an 8-percent increase but we convinced those advising the President that an 8-percent increase would not cover the cost-of-living increase. I believe the President would have signed the bill as passed by the House.

May I remind the House that any legislation is a cooperative venture. It must pass the House, the Senate and be signed into law by the President. In this instance the House did its duty, realizing the urgency of the situation, and passed this bill by a vote of 382 to 0. Had it been acted on promptly by the other body as it should have been and signed by the President as I believe it would have been, the veterans would not have lost $50 million monthly in benefits urgently needed. Provisions later added to the bill in the other body could have been considered separately and this bill could have been and should have become law in February—almost 10 months ago.

On June 19, 1974, the Senate passed by a vote of 91 to 0 a more extensive bill. Among other things, it would have provided an 18.2-percent increase in the monthly rate; established a partial tuition assistance allowance of up to $720 per school year for eligible veterans and other qualified individuals; extended the eligibility period from 36 to 45 months, and established a student loan program up to $2,000 per school year. The cost of the Senate bill (S. 2784) was approximately $2.1 billion for the first year.

You will recall the original House and Senate bills also included a provision that provided for a 2-year extension of the delimiting period of eligibility from 8 to 10 years, however, it finally became necessary to enact the 2-year extension as a separate measure so that thousands of veterans confronted with the expiration date could stay in training while the House and Senate continued to work out a compromise on the comprehensive education bill.

Because of reasons stated on the floor of the House on October 10 of this year, the House managers rejected any form of tuition payment, either to the institution or to the veteran, but did agree to an increase in the basic rate of 22.7 percent. We also agreed to extend the eligibility period from 36 to 45 months and to provide a student loan program up to $1,000 per school year. The conference report, filed August 19, 1974, called for an expenditure of approximately $1.5 billion during the first year. The compromise reached by the House and Senate conferees reduced the Senate bill by almost $527 million.

On August 21, 1974, the Senate approved unanimously the conference report to H.R. 12628. Unfortunately, when we attempted to bring the report up in the House the following day, a parliamentary point of order was successfully raised against it. I also want to add that between the time the conferees reached agreement on the compromise and the filing of the conference report, the President indicated when he addressed the National VFW Convention in Chicago that he would veto the bill if it was sent to him as agreed to in conference. In personal conversation with the President on the plane returning to Washington from Chicago, the President indicated he would sign the bill if the total overall cost was reduced considerably. Therefore, when the point of order was raised and sustained, it was decided to offer a substitute in order to get something to the President he would sign.

The substitute was submitted to the House and provided for a 22.7-percent increase for all veterans enrolled except those training under the chapter 31 vocational rehabilitation program and for those enrolled in apprenticeship/on-the-job training programs. These disabled veterans in this category would receive an 18.2-percent increase as they already receive full tuition, books, and supply costs. However, I am hopeful that before this session ends, we can pass legislation increasing benefits for these veterans to 22.7 percent. The substitute also deleted the provisions that would have extended the eligibility period from 36 to 45 months and the student loan program. The substitute was unanimously agreed to by the House. Accordingly, conferees were reappointed to resolve the differences between the House substitute amendment of August 22 and the original Senate-passed bill, S. 2784.

The second conference report was agreed to and passed the House and Senate on October 10, 1974. The second conference report provided the following major provisions: First, an increase of 22.7 percent of all veterans enrolled in veterans' training programs except for those training under the chapter 31 vocational rehabilitation program and for those enrolled in apprenticeship/on-the-job training programs; they would receive an increase of 18.2 percent; second, the eligibility period would be extended from 36 to 45 months for pursuit of a program of education leading to a standard college degree; and third, establishment of a student loan program up to $600 per school year. This compromise is estimated to have a first-year cost, including about $75 million for the loan revolving fund, of approximately $869.8 million.

Although we had thought the President would sign the second conference report since it had been reduced about $672 million from the original Senate bill, it was learned before we adjourned for the election that the President was giving some thought to letting the bill die by pocket veto while the Congress was adjourned.

Upon learning of this I wrote a letter asking the President for his assurance that such course of action would not be taken, and in the event he felt he must veto the bill, to do so in such a way that we might have an opportunity to override such veto. I was never given such assurance. Since we received only an acknowledgment from Max L. Friedersdorf, Deputy Assistant to the President and did not hear from the President, it was decided to hold the legislation in the Senate until the Congress reconvened. On November 18 the conference report on H.R. 12628 was signed and sent to the White House. I never heard from the President or anyone at the White House further on the matter although several attempts were made to determine what action would be taken on the bill.

On Monday, November 18, I learned along with other Americans that the President had given some indication to the Press in Tokyo that he planned to veto the bill in its present form. According to his budget rescissions and deferrals message to the Congress on the same day with respect to the Vietnam Era Veterans' Readjustment Assistance Act, he said:

> I urge the Congress to reconsider the action it has taken to date and send me instead legislation providing a straightforward 18.2 percent cost of living increase effective January 1, 1975. Increased payments for our veterans in school are necessary. But while acknowledging our great debt to those who served during the Vietnam era, I must insist on a fiscally responsible bill on behalf of all Americans. I object to the inflationary 22.7 percent rate increase, retroactive to September 1, 1974, the direct loan program which the Congress had added and the extension of educational benefits allowing Vietnam era veterans to attend school for 45 months instead of the present 36 months. This extra entitlement goes beyond the standard for World War II and Korea veterans.

You will recall that the President's veto message was transmitted to the Congress on November 26.

Mr. Speaker, I do not know who is advising the President on veterans' affairs, but I can tell you he is getting erroneous information. He is simply misinformed. In the first place, the World War II entitlement was not limited to 36 months. The maximum entitlement for World War II veterans was 48 months without restriction. Second, and much more important I think, the 22.7-percent rate increase is not inflationary. Consider these facts. When the House first passed the 13.6-percent rate increase, the cost of living had increased 12.6 percent. As of October 31, according to the Department of Labor, it had increased 21.8 percent. In other words, my arithmetic tells me a 22.7-percent increase now will just about take care of the cost-of-living increase since the last rate increase. I hardly think that can be considered inflationary. I also strongly feel that all programs should share in the anti-inflation program—not just veterans. For instance, I find it hard to believe that an $800 million education and training bill for veterans is inflationary while a $1.252 billion military assistance request for Vietnam is not. According to the Appropriations Committee, last year former President Nixon asked for an appropriation of $1.126 billion for military assistance for Vietnam. The committee tells me this year the request is up to $1.252 billion. I do not know how we can justify sending the Government of Vietnam $1.252 billion to "maintain freedom for its people," when $800 million to help educate Americans who fought and died to assure such freedom, is inflationary. I simply cannot buy it. I am sure every Member of this body is also aware that the foreign aid appropriation request this year is about $5.2 billion.

You will also recall the President signed into law the Elementary and Secondary Education Amendments of 1974 on August 21. That bill, which I strongly supported, was a 5-year $25 billion authorization. The President apparently did not feel it was too inflationary and I agree. Nor are the national defense student loan program and the Higher Education Act, which I supported, inflationary.

The point is, Mr. Speaker, I am getting a little tired of hearing how inflationary a 22.7-percent increase is for our veterans for education and training purposes while the President continues to ask for billions of dollars for other purposes. Education is the opposite of inflation. As many Members of both the House and Senate have said so often, money spent on the GI bill is the best investment this country can make. The experience of the World War II and Korean conflict GI bills has been that for every dollar expended on these programs, at least $3 to $6 in additional tax revenues—resulting from the veterans' higher earning capacity—have been returned to the Treasury. Public funds invested in education will return tenfold. Training our people to hold down jobs and become self-reliant is not inflationary. To train people to earn more and pay more taxes is the way to fight unemployment and provide for balanced budgets, local, State and national. Education is good Government business—particularly and especially education for returning veterans. In other words, Mr. Speaker, veterans of World War II and Korea have already paid an estimated hundred billion dollars more into the Federal Treasury than they would have paid if they had not received GI education benefits. This is in addition to the increased State and local taxes they have paid. Yes, Congress can be proud of its role in passing the original GI education bill.

Mr. Speaker, as my dear friend Senator RANDOLPH pointed out to his colleagues in the Senate on October 10, unemployment among young veterans has been running around 10 percent with unemployment rates for young minority veterans ranging up to 20 percent. Most of these young veterans tend to be the last hired and the first fired. If the downturn in the economy continues, it will have tremendous impact on the already aggravated employment situation for our Vietnam-era veterans. If we do not override this veto, many veterans will in all probability have to drop out of school. Equally important is the extension of eligibility from 36 to 45 months. Without this extension thousands of veterans will no longer be eligible to complete their education and many of them will go on the unemployment rolls. This cannot be tolerated.

In his economic message of October 8, the President asked for special legislation "to assist citizens who are particularly hurt by increases in unemployment." Under the President's plan of employment assistance program would be triggered into action whenever the average national unemployment rate rose to 6 percent for 3 consecutive months. In that event, these program would provide special jobless compensation and work opportunities in those labor market areas where the rate averages 6½ percent for 3 consecutive months. According to the President—

> These programs should be enacted immediately, since rising unemployment indicates they will very likely be needed before the 94th Congress convenes. I hope this Congress will recognize its responsibility in this important area.

I am appalled that on the one hand the President would oppose a 9-month extension for veterans to receive education and training allowances to complete their education while on the other hand, ask for special legislation to assist citizens who are unemployed. Does it not make sense to extend the eligibility period in order to assure these veterans a complete education, while at the same time, keeping them off the unemployment rolls?

The President's suggestion that any increase in veterans benefits be postponed until January 1, 1975, is unbelievable. Many Vietnam veterans have been forced to quit school. Many are working part-time and veterans' wives, with children, have been forced to seek unemployment while the cost of living continues to skyrocket.

When you vote to override, bear this in mind—a vote to override is a vote to make these benefits effective September 1, 1974, the beginning of the current school semester. The veteran has already been deluded in that he believed he would receive an increase for the last semester.

Mr. Speaker, I need not remind you or my colleagues that the Vietnam war was the longest war in the history of our country. Over 8 million young Americans participated in this "longest war." It was never an officially declared war. It was fought under the most trying and difficult of circumstances. It was fought in a muddy, nasty, tropical jungle 10,000 miles from home. The average age of our young men in combat was 19 years. They fought in this far away land at a time when their friends back home were enjoying unprecedented prosperity. Their readjustment to society has been more difficult than for those who returned from previous wars in "pomp and circumstance" with the adulation of their fellow countrymen.

Mr. Speaker, I think we have waited far too long in enacting this legislation. I am not speaking today to point the finger at the President or any Member of the Congress. But the time is here. It is time to act and I hope this Congress will recognize its responsibility to our veterans and vote to override the President's veto, by an overwhelming vote.

I include the following:

OCTOBER 21, 1974.

Hon. GERALD R. FORD,
The President,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Last week I sent you a telegram urging you to sign the Vietnam Era Veterans' Readjustment Assistance Act of 1974. I have been advised that you may be considering a pocket veto of the legislation while Congress is in recess. It is my understanding that the Senate is holding the legislation pending assurance from you that you will not pocket veto the bill. If you are opposed to the increase in educational benefits, I hope you will send a veto message to Congress thereby giving Congress a chance to override the veto. An overwhelming majority of the Congress feels that the bill agreed to by the House and Senate on October 10 is reasonable and is justified.

I hope you will let the House and Senate know of your position on the legislation as soon as possible so that we will know how to proceed.

Sincerely,
WM. JENNINGS BRYAN DORN,
Chairman.

THE WHITE HOUSE,
Washington, October 23, 1974.

Hon. WM. JENNINGS BRYAN DORN,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: I wish to acknowledge receipt and thank you for your October 21 letter to the President urging that he declare his position with respect to his intention to approve or disapprove the Vietnam Era Veterans' Readjustment Assistance Act of 1974.

You may be assured your letter will be called to the President's attention without delay. It will also be shared with the appropriate members of the staff.

With kind regard,
Sincerely,
MAX L. FRIEDERSDORF,
Deputy Assistant to the President.

THE AMERICAN LEGION,
Washington, D.C., November 20, 1974.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is my understanding that H.R. 12628, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, has been presented to you for approval. In a recent message to Congress you implied a possible intent to veto this bill, on the grounds that its cost would have an inflationary effect on the economy. Mr. President, it is the earnest hope of The American Legion that you will not veto this measure, but that you will give it your approval.

In fairness to the many thousands of Vietnam Era Veterans, who served their country honestly and faithfully during the course of the Vietnam war, and who are now attempting to complete their readjustment to civilian life, H.R. 12628 merits your approval.

We disagree with your statement that the measure would have an inflationary effect on the economy. Its additional cost during the current fiscal year would be approximately 785 million dollars. That is not an excessive amount in a federal budget for the fiscal year that is currently more than 300 billion dollars. A meaningful program is not being provided under the present terms of the Veterans Education Assistance Program. The additional benefits included in H.R. 12628 are modest in the face of the current inflationary pressure affecting the economy.

Your recent promise to 70,000 jobs for Vietnam veterans is a laudable goal. We believe, however, that it is immeasurably more important to first consider upgrading the skills of these veterans, many of whom are underskilled and in need of an effective education and training program to properly equip them to compete in a job market in which employment opportunities are increasingly scarce.

No veteran can complete his education with the benefits given him by the Government. All of them will have to supplement the grants with other funds. On that basis, the cost of the program to the Government cannot be considered to be inflationary.

It is a fact, established by thorough research, accomplished 25 years after the end of World War II, that the total cost of the Education Program for WW II veterans has been recovered more than 100% by the U. S. Treasury through the added taxes paid by WW II veterans, whose incomes are significantly higher than they would have been without the advantage of education and training under the WW II G. I. Bill.

In the interests of simple justice for the Vietnam veteran, we strongly urge that you sign H.R. 12628. This course of action is the obvious intent of the American people as evidenced by the overwhelming and bipartisan support for the measure in the Congress, and each day that goes by without relief multiplies the hardship of a group who, in our opinion, have sacrified enough.

Sincerely,

James M. Wagonseller,
National Commander.

American Legion National Commander Deplores Veto of GI Bill by President Ford

Washington, D.C., November 26, 1974.—The American Legion National Commander James M. Wagonseller today issued the following statement in connection with the President's veto of the GI Bill educational benefits increase:

"The American Legion is shocked and disillusioned by your veto of legislation designed to improve the lot of the younger veteran seeking to further his education and increase his potential for future service to America.

"We are aware of heavy inflationary pressures for we are no more immune to them than any other group of Americans. However, we viewed this measure as an investment in America, both from a monetary standpoint and from the standpoint of developing America's human resources to the fullest.

"We have labored long and hard to help the younger veteran in his efforts to readjust. We believe America owes him a fighting chance. We believe his well being should take priority over that of draft dodgers and deserters who are being given a second chance. We are duty bound to support any effort to override this veto."

Legion National Commander Deplores Threatened Veto of GI Bill by President Ford

Washington, D.C., November 18. 1974.—The American Legion National Commander James M. Wagonseller of Lancaster, Ohio, today issued the following statement in connection with President Ford's message to Congress threatening a veto of a bill raising GI Bill benefits for Vietnam era veterans:

"The American Legion is shocked and disappointed at President Ford's threat to veto the long overdue legislation to improve GI Bill benefits for Vietnam era veterans.

"We have labored long and hard for this legislation, and we believe the Congress has put together a GI Bill package the Vietnam era veteran would find it possible to live with. We do not agree with the President's assessment of the bill as inflationary. Rather, we know from experience that the legislation is an investment in the future of America—one the nation can count on to return many times its cost to the Treasury.

"I urge the President to reconsider this course of action when the bill reaches his desk as a matter of simple justice for the Vietnam veteran."

[From the American Legion Advance, December 1974]

An Open Letter to the President of the United States

(By James M. Wagonseller, National Commander)

Dear Mr. President: We of The American Legion, representing, as we do, a cross section of the American people, recognize that the condition of the economy is of paramount importance to the nation. We applaud your efforts to restore viability to our economy, and the fact that you have made this goal your number one priority.

Despite the seriousness of the problems caused by inflation, we know you are keenly aware of the fact that the business of the nation must go on. We believe it appropriate, therefore, that we bring to your attention the following areas of tremendous concern to our membership.

First, we are deeply concerned about the adequacy of educational and training benefits for Vietnam veterans. We cannot concur in an assessment of the veteran's education bill recently passed by the Congress as "inflationary" and would point out that every dollar spent by the nation on the education of veterans has been returned to the Treasury many fold in taxes paid by these veterans on higher incomes made possible by their training. We believe even more must be done in this area to achieve parity with programs for previous generations of veterans. We ask also that greater emphasis be placed on finding suitable employment for our younger veterans who constitute an inordinarily large proportion of our unemployed.

Next, we urge early action to update and reform the veterans pension programs. Drastic revisions in income limitations and in provisions of the Social Security Act which work to decrease total benefits as a result of Social Security increases are much overdue. The recipients of these pensions, we would point out, are most frequently too aged or disabled to increase their incomes, and are already existing at or below the poverty level.

Finally, we are genuinely concerned with the possibility of the absorption of the Veterans Administration system of medical care—built up so painstakingly over the years—into proposed National Health Insurance plans. We believe that any proposed legislation should include specific safeguards for the veterans medical care program administered by the Veterans Administration. We hope for your support of the principle of care second to none "for him who shall have borne the battle."

These, Mr. President, are The American Legions concerns. We believe these concerns extend beyond our membership to include most of the remainder of America's nearly 30 million veterans and their families.

Washington, D.C.,
November 29, 1974.

Congressman Wm. J. Bryan Dorn,
House of Representatives, Washington, D.C.:

House of Representatives, Washington, D.C.

The Blinded Veterans Association considers it imperative that the U.S. House of Representatives override President Ford's veto on the Veterans Education and Rehabilitation Amendments Act of 1974. On behalf of the nation's veterans we respectfully urge your assistance in enacting H.R. 12628 into law.

Clyde W. Waugh,
National President
and Chairman of the Board.

The National Association of
State Directors of Veterans' Affairs,
November 29, 1974.

Hon. William Jennings Bryan Dorn,
Chairman, Veterans' Affairs Committee,
Rayburn House Office Building, Washington, D.C.:

The National Association of State Directors of Veterans Affairs is aware that veterans attending school and receiving Veterans Administration educational benefits and those who are entitled and may attend school at a future date are facing a considerable problem in meeting the costs of every day needs and the cost of education.

Both houses of Congress adopted the conference report to H.R. 12628 which carries amendments to existing G.I. Bill statutes which will improve basic and monetary benefits, and forwarded the same to the White House for consideration by President Ford.

This matter has been vetoed by the President. The Association feels this veto will be detrimental to the veterans affected by this legislation and, therefore, request the delegation in Congress not to sustain the Presidential veto.

Very truly yours,

Frank A. Schmidt, Jr.,
President.

Kansas City, Mo.,
November 27, 1974.

Hon. Wm. Jennings Bryan Dorn,
Rayburn Office Building,
Washington, D.C.:

The 535,000 members of VFW auxiliary throughout the nation strongly urge you to override President's veto H.R. 12628, Veterans Education Bill. These Vietnam veterans are our future. It is a slap in the face to deny them an education and pardon deserters. We owe them an education. It will mean a greater America. Our over half a million members, their families, and friends urgently ask you to override this demoralizing veto.

Mrs. Betty Butler,
National President, VFW Auxiliary.

Veterans of Foreign Wars,
Washington, D.C., November 26, 1974.

Hon. W. J. Bryan Dorn,
U.S. House of Representatives,
Washington, D.C.

My Dear Congressman: The membership of the Veterans of Foreign Wars is deeply saddened that the President has vetoed the comprehensive Vietnam-era Veterans Education Act (H.R. 12628).

You will recall that in an effort to reach a compromise, the Congress trimmed a number of provisions in this bill.

Rather than inflationary, this legislation is a sound investment in the future of America. Any further postponement of the long overdue and badly-needed increases and improvements proposed in this bill will be tragic for millions of Vietnam veterans.

These veterans have already made one sacrifice in the national interest by their service in the Armed Forces during a very trying period of American history. We should not call upon them to make a second sacrifice at the expense of their future in the battle against inflation.

I can assure you that the more than 1.8 million members of the Veterans of Foreign Wars and its more than 500,000 members of the Ladies Auxiliary are in total agreement that the veto of this Veterans Education Bill must be promptly overridden by the Congress.

You are strongly urged to work and vote to override the veto when the bill is taken up upon your return to the Congress following the Thanksgiving recess.

With kind personal regards, I am

Sincerely,

John J. Stang,
Commander-in-Chief.

V.F.W. Blasts President on GI Bill Veto

Washington, D.C., November 26, 1974.—"President Ford's veto of the GI Bill educational assistance increases for the Vietnam veteran attending school shows a complete lack of understanding of the return that his investment will bring to the country in the future," said John J. Stang, National Commander-in-Chief of the Veterans of Foreign Wars of the U.S.

"By vetoing this bill, the President has shown that he is either 'insensitive to the needs of the veteran or receiving terribly bad advice from his aides-advice which flys in the face of facts and economics.

"It is clear that the government will benefit in the return of income taxes alone. The Bureau of the Census shows that a college graduate can be expected to earn about a quarter of a million dollars more than a high school graduate. In addition, keeping these men in school and attracting new students by increasing their tuition payments will keep them out of the lines at the unemployment compensation windows where money is given away without any hope of repayment," Stang said.

"The Vietnam veteran is suffering from a poorly applied cure for an ill he will be able to help through his increased knowledge from attending college, greater employability in the future and income taxes he will pay. The President, citing the cost of this educational increase as inflationary, merely does a disservice to those who performed a service for their country when called upon to fight," Stand said.

Disabled American Veterans,
November 27, 1974.

Hon. Wm. Jennings Bryan Dorn,
Chairman, House Committee on Veterans' Affairs, U.S. House of Representatives, Washington, D.C.

Dear Chairman Dorn: The membership of the Disabled American Veterans is profoundly shocked and saddened by President Ford's decision to veto H.R. 12628, the Vietnam Era Veterans' Readjustment Assistance Act of 1974.

The benefits embraced in H.R. 12628 are desperately needed to enable our young war veterans to meet today's high cost of education and the ever-increasing cost of living.

Thousands of these young men and women, who served their country in the longest and most thankless war in our Nation's history, are being denied the educational assistance they need and so richly deserve.

We view the President's action with a deep sense of regret; and urge you, on behalf of the 450,000 members of the DAV, to exercise your leadership skills in every way possible to persuade your House colleagues to override the veto of H.R. 12628 at the earliest practicable moment.

Your leadership role in this vital endeavor is deeply appreciated.

Sincerely,

Charles L. Huber,
National Director of Legislation.

November 27, 1974.

Representative William Jennings Bryan Dorn,
Chairman, House Veterans' Affairs Committee, U.S. House of Representatives, Washington, D.C.

Dear Representative Dorn: It is my understanding that the bill to increase the benefits of the G.I. was vetoed by President Ford and will come up for a veto-override vote in the House on the 3rd of December. This bill is of great importance to me as I plan to obtain my four-year degree in Accounting.

I am married, have two children and the college I plan to attend is thirty-five miles from my residence. The tuition is $183.00 per quarter plus books and supplies. The present bill allows $316.00 per month in benefits. Welfare allows a family of four $316.00 plus food stamps just to live. How can we attend school, pay tuition, buy books and feed and clothe our families on $316.00 a month? The price of food keeps increasing and gas is quite expensive, too. I don't know how long it has been since the last increase in G.I. benefits. I do know that the price level index has increased far more than the increase in benefits called for in the new bill.

I don't want to go on the job market with a two-year degree. With one more year of school I will have a B.A. degree and the job market will be better for me. In fact, I will probably be hired off the campus before I graduate.

I look at myself and things don't seem too bad, but what of all the Vietnam veterans that are just starting in school and have to look forward to three to four years of increasing prices and no increase in benefits. The World War II veterans had a better deal than we have right now.

I beg you to persuade everyone of your constituents to vote to override the veto. With the recession deepening, we have to keep all the money we can in circulation. The bill as it now stands has merit and all of the veterans who served our country deserve a better break than those who deserted and refused to be drafted.

Your help in getting this veto over-ridden would be much appreciated.

Raymond C. Bouden.

Mr. TEAGUE. Mr. Speaker, will the gentleman yield?

Mr. DORN. I yield to my distinguished colleague, the gentleman from Texas (Mr. Teague), the vice chairman of the committee for 14 years and chairman of the full Committee on House Veterans' Affairs, who has served so long and so faithfully not only the country, but our veterans. I can truthfully say today that the distinguished gentleman from Texas is known throughout this Nation as Mr. Veteran.

Mr. TEAGUE. Mr. Speaker, I am sure that all Members know that the gentleman from South Carolina will not be with us in the next Congress. Since the gentleman and I came to Congress we have worked together on veterans' affairs. I wish that I was as eloquent as he is and could say things about him as he has said about me. The gentleman from South Carolina (Mr. Dorn) has been a great Member of Congress and a great friend and we will miss him in the next Congress.

Mr. DORN. Well, Mr. Speaker, I am deeply grateful to my colleagues and I assure them it has been a great honor and a pleasure, a very distinct honor to have served in Congress, not only in Congress, but particularly with the Members dedicated and devoted to this country.

Mr. Speaker, I yield to my colleague, the chairman of the subcommittee (Mr. Helstoski), who has worked so long on this bill and who has stood by us faithfully to finally reach the point we are today. I yield the gentleman such time as he may consume.

Mr. HELSTOSKI. I thank the gentleman.

Mr. Speaker, these eloquent remarks are very well taken by our colleagues in Congress, I am certain of that.

Mr. Speaker, one of the most important pieces of legislation ever passed by Congress was the original GI bill. Through our legislative efforts, we began, for the first time, to compensate those who defended our country by affording them the opportunity to seek out a more meaningful and rewarding life for themselves and compensating them for time lost in educational programs which were interrupted as a result of entry into the service of their country. The original GI bill ranks as one of the most far-reaching and beneficial pieces of legislation ever passed by Congress, and millions of Americans have reaped benefits from the GI bill.

Today however we are confronted with a very important decision. We must decide whether or not to override the President's veto of H.R. 12628. Today we have the opportunity to fulfill the promises we have made to thousands of veterans throughout the Nation and attempt—through a successful veto override—to secure for them meaningful and realistic education and training benefits.

Permit me to reflect briefly on the success of our GI education and training program. According to the Veterans' Administration, in October of 1974 enrollments in the program totaled 1.5 million. This represents a nine percent increase over October of the previous year and a 21 percent gain over October 1972. Furthermore, November enrollments should top October's, if the normal pattern of peak enrollments during November and April holds true this year. Among the October trainees were 921,000 veterans and servicemen who studied at the college level, and another 565,000 trainees who were enrolled in below-college-level schools or on-job training.

Training has increased each year since June 1966 when the current GI bill went into effect. A record enrollment of 2.4 million was reached in fiscal year 1974. It was 2.1 million the year before. A total of 5.2 million veterans—or 53.2 percent of those eligible—received benefits under the current GI bill. This compares with 2.4 million or 50.5 percent of the eligibles under the Korean conflict bill and 7.8 million or 47.4 percent of the eligibles, under the original GI bill.

According to the Veterans' Administration, more than 500,000 Vietnam-era veterans who dropped out of high school to enter military service have used the bill for "catch up" training. About 580,000 veterans with less than 4 years of high school have used some form of the GI bill since 1966. Of these 202,000 have qualified for "free entitlement" by taking high school level refresher or deficiency courses necessary to qualify them for higher education. The balance have taken some form of vocational training.

The Administrator attributes the increasing popularity of the GI bill among the educationally disadvantaged to two programs especially designed for them by Congress. One is a special VA outreach effort to veterans with less than 4 years of high school which calls for VA counselors to make repeated contacts in an effort to interest them in training. The other is a measure which provides needed high school level training without such training being charged to a veteran's entitlement.

Mr. Speaker, Congress can take a great deal of pride in the dynamic role it has played in the progress that has been made. Hence, it becomes even more imperative that we continue our efforts to see that each veteran is given the chance to realize his potential and is provided with the opportunity to attain all of his educational goals.

The bill before us today, H.R. 12628, will help our veterans reach their goals and continue our proud tradition of enabling our veterans to carve out more meaningful lives for themselves. I am sorry to say that unless we enact H.R. 12628, which will increase the monthly rate of assistance and provide other benefits as well, many veterans now enrolled in school will have to drop out, and thousands of others may never have the opportunity to go to school as they will have to work full time in order to provide for their families.

As our distinguished chairman pointed out earlier, the bill before us today has quite a legislative history. The House and Senate conferees first agreed on a compromise measure in August—6 months after the House first passed the bill, in February. I might add that the measure came out of the subcommittee on education and training after extensive hearings in October of 1973. The Educational Testing Service of Princeton made a study of veterans' educational needs. Congress appropriated $1 million for this purpose. The study supports the elements of this bill and conference report. Although I supported the conference report, I must say that I was not totally happy with it. Deleted from the conference report was a major provision included in the original Senate bill, which would have provided a separate tuition allowance. I fully supported this measure and felt that it also should have been included in the conference report. Furthermore, much to my disappointment, the student loan program was reduced from $2,000 per school year to $1,000 per school year.

The compromise measure, by eliminating the tuition provision, by reducing the authorized loan program in half, and by other amendments, reduced the Senate-passed bill by almost $527 million to a fiscal year 1975 cost and outlay of $973 million. We had understood that the President would favorably consider the compromise bill; however, when he addressed the Veterans of Foreign Wars at their national convention a few days after the conference report had been filed, he indicated he would veto the bill unless further cuts were made.

Even though some of us objected to further reduction in benefits provided in the compromise agreement, a majority of the House and Senate agreed to further reductions, and the House and Senate unanimously approved the second conference report on October 10. Under this measure, which is the bill now before us, most veterans would receive a 22.7 percent monthly rate increase in educational and training allowances; the extension of eligibility from 36 to 45 months would be limited to those veterans in pursuit of a standard undergraduate degree, and the student loan program was further reduced from $1,000 to $600 per school year.

Mr. Speaker, it would be grossly unfair to our Vietnam veterans to provide a penny less than that called for in the bill now before the House. We have compromised enough—in fact, too much as far as I am personally concerned. As chairman of the Education and Training Subcommittee, I supported the tuition supplement provision, the full $2,000 student loan program, and I opposed limiting the additional 9-month eligibility to only those in pursuit of a program of education leading to a standard undergraduate college degree. I am hopeful we can correct these deficiencies during the next Congress.

I regret that the President has felt it necessary to veto this bill. I feel his present position is inconsistent with his record. Let me point out the House action on the last rate increase. Do we ask the veteran to suspend his education by providing benefits less than that which will keep him in college? Costs have risen tremendously. His action is totally unjustified. The President is in error when he says this bill "provides benefits that are greater than those granted to World War II and Korean veterans." Those knowledgeable in veterans' affairs know better.

Finally Mr. Speaker, it is a travesty to say this bill is inflationary. The bill would provide a 22.7-percent increase in the existing rate. According to the Consumer Price Index, as of October 31, 1974, the cost of living has risen 21.9 percent since the last education increase in September 1972. With the present rate of inflation, the November figures should show the cost of living to be about what we have provided in this bill, or maybe a little higher. The difference in what the President has proposed and the amount included in this bill amounts to a few pennies per day for each veteran, and it is clear that we are merely keeping up with the present rate of inflation with the increase included in this bill.

Mr. Speaker, at this time, I want to compliment our distinguished chairman, the gentleman from South Carolina, for his fine remarks and leadership during the past several months. I also want to pay tribute to my subcommittee members, the gentleman from Texas, Mr. Teague; the gentleman from California, Mr. Edwards; the gentleman from California, Mr. Danielson; the gentlewoman from Connecticut, Mrs. Grasso; the gentleman from New York, Mr. Wolff; the gentleman from Georgia, Mr. Brinkley; the gentleman from Texas, Mr. Wilson; the gentlewoman from Massachusetts, Mrs. Heckler; the gentleman from Minnesota, Mr. Zwach; the gentleman from Ohio, Mr. Wylie; the gentleman from New Jersey, Mr. Maraziti; the gentleman from South Dakota, Mr. Abdnor; the gentleman from Michigan, Mr. Huber, and the gentleman from New York, Mr. Walsh, for their efforts and work in arriving at the compromise bill before us today. All have worked hard to reach agreement on the GI education bill amendments.

Mr. Speaker, in conclusion, I respectfully urge every Member of the House to join me today in voting to override the President's veto of H.R. 12628.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. HELSTOSKI. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to compliment the gentleman from New Jersey. He and I started hearings in Newark, N.J., over 2 years ago in respect to the plight of the Vietnam veterans. I want to associate myself with the gentleman's remarks.

Mr. Speaker, I rise in support of this legislation. In so doing, I urge my colleagues to, once again, exercise our strong legislative weapon, our power to override a Presidential veto.

Twice in the past 2 weeks, this body has reaffirmed its support of significant legislation—the Rehabilitation Act and the Freedom of Information Act. This legislation is no less significant. Today we must vote to repay a debt incurred by this country during the Vietnam war. We must vote to increase educational benefits to our Vietnam-era veterans.

Mr. Speaker, the President has stated that this bill is inflationary. Bowing to domestic economic pressures, the Congress reduced the size of the loan program and limited the extension of benefits.

I can think of little that would depress our economy more than increased unemployment among our young veterans. Already the rate of unemployment among veterans ages 20 to 24 is significantly above that for nonveterans, 11.7 percent for the month of October compared to 8.2 percent for nonveterans of the same age. This bill will help our veterans get the education, get the training, that will enable them to leave the ranks of the unemployed.

As the chairman of the Special Veterans Opportunity Committee of the National League of Cities/U.S. Conference of Mayors, I made a detailed study of what our young veterans need. As a veteran myself, who got his education under the GI bill after World War II, I know what I received and I know what veterans will receive under this bill and I take issue with the President, who, in his veto message, says this bill provides benefits "that are greater than those granted to World War II veterans." Mr. Speaker, after World War II, the GI bill paid all tuition, books and supplies up to $500. That sum covered full tuition at all public colleges and 89 percent of the private schools in the Nation. Under the GI bill after World War II, a vet could go to Harvard, where tuition at that time was $600, graduating in 36 months and using the balance of his 48-month entitlement to make up the difference between the $500 a year benefit payment and $600 tuition fee. Today, tuition alone at Harvard is $3,300 a year. I would like to ask the President how far he thinks $270 a month will go at Harvard today? No matter how you stretch it—it will not come close to covering even tuition costs.

So, I do not pretend that this bill meets all the urgent needs of our Vietnam veterans. It does not. One of its most important provisions—the so-called tuition equalizer to minimize disparities in tuition from State to State and college to college around the country—was deleted from the bill in conference. But it does make a start—it is a beginning. And, more than that, it is needed immediately.

I want to take just a minute to read an excerpt from a letter I received recently from a Vietnam veteran from my congressional district. He make most cogently the point I wish to make today. This young man writes:

> Many thousands of us went (to Vietnam), we fought, and returned home. Home, not as heroes, but as villains to thousands of Americans. We are now attempting to return to the mainstream of American life, but are thwarted, so it seems, in every direction we turn ... this legislation to increase G.I. Bill benefits would go a long way towards helping ease the transition back into the mainstream. We need this increase! I need it! I cannot support a wife and three children with the present payments and be expected to attend college full time, as well as hold a part-time job. This money does not last long into the month. We need a sizeable ... increase in benefits just to give us a fighting chance. Many veterans have returned to college. Many more of us will be starting soon. This increase is needed now; enough time has been wasted!

Our Vietnam veterans have paid their dues to this country. We cannot ask them to continue paying. It is time we started making good on our promises and clear the accounts with our veterans by passing this bill.

Mr. HELSTOSKI. I thank the gentleman for his remarks. The gentleman has been recognized for his efforts by veterans organizations. I want to compliment him also.

Mr. DORN. Mr. Speaker, I yield to the distinguished gentleman from Arkansas (Mr. HAMMERSCHMIDT), the minority leader of the committee. I might say that no veterans' education benefit bill has ever passed this House other than unanimously. There has never been a vote cast against it, certainly not in the last few years. The same has been true on the committee. The leadership of the distinguished gentleman from Arkansas has contributed to that of the unanimous feeling among the Members of this House. The gentleman is a very distinguished, devoted, dedicated Member.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I thank the gentleman for yielding. I want to take this opportunity to commend my friend and colleague from South Carolina, the chairman of the Committee on Veterans' Affairs, for his outstanding leadership, not only on the measure before the House but on all veterans' legislation. The gentleman has always placed the welfare of the Nation's veterans above partisan considerations. As he nears the end of a distinguished career of public service which includes 26 years as a Member of this House of Representatives, I can only say, thank you, Mr. Chairman, for a job well done. Your leadership and wise counsel will be sorely missed.

Now, with respect to the bill before the House, let me say at the outset that I will vote to override the President's veto of H.R. 12628, the Vietnam-Era Veterans Readjustment Assistance Act of 1974.

I am not happy that I find myself in disagreement with the President's action, but simple equity and good conscience compels me to recognize the strong case that has been made for the long overdue increase in veterans' educational benefits authorized by this measure. The overwhelming body of public support for the bill convinces me that its approval is in the best interests of the Nation and the veterans it is designed to assist.

I share the President's strong commitment to the elimination of excessive Government spending and support his continuing efforts to bring runaway inflation under control. I must hasten to add, however, that this bill does not, in my judgment, contribute to inflation. Rather, it reflects our effort to keep payments to veterans in school abreast of the spiraling costs of living. The cost of living, as measured by the Consumer Price Index, was pegged at 125.7 on September 1, 1972, the date of the most recent increase in monthly educational allowances for veterans. On October 31, 1974, more than a month ago, the Consumer Price Index was 153.2. According to the computation of the Bureau of Labor Statistics, this represents a percentage increase in the Index of 21.9 percent. The vetoed bill, Mr. Speaker, authorizes a 22.7 percent increase in educational allowances. In other words, we have authorized a 22.7 percent increase in monthly payments to permit veterans in school to cope with a 21.9 percent increase in the cost of living. It is difficult to view this responsible measure as contributing to inflation.

President Ford, of course, inherited a budget in which the grand total of $365 million was earmarked for proposed veterans benefit legislation. This was hardly enough to finance the 13.6 percent increase in educational allowances first passed by this body last February, let alone the added cost of other needed adjustments in the field of veterans' affairs. Though this budget figure was unrealistic, the President is committed to it. Now, in vetoing this bill, he has left to the Congress the task of setting priorities in spending.

I, for one, Mr. Speaker, am willing to accept the responsibility the President has given us and will vote to override. I cannot agree that the increases authorized by this bill are excessive. On November 19, 1973, just over a year ago, when our committee asked for the administration's views on the 13.6 percent increase, Administrator Johnson said,

> In summary, the Veterans' Administration opposes the proposed 13.6 percent across-the-board increase in rates, but favors instead a more reasonable 8 percent increase.

Even at that time, Mr. Speaker, the cost of living had risen almost 10 percent since the last adjustment in educational allowances.

The important fact here, Mr. Speaker, is that we have deferred and delayed and procrastinated for more than a year, much of it occasioned by our efforts to accommodate the administration, while the administration's acceptable increase has risen from 8 to 18.2 percent and the bill has increased from 13.6 percent to 22.7 percent. The costs of the percentage increases range from $200 million to $712.3 million. Pick any figure in between, and it could represent the amount that was saved by our inaction. We have already, unwittingly or involuntarily, saved more than the cost differential between the President's acceptable 18.2 percent increase and the bill's 22.7 percent increase by our failure to agree on the level of benefits at an earlier date.

Mr. Speaker, the veto message sounds an ominous note in suggesting that the direct student loan program authorized by this bill is objectionable in part because the loans would not be dispensed through the Department of Health, Education, and Welfare. The Veterans' Administration has acquired 30 years of experience in administering an education program and a housing loan program for veterans. During that period, repeated efforts have been made to transfer these programs to other agencies. Repeatedly, these efforts have been rejected by the Congress. It has been the frequently expressed philosophy of the Congress that the benefits granted by a grateful Nation to its veterans can best be administered through a single independent agency. This measure continues to recognize that philosophy.

Mr. Speaker, much has been said on the subject of whether benefits to Vietnam-era veterans are greater or lesser than those educational benefits that were available to World War II and Korean-conflict veterans. To use an old cliche—it is like comparing apples with oranges. So that Members may form their own opinion on this subject, I am including with my remarks a detailed comparison of the provisions of the three GI bills.

Mr. Speaker, the House approved the conference report that represents the substance of the vetoed bill on October 10. At that time, I said:

> The enactment of legislation to provide sorely needed increases in monthly educational allowances is already long overdue.

Now, almost 2 months later, veterans on campus are still existing on inadequate payments. Let us delay no longer.

EDUCATIONAL BENEFITS—G.I. BILL

	World War II	Korean conflict	Post Korean
1. Basic law	Public Law 346, 78th Congress	Public Law 550, 82d Congress	Public Law 358, 89th Congress.
2. Effective date	June 22, 1974	Aug. 20, 1952	June 1, 1996.
3. Basic service period	Sept. 16, 1940–July 25, 1947	June 27, 1950–Jan. 31, 1955	Feb. 1, 1955–open ended.
4. Service requirement:			
(a) Veteran, minimum unless released for S/C disability.	90 days	90 days	181 days.
(b) Serviceman	Not eligible	Not eligible	Do.
5. Basic entitlement	1 yr plus active duty time	1½ times active duty time	1½ times active duty time (18 mo that satisfy active duty requirement earns 36 mo entitlement.)
6. Maximum basic entitlement	48 mo	36 mo	36 mo plus time to complete high school or to complete required refresher, remedial or deficiency courses.
7. Tutorial assistance	Not provided	Not provided	$50 a mo, $450 maximum.
8. A predischarge education program (servicemen free entitlement).	do	do	Regular benefits to complete high school or to complete required refresher, remedial or deficiency course.
9. Educationally disadvantaged (veterans free entitlement).	No free entitlement	No free entitlement	Regular benefits for courses to complete high school or the equivalent or to complete required refresher, remedial or deficiency courses.
10. Commencement time limit	4 yr after release	3 yr after release	Not specified.
11. Period of eligibility	9 yr	8 yr	8 yr.
12. Allowance (see table for complete chart):			
(a) Basic assistance—full-time school	$50—1944, 65—1946, 75—1948	$110	$100—June 1, 1966, $130—Oct. 1, 1967, $175—Feb. 1, 1970, $220—Oct. 1 1972.
(b) Tuition, fees, books, and supplies	Actual up to $500 for ordinary school year	No	No.
(c) Statutory ceiling—allowance plus earnings (monthly).	Aug. 8, 1946—$175 if no dependents, $200 if dependents, Apr. 1, 1948—$210 if no dependents, $270 if one dependent, $290 if 2 or more dependents.	Job training only $310	None.
13. Vocational counseling	Provided on request	Same	Same.
14. Changes of program permitted	Before commencement cut-off 1 optional change to different field other changes with counseling.	1 change	1 optional—additionals with VA counseling.
15. Avocational and recreational courses	Permitted June 22, 1944 not permitted June 30, 1948.	Not permitted	Not permitted.
16. Approval limitations:			
(a) Period of operations	None June 22, 1944, 1 yr August 24, 1949 with exceptions.	2 yr, with exceptions	2 yr, with exceptions.
(b) Non-vet enrollment requirement (private-nonaccredited).	None	15 percent	15 percent.
(c) Job	None June 22, 1944 stated in Public Law 679, 79th Congress August 8, 1946.	Stated in law	Stated in law.
17. Elementary and high school:			
(a) Entitlement charge	Yes	Yes	No.
(b) Full time	25 clock hours net of instruction	25 clock hours net of instruction	25 clock hours net of instruction or 4 units per year.
(c) Maximum absence per year	30 d	30 d	30 d.
18. Farm	Added Sept. 1, 1947		Oct. 1, 1967.
(a) Type program	Institutional-on-farm	Institutional-on-farm	Farm cooperative.
(b) Basic allowance—no dependents	$67.50	$95	$105—Oct. 1, 1967; $141—Feb. 1, 1970; $177—Oct. 1, 1972.
(c) Tuition, fees, books, and supplies	Actual up to $500 for ordinary school year	None	None.
(d) Statutory ceiling	Same as 12c	do	Do.
(e) Statutory reduction in allowance	None—(reduced only as required by statutory ceiling).	Yes—at 4 mo. intervals	Do.
(f) Full time	200 hr classroom instruction, 100 hr on-farm instruction per year plus fulltime on-farm.	do	12 hr instruction per week effective October 1, 1967, 10 hr instruction per week effective October 24, 1972.
(g) Part time	Not permitted	Not permitted	¾ time and ½ time.
(h) Farm control	Required	Required	Not required (must be engaged in agricultural employment).
(i) Maximum absences	30 per year	30 per year	30 per year.
19. Job training:			
(a) Basic allowance—No dependents	$50—June 22, 1944, $65— January 1, 1946	$70	$80—October 1, 1967, $108—February 1, 1970, $168—October 1, 1972.
(b) Cost of tools payment	Yes (usually limited to $100)	No	No.
(c) Statutory ceiling	Same as 12¢	$350	None.
(d) Statutory reductions	None (reduced only as required by wage or statutory ceiling).	Yes at 4 mo intervals	Yes at 6 mo. intervals.
(e) Full time	36 hr. per week	36 hr	30 hr.
(f) Maximum absences	30 per year	30 per year	30 per year—Oct. 1, 1967, no limit if 120 hr. work per mo. effective Feb. 1, 1970.
20. Flight:			
(a) Basic subsistence allowance	Same as institutional	None	None.
(b) Tuition and fees	Yes—up to 100 percent with entitlement charge at rate of 1 day for each $2.10 paid.	75 percent with a charge of entitlement at rate of 1 day for each $1.25 paid.	90 percent with entitlement charge at rate of 1 mo. for payment equal to rates shown in 9(a).
(c) Private pilot's course allowed	Yes	Yes, if it is to be followed by advanced course	No.
21. Correspondence:			
(a) Payment	Cost up to $500	Cost	Cost effective June 1, 1966 90 percent if enrolled after Dec. 31, 1972.
(b) Entitlement charge	¼ elapsed time	¼ elapsed time	¼ elapsed time—June 1, 1966—1 mo. for each payment equal to rates shown in 12 effective Oct. 1, 1967.
22. College Level:			
(a) Full time	12 semester hours	14 semester hours	14 semester hours or 12 semester hours if considered full time by school.
(b) Statutory ceiling	Yes—same as 12. above	None	None.
(c) Absences permitted	30 days a year	Not limited	Not limited.
(d) Tuition, fees, books and supplies	Limited to cost not to exceed $500 per school year unless veteran elected to have additional paid with a charge of 1 day for each additional $2.10 paid.	Not paid	Not paid.
(e) Prepay	No	No	Yes—Effective Nov. 1, 1972.
23. Other institutional:			
(a) Full time	25 hr per week effective June 22, 1944, effective Oct. 1, 1950, 30 hr of attendance required in shop practice courses.	25 hr net instruction, 30 hr attendance in shop practice courses.	25 hr net of instruction, 30 hr of attendance in shop practice courses.
(b) Statutory ceiling	Yes—same as 12c	None	None.
(c) Absences permitted	30 days a year	30 days a year	30 days a year.
(d) Tuition, fees, books and supplies	Limited to cost not to exceed $500 for ordinary school year unless veteran elected to have additional paid with an additional charge of 1 day for each $2.10 paid.	Not paid	Not paid.
24. Foreign:			
(a) Level	All school levels	Institutions of higher learning	Institutions of higher learning.
(b) Payments	Same as for U.S	Same as for U.S	Same as for U.S.

EDUCATIONAL ASSISTANCE RATES—GI BILL

Type: Dependency status	World War II rates*			Korean conflict	Post Korean conflict			
	Public Law 346, 78C June 22, 1944	Public Law 268, 79C January 1, 1946[1]	Public Law 512 80C April 1, 1948[2]	Public Law 550, 82C August 20, 1952	Public Law 358, 89C June 1, 1966	Public Law 77, 90C October 1, 1967	Public Law 219, 91C February 1, 1970	Public Law 540, 92C October 1, 1972
Institutional:								
None	$50	$65	$75	$110	$100	$130	$175	$220.
1	$75	$90	$105	$135	$125	$155	$205	$261.
2	$75	$90	$120	$160	$150	$175	$230	$298.
Each additional	None	None	None	None	None	$10	$13	$18.
Job:								
None	$50	$65[3]	$65[3]	$70[4]		$80[5]	$108[5]	$160.[5]
1	$75	$90	$90	$85		$90	$120	$179.
2	$75	$90	$90	$105		$100	$133	$196.
Each additional	None	None	None	None		None	None	$8.
Correspondence	Established charges not to exceed $500			Established charges	Established charges prior to Jan. 1, 1973. Enrollments after Dec. 31, 1972—90 percent of charges.			
Flight	Established charge with accelerated entitlement charge of 1 day for each $2.10 paid.			75 percent of charges with entitlement charge of 1 day for each $1.25.	None	90 percent of charges with entitlement charge of 1 mo for payment of amount equal to full-time no dependent rate.		
Cooperative:								
None	Job rates plus pro-rata part of additional for institutional training.			$90	$80	$105	$141	$177.
1				$110	$100	$125	$167	$208.
2				$130	$120	$145	$192	$236.
Each additional				None	None	$7	$10	$14.
Farm:[6]								
None		$65[7]	$67.50	$95		$105	$141	$177.
1		$90	$93.75	$110		$125	$165	$208.
2		$90	$97.50	$130		$145	$190	$236.
Each additional		None	None	None		$7	$10	$14.

*Does not include tuition, fees, books, supplies and equipment paid directly to school up to $500 for ordinary school year. (If veteran elected to have excess charges paid by VA his entitlement was charged 1 day for each additional $2.10 paid.)

[1] Effective Aug. 8, 1946, Statutory ceiling of $175 on allowance plus earnings if no dependents and $200 for dependents.

[2] Statutory ceiling increased to $210 for no dependents, $270 for 1 dependent and $290 for 2 or more dependents.

[3] Subject to reduction based on statutory ceiling and wage differential (difference between trainee and journeyman wage).

[4] Statutory ceiling of $310 on allowance plus earnings—allowance reduced at 4 mo intervals.

[5] Reduced at 6-mo intervals.

[6] World War II and Korean conflict provided institutional on-farm; post Korean conflict provides farm cooperative.

[7] Added effective Sept. 1, 1947.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE. Mr. Speaker, I expect to vote to override the President's veto of the Veterans' Education and Rehabilitation Amendments of 1974, H.R. 12628, and I urge my colleagues in the House to follow a similar course.

The House passed this legislation on February 19. Because of controversy surrounding the legislation, veterans in training have gone through the year of 1974 without an increase in allowances, even though the change in the cost-of-living index has now exceeded 20 percent since the last increase.

Throughout consideration of this legislation, we have tried to be mindful of the position of the administration, particularly its opposition to certain features such as the tuition supplement plan which would cost over one-half billion dollars a year. That feature has been removed from the legislation.

The administration opposed the extension of training time from 36 to 45 months, and we have curtailed that extension by limiting the increased time to the pursuit of an undergraduate degree.

The loan program has been scaled down from $2,000 per year, which originally passed the Senate, to $600, and the loan will only be available to those individuals who cannot obtain a loan under the programs administered by HEW.

The administration objected to the method of funding the loan program, and we altered that to accommodate the administration's views.

In making these changes, we have cut the cost of the bill as it passed the Senate by more than one-half billion dollars. We have refused, however, to alter the fundamental purpose of the bill; that is, provisions which will give the veteran going to school a raise commensurate with changes in the cost-of-living index. This legislation should have been signed into law at the beginning of the fall term. It was held up because of the threat of a pocket veto, and I can think of no reason why it should be held up any longer. It borders on the ridiculous for the administration to be urging the Congress to extend unemployment insurance, adopt various other kinds of make work programs to provide employment for the unemployed, and at the same time refuse an adequate education and training allowance for young veterans attending school and attempting to prepare themselves to enter the job market. It is well known that the rate of unemployment among young persons, particularly minority groups, is much higher than the average levels of unemployment among older employees. For my part, I much prefer to keep a veteran in school than to spend money on keeping him standing in the unemployment compensation line.

It may be that the administration is seeking to establish some sort of record of frugality in an effort to place the blame on the Congress for inflationary trends, and I certainly do not propose to establish administration political strategy, but Vietnam veterans are entitled to raises at least sufficient to keep up with cost-of-living changes.

Mr. DORN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Massachusetts (Mrs. HECKLER), a member of the Subcommittee on Veterans' Education.

Mrs. HECKLER of Massachusetts. Mr. Speaker, as the ranking minority member of the Veterans' Education Subcommittee, and as one of the principal authors of H.R. 12628, I rise to urge the House to override the President's veto of this legislation.

The arguments in favor of increasing and expanding veteran education benefits, which moved the House to pass this bill earlier in the session, are now so compelling that an override is warranted.

The fundamental purpose of this bill is to provide veterans of the Vietnam era with education benefits on a par with those provided veterans of other conflicts. In drafting this legislation, we have taken careful measure of the increased cost of postsecondary education, as well as the constant upward spiral in the cost of living, which affects students as deeply as anyone else.

The President contends that an 18-percent increase would keep pace with inflation. The fact is that 15 percent was appropriate over a year ago, when I first proposed such an increase in the Education Subcommittee markup, in October of 1973. Since then, we have experienced inflation at a rate of about 1 percent a month, therefore pushing education costs higher than even the 23 percent provided in this bill. Should this rate of inflation continue, it will eat very quickly into the real impact of this increase.

In addition, we have created a new tuition loan program, so that veteran students in high-tuition States will have an additional source of assistance in paying their school bills. The new loan program is our response to the inescapable fact that even monthly subsistence payments under the existing program do not meet the cost of attending many State-supported schools, such as the State University of New York where the average in-State tuition is now over $900, and at the University of Vermont, where tuition is more than $1,000. In the months ahead, more and more schools will, as they have announced, increase tuition and other charges to the point where a veteran, even with his monthly checks, will not be able to attend. The loan program will allow some students to exercise greater freedom of choice in selecting their school.

We have also provided for an additional 9 months of benefits, because we found that a significant number of Vietnam-era veterans were finding it necessary to work part time to get through school. This necessarily stretches out the time needed to finish one's baccalaureate program. I know of many veterans who have used up their existing benefits, yet have not finished school because of work requirements. Without these additional 9 months of benefits, they will have to leave school. This would be a tragedy.

Mr. Speaker, we on the committee have faced the hard reality that if the veteran education program is to continue to be of any real use to veterans, then the benefits must meet the actual costs borne by the student. To do any less would make the GI bill a mockery, and would cheat the veteran out of an education he deserves.

When the GI bill was first enacted, the Congress recognized that young men and women who delayed their education in order to serve their country deserved, as a matter of right, an education paid for by the Nation, in gratitude for their service. The Vietnam-era veterans have certainly fulfilled their commitments to the country. They served in one of the most bitter, divisive wars in which this Nation has ever participated. It is now time for this country to fulfill its commitment to them.

I ask my colleagues to join with me in voting to override the President's veto, and reaffirm that the welfare of our veterans remains one of our first priorities as a nation.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from New York (Mr. Dulski).

Mr. DULSKI. Mr. Speaker, I would like to associate myself with the remarks made by our chairman, the gentleman from Texas (Mr. Teague), and I also have had the pleasure of working with the distinguished gentleman from South Carolina (Mr. Dorn) and I also shall vote to override the veto.

Mr. Speaker, this week we will be voting on overriding the President's veto of H.R. 12628, the Veterans' Education and Rehabilitation Amendments Act of 1974.

As one of the conferees who worked for several months to reach agreement on a fair bill, I am convinced we have produced an equitable, necessary, noninflationary piece of long-overdue legislation. I regret that the President does not share this view.

The Senate-added direct tuition provision was a major stumbling block for some time. The administration opposed this subsidy, and we have been strongly criticized by the past commander of the American Legion for our decision to eliminate it. In fact, given the national economic situation, it could be construed as inflationary, would have been vetoed, and an override would have been difficult, if not impossible.

On Thanksgiving Day, several students, representing thousands of veterans, visited me at my home to present a petition urging enactment of the compromise version of H.R. 12628. I am inserting the text of their letter addressed to President Ford:

Erie Community College-North,
Williamsville, N.Y., November 25, 1974.
President Gerald Ford,
White House,
Washington, D.C.

Dear President Ford: The following resolution has been unanimously accepted by the Student Association of Erie Community College, North at their November 25, 1974 meeting:

Whereas the President of the United States of America has under his consideration S2784 and HR12628, which would increase the benefits available to the veterans of the military services of the United States of America, and

Whereas these veterans of the military services of the United States of America are loyal patriots dedicated to the principles of democracy, and

Whereas these veterans of the military services of the United States of America have served with pride and gallantry in an armed conflict beyond the shores of the United States of America, and

Whereas these veterans of the military services of the United States of America have not received benefits equal to the returning veterans of World War II or the Korean Conflict, and

Whereas the veterans of the military services of the United States of America, through these bills under consideration, are seeking to increase their education, and by this means increase their taxable income, and

Whereas the United States of America is currently suffering from the most agonizing inflation crisis in the lifetime of these young American citizens,

Now, therefore, be it

Resolved that the Student Association and the Student Veteran's Association of Erie Community College, North Campus, Amherst, New York, 14221 do hereby ask and demand that the President of the United States of America immediately give his signature and seal of approval to these proposals which would give these citizens a more equitable return for the years of service which they have given to this great country.

Yours truly,

Louis A. Starr,
President, Student Association, ECCN.

Mr. Speaker, I was pleased to accept the petitions, and reiterated my support for the bill. My strong feelings about the merits of the measure are expressed in the following letter which I sent to the President on November 20:

November 20, 1974.

Honorable Gerald R. Ford,
The President,
The White House,
Washington, D.C.

Dear Mr. President: Reference is made to H.R. 12628, the Veterans' Education and Rehabilitation Amendments Act of 1974, which has arrived at your desk for signature.

I cannot urge too strongly that you approve this reasonable compromise version of badly-needed improvements in our veterans' educational benefits.

You are, I am sure, aware of the enormous amount of time, effort, and conciliation expended by members of House and Senate Veterans' Affairs Committee to clear this bill.

Those of us who are most concerned with veterans' matters have very reluctantly concluded that we cannot, in view of the total economic situation, increase these benefits as much as we would like. We have heeded your objection to "inflationary" costs of earlier compromises, and feel that the bill now before you represents an equitable balance between the demands of the budget and the needs of the veterans.

I would like to remind you, Mr. President, of your own words three weeks ago at the Tomb of the Unknown Soldiers, "We owe more than we can ever repay to the veterans of all wars in which this Nation has been involved. . . . I intend to see to it that the silent heroes—the more than 6½ million Americans who served their country in the Vietnam era with quiet courage—are not forgotten."

Congress is trying to keep that commitment in a spirit of cooperation with you; I urge your signature for the same purposes.

Sincerely yours,

T. J. Dulski.

Nevertheless, the President has chosen to veto the bill, making one of the Nation's most loyal and deserving groups a scapegoat for indiscriminate budget cutting.

The budget has to be cut. The veterans' education and rehabilitation benefits program is not the place to do it. Let us promptly override this unwise veto, and end the months of uncertainty and need for those men and women who served their country so well.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Ohio (Mr. Wylie) a member of the committee.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding me this time. I want to take this opportunity to say to the distinguished gentleman from South Carolina, the chairman of the Committee on Veterans Affairs (Mr. Dorn) that the gentleman will be sorely missed as their chairman of that committee. In his capacity he has labored hard and long for our veterans. It has been a real pleasure and a real honor for me to serve with the gentleman from South Carolina. I have an extremely high regard for the gentleman.

Mr. Speaker, I rise to urge the Members of the House to pass H.R. 12628, notwithstanding the objections of the President of the United States.

Mr. Speaker, a GI education benefits bill was passed by this House back in February of this year, which was somewhat more modest in cost than the bill before us today. President Ford had indicated earlier that he would sign a bill which provided an 18.2-percent increase in benefits. This bill, as has been pointed out, provides for a 22.7-percent benefit to $270 per month, extends entitlement from 36 to 45 months, and provides a loan program.

The members of the Committee on Veterans' Affairs and the Members of the Conference Committee have labored hard and long to produce a bill which would enable the Vietnam veterans to readjust to civilian life. It is either this bill or nothing, as far as any increase in GI benefits for veterans is concerned in this Congress. We have done the best we could. I really and honestly think we did very well.

The President vetoed the bill on the ground that it is inflationary. I respectfully disagree with that. The additional cost in this bill between the 18.2 percent increase which the President recommended and the 22.7 percent increase in this bill is about $137.5 million for fiscal year 1975. As I indicated, the President said he would sign an increase in the amount of 18.2 percent. So this is hardly an exorbitant increase in a budget of $300 billion.

Besides that, it has been established, by research, that the veteran who took advantage of the GI bill after World War II has paid 100 percent more in taxes than the actual cost of the educational benefits granted him, and the incomes of such veterans are substantially higher than those veterans who did not take advantage of the GI bill.

Mr. Speaker, this bill, in my judgment, represents a proper and meaningful way to develop our human resources. In my judgment the bill is not inflationary. I believe the bill should be passed notwithstanding the veto of the President.

Again I thank the distinguished gentleman from South Carolina for yielding me this time.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York (Mr. WOLFF) a member of the committee, and one who has worked hard for this legislation.

Mr. WOLFF. Mr. Speaker, I thank the gentleman from South Carolina for yielding to me. I want to echo the statements of my colleagues on the committee to express my appreciation for the fine cooperation and leadership that the chairman has displayed throughout his term as the chairman of the committee.

Mr. Speaker, I rise in support of overriding the veto of the Veterans' Education and Rehabilitation Amendments Act, H.R. 12628. I want to express my utter dismay over the President's action in vetoing this important legislation. I had hoped that the President would reconsider his position in opposition to this bill, both in the interests of providing our veterans with the assistance they need and deserve, and in the interests of working in a spirit of cooperation with the Congress.

Vietnam veterans have been awaiting action on legislation to upgrade the GI bill for close to a year. They have watched as attempts to significantly improve their education program have been sidetracked or defeated time and again. Recent studies have proven that the Vietnam-era GI bill does not provide a level of assistance equal to its World War II predecessor. The bill which was vetoed by the President is not really the final solution to bringing the present GI bill up to a par with the World War II program; while H.R. 12628 is an important measure, it should not be considered as the last word improving the GI bill. Veterans who realize this have good cause to seriously question the expressions of good faith made to them by the President, and they will be justified in accusing Congress as well of lacking credibility if we fail to override this veto.

The President has labeled H.R. 12628 an "inflationary" measure; this is his primary justification for vetoing the bill. Congress is well aware of the responsibility we have to curb Federal spending to combat inflation, but budget cuts in this area simply cannot be justified. It has been proven over the years that adequate educational opportunities increase the earnings capability and economic output of our veteran population; thus, money spent on improving educational opportunities is rightly viewed as an investment which yields a return that is in the best interests of the economy and of the Nation. Unemployment among Vietnam veterans has consistently been above the national average; a Harris survey in 1972 indicated that the rate was between 11 and 15 percent, and as high as 21 percent for nonwhite veterans and 31 percent for those who are not high school graduates. The situation has changed little since that survey was published. Unemployment among any sector of the society is a drain upon the economy and actually costs the Government money. Making the GI education bill accessible and financially viable for more veterans is one major step we can take to combat the unemployment problem; it is, in the long run, an anti-inflationary approach.

In one of his earlier messages to Congress expressing his concern over the "inflationary" aspects of a 23-percent increase in education benefits for vets, President Ford also stressed, in the same message, the importance of continued aid to certain nations overseas, in particular Southeast Asia. Mr. Speaker, I fail to understand a system of priorities which places aid to Vietnam above assistance to those who fought in Vietnam. I ask my colleagues if they, too, can justify sending millions of dollars in aid to Vietnam, yet fail to provide well-deserved assistance to our Vietnam veterans.

When H.R. 12628 passed the House in its present form, I expressed my concern over certain shortcomings in the bill—its failure to include a tuition supplement provision, its restriction of the additional 9 months of entitlement to undergraduate work only, the disparity between the 23-percent increase in education benefits and the 18-percent increase in vocational and on-the-job training benefits. I expressed my hope that in the months ahead, Congress would address itself to correcting these shortcomings, not backtrack on what we have already done.

If we fail to override the President's veto, we will not be able to move forward; a year of "good faith" effort to assist our young veterans will have been for nothing. The time for compromise with the administration on this issue is long past. I urge my colleagues to join with me in reaffirming the credibility of this Congress by voting to override the President's veto.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. DORN. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the Chairman for yielding.

Mr. Speaker, I rise in support of the remarks by the distinguished chairman, the gentleman from South Carolina (Mr. DORN), the distinguished chairman of the subcommittee, the gentleman from New Jersey (Mr. HELSTOSKI), and the ranking Member from Arkansas (Mr. HAMMERSCHMIDT) and compliment the gentlemen for seeking to override the Presidential veto of these long-needed adjustments and increases of veterans' benefits for Vietnam-era veterans.

I have consistently supported these vital proposals designed to assist our veterans by providing benefits that are not inflationary, but benefits that are essential and adequate for educating and training our veterans who have given so much for their Nation.

Our veterans have been struggling too long with the spiraling costs of living and with the present inadequate benefits. It is grossly unfair to restrict veterans' benefits at a time when they are so sorely needed.

Accordingly, Mr. Speaker, I urge my colleagues to give appropriate recognition to our veterans by overriding this Presidential veto.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the chairman for yielding.

Mr. Speaker, I associate myself with the remarks of my chairman, the gentleman from South Carolina (Mr. DORN), and with the chairman of the subcommittee, the gentleman from Texas (Mr. TEAGUE).

I want to urge all of my friends on both sides of the aisle to vote to override this veto. This bill is not inflationary; it simply gives to the veterans who have earned it and who have deserved it a right to an increase in benefits to put them on a par with veterans of past wars.

Again, I urge my colleagues to override this veto.

Mr. DORN. Mr Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I rise in support of the motion to override the President's veto on H.R. 12628, the veterans' education and training bill. I was frankly surprised when the President announced his intention to veto this bill. I know of no piece of veterans' legislation that has received more attention than this bill. It has been under active consideration by the Congress for more than a year now and the leadership of the House Veterans' Affairs Committee has been sensitive to the wishes of the administration to make this bill as conservative as possible consistent with equity. The conferees reduced the scope of this legislation over one-half billion dollars and has conscientiously attempted to meet most of the objectives of the administration. It is for this reason that I was surprised when the President said he would veto the bill.

By the end of the year, the cost of living index will have risen more than 22 percent which is the change in the cost of living index since veterans last received an increase. The education and training allowances provided by this legislation are modest. A single veteran will receive $270 per month. A married veteran will receive $321 per month. From these allowances a veteran must pay his tuition, fees, books, and living expenses. Obviously with these small allowances a veteran cannot stand a 22-percent increase in cost without a raise.

This bill will only cover cost-of-living changes until January 1. If the rate of inflation continues, veterans in school will start falling behind again after the first of the year. The program is vigorous. There are more than a million and a half veterans in training, many veterans unable to find employment have realized that they must prepare themselves if they are to find gainful employment. In my view, it is far better to use Government resources to keep young men in school than it is to spend large sums raising and extending unemployment compensation and supporting government work programs. I do not believe this legislation is inflationary. Its enactment is an act of simple justice and I expect to vote to override the veto and hope that my colleagues will vote to override this veto in overwhelming numbers.

Mr. DORN. Mr. Speaker, I yield to the distinguished gentleman from Indiana (Mr. LANDGREBE) such time as he may consume.

Mr. LANDGREBE. Mr. Speaker, I have consistently supported legislation to assist our veterans. I voted for H.R. 12628 when it passed the House last February. I even voted for the conference report, even though it had raised the original 13.6-percent increase of the House bill to 23 percent for education programs and 18 percent for vocational programs, and added two new provisions: an extension of eligibility from 36 months to 45 months and an authorization of a student loan program at a level of $600 per year per student.

These new provisions, plus making the assistance retroactive to September 1, 1974, bring the package to an amount that is $600 million over the budget in fiscal 1975 alone. This, the President pointed out in his veto message, is simply more than our present inflationary economy can stand.

Mr. Speaker, I must change my previous vote and support the President by voting to sustain his veto. He has a much better grasp of the current economic situation than does Congress, which simply passes spending bills with no projection of their economic effects and no sense of fiscal responsibility. Furthermore, the President has endorsed a 20-percent across-the-board increase in Veteran's educational benefits—which is far more than the 13-percent increase the House passed just last February—but without the costly new provisions added in conference.

It is interesting to note that since the House passed this bill in February with the 13-percent increase, the economy has steadily gotten worse due to inflation. Yet, at the same time, the bill has steadily grown as well. In the face of growing inflation, Congress increases Federal spending, thus insuring that inflation will get even worse. Arguing that the inflation makes it harder on veterans and thus their benefits must be increased even further, is simply an evasion of reality. It is true that inflation makes it tougher on veterans, but it is the deficit Federal spending that has caused the inflation in the first place. It is like the old practice of bleeding the patient to cure his fever; this only makes the patient worse off since he is losing his lifegiving blood. Congress, refusing to acknowledge that their deficit spending policies are bleeding the economy, simply prescribe more and more deficit spending—bleeding the patient—the economy—to cure the fever—inflation.

Mr. Speaker, such a practice must stop. What the country needs is a good shot of inflation-curing penicillin, also known as fiscal responsibility.

Mr. FRASER. Mr. Speaker, with his veto of H.R. 12628, the Vietnam Era Veterans Readjustment Assistance Act of 1974, President Ford once again is pushing those least able to defend themselves into the battle against inflation. This veto, coming close on the heels of the veto of H.R. 14225, the vocational rehabilitation bill, and the earlier veto of H.R. 15301, a railroad retirement bill, can leave no doubt but that the President has singled out for veto those bills aimed at alleviating the hardships imposed by inflation on persons least capable of weathering this difficult time.

The President has claimed that H.R. 12628 is inflationary. My colleagues will well remember that it was this same claim which led to the watering down of an earlier conference committee report on H.R. 12628. This original proposal would have done much to bring the education benefits offered today's veteran up to parity with the benefits offered WW II veterans. However, due to pressure from the White House some important provisions of the bill were dropped. This action was taken in order to make the President aware of congressional willingness to go the extra mile in the fight against inflation. Now, even in spite of this the President has again chosen to make indiscriminate use of his veto power.

In light of the President's recent use of the veto there can be no doubt but that the Congress will have to take the lead in assuring that the burdens of inflation are not imposed too heavily on any one group. Sacrifices will have to be made. But in making these sacrifices we must not forget the needs and rights of any segment of our society.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise today in support of H.R. 12628 and to urge my colleagues to vote to override the President's veto of the bill.

Our Nation has, as a part of its heritage, a tradition of gratitude to those who have served in our armed forces. A part of this tradition is our longstanding commitment to educational opportunities.

Our Vietnam era veterans have some very unique and special circumstances to cope with. This legislation provides them with the means to do so and is vital to their transition back into a normal and productive life.

Our returning veterans need our help in affording them adequate financial assistance to obtain the educational status they would normally have aspired to and achieved had they not served their country. This legislation provides this incentive by raising educational benefits to a level sufficient to meet the rising costs of going to college.

Education is essential to a strong and healthy nation. This legislation is a sound investment in the future of America.

If one goes back and looks at the educational programs provided for veterans of previous wars one cannot help but see that the money spent has been more than repaid to the U.S. Treasury.

Ms. ABZUG. Mr. Speaker, when President Ford took office he not only promised the Nation more openness and candor in Government, but he also promised to meet Congress half-way. Since then he has taken numerous actions which have raised serious doubts about his commitment to either principle. On October 17, 1974, he vetoed the Freedom of Information Act Amendments which were designed to open Government to public scrutiny. And on November 26, 1974, he vetoed H.R. 12628—Vietnam Era Veterans' Readjustment Act of 1974—a bill which is a product of innumerable compromises, each designed to make the assistance program less effective and more palatable to the administration. Congress has gone more than half-way only to learn that the President is unwilling to budge. Compromise is a two-way street; Congress has done its fair share and now it is time for the President to do his.

The original conference report which was itself a product of constructive compromise sought to increase from 36 to 45 the number of months over which educational assistance could be paid to veterans. Of all the provisions in that report, it was that 9-month extension which veterans, nationwide, most wanted and almost received. I vigorously supported the 9-month extension, and was understandably dissappointed when the second conference report—in apparent deference to the President—slashed the extension provision, and replaced it with a provision limiting a veteran's entitlement to 36 months plus an additional 9 months for undergraduate study only. This compromise version precluded a veteran from receiving assistance for more than 36 months of graduate study and also precluded those who had obtained assistance for 36 months of undergraduate study from receiving an additional 9 months of assistance to cover their first year of graduate school. This compromise in my opinion emasculated the purpose of the 9-month extension provision as set forth in the original conference report: To provide veterans with assistance for the first year of graduate school. But even this emasculated 9-month extension was objected to by the President in his veto message. In short, this compromise was in essence an unfortunate and unnecessary give-away to an administration unable to recognize either a compromise or human need when it sees it.

The bill is replete with additional examples of this body's willingness to meet the administration half-way. Specifically, the original conference report permitted the veteran to borrow up to $1,000 per year from the Federal Government for educational purposes. The second report, however, reduced this figure to $600 per year. It cannot be overlooked that even this very limited loan provision was attached by the President in his veto message as "inefficient" and too costly.

Basically this bill merely increases the educational support assistance by 22.7 percent. That is to say, a veteran without dependents would now be entitled to receive $270 per month as opposed to $220 per month. The President in his veto message found the 22.7-percent increase too much and requested that we lower the increase to 18.2 percent. Yet, this 22.7-percent increase does not even keep pace with inflation. As it now stands it is virtually impossible to survive in New York City on $270 per month; this is even more true if the student is forced to pay tuition.

On Veterans Day of this year Mr. Ford praised those American soldiers who had died in combat; on his recent trip to Asia Mr. Ford took time out to visit American troops stationed in South Korea. Apparently the President's words of praise are limited only to the dead and those presently serving. His failure to sign this bill represents just another example of this administration's indifference to the educational needs of those men and women who gave part of their lives and in some cases, their health, to fight in an unjust and illegal war.

Mr. Ford vetoed this bill because he wishes to curtail Government spending. But on the very day that he vetoed this bill, the House passed with the blessings of the administration a multi-billion-dollar military construction appropriation bill. Furthermore, I do not recall the prior administration, or even Mr. Ford while he was in Congress, raising the specter of excess Government spending when it came time to appropriate hundreds of billions of dollars to fuel an immoral and illegal war in Indochina. Now, however, when it comes time to make some small payment for some of the human suffering caused by that war, the administration screams "excess Government spending."

For the foregoing reasons I urge each Member to vote to override this most unfortunate veto.

Mr. HUDNUT. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 12628, the Vietnam Era Veterans' Readjustment Assistance Act of 1974. In my view, rather than being inflationary this legislation is a sound investment in the future of America. Any further postponement of the long overdue and badly needed increases and improvements proposed in the bill will be tragic for millions of Vietnam Veterans. In an effort to reach a compromise, the Congress trimmed a number of provisions in H.R. 12628 before sending it to the President.

These veterans have already made a sacrifice in the national interest by their service in the Armed Forces during a very trying period of American history. It does not seem fair to call upon them to make a second sacrifice at the expense of their future in the battle against inflation. While sacrifices must be made to curb inflation, I do not feel our veterans should be called upon to bear so much of the burden. These thousands of young men and women, who served our country in the longest and most thankless war in our Nation's history, should be given every opportunity to obtain the educational assistance they need and so richly deserve.

Mr. BADILLO. Mr. Speaker, during this period when millions of fellow citizens are without jobs, when the cost of an education is soaring beyond the reach of many Americans and when daily living expenses are increasing at astronomical rates, I find it inconceivable that the President should have so little regard for those men and women who served their country during our military misadventure in Southeast Asia as to veto the Vietnam Era Readjustment Act.

This far reaching measure would greatly benefit the thousands of men and women who served their country by performing military service during an unpopular war. In a time when institutional education is becoming far too expensive for so many students, this measure would aid many veterans in meeting the financial needs to pursue a higher education. It would also assist those veterans seeking professional training by lessening their financial hardships.

We must clearly realize, Mr. Speaker, that a very large percentage of the Vietnam veterans represent the Nation's minorities and disadvantaged—blacks, Spanish-speaking and low income sectors of our society. They have been especially hard hit by the many inadequacies in the present veterans' educational benefits, the inflationary spiral and the increasingly tight job market.

Mr. Ford claims that this bill is "an excessive increase and liberalization" of veterans' benefits. Does he not realize that we are in the mid-1970's and that conditions today are far different from those which prevailed when the first GI bill was enacted into law? Is he so oblivious to the current state of the economy that he cannot understand that, in terms of simple dollars and cents, it costs far more to receive a college degree or professional training than it did 5, 6, or 15 years ago and that the meager living expenses dolled out to veterans cannot even meet their most basic human needs?

In the city of New York there are approximately 300,000 to 350,000 Vietnam-era veterans, probably the largest single concentration of Vietnam vets in the Nation. It has been estimated that less than 9 percent of them are taking advantage of the educational benefits presently available under the GI bill because of the severe limitations. This figure reportedly does not take into account the enrollment attrition caused by financial dropouts—those who were forced to suspend their studies because the veterans' educational allowance was simply inadequate to cope with the inflationary costs of living and education. And let us not forget that many of these veterans are married and must be concerned with supporting a family in addition to pursuing their studies.

Mr. Speaker, the Vietnam-era veterans have endured financial and educational hardships for far too long and it is time that we took affirmative steps to correct these inequities. The legislation cannot be considered inflationary when you take into account the fact that a college graduate can be expected to earn about a quarter of a million dollars more than a high school graduate thereby contributing to the economy through taxes and that enabling these men and women to remain in school and training programs will prevent a drain on public resources by keeping them out of the unemployment lines.

I urge, therefore, that our colleagues join in overwhelmingly rejecting Mr. Ford's ill-considered veto and overriding it to insure that Vietnam veterans receive those educational allowances and other benefits to which they are properly entitled. I believe we have an obligation to properly assist these men and women and we have the chance this afternoon to deliver on it.

Mrs. HOLT. Mr. Speaker, it is regrettable that the President vetoed H.R. 2628, which provides a 23-percent increase in education and training benefits for veterans.

Many thousands of Vietnam war veterans are in critical need of the benefits that would be provided by this legislation. Inflation is crippling their ability to obtain the training and education they need to pursue meaningful civilian careers.

There are many people in this country who are willing to shower tolerance and sympathy on draft-dodgers and deserters, but I believe the war veterans are the ones who deserve our concern.

Our Vietnam veterans served their country in a very nasty, unpopular war. They did not shirk their duty. They deserve our gratitude and our help.

Mr. Speaker, this House must override the veto of the President.

Mr. BIAGGI. Mr. Speaker, I rise in unqualified support of this motion to override perhaps the most tragic and unnecessary Presidential veto to date, that of the Veterans Education and Training Act of 1974. We in the House must override this action or else be equally culpable for the failure to provide the millions of Vietnam-era veterans with the educational benefit relief they so desperately need.

This bill has already had too long of a legislative history. It has been since February when the House first passed this bill, and in the succeeding months, it has been the victim of excessive compromise between the House and the Senate, and the result was the bill which the President has vetoed. The motive of the Congress in enacting this bill was simple, namely, to begin to pump in urgently needed educational benefit assistance to veterans many of whom were faced with the prospect of having to leave school because costs had become too prohibitive. Many veterans faced the September term with apprehension not knowing when they might receive their benefit checks, and, unfortunately, their fears were justified. Unless we reverse the President's action, many of them will find it very difficult to resume their studies for the spring term.

The President referred to this bill as being overly inflationary, containing an "excessive increase and liberalization of benefits." Yet when one considers cold hard economic facts, the 23-percent increase in benefits will allow many veterans to barely cover their school expenses which have really been the inflationary culprit in this situation. What we provided in this bill is not only necessary but critical for the educational future of millions of Vietnam-era veterans. No one will get rich off this bill, but rather it may mean the difference between remaining in schools, or joining the growing ranks of the unemployed, which would truly be an inflationary action.

The Vietnam-era veteran, since his return from the battlefield, has been forced to do battle with domestic enemies far more dangerous than those he faced in Vietnam. They returned to find the highest inflation in a quarter century, coupled with the most depleted job market in over a decade. Many of them were high school graduates when they left for the service, and felt that the key to future success rested with the completion of their college education. Yet, the costs of tuition, books, and other related expenses had risen so dramatically that their old GI bill benefits did not cover these costs. Much reference has been made to the fact that the returning World War II veteran had a much easier time of it, as their benefits under the GI bill not only adequately covered their educational costs but in many cases a good portion of their living expenses as well. It is reliably computed now that present GI benefits for veterans is just barely equivalent to the figure which World War II veterans received for living expenses. This is a disgrace of enormous significance.

I expect the support to override will be strong among my colleagues. I hope it is overwhelming and that it effectively shows to the President our extreme displeasure over this unnecessary veto of H.R. 12628. The Vietnam-era veteran is entitled to the provisions of this bill and more. Let us free these men from their latest battle, that with an administration who views their plight with alarming indifference. Let us demonstrate to them that their future is important to us and the Nation.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of the effort to override the President's veto of H.R. 12628, the Vietnam Era Veterans Readjustment Act.

This measure, which the President chose to veto, would provide increases in veterans' benefits of 22.7 percent for monthly educational assistance and training allowances, and 18.2 percent for the vocational rehabilitation subsistence allowance.

In effect, this would result in an increase in benefits for a single veteran from $220 to $270 per month; for a married veteran from $261 to $321 per month; and for a married veteran with one child from $298 to $366 per month.

Rather than spur inflation, as President Ford says, the Vietnam Era Veterans Readjustment Act will counter excessive cost-of-living increases by providing veterans with a part of the funds necessary to obtain the education, training, and skills that will enable them to survive in today's competitive job market. In the long run, this proposal—by allowing a veteran to stay in school—will pay for itself with the increased taxes that higher paying jobs bring to the Treasury.

The American Legion states that;

> It is a fact, established by thorough research accomplished 25 years after the end of World War II, that the total cost of the Education Program for WW II veterans has been recovered more than 100 percent by the U.S. Treasury through the added taxes paid by WW II veterans, whose incomes are significantly higher than they would have been without the advantage of education and training under the WW II G.I. Bill.

Mr. Speaker, while this measure increasing benefits is necessary and will help the millions of veterans who are in school and in training programs, it is not the total answer. While $270 a month for a single veteran attending school fulltime is a help, it is by no means enough.

I support the veto override, and urge my colleagues to join me in voting to override the President's veto of H.R. 12628—the Vietnam Era Veterans Readjustment Act.

Mr. WIGGINS. Mr. Speaker, I have great difficulty with the issue before us.

The bill provides for extended and increased benefits to Vietnam-era veterans. I voted for the passage of this bill when it was before the House some months ago. Since that date, the President has vetoed the legislation and I now have before me the question of whether the veto should be overridden or sustained.

On balance, I have come to the conclusion that the veto should be sustained.

We all want to be fair to our veterans. But we cannot permit that laudable desire to lessen our obligation to be fair to all Americans in the management of their funds, nor to review with special care the economic impact of spending in excess of budget figures.

Since the inception of this program, Congress has been exceedingly generous in providing increases in benefit levels. If this bill is enacted, benefits will have been increased by approximately 140 percent. Obviously, such increases are far in excess of any cost of living adjustments during the life of the basic legislation.

In his message, the President has stated his support for an increase of approximately 18 percent in benefit levels, compared to the figure of 23 percent proposed in the bill. It is evident to me that the controversy is not one of whether the veterans deserve some increase; it is rather the proper amount of that increase.

In the months ahead, I expect to have a series of difficult decisions to make concerning spending levels. I am committed to the wisdom of reasonable spending restraints as part of the proper strategy to combat inflation. If I am to be faithful to the policy which I believe to be the correct one, I cannot cut and run on the first test vote.

The proposal of the President is fair and it is reasonable. I support his veto and will vote accordingly.

Mr. MURTHA. Mr. Speaker, I rise to support the veto override.

According to Department of Labor statistics, the second quarter of 1974 showed an unemployment rate nationally for veterans of 5 percent, with 290,000 unemployed in real numbers. Now this is a bit lower than some prior figures, and I believe there are some reasons for this:

One. The figures are based on ages 20–34; in the last few years very few of the younger veterans—fewer each year—are being discharged, thus the figure is becoming somewhat skewed;

Two. The unemployment figures may, in fact, be misleading—a better figure may be that 30 percent for the same reporting quarter, of the unemployed veterans spent 15 weeks or more looking for employment—I believe the conclusion here is that the veteran is unemployed longer and eventually accepts work other than he is looking for; he is no longer unemployed, but is underemployed—and this, of course, is exactly what the Vietnam Veterans Bill is intended for. Current figures for Pennsylvania—is estimated at 15,000 to 16,000.

Unemployment in the Johnstown area has at times reached as high as where 25 percent of the total unemployed were veterans.

Only 30 percent of Pennsylvania veterans were attending State colleges and universities.

A graduate of a 4-year college has projected life-time earnings that are $231,873 higher than the high school graduate.

This is not an inflationary measure but an investment in the future of the United States.

Mr. MAYNE. Mr. Speaker, throughout my congressional service of 8 years I have considered it an honor and privilege to vote for adequate support of our Armed Forces and for fair treatment of the Nation's veterans when they left active duty and returned to civilian life. So far as I am concerned no group of citizens is more entitled to the Nation's gratitude and concern. Consistent with that belief and my previous voting record in support of veterans' legislation, I must vote to override the President's unfortunate veto of H.R. 12628, the Veterans' Education Act of 1974.

On February 19 the House overwhelmingly approved legislation providing much needed improvements in educational benefits for Vietnam-era veterans. The measure then lingered in the other body for 4 months until their version of the bill was finally passed. Another 4 months transpired while conferees grappled to reach agreement on a final bill. Finally, on October 10 both bodies agreed to the conference report only to have the President veto the measure on November 26.

Mr. Speaker, it is unconscionable that over 2.1 million veterans now under the GI bill are still waiting for increases in their educational allowances 10 months after the Members of this House passed legislation substantially improving their benefits.

I can appreciate President Ford's desire to hold down Federal spending in these inflationary times. I cannot agree with him, however, that an investment in the education of our young veterans can be regarded as inflationary. It has long been recognized that for every dollar expended under the GI bill, $3 to $6 in additional tax revenues is returned. The additional educational training made possible under the bill greatly improves the veteran's chance to become a productive contributor to our peacetime economy.

In an effort to bind the Nation's wounds from a long and divisive Indochina war, the President has seen fit to show great compassion and understanding toward draft evaders and deserters. Let us not now forget the debt we owe the young Americans who agreed to serve when and where their country asked them to serve.

In light of the rising cost of living and the growing importance of post high school training, I think it is totally appropriate that we increase veterans' educational benefits by the 23 percent, provided for in the bill before us. I urge my colleagues to vote with me to override the President's untimely veto of H.R. 12628.

Mr. McKINNEY. Mr. Speaker, I have read President Ford's veto message on H.R. 12628, Veterans' Education and Rehabilitation Amendments, and while I wholeheartedly support efforts to restrain Federal spending, I simply cannot agree with the President that H.R. 12628 contains "an excessive increase and liberalization of veterans' education and training benefits."

We have haggled over this legislation for far too long; the school year has been in session over two months now and our veterans still do not know the amount of the increase due them, the period of time for which the benefits will be forthcoming, or whether there will be a loan program. Moreover, Mr. Speaker, I think the Congress has demonstrated good faith by compromising on many of the provisions of this bill. As a sponsor of the Comprehensive Vietnam Veterans Educational Benefits Act, I know that the legislation before us is a far cry from this bill as well as from the original Senate-passed measure. I believe we have pared its provisions down to the absolute necessities to insure our Vietnam veterans the means to an education and to job training opportunities so they may be properly equipped to compete in a job market in which employment opportunities are increasingly scarce.

In the longest and most thankless war in our Nation's history, we depended on these young men and now their future is dependent on our action today. I believe simple justice mandates an override of the President's veto. Moreover, I believe the investments in this legislation are economically sound. The total cost of the education program for World War II veterans has been recovered more than 100 percent by the U.S. Treasury through the added taxes paid by those veterans, whose incomes are significantly higher than they would have been without the advantage of education and training under the World War II GI bill. We can expect the same from the provisions of H.R. 12628, and I urge my colleagues to reaffirm their faith in these young men and in the future of our country by voting to override the President's veto.

Mr. ROYBAL. Mr. Speaker, President Ford's veto of the Vietnam Era Readjustment Act imposes an unnecessary and injurious burden on our veterans. This bill, as passed in final form by the Congress, establishes needed and just benefits for the veterans of the Vietnam war and post-Korea period. Its percentage increases reflect an attempt to accommodate an upward spiraling rate of inflation in this country rather than the "excessive liberalization" of benefits the President charges.

In fact, the bill as approved by conference committee represents a 46 percent reduction from the so-called substantial package of veterans' educational improvements contained in an earlier Senate version of the bill. The 23 percent in monthly subsistence allowances for the veterans to which President Ford so adamantly objects, is, in reality, a mere 3-percent higher than the level he himself suggested as a counter to rising costs.

Further, the bill limits the overall extension of educational benefits, from 36 to 45 months, to those veterans in the process of completing undergraduate degrees. It is therefore obvious that the Congress proposed a fiscally responsible measure in maintaining adequate GI benefits in light of the present economic crisis.

In contemplating the value of GI loans it is pertinent, too, to note that the default rates on veterans' loans are among the lowest of those of any group of individuals receiving similar assistance. The men who served this country ably in the Armed Forces are not only good credit risks but ultimately provide the Government with high tax revenues through the jobs they obtain as a result of postsecondary education.

Veterans' educational allowances have been traditional policy since the Korean war and have been found to be beneficial to American society on the whole. The two measures to which the President is specifically opposed are a minor portion of an overall package which is of crucial importance to all veterans of the post-Korea period. The difference between the administration's own proposals and those passed by the Congress in this regard constitute $150 million in total costs, a far smaller figure than the potential expense of providing unemployment compensation or training programs to a group whose unemployment level has already risen far above the norm.

I therefore urge my colleagues to act for the benefit of all veterans and vote with me to override this inexpedient and detrimental veto.

Mr. GUDE. Mr. Speaker, I was greatly disappointed that the President vetoed H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974.

While I appreciate and share the President's concern for reduced Federal expenditures, I do believe that there are certain priority issues which demand our attention, and that the education and training of our great number of Vietnam-era veterans is one of them. Faced with limited job opportunities upon their return to the United States and faced with the ever-increasing costs of tuition and related expenses—both problems exacerbated in these inflationary times—the economic readjustment of these veterans has been a particularly difficult one. Our increased assistance to them is most necessary at this time.

We are all familiar, Mr. Speaker, with the legislative ups and downs of H.R. 12628, going all the way back to House passage of the original bill in February of this year. The compromise bill is not all that some of us had hoped for. In July, I urged my colleagues adoption of the Senate's tuition assistance plan, and I hope that we may continue to work toward that goal, as it represents greater parity with benefits received in the past.

Nevertheless, this bill did receive overwhelming support by the House and Senate, had been thoughtfully and diligently worked out, and does represent substantial assistance. It includes among its major provisions, a 22.7 percent increase in educational allowances, a supplementary loan program under which eligible persons may obtain a loan not to exceed $600 per academic year, and an additional 9 months allowance for pursuit of training leading to a standard undergraduate college degree, beyond the 36 months to which the veteran is presently entitled.

In many instances, Mr. Speaker, at present benefit levels, the choice for the individual veteran is not even one of selecting the less expensive school over another more costly one, but of not receiving additional training and education altogether. This is a grave problem for the veterans themselves, and also for society at large, as it denies these men and women the opportunity to increase their productivity and thereby our Nation's productivity.

I thus regret the President's decision, and join many of my colleagues in voting to override the veto. Such action is necessary in order to provide adequate compensation to those who have served in our Armed Forces in recent years.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 12628, the Vietnam Era Veterans Readjustment Assistance Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, one final word. I do wish to commend all of our great veterans' organizations for their cooperation and support not only of this bill but also of all legislation which benefits the veterans and the people of this country. Particularly I wish to commend the Veterans of Foreign Wars, the Disabled American Veterans, the American Legion, the AmVets, and the Veterans of World War I, as well as all other veterans' organizations who have cooperated so splendidly with the chairman and the membership of this committee and the Members of the House.

Mr. Speaker, I now move the previous question.

The previous question was ordered.

The SPEAKER. The question is, will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 394, nays 10, not voting 30, as follows:

[Roll No. 648]

YEAS—394

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—10

Collier
Davis, Wis.
Hanrahan
Hosmer
Landgrebe
Smith, N.Y.
Ware
Wiggins
Williams
Wyatt

NOT VOTING—30

Beard
Brasco
Brown, Calif.
Camp
Carey, N.Y.
Cotter
Crane
Dent
Eckhardt
Eshleman
Fisher
Frelinghuysen
Froehlich
Griffiths
Hansen, Wash.
Howard
Huber
Jones, N.C.
McSpadden
Macdonald
Metcalfe
Parris
Podell
Rooney, N.Y.
Roy
Sebelius
Stubblefield
Vigorito
Wyman
Young, Ill.

So, two-thirds having voted in favor thereof, the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

Mr. Dent with Mrs. Hansen of Washington.

Mr. Cotter with Mrs. Griffiths.

Mr. Rooney of New York with Mr. Beard.

Mr. Vigorito with Mr. Crane.

Mr. Macdonald with Mr. Fisher.

Mr. Howard with Mr. Camp.

Mr. Brown of California with Mr. Frelinghuysen.

Mr. Eckhardt with Mr. Huber.

Mr. Metcalfe with Mr. Eshleman.

Mr. Roy with Mr. Parris.

Mr. Jones of North Carolina with Mr. Froehlich.

Mr. Carey of New York with Mr. Sebelius.

Mr. Stubblefield with Mr. Young of Illinois.

Mr. McSpadden with Mr. Wyman.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

AMENDING THE TARIFF SCHEDULES OF THE UNITED STATES—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President of the bill H.R. 6191, to amend the tariff schedules of the United States to provide that certain forms of zinc be admitted free of duty, and for other purposes.

The question is: Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope we can dispose of this matter in a minimum of time. This is a measure that has been explained to the House before, but let me refresh the memory of the Members.

Mr. Speaker, on November 26, the President returned to the Congress without his approval, H.R. 6191 which, as sent to the President by the Congress, would deal with two matters.

First, it would amend the tariff schedule to suspend until June 30, 1977, the present duties on zinc ores and concentrates and zinc-bearing materials. The President indicated that he had no objection to this feature of the bill so this is not at issue at this time.

He did, however, object to the second feature of the bill which would compensate persons in the lower income tax brackets who had property losses resulting from presidentially declared major disasters in 1972. It would do this by reducing slightly their income taxes for that year. Probably the three most significant major disasters which occurred in 1972 were those which resulted from the floods in South Dakota, the flood of Buffalo Creek, W. Va., which occurred when the coal dust dams broke, and the Hurricane Agnes floods which affected much of the entire east coast.

In cases of these types, generally individuals in the year in which the disaster occurs take casualty loss deductions on their income tax returns. In the case of these 1972 floods, the individuals involved did not know, in most cases, that they were going to be compensated for these losses. In the Buffalo Creek floods, the compensation took the form of payments on tort claims against the owners of the mines. In other cases, they represented loans from the Small Business Administration or under the Consolidated Farms and Rural Development Act where the loans subsequently were forgiven.

The tax law generally provides that when an individual claims a casualty loss deduction and then subsequently receives compensation for it, that this latter amount is includable as income in his income tax return in the year it is received. As a general proposition, I think this is a good rule, and I am not suggesting any general departure from it.

However, in the cases at hand, these people did not know that they would be recompensed for the losses and, as near as I can tell, in most cases actually were not fully compensated for their losses. As a result, I believe that for taxpayers in the lower income brackets it is wrong to require them to pick up these amounts as income. To do so would, in many of these cases, mean that the Government is giving with one hand and taking away with the other.

The bill we sent to the President is designed to give only very limited relief in these major disasters. It provides tax relief only to those in the lower income brackets—only to the extent of $5,000 of tax benefits, and only to the extent of the first $15,000 of adjusted gross income. In other words, if somebody has an income of $30,000, he could receive a benefit under this provision only to the extent of one-half of $5,000 or $2,500. The maximum tax benefit of $5,000 is available only to those with adjusted gross income of less than $15,000.

This bill was carefully designed to benefit only the small taxpayers, the ones that in practice we know were not fully compensated for their losses and the ones that have very real hardships in any event. It is wrong of the President to want to tax these poor people on this limited amount of relief that we would give them in this bill. I urge your support in overriding the veto.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I appreciate the gentleman's yielding. I have a question to ask which I believe is very important to a number of the Members.

As I understand this legislation, the forgiveness clause exemption only applies to the 1972 flood victims. I would like to recall for the benefit of the gentleman that in 1973 along the Mississippi River, especially in the Mississippi Valley, we had tremendous flood damage. In fact, this constituted the second highest level that the Mississippi River has ever reached when it has gotten out of its banks. In fact this might have been the worst flood as to the number of people affected.

There were thousands of disaster loans made. As I understand it, this bill will give exemption to the 1972 victims, but not to the 1973 victims. That seems rather unfair, that the committee would exclude 1973 or even 1974 or 1971.

Mr. ULLMAN. This measure deals only with 1972 floods. It does not deal with the forgiveness of the loans but rather the tax treatment of the amounts forgiven or the tax treatment of payments on tort claims.

The gentleman will recall that this amendment was put on in the other body. If we had originated it here, I am sure we would have looked at all other years. It was put on over there and accepted here in conference after revision which made it generally applicable to tort payments or loan forgiveness in the case of major disasters occurring in 1972.

We recognize that there is the problem that the gentleman suggests in that this provision applies only to disasters in 1972. However, there is no intention on the part of the committee to be inequitable as to similar situations in other years. It is our hope that we can go back and look at the facts with respect to 1973 and then take action on the basis of the facts as we find them for 1973 and other years.

Mr. MONTGOMERY. I thank the gentleman.

The gentleman is telling me that the committee will go back and look at those victims other than during 1972, and then legislation will be considered to correct this situation?

Mr. ULLMAN. The gentleman is making a very reasonable request, and it certainly will be my intention, and I am sure the committee's intention, to look at the facts with respect to the 1973 floods and give the matter every attention. If it merits it, certainly we will introduce legislation to give relief.

Mr. MONTGOMERY. I thank the gentleman.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. SCHNEEBELI), the ranking member of the Committee on Ways and Means.

Mr. SCHNEEBELI. Mr. Speaker, I rise in support of the motion to override the veto on H.R. 6191, which would provide for the duty free entry of zinc-bearing materials and also would grant certain tax relief to disaster victims. I do this with some reluctance since I am very aware of the budgetary problems facing the President and am generally sympathetic to them. However, I believe in this instance the President was wrong in vetoing this bill and I must add that I believe his reasons for so doing indicate that he was incorrectly informed about this bill.

Let me provide the House with some background on the amendments to H.R. 6191 which apparently are offensive to the administration and were the cause of the veto.

H.R. 6191 passed the House under unanimous consent on May 7 of this year. The House-passed measure merely suspended the duties on certain forms of zinc. On July 30, H.R. 6191 was reported by the Senate Finance Committee with two amendments. The first extended the duty suspension to all zinc-bearing material and is not at issue here. The second dealt with certain disaster losses where taxpayers were allowed flood casualty loss deductions and subsequently were compensated for those losses based on claims of tort.

This latter provision specifies that where this occurred, in lieu of taking the compensation into income immediately, the taxpayers could reduce the basis of their damaged property—or replacement property—by the amount of compensation they received up to a maximum of $5,000 of tax benefits. It provided further that the $5,000 would have to be reduced to the extent of the ratio of the taxpayer's adjusted gross income to $15,000. Excess benefits over this level would be included in the income of a taxpayer over a 5-year period.

H.R. 6191 passed the Senate on August 13, 1974, with these amendments and subsequently was referred to conference. I was a conferee on this bill and during the conference, it was decided to extend the application of the second Senate amendment to other aspects of disaster losses. The House amendment accepted by the Senate conferees dealt with the tax consequences occasioned by the cancellation of certain disaster assistance loans made in 1972.

Basically, it will assist those whose property was ravaged by Hurricane Agnes and other disasters during that year. It provides that if a Federal disaster loan is canceled and the individual to whom the loan was made had an adjusted gross income of less than $15,000, he is not required to include that forgiveness in his income for that year. The maximum amount of a disaster loss which could be canceled under Federal law to which this amendment applies is $5,000. The amendment, as in the case of the original Senate amendment, is intended to apply to lower income taxpayers.

Mr. Speaker, the House amendment was based on legislation introduced after Hurricane Agnes by me and several of my colleagues to correct an inequitable situation occasioned by the operation of the tax law on loans forgiven by the Federal Government. Many victims of that terrible disaster received loans from the Small Business Administration and the Farmers Home Administration to help them try to rebuild their lives and replace their damaged property. Under the law in existence at that time, the loans were able to be forgiven to the extent of $5,000. The clear intent of Congress was to provide relief to the recipients, not to compensate them as some, including the President, have suggested. It should be noted that one of the laws under which these loans were made was the Disaster Relief Act of 1970. Relief is the key word.

In his message returning this legislation, the President stated:

> Under current tax law, individuals are generally permitted to deduct casualty losses not otherwise compensated for by insurance, tort compensation, loan forgiveness, or other means.

I would point out that the law does not include "loan forgiveness" as compensation. Rather, the Internal Revenue Service in Revenue Ruling 71–160 concluded that the purpose of the Disaster Relief Act of 1970 was to compensate disaster victims for losses and that, accordingly, any loan forgiveness would have to be included in income. The legislation introduced by me and others was primarily designed to reverse that ruling on the ground that the intent of the Disaster Relief Act was not to compensate victims but rather to provide relief. It is not fair for the President or anyone else to say that Congress intended that "loan forgiveness" be considered compensation for tax purposes.

It should be noted that the Internal Revenue Service is applying a similar doctrine to loans which are granted under Federal and State laws to medical students who agree to serve in medically indigent areas after graduation on the condition that the loan is forgiven. And, as in this case, Congress has had to clarify that matter.

In fact, very recently the President signed legislation—agreed to by the conferees on the same day as H.R. 6191—which contained an amendment dealing with a similar issue. The amendment to H.R. 12035 delayed for 1 year the implementation of an IRS ruling which would have required students to include in income certain amounts received toward their educational expenses while participating in the Armed Forces Health Professions Scholarship program. The IRS's position on that matter was essentially the same as its position on the "loan forgiveness" feature and the principle in that case was, at least temporarily, overturned by Congress. At that time, we heard nothing about the setting of "a very undesirable precedent." If such an undesirable precedent has been established, it has been established by the Internal Revenue Service and we, in Congress, are seeking to undo the damage it has caused.

I am concerned also about the argument that this legislation provides an unfair windfall to a limited group of taxpayers. They are the ones who experienced the terrible consequences of disasters so great that our Government felt compelled to help them. These are people whose lives and property have been, in many instances, ruined and they are not being unjustly enriched. If anything, what this bill seeks to do probably won't help them to any great degree. Hopefully, it will insure that those in the lower income ranges will not be hurt additionally.

Finally, let me comment on the statement in the President's message which says that the significance of this amendment was not explored during adoption of the conference report. The CONGRESSIONAL RECORD of October 11 contains explanatory remarks by several Members of this body detailing the exact nature of these provisions. But, more importantly, they were fully discussed in the conference and Treasury officials there raised no objection to them. Since I have been a conferee, we have always given administration officials the opportunity to present the view of the administration and, in this case, no opposition or even concern was expressed. As a result, I am at a loss to understand the administration's late change in position.

Mr. Speaker, I believe this legislation is fair, humanitarian and long overdue. Therefore, I urge my colleagues to join in voting to override its rejection.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SCHNEEBELI. I will be happy to yield to the gentleman from Illinois.

Mr. YATES. I notice from the veto message the following reasons given by the President. He says:

> Under current tax law, individuals are generally permitted to deduct casualty losses not otherwise compensated for by insurance, tort compensation, loan forgiveness, or other means. If individuals choose to deduct these losses, however, and are subsequently reimbursed, the reimbursement must be included as income in subsequent tax returns. Otherwise, the individual could receive a tax break for a loss that had not cost him anything.

The President said that this bill:

> Would provide unwarranted and costly exceptions to the present law by allowing certain taxpayers who have already deducted their casualty losses to also exclude from taxable income any amount received from tort compensation or federal loan cancellations based on those losses. . . .
>
> This would result in favored treatment for a select group of taxpayers relative to others with identical or even larger casualty losses.

The question I would ask the gentleman from Pennsylvania is this: Are the remarks of the President well founded?

Mr. SCHNEEBELI. The remarks of the President are well founded if one is to consider this in the form of compensation. The original intent of the legislation was that it would not be considered as compensation but that it would be considered as relief to the people who suffered the losses. Therefore it was not a compensation loss, and the remark of the President was based upon a false premise that the Committee on Public Works which originally came out with this legislation decided that it should be a matter of relief to people who suffered the losses, so it was not compensation. So the President was in error for that reason.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, will people be receiving double compensation here?

Mr. SCHNEEBELI. I am sorry, I could not hear the gentleman. Will the gentleman repeat his question?

Mr. YATES. The President said people are being compensated twice under this bill, there is a possibility, that they would also be compensated under tort claims. In that event would they not be receiving double payment?

Mr. SCHNEEBELI. I am advised that the tort claims are entirely separate from the compensation, but that the compensation aspect of course, insofar as the Federal grant is concerned, is in the form of relief and not compensation. The people were not compensated for their losses, they were given relief.

Mr. YATES. I thank the gentleman for his explanation.

The SPEAKER. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Speaker, I yield 3 additional minutes to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. It is my understanding that the losses were much in excess of $5,000, in many instances they would have been over $50,000, which was the total amount of the loan, that was the full amount of the loss, and $5,000 of that was granted as relief, not compensation.

Mr. FLOOD. Mr. Speaker, if the gentleman will yield, I would like to associate myself with the remarks of the gentleman from Pennsylvania and say to the gentleman from Illinois (Mr. YATES) that the gentleman from Pennsylvania (Mr. SCHNEEBELI) has stated precisely and exactly the case.

Mr. SCHNEEBELI. I thank the gentleman, and I yield back the balance of my time.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. McDADE).

Mr. McDADE. Mr. Speaker, I rise in strong support of the attempt to override the Presidential veto of H.R. 6191, legislation that corrects a glaring error in the tax treatment being received by disaster victims, especially those victims of Hurricane Agnes in my congressional district.

Mr. Speaker, 2 years ago I introduced such legislation in the House of Representatives. Its purpose was quite simple and the intent of Congress was quite clear in approving it. The Government passed the Agnes Recovery Act in 1972 containing a $5,000 grant feature to help get disaster victims back on their feet. We knew this was not all we had to do. But it was a beginning. We intended that the flood victims in that terrible disaster have this grant free and clear. We never intended that in the following year the Internal Revenue Service would come back to these same people and require that they pay part of it back to the Government in income taxes.

In short, we never intended to rob Peter to pay Paul.

Unfortunately, the IRS and the administration see things differently and we are faced with this unfortunate situation here today.

One aspect of the President's veto message which I would like to set straight is the claim that this bill will result in windfall benefits for a few. I can guarantee the Members of this House that the only windfall we are talking about here is a small tax refund to thousands of poor, fixed income and elderly families whose life savings were wiped out, who are heavily in debt, and whose confidence in the Government has been shaken by having to return part of this grant. To call a small tax refund to these people, a "windfall" staggers the imagination.

Another aspect of the veto message that troubles me is the claim that this legislation will cost the Federal Treasury $130 million. These figures were arrived at by the Bureau of the Budget in a most inaccurate and haphazard way. They assumed that all flood victims had an effective tax rate of 23 percent and they multiplied that by the total number of flood grants. By their own admission, that $130 million is a guess. It is sad that such inaccurate and irresponsible calculation can effect so many innocent people.

Mr. Speaker, this legislation is necessary to correct an inequality which developed after we passed the Agnes Recovery Act. If it sets a precedent, as the President's message suggests, then it is a wise precedent because it clarifies congressional intent and eliminates a tax inequity. It is tax justice pure and simple, to thousands of families who deserve to be treated equally by all agencies of Government. I urge and hope my colleagues will vote to override this veto.

Mr. Speaker, I take this time specifically to urge the overriding of the President's veto on this bill, a veto which I believe to be ill-considered.

I believe that my colleagues, the gentleman from Pennsylvania (Mr. Schneebeli) who has done such a magnificent job in pointing out what this legislation does, and who is the ranking minority member of this committee, has explained factually what the situation is. And if the Congress cannot pass legislation in which we designate something to be a grant, if it turns out not to be a grant, I just do not know what on earth we can do to express our intent. It seems to me that this is a contest between the Congress and its legislative intent, and a subsequent ruling by the Internal Revenue Service deciding, in spite of the word "grant" which the Congress used in passing the legislation, that they, the IRS, 1 year later will declare that to be taxable income.

It seems to me that in this circumstance the choice for us is clear, and that choice for us is to override this veto, and I urge my colleagues to support that position.

Mr. ULLMAN. Mr. Speaker, I yield 6 minutes to the gentleman from Pennsylvania (Mr. Flood).

Mr. FLOOD. Mr. Speaker, as I have said before when the original Hurricane Agnes appropriation bill was introduced, how would you like to be named Flood and come from Wilkes-Barre, Pa.? I know whereof I speak in more ways than one.

Mr. Speaker, this is obviously so important or I would not presume on the time of the Members. I rise in support of the urging of my friends here to override the veto. Let me explain to the House two things, first, why this bill was vetoed—this you will not believe—and, second, why it should be overridden. Understand why the bill was vetoed. We have the atmosphere here in town of cut and rescind, and so on. But now hear this. As my friend, the gentleman from Pennsylvania, said, the Assistant Secretary of the Treasury advised the President not to veto this bill; the counselors in the White House advised the President not to veto this bill; two of his closest friends advised him not to veto this bill; and the term "ridiculous" was used three times.

What happened is—wait until you hear this—OMB looked at this very good, this very fair bill, and they said, "veto." OMB's recommendation was to veto this bill.

Let me tell the Members the background. This is irresponsible, and I say this advisedly: This is an unconscionable act. It is without basis in fact. Let me show the Members why. I want them to know where the villain is—OMB. OMB was asked to state the amount of the revenue loss if this bill is passed. Now hear this. So OMB, by their own admission—wait until you hear this—guessed. OMB guessed what the figure would be. The financial security of thousands and thousands of victims of the worst natural disasters in the history of this Nation was at stake, and OMB guessed.

To make the matter worse, they guessed wrongly. How do you like that? They used the 23 percent marginal tax rate and applied this to disaster victims. Imagine that. Of all the victims of these disasters in the areas that we know in more than a dozen States, OMB put them in the 23-percent income tax bracket. How utterly ridiculous, especially in areas we know about. These are small wage earners in these flood plains, disaster victims living on fixed incomes, aged, who are nowhere near that 23-percent bracket that OMB used. This is an outrageous action.

I have done business with them on appropriations. This is the worst I ever saw or ever heard of, and they know it. Now they are trying to make themselves look good on this thing.

Let me tell you point 2 of the override. To begin with, I just stated to the Members the recommendation is based absolutely upon guesswork, a complete guess as to these figures.

This was a grant. The Members remember when I stood there debating it. There was not a Member of this House; there was not a Member or a person in this building, including the elevator operators, who had any idea that this was not a grant to the victim—a grant to the victim. Nobody questioned it until it got down to IRS, to OMB. Do not put the finger on the IRS. It was OMB's responsibility from beginning to end, flying in the face of what everybody knew, we in this House, and the Congress knew it to be. It does not make sense.

I have done some inflation fighting. We have cut the Labor-HEW budget $300 or $400 million this very year. The effect of inflation—we should not put it on these people—these disaster victims.

Let me say this.

These people who were injured, I would like to tell the Members about them. Each one of these disaster victims knows about inflation. So do I and so do the Members. But let me transpose some Cicero for you. If we fail in our responsibilities to temper our judgment with a firm and continuous desire to render to everyone that which is his due, then we have failed to represent the people for whom we speak here. These disaster victims are asking us at least that much. We must give it to them.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Speaker, if this Congress has any sense of justice and equity, we will vote today to override this cruel and heartless veto.

You have all heard of the disaster on Buffalo Creek, when 125 of my fellow West Virginians lost their lives. Pittston Coal Co. had been piling up the waste materials from its mines, using a pond to wash its coal, and allowing these wastes to pile higher and higher as the years went by. More and more water was backed up so the slag heap of waste served as a makeshift, nonengineered dam.

On the morning of February 26, 1972, after heavy rains, that slag heap ruptured, cascading millions of tons of water down into the Buffalo Creek valley. A giant, greasy fist smashed into whole communities and slammed the splintering houses against other homes, on the crest of a 20-foot wall of water, sludge, and coal waste. The people did not have a chance. One hundred and twenty-five were killed and 4,000 were left homeless.

The Internal Revenue Service sent agents down to Buffalo Creek and helpfully sat down with all those who had suffered losses. The IRS said: "Look, you can write these losses off your income tax." And the people believed what they were told, and they filled out their income tax returns as they were told.

Then a long time afterward, the Pittston Co. came along and acknowledged its responsibility for the Buffalo Creek disaster, and in a burst of generosity offered to pay these suffering people—not full compensation, but only a part of the value of what they had lost.

One day early last year, a dedicated Internal Revenue agent who must remain anonymous for reasons which will become obvious came to me very agitated one evening and said: "Congressman, my agency is doing a terrible wrong to the people who have suffered so much on Buffalo Creek." "What is that," I asked.

"Well, the IRS is ordering me to go down and tell these people that took our advice to write off their losses that now they will have to pay the Internal Revenue Service back for what we told them to do." And, he added, what kind of Government is that which tells poor people they are going to help them, and then stabs them in the back. This IRS agent said: "It breaks my heart, because I am the one who has to go down and tell those people that they not only have to pay back what they deducted in 1972, but they have to pay interest also."

I said to my friend the IRS agent—No, wait, we will get a freeze placed on this unconscionable action, and I will get a bill drafted to enable these people who are without any money to be exempt from repaying money plus interest which they do not even have.

So I worked with Congressman Jim Burke and with Senator Byrd, and Dan Flood, and the Pennsylvania delegation and this legislation was drafted.

I have scores of letters about this veto.

Mrs. Ervine E. Roark of Lundale, W. Va., wrote me:

> The people on Buffalo Creek are between a rock and hard place. And the pressure is terrible. We get a bill from IRS for a $103 that we had to pay. It was for interest on a refund that we had already paid back.
>
> A disaster can happen overseas. America sends all the help it can and expects no repayment. Then when we need help it seems like we have to help ourselves. We do without. We didn't ask IRS to give us the taxes. We didn't borrow them.
>
> Yet they send men in here with their big smile and a helping hand. When we didn't know what to do (and still don't). We thought how nice everyone was. When they took back what they gave us and made us pay interest on it too. It sure made us lose faith in people.

Mrs. Jack Stowers of Accoville, W. Va., wrote me:

We only went back one year on our losses in the disaster. We had to pay it all back, $843. Today I received a statement from the IRS showing that we still owe $50.77 interest on the money we received after the flood. I could have bought two appliances with that.

I would never have claimed a loss if I had known it had to be paid back plus interest.

Among the letters I received are the following:

When the Internal Revenue came to Man High School, set up an office and told the people to sign up for back taxes back to 1968, at that time there was no mention of having to pay it back. After using the money, here comes this notice in the paper that Buffalo Creek people have to pay.

If I had known this, I would not have accepted the tax money for my husband has retired since the flood and I don't have that kind of money to pay taxes out of.—Mrs. Leonard Gunnells, Lundale, W. Va.

We lost everything we had. Had we known we would have had to pay this tax back, we never would have filed for it. . . .

Why didn't they let us know we would have to pay it back. Why weren't things explained more to us. We were like sheep being led to a slaughterhouse.—Mr. and Mrs. Thomas E. McComas, Sr., Oceana, W. Va.

It will place a hardship on us because so much more needs to be done to improve our property. We wouldn't have accepted IRS or any other help that would put more hardship on us because we're trying to rebuild our lives on Buffalo Creek.—Wilbert A. Hicks, Sr., and Ruby R. Hicks, Lorado, W. Va.

It would put a real hardship on me and my family. There was no mention of having to pay it back. I'm not able to work now and only get $40 per week insurance. I have three children in school, 4th, 7th and 12th grades. My insurance will soon stop. I don't see how I can repay this money.—Henry Kilgore, Man, W. Va.

I'm more in debt and have less than before the flood happened. All the help we received ended up having to be paid back plus interest.—Alvin Vance, Amherstdale, W. Va.

My 6-year-old son has never got over what he has been through the morning the dam broke, we were caught inside the house and were washed for about a quarter of a mile below where our house stood. We were all banged up pretty bad. Every time it rains or looks like rain, my boy nearly throws a fit.

Then I got these papers telling me I would have to pay back the tax refund. I had spent the money on furniture and a down payment on a house. I'm sure you must know how hard it is trying to pick up our lives and go on and try to replace the necessary things.—Ralph Gibson, Man, W. Va.

The only income my father-in-law gets is $254.00 a month Black Lung. Paying back that money (to IRS) has really put hardships on them. They haven't been able to complete their house because they just don't have the money. That wasn't bad enough, they have gotten two different notices that they have to pay interest on the income tax. We've been taken away from our homes and now the IRS is taking some of our belongings.—Mrs. Ruth Osborne for Elmer Osborne, Oceana.

We rented from Buffalo Mining at the time (of the flood) and were in the process of building a new home. We lost all new furniture and clothing and even a friend's borrowed tools. Pittston paid us $7,100 to which we paid the neighbor for the loss of his tools, had to buy furniture so we could move in the new house we were building although it was far from complete. We begged and borrowed and scraped up enough money to get by and I had my taxes amended, to which I received $863.00 which went a little way toward purchasing furniture, clothing and even some building material to finish work on our house. I got a Small Business Loan of $3,000 to which I've paid $336.00 back and then I borrowed from the Bank *on my own* money to buy the furniture and more building material. We were not told at the time of the amendment that it had to be paid back, well, the first of June I got a notice from the IRS that I had 10 days to pay $49.17 *interest* on the $863.00. I paid this in June 9th. My point is this, *why* let us have it, only to have to pay it back plus interest. I wouldn't have taken it in the first place had I been told or was aware of having to give it back.—Mr. and Mrs. Waldon Mullins, Man, W. Va.

I would never have filed for it if I had known I would have to pay back. They told us while we were staying at the school, we would not have to pay it back. We have been in a terrible spot since the disaster financially. I haven't been able to pay my bills. I lost my phone which I had for six years. . . . Instead of helping people they are taking away from them and putting more worries on them. I hope you can help us for we sure need some help.—Lester and Elaine Bartley, Man.

Why didn't they make things clear about this, we thought they were for our good. We trusted them to know what they were doing, now it seems they were mistaken. They have given us more worries and hardship, I think we have been through enough.—Oscar N. McComas, Sr., Lorado.

It is pretty hard to pay back something that you don't have. We people spent this money in good faith for the use of clothing and other needs that our families needed. At the time we had no place to go.—James S. "Red" Morris, Lundale.

When this disaster happened, we were told to file our losses on our income tax. I got back around $4,000.00 which helped me get back on my feet. In the meantime Pittston Coal Company paid me for some of my losses. I bought me a double wide trailer with the money and am just now getting back on my feet. The tax people told me I would have to pay back the money. I sent them a check for the money I got back which left me in worse condition than before the flood. Now I get another letter from them telling me I owe $343.00 interest and the money I got back. I have refused to pay so far. I just got a letter saying that if I didn't pay in 10 days they would seize my property or wages for the amount. I didn't want to file for the losses in the first place, the lawyers and everyone here said we wouldn't have to pay it back. By having to pay back this money has put us all in a hard place. The money we got back from Pittston could never repay for all the property and death that we lost in this flood. If Congress can help us in any way, we would all appreciate it very much.—Charles O. Vance, Amherstdale.

We lost an Aunt and two cousins (in the flood). You can imagine what it is like to not even find a splinter of anything you ever owned and then have to pay back $1666.00 of money that you didn't really have when you don't have anything. That money sure came in handy, but then it put us right back almost where we were after the flood.—Joe Grimmett, Lundale.

We thought the Income Tax Department was trying to help us and it was never explained we would have to pay all of the $670 back or we would never have refiled because we don't have one silver dime of it. People has remarked that the flood on Buffalo Creek has made people rich, well, let them come and visit the Charles Wm. Osborne family. I haven't had a new anything in so long I wouldn't feel right with it on. I don't mean to let our sobs go down your shoulder, but there is no way we can get the money so what will they do to Charles. That's another worry we are with, we are ignorant of our own laws.—Mrs. Charles Wm. Osborne, Lorado.

We lost everything we had and when we got our settlement from Pittston we still lost about $9,000 that we didn't get paid for. After the flood we went up to my Father-in-laws and on Friday after the flood his house burned down and we lost what we had gotten back and what things we got back we had to pay the down payment on them and if we had to pay the income tax back I just don't know how we could make it. We'd have to borrow the money to pay the taxes back for we just don't have the money, and I don't make enough money to pay back the money we'd have to borrow.—Brady and Janice Elswick, Lorado.

At the time I received my taxes I needed them very badly to live on. I keep foster children for the State and I had 6 foster children at the time of the flood plus two of my own and we were in 4 different homes. The $532.00 I got back on my amended return went very fast as we were trying to pay our way wherever we went. We just couldn't have made it if it hadn't been for the help of other organizations such as the Red Cross, the tax refund and State agencies. We would probably have to borrow money to pay the $532.00 back all at one time.—James Duncan, Amherstdale.

We came close to dying in that nasty water. I watched that nasty water and never thought of one single person dying. Our son never saw the water or what it did, only that all the houses and trees were gone. But just thinking of how close we came is enough to drive a person insane. We were lucky, we never lost any family. There is a lot of friends we miss and thinking of them makes our hearts ache. It wasn't fair for the income tax people to tell us we had to pay it back. They should have said something when we made our claims because they really acted on false pretenses.—Judy Tomblin, Lundale.

This has really put us in a hard place as we are both disabled from work. Nothing coming in except an insurance check of $40.00 a week which ceases next month.—Willard H. Ferguson, Braeholm.

Just yesterday I received a letter from Steven Crum, a freshman at Marshall University. It was an anguished letter three pages long:

The primary reason I'm writing is because of the bill veoted by President Ford concerning Buffalo Creek. My parents and I were some of the lucky people to survive Buffalo Creek, and it would seem this tragedy alone would be enough to crush one's spirit. But somehow we managed to maintain our spirit, and this spirit was boosted when it was learned that we might receive some assistance from our government . . . I grew up believing that when the government of the United States of America said something, that it was true. But, alas, as I have grown older I can see how untrue this is . . . What angers me is that our government—the IRS—withdrew the tax return and not only did we have to pay the return but also interest. Our government turned its back on us.

We were notified by the Internal Revenue Service that we had 10 days to pay the tax refund with interest. 10 whole days, mind you. They sure take their sweet time when they have to pay you . . . If this had been money that someone in the government paid out of their own pocket it would be different.

> But this was money that my father paid from his pocket. We didn't ask for a loan. Is that how our government makes money? Loaning out money later to collect with interest and a threat if one does not cough up the money.

In conclusion, Mr. Speaker, it is outrageous for anyone to state, as was written for the President in his veto message, that this bill is a windfall.

It is impossible for this to be a windfall when you set a limit of $5,000 for any one family in the bill, and most of these tax loss deductions run much less than $5,000.

I plead with you, Mr. Speaker, if this Congress has any conscience, any sense of justice and equity, vote to override this veto.

The reasoning by the Office of Management and Budget in that veto message is the reasoning of a computerized heart, and a faceless agency with ice water coursing in its veins. Let us show that we are a nation with a heart and with a conscience and vote the equity which these people deserve.

This legislation does not pay these people a cent. It merely prevents the Government from coming in and forcing people to borrow money they have already spent over 2 years ago plus interest and give it to a heartless Government.

Mr. Victor Adams called early Wednesday morning from Buffalo Creek. He asked:

> Do you know what it's like to go $3,000 in debt when you've never been in debt before? Well, after that flood I got a $24,000 loan, but it cost $20,000 to replace my house, and the furniture, appliances and car cost another $4,000. The settlement I got from Pittston came to $16,000 but the check was made out to me and the SBA and I never saw any of that money, it went straight to pay my SBA loan. The $2000 tax refund I got before the settlement helped some, but as soon as I got the Pittston settlement, IRS told me to pay the money back. That's when I went into debt to pay back the IRS. Then I got another letter from them telling me I owed interest on the money for the time I held it. I paid that, too, Congressman Hechler, but I'm still in debt and I sure could use the tax refund. I'm still trying to get back on my feet from that flood.

Mr. Adams' story is sadly typical of the thousands of Buffalo Creek residents who lost everything in the 1972 flood, and 2 years later are still suffering.

Mrs. J. D. Atkins is depending on the tax refund to help the family through the winter and to buy a little something for her children for Christmas. Mrs. Atkins wrote me last week:

> Unless we hear something about our income tax, there is no way that our children will have Christmas and it is no fault of theirs. I have set up, couldn't sleep from the worry what to do.

I do not know how much Mrs. Atkins will receive from this bill but I know it will be less than $5,000 because that limit is set in the bill. Windfall, indeed. When this bill was being considered I asked IRS to give me the amounts 30 taxpayers, picked at random would receive from this refund. Not one of those would get more than $2,500 and many will receive less than $1,000. The total cost to the Federal Government for Buffalo Creek residents will be only $800,000.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, I associate myself with the remarks made by the distinguished gentleman from West Virginia (Mr. HECHLER), as well as the distinguished gentleman from Pennsylvania (Mr. FLOOD), and also the distinguished gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. Speaker, I strongly urge my colleagues to vote to override the veto of H.R. 6191.

This is legislation which I originally introduced on March 6, 1973, a year after the terrible flood disaster at Buffalo Creek, W. Va., which killed 125 men, women, and children and left 4,000 people homeless.

The final version of this legislation covers Hurricane Agnes which will be discussed by my colleague from Pennsylvania (Mr. FLOOD), so I will confine my remarks to the Buffalo Creek disaster.

I introduced this bill to bring justice to a group of low-income taxpayers who had been promised by the Internal Revenue Service right after the February 26, 1972, Buffalo Creek disaster that they could write off their disaster losses in their tax returns. So the trusting taxpayers did exactly as they were told.

Then some time later the Pittston Coal Co., which owned the faulty slag pile heap which had burst, came along and made settlements with these taxpayers. Many of these settlements were only 25 cents or 50 cents on the dollar as compared to actual losses. Most of the Buffalo Creek residents spent their settlements on necessities, and were unaware that they had to repay to the Internal Revenue Service what had been written off as their casualty tax losses.

So it came as a great surprise when the Internal Revenue Service demanded that these unfortunate people not only had to pay back what they had deducted from their income taxes, but also had to pay interest. Most of the residents simply do not have the money to meet these demands, and this bill allows them to keep the tax deduction or refund they received from IRS.

I might add that the amount of tax benefit which any family can get may not exceed $5,000, which insures that this will not provide any windfall and will be confined to low-income taxpayers.

For the sake of equity and justice to these unfortunate victims of the Buffalo Creek disaster, as well as Hurricane Agnes, I plead with my colleagues to vote "Aye" to override this cruel and heartless veto.

The major and central point which I want to emphasize is that this legislation does not mean that these people will be paid anything from the U.S. Treasury. If we do not override the veto, it means that these people will be forced to go out and borrow money to repay with interest money which they spent long ago. All this bill does is to relieve hard-pressed, low-income people from having to go into debt to pay the Government money they do not have and has long since been spent on necessary flood disaster repairs.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank my friend, the gentleman from Massachusetts.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, the issue before the House ultimately boils down to one question. What was the intent of the Congress in passing a disaster relief bill which included a disaster loan forgiveness? Was the loan forgiveness intended to be compensation to the disaster victims or was it meant to be an outright, tax-free grant? An analysis of the history of the original disaster act of 1970 and the subsequent amendments in 1972, clearly express the intent of the Committee on Public Works was to give the disaster victim a grant, tax free, and intended to get the victim back on his feet just as quickly as possible. The loan proceeds from either the Small Business Administration or the Farmers Home Administration were to be utilized to enable the victim to recover his lost real or personal property—not the loan forgiveness.

Mr. Speaker, I maintain that the IRS has misread the intent of Congress and support the motion to override the veto of H.R. 6191, a bill which had clarified the express meaning of the disaster loan forgiveness. I urge my colleagues to join with me.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise to strongly urge that the House sustain the President's veto of H.R. 6191, which originally passed this body on May 8 as a simple temporary suspension of duty on certain forms of zinc. Two peculiar things happened to this bill in conference which completely perverted its original purpose. First, the Senate brought to conference a completely nongermane amendment providing new tax relief for certain disaster victims. Whereas under present law taxpayers taking flood casualty loss deductions, and subsequently compensated for those losses based on claims of tort, would count that compensation as income in subsequent tax returns. Under the Senate provision, up to $5,000 in flood casualty loss compensation would be excluded from such taxation.

Not only did the House conferees agree to take this amendment back to the House in technical disagreement, but they added an amendment of their own which goes beyond the scope of either the House or Senate passed versions. Under this amendment, forgiven Federal disaster loans made in connection with Hurricane Agnes and other 1972 disasters, the forgiven portion would not have to be counted as income for tax purposes as it now is, again up to $5,000.

When the conference report was returned to the House on October 11, a Friday, along with eight other duty suspension conference reports, it was quickly adopted without substantial debate, and the nongermane Senate amendment, reported in technical disagreement, along with the extra-scope House amendment to it, were adopted on a voice vote.

While we have always been quick to condemn the other body for adding nongermane amendments to House-passed bills, I fear in this instance we only compounded that travesty by permitting our own conferees to actually perpetrate a greater outrage by adding extra-scope material.

This is a very serious and dangerous precedent from a legislative and procedural standpoint since most Members, quite frankly, just do not pay that much attention to these relatively minor and noncontroversial bills. To begin to use such bills for the purpose of building the proverbial legislative Christmas tree is something which we cannot permit in this body.

But beyond the legislative and procedural objections which I have to this, I think it should be pointed out that we are also talking here about a substantial new revenue loss of some $130 million plus, through provisions which were not duly considered in the appropriate committees and adequately considered and debated on the floor of the House. At a time when we are obstensibly intent upon cutting Government spending, of tightening our fiscal belts, of demanding inflation impact statements on Executive actions and bills reported from committees, it ill behooves us to open yet another spending backdoor in our conference committees through such a device as this. Must we now require that our conferees include in their reports an inflation impact statement on their decisions? Must we now move to completely bar nongermane amendments and extra-scope amendments from being included in conference reports? I wonder. For if we do not demonstrate that we are willing to act in a fiscal and legislatively responsible manner in conference, such actions may be necessary.

I again strongly urge my colleagues to join with me in voting to sustain the veto on H.R. 6191.

Mr. BLATNIK. Mr. Speaker, the issue before the House ultimately boils down to one question. What was the intent of the Congress in passing a disaster relief bill which included a disaster loan forgiveness? Was the loan forgiveness intended to be compensation to the disaster victims or was it meant to be an outright, tax-free grant? As chairman of the commitee which wrote the original Disaster Act of 1970 and the subsequent amendments in 1972, I can unequivocally state that the clear and express intent of the Committee on Public Works was to give the disaster victim a grant, tax free, and intended to get the victim back on his feet just as quickly as possible. The loan proceeds from either the Small Business Administration or the Farmers Home Administration were to be utilized to enable the victim to recover his lost real or personal property—not the loan forgiveness.

Mr. Speaker, I maintain that the IRS has misread the intent of Congress and I support the motion to override the veto of H.R. 6191, a bill which had clarified the express meaning of the disaster loan forgiveness. I urge that my colleagues join with me. Thank you.

Mr. ASHLEY. Mr. Speaker, I am voting against overriding the President's veto of H.R. 6191, a bill which would suspend the duty on certain forms of zinc and provide special tax treatment of certain disaster relief funds.

President Ford favors the bill's provisions on zinc, but he calls the tax rider added by the Senate "unacceptable" and I agree with his assessment. This rider would allow victims of 1972 disasters—such as Hurricane Agnes and the dam failure at Buffalo Creek, W. Va.—to receive preferential tax treatment on the $5,000 forgiveness portion of the disaster loans they obtained from the Small Business Administration or the Farmers Home Administration. Currently, the Internal Revenue Service requires that victims pay income tax at their prevailing rate on the forgiveness portion of the disaster loan since it is regarded as compensation. However, H.R. 6191 states that the loan forgiveness is to be treated as a grant and is to be tax free.

Such "grants" would give windfall tax benefits to the taxpayers who have already been compensated for 1972 property losses and have already deducted their 1972 casualty losses.

At a time when Congress and the administration are striving to control inflation, I see no justification for the $130 million revenue loss which would result from the enactment of H.R. 6191.

Mr. ULLMAN. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 6191).

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 249, nays 150, not voting 35, as follows:

[Roll No. 649]

YEAS—249

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Armstrong
Aspin
Badillo
Barrett
Bauman
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Brooks
Broomfield
Brown, Ohio
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Carter
Casey, Tex.
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Collins, Ill.
Conable
Conlan
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Diggs
Dingell
Donohue
Dorn
Drinan
Dulski
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evins, Tenn.
Fascell
Fish
Flood
Foley
Ford
Fraser
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Gonzalez
Goodling
Gray
Green, Pa.
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hungate
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
Long, La.
Long, Md.
Lott
Luken
McCloskey
McCormack
McDade
McEwen
McFall
McKay
Madden
Mahon
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Schneebeli
Schroeder
Seiberling
Shipley
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Stephens
Stokes
Studds
Symington
Talcott
Thompson, N.J.
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Walsh
Ware
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—150

Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Ashbrook
Ashley
Bafalis
Baker
Bell
Bevill
Blackburn
Bray
Brinkley
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Cederberg
Chamberlain
Chappell
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conte
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Downing
du Pont
Edwards, Ala.
Erlenborn
Evans, Colo.
Findley
Fisher
Flowers
Flynt
Forsythe
Fountain
Frenzel
Frey
Froehlich
Ginn
Goldwater
Green, Oreg.
Gross
Grover
Gubser
Gunter
Haley
Hanrahan
Hansen, Idaho
Heckler, Mass.
Hinshaw
Hosmer
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Kemp
Ketchum
King
Lagomarsino
Landgrebe
Landrum
Lent

Litton
Lujan
McClory
McCollister
McKinney
Madigan
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Milford
Miller
Minshall, Ohio
Mizell
Moorhead, Calif.
Nichols
Parris
Passman
Price, Tex.
Quie
Quillen
Railsback
Randall
Roberts
Robinson, Va.
Rogers
Roy
Runnels
Ruth
Sarasin
Satterfield
Scherle
Shriver
Skubitz
Smith, N.Y.
Spence
Steele
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Sullivan
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Treen
Veysey
Waggonner
Waldie
Wampler
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, S.C.

NOT VOTING—35

Alexander
Beard
Brasco
Breckinridge
Brown, Calif.
Camp
Carey, N.Y.
Cotter
Crane
Dent
Eshleman
Frelinghuysen
Grasso
Griffiths
Hansen, Wash.
Howard
Huber
Jones, N.C.
McSpadden
Macdonald
Metcalfe
Michel
Mills
Podell
Rarick
Rhodes
Rooney, N.Y.
Rostenkowski
Sebelius
Shoup
Stubblefield
Vigorito
Wyatt
Wyman
Young, Ill.

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Eshleman and Mr. Dent for, with Mr. Rhodes against.

Mr. Cotter and Mr. Macdonald for, with Mr. Michel against.

Mr. Rostenkowski and Mr. Metcalfe for, and Mr. Frelinghuysen against.

Mr. Alexander and Mr. Vigorito for, with Mr. Crane against.

Mr. Howard and Mr. Brown of California for, with Mr. Camp against.

Mr. Jones of North Carolina and Mr. Carey of New York for, with Mr. Wyman against.

Mr. Breckinridge and Mrs. Hansen of Washington for, with Mr. Rarick against.

Until further notice.

Mrs. Grasso with Mr. Shoup.
Mr. Mills with Mr. Huber.
Mr. Beard with Mr. Rooney of New York.
Mrs. Griffiths with Mr. Sebelius.
Mr. McSpadden with Mr. Stubblefield.
Mr. Wyatt with Mr. Young of Illinois.

The result of the vote was announced as above recorded.

The SPEAKER. The message and the bill are referred to the Committee on Ways and Means.

The Clerk will notify the Senate of the action of the House.

PROVIDING FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 1400 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1400

Resolved, That the further expenses of the investigations and studies to be conducted pursuant to H. Res. 74, by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $295,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual special consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), shall be paid out of the contingent funds of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed $35,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Committee on the Judiciary shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume that the gentleman will take some time in order to explain the resolution?

Mr. THOMPSON of New Jersey. Mr. Speaker, I do intend to explain the resolution, and I shall yield to the gentleman from Iowa if he wishes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 1400 is a resolution designed for the remainder of this Congress for the Committee on the Judiciary in the amount of $295,000.

The situation is this: The committee has had previous money resolutions agreed to, two relating to the impeachment inquiry and a third for the operation of the committee. With the vacancy in the office of the Vice Presidency, it became necessary for the committee to devote an unusual amount of time and funds to that investigation, as a result of which the committee has expended all available moneys and the committee staff has not been paid for the last month.

The committee staff has been dramatically reduced with the conclusion of the impeachment inquiry.

There are only approximately four persons left in low-paid positions from the impeachment staff. Those persons are devoting their time and efforts to abandoning the office space which they had temporarily, and to preparing the virtually innumerable documents to be sent to the Archives. These moneys simply will be moneys needed by the committee for its usual work.

This resolution was brought before the Subcommittee on Accounts by the chairman (Mr. RODINO) and the ranking member (Mr. HUTCHINSON) of the Committee on the Judiciary. It was unanimously reported out of the Subcommittee on Accounts and out of the Committee on House Administration.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I will be happy to yield to my friend, the gentleman from Iowa.

Mr. GROSS. I thank the gentleman.

Does the gentleman have in hand or in mind the total amount of expenditures on the part of the committee for this year?

Mr. THOMPSON of New Jersey. Yes, the gentleman does. The figure is $2,669,658.15.

Mr. GROSS. I thank the gentleman.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON RULES

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 1406 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1406

Resolved, That for the further expenses in carrying out its duties during the Ninety-third Congress, the Committee on Rules is authorized to incur such expenses (not in excess of $2,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof.

SEC. 2. Funds authorized by the resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 1406 is designed to carry out the needs for the remainder of this Congress of the Committee on Rules in the amount of $2,000.

Their total expenditure to date, I will say in anticipation of a question from my friend, the gentleman from Iowa, is $4,379.43.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. YATES. Mr. Speaker, on November 26 I am reported as not having voted on the rollcall to approve the conference report on the bill making appropriations for the Department of Labor and the Department of Health, Education, and Welfare. I was present. I made out a card indicating that I had voted in favor of the bill.

Mr. Speaker, I am reported as not being present, and I ask unanimous consent that the permanent Record be appropriately corrected.

The SPEAKER. The gentleman's statement will appear in the Record.

Mr. YATES. Mr. Speaker, I recognize that the Chair has said that my statement will appear in the Record, but I have asked unanimous consent that the permanent Record be appropriately corrected.

The SPEAKER. The Chair must say to the gentleman from Illinois that the Chair has consistently adopted the policy that under votes by electronic device the permanent Record may not be corrected. The Chair has stated that the the gentleman's statement will be published in the Record, and the Chair cannot, under the circumstances, recognize the gentleman for the unanimous consent request.

Mr. YATES. Will the Chair look into the possibility that an error may be made even under the new system of ours?

The SPEAKER. Since the gentleman states that he cast his vote in the well by a card, it is possible that his vote was not recorded. The matter will be looked into.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO FILE A PRIVILEGED REPORT ON H.R. 11929

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a privileged report on H.R. 11929, an act to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection

ESTABLISHING CASCADE HEAD SCENIC AREA IN THE STATE OF OREGON

Mr. MELCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8352) to establish the Cascade Head Scenic Research Area in the State of Oregon, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That in order to provide present and future generations with the use and enjoyment of certain ocean headlands, rivers, streams, estuaries, and forested areas, to insure the protection and encourage the study of significant areas for research and scientific purposes, and to promote a more sensitive relationship between man and his adjacent environment, there is hereby established, subject to valid existing rights, the Cascade Head Scenic-Research Area (hereinafter referred to as "the Area") in the Siuslaw National Forest in the State of Oregon.

Sec. 2. The administration, protection, development, and regulation of use of the Area shall be by the Secretary of Agriculture (hereinafter referred to as the "Secretary") in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best contribute to attainment of the purposes of this Act.

Sec. 3. (a) The boundaries of the Area, and the boundaries of the subareas included therein, shall be those shown on the map entitled "Proposed Cascade Head Scenic-Research Area", dated June 1974, which is on file and available for public inspection in the office of the Chief, Forest Service, United States Department of Agriculture: *Provided*, That, from time to time, the Secretary may, after public hearing or other appropriate means for public participation, make adjustments in the boundaries of subareas to reflect changing natural conditions or to provide for more effective management of the Area and each of the subareas in accordance with the purposes and provisions of this Act.

(b) As soon as practicable after the enactment of this Act, the Secretary shall, with provisions for appropriate public participation in the planning process, develop a comprehensive management plan for the Area. Said plan shall prescribe specific management objectives and management controls necessary for the protection, management, and development of the Area and each of the subareas established pursuant to subsection (c) hereof.

(c) Within the Area, the following subareas shall be established and shall be managed in accord with the following primary management objectives which shall be supplemental to the general management objectives applicable to the entire Area:

(1) Estuary and Associated Wetlands Subarea: An area managed to protect and perpetuate the fish and wildlife, scenic, and research-education values, while allowing dispersed recreation use, such as sport fishing, nonmotorized pleasure boating, waterfowl hunting, and other uses which the Secretary determines are compatible with the protection and perpetuation of the unique natural values of the subarea. After appropriate study, breaching of existing dikes may be permitted within the subarea.

(2) Lower Slope-Dispersed Residential Subarea: An area managed to maintain the scenic, soil and watershed, and fish and wildlife values, while allowing dispersed residential occupancy, selective recreation use, and agricultural use.

(3) Upper Timbered Slope and Headlands Subareas: Areas managed to protect the scenic, soil and watershed, and fish and wildlife values while allowing selective recreation and extensive research-educational activities. Timber harvesting activity may occur in these subareas only when the Secretary determines that the preservation of the timber resource is imminently threatened by fire, old age, infestation or similar natural occurrences.

(4) Coastline and Sand Dune-Spit Subareas: Areas managed to protect and maintain the scenic and wildlife values while allowing selective recreation and extensive research-educational activities.

Sec. 4. (a) The boundaries of the Siuslaw National Forest are hereby extended to include all of the lands lying within the Area as described in accordance with section 3 of this Act which are not within the national forest boundaries on the date of enactment of this Act.

(b) Notwithstanding any other provisions of law, any Federal property located on the lands added to the Siuslaw National Forest by this section may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary. Any lands so transferred shall become part of the Siuslaw National Forest.

Sec. 5. (a) Subject to the provisions of subsection (b) of this subsection, the Secretary is authorized to acquire lands, waters, or interests therein within the Area by donation, purchase, exchange, or otherwise.

(b) Within all subareas of the Area except the estuary and associated wetlands subarea, the Secretary may not acquire any land or interest in land without the consent of the owner or owners so long as the owner or owners use such land for substantially the same purposes and in the same manner as it was used and maintained on June 1, 1974: *Provided, however*, That the Secretary may acquire any land or interest in land without the consent of the owner or owners when such land is in imminent danger of being used for different purposes or in a different manner from the use or uses existing on June 1, 1974. The Secretary shall publish, within one hundred and eighty days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in land use or maintenance for the non-federally-owned lands within the Area. Within the estuary and associated wetlands subarea the Secretary may acquire any land or interest in land without the consent of the owner or owners at any time, after public hearing.

(c) At least thirty days prior to any substantial change in the use or maintenance of any non-federally-owned land within the Area, the owner or owners of such land shall provide notice of such proposed change to the Secretary or his designee, in accordance with such guidelines as the Secretary may establish.

Sec. 6. Notwithstanding the provisions of clause 7(a)(1) of the Act of September 3, 1964 (78 Stat. 903), as amended, moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of any lands, waters, or interests therein within the area added to the Siuslaw National Forest by this Act.

Sec. 7. The lands within the Area, subject to valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

SEC. 8. (a) The Secretary, pursuant to the Federal Advisory Committee Act (86 Stat. 770), shall establish an advisory council for the Area, and shall consult on a periodic and regular basis with such council with respect to matters relating to management of the Area. The members of the advisory council, who shall not exceed eleven in number, shall serve for the individual staggered terms of three years each and shall be appointed by the Secretary as follows—

(1) a member to represent each country in which a portion of the Area is located, each such appointee to be designated by the respective governing body of the county involved;

(2) a member appointed to represent the State of Oregon, who shall be designated by the Governor of Oregon; and

(3) not to exceed eight members appointed by the Secretary from among persons who, individually or through association with national or local organizations, have an interest in the administration of the Area.

(b) The Secretary shall designate one member to be chairman and shall fill vacancies in the same manner as the original appointment.

(c) The members shall not receive any compensation for their services as members of the advisory council, but they shall be reimbursed for travel expenses and shall be allowed, as appropriate, per diem or actual subsistence expenses.

(a) In addition to his consultation with the advisory council, the Secretary shall seek the views of other private groups, individuals, and the public, and shall seek the views and assistance of, and cooperate with, all other Federal, State, and local agencies with responsibilities for zoning, planning, migratory fish, waterfowl, and marine animals, water, and natural resources, and all nonprofit agencies and organizations which may contribute information or expertise about the resources, and the management, of the Area, in order that the knowledge, expertise and views of all agencies and groups may contribute affirmatively to the most sensitive present and future use of the Area and its various subareas for the benefit of the public.

SEC. 9. The Secretary shall cooperate with the State of Oregon and political subdivisions thereof in the administration of the Area and in the administration and protection of lands within and adjacent to the Area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Oregon or any political subdivision thereof of its right to exercise civil and criminal jurisdiction within the Area consistent with the provisions of this Act, or of its right to tax persons, corporations, franchises or other non-Federal property, in or on the lands or waters within the Area.

The Clerk read the amendment to the Senate amendment, as follows:

In section 3(c)(3) strike out "Timber harvesting activity may occur in these subareas only when the Secretary determines that the preservation of the timber resource is imminently threatened by fire, old age, infestation or similar natural occurrences," and insert "Timber harvesting activity may occur in these subareas only when the Secretary determines that such harvesting is to be conducted in connection with research activities or that the preservation of the timber resource is imminently threatened by fire, old age, infestation, or similar natural occurrences.".

The Senate amendment as amended was concurred in.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes, as amended.

The Clerk read as follows:

S. 4016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Presidential Recordings and Materials Preservation Act".

TITLE I—PRESERVATION OF PRESIDENTIAL RECORDINGS AND MATERIALS

DELIVERY AND RETENTION OF CERTAIN PRESIDENTIAL MATERIALS

SEC. 101. (a) Notwithstanding any other law or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, any Federal employee in possession shall deliver, and the Administrator of General Services (hereinafter in this title referred to as the "Administrator") shall receive, obtain, or retain, complete possession and control of all original tape recordings of conversations which were recorded or caused to be recorded by any officer or employee of the Federal Government and which—

(1) involve former President Richard M. Nixon or other individuals who, at the time of the conversation, were employed by the Federal Government;

(2) were recorded in the White House or in the office of the President in the Executive Office Buildings located in Washington, District of Columbia; Camp David, Maryland; Key Biscayne, Florida; or San Clemente, California; and

(3) were recorded during the period beginning January 20, 1969, and ending August 9, 1974.

(b)(1) Notwithstanding any other law or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, the Administrator shall receive, retain, or make reasonable efforts to obtain, complete possession and control of all papers, documents, memorandums, transcripts, and other objects and materials which constitute the Presidential historical materials of Richard M. Nixon, covering the period beginning January 20, 1969, and ending August 9, 1974.

(2) For purposes of this subsection, the term "historical materials" has the meaning given it by section 2101 of title 44, United States Code.

AVAILABILITY OF CERTAIN PRESIDENTIAL MATERIALS

SEC. 102. (a) None of the tape recordings or other materials referred to in section 101 shall be destroyed, except as may be provided by law.

(b) Notwithstanding any other provision of this title, any other law, or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, the tape recordings and other materials referred to in section 101 shall, immediately upon the date of enactment of this title, be made available, subject to any rights, defenses, or privileges which the Federal Government or any person may invoke, for use in any judicial proceeding or otherwise subject to court subpena or other legal process. Any request by the Office of Watergate Special Prosecution Force, whether by court subpena or other lawful process, for access to such recordings or materials shall at all times have priority over any other request for such recordings or materials.

(c) Richard M. Nixon, or any person whom he may designate in writing, shall at all times have access to the tape recordings and other materials referred to in section 101 for any purpose, subject to the regulations which the Administrator shall issue pursuant to section 104.

(d) Any agency or department in the executive branch of the Federal Government shall at all times have access to the tape recordings and other materials referred to in section 101 for current lawful Government use, subject to the regulations which the Administrator shall issue pursuant to section 104.

COMPENSATION

SEC. 103. If any court of the United States decides that any provision of this title has deprived any individual of private property without just compensation, then there shall be paid out of the general fund of the Treasury of the United States such amount or amounts as may be adjudged just by an appropriate court of the United States. However, the provisions of this title shall not be construed as making any determination with respect to any private property right of title to tape recordings and other materials referred to in section 101, if any such right existed prior to the date of enactment of this title.

REGULATIONS TO PROTECT CERTAIN TAPE RECORDINGS AND OTHER MATERIALS

SEC. 104. The Administrator shall issue at the earliest possible date such regulations as may be necessary to assure the protection of the tape recordings and other materials referred to in section 101 from loss or destruction, and to prevent access to such recordings and materials by unauthorized persons. Custody of such recordings and materials shall be maintained in Washington, District of Columbia, or its metropolitan area, except as may otherwise be necessary to carry out the provisions of this title.

REGULATIONS RELATING TO PUBLIC ACCESS

SEC. 105. (a) The Administrator shall, within ninety days after the date of enactment of this title, submit to each House of the Congress a report proposing and explaining regulations that would provide public access to the tape recordings and other materials referred to in section 101. Such regulations shall take into account the following factors:

(1) the need to provide the public with the full truth, at the earliest reasonable date,

of the abuses of governmental power popularly identified under the generic term "Watergate";

(2) the need to make such recordings and materials available for use in judicial proceedings;

(3) the need to prevent general access, except in accordance with appropriate procedures established for use in judicial proceedings, to information relating to the Nation's security;

(4) the need to protect every individual's right to a fair and impartial trial;

(5) the need to protect any party's opportunity to assert any legally or constitutionally based right or privilege which would prevent or otherwise limit access to such recordings and materials;

(6) the need to provide public access to those materials relating to the Presidency of Richard M. Nixon which have general historical significance, and which are not likely to be related to the need described in paragraph (1), in a manner which is consistent with procedures which have been used to provide public access to materials of former Presidents; and

(7) the need to give Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are not likely to be related to the need described in paragraph (1) and are not otherwise of general historical significance.

(b)(1) The regulations proposed by the Administrator in the report required by subsection (a) shall take effect upon the expiration of ninety legislative days after the submission of such report, unless such regulations are disapproved by a resolution adopted by either House of the Congress during such period.

(2) The Administrator may not issue any regulation or make any change in a regulation if such regulation or change is disapproved by either House of the Congress under this subsection.

(3) The provisions of this subsection shall apply to any change in the regulations proposed by the Administrator in the report required by subsection (a). Any proposed change shall take into account the factors described in paragraph (1) through paragraph (7) of subsection (a), and such proposed change shall be submitted by the Administrator in the same manner as the report required by subsection (a).

(4) Paragraph (5) is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it shall be considered as part of the rules of the House, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of the House of Representatives to change such rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House.

(5)(A) Any resolution introduced in the House of Representatives under paragraph (1) shall be referred to a committee by the Speaker of the House.

(B) If the committee to which any such resolution is referred has not reported any resolution relating to any regulations or change proposed by the Administrator under this section before the expiration of sixty calendar days after the submission of any such proposed regulation or change, it shall then be in order to move to discharge the committee from further consideration of such resolution.

(C) Such motion may be made only by a person favoring the resolution, and such motion shall be privileged. An amendment to such motion is not in order, and it is not in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(D) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed.

(E) When the committee has reported, or has been discharged from further consideration of, a resolution introduced in the House of Representatives under paragraph (1), it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be privileged. An amendment to such motion is not in order, and it is not in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(6) For purposes of this subsection, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

(c) The provisions of this title shall not apply, on and after the date upon which regulations proposed by the Administrator take effect under subsection (b), to any tape recordings or other materials given to Richard M. Nixon, or his heirs, pursuant to subsection (a)(7).

JUDICIAL REVIEW

SEC. 106. (a) The United States District Court for the District of Columbia shall have exclusive jurisdiction to hear challenges to the legal or constitutional validity of any provision of this title or of any regulation issued under the authority granted by this title. Such challenge shall be heard by a district court of three judges constituted under the procedures established by section 2284 of title 28, United States Code, with the right of direct appeal to the United States Supreme Court. Any such challenge shall be treated by the district court of three judges and the Supreme Court as a priority matter requiring immediate consideration and resolution.

(b) If, under the procedures established by subsection (a), a judicial decision is rendered that a particular provision of this title, or a particular regulation issued under the authority granted by this title, is unconstitutional or otherwise invalid, such decision shall not affect in any way the validity or enforcement of any other provision of this title or any regulation issued under the authority granted by this title.

PARTICIPATION IN CERTAIN COURT ACTIONS

SEC. 107. The Committee on Government Operations of the Senate and the Committee on House Administration of the House of Representatives may, acting jointly or separately, appoint counsel to intervene in any case or proceeding relating to—

(1) the ownership, custody, use, or compensation for any taking, of tape recordings and other materials referred to in section 101, or any other similar right to or in such recordings and materials; or

(2) any challenge to the legal or constitutional validity of any provision of this title or of any regulation issued under the authority granted by this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE II—PUBLIC DOCUMENTS COMMISSION

SHORT TITLE

SEC. 201. This title may be cited as the "Public Documents Act".

ESTABLISHMENT OF STUDY COMMISSION

SEC. 202. Chapter 33 of title 44, United States Code, is amended by adding at the end thereof the following new sections:

"§ 3315. Definitions

"For purposes of this section and section 3316 through section 3324 of this title—

"(1) the term 'Federal official' means any individual holding the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, or any officer of the executive, judicial, or legislative branch of the Federal Government;

"(2) the term 'Commission' means the National Study Commission on Records and Documents of Federal Officials; and

"(3) the term 'records and documents' shall include handwritten and typewritten documents, motion pictures, television tapes and recordings, magnetic tapes, automated data processing documentation in various forms, and other records that reveal the history of the Nation.

"§ 3316. Establishment of Commission

"There is established a commission to be known as the National Study Commission on Records and Documents of Federal Officials.

"§ 3317. Duties of Commission

"It shall be the duty of the Commission to study problems and questions with respect to the control, disposition, and preservation of records and documents produced by or on behalf of Federal officials, with a view toward the development of appropriate legislative recommendations and other recommendations regarding appropriate rules and procedures with respect to such control, disposition, and preservation. Such study shall include consideration of—

"(1) whether the historical practice regarding the records and documents produced by or on behalf of Presidents of the United States should be rejected or accepted and whether such practice should be made applicable with respect to all Federal officials;

"(2) the relationship of the findings of the Commission to the provisions of chapter 19 of this title, section 2101 through section 2108 of this title, and other Federal laws relating to the control, disposition, and preservation of records and documents of Federal officials;

"(3) whether the findings of the Commission should affect the control, disposition, and preservation of records and documents of agencies within the Executive Office of the President created for short-term purposes by the President;

"(4) the recordkeeping procedures of the White House Office, with a view toward establishing means to determine which records and documents are produced by or on behalf of the President;

"(5) the nature of rules and procedures which should apply to the control, disposition, and preservation of records and documents produced by Presidential task forces, commissions, and boards;

"(6) criteria which may be used generally in determining the scope of materials which should be considered to be the records and documents of Members of the Congress;

"(7) the privacy interests of individuals whose communications with Federal officials, and with task forces, commissions, and boards, are a part of the records and documents produced by such officials, task forces, commissions, and boards; and

"(8) any other problems, questions, or issues which the Commission considers relevant to carrying out its duties under section 3315 through section 3324 of this title.

"§ 3318. Membership

"(a)(1) The Commission shall be composed of seventeen members as follows:

"(A) one Member of the House of Representatives appointed by the Speaker of the House upon recommendation made by the majority leader of the House;

"(B) one Member of the House of Representatives appointed by the Speaker of the

House upon recommendation made by the minority leader of the House;

"(C) one Member of the Senate appointed by the President pro tempore of the Senate upon recommendation made by the majority leader of the Senate;

"(D) one Member of the Senate appointed by the President pro tempore of the Senate upon recommendation made by the minority leader of the Senate;

"(E) one Justice of the Supreme Court, appointed by the Chief Justice of the United States;

"(F) one person employed by the Executive Office of the President or the White House Office, appointed by the President;

"(G) three appointed by the President, by and with the advice and consent of the Senate, from persons who are not officers or employees of any government and who are specially qualified to serve on the Commission by virtue of their education, training, or experience;

"(H) one representative of the Department of State, appointed by the Secretary of State;

"(I) one representative of the Department of Defense, appointed by the Secretary of Defense;

"(J) one representative of the Department of Justice, appointed by the Attorney General;

"(K) the Administrator of General Services (or his delegate);

"(L) the Librarian of Congress;

"(M) one member of the American Historical Association, appointed by the counsel of such Association;

"(N) one member of the Society of American Archivists, appointed by such Society; and

"(O) one member of the Organization of American Historians, appointed by such Organization.

"(2) No more than two members appointed under paragraph (1)(G) may be of the same political party.

"(b) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(c) If any member of the Commission who was appointed to the Commission as a Member of the Congress leaves such office, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, he may continue as a member of the Commission for no longer than the sixty-day period beginning on the date he leaves such office or becomes such an officer or employee, as the case may be.

"(d) Members shall be appointed for the life of the Commission.

"(e)(1) Members of the Commission shall serve without pay.

"(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses in the same manner as persons employed intermittently in the service of the Federal Government are allowed expenses under section 5703(b) of title 5, United States Code, except that per diem in lieu of subsistence shall be paid only to those members of the Commission who are not full-time officers or employees of the United States or Members of the Congress.

"(f) The Chairman of the Commission shall be designated by the President from among members appointed under subsection (a)(1)(G).

"(g) The Commission shall meet at the call of the Chairman or a majority of its members.

"§ 3319. Director and staff; expert and consultants

"(a) The Commission shall appoint a Director who shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316).

"(b) The Commission may appoint and fix the pay of such additional personnel as it deems necessary.

"(c)(1) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).

"(2) In procuring services under this subsection, the Commission shall seek to obtain the advice and assistance of constitutional scholars and members of the historical, archival, and journalistic professions.

"(d) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under sections 3315 through 3324 of this title.

"§ 3320. Powers of Commission

"(a) The Commission may, for the purpose of carrying out its duties under sections 3315 through 3324 of this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem desirable.

"(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

"(c) The Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out its duties under section 3315 through section 3324 of this title. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

"§ 3321. Support services

"(a) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services and assistance as the Commission may request.

"(b) The Archivist of the United States shall provide to the Commission on a reimbursable basis such technical and expert advice, consultation, and support assistance as the Commission may request.

"§ 3322. Report

"The Commission shall transmit to the President and to each House of the Congress a report not later than March 31, 1976. Such report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation, administrative actions, and other actions, as it deems appropriate.

"§ 3323. Termination

"The Commission shall cease to exist sixty days after transmitting its report under section 3322 of this title.

"§ 3324. Authorization of appropriations

"There is authorized to be appropriated such sums as may be necessary to carry out section 3315 through section 3324 of this title.".

TECHNICAL AMENDMENT

Sec. 203. The table of sections for chapter 33 of title 44, United States Code, is amended by adding at the end thereof the following new items:

"3315. Definitions.
"3316. Establishment of Commission.
"3317. Duties of Commission.
"3318. Membership.
"3319. Director and staff; experts and consultants.
"3320. Powers of Commission.
"3321. Support services.
"3322. Report.
"3323. Termination.
"3324. Authorization of appropriations.".

The SPEAKER. Is a second demanded?

Mr. HANSEN of Idaho. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Indiana (Mr. Brademas) will be recognized for 20 minutes, and the gentleman from Idaho (Mr. Hansen) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass S. 4016 as amended, a bill to preserve the tapes and other materials relating to the Presidency of Richard M. Nixon.

Mr. Speaker, S. 4016, as reported by the Committee on House Administration, includes, as title I, the bill passed by the Senate on October 4, 1974, with minor amendments and, as title II, authority to establish a National Study Commission on Records and Documents of Federal Officials.

I would like to take this opportunity to point out that the Subcommittee on Printing approved S. 4016, as amended, by unanimous voice vote on November 19, 1974, and that the full Committee approved this measure by a unanimous vote of 20 to 0 on November 26, 1974.

Mr. Speaker, I would like to pay a word of special tribute to the gentleman from South Carolina (Mr. Gettys) the gentleman from New York (Mr. Koch) the gentleman from New Hampshire (Mr. Cleveland) and the gentleman from Idaho (Mr. Hansen) for their very able assistance in bringing this legislation before the House.

Mr. Speaker, this bill would nullify the agreement of September 7, 1974, between former President Nixon and the Ford administration by providing that the Federal Government retain custody of the tapes and other materials of the Nixon Presidency and insure appropriate access to them. S. 4016 would also establish an independent commission to study the handling of the records and documents of all Federal officials, both elected and appointed.

Mr. Speaker, the disposition of records of public officials has become a matter of immediate importance because of the need to preserve the tapes and other documents relating to the Nixon Presidency.

It is unnecessary to recount here the events of Watergate. We are all aware that these events led to the approval of three articles of impeachment by the Judiciary Committee of the House of Representatives and that in the face of these recommendations, Mr. Nixon resigned from office. We are also aware that these events have resulted in the investigation, prosecution, and conviction of several former high-ranking aides of Mr. Nixon for crimes related to Watergate.

Mr. Speaker, information relating to the impeachment proceedings and information relating to the investigation of criminal actions related to these events are included in the historical records and materials of the Nixon Presidency and although this information is still needed to complete these criminal investigations and although more information is necessary to provide the American people with a full and accurate account of Watergate, the Ford administration negotiated an agreement with former President Nixon which, if implemented, could seriously limit access to the material and result in the destruction of a substantial portion of them.

NIXON/SAMPSON AGREEMENT

Mr. Speaker, on September 8, 1974, Philip Buchen, counsel to President Ford, announced an agreement between Mr. Nixon and Arthur Sampson, Administrator of General Services, regarding the disposition of some 42 million documents of the Nixon Presidency.

The agreement included all of Mr. Nixon's Presidential historical materials as defined in section 2101, title 44, United States Code.

The agreement, based on the assumption that the materials are the private property of Mr. Nixon, gives Mr. Nixon complete control over access to them and gives Mr. Nixon an absolute veto power over persons who could review the tapes and records.

In the agreement, Mr. Nixon expresses an intention to donate a substantial portion of these records to the Federal Government, and the agreement provides that they shall be stored at Government expense in a GSA facility in California near San Clemente until a permanent facility can be built.

The agreement allows Mr. Nixon to withdraw any of these materials from deposit, other than the tapes, after 3 years for any purpose. Presumably, this would allow Mr. Nixon to remove and destroy any of the materials if he wishes to do so.

The agreement also allows Mr. Nixon to destroy any of the tapes after September 1, 1979. Further, the gift of the tapes to the Federal Government is based on the condition that "the tapes shall be destroyed at the time of—Mr. Nixon's—death or on September 1, 1984, whichever event shall first occur."

Mr. Speaker, this agreement would give Mr. Nixon total control over access to the materials and records of his administration.

Although the agreement gives Mr. Nixon access to the materials and allows him to destroy any of the records which he chooses, it ignores the public interest in preserving them and providing access to them.

Moreover, the agreement ignores the need for these materials in judicial proceedings, including some in which Federal law enforcement will be frustrated and individual rights impaired if the materials are unavailable to the courts. The agreement also ignores the needs of Congress and executive agencies for continued use of the documents in the process of government.

And, Mr. Speaker, beyond the importance of the Watergate-related materials, the agreement ignores the legitimate public interest in gaining access to the materials of the Nixon Presidency which are of general historical significance. This material includes information which is very valuable to historians, political scientists, and other scholars—material which includes information on the workings of government during the Nixon Presidency.

The agreement has not yet been implemented because of objections raised by the Special Prosecutor and also because of litigation which is now pending in the U.S. District Court for the District of Columbia. However, once that litigation is completed, the agreement could be implemented and these tapes and materials could face imminent destruction.

PROVISIONS OF S. 4016

Mr. Speaker, the bill we are considering today is an emergency measure intended to nullify the agreement of September 7, 1974, and provide that the Federal Government retain custody of the Nixon tapes and Presidential materials. The bill would also establish a 17-member commission to study the disposition of documents of all Federal officials.

More specifically, the major provisions of the bill include:

First. Notwithstanding any other provision of law or any agreement, the Administrator of GSA shall retain custody and complete control of all tapes, papers, documents and other materials of general historical significance relating to the Presidency of Richard M. Nixon.

The tapes include all conversations recorded, beginning June 20, 1969, and ending August 9, 1974, which involved former President Nixon or any individual who was employed at the time of the conversation by the Federal Government; and were recorded in the White House or the Office of the President in the Old Executive Office Buildings in Washington or in the Presidential Offices at Camp David, Key Biscayne or San Clemente.

The Government would also retain custody of all papers, documents, memoranda, transcripts, and other objects and materials which constitute the "historical" materials of Richard M. Nixon, as defined in section 2101 of title 44, United States Code.

Second. All the tapes and other materials would be immediately available for us in judicial proceedings either by subpena or other legal process. Requests for the material by the Special Prosecutor would be given priority over other requests for these materials. Production of the materials would, of course, be subject to any rights, defenses, or privileges which the Federal Government or any person may invoke.

Third. Mr. Nixon or any person whom he may designate shall at all times have access to these materials for any purpose.

Fourth. The legislation specifically declares that it takes no position on the question of ownership of these materials prior to enactment; however, if a court does find that any provision of this bill deprives a person of private property right without just compensation, there are to be authorized such funds as may be necessary by an appropriate U.S. court.

Fifth. To guard against the removal or destruction of the tapes or other materials, the bill requires that they be maintained in the metropolitan area of Washington, D.C. Further, all access to the materials would be subject to regulations issued at the earliest possible date by the Administrator of GSA to protect the material from loss or destruction and to prevent access to the material by unauthorized persons.

Sixth. Within 90 days after enactment, the Administrator must submit to Congress regulations to provide public access to tapes and other materials. These regulations would insure access to the materials related to Watergate as well as material of general historical significance.

In preparing these regulations, the Administrator shall take into account several factors which include: first, the need to provide a full accounting of the events of "Watergate"; second, the need to make the materials available in judicial proceedings; third; the need to limit general access to material relating to national security; fourth, the need to protect every individual's right to a fair and impartial trial; fifth, the need to protect any individual's opportunity to assert any legal or constitutional right or privilege which may limit general access to the material; sixth, the need to provide public access to material of general historical significance in a manner consistent with procedures that have been used to provide public access to materials of former Presidents; and seventh, the need to return to Mr. Nixon purely personal materials, which are not of general historical value.

A question has been raised whether this bill would allow for the reproduction of the tapes and materials and for their broadcast. It is my understanding, as chairman of the subcommittee that considered this bill and as a member of the full committee, that under section 105 of S. 4016, which directs the Administrator to issue regulations to provide public access to the tapes and materials, reproduction, as well as broadcasting, could be provided for by these regulations.

These regulations shall take effect 90 days after they are submitted to Congress, unless disapproved by resolution of either House of Congress.

If only certain sections are disapproved, that portion of the regulations not affected by such resolution would become effective after 90 days.

Seventh. To insure expeditious resolution of any challenge to the legal or constitutional validity of any provision of this title, the bill provides that any such challenge shall be heard by a three-judge panel of the U.S. District Court for the District of Columbia with a direct appeal to the U.S. Supreme Court. The bill further provides that any challenge and appeal shall be heard as a priority matter.

Eighth. To insure that in any litigation which may be brought as a result of this bill, the public interest is fully represented and the legal and constitutional issues are effectively raised, developed, and presented, the committee adopted an amendment to authorize the House Administration Committee and the Senate Government Operations Committee, acting either jointly or separately, to appoint counsel to intervene in such litigation. This amendment, proposed by Chairman Hays, followed a suggestion by the distinguished gentlewoman from New York (Ms. Holtzman) and the distinguished gentleman from New York (Mr. Koch).

HISTORICAL MATERIALS

Mr. Speaker, this bill would provide that the Federal Government would retain custody of the "historical materials" of the Presidency of Richard M. Nixon. The term, "historical materials," is defined in section 2101 of title 44 of the United States Code, which includes "books, correspondence, documents, papers, pamphlets, works of art, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings and other objects or materials having historical or commemorative value. These materials include not only memorandums, letters and other documents generated and collected by Mr. Nixon, but also material generated by and collected in the White House and Executive Office Buildings, including recordings, papers and memorandums produced and collected by members of Mr. Nixon's staff and by staff members of the offices in the Executive Office of the President.

PRIVATE OWNERSHIP

Mr. Speaker, as I have already mentioned, this legislation takes no position on the question of ownership of these materials prior to enactment of the measure. The committee believed that at this time the resolution of the question of prior ownership was a matter most appropriately left to the judiciary.

However, whether a court determines that the material is the property of the U.S. Government or the private property of some individual, the committee believes that Congress clearly has the authority to pass S. 4016. If the material is the property of the Federal Government, the bill would simply be an exercise of congressional power under article IV of the Constitution to dispose of the property of the United States.

If the material is private property, the legislation would, if necessary, be an exercise of the congressional power of eminent domain and would authorize the payment of "just compensation" if a court of competent jurisdiction should so determine.

PUBLIC DOCUMENTS COMMISSION

Mr. Speaker, title I of this bill is an emergency measure intended to preserve the tapes and other materials of the Nixon Presidency. However, current concern for the preservation of the Nixon material has focussed attention as well on the general question of the handling of records and documents of all Federal officials. Several bills have been introduced in the House and referred to our committee which include proposals for handling the records of Members of the House and Senate as well as those of Presidents.

The Subcommittee on Printing, which I chair, of the House Administration Committee, held 2 days of hearings on these measures. Testimony during these hearings clearly indicated that the issues relating to the handling of the documents of Federal officials are so complex and so varied that a comprehensive study by an independent commission would be warranted to develop specific recommendations for permanent legislation affecting the documents of other Federal officials.

Mr. Speaker, title II of S. 4016, which was unanimously approved by the Committee on House Administration, would establish a national study commission on records and documents of Federal officials. Title II is similar to a bill which I introduced with the distinguished gentleman from Idaho (Mr. Hansen), on September 26, 1974.

Title II would establish an independent commission to study the handling of records and documents of all Federal officials. Federal officials would include elected officials, members of the Federal judiciary, and other appointed officers of the Government.

This 17-member commission would be composed of two Members of the House of Representatives; two Senators; three appointees of the President, selected from the public on a bipartisan basis; the Librarian of Congress; one appointee each of the Chief Justice of the United States, the White House, the Secretary of State, the Secretary of Defense, the Attorney General, and the Administrator of General Services; and three other representatives, one each appointed by the American Historical Association, the Society of American Archivists, and the Organization of American Historians.

The commission would be directed to make specific recommendations for legislation and recommendations for rules and procedures as may be appropriate regarding the disposition of documents of Federal officials. The final report is to be submitted to the Congress and the President by March 31, 1976.

Mr. Speaker, title II, I believe, represents a sensible approach to the very difficult question of developing a uniform policy with respect to the handling of records and documents of Federal officials. This commission would be composed of experts in the field, persons with principal responsibility for the disposition of historical records, and I am certain that the findings and recommendations of this commission will be more useful when Congress considers permanent legislation affecting the handling of these documents.

Mr. Speaker, there are several typographical errors in the committee report (93–1507) to S. 4016 which I would like to bring to the attention of my colleagues. The corrections follow:

First. Page 2, paragraph 4, delete "unanimous".

Second. Page 5, paragraph 6, after the words "granted by", insert "Section 552 of title 5, United States Code", and parentheses around "Freedom of Information Act".

Third. Page 6, full paragraph 3, strike "overs" and insert "access".

Fourth. Page 7, first full paragraph, fourth line, insert "are" after "to the materials".

Fifth. Page 7, paragraph 2, change "plots" to "plats".

Sixth. Page 7, delete paragraph 6.

Mr. KOCH. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New York.

Mr. KOCH. Mr. Speaker, I commend the gentleman for his leadership as subcommittee chairman.

Mr. Speaker, I want to take special note of the fact that the proposal initiated by Congresswoman Holtzman and proposed by me in the full committee to make certain that independent Government counsel would be available to press the right of the Government for possession and title of these materials was adopted by the full committee and is in the bill. I want also to take special note that the mechanism to provide such independent counsel by allowing either the House Administration or Senate Government Operations Committee to engage such counsel, jointly or independently, was devised by the distinguished chairman of the committee (Mr. Hays).

This provision is important because the Attorney General has already publicly stated that in his opinion the material is the property of the former President. The concern is that in view of the head of the Justice Department having taken such a position, the Justice Department itself might not adequately advocate the position that title is in fact in the United States. By having provided for congressional input and counsel I believe we have reduced the possibility of such a position on the part of the Justice Department.

Mr. YATES. Mr. Speaker, will the gentleman yield for a question?

Mr. BRADEMAS. I yield to the gentleman from Illinois.

Mr. YATES. I think this is a very important bill. I want to commend the gentleman for bringing it out.

I am a little bit concerned about the definition of "historical materials." Is it the intention of the bill that the United States take custody of materials other than historical materials which may belong to Richard M. Nixon?

Mr. BRADEMAS. No. The language to which the gentleman refers, "historical materials," is a term of legislative art and is taken from section 2101 of title 44, United States Code, and include "books, correspondence, documents, papers, pamphlets, works of art, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials having historical or commemorative value."

It should be pointed out, as I said earlier, I would say to my colleague from Illinois, that these materials include not only such materials generated by Mr. Nixon, but also such documents or materials generated or collected by his aides.

It is our purpose to require that the

U.S. Government retain complete possession and control of all the documents, tapes, and other materials produced or collected by President Nixon, where such materials concern Government business or public affairs. Materials of a purely personal nature, such as records from Mr. Nixon's private law practice or persons corresponding with his family, would be returned to him, pursuant to section 105(a)(7), to the extent they are found among the materials in the Government's possession. Of course, the Government officials responsible for these materials will be expected to screen them with sufficient care to insure that items to be retained by the Government under the requirements of this law are not inadvertently turned over to Mr. Nixon.

In the case of tape recordings, for example, if it appears that portions of certain tapes contain conversations solely of a personal nature with Mr. Nixon's family or personal friends in which no Government officials participated and no public affairs were discussed, conceivably these portions of the tapes could be returned to Mr. Nixon through an appropriate process, but extreme care would have to be taken to insure that the historical integrity and authenticity of the original tapes is not impaired so far as all other conversations are concerned.

And, of course, the regulations providing for the transfer of such materials would be subject to congressional review and approval.

Mr. YATES. Mr. Speaker, will the gentleman yield for another question?

Mr. BRADEMAS. Yes.

Mr. YATES. Who will determine under the provisions of the bill whether the materials are historical, and, therefore, subject to custody of the United States, and which materials are not?

Mr. BRADEMAS. I would say in response to the gentleman that the bill contemplates that the same types of procedures which are presently used with respect to the papers of former Presidents would be employed.

Mr. YATES. What provisions are those?

Mr. BRADEMAS. While I do not pretend to be an expert, it is my understanding that the procedures involve judgments of the Archivist of the United States, who is an employee of the Administrator of the General Services Administration.

Mr. YATES. Does the gentleman have some compunctions about leaving this decision to the Administrator of the General Services Administration, he being the one who made the agreement with the President of the United States?

Mr. BRADEMAS. I think the gentleman's point is very well taken. It is precisely because of the apprehension of the members of the committee with respect to that particular point that the bill contains language which directs the Administrator to submit to Congress, within 90 days after the enactment of the measure, regulations which would provide public access to the materials.

Secondly, it is precisely because we shared that apprehension that those regulations would not go into effect without an opportunity for both the House and Senate to review the regulations and to exercise a veto if we disapprove of them.

Mr. YATES. Mr. Speaker, will the gentleman yield for another question?

Mr. BRADEMAS. Of course.

Mr. YATES. Will the Administrator be required to permit the access to the public only to historical materials or all materials?

Mr. BRADEMAS. Only historical materials.

Mr. YATES. Mr. Speaker, I thank the gentleman.

Mr. HANSEN of Idaho. Mr. Speaker, I rise in support of the legislation before us. I want to commend the principal architect of this legislation, the gentleman from Indiana (Mr. BRADEMAS) for his leadership, the bill in its present form combines the essential features of the original Senate bill, S. 4016, and of H.R. 16906 which was introduced by my distinguished colleague and me a few weeks ago.

The original bill, S. 4016, was well intentioned and responsive to a clearly demonstrated need. Amendments proposed by the Committee on House Administration have considerably improved and strengthened the bill, however. The real value of the legislation before us is that it addresses very difficult issues relating to Presidential papers both in the short term and in the long term.

The need to protect the rights of the public in the papers of former President Nixon while the questions relating to the legal status of the rights and interests in those papers is being resolved emphasizes the urgent need to enact the provisions of title II of the bill, which will enable us to better deal with the same kinds of very broad issues as they relate to the papers of all Presidents. It is especially important that both steps proposed in this bill be taken without delay while there is widespread interest in Congress and by the public in these questions.

Essentially, title II this legislation would establish a 14-member Commission to undertake a comprehensive study of the handling and disposition of papers, tapes and documents of Presidents and other Federal officials. This Commission would be composed of two Members of the House of Representatives, two Senators, three Presidential appointees, appointees of the Chief Justice of the Supreme Court, the Secretary of State, the Secretary of Defense, the Attorney General, the General Services Administrator, a prominent historian and a prominent archivist. The makeup, you can see, would allow input from many varied and knowledgeable sources. The Commission would be required to issue a report to Congress by December 31, 1975, including specific recommendations for legislation and other appropriate rules and procedures relevant to the control, disposition and preservation of such records and documents. Hopefully, the recommendations could be acted on in the 2d session of the 94th Congress.

Why do we need such legislation creating yet another commission to study yet another subject? This legislation is crucial, primarily because in recent years the longstanding tradition of personal ownership of Presidential papers has increasingly clashed with a valid need to have materials of historical significance made available to the public for research and evaluation. Both positions are valid and a clear and reasonable policy must be established to reconcile them. The alternative is a continuation of the present situation where the disposition of public papers is surrounded by confusion and conflict and this is not acceptable.

While this legislation would be considered important at any time, it takes on an added importance now due to the uncertainty concerning the disposition of Mr. Nixon's papers and tapes. Mr. Speaker, I believe it is intolerable to allow this dispute over the former President's papers to drag on indefinitely. Can we really afford to let the important questions surrounding Mr. Nixon's situation—and indeed that of other Federal officials—be left to shifting legal opinions and bad precedent? I believe not and I ask my colleagues to take a positive step toward resolving this matter by creating the study commission authorized in this amendment.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Speaker, I thank the gentleman for yielding to me.

I would like to say, Mr. Speaker, that I concur generally with the remarks of the gentleman from Indiana and the gentleman from Idaho. I was unable to be at the hearings on this legislation—which I think were too brief—because of the time element. I did have several reservations about the legislation but these were chiefly answered by amendments which the majority accepted and language in the report. My reservations concerned the matter of title and the matter of executive privilege as set forth in decision of the Supreme Court on July 24, 1974.

This is not only an attempted short-term solution to a particular problem, but also a long-term solution to a general problem. I hope that the long-term solution will prove successful, as well as the short-term solution prove fair to all concerned. Although I am not sure the matter has had enough study, I do feel the legislation and report has sufficient safeguards so I can support it.

Mr. HANSEN of Idaho. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding to me. I take this time to ask the gentleman from Indiana a question or two concerning this whole proceeding. I do not know that I have any substantial opposition to the bill, but precisely what bill are we dealing with?

I was given a bill by the document

room, S. 4016, a 6-page bill, to study before the action on the floor today. Now, I find that we are considering another S. 4016, a 23-page bill, which in some respects differs substantially with the bill I was handed by the document room.

I might ask the gentleman also, so that he can include it in his response, if he will, when the report on this bill became available? I could not get a copy of the report on this bill last week. Was the report made available only today?

Mr. BRADEMAS. If the gentleman will yield, I would say, first, with respect to the copy of the bill that was supplied to the gentleman from Iowa by the documents room, I of course have no knowledge of that; and if that is an error, it is an error on the part of the document room, not on the part of the gentleman from Indiana.

Second, with respect to the availability of the report on S. 4016, as amended, the report (H. Rept. 93–1507) was filed on Wednesday evening, November 27. I assume, therefore, that it was available as soon as the Government Printing Office made it available. I cannot tell the gentleman if it was printed overnight or not, but it was filed in a timely fashion.

Mr. GROSS. Filing it in the House is one thing, and calling it up on the floor of the House is quite another. I do not know whether to blame the document room for having given me the S. 4016 that it did. Which bill are we considering, since the gentleman seems to want to take issue with the distribution of the bill by the document room? Which one does the gentleman now wish to be considered by the House?

Mr. BRADEMAS. The same bill that was reported (H. Rept. 93–1507) on November 27, 1974, with the committee amendment printed in it and which was referred to the Union Calendar (No. 729).

Mr. GROSS. Does the gentleman have any idea why S. 4016, under the date of October 7, 1974, would be distributed as a matter to be considered?

Mr. BRADEMAS. No. I would say some deficiency or maladministration on the part of the House document room.

The **SPEAKER** pro tempore. Does the gentleman from Indiana desire to yield further time?

Mr. BRADEMAS. Mr. Speaker, I would be glad to yield 3 minutes of my remaining 4 minutes to the gentleman from Texas (Mr. BROOKS).

Mr. Speaker, I would like to take a moment, in yielding to the gentleman from Texas. As a leader on the Committee on Government Operations, I observe that the gentleman has been a particularly concerned Member of this House with respect to the subject matter of this bill. I want to commend the gentleman from Texas for the tenacity and the depth of his concern with what I know he and I both agree is a most important problem.

I will be glad to yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I support the basic objective of S. 4016, that is to preserve and protect the papers, tapes and other materials of former President Richard M. Nixon.

Under normal circumstances, such legislation would not be necessary. Recent Presidents have all placed their papers in the public domain, so those engaged in historic research may have full access to the materials. The Government Operations Committee has enacted legislation which establishes Presidential libraries to house such papers.

The Presidential libraries law places an obligation upon the Administrator of General Services to negotiate with a former President not for ownership but over the best means to preserve and protect the papers for the ultimate benefit of the public. If the letter and spirit of this law, as well as past precedent, had been followed, there would be little need for us to legislate here.

However, GSA Administrator Arthur Sampson, contrary to the requirement of law that he negotiate to preserve and protect these papers, entered into an agreement giving Mr. Nixon the right to destroy or otherwise dispose of the tapes and other papers of his administration.

Because of the nature of certain of these materials, there is a realistic fear many may be destroyed if not preserved in the Government's possession. It is clear, then, that enactment of S. 4016 is essential if vital Presidential materials are to be preserved and ultimately made available to the American public.

There is, however, one aspect of the bill with which I strongly disagree. If the courts determine that some or all of former President Nixon's papers are, in fact, private property, then, taking possession of them by the Federal Government would be in violation of the Constitution unless compensation were rendered the owner. The bill properly seeks to meet this contingency.

I am concerned, however, that S. 4016 obligates the taxpayers to pay Richard Nixon any amount of money which a court determines all the papers to be worth. This "blank check" authority is unfortunate. I do not believe the taxpayer should be irrevocably obligated to turn over what might be unlimited millions of dollars to Mr. Nixon. His disregard for the public good, his use of the Presidency to enrich himself, and his total demeaning of the Office of President should stop him from further public enrichment.

Rather than authorizing blank check payment for all Mr. Nixon's papers should a court hold them to be private property, S. 4016 should authorize Congress to appropriate only such sums of money as they deem in the public interest. This would allow Congress, upon seeking expert opinion, to buy selectively those papers of a truly historic nature while allowing Mr. Nixon to take the rest home to burn, sell or otherwise deprive the American people of as he desires.

Mr. BRADEMAS. I thank my colleague from Texas. I am very sympathetic to his point of view. I would say, in respect of the point he made regarding the authorization of the payment of just compensation, this provision of the bill authorizes no more than what the Constitution would require if a court were to hold that the tapes and other documents are the personal property of Mr. Nixon. The provision was included in the bill to guard against a possible claim that the legislation is unconstitutional because it takes private property without providing just compensation.

Mr. Speaker, I thank the gentleman from Texas for his contribution.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Speaker, I rise in support of this measure.

Mr. Speaker, this bill is long overdue and I hope that the House will act on it favorably, not only because of the current controversy, but to set a precedent if a similar situation should ever arise. We can hope that we will never again have a corrupt administration; but we must protect the public from what we now know can happen.

Title I of S. 4016 would nullify all agreements regarding historical materials between Mr. Nixon and the GSA. It would establish the principle that historic documents produced by a Government official during a term in office are the property of the Government and not the property of the individual.

To me it is outrageous that any President should have been allowed to use such papers for private gain. It is incredible that Mr. Nixon should claim tapes and other documents, as his own, apparently to enable him to make another $2 million from a book contract—and then be permitted to destroy the records. Under this agreement, if Mr. Nixon should die, the tapes needed for Watergate prosecutions could have been immediately destroyed. Such attempts to conceal evidence provide a second or third level of coverup—and if successful would have thwarted forever the people's right to know. Fortunately, a Federal district court has issued a temporary restraining order preventing such an outcome, pending passage of this bill.

S. 4016 makes the Nixon historical materials available for lawful use by Government agencies and by the public, with priority given to the Watergate special prosecution force. It allows the former President access to the materials, but protects them from destruction.

Title II of the bill sets up a temporary, 17-member Public Documents Commission, including historians and archivists, to study and recommend procedures for the control, disposition, and preservation of historical records. From their recommendations we can expect appropriate legislation to prevent, in future, controversies over the control of Government records.

This bill contains the best provisions of several others offered. Basically it protects the public right to inspect and protect the records of Government officials. Anything less is an abandonment of democratic procedures.

I commend the committee and urge immediate passage of S. 4016.

Mr. McKINNEY. Mr. Speaker, what with President Ford's pardon of former President Nixon, coupled with the announcement of the agreement governing Mr. Nixon's ownership of his Presidential historical materials, I feared the American public would never know the full truth of the Watergate scandals. And since those 2 years were long and agonizing to the Nation, I felt the American people had the right to know the facts, to know the full story. Secondhand accounts simply would not suffice. Hence I introduced legislation requiring the Special Prosecutor to deliver to Congress all materials and reports obtained by his office in the course of his investigation, these documents to be eventually available to the public.

The legislation before us, S. 4016, has basically the same goal as the measure I introduced, that is, insuring that the American public will have the information to which they are entitled. The bill, essentially a holding action to preserve the Nixon tapes and papers, requires the Federal Government to take complete possession and control of the tapes and other Presidential materials of Mr. Nixon's tenure. The legislation does not itself determine the question of title but does provide for an expedited procedure under which ownership questions may be resolved. If the courts determine that the materials constitute the private property of former President Nixon, then because these papers are imbued with the public interest, the Federal Government will pay appropriate compensation.

By this means we are insured the preservation of and accessibility to the historical record of these recent momentous events of our Nation's history. I fully support this legislation as I strongly believe it is our responsibility to provide every possible opportunity for each citizen to confront the unscreened facts of the past to be better prepared to adopt the measures and the legislation necessary to stop future Watergates.

This is critical freedom of information legislation and I urge my colleagues to support its passage.

Mr. BINGHAM. Mr. Speaker, I rise in support of S. 4016 which would require the Federal Government to retain custody of all tapes, papers, and documents which constitute historical materials produced by the Nixon White House. Since the day former President Nixon resigned, I have been urging that action be taken by the Congress to insure that the full story of Watergate and the Nixon administration's abuses of power eventually become known. The American people are entitled to know the full story of the past few years, and to be spared the possibility of the resurrection of claims of innocence by the former President.

The legislation before us today should make such full disclosure possible. S. 4106 would prevent the Administrator of the General Services Administration from turning over all the White House files to the former President as he had agreed to do, an action which would have inevitably led to the destruction of much of this historical material. The bill also establishes a National Study Commission to study the disposition and preservation of records and documents of all Federal elected officials. I expect this Commission, as well as the Federal courts, will grapple with the ultimate questions; that is, who owns and who should own Presidential documents, the former President or the American people?

Mr. Speaker, on September 30 I testified before the House Administration Subcommittee on Printing in support of this legislation, and I include that statement at this point in my remarks:

Statement by the Honorable Jonathan Bingham

Mr. Chairman, the September 7, 1974 agreement on the disposition of Presidential papers between former President Richard Nixon and Mr. Arthur Sampson, Administrator of the General Services Administration, is an appalling abuse of historical precedent. It must not be allowed to take effect. I commend you and your Subcommittee for the priority consideration you are giving to this urgent matter.

This agreement rests on a mushy foundation of tradition not law. It presumes that Presidential papers, documents and tapes are the personal property of the President during whose tenure of office they are produced. The agreement therefore proposes to maintain these materials in the custody of the Federal government at a storage facility near Mr. Nixon's home in California, while giving him complete control of access to the materials, and the right to withdraw and destroy any and all papers after 3 years, and tape recordings after five years. The tapes would all be destroyed if Mr. Nixon should die before the five-year period had elapsed. While the right of access to the materials through court subpoena is specified in the agreement, no provision is made for third party supervision, which could allow the former President to make undisputed claims that certain subpoenaed evidence simply does not exist.

Since the former President can certainly be expected to resist any court subpoena for these materials, there is a clear and present danger that this agreement may be the final act of coverup in the Watergate affair. It could well prevent the full story of the Nixon Administration's violations of the law and the Constitution from full disclosure, leaving history and the American people with an incomplete understanding of the traumatic events of the last few years and the lessons they must teach. Worse still, since that limited understanding is based on a record that is replete with gaps and unanswered questions, it is quite possible that Richard Nixon will resurrect his claims of innocence in the years ahead and appeal to those who believe he was driven from office by partisan furies and the news media.

In these circumstances, I do not believe the nation should meekly sacrifice the national interest in completing the investigation of Richard Nixon's administration because of historical precedents under which former Presidents have been allowed to retain their papers, I have introduced legislation which has been referred to this Subcommittee which would establish by statute that the official papers of all Federal elected officials are the property of the American people. It would require the Administrator of General Services to obtain all public documents of Presidents, Vice Presidents, Senators and Members of the House within 180 days after they cease to hold office, whereupon these documents would be deposited in the National Archives of the United States. "Public documents" are defined as "books, correspondence, documents, papers, pamphlets, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials which shall have been retained by an individual holding elective office under the United States and which were prepared for or originated by such individual in connection with the transaction of public business."

I am convinced that there is ample justification for establishing by statute the principle of public ownership of elected officials' documents. These materials have been prepared by people on government payrolls, on government time, with government materials, pursuant to government business. These materials are clearly part of the official history of the United States and should not be subject to the risks of loss or destruction if placed in private hands. The Library of Congress has the papers of 23 former Presidents, none of which are complete, often because prior custodians destroyed portions of them. Attorney General Saxbe's opinion on the question of ownership leans heavily on the largely unchallenged practice of prior Presidents who have taken their papers with them on leaving the White House. It is important to note, however, that many Presidents have immediately deposited their papers with the Library of Congress. Moreover, the tradition of private ownership began with George Washington, who apparently took his papers with him principally because the Government had no place to store them at the time. The Library of Congress did not exist in the early days of the Republic, so Washington retained his papers, acknowledging that they were "a species of public property sacred in my hands."

Not only is the historical precedent for private ownership of Presidential papers a dubious one, it has never been incorporated in public law. Attorney General Saxbe in his opinion refers to Congressional "recognition," "sanction," and "assumption" of this principle, but nowhere is there a law (much less a provision in the Constitution) which declares that Presidents or other elected officials own the papers and documents they produce while in office. Enactment of legislation such as I have proposed would not reverse any prior legislative action, thereby perhaps taking title from a present owner, but instead would establish by statute public title to documents whose ownership has never been definitely decided before.

In the months since I introduced this legislation, I have considered its ramifications in some detail and have concluded that further study and refinement may well be necessary. There are serious and complex questions involved which are not easily answered. How should access to these materials be allowed and who should establish such rules as are deemed necessary? What protection should be allowed for personal, political or national security matters? Would this legislation impede elected officials in their duties since they might fear early disclosure of embarrassing or confidential information? Might they surreptitiously make efforts to purge their files while still in office? What if the Supreme Court should ultimately decide that former Presidents do have a property right to their papers? Should not a method of compensation then be provided?

Because of these complexities, I support the establishment of a National Study Commission on Federal Records and Documents of Federal Officials, as you proposed, Mr. Chairman, on September 26. Hopefully, such a Commission could study these questions and others, and recommend to the Congress detailed legislation to deal with them.

However, there remains an urgent need for action to prevent the implementation of the pending agreement concerning materials generated in the White House during Richard Nixon's five-and-a-half years in office. That agreement has not been implemented because of objections raised by the Special Prosecutor, and perhaps because the reaction to that agreement in Congress has been devastating. Both House and Senate Appropriations Committees have refused to approve President Ford's request for $110,000 to implement that agreement by building and maintaining a storage facility in California for the documents. But delay in Congressional action to block the transfer of these Presidential tapes and papers must be avoided.

If immediate action is not taken on legislation establishing the government's proprietary right to these materials, then I urge you to incorporate provisions in the bill you report asserting the Federal government's rights to the Nixon tapes and documents and requiring that they remain in the custody of the government in Washington, D.C. As you know, the Senate Government Operations Committee last week reported legislation to block the papers agreement by directing the Administrator of General Services, notwithstanding any agreement with the former President, to obtain complete possession and control of all tapes and documents as a kind of protective custody for critically important public business. The Committee relies heavily on the Truman precedent, cited by Attorney General Saxbe, under which certain of the Roosevelt papers relating to the prosecution of World War II were retained by President Truman for a limited period of time.

However, the Senate Committee did not take a position on the question of property rights, merely providing for just compensation if a U.S. court of competent jurisdiction should rule that Mr. Nixon was deprived of his rights to the materials involved. Such a court test and authorization for compensation are inevitable and necessary, but a positive Congressional declaration that elected officials' public documents are public property is equally important. Professor Arthur Miller of George Washington University has succinctly stated the case for placing title "where it belongs—in the government." He points out that "If the former President contested that, a judicial ruling could then determine the question of legal title. Even if the courts ruled for Nixon, the papers and tapes could still be taken by eminent domain—provided, of course, that the Constitutional requirement of 'just compensation' was paid. It is highly doubtful that the courts would rule against an express Congressional decision."

This approach would enable the Congress to overturn the Nixon-Sampson agreement which is so clearly contemptuous of the national interest, and to preserve the White House tapes and documents. It would also allow the Congress time to consider the recommendations of the Commission on Federal Documents. I urge your Committee to take speedy action along these lines.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

Mr. HANSEN of Idaho. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from Indiana (Mr. Brademas) that the House suspend the rules and pass the Senate bill S. 4016, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

HARRY S. TRUMAN MEMORIAL SCHOLARSHIP ACT

Mr. O'HARA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 17481) to establish the Harry S. Truman memorial scholarship program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 17481

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Harry S. Truman Memorial Scholarship Act".

STATEMENT OF FINDINGS

Sec. 2. The Congress finds that—

because a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because a special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and National Government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S. Truman through the creation of a perpetual education scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "Board" means the Board of Trustees of the Harry S. Truman Scholarship Foundation;

(2) "Foundation" means the Harry S. Truman Scholarship Foundation;

(3) "fund" means the Harry S. Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965;

(5) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and, considered as a single entity, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands; and

(6) "Secretary" means the Secretary of the Treasury.".

Sec. 4. The Harry S. Truman Scholarship Program as authorized by this Act shall be the sole Federal memorial to President Harry S. Truman.

ESTABLISHMENT OF THE HARRY S. TRUMAN SCHOLARSHIP PROGRAM

Sec. 5. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry S. Truman Scholarship Foundation.

(b)(1) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of thirteen members, as follows:

(A) two Members of the Senate, one from each political party, to be appointed by the President of the Senate;

(B) two Members of the House of Representatives, one from each political party, to be appointed by the Speaker;

(C) eight members, not more than four of whom shall be of the same political party, to be appointed by the President with the advice and consent of the Senate, of whom one shall be a chief executive officer of a State, one a chief executive officer of a city or county, one a member of a Federal court, one a member of a State court, one a person active in postsecondary education, and three representatives of the general public; and

(D) the Commissioner of Education or his designate, who shall serve ex officio as a member of the Board, but shall not be eligible to serve as Chairman.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, four for terms of two years, five for terms of four years, and four for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

SCHOLARSHIPS

Sec. 6. (a) The Foundation is authorized to award scholarships to persons who demonstrate outstanding potential for and who plan to pursue a career in public service.

(b) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(c) A student awarded a scholarship under this Act may attend any institution of higher education offering courses of study, training, or other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation.

(b) Each student awarded a scholarship under this Act must have indicated a serious intent to enter the public service upon the completion of his or her educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his or her educational program.

SELECTION OF TRUMAN SCHOLARS

Sec. 7. (a) The Foundation is authorized, either directly or by contract, to provide for the conduct of a nationwide competition for the purpose of selecting Truman scholars.

(b) The Foundation shall adopt selection procedures which shall assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.

STIPENDS

Sec. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board, or $5,000 whichever is less for each academic year of study.

SCHOLARSHIP CONDITIONS

Sec. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research designed to prepare him or her for a career in public service and is not otherwise engaging in gainful employment other than employment approved by the Foundation pursuant to regulation.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this Act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, study or research, except as otherwise provided in subsection (a).

TRUMAN MEMORIAL SCHOLARSHIP FUND

SEC. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S. Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it by section 14 of this Act.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market place. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 11. (a) The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the purposes of the Act.

(b) The activities of the Foundation under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Foundation, pertaining to such activities and necessary to facilitate the audit.

EXECUTIVE SECRETARY

SEC. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) The Executive Secretary of the Foundation shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

ADMINISTRATIVE PROVISIONS

SEC. 13. (a) In order to carry out the provisions of this Act, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Secretary be compensated at a rate to exceed the rate provided for employees in grade 15 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditures.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

APPROPRIATIONS AUTHORIZED

SEC. 14. There are authorized to be appropriated $30,000,000 to the fund.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **DELLENBACK**. Mr. Speaker, I demand a second.

Mr. **GROSS**. Mr. Speaker, is the gentleman from Oregon opposed to the bill?

Mr. **DELLENBACK**. Mr. Speaker, I am not opposed to the bill.

Mr. **GROSS**. Mr. Speaker, I demand a second. I oppose the bill, and I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Michigan (Mr. O'HARA) is recognized for 20 minutes, and the gentleman from Iowa (Mr. GROSS) is recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. **O'HARA**. Mr. Speaker, the bill before us today seeks to create a scholarship program as a memorial to Harry S. Truman, late President of the United States. The bill has been approved by the Committee on Education and Labor, and enjoys the bipartisan sponsorship of the entire Missouri delegation, the chairman and ranking minority member of both the Committee, on Education and Labor and of the Special Subcommittee on Education, and virtually the entire membership of that subcommittee. While not identical to a bill approved in August in the other body, the structure and operation of the program established in H.R. 17481, is essentially the same. If this bill is approved by the House, it is my intention to seek an early and what I would predict would be a short conference with the Senate, and to send this to the President's desk during this session.

H.R. 17481 would authorize appropriations not to exceed a total of $30 million, which would be immediately deposited in a fund within the Treasury. The Secretary of the Treasury would be required to invest this endowment in U.S. Government securities, and the proceeds from this investment would be utilized by the Harry S. Truman Foundation to carry out the purposes of this legislation.

Because of the very proper concern felt by us all about economy in government, I would like to stress that this legislation not only does not visualize the appropriation of funds in excess of the $30 million authorized, but, indeed, does not permit the utilization by the Foundation of other appropriated funds. All of the expenses of the Foundation, including the scholarship awards themselves and the administrative costs of the Foundation must be met, under this legislation, out of the interest and income from the original endowment, or from private gifts, bequests, and legacies which, like other similar institutions, the Foundation is empowered to accept and utilize.

The basic activity of the Foundation is to conduct, directly, or perhaps by contract with an organization such as the Educational Testing Service or the American College Testing Service, a national competition on the basis of which the Foundation is empowered to grant scholarships to people who have demonstrated outstanding potential for, and are planning to pursue a career in, the public service. The scholarships which are to permit the Truman scholar to pursue such study and training, on the undergraduate or graduate level, are to be in an amount equal to the scholar's tuition, fees, books, room and board up to a ceiling of $5,000 per year, at the institution chosen by the scholar. No scholarship shall be awarded for a period in excess of 4 years, and at least one such scholarship must be awarded each year in each State in which there is a resident applicant who meets the minimum qualifications which are to be set by the Foundation.

While the legislation does not explicitly set forth the minimum qualifications for a scholarship, nor decide for the Foundation how the scholars will be selected, it is fair to point out that this scholarship is viewed as one for which excellence, specifically academic excellence, shall play a major role in qualifying a young person.

A limited appropriation will serve as a permanent endowment. A Foundation, directed by a Board to be selected from carefully delineated areas of public service, will choose Truman Scholars. The legislation commits the Nation to no further outlay of appropriated funds, and visualizes no expansion of the Memorial Program. While allowing the Foundation to set minimal criteria for institutional participation, it does not involve the Foundation or any other arm of the Government in the design of courses of study. Truman Scholars are to be free to pursue courses of study leading to careers in the public service at whatever legitimate institutions they find proper. While some of us very much hope that cooperative education experiences, internships, semesters in Washington or in Lansing, or in Albany or in Jefferson City, and other kinds of practical experience will be offered by schools and chosen by Truman Scholars, we would not mandate them as a part of the curriculum for any such scholar. The public service is a term that is too broad to permit and too important to benefit from either over-cautious or over-ambitious efforts at definition.

I do not want to relinquish the floor, Mr. Speaker, without saying at least a word about the great man whom this program will memorialize. His stature has grown steadily, from the moment he assumed the Presidency—or before—and did not stop growing when he relinquished it. He looms today larger on the horizon, if that is possible, than while he was presiding over the birth of the nuclear era, marshaling the Western World into an awareness that vigilance remains the price of liberty, launching the national commitment to equality of opportunity, reaffirming in a moment of challenge the constitutional principle of civilian supremacy, and, most of all, living a life that in every hour and in every word reminded the American people that their President was their servant.

Recently, Merle Miller published a book called "Plain Speaking" in which he recounts much of the public life of the man from Independence. One passage, on the opening page struck me with particular force, and I found it very useful to think about during the turmoil of the past year. Miller says:

> Harry's words were never fancy, but they were never obscure either. You never had to try to figure out what Harry was up to; he told you what he was up to. And, as they said of him back in Independence, he was a man of his word. There was not a duplicitous bone in his body. He was without guile, and when it was all over, when he and Bess came back home, after eighteen years in Washington, more than seven of them in the White House, neither of them thought of bringing any of the trappings of the Presidency with them. In fact, that last day in Washington, in January, 1953, Harry had thought that since the relations between himself and the incoming President were, to state it gently, strained, he and Bess might have to walk from the White House to the railroad station. Or perhaps take a taxi.
>
> "But that wouldn't have bothered me," he told me years later. "I was there more or less by accident you might say, and I just never got to thinking that I was anything special. It's very easy to do that in Washington, and I've seen it happen to a lot of fellas. But I did my best not to let it happen to me. I tried never to forget who I was and where I'd come from and where I was going back to. And if you can do that, things usually work out all right in the end."
>
> As nearly as he could remember, Harry's last act in the White House was returning a pencil or maybe it was a pen to the desk of the man he had borrowed it from.
>
> "Everything," he said, "all of it belongs to the people. I was just privileged to use it for a while. That's all. And since it was only lent to me, and by that I'm includin' the power of the Presidency, such as it is, I had to try to use whatever it was with great care so that I could pass it on to the next fella in the best condition possible. And for the most part I think you can say I succeeded."

Mr. Speaker, Harry Truman accepted the loan of the Presidency from the American people, and he returned it, undamaged, unsullied, its prestige higher than ever and its polish just a little brighter than when he borrowed it.

At a time when the American people generally have a lower opinion of public service than a democracy can safely live with, it is not only in the public interest to encourage students to pursue public service careers, it is uniquely appropriate that they be encouraged to do so in the name of, and as a tribute to, Harry S Truman.

Mr. DELLENBACK. Mr. Speaker, I would appreciate it if the gentleman from Michigan would yield time to me.

Mr. O'HARA. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I thank the gentleman.

It is with great pleasure, Mr. Speaker, that I join with my colleague, the gentleman from Michigan (Mr. O'HARA), and a number of other Members in supporting what I really think is a most creative and useful idea to memorialize a President—in this particular instance, President Truman. The idea of awarding scholarships to outstanding young people who have a desire to pursue a career in public service is in my opinion a most fitting memorial to one of this Nation's great public servants.

I am especially pleased to endorse this particular version of that good idea that is in the form of this bill before us. The Senate bill, S. 3548, which deals with the same idea and which has been passed by the Senate, contained a certain number of provisions which in my opinion would not be acceptable to many Members.

In my judgment, that bill was not nearly as effective a mechanism for achieving the goal that is here sought as is the bill which is before us.

I will not repeat at this moment the details of the legislation which have been covered by my colleague, the chairman of our subcommittee. I would emphasize only one or two features.

We have here a flexible program which will not be limited merely to undergraduates, as was the Senate proposal, but which will cover potentially either undergraduates or graduates.

By the time of life that an individual is attending a graduate school, he has had an opportunity to explore various career options, and I think that making this open to graduate scholarships is a fine step in a good direction.

Personally I hope that the Foundation will not only give a priority to graduate scholarships, but will give special attention to individuals who have had an opportunity to demonstrate their capacities and build a background in nonacademic settings. Quite frankly, it is my hope that outstanding public servants who have been out of college for a number of years and who, at that stage of the game and of their own careers, feel that they would like to pursue graduate study, would be encouraged to apply for a Truman scholarship.

Another significant change the House committee proposed in the Senate version is the provision for national competition instead of asking each State to select an individual to whom a Truman scholarship should be awarded. While the concept of distributing the scholarships among all the States is maintained in this bill, the requirement for each State to set up its own exam, set of qualifying criteria, selection process, et cetera, is eliminated. Frankly, I could envisage several States opting not to go through all of that expense and hassle for one $5,000 scholarship.

I am personally committed, Mr. Speaker, to providing more financial aid to all qualified students who need help. At the same time, I feel that the educational process is enhanced by opportunities for individuals with outstanding qualifications to be recognized with scholarship aid, regardless of their own or their family's financial circumstances. The intent of this bill is to recognize exactly such outstanding individuals. It would be a great honor to those selected and a real incentive for younger men and women who aspire to a career in public service.

Finaly, Mr. Speaker, I would personally like to applaud the efforts of the gentleman from Michigan, JIM O'HARA, the chairman of the Special Subcommittee on Education, for his usual cooperation in giving all members of the subcommittee an opportunity to participate in developing this legislation. The gentleman from Michigan (Mr. O'HARA) has in my opinion, done an outstanding job of keeping this and other education legislation before our subcommittee free from becoming partisan.

I leave the Congress with confidence that he is going to continue to operate in that particular manner. It has been a great privilege for me during this Congress to serve as the ranking member of the Special Subcommittee on Education, and I shall certainly and deeply miss working with Mr. O'HARA and my other friends and colleagues on this particular subcommittee.

Mr. Speaker, I commend this legislation to the House and hope that it is passed overwhelmingly.

Mr. O'HARA. Mr. Speaker, I wish to thank the gentleman from Oregon (Mr. DELLENBACK) for his very generous remarks, and I wish to state, personally and on behalf of the majority members of the subcommittee, that we shall miss the gentleman from Oregon, who has really performed a tremendous service to Americans of all ages, especially to young Americans, because of his knowledge of, his willingness to work on, and his inspired insight into legislation in the field of higher education.

Mr. Speaker, I certainly wish to commend him for his cooperation with respect to this legislation, as well as with respect to other legislation, and I hope that he will continue his interest in this subject of education.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the stated purpose of this bill is the creation of a perpetual education scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

I thought that during this last election there were a great many people seeking public service without the expenditure of this amount of money or the creation of another foundation for the purpose of training people and encouraging them to seek public service.

In some instances, I thought perhaps there was a surplus of these seeking public office.

In other words, I just cannot understand, with the financial situation of this country as it is today, why we should establish a $30 million foundation for the purpose of training people to seek public service; in other words, training more bureaucrats or training people to seek jobs in the Congress of the United States.

I will be glad to yield to the gentleman from Michigan if the gentleman wishes me to yield to him. I sense the gentleman is getting a little nervous.

I yield to the gentleman from Michigan.

Mr. O'HARA. I thank the gentleman for yielding, and for being so complimentary.

May I say to the gentleman from Iowa that the thought behind the bill is that the business of the public is a very important business, and it is a complicated business, and that we ought to encourage young people of special promise, young people of outstanding promise to enter this as a specific field, as their profession. That, of course, is the purpose of the bill rather than to merely leave it to chance. We feel that the young people in our country ought to be encouraged to go into public service. That is the purpose of the bill. The provisions of the bill are designed to effectuate that purpose.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, the views of the gentleman from Iowa are not shared by a substantial cross segment of the American public. I was trying to find the date and reference for this, but there were Gallup polls conducted some time this late summer, in which Mr. Gallup asked the specific question as to what the public thought needed to be done so as to add superior caliber individuals to the Government, and so as to increase the competence of the people in the Government, and the answers that were given were to provide for training in the colleges of our country for careers in public service, and this is a little different feeling than the gentleman from Iowa suggests that there not be any training at all. I repeat that it is the feeling of a substantial cross segment of the people of this country that such training is necessary.

Mr. GROSS. We have had all kinds of polls and programs, and all kinds of foundations established in the past. I do not think that there is a new patent on the business of producing competent people for public service, I will say to my friend, the gentleman from Missouri (Mr. RANDALL).

Let me say that I could not believe my eyes when I picked up this bill and found that there was a $30 million price tag on this bill, in this day of a bankrupt Treasury.

I doubt that Mr. Truman himself—and I agree with the gentleman from Kentucky (Mr. MAZZOLI)—that if Mr. Truman were alive today would want this country to commit $30 million for such a purpose at this time in view of the financial situation of our country.

Mr. RANDALL. Mr. Speaker, will the gentleman yield again?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I would say to the gentleman from Iowa that I have done some computations here, and I think we should be a little more accurate with the facts. The wording of the bill and the report quite clearly call for a maximum not to exceed $30 million. Actually, only $7 million is required the first year.

Mr. GROSS. I did not say it would exceed $30 million.

Mr. RANDALL. If the gentleman will let me complete my response, the second year provides for $4 million; the third year, $4 million; the fourth year, $4 million, for a total of $19 million. But the gentleman is a little concerned, I presume, that there have been other memorials, but that this is the first memorial in which there is no money that ever leaves the Treasury. This money is simply put in there, and the interest is drawn from it, and that is the story, and that is the truth.

Mr. GROSS. That is the trouble, the Federal Government will borrow $30 million, or obligate $30 million, turn it over to this Foundation, and the Foundation collect interest on the money. The Federal Government and the taxpayers cannot win on that basis; there is just no way.

Mr. BIAGGI. Mr. Speaker, I would like to suggest in response to the statement made by the gentleman from Iowa that if Harry Truman were alive he would not agree that we commit ourselves to $30 million, the maximum. I think the gentleman is right.

If Harry Truman were alive this bill would not be before us today.

Mr. GROSS. That is true. I am talking about philosophy of the man himself.

Mr. DELLENBACK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Oregon.

Mr. DELLENBACK. I thank the gentleman for yielding.

May I say to my colleague who has done, in my opinion, many admirable things in this Congress in the time he has been here, he, as one individual, I know of my own knowledge, has been directly responsible for saving expenditures which are far in excess of $30 million. This particular program is not the straw that is going to break the camel's back, nor does the urgent need for fiscal economy in this Government at the present time mean that all expenditures are to stop. It means that those expenditures which are wasteful should stop and those which are sound investments in the future should continue.

Mr. GROSS. Let me just interrupt the gentleman to say that I cannot think of a less essential expenditure at this time than $30 million for this purpose.

Mr. DELLENBACK. Will the gentleman yield further?

Mr. GROSS. Yes, I will yield.

Mr. DELLENBACK. I understand what the gentleman is saying, and I respectfully disagree with him, because what is here involved in this $30 million is an investment in the future. We are not trying to educate all of the people; we are not trying to educate everybody who would enter public service; but there is here the hope that incentive will be given to some young people and some adults to pursue a course in public service across the warp and woof of the whole area that is involved in public service. If we can get one more truly able person to make the kind of contribution that many Members of this House have made, including the gentleman who has so graciously yielded time, this will have been a very worthwhile investment.

Mr. GROSS. Does not the gentleman think that this would be a very good time, for the present and until we can get the financial affairs of this country in some kind of acceptable shape, until we can stop the increasing rate of unemployment, to stop spending millions on the recognition of former Presidents of the United States?

Mr. DELLENBACK. Will the gentleman yield?

Mr. GROSS. Yes.

Mr. DELLENBACK. My answer would be that if the program to memorialize a President were of the quality of this particular program, the answer is no, because this represents an investment, an investment in the future of this country, and a realization that it is going to go on way beyond 1974, when we are dealing with budgetary expenditures of $300 billion, and it is not imperative that any major portion of this be spent this year or the second year.

Mr. GROSS. There is no assurance that if we spend $30 million on this sort of a program that we are going to get any better or more capable Representatives in the Congress of the United States or in the bureaucracy, either in Washington, municipalities or State governments. There is no assurance of that, and the gentleman knows it.

Mr. DELLENBACK. If the gentleman will yield further, the gentleman is exactly right that there is no possible way to give any such assurance with any program. However, this program has the likelihood of yielding exactly that kind of benefit.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Kentucky, the only one of his committee to write dissenting views on this legislation and I commend him.

Mr. MAZZOLI. I thank the gentleman for yielding.

First, my colleagues will probably consider it heresay for me to stand up today and oppose the bill, because I am a Democrat and I revere the memory of the late President Truman, but, as my remarks state which are printed in the RECORD today and in the committee report, it is true we have to start somewhere to get our fiscal house in order. I think it is true we have here an opportunity to stop something before it ever begins, where there are lines who manage to crown the galleries and crowd our offices with letters. So before the class even exists that must depend upon this money, now is the time, it seems to me, to do something that I believe former President Truman would have himself very much admired as a move in the right direction. So, while I have very high regard for the members of the Missouri delegation and the gentleman from Missouri (Mr. SYMINGTON), who has taken the leadership in this, and Mr. RANDALL, and the rest, it seems to me that this is just not the time nor the place for this bill. I must, therefore, with all due respect and with much gratitude for what Mr. Truman did, oppose passage of this bill.

Mr. GROSS. I thank the gentleman for his remarks and the position he has taken.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, obviously I agree with the position of the gentleman from Iowa. The idea of scholarship is a very fine one, but how much have we spent, if the gentleman knows, in memorializing other Presidents?

Mr. GROSS. We have spent a great deal of money in one way or another.

Mr. JOHNSON of Colorado. Can the gentleman tell me how much money was spent in memorializing President Roosevelt or in memorializing President Eisenhower?

Mr. GROSS. I cannot do so offhand.

Mr. JOHNSON of Colorado. Can any member of the committee tell me?

Mr. RANDALL. Mr. Speaker, the Kennedy Center was about $23 million and it is about $2.5 million a year for operation, which is repeated year after year. Just recently we passed a bill for $5 million for President Eisenhower. The Hoover Library measure was passed this year. I do not have that figure but I cannot tell the gentleman about Roosevelt. Maybe a member of our staff knows. Those are accurate figures on President Kennedy and President Eisenhower, however.

Mr. JOHNSON of Colorado. If the gentleman from Iowa will yield further, I would like to have somebody go into what would be considered suitable courses leading to public service. Would it be public law or political science or public health or history? Is this left up to a foundation to make that determination?

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Speaker, the answer to that question is it might be anyone of those things if the ultimate outcome is directed at public service. The bill does not narrowly attempt to define what education shall lead ultimately to public service and that would be left up to the Foundation.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to ask the gentleman from Iowa, is it not true that in the past he has opposed not only appropriations in a great many fields, but one particularly which would have served to finance the Herbert Hoover Memorial Library in Iowa? His position is certainly consistent. Would that other Members would adopt it.

Mr. GROSS. The situation of which the gentleman speaks was not in the State of Iowa. It was seed money for a building on the campus of the Stanford University from which Mr. Hoover was graduated. I am opposed to that and I caused it to be stricken from an appropriation bill and I will oppose it if it again shows up on the floor because I say to the Members this is no time to be spending money on things that can be deferred.

If I were to continue in Congress I would not be opposed to a proper memorial for former President Truman. I certainly do not oppose a proper memorial at the proper time, but to make available and to obligate in any way $30 million at this time, when the Nation is facing bankruptcy and for the purpose for which it is intended in this legislation, is as wrong as it can be.

Mr. Speaker, I urge defeat of the bill and reserve the balance of my time.

Mr. O'HARA. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today as one of the first sponsors of the original legislation introduced by the Missouri delegation in the House to create a scholarship memorial to President Truman. I was accorded the privilege to introduce the first bill because I have the honor to represent both Mr. Truman's hometown, Independence, Mo., and his birthplace, Lamar, Mo.

We have proposed the establishment of this living memorial, note those words "living memorial" to our Nation's 33d Chief Executive because in our judgment, and in the judgment of the former President's family and many of his friends and associates, it is a most appropriate tribute to President Truman's memory. The man from Independence was not the type of person whose life and accomplishments can be adequately captured and portrayed by marble and mortar. Instead of the ordinary or typical tribute, we have therefore proposed the creation of a living memorial which will help perpetuate the values which Harry Truman cherished.

The bill establishes a scholarship program to assist young Americans interested in preparing for careers in public service. We believe this is the type of program which would have aroused Harry Truman's interest and enthusiasm. He was a man selflessly dedicated to the service of his country and regularly encouraged young people to consider public service as a career. He would have been appalled at trends perceived in recent Gallup surveys which show that parents are discouraging their children from pursuing public service careers.

It is my opinion Mr. Truman would be the first to look with disdain upon any effort to memorialize him by spending $30 million for a monument or building of stone or brick. I suspect he would say, "Spend the money on our young people; invest in the future of our country—rather than a pile of brick and stone." This is precisely what the bill before us proposes to do.

I would therefore urge each Member of this House to support this legislation as a most appropriate tribute to a great President. This is not only a fitting memorial—it is also a wise investment in the future of America.

A question was raised a moment ago about what would be the courses or the curricula. Of course American history and political science would certainly be included. This question has been raised and I think we should respond to it. Harry Truman regularly encouraged young people who came to the library while he lived, encouraged them to pursue a public service career. Questions have been raised on both sides of the aisle about what President Truman would have thought or said or believed about this proposed memorial if he were with us today.

It should be recalled that his daughter, Margaret Daniel, testified, as a witness before this subcommittee. Moreover I have discussed this proposal with Mrs. Bess Truman. These two great ladies should know the wishes of our former President Truman who it may be presumed discussed this matter during his lifetime—that something like these scholarships be established. I had no personal conversation with Mr. Truman on this proposal, but both Mrs. Bess Truman, who was not able to make the trip to Washington, and also Margaret Truman Daniel have made statements that it is the families wish that this bill providing for scholarships be enacted.

Once again I urge my colleagues to pass this bill which will be both an appropriate memorial and also a wise investment in our young Americans who will soon be the future leaders of our country.

Mr. O'HARA. Mr. Speaker, I yield 1 minute to the ranking majority Member, the gentleman from New York (Mr. Biaggi).

Mr. BIAGGI. Mr. Speaker, I thank the chairman, and rise in support of the bill. I would like on this occasion to laud the leadership abilities demonstrated by the chairman of the subcommittee, the gentleman from Michigan (Mr. O'Hara) and the gentleman from Oregon (Mr. Dellenback), whose contribution is most substantial. Without it we certainly would not have seen the bill come to fruition on the floor today.

There has been much conversation and some objection in connection with this measure based on the theory of economy. It has been very clearly explained that not one single dollar is removed from the Treasury. It is a foundation that has been established and it will continue to function from the interests that are derived from the moneys.

Other memorials have been established that cost considerably more than this bill would provide. Those memorials are somewhat different. They represent buildings, mortar and stone, as contrasted to this, a living memorial.

The SPEAKER pro tempore (Mr. McFall). The time of the gentleman has expired.

Mr. O'HARA. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. BIAGGI. Mr. Speaker, I was glad to hear the gentleman from Missouri (Mr. Randall) giving the views of Margaret Daniel and Mrs. Truman. I am certain they would be sympathetic to this bill.

In response to the question whether Harry Truman would want it, perhaps I would agree with the gentleman from Iowa, if Mr. Truman were asked, he would say no, but that is only on the basis of his very modest attitude, his self-effacing personality; but we as Members of the House, we as the House of Representatives, have a responsibility to do the right thing. If a memorial is to be established, certainly in this form it should be without criticism and would be in perpetuity and contributing to the best interest of our Nation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. Since the gentleman has addressed himself to the financing of this proposition, is there not a Government guarantee?

Mr. BIAGGI. Yes; there is.

Mr. GROSS. Provided by law?

Mr. BIAGGI. Yes; there is.

Mr. GROSS. And a Government responsibility and obligation of $30 million?

Mr. BIAGGI. That is true, as a maximum, because moneys are set-aside; but the moneys that are used to finance this will be the interest derived from those moneys.

Mr. O'HARA. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. Symington).

Mr. SYMINGTON. Mr. Speaker, I would like to pay special thanks to the gentleman from Michigan (Mr. O'Hara) for his work on this bill and to the gentleman from Oregon (Mr. Dellenback).

I thought perhaps I would give the genesis of the bill as briefly as I can. President Truman died on December 26, 1972.

Shortly after that my father, the senior Senator from Missouri, together with John Snyder, who was one of Harry Truman's closest friends and advisers as Secretary of the Treasury—during which period of time the budget was balanced, conferred with him on the type and character of memorial that might be suitable for a man like Harry Truman. Of course, there has been no man like him but himself.

After conferring with the family and Mrs. Truman, who is now in her eighties, and Margaret, the decision was made to try to project Harry Truman's view on the importance of educating young Americans.

At one time in his later life, he was told how much young Americans wanted to change their country. His response was:

> Of course they will want to change it, and they should have a chance to change it, but first I would want them to know what it is all about.

I think really, although he himself, as the gentleman from New York (Mr. Biaggi) and the gentleman from Kentucky (Mr. Mazzoli)—our good friends—have pointed out, he would not really want us to spend any time at all on a bill of this type. It is one of the quirks of humanity that we do more for a man who has left us than he would dream of doing for himself. There is no question in my mind that having made that point, sitting back up there and looking down on us, he would thank us for thinking of him in this way.

As the gentleman from Oregon (Mr. Dellenback) pointed out, the country goes on. It does not come to a halt, and it is going to need the greatest minds and greatest spirits, the greatest force in young America which we can evoke if we try.

We do not really know what giants of the future may surface to protect our Nation from error, to turn it on the right course and who can look back along with their contemporaries and thank the Truman Scholarship Fund for giving them that chance. We do know that the one Presidential portrait which President Ford chose to accompany that of Abraham Lincoln on his office wall was that of Harry Truman. By our action today we can engrave the image of his spirit on the Nation's future.

Mr. O'HARA. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. Mr. Speaker, I am extremely pleased to rise in support today of H.R. 17481, a bill which would establish a Harry S. Truman memorial scholarship program as the sole Federal memorial to the late 33d President of the United States. This fine program would award a college scholarship to young Americans who have demonstrated both the potential and intent to pursue a career in public service. Under the provisions of the bill, at least one Truman scholar would be selected annually from each State in which there is a qualified applicant and would receive, each academic year, a stipend of not more than $5,000 to cover educational costs at an institution designed to prepare persons for a career in public service. I would call to the attention of my colleagues that this legislation not only enjoys the full endorsement of the late President's wife, Mrs. Bess Truman, but is also heartily supported by the entire Missouri congressional delegation as well as a broad bipartisan cross-section of both the House and the Senate. Indeed, similar legislation passed the Senate on August 7.

Mr. Speaker, we are all well aware of the late President Truman's great dedication to public service and his firm belief in the value of formal education. I can think of no more fitting memorial to him than this ongoing program of Truman scholars which would encourage the young people of this Nation to prepare for a career in government. Not long ago President Ford paid special tribute to the late President in placing his portrait in a position of honor in the White House and expressing great admiration of President Truman's service to this country. It has been over 2 decades now since President Truman left as Chief of State and while Mrs. Truman, now 89 years old, is far too humble and gracious to ever ask for special favors, I know she would be pleased and touched if we took this opportunity to enact an official tribute to the late President.

Mr. Speaker, the legislation before this body today is intended to be the sole federally funded memorial for President Truman and involves a one-time public investment of $30 million, after which time the interest will permanently fund the scholarship program. Since President Truman passed away on December 26, 1972, the Missouri delegation has been active in evolving a proper tribute to the late President, and in my estimation the legislation before us today represents a unique living memorial which is a particularly appropriate honor for President Truman. I sincerely hope, Mr. Speaker, that the Members of this House will join with me today in passing this fitting memorial to President Truman—a great man, a great Missourian, and a great President.

Mr. O'HARA. Mr. Speaker, I yield such time as he may consume to the chairman of the full committee, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, initially I wish to compliment and express my appreciation to the distinguished chairman of our Special Subcommittee on Education, JAMES O'HARA, as well as my colleagues on the Committee on Education and Labor from both sides of the aisle, for the timely and favorable consideration of this legislation.

Also, I wish to acknowledge and pay tribute to all of the members of the Missouri delegation for their untiring efforts to see to it that a fitting memorial be established for our late and great President, Harry S. Truman.

It is, however, the substance of the bill itself and the provision for the award of 53 scholarships annually on a competitive basis for young men and women who are pursuing public service careers that has prompted such widespread support for this legislation.

Mr. Speaker, the Truman scholarships are to be awarded on the basis of nationwide competition. I am pleased that the bill requires that at least one such scholarship be awarded annually to each State. The scholarships are for young people who "demonstrate an outstanding potential for and plan to pursue a career in the public service."

Awards may not be for a period in excess of 4 years and each scholarship will carry with it an annual stipend of $5,000 or the full cost of education, whichever is less.

The program will be administered by the Harry S. Truman Scholarship Foundation which will be under the direction of a 13-member Board of Trustees. The Board of Trustees will include Members of the House and Senate and eight Presidentially appointed members.

The bill establishes a fund in the Treasury and provides an authorization ceiling of $30 million for such fund. All expenses of the Foundation shall be paid from income from the endowment. Once the $30 million authorization has been appropriated, no further appropriations are authorized by the act or envisioned by the committee.

Mr. Speaker, I would like also to mention that the bill has the wholehearted support of the former President's widow and daughter. In my judgment, this is understandable, for I can think of no more appropriate memorial for a man whose concern was for people.

This scholarship program will be a living memorial through which generations of our young people will have an opportunity to become more knowledgeable about our three levels of government—and to be of service to our Nation.

President Truman is not characterized as a scholar in the traditional sense—but he was a scholar of human nature in a very practical way.

My colleagues will recall that he was a member of Sam Rayburn's august "board of education" during his years in the Congress.

Our former President's love of and appreciation for reading and learning is well known. Perhaps this is most vividly substantiated in a brief note by the author of a recently published oral biography of Harry Truman entitled "Plain Speaking." The note reads as follows:

> The diligent reader will notice that sometimes Mr. Truman is quoted as saying "fella" and sometimes "fellow," that sometimes he confuses "like" and "as" and sometimes does not, and that while he usually has "dinner" at twelve noon, he occasionally has "lunch" at that hour. There are other inconsistencies. Mr. Truman talked that way, inconsistently, like the rest of us.
>
> He was a self-educated man, and he mispronounced a reasonable number of words, which in the beginning puzzled me. Then I realized that while he had often read them, he had seldom, if ever, spoken them aloud, not even in many cases heard them spoken aloud. It's like that if you're one of the few readers in town.

Yes, Mr. Speaker, he was keenly interested in people but, in his own words, "I'm mostly interested in the children"—and in their education—so that our youth would be able to understand, share in and be a productive part of this great Nation. He continued on—

> The old folks, mostly they're too set in their ways and too stubborn to learn anything new, but I want the children to know what we've got here in this country, and how we got it, and then if they want to go ahead and change it, why, that's up to them. But I want them to understand what it's all about first.

Mr. Speaker, I am confident that this living memorial will do much in meeting President Truman's hope that more of our young people understand what it is all about. I urge approval of H.R. 17481.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Iowa.

Mr. GROSS. I believe the gentleman is saying by indirection that Mr. Truman did quite well without ever having had a scholarship; is that right?

Mr. PERKINS. Let me say to the gentleman I do not know the educational qualifications of Mr. Truman, but he did quite well, exceedingly well.

Mr. GROSS. Without ever having had a scholarship.

Mr. PERKINS. He was a great man and perhaps had better common judgment than many of our great educators of the country; but, nevertheless, people have to be qualified for public service, and there is no other standard that I know about to meet education qualifications in this area.

It is appropriate and fitting that this body go on record and vote unanimously for this memorial to Harry Truman. I think every individual who served under that great President certainly would like to pay at least some tribute to this great President and, to my way of thinking, this is very minor from the standpoint of his great contributions to America. He was one of the greatest Presidents in the history of America.

Mr. HUNGATE. Mr. Speaker, I rise in wholehearted support of this bill which is the finest and most fitting tribute this Congress can make to one of our Nation's greatest leaders—Harry S. Truman. The Truman Memorial Scholarship Act is most appropriate as it is a true living memorial and it gives the Federal Government a real opportunity to participate in strengthening the Nation by enlightening its people; a goal Mr. Truman would most assuredly want carried forth.

In the troubled times we face today, we cannot recall Harry Truman without a great sense of loss. His leadership was the kind that inspired public trust and demanded this trust be earned. He represented the best ideals of public service in this era—Harry S. Truman—

He had the social conscience of a Roosevelt, but also understood human weakness.

He had the military spirit of an Eisenhower, but also let it be known too much power and armament was an awesome and fearful thing.

He had the ability to talk at ease with any man like a Kennedy, but also reacted openly and quickly to others whether in delight or anger.

He had the frankness and openness of a Ford, and he also believed in the dignity of our highest office.

As a Missourian and as an American, I believe this memorial will be our finest tribute to a man who believed in education and in working for America. This scholarship fund will help provide our country with its most valuable resources for the future—dedicated and well educated public servants. If this program helps produce even one man or woman like Harry S. Truman, we will have invested wisely in our Nation's future.

Mr. PICKLE. Mr. Speaker, I rise in support of this bill because I can think of no more fitting memorial to our 33d President than a scholarship trust fund that would benefit young people. It was for this reason that I was one of the cosponsors of this bill.

One of President Truman's chief delights after he had completed his terms as President was to talk to the young students who came to his library. He was always interested in encouraging an interest in government and history. It seems to me that by investing in education for our youth we are taking the surest steps of providing a memorial to a distinguished former President, as well as benefiting by their contribution, future generations. This living memorial is an enduring tribute to a practical, plain-speaking President.

Mr. QUIE. Mr. Speaker, I join my colleagues supporting this most unique memorial to a former President. I believe we are in a time when people are not interested in creating large marble structures in remembrance of prominent individuals. Rather, we should be finding ways to develop the human resources of our country.

Many of us have received letters from disgruntled parents who point out the many achievements and high academic records of their children, but can no longer qualify for scholarships because they cannot demonstrate financial need. Here is one program which will put the highest priority on recognizing outstanding individuals regardless of financial circumstances.

I believe our committee has worked together to significantly improve the version of the bill passed by the other body. I especially applaud the committee's decision to allow both graduate and undergraduate students to be considered for scholarships. Because of the requirement that an applicant indicate his intent to pursue a career in public service, I would imagine that most of the scholars will be individuals who have completed some or all of their undergraduate education.

I also hope that the Foundation, which is created by this act to administer the program, will place a very high priority on those individuals who have proven their leadership potential outside an academic setting. I think all of us would agree that a successful public servant brings more to his task than what he has learned in a classroom. I can even envision many individuals who have already launched a career in public service applying for these scholarships to pursue their education in order to sharpen their skills.

Mr. Speaker, although this bill authorizes an appropriation of $30 million, our colleagues should understand that this amount could be appropriated over a period of a few years and that this is a one-time appropriation. In fact, the appropriation is to create an endowment and the Foundation is limited to spending only that which is earned from the endowment.

Finally Mr. Speaker, I would like to remind our colleagues that earlier this year we approved an authorization to support a memorial to former President Eisenhower and will soon have the opportunity to approve a memorial to former President Hoover. Since it seems inevitable that Congress will at some time or another create memorials to former Presidents, I am pleased that this Congress will have taken action on three such projects.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of H.R. 17481, which would establish a fitting tribute to our 33d President, the late Harry S. Truman.

This bill, virtually identical to one I cosponsored, would create a Harry S. Truman memorial scholarship program. It would establish a perpetual scholarship fund to assist undergraduate or graduate students who exhibit an interest and aptitude in the field of public service. At least one student from each State of the Union, the District of Columbia, Puerto Rico, and the other territories would be awarded a scholarship worth up to $5,000 a year, to an institution in the locale of the District of Columbia, on the basis of their performance in a national competition administered by the Truman Memorial Scholarship Foundation. The Foundation would be managed by a 13-member Board composed of various esteemed individuals primarily in the fields of government and education. They are to be responsible for the selection of individuals for scholarships, as well as the administration of the $30,000,000 appropriated to the scholarship fund.

This bill is designed to inspire in our young people a lively interest and dedication to the field of public service which was so characteristic of the man from Independence. Because of Harry Truman's vigorous pursuit of knowledge, his devotion to the American political system, and his success in the face of overwhelming odds, he serves as a model to those who aspire to a career in public service.

H.R. 17481 is not a controversial bill, Mr. Speaker. It has already passed the Senate, and enjoys the support of the chairman and ranking minority member of the Education and Labor Committee, as well as an overwhelming majority of the other members of the committee and the entire Missouri delegation. I urge a vote of approval for the establishment of the Harry S. Truman Memorial Scholarship Foundation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. O'HARA) that the House suspend the rules and pass the bill H.R. 17481, as amended.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

Will the gentleman from Iowa withdraw his point of order?

Mr. GROSS. Mr. Speaker, I withdraw the point of order.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

Mr. BROOKS. Mr. Speaker, I move to suspend the rule and pass the bill (H.R. 15818) to amend title 44, United States Code, to redesignate the National Historical Publications Commission as the National Historical Publications and Records Commission, to increase the membership of such Commission, and to increase the authorization of appropriations for such Commission, as amended.

The Clerk read as follows:

H.R. 15818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 25 of title 44, United States Code, is amended by inserting "AND RECORDS" immediately after "PUBLICATIONS" in the chapter heading.

(b) Section 2501 of such title is amended by inserting "two members of the Society of American Archivists to be appointed, for terms of four years, by the Society of American Archivists; two members of the American Association for State and Local History to be appointed, for terms of four years, by the American Association for State and Local History;" immediately after the last semicolon in such section.

(c) Section 2504(b) of such title is amended by—

(1) striking out "1973" and inserting in lieu thereof "1975"; and

(2) striking out "$2,000,000" and inserting in lieu thereof "$4,000,000".

Sec. 2. The chapter analysis at the beginning of title 44, United States Code, is amended by striking out

"25. National Historical Publications Commission"

and inserting in lieu thereof

"25. National Historical Publications and Records Commission".

The SPEAKER pro tempore. Is a second demanded?

Mr. BUCHANAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. BROOKS) will be recognized for 20 minutes, and the gentleman from Alabama (Mr. BUCHANAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this bill is to revitalize our Nation's efforts to preserve vital documents and other materials of historical significance to our country.

In 1934 Congress established the National Historical Publications Commission to promote the publication of papers of outstanding citizens of the United States. Although most of its work is financed by private contributions, Federal funds became available in 1964 to assist the Commission in its work. With these public and private funds, the Commission has supported 177 different projects in the last 10 years.

Mr. Speaker, this bill would permit the Commission to supplement its efforts to publish the papers of nationally significant persons with an equal effort to promote programs to collect and preserve valuable records at the State and local level which are of significance to our national history.

To accomplish this goal, the bill would:

First. Change the name from the National Historical Publications Commission to the National Historical Publications and Records Commission;

Second. Increase Commission membership by four, adding two representatives of the Society for American Archivists and two representatives of the American Association for State and Local History;

Third. Increase the annual authorization for appropriations from $2 million to $4 million; and

Fourth. Extend the life of the Commission through fiscal year 1979.

Mr. Speaker, as our Nation approaches its bicentennial celebration, Americans realize more than ever the need to preserve the basic source documents recording the ideas and events that chronicle the most successful democracy the world has ever seen. This bill will assist in furthering that effort.

Mr. BUCHANAN. Mr. Speaker, I yield myself such time as I may consume.

ANNOUNCEMENT OF THE DEATH OF THE HONORABLE PAUL B. DAGUE

(By unanimous consent, Mr. WARE was allowed to speak out of order.)

Mr. WARE. Mr. Speaker, it is my sad duty to announce that former Congressman Paul B. Dague of Pennsylvania, passed away at 5:30 a.m. yesterday. Mr. Dague, a resident of Downingtown, Pa., served in the 80th and the nine succeeding Congresses, January 3, 1947, to January 3, 1967.

The viewing will be from 5 to 9 p.m., December 4, at the Ralston Funeral Home in Downingtown, Pa. Mr. Dague's funeral will be at 2 p.m., Thursday, December 5 at the Central Presbyterian Church, 101 Euchlan Ave., Route 113, Downingtown, Pa.

Mr. BUCHANAN. Mr. Speaker, the gentleman from New York (Mr. HORTON) consulted with numerous archivists in drafting H.R. 15818, which he introduced together with the gentleman from Texas. The purpose of the bill is to permit the National Historical Publications Commission to collect, preserve, and publish historical records which significantly further an understanding and appreciation of our Nation's history. This would be accomplished by the addition of four members to the present Commission and an increase of the authorized funding level from $2 to $4 million.

As we approach the 200th anniversary of our Nation's birth, a program is needed which would make available to the American people a record of our heritage and accomplishments. Funds would be provided to States, local government institutions and private organizations to be used for preserving records that are of historical value in a way that a scholar or a citizen can make ready use of them.

There is presently no systematic collection and preservation of historical records. This legislation will not only enable records to be made available to the people, but also will preserve significant records that otherwise might be lost or destroyed.

A national body like the National Historical Publications and Records Commission is needed to have a truly historical records program. Mr. Speaker, I urge that the rules be suspended and that the bill do pass.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I will gladly yield to the gentleman from New York.

Mr. HORTON. Mr. Speaker, I rise in support of this bill and take this opportunity to thank the gentleman from Texas (Mr. BROOKS), and the gentleman from Alabama (Mr. BUCHANAN) for their leadership in handling H.R. 15818, which unanimously passed the Government Operations Committee.

I would also like to express my special thanks to Charles E. Lee, director of the South Carolina Department of Archives and History. While president of the Society of American Archivists, he began to express the need for a national historical records program to his fellow historians and archivists. Because of his efforts, the American Revolution Bicentennial Board and the Bicentennial Council of the Thirteen Original States passed the following resolutions endorsing this bill:

RESOLUTION

The American Revolution Bicentennial Board hereby endorses the National Historic Records program as presently developed and requests the Administrator to convey to the appropriate Congressional Committees the support of the American Revolution Bicentennial Administration thereto and urge enactment by the Congress and approval by the President of legislation to carryout such program.

The Resolution was moved, seconded and passed by the Board on November 21, 1974.

J. DUANE SQUIRES,
Chairman.
EUGENE J. SKORA,
Secretary.

RESOLUTION

Whereas the creation of a National Historic Records program was conceived during 1972 by the American Revolution Bicentennial Commission in cooperation with the leading historical societies of the United States as a major Bicentennial project; and

Whereas the proposed National Historic Records program was officially endorsed by the American Revolution Bicentennial Commission as its meeting in Boston on May 16, 1972, following the recommendations of the presidents of the American Historical Association, the Organization of the American Historians, the American Association for State and Local History, the Society of American Archivists, and the American Society for Legal History; and

Whereas the proposed National Historic Records program was subsequently endorsed by The Bicentennial Council of the Thirteen Original States, along with a number of other patriotic and scholarly organizations; and

Whereas the proposed National Historic Records program has been embodied in two bills recently introduced in Congress—H.R. 15818, introduced by Congressman Jack Brooks of Texas and Congressman Frank Horton of New York, and S. 4102, introduced by Senators Pell of Rhode Island, Brooke of Massachusetts, Muskie of Maine, Allen of Alabama and Brock of Tennessee;

Now be it resolved that the Bicentennial Council of the Thirteen Original States reaffirms its support of the National Historic Records program as proposed in H.R. 16818 and S. 4102, and respectfully requests the Administrator and Board of the American Revolution Bicentennial Administration to reaffirm the endorsement of its predecessor, the ARBC, and to work vigorously for enactment of one of these bills by the Congress and its approval by the President.

Offered by Dr. Charles Lee of South Carolina and unanimously accepted by the members of The Bicentennial Council of the Thirteen Original States on Friday, October 18, 1974.

Mr. JAMES T. MCKINSTRY,
Chairman.
Mr. NORMAN COHN,
Secretary.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. Yes, I gladly yield to the gentleman from Iowa.

Mr. GROSS. What is the price tag on this bill?

Mr. BUCHANAN. This is an additional $2 million funding on an annual basis. During the next 5 years it would mean $14 million additional funding for this Commission.

Mr. GROSS. And a total of what?

Mr. BUCHANAN. It would be an increase of $2 million per year for the next 3 years, which would be $6 million; and it would authorize $4 million for each of the 2 succeeding years. Therefore, the total price tag over that period of time for this bill would be $14 million, based on a $2 million per annum increase.

Mr. GROSS. And it is for the purpose of preserving historical records or something of that kind?

Mr. BUCHANAN. Yes, that is correct.

I would gladly yield to the distinguished chairman of the subcommittee if he would like to supplement the answer.

Mr. GROSS. What is it that is not being preserved today?

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. Yes, I will be glad to yield to the gentleman from Texas.

Mr. BROOKS. Among other things, as regards the State archives, we are losing many State records and local records which they hope to put on microfilm. That is why we want to go into that area.

There are also many other notable American citizens who have made significant contributions to the heritage and tradition of this Nation whose lives and history we know very little about.

This program, I would add, is financed partly by the Government and substantially by private contributions. We have received for these programs more private contributions than the total Federal contribution, which indicates the solid support that this effort has among the people of this Nation.

The universities and colleges throughout this country have cooperated with it. They have put up a good bit of the money. This coordinates and makes possible the preservation of records which are very vital to all of this Nation.

Mr. GROSS. If the gentleman will yield further, I wonder whether in all of this business of training people, allegedly training people to be some kind of superdooper, above-the-average public servants as in the previous bill, and the preservation of records, we could somehow get it across to Congress that there is such a thing as the necessity some day for balancing a budget and that nonessential expenditures ought to be put off to a day when the budget is balanced and the flow of red ink is stopped so that we will have some kind of equilibrium in this country based upon stable financial conditions.

Would this bill or the preceding bill, does the gentleman think, get home to the Members of Congress, both in the House of Representatives and in the U.S.

Senate, that inflation cannot go on endlessly and forever and that we cannot continue to spend beyond revenue? No matter how worthwhile the project may be, it can still be nonessential at this time.

Does the gentleman think that we can get that message across eventually somehow and in some way?

Mr. BUCHANAN. I will say to the distinguished gentleman that I would hope that the prior legislation to which he referred would include a provision, if it is enacted, for some training in the kind of statesmanship that the gentleman has consistently shown in his career in Congress and the same kind of concern for fiscal responsibility that he has consistently demonstrated.

This is very important, of course. And I would say that as far as the historical records are concerned particularly those of the Congress, I would put the record of the gentleman from Iowa on responsibility up against any that I know. While I disagree with the gentleman from Iowa on this subject, so far as I am concerned a rich part of the history of this Congress is that which has been written by the gentleman from Iowa himself.

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I thoroughly concur with the gentleman from Iowa when it comes to many of our spending programs, particularly during a time of serious economic problems across our Nation and around the world. I believe that less important expenditures should be postponed until more prosperous times and unwise spending should be killed altogether.

However, the measure before us now is definitely not in either category mentioned. I have personal knowledge of the good which has come and can come from the important work of the National Historical Publications Commission, now to be known as the National Historical Publications and Records Commission.

The University of North Carolina, which I attended and which is in the congressional district I have the honor to represent, has been compiling the papers and records of the Founding Fathers of our Nation and other prominent Americans over a long period of years, and doing so at a loss. Contributions obtained by Mr. Matthew Hodgson, the able director of the University of North Carolina Press, from private foundations and individuals have taken up the slack. No public funds were used.

But, the slack got too big and recently the National Historical Publications Commission has been the vehicle for providing a modicum of help to the UNC Press and other university presses throughout the Nation in their vital work in this area of concern. Without this help from the NHPC, the work of rescuing the written record of our national history as expressed in the personal papers of our greatest leaders would have ground to a halt this year.

I think that the records and hearings will show that much of the documentary heritage of our Nation is in frightening condition and in danger of being completely lost. Many of the most famous papers are stored in rotten burlap bundles, or on sagging wooden shelves, or in certain portions of abandoned subway stations, and places of that kind. This bill is an attempt to provide help where help is needed to those who are especially qualified—universities all over the country, such as Princeton, Yale, Illinois, Harvard, Virginia, the University of North Carolina, Duke, and others.

This bill is an attempt to help our universities continue the compilation and preservation of the basic documents of American history, but not just the compilation or bringing together of these materials, but also their publication. Only publication of these documents on special paper which will not automatically self-destruct in a few years as all normal paper manufactured today will do, is the answer to preserving and distributing these materials so that posterity will have the benefit of the original source materials. Remember, these are papers which testify to the work and lives of our greatest public figures.

Therefore, I am pleased to join in support of this legislation. I think the Committee on Appropriations can always take a look at the amount involved and adjust the funding level to adequately meet the need.

Frankly, we cannot continue to depend upon private contributions alone to carry out this project, though private funds will still continue to carry the brunt of the burden. I am fearful that many of the papers which have been brought together thus far are going to be destroyed unless they can actually be published.

Mr. Speaker, if the caliber of man serving upon the NHP and RC is up to the high standard of Mr. Vermont Royster, my constituent and former editor of the Wall Street Journal—and it is up to that standard—then we can be confident that any funds expended as a result of this legislation will be spent in a prudent and wise manner.

I urge the passage of this legislation.

Mr. BUCHANAN. Mr. Speaker, I have no further requests for time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill H.R. 15818, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

COAST GUARD OFFICER CANDIDATE SUBSISTENCE ALLOWANCE

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15972) to amend title 14, United States Code, to provide a subsistence allowance for members of the Coast Guard officer candidate program.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) By adding the following new section to chapter 13 between section 468 and section 469:

"§ 468a. Subsistence allowance for members of the officer candidate program

"Except when on active duty, a member enrolled in a Coast Guard officer candidate program which requires a baccalaureate degree as a prerequisite to being commissioned as a Regular or Reserve officer, and who is not enrolled at the Academy established under chapter 9 of this title, may be paid a subsistence allowance up to the rate prescribed by section 209(a) of title 37, United States Code."

(2) The analysis of chapter 13 is amended by inserting between

"468. Procurement of personnel."

and

"469. Training.".

the following

"468a. Subsistence allowance for members of the officer candidate program.".

The SPEAKER pro tempore. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) is recognized for 20 minutes, and the gentleman from Iowa (Mr. GROSS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 15972, the Coast Guard officer candidate subsistence allowance bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, the three pieces of legislation we will now consider have been requested by the administration through executive communications. The chairman of the full committee has identified them briefly and I would now move to the first bill on the calendar, H.R. 15972.

The legislation was the subject of hearings in July 1974, after lengthy staff study and negotiations with the Coast Guard and the Department of Transportation, who requested the program.

Without the new program envisioned under this legislation, the current Coast Guard Reserve officer candidate program is only available to college graduates who, after spending 4 months in officer candidate school, are commissioned as ensigns in the Coast Guard Reserve and placed on extended active duty for 3 years.

Evidence presented at the hearings indicated the number of applicants for this program has been steadily declining since fiscal year 1972. The Coast Guard and the Merchant Marine Committee were concerned that in a no-draft environment unsatisfactory officer selectivity could ultimately result from this decline in applications. Testimony indicated that the lack of selectivity was due, in part, to the fact that the Coast Guard officer training program was becoming less attractive to young men and women.

H.R. 15972 would allow the Coast Guard to make their officer candidate school program more attractive and more competitive with that of the other Armed Forces. It would achieve these goals by authorizing the Coast Guard to subsidize preferred candidates at a rate of $100 per month during their final 2 years of undergraduate schooling, and then by allowing them to begin their commissioned service with 2 years' longevity for the purpose of computing their basic rate of pay. The committee felt that these added incentives would increase both the number and the quality of applicants for the Coast Guard Reserve Officer Corps.

The program authorized under the bill is similar to the one that has been in effect for the Marine Corps since 1935—Public Law 92-172—and which currently provides 60 percent of that service's officer corps. It is also similar to those authorized for Department of Defense services. Since the proposed legislation was first drafted in 1972, officer requirements resulting from growth have diminished from those projected at that time. This fact, coupled with large Coast Guard Academy outputs projected for the next several years, lessens the need for immediate or near term implementation of the program. However, because the program itself would require 2 years to produce the first officer output, the Coast Guard needs this authority in law to proceed with the implementation of the program, if and when the need arises, without the added time required to secure passage of the legislation at that time.

Among other things, the hearings of the Coast Guard Subcommittee determined the following regarding this legislation:

The Coast Guard does not need the program instantly or in the foreseeable future.

Because the program would require 2 years to produce the first officer output, the Coast Guard must have the authority in law to proceed with the program if and when the need arises.

If the Congress waits until there is a shortage of manpower to authorize this program, the Coast Guard will be faced with the same recruitment problems faced by the Army when the draft ended. At that time, the Army's monthly quotas were falling drastically low which caused the recruitment of substandard personnel and the expenditure of huge sums on a crash recruitment program to fill its needs.

The current economic crisis and attendant unemployment have resulted in improving the availability of quality personnel for the various services. However, this situation could change as quickly as it developed for a variety of reasons and the Coast Guard might be caught without the legal authority necessary to compete with the other services and to maintain a high level of quality in their officer corps.

In summary, the legislation is in the nature of a contingency program that will only be used as a last resort. It is a program that will bring the Coast Guard up to par with other Department of Defense programs. If it is ever used, it will be much more cost-effective than crash programs which entail extensive and sometimes exorbitant recruiting programs and possibly the expenditure of sums far in excess of the $900 per year per officer candidate anticipated in this legislation.

I urge Members to support this legislation so that we can send it to the Senate and get it moving in that body.

Mr. Speaker, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, I yield to the gentleman from Michigan (Mr. RUPPE) such time as he may require.

Mr. RUPPE. I thank the gentleman for yielding.

Mr. Speaker, the Coast Guard has requested statutory authority to institute an officer candidate program whereby college students, after their sophomore year, would receive 2 months' active duty training followed by a second 2 months' period of training between the junior and senior years. During their junior and senior years, officer candidates would receive $100 a month subsistence allowance and upon graduation, officer candidates would be commissioned in the Coast Guard Reserve and required to serve 3 years' active duty. The 2 years spent in the officer candidate program in college would be credited for pay purposes. This program would be very similar to that employed by the other armed services, particularly the Marine Corps.

At the present time, the Coast Guard conducts a 4-month officer candidate school program which begins after graduation from college. The number of candidates for this program has steadily declined since the elimination of the draft, and although there is no present intention to institute the new in-college OCS program authorized by this legislation, the Coast Guard desires to have, in effect, standby authority should the number of applicants for the present program decline to the level where unsatisfactory officer selectivity occurs.

The Coast Guard Academy, of course, supplies the majority of officer personnel for the Coast Guard and will continue to do so barring an unforeseen emergency that might require a significant expansion in the officer corps. The new program, if implemented, would take 2 years for the first new officer candidates to be commissioned. It is this 2-year time-lag between the institution of such a program and the availability of commissioned officers that prompts the Coast Guard to seek such authority at this time.

The committee report fully details the cost of this legislation should the authority be utilized at some future date, and the bill was, of course, the subject of an executive communication from the Department of Transportation. Mr. Speaker, I urge the passage of H.R. 15972.

Mrs. SULLIVAN. Mr. Speaker, this morning we will take up, under suspension of the rules, three pieces of Coast Guard legislation which are concerned with providing future quality officers for the Coast Guard, improving the icebreaking program between the United States and Canada in the Great Lakes-St. Lawrence area, and an incentive for shipowners and operators to cooperate in Federal efforts to prevent the pollution of our seas.

The first bill, H.R. 15972, is of importance in that it will allow the Coast Guard Officer Candidate School program.

There are two problems currently facing the services—the end of the draft and the condition of the economy at any given time. These two factors have a direct bearing on the ability of the armed services and the Coast Guard to recruit personnel.

In order to compete for quality personnel the Coast Guard wants a contingency plan to offer support for college students who agree to serve in the Coast Guard after graduation. This program is already in operation at the Department of Defense, and to deny the Coast Guard the same enticement to quality students could cause critical recruitment problems in the future.

The proposed legislation basically allows the Coast Guard to make the OCS program more attractive by subsidizing an individual at a rate of $100 per month during his last 2 years of undergraduate schooling and allowing him to start his commissioned service with 2 years' longevity for pay purposes. Because of this added incentive, an increased number of applicants are expected to be obtained.

Because of the current somewhat depressed job market, recruitment is not in a critical state at this point in time. However, this condition could change rapidly, potential manpower sources would dry up, and the Coast Guard would be faced with a serious manpower situation without this contingency plan of offering inducements for entering the service.

The second bill, H.R. 13791, will authorize icebreaking operations in foreign waters pursuant to international agreements. A major purpose of the proposal is to provide a basis to improve the efficiency of United States and Canadian icebreaking in the Great Lakes-St. Lawrence Seaway navigational system.

The proposed bill would not be self-executing. Icebreaking in other than the high seas or waters of the United States could not be carried out without specific international agreement.

The third and final piece of legislation, S. 1353, will amend section 77 of title 46, United States Code, to permit the deduction from gross tonnage of a vessel, in determining net tonnage, of certain spaces used for carriage of slop oil mixture or other waste materials.

The provisions of the proposed bill would afford an additional incentive for shipowners and operators to cooperate in the prevention of pollution of the seas, by omitting from the taxable net tonnage, spaces which would not be revenue producing because they would be reserved for the carriage of slop oil and other waste materials.

Mr. Speaker, these bills have been the subject of subcommittee and full committee hearings and consideration, and I urge all Members to support their passage.

Mr. Speaker, Mr. Murphy, chairman of the Coast Guard Subcommittee, will now explain the bills more fully.

Mr. MURPHY of New York. Mr. Speaker, I have no further request for time.

Mr. GROSS. Mr. Speaker, I have no further request for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Murphy) that the House suspend the rules and pass the bill H.R. 15972.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ICEBREAKING OPERATIONS IN FOREIGN WATERS

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13791) to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes.

The Clerk read the bill, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of title 14, United States Code, is hereby amended by inserting the words "shall, pursuant to international agreements, develop, establish, maintain, and operate icebreaking facilities on, under, and over waters other than the high seas and waters subject to the jurisdiction of the United States;" immediately before the words "shall engage in oceanographic research".

The SPEAKER pro tempore. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. Murphy) will be recognized for 20 minutes and the gentleman from Michigan (Mr. Ruppe) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York.

Mr. MURPHY of New York. Mr. Speaker, we will next consider H.R. 13791, an administration bill to allow icebreaking operations in foreign waters other than the high seas or waters subject to the jurisdiction of the United States.

The immediate aim of this legislation is to provide a statutory basis for more efficient icebreaking throughout the Great Lakes-St. Lawrence Seaway system, various portions of which lie within Canadian waters. Icebreaking in these waters, coordinated by an international agreement between Canada and the United States as required by the legislation, would be mutually beneficial to both countries and would increase the efficiency of winter navigation throughout the system. Overall, the statute to be amended outlines the basic duties of the Coast Guard including its duties to undertake icebreaking operations on the high seas and those waters subject to the jurisdiction of the United States.

Coast Guard witnesses testified that based on a limited amount of cooperative icebreaking with the Canadians they have concluded that icebreaking operations are not anticipated to increase as a result of this proposal. Therefore, cost increases are expected to be negligible and may, through economies in operation made possible through international agreement, result in some savings. This is possible because of the dispersal of the countries' icebreakers at various points along the seaway system. For example, if a U.S. cutter is at point A and receives word to proceed to point B for icebreaking operations, the operational costs of proceeding to point B can be eliminated if a Canadian cutter is already there to do the job and vice versa.

The areas of operational reciprocity based on Coast Guard/Canadian experiences would include Georgian Bay and Thunder Bay on the Canadian side and Buffalo, St. Clair River—Detroit/Port Huron—and Duluth area on the U.S. side. In addition, depending on conditions, cooperative efforts would be launched in Lake Ontario and St. Lawrence Seaway, proper. (See p. 2 of the committee report for the areas to be covered.)

The Canadians are expected to cooperate fully with this venture and they have a high capability in ice-breaking activities. The Coast Guard testified that the Canadians have in the past utilized five icebreaking vessels on the waters under discussion and they are expected to continue in operation. The Canadian cutters are more powerful than the cutters the U.S. Coast Guard has available, so that this arrangement is beneficial to the United States.

While the hearings emphasized the St. Lawrence Seaway situation, the legislation would authorize similar icebreaking activities in other areas when appropriately negotiated for by international agreement.

During 2 days of hearings held on this bill in August 1974, Coast Guard witnesses testified that the legislation would be beneficial to the service in terms of both efficiency and effectiveness. There were no witnesses opposed to the bill, and I urge Members to support this legislation in view of the benefits it will have for the Coast Guard and the United States.

Mr. RUPPE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. Horton).

Mr. HORTON. Mr. Speaker, I rise in opposition to H.R. 13791. On the surface, this bill may appear to be a simple move to increase the efficiency of icebreaking operations throughout the Great Lakes and St. Lawrence Seaway system. But if one reviews the report on this legislation, there can be little doubt that not only improved winter navigation, but also an extension of the navigation season, are expected to benefit from coordinated icebreaking operations by the United States and Canada.

As a Representative of an area which borders on Lake Ontario, I am very concerned about the impact of an extended navigation season on the lake's shoreline. One of the key factors in controlling water levels in the lakes is the creation of a stable ice cover in the St. Lawrence during winter months to permit a controllable level of water outflow from Lake Ontario. Since the St. Lawrence is not navigable as long as there is an ice cover, the ice cover would have to be broken. This could cause damage along the shoreline of the St. Lawrence and it could also result in ice jams which would reduce or shut off the flow of water from the lake and thereby increase lake levels on Lake Ontario.

Throughout the debate on regulation of water levels in the Great Lakes and the extension of the navigation season, power and navigation interests have tended to dominate. But a third interest, that of shoreline property protection, must also be heard. Great Lakes Commission figures estimate that of 1,300 miles of shoreline, about 1,000 miles are privately owned and the rest publicly owned. According to the Commission, about 200 miles of shoreline are subject to critical erosion and 300 miles to flooding. In my area of Wayne and Monroe Counties alone, shoreline property owners have suffered property damage exceeding $20 million since 1973.

Mr. Speaker, I have such serious reservations about extending the navigation season that I cannot support legislation which, though presented as an efficiency measure, could certainly be a precursor to more icebreaking operations.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman.

Mr. MURPHY of New York. There is nothing in this legislation that extends the icebreaking season. Coast Guard environmental impact studies clearly spell that out. This merely permits the exchange of vessels doing the icebreaking in the normal icebreaking season.

Mr. HORTON. The point I am making is that when we make it more efficient and break up more ice, we are creating problems with regard to property owners.

I do not think we should do anything further with regard to navigation interests without weighing the interests of the property owners.

Mr. MURPHY of New York. I will say to my colleague from New York that I am watching very carefully and intently legislation that does not extend that season the gentleman is referring to because of the eocnomic impact on other ports on the east coast, particularly in the Eastern United States. This merely gives us a way to cooperate with the Canadians in icebreaking activities, not even extending the icebreaking season; but I will notify the gentleman today that the committee considered legislation that will extend the season on the Great Lakes ports for obvious economic reasons.

Mr. HORTON. The gentleman, I am sure, understands my concern with regard to extending the icebreaking season. Right now Lake Ontario is at high water level. There is an effort to extend the navigation season. Which means breaking ice; and when ice is broken, it creates problems with regard to the outflow from Lake Ontario into the St. Lawrence.

Mr. MURPHY of New York. I can assure the gentleman that would not take place.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand a feasibility study is underway with regard to agreements between Canada and the United States, or a feasibility study of some kind is now in progress on which the feasibility of this use of icebreakers would be contingent?

Mr. HORTON. I am not familiar with a study with regard to icebreakers, but there is a study with regard to extending the navigation season. My concern is that this legislation is a part of that extension. In other words, they want to make it more efficient to break up the ice and, therefore, extend the season. What they want to do in this legislation is to make it possible for U.S. ships to go over and help the Canadians break up ice. I am concerned that this may extend the navigation season and, therefore, will create some problems with regard to the outflow of water from Lake Ontario, which is at a very high level. That is my concern.

Mr. GROSS. If the gentleman will yield further——

Mr. HORTON. I will be glad to yield.

Mr. GROSS. If there is a feasibility study in progress, it seems to me the cart is before the horse in the passage of this legislation, since there is a feasibility study.

Mr. HORTON. I would agree with the gentleman.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Speaker, in response to the question raised by the gentleman from Iowa, the Coast Guard has been performing what this legislation requests on a formal basis as a trial. That trial basis was merely to make the most efficient utilization of the limited icebreaking ships available to both Canada and the United States; that is, not having them crisscross the lakes to break ice when ships are in navigational trouble.

Studies have been completed, studies which prove the feasibility of doing this on a cost effective basis to the United States.

Mr. HORTON. I think the gentleman from Iowa was concerned about the feasibility studies.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, this bill expands the basic authority of the Coast Guard to permit it to engage in icebreaking activities within the territorial waters of other nations pursuant to international agreement. Specifically, the bill is intended to enable the Coast Guard to cooperate more fully and in a more flexible manner with the Canadian Government with regard to icebreaking on the Great Lakes and the St. Lawrence Seaway system, various portions of which, of course, lie within Canadian waters.

It is anticipated that the areas of international cooperation would include Georgian Bay and Thunder Bay on the Canadian side of Lakes Huron and Superior, respectively, and in the Buffalo, N.Y., St. Clair River, and Duluth areas on the U.S. side. Depending on conditions, cooperative efforts might be launched within the seaway proper.

While I have had considerable difficulty with the Coast Guard in the past over icebreaking operations and ship traffic, generally, in the Great Lakes waters bordering my district, it is obvious that the cost of icebreaking operations in the Great Lakes could be reduced if conducted in a more rational manner in cooperation with Canada.

At the same time, I would like to emphasize that the enactment of this legislation should in no way be viewed by the Coast Guard as unequivocal congressional affirmation of a permanent, ongoing Great Lakes extended navigation season. I am well aware of the fact that many commercial interests in the Great Lakes are pressing for virtually year-round Great Lakes navigation through extensive icebreaking activities, particularly in the connecting channels between the lakes. During the past three winters these activities have been terribly disruptive to St. Mary's River island residents in my district who have traditionally relied upon the freezing over of the waters for safe and adequate transportation to and from the mainland.

It now appears that the primary Federal sponsors of this program, the U.S. Army Corps of Engineers and the Coast Guard, are looking much more carefully at this problem. In fact, these agencies, in working with the Michigan Governor, Senators, and myself, have made provisions for the island residents in the upcoming winter that will hopefully alleviate the disruption of their transportation to and from the islands.

Nevertheless, until these serious social and environmental considerations are completely resolved, I will withhold my final support for a permanent, ongoing extended navigation season on the Great Lakes. With these thoughts clearly in mind, I support the bill for cooperation with the Canadian Government.

Mr. HORTON. The thing I am concerned about is that the nose of the camel is getting under the tent. This is part of the overall scheme of extending that navigational season.

Mr. RUPPE. I agree, and my statement will extend the same reservations which this gentleman has.

Let me say that the extended season now normally extends into late November or December. Under the trial period, it would be extended to probably February of this year.

No matter what closing date or what time, whether it be late November temporary date under the trial winter navigation season, early February, I think it is advisable that the two nations coordinate their Coast Guard and icebreaking activities to the closest extent possible.

I think we should have coordination, but also make clear on the record that passage of the legislation does not mean that the Congress requires or agrees or gives its approval to a year-round navigational season on the Great Lakes at this time.

Mr. HORTON. Would the gentleman answer this question for me: Is this legislation the result of a recommendation of that feasibility study?

Mr. RUPPE. No, the final feasibility study will not be concluded until 1976. It is my understanding initially that the final report of the Winter Navigation Board was to be completed at an earlier date, but the time has been extended by the legislation I referred to which was passed, I believe, in 1974—referred to 1974 amendments to Public Law 93-251.

Mr. HORTON. The question I am concerned about is whether or not this legislation is an outgrowth of that study. Certainly, it would not be an outgrowth of the feasibility study if it has not been made, but is this a recommendation of those who are making the study, that this legislation be enacted in order to extend the navigational season?

Mr. RUPPE. I do not know, but I think it is safe to assume that those who want the extended year-round season would want the legislation, but I would have to say in all fairness that those of us—including myself—who have reservations support the bill even on a shorter season, less than year-round season. If the bill passes, the legislation does make the work of the icebreaking units on both sides, Canadian and American, more efficient and probably cheaper.

Mr. HORTON. I am sure the gentleman will understand my opposition to this bill because, of course, we cannot put any amendments in when we are handling this on suspension. Therefore, I would be opposed to it on the basis that I have outlined.

Mr. McEWEN. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. McEWEN. I thank my colleague from New York for yielding.

I would like to associate myself with these remarks, particularly the statement just made by the gentleman from Michigan, that support of this legislation should not be interpreted as a congressional endorsement that we want to go ahead with year-round navigation on the Great Lakes-St. Lawrence Seaway.

Let me say, in speaking to my colleagues, I will be a close observer of whatever is done on the St. Lawrence, because my home is on the banks thereof. I overlook from my own residence the seaway channel. I witnessed this weekend, for example, during the high winds, the problems encountered on navigation. I had in my front yard a French merchantman anchored out there for 2 days due to wind conditions. I further share the concern of my colleagues about what might happen on erosion of the shoreline on Lake Ontario, where we have observed severe damage from erosion.

So, while I intend to support this legislation to complete this study, I add the caveat that certainly my support of this legislation is not an endorsement at this time of year-round navigation on the Great Lakes-St. Lawrence Seaway.

Mr. HORTON. I thank the gentleman.

Mr. McEWEN. Let me add this one further thing, and that is, as the study moves into the seaway section of this great waterway, it moves into the area of the tremendous St. Lawrence River hydroelectric projects of the Power Authority of the State of New York, the Ontario Hydroelectric Commission and the Quebec Hydroelectric Commission that generate millions of horsepower of electrical energy. Essential to the generation of that electrical energy during the winter months is that there be an icecap for many, many miles upstream on these hydroelectric dams, this for the purpose of preventing ice from getting into the intakes of those generating facilities. I think this is an extremely serious problem, and I hope that those who direct this study, as they approach it, will do so with the concern for the need of that tremendous energy source at a time when we desperately need energy in this country; that they will be very helpful in their work not to jeopardize the generation of this highly necessary electrical energy.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman.

Mr. O'HARA. I want to associate myself with the remarks of the gentleman from New York. I am in favor of the bill. I would anticipate, as I am sure the gentleman in the well would anticipate, that before the all-year-round navigation icebreaking actually takes place, that a careful assessment be made of any potential damage to shorelines as a result of year-round navigation and the advantages weighed against the disadvantages before any such operation is undertaken.

Mr. HORTON. I want to thank the gentleman from Michigan (Mr. O'Hara) and also the gentleman from New York (Mr. McEwen) for their comments. I know both of them are very much concerned about the interest of the shoreline owners on the lakes, and I do appreciate the remarks of both of these gentlemen.

My purpose here today was to indicate my concern about the extension of the navigation season. I am concerned that this bill could perhaps be so construed. I am very pleased that the chairman of the subcommittee, the gentleman from New York (Mr. Murphy), and also the gentleman from Michigan (Mr. Ruppe), have assured me that this is not the case.

Mr. CONABLE. Mr. Speaker, I understand that this bill, H.R. 13791, would not authorize additional icebreaking activities in the Great Lakes and St. Lawrence Seaway system, but would permit agreement for more efficient icebreaking activities through cooperation of Canadian and United States agencies. However, these icebreaking activities are a part of the long-term study underway of the benefits to be realized in extending the navigational season of the Great Lakes system. It is the conduct of this study which is of concern to me as a representative of areas on the south shore of Lake Ontario in Monroe County, N.Y. Residents there have incurred severe damages to their property in the last couple of years as a result of the high water levels. All of us are concerned that these problems affecting the shoreline properties be fully and sympathetically considered in any study of extending the navigation season.

Shipping interests are a general concern to those of us along the Great Lakes, but benefits to shipping should not be enhanced at the expense of other legitimate lake interests, such as the shoreline property owners. One of the essential ingredients for control of the Lake Ontario water levels is the development of a stable ice cover on the St. Lawrence during the winter season in order to permit the free flow of water through the control dams. There is uncertainty and concern about the effect which extensive icebreaking may have on the regulation of outflows during the winter months and it is this which prompts my opposition to the legislation being considered here today.

I wish to urge strongly upon the sponsors of this legislation and supporters of this navigation season study that they remain alert to its implications for shoreline property owners and recognize that we have the responsibility to maintain adequate and reasonable protection for them. I intend to press these points with both the Army Corps of Engineers and the U.S. Coast Guard, as well.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Murphy) that the House suspend the rules and pass the bill H.R. 13791.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of the Senate bill (S. 3308) to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes, a bill identical to the House-passed bill, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of title 14, United States Code, is hereby amended by inserting the words "shall, pursuant to international agreements, develop, establish, maintain, and operate icebreaking facilities on, under, and over waters other than the high seas and waters subject to the jurisdiction of the United States;" immediately before the words "shall engage in oceanographic research".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 13791) was laid on the table.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

DEDUCTION FROM GROSS TONNAGE

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1353) to deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials, as amended.

The Clerk read as follows:

S. 1353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4153 of the Revised Statutes (46 U.S.C. 77) is amended by inserting following paragraph (d) the following new paragraph:

"(e) Space occupied by machinery used exclusively to separate, clarify, purify, or process, a ship's own slop oil mixture, tank-cleaning residue, bilge residue, or other waste materials, including sewage, garbage, galley wastes, or trash and space occupied by any tank, tanks, or collection area used exclusively for the carriage or collection of such slop oil mixture, tank-cleaning residue, or other waste materials, but not to exceed a maximum space deduction established by regulations hereunder. The Secretary of the department in which the Coast Guard is operating in consultation with the Administrator of the Environmental Protection Agency, shall issue regulations to define the slop oil mixtures, cleaning residue, and waste materials, establish the maximum deductions which may be made, define the manner in which the spaces shall be used and marked, and as necessary otherwise to carry out the provisions of this paragraph."

SEC. 2. Section 4153 of the Revised Statutes (46 U.S.C. 77) is further amended by redesignating existing paragraphs (e) through (i) as (f) through (j).

The **SPEAKER** pro tempore. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from New York (Mr. MURPHY) will be recognized for 20 minutes, and the gentleman from Iowa (Mr. GROSS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, S. 1353 was the subject of extensive study by the Congress over a number of years and was the subject of hearings by the Coast Guard Subcommittee in July and August of 1974. It is an amendment to the present vessel admeasurement laws and will allow as deductions from gross tonnage, in determining net or register tonnage, certain non-revenue-earning spaces which are used in collecting, processing, or carrying shipboard generated waste materials. Net or register tonnage is used to compute some tonnage duties and taxes, as well as for assessing dues and charges for various services provided to a vessel, such as for port facilities, harbor fees, and canal tolls.

The legislation will afford an additional incentive for shipowners and operators to cooperate in the prevention of pollution of the seas, by omitting from the taxable net tonnage, spaces which would not be revenue-producing because they would be reserved for the carriage of slop oil and other waste materials.

A similar bill was introduced in the 89th Congress, but the committees of jurisdiction decided that since the entire problem of tonnage measurement was under consideration by the Intergovernmental Maritime Consultative Organization on an international basis, such legislation was premature and should await action by that organization.

The proposal was approved by the IMCO assembly and it was considered appropriate to proceed with domestic legislation. The Department of Transportation requested that action be taken on the legislation in this Congress.

S. 1353 was amended in the Senate to expand slightly the deductible spaces to insure that the legislation remains relevant to foreseeable regulations governing waste materials. With the current international and domestic trends toward the onboard retention of wastes, the amendments were considered appropriate by the Coast Guard Subcommittee and the full committee. Additionally, the amendments are consistent with the concept of tonnage laws which exclude nonrevenue-earning space from the net tonnage.

I urge Members to support this legislation because it will be economically beneficial to U.S. flag shipowners and operators and will encourage a more rapid compliance with new requirements directed toward reducing marine pollution.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to ask the gentlemen from New York (Mr. MURPHY) a question.

Does the gentleman think that this preferential tax treatment will create a precedent? Is there any precedent in any other industry for this legislation?

Mr. MURPHY of New York. Mr. Speaker, if the gentleman will yield, I would say that the only precedents would be in tax relief granted certain industries for pollution control mechanisms. I would say some of our allowances for investment tax credits have gone to other industries for the addition of scrubbers in the hydroelectric and power-producing industries, as well as in other industries, the steel industry in particular.

Mr. GROSS. But this would be the first time in the maritime industry that favorable tax treatment would be given to shipowners for carrying their own slop oil and other pollutants; is that correct? Is that a fair statement?

Mr. MURPHY of New York. Yes. This is consistent with the international agreements on segregated ballast in ocean ships and also the retention of slop and other waste treatments which the Coast Guard has required by regulation and we have required by law to keep the rivers and harbors and, of course, our oceans from this type of pollution.

Mr. GROSS. Of course, no one wants to see the rivers and harbors polluted, but by the same token, I would hope we are not here setting a precedent by which other industries in this country would take advantage of this so that this thing would spread to the point where it would amount to a substantial amount of money.

As I understand it, this is an exemption only for American-flag vessels; is that correct?

Mr. MURPHY of New York. This refers to that only; that is correct.

Mr. GROSS. It does not apply to any other vessels?

Mr. MURPHY of New York. That is true.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the Senate bill (S. 1353), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ESTABLISHING THE SPESSARD L. HOLLAND NATIONAL SEASHORE IN THE STATE OF FLORIDA AND FOR OTHER PURPOSES

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5773) to establish the Spessard L. Holland National Seashore in the State of Florida, as amended.

The Clerk read as follows:

H.R. 5773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asesmbled, That in order to preserve and protect the outstanding natural, scenic, scientific, ecologic, and historic values of certain lands, shoreline, and waters of the State of Florida, and to provide for public outdoor recreation use and enjoyment of the same, there is hereby established the Canaveral National Seashore (hereinafter referred to as the "seashore"), as generally depicted on the map entitled "Boundary Map, Canaveral National Seashore", dated August 1974 and numbered NS–CAN–40,000A. Such seashore shall comprise approximately sixty-seven thousand five hundred acres within the area more particularly described by a line beginning at the intersection of State Highway 3 and State Road 402, thence generally easterly following State Road 402 to a point one-half mile offshore in the Atlantic Ocean, thence northwesterly along a line which is at each point one-half mile distant from the high water mark to Bethune Beach, thence inland in a generally westerly direction through Turner Flats and Shipyard Canal, thence northwesterly to the Intracoastal Waterway, thence southerly along the Intracoastal Waterway to a point on the waterway approximately one mile north of the boundary of the Kennedy Space Center, thence southwesterly to United States Highway 1, thence southerly along State Highway 3 to the point of beginning. The boundary map shall be on file and available for public inspection in the offices of the United States Fish and Wildlife Service and National Park Service, Department of the Interior, Washington, District of Columbia. After advising the Committees on Interior and Insular Affairs of the United States Congress, in writing, at least sixty days prior to making any boundary revisions, the Secretary may from time to time make minor revisions in the boundaries of the seashore by publication of a revised map or other boundary description in the Federal Register: *Provided*, That the total acreage included within the boundaries shall not exceed that enumerated in this section.

SEC. 2. Within the boundaries of the seashore, the Secretary may acquire lands, waters, and interests therein by donation, purchase with donated or appropriated funds, exchange, or transfer. Any property owned by the State of Florida or any political subdivision thereof may be acquired only by donation. It is the intent and purpose of this Act that the Secretary shall have sole authority to develop and improve those State owned lands donated now and in the future in accordance with the intent and purposes of this Act. Notwithstanding any other provision of law, any federally owned property within the boundaries of the seashore may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary of the Interior and he may develop and administer such lands in a manner consistent with the purposes of this Act. In accepting lands transferred by the National Aeronautics and Space Administration pursuant to this Act, the Secretary shall enter into a written cooperative agreement with the Administrator to assure the use of such lands in a manner which is deemed consistent with the public safety and with the needs of the space and defense programs of the Nation: *Provided*, That no new construction or development shall be permitted within the seashore, except for the construction of such facilities as the Secretary deems necessary for the health and safety of the visting public or for the proper administration of the seashore: *Provided further*, That after the date of the enactment of this Act the Secretary of the Interior, in cooperation with the Administrator of the National Aeronautics and Space Administration, shall submit to the Committees on Interior and Insular Affairs of the Congress and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a report of all land transfers made by the National Aeronautics and Space Administration to the Department of the Interior under this Act.

SEC. 3. (a) Except for property deemed necessary by the Secretary for visitor facilities, or for access to or administration of the seashore, any owner or owners of improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term not to exceed twenty-five years, or in lieu thereof, for a term ending at the death of the owner, or the death of his spouse, whichever is the later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated to the United States, the Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(b) The Secretary may terminate a right of use and occupancy retained pursuant to this section upon his determination that such use and occupancy is being exercised in a manner not consistent with the purposes of this Act, and upon tender to the holder of the right of an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(c) The term "improved property", as used in this section shall mean a detached, noncommercial residential dwelling, the construction of which was begun before January 1, 1971 (hereafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures, necessary to the dwelling which are situated on the land so designated.

(d) Except as otherwise provided, the Secretary shall have the authority to use condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

SEC. 4. The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the boundaries of the seashore in accordance with the appropriate laws of the State of Florida and the United States to the extent applicable, except that he may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish and wildlife management, public use and enjoyment, protection of the resource, or competing public use. Except in emergencies, any regulations prescribing any such restrictions shall be put into effect only after consultation with the appropriate State agency responsible for hunting, fishing, and trapping activities.

SEC. 5. (a) The seashore shall be administered, protected, and developed in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2–4), as amended and supplemented, except that any other statutory authority available to the Secretary for the conservation management of natural resources may be utilized to the extent he finds such authority will further the purposes of the Act.

(b) Notwithstanding any other provisions of this Act, lands and waters in the Merritt Island National Wildlife Refuge as described in subsection (c)(2) of this section which are part of the seashore shall be administered for refuge purposes through the United States Fish and Wildlife Service pursuant to the National Wildlife Refuge System Administration Act, as amended (80 Stat. 926; 16 U.S.C. 668dd–668ee), except that the Secretary may utilize such additional authority as may be available to him for the conservation and management of wildlife and natural resources, the development of outdoor recreation opportunities, and interpretive education as he deems appropriate, consistent with the preservation of natural and wildlife values.

(c) The Secretary shall cause to be issued a well defined division of management authority between the National Park Service and the United States Fish and Wildlife Service. It is the intent and purpose of this Act that such management authority, generally, shall be as follows:

(1) The National Park Service shall administer those lands and waters described as follows: beginning at the intersection of State Highway 3 and State Road 402; thence easterly along State Road 402 and continuing easterly in a straight line to a point one-half mile offshore in the Atlantic Ocean, following the southern boundary of the seashore created in section 1; thence northwesterly along the boundary of the seashore created in section 1, which line is at each point one-half mile distance from the high water mark, to Bethune Beach; thence inland in a generally westerly direction through Turner Flats and Shipyard Canal; thence northwesterly to the Intracoastal Waterway; thence southerly along the Intracoastal Waterway to a point on the waterway approximately one mile north of the boundary of the Kennedy Space Center; then southwesterly to United States Highway 1; thence southerly along State Highway 3 to the northern boundary of H. M. Gomez Grant; thence easterly along the northern boundary of H. M. Gomez Grant and continuing easterly in a straight line to a point of intersection with the line between the marsh and the dunes; thence southerly along the line between the marsh and the dunes to a point approximately one-half mile north of the southern boundary of the seashore created in section 1; thence westerly in a straight line to connect with and to follow the Government Railroad to its intersection with State Highway 3; thence southerly along State Highway 3 to the point of beginning. The portion of land bounded by the northern boundary of the H. M. Gomez Grant is hereby transferred to the Secretary of the Interior and may be used for the purpose of establishing such facilities as are needed for the administration of the seashore, for the construction of the principal visitor center which shall be designated as the "Spessard L. Holland Visitor Center", and for a central access to the seashore: *Provided, however*, That the Secretary of the Interior, upon the request of the Administrator of the National Aeronautics and Space Administration, shall close this area or any part thereof to the public when necessary for space operations. In administering the shoreline and adjacent lands the Secretary shall retain such lands in their natural and primitive condition, shall prohibit vehicular traffic on the beach except for administrative purposes, and shall develop only those facilities which he deems essential for public health and safety.

(2) The United States Fish and Wildlife Service shall administer the remaining lands described in section 1 of the Act.

SEC. 6. (a) There is hereby established the Canaveral National Seashore Advisory Commission which shall consult and advise with the Secretary on all matters of planning, development, and operation of the seashore and shall provide such other advice and assistance as may be useful in carrying out the purposes of this Act. The Commission shall terminate ten years after the date the seashore is established pursuant to this Act, unless extended by the Congress. The Commission shall be composed of five members who shall serve for terms of two years. Members shall be appointed by the Secretary, one of whom he shall designate as Chairman, in the following manner:

(1) one member from each county in which the seashore is located, to be selected from recommendations made by the county commission in each county;

(2) two members representing the State of Florida who shall be selected from recommendations made by the Governor of Florida; and

(3) one member representing the general public.

(b) After the Secretary designates the member to be Chairman, the Commission may meet as often as necessary at the call of the Chairman or of the Secretary, or upon petition of a majority of the members of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(c) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this section.

SEC. 7. Upon enactment of this Act, those lands to be used for the administrative and visitor facilities described in section 5(c)(1) shall be transferred by this Act to the Secretary of the Interior and those portions of the John F. Kennedy Space Center falling within the boundaries of the seashore as defined in section 1 of this Act shall become a part of the seashore, and within ninety days thereafter, the Administrator, National Aeronautics and Space Administration, shall grant to the Secretary for carrying out the intent and purpose of this Act such use of said portions as the Administrator determines is not inconsistent with public safety and the needs of the space and defense programs of the Nation. Notwithstanding any other provision of law, and lands within the seashore which the Administrator determines to be excess to the needs of such agency shall be transferred to the Secretary of the Interior for administration in accordance with the provisions of this Act: *Provided*, That any portions of the John F. Kennedy Space Center within the seashore not transferred to the Secretary shall remain under the control and jurisdiction of the Administrator.

SEC. 8. Within three years from the date of enactment of this Act, the Secretary shall review the area within the seashore and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or nonsuitability of any area within the seashore for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

SEC. 9. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not more than $7,941,000 for the acquisition of lands and interests in lands. In order to avoid excessive costs resulting from delays in the acquisition program, the Secretary shall make every reasonable effort to promptly acquire the privately owned lands within the seashore. Until all such lands are acquired, he shall report, in writing on June 30 of each year to the Committees on Interior and Insular Affairs of the United States Congress, the following information:

(1) the amount of land acquired during the current fiscal year and the amount expended therefor;

(2) the amount of land remaining to be acquired; and

(3) the amount of land programed for acquisition in the ensuing fiscal year and the estimated cost thereof.

(b) For the development of essential public facilities there are authorized to be appropriated not more than $500,000. Within three years from the date of the enactment of this Act, the Secretary shall develop and transmit to the Committee on Interior and Insular Affairs of the United States Congress a final master plan for the full development of the seashore consistent with the preservation objectives of this Act, indicating:

(1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated cost of all facilities; and

(3) the projected need for any additional facilities within the seashore.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **SKUBITZ**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. **TAYLOR** of North Carolina. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 5773, as reported by the Committee on Interior and Insular Affairs, would establish the Canaveral National Seashore in the State of Florida. This area, which includes some 67,000 acres of land and water, preserves 20 miles of magnificent, unspoiled Atlantic beach, backed by a marsh and dunes system.

In addition, the seashore contains wildlife habitat of major importance, proving a haven for well over 200 varieties of bird life, including several rare and endangered species. The outstanding natural qualities and recreational possibilities of this coastal area in the vicinity of Cape Canaveral have been recognized for many years. The State of Florida has shown a continuing interest in the proposal. When it appeared that the spread of condominiums and other development in the north was enchroaching upon the beach areas the State acted to acquire 4 miles of ocean front in 1969, at a cost of $5.6 million making use of matching grants from the land and water conservation fund. The State intended to develop this area as a State park because it appeared that the Interior Department and the Congress would not act quickly on the more extensive natural seashore proposal. With the introduction of this legislation the State has expressed an interest in donating its land to the Federal Government for inclusion in the Canaveral National Seashore.

Members of our Subcommittee on National Parks and Recreation inspected this area, and in the course of several markup sessions, adopted completely revised language for the proposal. The full committee further refined the bill, adding several amendments suggested by the National Aeronautics and Space Administration.

The reported version now contains several important features worthy of mention:

First, a division of management authority is made between the National Park Service and the U.S. Fish and Wildlife Service. This allows continued management of the NASA properties in the lagoon area of the national seashore for national wildlife refuge purposes.

Second, the bill provides that State-owned lands in the area may be donated for the purposes of the national seashore. NASA owned properties remain with that agency, except for a small parcel on the extreme northern end of the Kennedy Space Center. The retained lands will be managed for national seashore purposes through cooperative agreements. Such lands may be transferred to the seashore at a later date should NASA find them to be excess to the space and defense needs of the Nation.

Third, the committee has recommended that only $500,000 be authorized for appropriation for development purposes within the seashore at this time. The National Park Service is directed to conduct a master planning study within the next 3 years, and transmit the study to the Congress. This will allow us to have a well-documented proposal before authorizing any additional funds for development of this resource. A wilderness study during the same time frame is also directed. The cost of acquiring the privately owned land within the seashore area would be limited to $7,941,000.

Mr. Speaker, this bill will mean a worthwhile new addition to our National Park System, and it will direct that the area be carefully managed to protect its resource values. I urge the adoption of H.R. 5773 as reported.

Mr. **FREY**. Mr. Speaker, will the gentleman yield?

Mr. **TAYLOR** of North Carolina. I yield to the gentleman from Florida.

Mr. **FREY**. Mr. Speaker, I have several questions that I would like to ask the gentleman from North Carolina, since I represent part of the area that we are concerned with, and many of the residents of Brevard County, which I represent, are concerned about the availability of a southern access to the proposed Canaveral National Seashore. I certainly share this concern, and would at this point, ask whether provision has been made in this legislation for a southern entry to the seashore.

Mr. **TAYLOR** of North Carolina. Mr. Speaker, in response to the inquiry of the gentleman from Florida, let me state that State Route No. 402 is the southern boundary of the proposed Canaveral National Seashore, the committee report says that that road is included in the area, and further states that it is the intent of the committee that that road will remain open as a mean of access.

Mr. **FREY**. Mr. Speaker, if the gentleman will yield further, I appreciate that answer.

I have a further inquiry, and that is that I am concerned about the continued use of the seashore areas at no cost to the local residents or to others who may wish to visit the seashore.

Does this bill contemplate that entry fees will be charged?

Mr. **TAYLOR** of North Carolina. Mr. Speaker, in reply to the inquiry of the gentleman from Florida I will state that the present bill does not address itself specifically to this point, but may I add that the National Park Service now does not charge an entrance fee for entering the national seashore areas. I think the gentleman from Florida can assume that this national seashore would be managed and will be dealt with in regard to such charges as other national seashores are handled and dealt with.

I might add that a fee could be charged and probably would be charged for use of a developed campsite, after such sites are developed to a specified standard.

Mr. **FREY**. Mr. Speaker, if the gentleman will yield still further, I would like the thank the gentleman in the well, the gentleman from North Carolina (Mr. TAYLOR) and the gentleman from Kansas (Mr. SKUBITZ) and the gentleman from Florida (Mr. CHAPPELL), and especially the gentleman from Florida (Mr. CHAPPELL) for all of the work that that gentleman has put in on this matter. I think that this was the bill that

that gentleman introduced some 6 years ago when he first entered the Congress. The gentleman has worked on this very hard. It has been a very difficult subject. I think that all of the people of our country—and especially those in Florida—are proud of the job that he has done, and we appreciate his assistance.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I have a statement here which says that the administration opposes this bill on the ground that this area is already being protected, and does not qualify for national seashore designation under the Park Service's criteria, since it would provide only local and regional recreation rather than a unique national recreational opportunity.

How would the gentleman from North Carolina answer that?

Mr. TAYLOR of North Carolina. Mr. Speaker, in reply to the inquiry of the gentleman from Ohio, I would say that the bill has been examined and changed a great deal since that language was written. It is true that NASA had entered into a cooperative agreement with the U.S. Fish and Wildlife Service to preserve much of the area as a wildlife refuge, and this would be continued, but now the refuge would be given statutory recognition.

It is also true that the State of Florida owns a portion of the area. But it appears to members of the committee that we can make the area much more meaningful, especially in the field of recreation, by turning the seashore area over to the National Park Service to be operated as a national seashore.

Mr. SKUBITZ. Mr. Speaker, if the gentleman will yield, I will agree with my colleague that if it does not qualify for national seashore status then I do not know of anything we have submitted to date that qualifies for such national seashore status.

Would the gentleman from Ohio tell me whose report that is? Who issues that report?

Mr. WYLIE. If the gentleman will yield, that is a summary of a letter reprinted in the report which accompanies the bill.

Mr. SKUBITZ. I have a copy of the report by the Department of the Interior to the committee, but I find nothing in their statement that says that this does not qualify for seashore status.

Mr. WYLIE. Mr. Speaker, if the gentleman will yield further, my statement is, I think a fair summation of a letter from Nathaniel Reed, assistant secretary of the U.S. Department of the Interior, and which was apparently written back on August 8, 1973. Perhaps some changes were made in the language of the bill since that date. Does the gentleman know?

Mr. TAYLOR of North Carolina. Mr. Speaker, I would say to the gentleman from Ohio that the Department did say that the area was already well preserved, because NASA owns part of it, and the State of Florida owns part of it, and the State was going to operate their portion as a State park, and NASA entered into an agreement with the U.S. Fish and Wildlife Bureau to take care of the area.

But again let me state that with comparatively little expense we can have a national seashore which will make maximum use of the seashore along some 20 miles of beautiful beaches for recreational purposes, and that use is not being made today.

Mr. WYLIE. Mr. Speaker, if the gentleman will yield still further, what the gentleman from North Carolina is saying is that the area in question will be made available as a national recreational facility?

Mr. TAYLOR of North Carolina. The gentleman is correct.

Mr. WYLIE. I thank the gentleman.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Speaker, I support the bill now before us, H.R. 5773, which authorizes the establishment of the Canaveral National Seashore on the east coast of Florida.

This area would become a new unit of our national park system. Its principal purpose is to preserve from encroaching development, the natural values of a 20-mile segment of one of the last remaining undeveloped beach and coastal lagoon areas in the State of Florida—and to make it available for public enjoyment of its natural qualities.

Mr. Speaker, undoubtedly the only reason that this relatively primitive and undeveloped coastal beach front yet exists, is because of the fact it has been in Federal ownership for over a decade. The great majority of the land to be incorporated into this new 67,000-acre national seashore is owned by the National Aeronautics and Space Administration—NASA. Most of the new national seashore land has served as buffer area for the NASA space program complex. It remains basically undeveloped. None of the active development of the space complex is incorporated within the boundaries of the seashore proposal.

Mr. Speaker, I had the privilege this past summer of visiting the area involved in this bill. I was much impressed by the natural undeveloped character of the land, particularly after viewing the marching line of condominium developments and related encroachments which overpower the beach front to the immediate north of the proposed seashore. This is one of the last remaining primitive beach fronts in all of Florida. The wildlife resources in the marsh and lagoon areas are of great value and interest. The U.S. Fish and Wildlife Service has protected, and will continue to administer and protect, this important aspect of the new seashore in a cooperative arrangement with the National Park Service and NASA.

Mr. Speaker, this undeveloped area presents such a stark contrast to most of the other coastline of the eastern seaboard, that there can be no doubt that it is that very quality—its undeveloped character—which makes it outstanding and deserving of the special recognition the Congress will give it by the passage of this bill. It is for this same reason that this bill, and its accompanying legislative history, has made it clear that the area is to be managed so as to retain that primitive and undeveloped character—to constitute something unique and special in coastline public use experiences.

Conveniently, as a complementary fringe benefit to achieving this primary objective, this legislation anticipates a very minimal outlay for Federal expenditures. Any future development for public use is expected to be relatively minor so as to serve only very essential user needs. To that end, the bill authorizes a mere $500,000 for development, with instructions that the Secretary of the Interior report back to the Congress within 3 years with a finally formulated master plan outlining all future development needs.

For land acquisition funds, only about $8 million are authorized to satisfy the anticipated need to purchase the small amount of private land required to consolidate the 67,000-acre seashore into full Federal ownership.

The Federal Government is fortunate again in this instance to be establishing a national park system unit in the State of Florida. That State has historically been one of the Nation's most forward and cooperative in doing its share to work with the Federal Government in the establishment of Federal park units. It is anticipated that the State's contribution to the consolidation of this seashore's lands will be the donation of its 9,000-acre Apollo State Park holdings, which are within the bounds of this new seashore.

In other legislation recently enacted by the 93d Congress, the State of Florida intends to donate about 25 percent—which is about $40,000,000—of the total cost of acquiring the Big Cypress National Preserve, another recent addition to the National Park System, and its donation of lands and financial contributions of years past to the creation and further protection of the Everglades National Park are magnificent gestures of cooperation and support.

Mr. Speaker, I think this legislation will create an area for which all of us will, now and later, be proud to have endorsed. It is perhaps our last opportunity to preserve some significant remaining natural open space along our eastern coastline. It is an area where beach enthusiasts can enjoy a seashore free of automobiles running up and down its beaches. It is an area rich in wildlife, which will be adequately protected. It is an area which could conceivably even qualify for some of its lands to be designated as wilderness under terms of the Wilderness Act. And again, the Federal cost for all of this is very minimal.

I urge my colleagues to vote favorably for this legislation.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield such time as he may require to the gentleman from Texas (Mr. HALEY).

Mr. HALEY. Mr. Speaker, the bill now before the House provides for the establishment of a new national seashore in the State of Florida.

Located near Cape Canaveral on the Atlantic coastline, this new area offers an excellent outdoor recreation opportunity for the people of the United States. Not only does the new seashore include nearly 20 miles of clean, open, undeveloped beachfront, but its boundaries comprehend some outstanding marshlands that provide an important nesting area for 265 species of birds—including some rare and endangered species.

Altogether, this national seashore will total approximately 67,500 acres of land and water. As recommended by the committee, the beachfront is to be administered by the National Park Service and the marshland zone will be administered by the US. Fish and Wildlife Service. Most of the land included in the seashore is already federally owned and is part of the Kennedy Space Center. While it is needed in order to assure the safety and security of this important installation, it is not contemplated that the area involved will be used in any manner incompatible with the Nation's defense and space programs.

In short, the committee believes that in this area, the space program and conservation can coexist in complete harmony. It will be available as a buffer to the Kennedy Space Center as long as it is needed. At the same time, if any part of the lands are ever excess to the needs of the space program, they will be assured by statutory protection for their outdoor recreation, natural, and wildlife values.

Mr. Speaker, few opportunities remain to preserve in perpetuity such an outstanding seashore area. It was recognized more than 20 years ago as one of the prime undeveloped beachfront areas in the Nation. Since that time, Federal interest in the area has vacillated, but the State of Florida, in good faith, acquired a significant land base in order to prevent adverse developments with the understanding that a national seashore would ultimately be recommended to the Congress. While the administration recommendation on this legislation was negative, the committee firmly believes that this seashore merits national recognition and that the early commitments of the Federal Government to the State should be honored.

In relation to the tremendous value of this area as real estate, this national seashore will require a relatively modest Federal investment. For land acquisition, the bill authorizes the appropriation of $7,941,000. These appropriations will, of course, be made from the land and water conservation fund which the Congress established to satisfy this need.

Development in the area is to be limited in an effort to preserve the natural character of the landscape. Before any major development program is undertaken, the master plan will have to be formulated and further authorizing legislation considered. In this way, the Congress can maintain careful oversight over this project area.

Mr. Speaker, the State of Florida is committed to this area. It has invested $5.6 million, including State matching grants from the land and water conservation fund, in its land acquisition program. Naturally, it wants assurances that the Federal Government will proceed to implement this legislation, but it has indicated a willingness to donate its lands once these assurances are made. We owe the State a debt of gratitude for its willingness to cooperate and for its patience with this project.

I am pleased to join my colleagues from Florida in support of this legislation and I particularly want to commend my friend, Mr. CHAPPELL, who has spent countless hours in behalf of this project. I know it will serve the people of Florida and the entire Nation well in the decades ahead.

Mr. CHAPPELL. Mr. Speaker, I rise in support of H.R. 5773, a bill I introduced and which is consponsored by this entire Florida delegation to establish the Canaveral National Seashore on a 67,000-acre tract along the Atlantic coast of Florida. I especially commend our colleague, ROY TAYLOR, his committee, and the full committee chairman, JIM HALEY, and the full committee for their outstanding work for this bill. The bill proposes a joint management whereby lands currently part of the Merritt Island Wildlife Refuge will be administered by the U.S. Fish and Wildlife Service and the State-owned lands as well as some 20 miles of oceanfront by the National Park Service. I believe this bill, as reported, will enable us to protect the untouched lands which are a refuge for endangered species and at the same time allow visitors to avail themselves of the beach and other areas which lend themselves to a variety of recreational activities.

Mr. Speaker, for the record I want to emphasize here the long-standing interest of the State of Florida in this national seashore. Ever since the Interior Department first identified this area as having seashore potential some 20 years ago, the State has supported the concept and has now agreed to donate 9,000 acres of land including 4 miles of oceanfront acquired by the State at a cost of $5.6 million for inclusion in the seashore.

In developing this legislation, it was the unanimous feeling of the Florida delegation that this seashore honor the memory of the late Senator Spessard L. Holland—one of the greatest leaders Florida has ever produced and a pioneer environmentalist as well. This bill provides that the visitors center for the national seashore be named in memory of the late Senator Holland.

Mr. Speaker, in closing let me emphasize that this 67,000 acres is the largest remaining tract of its kind on the Atlantic coast of Florida. In enacting this legislation we protect it for future generations and do so at minimal cost. I urge favorable action by my colleagues to to create the Canaveral National Seashore.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 5773.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 5773, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The title was amended so as to read: "A bill to establish the Canaveral National Seashore in the State of Florida, and for other purposes."

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 17481, Harry S Truman Memorial Scholarship Act (de novo).

The unfinished business is the question of suspending the rules and passing the bill (H.R. 17481,) as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. O'HARA) that the House suspend the rules and pass the bill (H.R. 17481), as amended.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 236, nays 149, not voting 49, as follows:

[Roll No. 650]

YEAS—236

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Badillo
Barrett
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bowen
Brademas
Bray
Breaux
Brooks
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney, Ohio
Cederberg
Chamberlain
Chappell
Chisholm
Clausen, Don H.
Clay
Collins, Ill.
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Derwinski
Diggs
Dingell
Donohue
Dorn
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evins, Tenn.
Fascell
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Fulton
Fuqua
Gaydos
Gettys

Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Gubser
Guyer
Haley
Hanley
Hanrahan
Hansen, Idaho
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holifield
Horton
Hosmer
Hudnut
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Luken
McCormack
McDade
McFall
McKinney
Madden
Mahon
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Quie
Quillen
Railsback
Randall
Rangel
Rees
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roy
Roybal
Runnels
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vigorito
Waldie
Walsh
Whalen
White
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—149

Andrews, N.C.
Archer
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Bauman
Bell
Bevill
Blackburn
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dennis
Devine
Dickinson
Downing
Duncan
du Pont
Edwards, Ala.
Evans, Colo.
Findley
Fish
Fisher
Fountain
Frey
Froehlich
Goldwater
Goodling
Gross
Grover
Gude
Gunter
Hamilton
Hammerschmidt
Harrington
Harsha
Hastings
Hillis
Hinshaw
Holt
Holtzman
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Ketchum
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McKay
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mazzoli
Michel
Milford
Miller
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Murtha
Myers
Natcher
Nelsen
Nichols
Pettis
Powell, Ohio
Price, Tex.
Pritchard
Regula
Reuss
Robinson, Va.
Rogers
Roush
Rousselot
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Shriver
Shuster
Skubitz
Spence
Steed
Steelman
Steiger, Ariz.
Symms
Towell, Nev.
Treen
Vander Jagt
Vanik
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Williams
Winn
Wydler
Wylie
Yates
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—49

Beard
Bolling
Brasco
Brotzman
Brown, Calif.
Camp
Carey, N.Y.
Clancy
Clark
Cotter
Crane
Cronin
Dent
Eshleman
Fraser
Frelinghuysen
Grasso
Griffiths
Hanna
Hansen, Wash.
Howard
Huber
Jones, N.C.
King
Kuykendall
McSpadden
Macdonald
Madigan
Mathias, Calif.
Mills
Mink
Minshall, Ohio
Parris
Passman
Podell
Rarick
Reid
Roncallo, N.Y.
Rooney, N.Y.
Sebelius
Shoup
Sikes
Slack
Steele
Stubblefield
Wiggins
Wyman
Young, Alaska
Young, Ill.

So (two-thirds not having voted in favor thereof), the bill was rejected.

The Clerk announced the following pairs:

Mr. Dent with Mr. Clark.

Mr. Sikes with Mrs. Grasso.

Mr. Fraser with Mrs. Griffiths.

Mr. Howard with Mr. Hanna.

Mr. Jones of North Carolina with Mr. Stubblefield.

Mr. Macdonald with Mrs. Hansen of Washington.

Mr. Slack with Mr. Eshleman.

Mr. Rooney of New York with Mr. Beard.

Mrs. Mink with Mr. Crane.

Mr. Passman with Mr. Brotzman.

Mr. Brown of California with Mr. Camp.

Mr. Cotter with Mr. Clancy.

Mr. Carey of New York with Mr. Cronin.

Mr. Madigan with Mr. Frelinghuysen.

Mr. McSpadden with Mr. Huber.

Mr. Mills with Mr. King.

Mr. Rarick with Mr. Kuykendall.

Mr. Reid with Mr. Mathias of California.

Mr. Roncallo of New York with Mr. Minshall of Ohio.

Mr. Shoup with Mr. Parris.

Mr. Steele with Mr. Sebelius.

Mr. Young of Illinois with Mr. Wiggins.

Mr. Wyman with Mr. Young of Alaska.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. O'HARA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 5463, ESTABLISHING RULES OF EVIDENCE FOR CERTAIN COURTS AND PROCEEDINGS

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? The Chair hears none, and appoints the following conferees: Messrs. HUNGATE, KASTENMEIER, EDWARDS of California, SMITH of New York, and DENNIS.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, we are adding to the program tomorrow a House resolution, approved by the Committee on Rules, authorizing the Speaker to recognize for motions to suspend the rules on Monday, December 9, 1974, and at any time during the remainder of the 2d session, 93d Congress.

PRESIDENT'S BUDGET CUTTING PLAN OVERLOOKS MOST OBVIOUS AND MOST HELPFUL CUT OF ALL

(Mr. WRIGHT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WRIGHT. Mr. Speaker, last week the President sent to Congress a list of proposed budget revisions and deferrals for the current fiscal year. The avowed aim would be to reduce total expenditures by some $4.6 billion.

Some of the effects of these particular reductions, if Congress should agree to them, would be the following:

GI bill benefits to our Vietnam veterans would be reduced. Veterans pension reforms will be delayed. Poor people will be required to pay more for food stamps.

Health research grants will be cut. The Federal Government will pay a smaller share of medicaid expenses. School districts will lose Federal impact aid funds. The pollution abatement program will be cut back.

The Department of Defense will cancel contracts for aircraft, including the only supersonic bomber which the Nation has in production. The Government will dispose of more strategic reserves of oil, tin, silver, and lead.

Nighttime and Saturday service to citizens by the IRS at taxpaying time will be eliminated.

Those are a few of the cuts in service which the President has asked Congress to approve in order to save some $4.6 billion. Some of them will strike at those already hurt most by inflation, reduce educational activities at the local level, cut national defense, and slow down our war against pollution of our streams.

It seems ironic that the administration has overlooked the most painless way to reduce the Federal budget, which would be to reduce interest rates. This also would help revive the economy and cut the cost of living for millions of Americans.

In this fiscal year, the Government will pay an almost unbelieveable $31.7 billion in interest on Government securities. This is $3.6 billion more than we paid in fiscal 1974 and $1.6 billion more than was estimated as recently as June. The average rate of interest which the Government is currently forced to pay on its outstanding bonds and notes is approximately 6.8 percent.

A reduction of only 1 percent in general interest rates would save the Government approximately $4.6 billion a year—almost exactly the same amount that the President seeks to gain through the cuts he proposes.

Or, if the rate of interest which lenders are extracting from the Federal Government were brought back to the 4.8 percent average which the United States was paying in fiscal 1969—just 6 years ago—the saving to the taxpayers on the present level of Federal debt would be approximately $9 billion a year.

And nobody would be hurt. Most Americans would be helped. It would be easier for a family to finance a home, easier for small business to keep its head above water, easier for industry of all types to continue a high level of employment, easier for every American family to pay its bills and get out of debt.

One wonders why the administration, in its painstaking search for ways to cut Federal expenditures, has overlooked the most obvious and most helpful reduction of all.

REDUCTION IN INTEREST RATES WOULD SAVE MORE MONEY THAN PRESIDENT'S PROPOSED BUDGET CUTS

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ICHORD. Mr. Speaker, I hope that the distinguished gentleman from Texas (Mr. WRIGHT) caught the ears of not only the majority of this body but also the entire Congress. The gentleman pointed out that a 1-percent reduction in the interest rate would save more money for the Federal Government than all of the cuts proposed by the President of the United States in the new budget.

I would say to the Members that anyone who is familiar with the operations of the Federal Reserve Board and its Open Market Committee knows the Federal Reserve Board has the power almost overnight to roll back interest rates in this country.

This is the reason why I have introduced in this body the National Usury Act of 1974. I would ask the Members of the House to direct their attention to that measure.

THREE MAIN INGREDIENTS OF INFLATION

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Speaker, I am not willing to sit idly by and let the free, flexible and pragmatic economy that has been developed in the United States—the best in the world—go down the drain because of phlegmatic and timid leadership at the Presidential level or because of Congress failure to take up the cudgel upon the default of the President.

I heard my colleague, the gentleman from Texas (Mr. WRIGHT), and my friend, the gentleman from Missouri (Mr. ICHORD) address themselves to the question of interest rates. I think that interest rates, the price of crude oil and the difference between the cost of producing food and the sale price in the market are the three main ingredients of inflation.

We have the power to do something about all three. For instance, we have presently before the Committee on Rules H.R. 13834 that would roll back the price of oil. We clearly have authority in the Congress to do something about monetary policy and we can do it now.

We have the power to insist, for instance, on enforcement of the antitrust laws with respect to the spread of food costs.

I do not think we can wait until the next Congress. I think we have to do something about those three questions in this Congress.

"KICK 'EM OUT"

(Mr. NICHOLS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr Speaker, some weeks ago a number of militant, misguided, American soldiers in the European Theater protested in what amounted to munity and went on strike against the U.S. Army.

Army officials of the 94th Artillery acted promptly in placing these mutinous soldiers under arrest and preferred military charges against them.

In today's Army, as in every Army from time immemorial, the first quality of command is obedience to orders. A soldier must obey all orders, not just the ones he agrees with and an army—any army—made up of individuals who refuse to obey orders is no more than a mass of individuals moving without leadership or direction.

The Atlanta Constitution in its lead editorial of last Wednesday, November 27, entitled "Kick 'Em Out," sums up my own strong belief that discipline is the first requisite of the military and I submit it for the RECORD:

KICK 'EM OUT

The mutinous GIs in the Army's 94th Artillery ought to be kicked out of the service with dishonorable discharges immediately.

These boneheads in a unit stationed in Berlin went on "strike" to protest the transfer of a black GI who refused to shave his beard. They demanded the right to choose their own officers and a "representative from Congress" permanently available in Berlin. They demanded that they be allowed to "approve" all the units leaders, and to remove those "who have prejudice against race and rank."

The Army is now entirely a volunteer force. A man entering the service of his country ought to understand that a military force is not and can't be the same as an open classroom for kindergarten kids. Soldiers agree to obey orders and submit to discipline, and they must do just that or the whole system collapses. The Army and the other armed services collapse and eventually we as a nation collapse.

The officers of the 94th were quite right in citing military regulations that provide death by hanging for mutineers.

In a spirit of humanity, we don't believe boneheads ought to be hanged. But we do believe the Army doesn't need their services and ought not to give them a recommendation.

They should be returned to civilian life and allowed to find jobs where they can elect their own bosses, approve their supervisors, retain a congressman on demand, and remove fellow employes whose opinions they don't like.

And lots of luck to them.

A BILL TO REGULATE FOREIGN BANKING IN THE UNITED STATES

(Mr. PATMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, at the request of the Federal Reserve Board, I am introducing a bill, H.R. 17544, providing for Federal regulation of foreign banks operating in the United States. The fact that this bill has been sent to Congress at this late date is indicative of the weight which the Board gives to legislation in this area. I think the Board is aware that it will not be possible to take action on foreign bank legislation this session. The introduction of the bill at this time is a means of calling attention to the fact that this is an area which should be given prompt consideration at the start of the next Congress.

The need to regulate foreign banks on a basis of equality with U.S. banks and to establish policy guidelines governing the overall level of foreign banking which is consistent with the public interest has become even more urgent in recent months. It is for this reason that I am introducing the Board's bill on request even though I introduced a bill to provide for Federal regulation and control of foreign banks a year ago, in November 1973.

My bill served to stimulate a considerable amount of discussion within the financial community, the financial press, and among banking regulators. While I have not had time to fully digest the Federal Reserve proposal, I understand that it reflects substantial agreement with the basic approach in my bill. Of course, there are differences as well. But I am confident that we will be able to agree on legislation which will accomplish the necessary objectives without needlessly hampering international financial transactions on the one hand, or violating basic principles of American banking on the other.

THREAT TO 3,000 COUNTY OFFICES OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICES

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, a very real threat is posed to the continued work of the 3,000 county offices of the Agricultural Stabilization and Conservation Services. The present prospect is that between 1,600 and 3,000 county ASCS trained people will be discharged—although the workload of these offices has not decreased.

The farmers in my south district view this outlook with great concern.

Willacy County, Tex., is one example.

In 1968, this county ASCS office had eight regular full-time employees and two temporary employees. Now the office has only five regular and no temporary employees. Moreover, it is proposed by the Department of Agriculture that the number be further decreased to three full-time employees and one part-time employee.

Mr. Speaker, these are not enough workers, no matter how dedicated they may be, to handle the office's workload of more than 1,200 cotton allotments, 1,000 feed grant allotments, and 4,000 acres of sugar cane, beekeeper, wool, REAP and RECP programs.

Recently I received a petition, signed by 119 persons actively engaged in farming activities in Willacy County, urging that the steady erosion of the county office be halted.

Said the petition signed by the farmers—

> We do not feel that three full-time employees are sufficient to continue the types and quality of programs and general information that farmers require in order to continue to produce food and fiber in ever increasing amounts. A further reduction in personnel will cause long lines at the ASCS office at crucial times and will cause undue hardship and subsequent lack of information on programs vital to farm activities.

Mr. Speaker, I fully agree with the statements in this petition. The work done by the county ASCS offices is of vital importance—never more so than now, when U.S. farmers are being called upon to make even greater efforts to provide sufficient food for our own people and to help feed the starving millions in the world.

PERSONAL EXPLANATION

(Mr. FROEHLICH asked and was given permission to address the House for 1 minute.)

Mr. FROEHLICH. Mr. Speaker, regrettably, the snowstorm which wreaked such havoc in sections of our country this past weekend delayed my return to Washington until after 1:37 this afternoon, the time at which the vote on the President's veto of H.R. 12628, the veterans' education and rehabilitation amendments was taken. My legislative record both with respect to bills introduced and cosponsored as well as my past votes clearly demonstrates my serious concern over the well-being of our veterans and my desire to compensate them wherever and whenever possible for their dedication and devotion to country. I would, however, also like to take this opportunity to publicly state that, had I been present, I would have definitely voted to override the President's veto and I am gratified that the House of Representatives decisively took this action.

THE PLIGHT OF AMERICA'S DAIRYMEN

The SPEAKER pro tempore (Mr. OWENS). Under a previous order of the House, the gentleman from New York (Mr. McEWEN) is recognized for 60 minutes.

Mr. McEWEN. Mr. Speaker, I take this time by means of this special order to call to the attention of the Members of this House the serious problem facing the dairymen of America. Many of my colleagues have also joined in expressing their concern on this subject. Many have indicated a desire to join in this special order, and I welcome their participation.

In particular, Mr. Speaker, I will ask that the remarks made during this special order and any extraneous material that may be included may be taken from the CONGRESSIONAL RECORD and tomorrow filed with the U.S. Department of Agriculture.

The dairymen of America, Mr. Speaker, have been caught in the most serious cost-price squeeze that has ever faced any segment of our economy, agricultural, or otherwise. Many producers have found that the price they receive for 100 pounds of milk would not pay for 100 pounds of grain. Any time that the ratio reaches that point, the dairyman is, indeed, in trouble, and that is the situation the dairyman finds himself in now.

Recognizing this problem, the U.S. Department of Agriculture in October held hearings at Rosemont, Ill. The record there was made for an increase in all of our Federal milk marketing orders at a $7.50 floor under the price of fluid milk. The record was a good record.

But notwithstanding that record, Mr. Speaker, the U.S. Department of Agriculture has recommended a decision not to raise the minimum floor prices for computing fluid milk—class I—prices paid to farmers under their Federal milk marketing orders. Tomorrow, December 4, is the last day, Mr. Speaker, on which Members of this House or any other person may file their objections to this recommended decision.

Mr. Speaker, many of the Members of this House have already made known to our President their feelings on this subject.

A telegram was addressed to the speaker and signed by some 50 Members of this House. At this time, Mr. Speaker, I would like to offer a copy of that telegram and ask that it be made a part of the RECORD at this point.

The telegram referred to is as follows:

NOVEMBER 27, 1974.

Hon. GERALD R. FORD,
The White House,
Washington, D.C.:

The U.S.D.A. has announced that it will not recommend an order to set the floor price of class I milk at $7.50 per hundredweight. We feel this is a drastic mistake and ask that you intervene in an effort to raise the floor price so America can rely upon a dependable domestic supply of fresh dairy produce.

You are very much aware of the cost/price squeeze that faces virtually all U.S. dairymen. The severity of the dairy farmer's plight is accentuated by the fact earlier decisions to increase imports have taken some of the "cushion" out of the market. Prolonged periods of high feed prices and less than break-even returns on milk produce can only mean bad news—mass dispersal sales for the less established producers or substantial losses of equity for our traditionally successful dairyman. If the economic trends in the American Dairy Industry are allowed to run rampant without an increase in the floor price, this Nation's consumer will pay dearly in the long-run.

The Department of Agriculture contends that milk prices will rise gradually this winter and be higher this coming summer than they were last summer. Yet, milk prices rise slightly *every* winter only to fall off again in spring. To say that prices will be higher next summer simply seems to say prices can't get any worse. Dairy farmers have heard that line before and they no longer are able to bear the brunt of such an economic guesstimate. If prices do indeed drop even further, many dairymen will simply give up and sell out. We don't want that to happen, the dairy farmer doesn't want that to happen, our consumers don't want that to happen and we feel you don't either. Thus, we believe it is imperative that you move immediately to assure the prompt increase in the class I floor price to $7.50 per hundredweight.

Members of Congress: William A. Steiger, William C. Wampler, Robert C. McEwen, Samuel S. Stratton, Barber B. Conable, Jr., Benjamin A. Gilman, James F. Hastings, James M. Hanley, William F. Walsh, Henry P. Smith, III, Donald J. Mitchell, Carleton J. King, Joseph M. McDade, Joseph P. Vigorito.

Members of Congress: Daniel J. Flood, Thomas E. Morgan, George A. Goodling, Albert W. Johnson, Herman T. Schneebeli, John E. Hunt, Thad Cochran, Clarence E. Miller, John M. Zwach, Bob Traxler, David R. Bowen, Harold T. Johnson, Bob Bergland, George E. Brown, Jr., James Abdnor, John Melcher, Harold V. Froehlich.

Members of Congress: Frank A. Stubblefield, David R. Obey, Ed Jones, Mark Andrews, John P. Murtha, Les Aspin, Albert H. Quie, James P. Johnson, M. Caldwell Butler, Lloyd Meeds, Howard W. Robison, Keith G. Sebelius, Ancher Nelsen, Robert W. Kastenmeier, B. F. Sisk, Walter B. Jones, W. R. (Bob) Poage, Jerry Litton, Edward J. Patten.

Mr. Speaker, more eloquent than anything that any Member of this House has said or could say on this subject have been the communications that many of us have received from our dairy farmers saying what their plight has been.

From the scores and scores of letters that I have received I have selected two, and I would quote just very briefly from a part of these letters.

One person wrote:

> I have never written anyone before holding a state or federal office, but I've decided now is the time and you are the one to write, as I feel you have a sincere interest in the people of northern New York.
>
> I've become increasingly upset with the farming situation.... We pay an average of $15 to $20...to breed a cow, wait nine months and then if it's a bull and we send it to the auction, we get $12.50 to $18 for it.... Last winter our beef prices were $75 for the same calf. Our beef prices in the store haven't gone down, just the opposite.

She concludes:

> I centainly hope there is something you can do to help us.

Another farmer writing listed the problems of increased grain costs, taxes, utilities, gasoline, diesel fuel for tractors, and concluded with one demand:

> We demand Government action to right the situation or demand that the Government get out of our business entirely.

May I say that this is the frustrating problem of America's dairymen, in that they are under Government regulation, if you will, through marketing orders, for determining their price. Their price of cattle at this time is so low that they cannot afford to liquidate. They cannot afford to stay in because of the grain costs and other costs, and therefore, they are trapped.

I want to say that my colleagues, the gentleman from Virginia (Mr. WAMPLER), the gentleman from Wisconsin (Mr. STEIGER), and the gentleman from Pennsylvania (Mr. McDADE), have worked with me on this, and I thank both of them and all of the other Members who have joined in it.

Mr. Speaker, I offer copies of two letters that I referred to which I would like included in my remarks at this point.

The letters referred to are as follows:

DEAR MR. MCEWEN: I'm 34 years old, a registered nurse, mother, wife and secretary for our business of dairy farming. I have never written anyone before holding a state or federal office, but I've decided now is the time and you are the one to write, as I feel you have a sincere interest in the people of Northern New York.

I've become increasingly upset with the farming situation. We checked our cash account books and found that our beef prices are at the 1959 level. We pay an average of $15 to $20 to purchase the semen to breed a cow, wait 9 months and then if it's a bull and we send it to the auction, we get $12.50 to $18 for it. If it's very large, we might get $23. Last winter our beef prices were $75 for the same calf. Our beef prices in the store haven't gone down, just the opposite. Yearlings cost about $300 to raise at today's feed costs, yet only bring $100 or so at the auction.

In the same year barbed wire has increased 400%, baler twine 500%, grain concentrates 200%, fertilizer almost 300%, machinery is up 40%, and the wages we pay our employees go up 12.5% the first of the year. Our milk prices this year in September and October are running 20 some cents less per hundredweight than last year.

With this in mind, I maintain that the price of milk per hundredweight should not be $8 or $9, but $20 to $24 per hundred to put us in line with the rest of the economy and beef prices should be where they were last fall and winter. I'm very serious about this because do you realize how long it would be before we could even begin to get on top of some of these debts we have incurred through the years? The banks are reluctant to loan any more money to farmers because it is a failing business, it can't help but be. Farmers are losing their farms at an alarming rate!

Everyone else that asks for an increase gets it; the power companies, telephone companies, unions, etc. The feed companies tell you grain is $10 more per hundred today than it was yesterday. It's so easy for everyone else to do, but the farmer has to take what he gets.

I don't blame the cattlemen for shooting their cattle. It's a sad situation when a man produces an animal and then is asked to take less for it than what he has invested and worse yet the public says "no", you shouldn't waste—give it away. We are supposed to produce and then give it away? Who is going to feed the farmer or cares if he loses everything? How many people in the city would work 15 hours a day for nothing?

I certainly hope there is something you can do to help us. Please feel free to visit us anytime or call us.

Sincerely,

(Mrs.) MIRIAM BOWES.

DEAR CONGRESSMAN MCEWEN: I am writing about the economic situation of dairy farmers in the Northeast.

I presume that you are up to your ears in statistics, letters, delegates, etc. I could supply you with personal statistics of our dairy business, all kinds of words and phrases we've kicked around in our farm organizations, comments from friends, neighbors, the milk plant, the feed store and other places.

Knowing your time is valuable and that you are concerned with many, many topics, I make the following comments in single sentence form, short and to the point:

1. We are good dairy farmers. We are the fourth generation of our family to work this land and live in this beautiful farm house, We love farming, we are dedicated to it, we won't give up!

2. In the 16 years we have operated the business we have made capital improvements, management decisions, etc. that have added to value, that have improved efficiency, and that we are proud of!

3. This past year we have liquidated our savings, borrowed on life insurance, refinanced loans, sold stocks and mutual funds (ouch!), just to keep the dogs from the door! We have not made a single capital improvement, we don't even dare put a badly needed roof on one part of the barn, because we don't know where we'd get the thousand dollars, we're paying outrageous finance charges with companies who are giving us over 30 days on accounts we never in past didn't pay every check day. We have ordered gutter cleaner chains, parts for feed carts, and parts for feed conveyors, only to have prices raised as much as 25% from time we ordered, if they are available at all!

4. We have sacrificed our herd production average because we refused to continue buying grains and dairy rations we knew we couldn't pay for. We have stopped herd testing to save $50.00 a month, we've closed up four rooms of our house and replaced the wood stoves from Grandpa's time to give more cash to business costs.

5. We are raising four children (to be hard workers, good citizens of their country and Christians) and buying shoes, clothes, food, insurance, etc. etc. etc. for them.

6. We have given up hired labor and taken on the extra work for our dairy ourselves, again for more cash to keep up with feeds, fuel, taxes, interest, etc.

7. We are discouraged, frightened, angry.

8. We demand government action to right the situation, or demand that government get out of our business entirely!

Last month I sat in on the Board of Supervisors meeting and listened to our county legislators approve short term borrowing to pay for a $900,000 over-run in welfare costs for our county. And we had just been told there wasn't any short term money to help pay our fertilizer and seed bills which had tripled.

I suggest the following possible solutions:

1. Money available for short-term loans at reasonable rates.

2. At least 90% parity for our milk.

3. A complete overhaul and restudy of milk pricing system.

4. That you do everything in your power to alleviate the problem. Remember that you represent the largest dairy producing area of the Northeastern United States. Our own Jefferson County is the leading producing county in the entire New York milk shed. We are all behind you 100%, offer our support and our assistance.

Thank you for your attention.

Sincerely,

GLENN R. and PATRICIA A. SMITH.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from North Dakota

Mr. ANDREWS of North Dakota. Mr. Speaker, I would like to commend the gentleman for taking the well on this most important subject, but lest this become known as the need of the farmers, I would like to add that it is the need of the consumer.

The dairy farmer is in the position of going bankrupt, and sometimes the consumer does not realize how dependent he is on the farmer's staying in business.

The dairy farmers have been brought to this position because of subsidized imports. The American dairy farmer can compete with anyone in this world, but he cannot compete with other governments. The governments of Denmark, Holland, and other governments have been subsidizing the import into our country of their surplus dairy products, and this has caused the financial ruination of many American dairy farmers. The consumer gets it in the neck when the American dairy farmer goes out of business, and then the consumer becomes totally dependent on foreign producers for a good proportion of their nutritional needs, such as dairy products; and we can bet our last dollar that they will not be subsidized then and the American consumer of dairy products, like the American consumer of sugar, will find out how tough it is when the world market goes up and up and up and the American producer does not have the capability of supplying the American consumer.

So it is not only in the interest of the American dairy farmers, but it is in the interest of the American consumers that the gentleman from New York (Mr. McEWEN), is taking the floor today, and the reason that we are joining with the gentleman in his plea for equity for the American dairy farmers. I commend the gentleman for what the gentleman has done.

Mr. McEWEN. I thank the gentleman for his remarks, and the gentleman is eminently correct that there is real concern here for the American consumers.

The gentleman from North Dakota has cited what has happened with sugar, and we could also look at the energy field such as oil, where the suppliers from overseas were happy to supply us with oil for $2 a barrel for crude oil until we became dependent upon them for their oil for our economy, and then they raised the prices.

Mr. ANDREWS of North Dakota. If the gentleman will yield further, it is for the economic preservation of the American dairy producers in their relations with the economic future of the American consumers of food in this country that is at stake, and that should be pointed out, and that is why I wanted to bring it up here, and why I want to compliment the gentleman from New York for bringing this to the attention of the House.

Mr. McEWEN. Mr. Speaker, the day will come when it will not be subsidized, and we will be paying higher prices for it.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Speaker, I want

to commend the distinguished gentleman from New York (Mr. McEwen) for taking this time today to bring to the attention of the House again a very important matter.

As the gentleman stated in his remarks, the Department of Agriculture and this administration apparently have decided not to give the dairy producers of this country what I feel the law intended for them to have, and also what the economic case that was made at the hearings in Rosemont, Ill., earlier this year, clearly requires.

It would seem to me, Mr. Speaker, that we would be well advised at this time to help our dairy producers because, as I see it, the question is whether or not there will be an adequate supply of milk available at any price next year. We would be well advised now to give the dairy producers at least the support level of $7.50 per hundredweight on Class I fluid milk. As the gentleman from New York and the gentleman from North Dakota have so well pointed out, dairy producers are caught up in this price-cost squeeze. The two biggest cost factors in the production of milk are feed and labor. Those two costs are not going to come down soon, at least from the information that has been made available to me, and through conversations I have had with dairy producers in my own district and throughout the country.

I think that we must make a very difficult decision, and it would seem to me that the consumers would be better advised now perhaps to pay one or two pennies more per quart of milk so as to assure them that they will have an adequate supply of milk available next year.

Again I want to commend the gentleman from New York. I hope that perhaps tomorrow there will be a reversal of the thinking and the decision that was made earlier, and that the USDA will grant the dairy producers the support and the help they need at this particular time.

I know that the gentleman from New York (Mr. McEwen) has worked long and hard in trying to help the dairy producers in this time of our troubled economy. I commend the gentleman. I hope that those who are in authority will reverse their earlier decision and give the dairy producer the support I think the economic situation justifies.

I thank the gentleman from New York for his contribution.

Mr. McEWEN. I thank the gentleman from Virginia, and I share the hope of that gentleman that this decision may be reversed; this tentative decision, so that the $7.50 per hundredweight for fluid milk may continue.

I also wish to thank the gentleman from Virginia on the work that gentleman has done prior to this in getting messages through to the Department, and to the administration.

Mr. WAMPLER. I must follow up on what the gentleman said earlier. There are large numbers of dairy producers in his district, in the great State of New York—and I think this would be true throughout most other dairy producing States—who would be going out of business if the price of beef cattle were higher. The information that was made available to the Committee on Agriculture is that the Farmers Home Administration, an agency of the Department of Agriculture, has loaned money to many dairy producers, and they have a lien against not only their herds but the equipment, and in many cases the land. If we permit further liquidation and bankruptcies to occur then certainly the taxpayers of our country will have to pick up the tab, because these loans are guaranteed and are subject to the full faith and credit of the United States.

I think this is another aspect that we should look at very carefully, because clearly the taxpayer has an interest, not only from the standpoint of seeing that these loans are repaid in a timely way, but also that we have an adequate supply of milk available to all of our people.

Mr. McEWEN. The gentleman is completely correct.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Mr. Speaker, I, too, want to thank the gentleman for taking this time and bringing this matter to the attention of the House once again.

I want to reaffirm what has been said by the gentleman from North Dakota and the gentleman from Virginia that this is also the situation in Colorado. Frankly, I was a little bit skeptical when I first came back to the Congress in 1973 about the plight of the dairy farmer. They would come back here, and I thought perhaps that they were just another lobbying group that was lobbying in their own self-interests, which was understandable, but I thought perhaps they were overstating their case. But in the last 2 years I have talked to individuals, examined individual balance sheets of dairy farmers, because I was skeptical, and I have become convinced that the matter is as grave as the gentleman has presented it.

If we continue in the present trend, we will not really have a dairy industry that will be viable in this country much longer, so something must be done about it. I hope that the gentleman's course of action bears fruit.

Mr. McEWEN. I thank the gentleman from Colorado for his contribution.

Mr. ABDNOR. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from South Dakota.

Mr. ABDNOR. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from New York (Mr. McEwen) is to be commended for his efforts to call to the attention of our colleagues the drastic problems facing our Nation's dairy industry. Those of us who represent livestock producing districts do not have to be told of these difficulties because we are all-too-well aware of them. Unfortunately, we are too few alone to obtain the response required of our Federal Government without the support and assistance of our urban, and yes, consumer oriented colleagues.

At this point in the Record I would like to include the text of the most recent letter I have received from the Department of Agriculture concerning the plight of the dairyman. It expresses USDA's "sympathy" for dairy producers, but once again demonstrates a willingness to sacrifice the interests of producers for the short term benefit of consumers.

I say to my colleagues that we have seen enough hard times in agriculture to know that they invariably lead to hard times for consumers by way of reduced production capacity and higher prices for the scarce supplies which result.

USDA's November Dairy Situation publication demonstrates the sacrifice, the producer syndrome, still more clearly by stating that the decline in dairy cow numbers has slowed "because of lower slaughter cow prices and the lack of viable alternatives for dairymen." In other words, they cannot afford to keep them, but they cannot afford to sell them either.

I can only state that it may seem that those who think cheap food is the answer to inflation that they will see the futility of this policy when the lack of alternatives drives the livestock industry into bankruptcy and the consumer is faced with no alternative to paying higher prices for the scarce livestock food products which remain.

U.S. Department of Agriculture,
Washington, D.C., November 13, 1974.

Hon. James Abdnor,
House of Representatives,
Washington, D.C.

Dear Mr. Abdnor: This is in reply to your recent letter enclosing a special resolution of the South Dakota Farmers Union, recommending an increase in the support price of manufacturing milk to 90 percent of parity.

The Agricultural Act of 1949, as amended, requires that the price of milk to farmers be supported between 80 and 90 percent of parity through March 31, 1975. After that date the level of support shall be between 75 and 90 percent of parity. The Act also requires that the level of price support shall be determined on the basis of the parity price at the beginning of the marketing year. The present level of support, $6.57 per hundredweight for manufacturing milk, was 81 percent of parity as of April 1, 17974, and 90 percent of parity is $7.31 per hundredweight.

We sympathize with the situation dairy farmers are in as a result of higher production costs and lower milk prices. However, we believe an increase in the support level for manufacturing grade milk would be inappropriate at a time when there is strong consumer resistance to high retail prices. Part of the problem now is the sharp drop in fluid milk consumption this year. This has forced a diversion of milk to manufacturing, increased supplies of manufactured products, and resulted in substantial purchases of dairy products under the price support program. So far this year, CCC has purchased 31 million pounds of butter, 46 million pounds of cheese and 196 million pounds of nonfat dry milk.

Milk prices have risen significantly in recent months. The U.S. average price received by farmers for manufacturing milk in October was $6.83, an increase of more than 40 cents over the July price. Also, market prices have risen over 9 cents for butter and about 8 cents for cheese since the seasonal low levels of this summer. We expect further increases in both market prices for dairy products and producer prices for milk in the months ahead.

Fluid milk prices in many markets are established under the terms of Federal milk marketing orders. Many producers have requested that Class I prices in these markets be increased. Accordingly, the Department held hearings October 8–10 to consider a proposal to establish a basic formula "floor" price of $7.50 as a means of increasing Class I prices. The advisability of such an upward price adjustment will be considered in light of the testimony presented at the hearing.

Sincerely.

GLENN A. WEIR,
Acting Administrator.

Mr. McEWEN. I thank the gentleman. I will say he is quite correct. If we pursue this policy of forcing our dairymen and livestock raisers out of business, then we are creating again a situation of scarcity, again where it will be a seller's market, and again the consumer is going to pay the bill in the end.

Mr. MALLARY. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Vermont.

Mr. MALLARY. I thank the gentleman for yielding.

Mr. Speaker, I should like also to commend the gentleman from New York for his leadership in pointing out the plight that the dairy farmer in the United States is facing. My district faces the gentleman's district across Lake Champlain, and I think the situation is very similar in the Northeast. I think perhaps our situation may be even more dire in those areas such as the gentleman and I represent, where the dairy farmer does not produce the bulk of his own concentrated feed, and where his costs are substantially higher than those areas of the country where the concentrates are raised.

As the gentleman may be aware, the statistics in the State of Vermont indicate that in 1945, I think, there were 10,000 operating dairy farms in the State. Today there are 4,000, and the number is declining rapidly. I am very fearful that the number will be seriously below that, and that the availability of wholesome supplies of good milk for the Eastern markets will be unavailable if in fact the situation continues.

One of the points I think I should like to add to this discussion is the fact that in many cases I think our dairy farmers today are much more subject to the ups and downs of the market than they were for many years. For many years they could live on the depreciation on their machinery, the depreciation on the buildings and the farm, on the inadequate salaries or inadequate wages for the individual laborer or the farm operator and his family.

But nowadays the cash inputs are so much greater in dairying than they were before that there is no longer the flexibility nor the opportunity for these farmers to continue for many years if they do not receive an adequate return for their milk.

I commend the gentleman from New York for his words and for taking the leadership on this problem. I hope this matter will be taken to heart by those who are making the decision on the prices.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, I also thank my friend, the gentleman from New York, for taking the floor and pointing out the seriousness of the situation that is facing the dairy farmer. The dairy farmer is really in a sad plight.

I recognize that due to the cost of production and the shipping price of feed the dairy farmer in New England and in the South is in a much more serious situation than the dairy farmer in the Midwest. So when the Minnesota dairy farmer is losing money I know how much worse it must be in other parts of the country, because we do have the advantage of being able to produce feed locally in that area and in greater supply than the dairy cattle can utilize.

Many of our colleagues may think that just because we have some dairy farmers in our constituency we are concerned about this, and that is true. We do have the dairy farmers and we are concerned about them. But I am most concerned about what is going to happen in the long run. Now the consumer is enjoying a relatively low-priced product in milk. The product the consumer is buying is relatively low priced, and I say relatively because that is what it is compared to what it will be.

It should be realized also that some of the dairy farmers may be staying in business because they cannot get a decent price on the meat. Otherwise they might be slaughtering the cattle for meat.

But if we look into the situation in the future, we must realize the consumer will be paying through the nose. We will see happen what we have seen happen with other products. That is going to happen here. We saw it happen with onions and with soybeans and with sugar and it is surely going to occur with milk as well.

The dairy farmer would like to continue in business and continue to be able to provide nature's most wholesome food for the consumer, but if he once gets out of the business it is very unlikely he will come back. So we really have a serious situation facing us.

Mr. Speaker, I was extremely disappointed by the decision of the Department of Agriculture recently which concluded that there was no need to amend the several milk marketing orders to establish the basic formula floor price of $7.50 per hundredweight through March 1975 for class I milk prices.

This ill-conceived decision, which is not supported by facts, is forcing farmers to do a "backstroke" in the wake of much higher operating costs.

Consumers, too, should be aware of how this vital decision affects them. Sagging dairy profits down on the farm will eventually show up in high prices in the supermarket. Inflationary dairy prices at the checkout counter may be the order of the day if we stand idle to continued culling of dairy herds, less than break-even dairy prices for the farmer, liquidation of dairy farms, and declining milk production statistics. If the economic trends in the American dairy industry are allowed to run rampant without an increase in the floor price, we could very well face a milk shortage in a year. That means the Nation's consumers will soon pay dearly in the form of dramatically higher prices at the checkout counter.

We can avoid a severe inflationary push which is certain to result from a milk shortage. It can be done if President Ford takes out an "insurance policy" on our future supply of milk. The "policy" would yield dividends to both dairymen and consumers alike by assuring a stable and adequate flow of milk at reasonable prices. I urge President Ford to intervene to turn the table around on the recommended decision to do nothing.

In supporting the conclusion not to raise minimum "floor" prices for computing fluid milk, the Department of Agriculture attempted to focus on the increase in the Minnesota-Wisconsin manufacturing milk price which occurred from July to October. Completely ignored were the important facts that the $6.82 price for October was 67 cents below October a year ago, and $1.33 less than for March 1974.

During this same period, "Dairy Situation," published by the Economic Research Division, showed that milk production costs increased continually. This is demonstrated by the milk-feed price ratio announced by USDA at 1.17 for October 1974, down from 1.57 for October a year ago, and from 1.49 for March 1974.

Slight gains in both production and prices for dairymen "seem temporary" according to professional research in the November 6 summary of the dairy situation:

> High feed costs in coming months will likely cause dairy farmers to cut back on grain and concentrate feeding, thus limiting output per cow during the current barn feeding season. In fact, lower milk production appears in prospect this winter, although low slaughter cow prices may prevent sharp increases in dairy herd culling. Production later next year will depend in part on 1975 crop developments and subsequent feed prices, on milk prices, and on the market for culled dairy cows.

In the wake of basement prices farmers are receiving for milk, they can look forward to some of the following conditions in coming months which will influence their decision regarding milk production:

First, grain and other concentrates will remain expensive this year and throughout at least the first half of 1975;

Second, the October milk-feed price ratio improved slightly from summer lows, but is still unfavorable to heavy grain and concentrate feeding. And the Economic Research Service predicted "milk-feed price relationships may not show a great deal of improvement in coming months."

Third, the early frost caused increased

quantities of corn to be cut for silage but the silage quality may be lower than normal;

Fourth, hay prices will remain well above year-earlier levels;

Fifth, production costs, including feed, continue to rise, running about 20 percent ahead of a year ago;

Sixth, the value of dairy cows has declined sharply this year; and

Seventh, the general economy continues to sag with unemployment rates on the rise, meaning off-farm employment opportunities are not good for dairy farmers or dairy labor.

Milk production in 1974 is predicted to slip about 1 percent from 1973's 115.6 billion pounds. In 1973, milk production dropped about 3 percent.

Faced with these grim predictions and swollen operating costs at present, the Department concluded that "conditions could well mean reduced milk output this winter."

Mr. Speaker, I am convinced that if price relief does not come soon, the dairy farmer will abandon the milk production business. I am aware of the huge capital outlays needed to break into the milk production business and can attest that with prices so low, a dairyman who once abandons the milk production business will not reenter.

As the number of cows decline, so will the number of heifer calves. This could very well mean a severe milk shortage in a year. And in the end, the consumer will end up paying dramatically higher prices because the supply just will not be there.

Certainly, no consumer would deny a farmer the right to obtain a reasonable return on his investment in order to continue production. In turn, the farmer is in business and wants to supply consumers with adequate supplies of milk and other dairy products at reasonable prices.

I urge President Ford to chart an inflation-fighting dairy policy by reversing the Department's recommendation on class I—fluid—milk prices.

Dairymen want and desperately need a $7.50 minimum in order to stay in business. If the economic trends in the dairy industry are allowed to run rampant, the Nation's consumers a year from now will likely be faced with a shortage of dairy products tagged with dramatically higher prices. And, they will ask, "Why could we not have avoided this?"

I hope the Committee on Agriculture will report out a bill. I would like to see what the group has recommended to the President be incorporated into that bill, but barring that it seems to me at least we ought to have a quarterly adjustment on price supports. We do have adjustments because of the increased cost of living on food stamps and we are doing it in other areas as well. In some we legislate the increase and some are arranged to occur automatically.

I think this is of the greatest necessity and we should not adjourn this Congress without it. So I would hope the Committee on Agriculture will report out such a bill and will give us a chance to vote on it. I hope my colleagues who may have dairy farmers in their districts will look into the situation so we can give the dairy farmer some hope and so he can weather through this period in which he is losing money.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to my friend, the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I thank the gentleman for yielding. I would like to say that I concur with his remarks and also particularly with the remarks of the gentleman from Vermont (Mr. Mallary). My district is contiguous with his and the great concerns expressed here are also concerns of the leading dairy farmers in my district.

I think it is regrettable that it is so difficult now for the farmer to have his voice heard here in Washington by the Department of Agriculture. We have other examples connected with the harvesting of apples where the voice of the farmer is not listened to in Washington and it is regrettable. It seems too bad that we have to take the floor of the House to make these concerns known. I commend the able gentleman from New York (Mr. McEwen) for doing that. I hope his efforts are successful and if not successful, I know this is a matter he will continue to pursue. There are many Members of the House who will support his efforts.

I want to go on record as supporting what the gentleman has said and to say again it is so regrettable that the farmers of America, and alas they are not alone in their plight, have to have their case pleaded for them on the floor of the House. The Department of Agriculture, which is supposed to be knowledgeable and helpful with farmers' problems seems deaf to their problems, or even worse, helpless to act.

I do not know what will happen to this country if we continue with a government that is so antagonistic to the enterprises and the people of the country that it is supposed to help. Government as I understand it, is meant to be of the people, by the people, and for the people.

Yet we have so many examples where the Government is not doing its job.

Big government is causing more problems than it can solve, and in creating those problems invites an ever-increasing size, which compounds the problem of its inability to properly respond with sensible solutions, as witnessed by the plight of the dairy farmers. I congratulate the gentleman from New York for calling attention to this important matter. I wish him well in his battle to bring a bit of common sense to yet another agency of Government which has apparently lost sight of who they are meant to serve and how to do it.

Mr. McKAY. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman.

Mr. McKAY. Mr. Speaker, I thank the gentleman. I would like to associate myself with the remarks of the gentleman from New York and those who have participated and indicate to the gentleman from New York that it seems to me when the President calls for full production that unless there is some incentive for these people to produce, they are not going to produce and they cannot produce. As a result, we will be the loser in the long run.

I would like to leave a little example that I ran into in a recent campaign in which a dairy farmer in my district dropped this example of the problem he faces. On one day he went down to get a part for his tractor which then cost him $38.50. Ten days later the same part cost him $59.60. At the same time, the price of his milk dropped $2 a hundred.

There is no way a farmer can keep up that kind of operation and stay alive in any phase of operation. The cattlemen have been facing that same criteria and a number of us have joined in letters to the Secretary of Agriculture to hear this plea and do something about it and we have had a deaf ear turned in many instances, as if to have them say, "Well, let them go abroad."

We need to learn something in this country from Joseph in Egypt. We need a strategic reserve, whatever we want to call it. We need to have an incentive in times of emergency, which we do not seem to see. These are the people we will have to depend on in times of crisis. If we go back to World War I or World War II, who did we depend on for the greatest war effort. We gave exemptions to the farmers to keep food coming.

I commend the gentleman.

Mr. WALSH. Mr. Speaker, for the past year, I have been actively involved in attempting to persuade the Department of Agriculture to review and hopefully increase the minimum floor price for class I milk in the Federal milk orders.

In early October, under much congressional pressure, Agriculture agreed to hold those hearings from October 8–10 in the Chicago suburb of Rosemont, Ill.

During the 3 days of hearings, producer cooperative representatives in all markets testified in support of a basic formula floor price of $7.50 for computing class I prices from November 1974 through March 1975. Those witnesses stressed that a $7.50 basic formula floor price is the minimum amount needed to help maintain an adequate supply of milk this fall and winter because of recent sizable increases in the price of feed and other production items in the face of a drastic drop in milk prices last summer which has placed dairy farmers in a severe cost-price squeeze and which threatens the continued production of milk. In other words, dairy farmers are going out of business and as a result, we may run out of milk.

This testimony was supported by milk producers all over the country who testified that those rising production costs and that recent decline in the prices received for milk, cattle and calves they ship to market would make it impossible for them to continue in milk production without significant improvement in the price they received for their milk.

Congressmen, State and local officials, representatives of national, State, and local farm organizations all concurred with the testimony presented by the cooperatives and the dairy farmers.

Despite this, the Department of Agriculture has unbelievably recommended that:

> No action should be taken at this time to raise the minimum "floor" price for Class I milk in the Federal milk orders.

Many dairy farmers have already declared bankruptcy. Such inaction by the Department of Agriculture could force untold numbers of these milk producers to take the same step and could do permanent damage to the dairy industry in this country.

I have already joined with dozens of other Congressmen in a letter to President Ford asking him to personally intervene in this situation and another to Secretary Butz urging him to set the floor price level at $7.50.

The Department of Agriculture has apparently chosen to ignore the desperate plight of the American dairy farmer. We, the Congress, cannot ignore this situation.

Mr. HASTINGS. Mr. Speaker, I appreciate this opportunity to join with my colleagues in urging immediate relief for the dairy farmers of America.

I am privileged to represent a congressional district in New York State that typifies rural America. Its dairy farmers are essential to the State and every person in that district.

They help account for more than half of the billion dollars that the farm industry in New York State generates each year.

Today their backs are to the wall and unless there is an increase in the floor price paid for fluid milk, many will be forced to give up their farms and go out of business.

The public is rightly angered over the seemingly endless increase in food prices, but I also know the public is aware that the farmer has received only a minimal amount of these increases and whatever he did receive has been wiped out by the surge in his operating costs.

He is unable to keep ahead of food prices and other inflationary pressures such as the cost of building materials and farm equipment. The financial plight he finds himself in today is critical and unless he receives help now many will go into bankruptcy resulting in serious shortages of milk which can only mean higher prices for the public.

I have received countless letters from my district regarding this situation. I include portions of some of these letters in the RECORD, as well as a statement by John C. York, general manager of the Eastern Milk Producers Cooperative Association, Inc., before the House Dairy and Poultry Subcommittee:

STATEMENT BY JOHN C. YORK

My name is John C. York. I am General Manager of Eastern Milk Producers Cooperative Association Inc. Our offices are located in the Syracuse, New York area. This statement is also made on behalf of our affiliated cooperatives and NorthemFarms Co-operative, Inc., of Montpelier, Vermont.

Our Association is the largest bargaining cooperative with a membership of about 8,500 dairy farmers in the northeast. The milk is marketed under all federal orders in the Northeast.

We are indeed pleased to have the opportunity of expressing our views on the subject of the support price for manufacturing milk, that is, milk which is used in the making of manufactured dairy products. Directly or indirectly, that support price is the determining factor in setting the price of milk in all uses under current federal milk order provisions.

THE LEVEL OF THE SUPPORT PRICE

The authority for supporting the price of milk is contained in the Agricultural Act of 1949, as amended. Under that Act the price of milk must be supported by the Government at a level of not more than 90 percent of parity, and, until March 31, 1975, at a level of not less than 80 percent of parity.

Manufacturing grade milk is the only milk which has ever been supported under the provisions of the Agricultural Act of 1949, but the price paid for such milk in Minnesota and Wisconsin is the basis for the price of milk used for other purposes. The objective of the price-support program is achieved by Government purchases of manufactured products, such as, butter, cheese, and skim milk powder.

At present, the support price is $6.57 per hundred pounds of manufacturing milk. This is equivalent to 80 percent of the parity price that was in effect on April 1, 1974.

Under present economic conditions, the support price of $6.57 falls far short of giving dairy farmers a fair return for milk. Dairy farmers are hard pressed, and there is a critical need for immediate relief. Under current circumstances, we urge two changes in the support program. First, we propose that the support price for manufacturing milk be established at 90 percent of the parity equivalent price, generally referred to as the parity price. Second, we propose that the support price be computed and made effective for each month on the basis of data for the preceding month.

Had these two changes been in effect this month, the support price for manufacturing milk would have been $7.84. Percentagewise, the increase above the currently established support price of $6.57 would be 19.3 percent. (The parity equivalent price for August 1974 was $8.71 per hundredweight). Even at 80 percent of parity equivalent price, the current support price would be $6.97 for the month of August, or 40 cents above present levels.

It should be emphasized that there is nothing in the law which requires that the support price be based on the parity equivalent price for April or for any other specific month. Nor does the law require that the support price be established only once in each twelve-month period. Indeed, changes in the support price during a so-called marketing year, which begins on April 1, have not been uncommon in the past.

THE PRESSING NEED FOR RELIEF

As has happened so often in the past, the dairy farmer is once again the victim of a cost-price squeeze. On the one hand, the price he receives for milk has fallen since last winter, while, on the other hand, the cost of the things he buys has gone up. Disgusted with this state of affairs, many dairy farmers have sold their herds and have gone out of business. Many more are leaving not by choice but rather by foreclosures. From January of 1969 to July of 1974, the number of farms shipping to the five Northeast Federal Order markets has declined by 12,843, a loss of 21.9 percent. The United States Department of Agriculture estimates that milk production in 1974 may be one and one-half percent below 1973. Production in 1973, it is to be pointed out, was already 3.6 percent below 1972.

Considering the prices received by farmers for manufacturing grade milk, it is to be noted that the price received in February 1974 was $8.15 per hundredweight. Five months later, however, that is, July 1974, that price had dropped to $6.32—a difference of $1.82, a contra-seasonal price drop never experienced before in the industry, while all other major commodity prices are going up. This drop can be traced to the Government's heavy import of dairy products obviously designed to depress domestic dairy prices. In 1973, the Federal Government increased the import quota for butter by 84 million pounds, cheese by 64 million pounds, and skim milk powder by 265 million pounds. Much of this product is still in warehouses and hovers over the dairy industry like a black cloud.

When we look at the prices producers pay for the things they buy, the picture, if anything, is even more gloomy. For August 15, 1974, the index of prices paid by farmers for production goods was up five percent from the preceding month.

The cost of feed, a major cost item, had increased the most. This increase was occasioned by our Government's grain export program, which needs no further explanation as to its impact. The mid-August index had gone up 17 percent in a single month. The cost of building and fencing materials, metals and masonry products, and lumber was 29 percent above a year earlier.

Family living items also increased. The mid-August index was 2 percent above a month earlier, and 16 percent above August 1973.

RELATIONSHIP TO CLASSIFIED PRICES UNDER FEDERAL MILK ORDERS

The member-producers of our Association and most other dairymen sell their milk in accordance with the provisions of the Federal Milk Orders issued under the Agricultural Marketing Agreement Act of 1937, as amended. The class prices provided for in these orders are based, subject to adjustment for specified differentials, on the average of prices paid for manufacturing milk at a number of plants in the States of Minnesota and Wisconsin. What producers receive, however, is a weighted average of class prices, adjusted for a number of factors. This is known as the uniform price. Thus, for example, the uniform price received by producers in the New York-New Jersey area in February 1974 was $9.08 per hundredweight. By August, however, the uniform price had declined to $7.95—a drop of $1.13, or 12.5 percent. Similar reductions occurred under the other orders of the Northeast, namely, the Connecticut Milk Marketing Order, the Eastern Ohio-Western Pennsylvania Order, Boston Regional Order and the Middle Atlantic Order. Unless there is substantial improvement in the Minnesota-Wisconsin Price, uniform prices to producers in the Northeast will fall below last years' level for the remaining months of 1974.

For producers so affected this decline results in a crippling loss of income. It should be pointed out that producers in the Northeast generally buy 80 percent of their feed. Some of them buy all of their feed. Falling prices for milk and rising prices for feed, has resulted in a milk feed price ratio of 1.10. USDA reports this to be the lowest August figure since 1947. In many areas, of recent date, 100 pounds of milk cannot buy 100 pounds of feed.

The Northeast will not be able to hold out indefinitely. Cost of production is likely to exceed $10.00 per hundredweight this fall. Supplies of milk will drastically drop within the next year or sooner, unless immediate action is taken. The current hearing scheduled for Chicago on October 8, 1974, designed to take evidence on establishing a floor price of $7.50, offers little relief to the kind of situation confronting dairymen, as well as to further increases in costs. In fact, many dairymen consider this hearing to be an insult.

CONCLUSION

In my 27 years with this major dairy cooperative of the Northeast, I have never experienced dairymen so apprehensive, demoralized and disturbed as to their plight, knowing that the conditions are not of their doing. They are ripe for a demonstration and a demand here in Washington. They want and deserve equal rights. They want parity with others. 100 percent of parity is their goal. They are not responsible for the imports of sub-standard dairy products that have caused milk prices to fall by as much as $1.82 since February of this year. They are not responsible for the grain exports which pushed dairy feed prices to unprecedented levels. They are not responsible for the inflation this country is experiencing. They are the kind of people who are willing and anxious to work, but they must be justly rewarded.

Like most other people, dairy farmers are suffering from the effect of inflation, but few people are getting it both ways, that is, from higher costs and from lower prices. Putting it bluntly, the dairymen are being milked on one end and shafted on the other end.

Denying dairy farmers a just price increase would only lead to a scarcity of milk and dairy products. Accordingly, we hope this Committee will act to put the dairy industry back in a viable position.

R.D. No. 1, Old Chautauqua Rd.,
Sinclairville, N.Y.

Congressman James F. Hastings,
Federal Building,
Jamestown, N.Y.

Dear Congressman Hastings: I am a herdsman for an averaged sized farm in Western New York. But I fully appreciate the plight that our farmers are in.

If we are to survive, our farmers have to. Our grain prices are so high and the milk prices to the farmers are so low that it is getting almost impossible to stay in business. Tell me, Mr. Hastings, if the farmer gets about 13¢ a quart for milk and the consumer pays 42¢ a quart for milk in the store, where does the other 39¢ go?

Last year we had 1.2 billion pounds of excess milk and we imported 1.3 billion pounds from Europe. Why? If we have enough to support our own country, why are we importing from other countries? It cannot be the lack of quality in the milk, because we have the best quality dairy products anywhere.

I realize you probably understand the farmers problems too. But can't you do something to urge the President into action?

The farmers are helpless and have to sit there watching everything they have worked for crumble around them. Nothing is worse to see, than the face of a farmer when he knows he's just about through. What can the farmer do but slaughter his cattle and go out of business.

Our farmers are the basis of our economy. If they fail, the nation fails. Please help them before it is too late.

Very truly yours,

Debbie Johnston.

R.D. No. 2,
Gowanda, N.Y.

Congressman James F. Hastings,
118 CHOB,
Washington, D.C.

Dear Sir: I am very much concerned about the agricultural situation in our country. It would be a most ludicrous situation if industry were expected to pay more for its raw materials and yet ask less for the goods they produced. Yet this is the very situation that farmers face. Those especially feeling this dilemma are those farmers in dairy and beef who are paying more for equipment, fertilizer, seed, fence etc., almost three times as much in some instances, and are receiving the same amount or far less for their products than they did in the past.

I think that it is ridiculous that there are thousands upon thousands of people starving in the world and yet we have farmers who are forced to kill livestock or give up farms because they cannot meet payments on interest. We could supply the world with food and yet our economic system is forcing people out of farming. Surely legislators must come to grips with this problem. Isn't it possible that we could buy excess produce from farmers and give it to those who exist below the poverty level, in our country, as well as in other countries.

In the past, I have shown little interest in politics but I plan on becoming much more vigilant in the future with regard to the stand that representatives take or fail to initiate with regard to such crucial problems as those arising in agriculture.

I think it is time that we forget many of the petty and trivial activities that politicians have been engaged in and begin to approach the essential problems which this country is beset with.

Sincerely,

John Glovack.

Mr. ROBISON of New York. Mr. Speaker, I have had the opportunity to review the amended version of the Safe Drinking Water Act, and I support it as a responsible compromise. The amended bill leans heavily on the work performed in this body, and this is as it should be, because the House-passed version of the Safe Drinking Water Act is the culmination of over three years of hearings and compromise. House action on the proposal, particularly during Committee deliberation, was punctuated with a number of serious objections to specific provisions; yet in each of those instances the very able gentleman from Florida (Mr. Rogers) displayed patience and dedication in seeking solutions. The end product, I believe, is fully sensitive to the needs and concerns of local and State administrators who are to participate in enforcement of the act.

Although the measure passed in the other body shares the philosophy and general design of the House legislation, our bill, H.R. 13002, includes much greater detail on the prerogatives of local and State officials. For instance, the House bill includes specific authority for State granted variances and exemptions from national drinking water standards. Those provisions are retained in the amended bill and even slightly liberalized through the addition of language which gives the States an extra 6 months to put national health standards into effect.

In addition, there is one aspect in which the amended bill appears to have enhanced the House version. By increasing the opportunity for public review of EPA standards and State enforcement programs, the amended measure promises to draw upon the broadest possible public consensus prior to the establishment of mandatory standards.

I should also note, Mr. Speaker, that after checking with administration officials, I have no reason to believe that the administration attitude on this legislation has shifted. There are some hopeful signs of moderation among a few of the officials who will make final recommendations to the President on the advisability of a veto, but it may be that such reactions are too little and too late. I will continue to do whatever I can to impress upon the administration the necessity for this legislation, and I remain quite optimistic that, once all the facts have been brought to the President's attention, he will sign the bill. Our action today in strongly approving the amended measure could well contribute to that favorable result.

Mr. McDADE. Mr. Speaker, over 6 months ago I asked the Secretary of Agriculture to look into this stark fact: For the dairy farmer, the cost of 100 pounds of feed exceeds the price he receives for 100 pounds of milk. No business can continue to operate on that basis.

A number of my colleagues in the Northeast, whose districts included dairy farming, found their farmers experiencing this same cost-price squeeze. We sought a hearing on the Milk Marketing Order No. 2. We sought the opportunity for our farmers to at least present their facts on the economic plight that inflation, in all its ramifications, was forcing them into. The inflation was seen in all their materials—from the cost of oil to the cost of grain. That was coupled with a static value for their product. That combination was, and is, heading dairy farmers into bankruptcy.

Bankruptcy because of mismanagement is one of the economic realities of our system. It is a difficult, though healthy, result of competitive forces.

But, forced bankruptcy because of Government intransigency, is wrong and cannot be tolerated. Government involvement in our economy is not intended to cause bankruptcy and the attitude displayed the past 6 months by the Secretary of Agriculture has failed to demonstrate he recognizes this.

Accordingly, one part of this special order today is to focus atention on the dairy farmer's problems as we seek Presidential intervention. The concern for the farmer's economic plight extends beyond him, for the obvious reason that milk is a life-staff commodity for our consumers. If the dairy industry in the Northeast is forced to economic collapse, the consumer will not have milk, or at the very least, will have to pay greatly increased prices for it. That result must be avoided.

Finally, I feel strongly that the small family farm reflects an important part of American values that should be preserved. Farming is an arduous business. It requires a degree of dedication which few in America possess. I feel strongly that the Federal Government should not be making that task more arduous, and certainly the Government should not be demanding a dedication that requires receiving less that a fair value for their work.

What we seek with Presidential intervention, is nothing more than a fair shake for the dairy farmer. That, to me, would leave no doubt that the dairy farmer can compete and succeed in our economy; that the consumer will have needed milk available at a reasonable price; and that an important part of our tradition will continue. These three goals can be achieved with the President's intervention in the milk marketing order for the Northeast.

I am deeply disturbed that the Secretary of Agriculture has not seen fit to achieve these goals. His intransigency is unexplainable. Nonetheless, I hope the goals I have outlined will be accomplished.

Mr. STEIGER of Wisconsin. Mr. Speaker, I want to join our colleagues today in voicing concern over the devastating economic trends facing America's dairy farmer. Since coming to Congress in 1967, I have never seen the U.S. dairy industry in a worse financial state.

It is true many sectors of the U.S. economy are similarly depressed. Inflation, consumer costs and interest rates all are high. Everyone feels the crunch. But dairy farmers, unlike most other businessmen, find it impossible to "pass on" their increased costs. They must "grin and bear it."

Unfortunately, when a farmer "gets laid off" it is usually a permanent proposition. To raise a milk producing cow from gestation to freshening takes 3 years. The initial investment for even a small 150-acre family dairy farm can run to a quarter of a million dollars or more. Unlike those who own a hog or beef feeder operation, once dairymen leave the business and liquidate their assets, they are not about to jump back in when prices start going up.

It has been said we can import our dairy needs because there always seems to be an abundant supply of butter and cheese available in the world market. These critics fail to remember that logistically we simply cannot import fresh milk. And, I do not believe most parents want their children to do without milk. When it comes right down to it, milk ranks with a very few commodities which are indispensable, life-giving consumer items.

In a short 3-month span this spring, the Minnesota-Wisconsin price series dropped almost $2 per hundredweight. In the meantime, the dairyman's costs went up; crop failures due to a wet spring, dry summer and early frost pushed corn and soybean prices even higher. The net result: 3,200 Wisconsin dairymen went out of business in 1973, that number could possibly be higher in 1974 and the price of a one-half gallon of milk in a Washington grocery store is higher now than it was in the summer of 1973 when the dairy farmer was still making a liveable wage.

What does this all mean? It means the domestic dairy markets have become unbelievably distorted in large part because of former President Nixon's unwarranted decision to allow large amounts of foreign dairy products to flood this country in a very short period of time. As a result, the existing price support system authorized by Congress is not functioning to the best advantage of either the American dairy farmer or the American consumer.

Thus, before existing conditions deteriorate even further, we all have a responsibility to take decisive, affirmative action. I urge the USDA to carefully reconsider its decision not to raise the floor under class I milk prices to $7.50 per hundredweight. I urge the President to intervene in this matter for the sake of all American consumers and, at the same time give careful consideration to an announcement that he would not increase dairy imports as Mr. Nixon did in late 1973 and early 1974. Finally, I ask my colleagues to give some hard thought to the seriousness of this situation and what we might do to resolve this dilemma legislatively if the administration does not respond satisfactorily.

Mr. OBEY. Mr. Speaker, I am very happy to join with my colleagues today in this special order. We are here to discuss the dairy situation in this country, and it can only be described as dismal.

Our problems certainly can be traced in part to the import policies of the Nixon administration. The Wisconsin Federation of Cooperatives estimates that the importation of 100 million pounds of cheese and 150 million pounds of nonfat milk in the first few months of this year alone cost Wisconsin dairy farmers $200 million—to say nothing of the millions of pounds which are imported in 1973.

But inflation has raised havoc as well. The cost-price squeeze facing farmers is almost unprecedented. The cost of everything is up, but the price of milk to the farmer remains down. Prices for milk declined about $2 per hundredweight from March to July of this year, and during the past few months, when we expect seasonal increases, the price of milk to farmers has increased only about 50 cents. Since November 15 wholesale cheese prices have dropped about 2½ cents per pound. In real terms that means farmers are getting about 25 cents less for every 100 pounds of milk they produce.

Mr. Speaker, I am sure my colleagues will describe at length the problems facing the dairy industry. A number of people from Wisconsin, in my district and elsewhere, have written letters describing to me, in their own words, just how bad things are. They can do a better job of doing that than I, and I include their letters to be inserted in the RECORD at the end of my remarks.

I include, as well, a recent article from the Chippewa Falls Herald-Telegraph to be inserted in the RECORD. In it, Mr. Gilbert Rhode, president of the Wisconsin Farmers Union, describes the economic plight of dairy farmers in the Midwest, and in particular, outlines cost increases farmers in Wisconsin have experienced. In short, those increases are staggering.

I realize that consumers find it hard to understand that farmers are losing their shirts when food prices are so high. But look at USDA's own statistics. Last month's traditional "market basket of food" cost consumers $159 more than it did in October 1973. Of that increase, middlemen got $156 and farmers got $3. And, to look at things another way, the farmer's share of what consumers paid for food in October of this year was 5.5 percent less than it was in January. The middleman's portion was up over 15 percent.

In short, farmers are hardly the cause of the consumers' present woes. But the loss of a great many dairy farmers could be the cause of future consumer unrest, and it is to the future that we ought to be looking. Unfortunately, I do not think officials at the USDA are.

Mr. Speaker, I have spoken to a number of people at the USDA and frankly, I suspect they are confused by what is going on in the dairy industry. They are as surprised as I am dismayed at the downturn in the cheese market over the past few weeks, and the fact that cheese stocks are still up far higher than usual.

We are, I think, in the same position we were last spring—with cheese stocks high, not moving well in the marketplace and farmers in dire financial straits.

At that time I said that an increase in price support level for milk to 90 percent of parity was needed. I think that is also true today. But I am not very sanguine about geting that increase from this administration.

Why, the administration seems to feel, should they increase the support level when the CCC is now purchasing cheese and nonfat milk, and we have more milk than we need?

Their answer to the dairy situation seems to be "wait it out." Production of milk will go down they feel, as corn silage becomes less available and when the cost of feeding grain to cows becomes prohibitive.

Mr. Speaker, I do not think that is an answer at all, and there is an obvious reason why. Milk production may go down in a few months, and some farmers will undoubtedly call it quits because they can not afford to spend more to produce milk than they get for it. But if that happens, it will probably occur in the spring and those are the flush months for milk production. Stocks will go up, the price of milk will go down, and we will be in the same horrible mess we have been in for the past 8 or 9 months.

The factor which the USDA just is not taking into account, it seems to me, is the question of long-range supply. Are we creating a situation where we will force so many dairymen out of business that our long-term production capability will not be enough to meet our needs? Scholars at some of our leading universities have said that we will not have adequate milk supplies by 1980. To be sure, in light of what has happened in agriculture in the past few years, it may be hard to accept any estimates of what will happen 6 years hence. But are not we foolish if we do not play it safe, keep our farmers on the farm, and make sure now that our actions do not let our own domestic dairy industry go down the drain? I think the answer obviously is yes. That is, in fact, the whole basis of our domestic price support program—a program which is supposed to guarantee to farmers a price for milk that assures us adequate supplies of milk and dairy products now and in the future.

Mr. Speaker, something else is bothering me right now. Milk production worldwide is on the upswing. What that means is that foreign producers are going to be looking for export markets. Are American dairy farmers again going to be the fall guys for dairy producers elsewhere? I certainly hope not.

Even Agriculture Secretary Butz admits that previous imports, which largely came into the country in the spring, severely hurt the domestic dairy industry. We cannot allow that to happen again.

Those of us speaking today are not asking special favors for the dairy industry. We are asking for policies which will allow it to stay alive, and which will assure our own consumers adequate domestic supplies of milk in the future. We are asking for no extra-quota imports, which again loom ominously over our heads, and for an increase in the price support level for milk—now.

The letters and article follow:

THORP, WIS.,
November 18, 1974.

Representative DAVID OBEY,
House of Representatives,
Washington, D.C.

DEAR MR. OBEY: We own and operate a family dairy farm in southwestern Taylor county. We started in April of this year, just in time to be hit by skyrocketing feed prices, inflation, and drastically depressed milk and beef prices.

We are urging you to support any action which would limit or stop dairy imports and to control corn and other grain exports. Food is America's biggest weapon against inflation. Farmers are being encouraged to produce more, but the cost-price squeeze is depressing production. These dairy imports are ruining a once healthy segment of our economy.

We have applauded your efforts for more sensible action and will continue to do so.

Respectfully,

RICHARD W. HUGHES,
NANCY D. HUGHES.

COUNTY OF GRANT,
Lancaster, Wis.

DEAR MR. OBEY: This is a letter on behalf of our Grant County dairymen in support of an increased government support price for milk.

If 1973 and 1974 have been any prelude, dairymen could be in for a real challenge in 1975. For dairymen, 1973 proved to be the year of the protein crisis; while, 1974 is proving to be the year of the TDN crisis. Friday, October 25th 551 calves were assembled to be slaughtered at Dubuque, Iowa as a protest to prices. Local newspapers have been carrying many articles like the attached article.

As you know, presently the government support price of milk is $6.57 per hundred which is 74 percent of parity. And presently in the market place the following prices per hundred prevail: Class 1—$7.65; Class 2—$6.69 and Blend—$7.16. As you perhaps know, the government support prices of milk per hundred in certain foreign countries is as follows: Canada—$9.41 and European Common Market Countries $7.07.

As you know, the thing that will happen to government support prices in the U.S.A. is, that if our government takes no action, prices on April 1, 1975 will revert back to 75 to 90 percent of parity. At present prices, 75 percent of parity on April 1, 1975 would be $6.66 per hundred and 90 percent of parity on April 1, 1975 would be $7.99 per hundred. Based on present prices, if the government support prices of milk on April 1, 1975 would be $7.99 per hundred or 90 percent of parity, the following market place prices per hundred would prevail: Class 1—$9.16; Class 2—$7.90 and Blend—$8.50.

Regarding milk production costs—no two farms have the same identical costs. However, the milk production costs per hundred on Wisconsin Electronic Farm Records Research Farms for 1973 were $7.86. Estimated costs for 1974 are $8.61 per hundred. As you remember in the second World War agricultural production was greatly stimulated by incentive payments for increased production. Perhaps, if at the present time as a country we really want increased agricultural production, the way to get it is through price.

Presently Grant County is the ninth ranking county in the United States in milk cow numbers and value of production. However our dairymen are challenged to keep the county in the top ten. Farmers, as a group, like to see crops grow. They like to see animals do well, but unless they can make some money doing it it's very difficult to accomplish. If our dairy farms continually disperse their herds, we could become dependent upon foreign countries for dairy products just as we are for petroleum. It is hoped you will do all you can in support of an increased government support price for milk.

Sincerely,

RICHARD J. MARKUS,
Chairman, Grant County Board.
DAN KEENEY,
Chairman, Agriculture & Extension.

WISCONSIN WOMEN FOR AGRICULTURE,
October 16, 1974.

DEAR CONGRESSMAN OBEY: I would like to thank you for the work and help you give the Wisconsin farmer. I also appreciate your letters to our organization even tho we are not in your district.

In regard to your letter November 14, 1974 on the USDA's decision not to raise the floor price on milk. We are absolutely at a loss as to what to do now. Could you give us some idea as to what you think we as an organization and dairy farmers as individuals could do to help you and mostly ourselves. I am a dairy farmer and I know that we are losing $50.00 a day with 300 head of registered Holsteins, and at the moment I'm sure we cannot stay in business much longer as is the opinion of most of the women in our country.

If there is something you think might help please let me know.

Thank you,

NANCY SMIDLE.

TOMAHAWK, WIS.,
November 15, 1974.

U.S. Congressman DAVID OBEY,
House of Representatives,
Washington, D.C.

DEAR MR. OBEY: I'm writing about the desperate situation we farmers are in. The grain farmers are doing O.K. at least those that didn't have a crop failure. I'm a small farmer with a few milk cows. I cut down on milk in favor of some beef stock. I'm depending on them for my living through the winter. I have a lot of money and work stuck into six I should sell now. It cost about $150.00 to raise a calf to about nine months at the age when they can consume more grass and hay. I've got three years of feed and work invested in them hoping for a decent price.

Last night I called the shipper who ships to Stratford and Marion and he said the top on fat steers and heifers was 18c per pound and 15c on slaughter or utility cows. Last year in August steers were 50c and later in the fall around 40c. I wouldn't sell those prime beef animals for 18c per pound and am taking a chance on keeping them hoping the price to go up to the mid thirtys. At 35c I would still lose $150.00 per head over last year but at 18c it would even pay for half of the feed say nothing of all the work of feeding and cleaning manure also housing them over the long winter.

What gripes me the most is the meat retail prices haven't dropped any or very little. Round steak is still $1.29 & $1.39 per lb. There has to be some manipulation and fixing of prices to allow such a wide spread of prices between the farmers price and the consumers price.

Also milk prices are much too low and I can't afford grain —the cheapest dairy ration is $170.00 per ton. Baler twine is up from $7.00 to $38.00 per bale. Everything else the farmer buys has gone way up but beef has dropped to 1950 levels.

If this situation keeps up much longer there is no future for agriculture. To show you what faith the farmers have in the future, registered calves brought only $15.00 at a recent auction. A neighbor told me his son bought 2 calves. He spent $135 a piece on feed and at present prices the calves would be worth less than $75.00 a piece. He would lose not only at least $60.00 per animal but all his work would be for nothing.

If Washington doesn't act soon there is going to be one hell of a food shortage in the country. Farmers can't keep operating any longer at huge losses. It seems Ford and the rest of the Federal Government don't give a damn what is going on in agriculture. They don't give a damn about all the price gouging that's going on in sugar, oil and most of all meat. I wrote Senator Nelson a letter calling his attention to the farmers' plight but never received an answer I guess he just don't care as long as he lives well. All you get from Washington, D.C. is talk and no action. I think they are more concerned about another salary raise than the gut issues back home. I sure hope some action can be taken soon to bolster up the beef price. I blame heavy imports for most of our troubles and there has to be price fixing along the line. It seems nothing is ever done about price gouging and fixing anymore. It's helping to ruin our economy. The farmers are the backbone of the Nation, but their back is being broken. The farmers are also the best consumers, but that is being lost.

Yours truly,

ROGER HILT.

[From the Chippewa Falls Herald-Telegram]

FARMERS UNION LEADER WARNS: "FAMILY FARMER (IN BARN AT 5 A.M.) CAN'T WAIT FOR CONGRESS TO MOVE"

WASHINGTON, D.C.—"Dairy farmers are accustomed to tightening their belts over the long haul, but should not be expected to make the kind of sacrifices and adjustments imposed by the sharp drop in milk prices and escalating farm costs this past summer," a Wisconsin farm leader said here today.

Gilbert C. Rohde, president of both the Wisconsin Farmers Union and the Farmers Union Milk Marketing Cooperative, told a Senate subcommittee holding hearings on the dairy situation, that the current cost-price squeeze, unlike previous ones, struck dairymen with "severe suddenness."

Farmers Union, Rohde said, supports legislation introduced by Sen. Gaylord Nelson (D-Wis.,) calling for dairy price supports at 100 percent of parity for manufacturing milk. "The Farmers Union has always insisted that farmers must have parity prices for their products and we plan to fight for passage of Senator Nelson's bill."

However, he urged that Agriculture Secretary Earl Butz take immediate administrative action to raise dairy supports to 90 percent of parity as he is permitted by law.

"The family farmer who is out in the barn at 5 a.m. every morning cannot wait for the wheels of Congress to turn in their slow, deliberate fashion," Rohde said. "He needs aid now, not tomorrow, and present law requires that he gets some—in the form of 90 percent of parity dairy price supports."

Rohde charged that Secretary Butz' recent proposal to increase the minimum price level for fluid milk is inadequate and constitutes a threat to Midwest dairy farmers.

"In the Upper Midwest where milk prices are now the lowest in the nation Grade A dairymen will get a high price on only a third of their milk and producers of manufacturing milk will get no increase at all."

To describe the economic plight of dairy farmers in Wisconsin, Rohde selected as an example a Vernon county Grade B milk producer, milking 40 cows, who reported the following increases in the cost of production items on his farm:

Item	Prices		Percent of increase
	August 1973	August 1974	
Gasoline (per gallon)	$0.326	$0.485	49
Diesel fuel (per gallon)	.20	.36	80
Commercial fertilizer (per ton)	90.00	156.00	73
Dairy feed concentrate (per ton)	130.00	200.00	54
Baler twine (per bale)	8.00	30.00	275
Milk filter pads (per box)	5.00	6.29	26
Washing compound for milking equipment (per container)	14.00	16.00	14
Fence posts (each)	1.08	2.00	85
Fencing wire (per bale)	13.50	30.00	122
Nails (per pound)	.20	.60	200
Lumber (per thousand)	320.00	440.00	37½
Farm machinery (on the average)			17
Electricity (on the average)			25

"How, I ask you, do you tighten your belt to overcome such staggering increases in farm expenses?" Rohde asked.

The 130-acre dairy farmer, Rohde said, was paid $6.45 per hundredweight for his milk in August—more than $2.00 per hundredweight under the current average cost of milk production as computed by University of Wisconsin farm management specialists.

Mr. MITCHELL of New York. Mr. Speaker, the latest decision by the Department of Agriculture to deny dairy farmers an increase in the support price of milk, creates an untenable situation for the thousands of dairy farmers across the country.

The importance of maintaining an adequate supply of dairy products is critical. The need to provide our dairy farmers with some sort of relief is imperative. The severe income squeeze, created by ever increasing feed and production costs has caused a great number of farmers to go out of business. Between February and June of this year, the prices of milk received by dairy farmers in the New York State area dropped 16.2 percent, while their milk production increased 3.8 percent. The milk feed ratio, considered the prime measuring stick when comparing cost to produce with price received, has dropped from 1.44 in 1973 to 1.10 in 1974. More than 50 percent of production cost is for feed. The cost of soybean meal, the principal source of protein for livestock, has skyrocketed over 300 percent this year alone.

The Federal Government has aggravated this situation by increasing the import quota for butter by 84 million pounds, cheese by 64 million pounds, and milk powder by 265 million pounds. With the support price of milk at 80 percent of parity, the minimum under law, it is no wonder that our farmers are in such a bind.

My previous attempts to get the administration and the Department of Agriculture to take positive steps to alleviate our dairy farmers' plight have ended in frustration and failure.

Earlier this year when former President Nixon stated that the American farmer "has never had it so good," I issued a written protest and an open invitation to Secretary Butz to visit the Upstate New York area and talk with the farmers themselves. My invitation was not accepted.

The October 8 national hearing in Illinois to review class I milk prices ended with a denial by the Department of Agriculture to increase the price support level to 90 percent of parity.

This failure on the part of the Department of Agriculture is going to cost us dearly and I am convinced that this denial of an upward price adjustment will only cause more and more dairy farmers to go out of business.

I cannot for the life of me understand the Department's refusal to do anything to assist our farmers. The Federal Government in the past has extended their assistance during times of natural disaster. Yet, that same Government refuses to lend a hand during an economic crisis, which in my opinion, was largely due to the administration's approval of massive exportation of U.S. grain and the importation of huge quantities of foreign dairy products.

It is encouraging to me to see the House Agriculture Committee taking steps to deal with this crisis. Last week the Subcommittee on Dairy and Poultry concluded hearings on two bills, H.R. 16249, to support the price of milk at 90 percent of parity and H.R. 17106, to establish a temporary program whereby the Secretary of Agriculture shall obtain feed for dairy cattle and sell this feed to dairymen at a reduced rate, when parity of milk prices falls below a specified level. I support and commend the committee's efforts.

I submit, Mr. Speaker, that we cannot afford to see any more dairy farms go out of business, because the Federal Government refuses to act on their behalf. The dairy farmer is asking that we give him a fair chance to compete. We owe him that opportunity.

Mr. Speaker, there is little I can say that will better describe the frustration and anger that the dairy farmers in my district feel than their own words. I, therefore, insert two letters I received from my dairy farmers in the 31st District in the RECORD. I urge my colleagues to read them. These letters serve to emphasize the urgent need for Congress and the administration to do everything possible to bring some relief to the thousands of dairy farmers across the country quickly.

The letters follow:

ST. JOHNSVILLE, N.Y.

DEAR CONGRESSMAN MITCHELL: What are we farmers going to have to do to insure us with a fair return for our product? Our product, I'm speaking of milk and beef.

Perhaps you listened to President Ford's speech he delivered at the convention of the Future Farmers of America held in Kansas City, Missouri. Many farmers, I'm sure including myself were tuned in and by the end of his address, we were left in a dilemma. President Ford spoke of the number one enemy, inflation and how to combat it, but nowhere in his speech did we farmers witness relief for the American farmers. He emphasized the fact that every farmer will have all the fertilizer and fuel he needs for the next year's planting in order to plant to full capacity in order to bring those food prices down. What a fallacy! Doesn't he realize that no matter how much fuel and fertilizer is available, that because of the escalating prices, most farmers will be unable to afford it.

Last year fertilizer sold for $80 per ton, this year it was $150 a ton and next year it is predicted to rise to $200 plus per ton. How can we afford it when we only get peanuts for our milk and beef? The same holds true for the fuel situation. With escalating operating expenses, the farmer has to make some cuts somewhere along the line, therefore less acreage will be put into crops. Barrels upon barrels of gasoline could be available, but with no cash to buy it, what good is it?

Furthermore, doesn't the President realize that if there is an overproduction of crops, the price will not only come down for the consumer, but we the producer, the farmer, will be hit the hardest, the prices we'll receive will drop into an endless pit. There will be such an over supply on the market that even though our prices will go down, our operating expenses will go up and up. Where will that leave us, "a little bit older and deeper in debt."

I believe President Ford and the government are doing very little for the farmer despite those anti-inflation suggestions. I felt very little was said to encourage the group that he was speaking to. Instead, his address was geared for the city consumer!

Enough has been said about the speech and the erroneous suggestions even though I agree with President Ford otherwise. Now to the basic question, what are we farmers going to do?

Two years ago we received $6.90 for our milk, a year ago we received $8.84 and now this year we only get $7.95 for each 100 pounds of milk. How can a farmer make ends meet when we get less for our milk now whereas every other cost has risen tremendously!

Another example of poor returns on our investment: a year ago a cull dairy cow sold for beef netted us 40¢ a pound compared to $1.00 a pound the consumer paid in the store. This year now, we are paid only 20¢ per pound and that's if we are lucky, but still the price of meat, beef, veal, remains the same in the store.

One can sympathize and understand why the cattlemen are destroying calves instead of shipping them to market! The most recent episode was the slaughter of 650 calves in Wisconsin by distraught NFO members as seen this morning on the Today Show news.

What can be done? Must we all strike as they do in the factories and destroy all the saleable products? Are all farmers doomed? Is the American system of government going to turn their backs on us because of our country going to cease to exist? Is the farm community going to dwindle to the point were we must live on artificial food products and those tons of inferior imports? Does America want to totally depend on others to survive or are we to become another India, a country plagued with starvation and beggars?

Something should be done now to keep what few farmers this country has! A system whereby the farmer not only can survive but make a reasonable profit as well as anyone else.

I had thought of drafting a letter similar to this for President Ford, but with the thousands of letters he receives, it is unlikely mine would get much recognition. Therefore, I feel by addressing this letter to you, you as our representative can express our plea to the President and to Congress.

Sincerely,

EDWARD L. GRAY.

RICHFIELD, N.Y., *July 24, 1974.*

DEAR REPRESENTATIVE MITCHELL: Not included on your questionnaire but I feel is very important to me as well as the good of the country and that is the problem American farmers are having in just about all parts of the country.

All business around the farmer is on a competitive basis, and as their costs go up they merely pass this cost along. This increases the farmer's costs, but he can't sit down and say OK. Our costs have gone up x number of dollars so we'll just pass it along and let the next guy worry about it. It all stops at the Farm.

We are urged by County agents, USDA etc., etc., to become more efficient. So the farmer cuts here, there, everywhere until he becomes like a hamster on a wheel going faster and faster getting nowhere fast. That doesn't work so he becomes larger in an effort to survive but about all this has accomplished is an 18 hour day instead of 12 and further in debt.

As I see it and everyone who becomes aware of the issue will agree that the pricing system that the farmer is under is outdated. It must be reconstructed under a cost of production plus a reasonable profit as other industries are. This is the solution if the family farm and a free America are to survive.

Consumers will probably wonder, and with good reason, what this will do to the price of food. It will probably raise prices some. However if agriculture continues to fall in the hands of conglomerates and the family farms go out of business the cost, quantity and quality will be unbelievable.

There is no way that conglomerates can produce the amount and quality of food needed, at a price that can be afforded by anyone.

As representative, you are aware of the grave situation. I don't have the exact figure of the number of farms going out of business every week, but the number is astounding. This alone should be enough to see the need for immediate action.

Steps such as were just taken to loan money to bankrupt beef farmers is not the solution, that merely prolongs the agony of defeat, and makes just that much bigger of a loss in the end.

With the cost to produce his commodity labor, fuel, etc., skyrocketing and the price of some commodities such as milk going down, how long can he remain in business no matter how efficient he becomes?

I would greatly appreciate if you could inform me as to what your feelings are and what if anything is being done in Washington at this time.

Sincerely,

NEIL D. STETSON.

Mr. JONES of Tennessee. Mr. Speaker, the recommended decision by the Department of Agriculture on November 13 not to raise the basic formula price for computing fluid milk prices paid to farmers under Federal milk marketing orders confuses my sense of logic.

From every report I had of the Rosemont, Ill., hearings there seemed no doubt this Nation's dairy farmers are in one of the worst and most prolonged cost-price squeezes in history, yet USDA concludes:

> An increase in the level of the class I price . . . would not be in the best long-run interest of dairy farmers.

Despite the alleged logic of the Department's decision, the cost-price squeeze has been intensified and most of that intensification has been the result of actions by this administration.

First, and perhaps foremost, the decision for the past 2 marketing years to support farm milk prices only at the minimum level required by law has not taken into consideration, to the slightest degree, the ever-increasing costs which dairy farmers have been forced to bear.

Second, while holding milk prices at intolerably low levels, the Department of Agriculture, aided and abetted by the U.S. Tariff Commission, has used over-quota import authorizations to crush the dairy market by deciding to import 25 million pounds of nonfat dry milk on December 30, 1972; 64 million pounds of cheese on April 25, 1973; 60 million pounds of nonfat dry milk on May 10, 1973; 80 million pounds of nonfat dry milk on July 18, 1973; 100 million pounds of nonfat dry milk on August 28, 1973; 56 million pounds of butter and 22.6 million pounds of butteroil on October 31, 1973; 100 million pounds of cheese on January 2, 1974; and 150 million pounds of nonfat dry milk on March 4, 1974.

Every pound was driving another nail into the economic coffin of the American dairy farmer.

On top of this situation have come the decisions to export a great bulk of the Nation's feed grain supply, poor planting conditions this spring, widespread drought, and, more recently, unseasonably early frosts and snows over much of the Nation.

The Department judges accurately that milk production has been on the increase for the past 3 months—but only after a decline for 19 consecutive months, apparently unnoticed by the Department of Agriculture's decisionmakers. Why the increase? The beef glut has forced down the price of beef and dairy farmers have been forced to milk rather than slaughter cows which are marginal producers.

Candidly, I feel the Department's analysts do not understand the data they have at their fingertips. A case in point, one measure of the price of milk in relation to the cost of feed is the milk/feed price ratio.

For example, if a dairyman is paying $5 for 100 pounds of dairy feed and receiving 10 for 100 pounds of milk, the milk/feed price ratio is said to be 2.0 Generally, a milk/feed price ratio of 1.60 to 1.75 is associated with a stable milk production situation. Whenever it falls substantially below that level for an extended time period, milk production becomes uneconomical and the capacity to produce milk decreases.

For the past 22 months the milk/feed price ratio has been well below what is considered to be necessary for a stable, viable dairy industry. In August 1974, the ratio was 1.10, the lowest August level since 1947. During October this ratio has recovered only slightly to 1.17. The Department seems to have absolutely no real understanding of what that means.

What has kept the dairyman in business? Higher levels of unemployment and low cattle prices—unattractive alternatives designed to warm neither the hearts of the dairyman nor, for that matter, the consumer who is going to be quite disillusioned when she finds the Department of Agriculture could have taken action which would have insured her a supply of fresh milk and kept down the high prices which are inevitable if this decision is not overturned.

The October hearing was limited to testimony to establish a floor on the basic formula price of not more than $7.50 per hundredweight through March 31, 1975. Evidence to justify this minimum level was overwhelming. The Department was told by witness after witness, that with ever-increasing costs, especially for feed, soaring interest rates and the tight money market, this Nation's dairy farmers are facing bankruptcy. It was told others are cutting back or quitting entirely. My files are full of letters from dairymen who are in the process of liquidating their herds.

What does the Department want? Does it want a nation with both its dairymen and its consumers on their economic knees, dependent upon foreign sources for one of the Nation's most critical foods—pure, wholesome, fresh milk?

I fervently hope not, and strongly ask that the Department reconsider its non-action of November 13 and raise the floor price of class I milk. The need is critical and immediate.

Mr. GILMAN. I thank the gentleman from New York (Mr. MCEWEN) for yielding and for arranging this special order.

Mr. Speaker, on behalf of the troubled dairy industry in my congressional district, I am pleased to have this opportunity to join with my colleagues in protesting the USDA's proposed order of November 13, 1974, denying an increase in the floor price of fluid milk.

The testimony at the public hearings held in Rosemont, Ill., on October 8–10, fully justifies the need for a higher level of support in order to prevent long-run domestic shortages of dairy products. My recent meetings with New York State's dairy farmers and with officials of the dairy cooperatives serving our region, along with congressional hearings, confirm that an increase in milk prices to dairy farmers is essential.

Dairy farming in my own area of Orange County consisted of 663 dairy farms in 1968. The costs of production, exacerbated by a prolonged period of inflation, greatly exceeding the returns, has now pared this figure down to 303 dairy farms—a 57 percent decrease. We cannot, in true consciousness, stand idly by and bear witness to the genocide of an American institution, the family dairy farm.

Current law provides for establishing minimum Federal order prices to assure production of an adequate supply of milk both now and in the future, taking into consideration the price and availability of feed and other economic conditions.

Milk prices to the farmer are now above mid-summer levels, but they are below last year's prices and substantially below prices received last spring. Concurrently, production costs, whether for feed, equipment, labor, taxes or interest have risen substantially in the last 12 months. The fact remains that even with the minor seasonal price advance since July, it is much too small to compensate for the costs of milk production which continues to rise. The price level has also been hampered due to USDA's action authorizing unneeded imports further plaguing our dairy product market with heavy inventories.

While time does not permit me to cite portions of the many letters I have received from anguished dairymen in my congressional district, the following is a typical expression of concern from a farm family in Otisville—Orange County—N.Y.:

> We are dairy farmers who will soon be forced out of business due to increasing production costs. We recently received $3,176 for our milk for 31 days. However, we incurred the following bills for that month: Grain, $1,700; three loads of bird grain @ $143 a load; fuel $300; electricity $200; $85 per week for a hired man. We don't know how we can continue our business at this rate, because it's getting so that we cannot afford the basic necessities for our family to live on.

This complaint has been repeated a thousandfold throughout dairy farm regions in our Nation. Accordingly, I urge my colleagues to join with us in proclaiming to the President and to the Secretary of Agriculture our strong disapproval of the recommended decision not to floor the price of class I milk at $7.50 per hundredweight. The action of the USDA does not make sense. It will only result in the liquidation of more dairy farms, increased shortages and escalating inflationary prices to the consumer.

Thank you.

GENERAL LEAVE

Mr. McEWEN. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks, and include extraneous matter, on the subject of my special order today.

The SPEAKER pro tempore (Mr. OWENS). Is there objection to the request of the gentleman from New York?

There was no objection.

INCREASES IN MEMBERS' OFFICE ALLOWANCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 15 minutes.

Mr. COHEN. Mr. Speaker, I am today introducing legislation to repeal the provisions of House Resolution 457 of the 92d Congress—as enacted into law by Public Law 92-184—which provide the House Administration Committee with the authority to raise expense allowances of Members without approval by the full House.

The past year has been a traumatic one for our Nation. Public trust in our Government has been severely tested by the Watergate cover-up, the energy crisis, and the present economic situation. Members of this body, myself included, have repeatedly called for more open, accountable, and responsible Government. We have strongly supported legislation such as the Budget Control and Impoundment Act to provide Congress with the means of reasserting its proper authority over the fiscal priorities and policies of the Nation.

As we all know, however, merely providing a better means of handling our responsibilities is not enough; we must also have the will to shoulder these burdens, and, just as importantly we must show the American people that we have the will. As Members of Congress today, we hold far more than a public office; we hold a public trust, a trust which today is particularly fragile and vulnerable.

The American people today are looking to their elected officials for true and open leadership. They have a right to be disappointed when they find it lacking in matters such as the recently publicized increases in Members' allowances for office equipment, stationery, and other expenses. Most of my colleagues are aware of the reports appearing in the news media during the fall recess that—

> Congress has raised the expense allowance of all its members during the past year by more than $10,000 . . . Under House rules . . . expense account increases are granted by the Administration Committee and do not involve a floor vote.

After listening hopefully to Congress promises of controlling the budget and cutting Federal spending, the public has discovered that the House has been increasing its own budget with no more debate or notification than a printed notice in the CONGRESSIONAL RECORD.

I believe that in these inflationary times, there is no excuse for increases which are essentially granted in secret and without full discussion and justification. If we are going to increase our spending then we should openly accept the responsibility involved and let the public know why it is necessary.

In my opinion, it is crucial for the Members of this House to do all they can to reestablish public trust. I am, therefore, introducing a bill to repeal the authority granted the House Administration Committee by the 92d Congress to unilaterally increase Members' allowances and to return the decisionmaking responsibility in this area to the full House membership where it belongs. If increases are needed in order for us to continue to properly represent and assist our constituents then let us determine that through the normal process of debate and decide it by an open vote. I strongly urge my colleagues to support this legislation and hope it will receive prompt and favorable action.

The legislation follows:

H.R. 17546

A bill to repeal the provisions of H. Res. 457 of the Ninety-second Congress as enacted into law by the Supplemental Appropriations Act, 1972 (relating to allowances of Members, officers, and committees of the House of Representatives)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of H. Res. 457 of the Ninety-second Congress as enacted into law by the Supplemental Appropriations Act, 1972 (Public Law 92-184; in chapter IV under the center heading "House of Representatives" and under the caption "Administrative Provisions" at 85 Stat. 636), are repealed.

REMARKS ACCOMPANYING INTRODUCTION OF INTERROGATORIES UNDER PRIVILEGED RESOLUTION, HOUSE RESOLUTION 1473, TO THE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION BY THE HONORABLE ANDREW J. HINSHAW, OF CALIFORNIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HINSHAW) is recognized for 45 minutes.

Mr. HINSHAW. Mr. Speaker, President Ford has characterized inflation as "Public Enemy No. 1" and about that conclusion there is no disagreement. There is also no controversy over the proposition that increasing our ability to produce without an undue increase in the supply of money is the answer to our most devastating national problem—that of inflation. In this context, real productivity is, therefore, a panacea; the problem is just how to accomplish an increase in real productivity.

It is clear that at the threshold of the cycle of productivity is the innovative nature of our human resources. The cycle continues with the application of labor and other human skills to the efficient use of more tangible resources. We must encourage innovation, develop and analyze its potential and then transfer its benefit into the economic mainstream. The rewards to society resulting from the successful, efficient transfer of technological and other innovations into the economic mainstream are overwhelming, and are the backbone of the great growth in my own Orange County. Real productivity can crush inflation. It can attack the arithmetic increase in the inflationary cycle with a geometric zeal, providing benefits of incalculable proportion—new jobs, increased tax revenues and, consequently, an improved standard of living. The dynamics of these benefits border on the extreme when the human resources used in the productivity process are drawn from those segments of our population which presently drain our productive efforts—the welfare constituency, the unemployed, the underutilized.

The vehicle which has always been our economic savior and the basis for our unprecedented economic place in history has been and will continue to be found in the private sector—private business enterprise. Accordingly, to nurture, protect, preserve, and promote the principles that encourage the birth, development, and growth to maturity of private business enterprise is the key to increasing our national productivity.

The controversies that develop over the need for Government to restrict unbridled economic growth in the private sector to avoid its attendant abuses can relate only to the degree of restriction and public control; but, as to the need for Government activity to promote competition and free market entry there can be no controversy. The single most important short, intermediate, and long-run solution to the problems created by our "Public Enemy No. 1" is the promotion of a healthy, viable private business community. This principle is particularly applicable to the small business community, where the rewards to society have unique social and economic ramifications.

Small business is productive; it must be productive to exist and it becomes more productive when it grows. There is no business in the Nation today that did not have its genesis as a small concern. But small business needs help, especially in today's environment. Small business generally suffers unduly from an inability to obtain adequate financing, management, and technical assistance, insurance against unexpected, unpredictable manmade crises and acts of God. Today, with inflation, the energy crisis, rising unemployment, and the increasing deterioration of those aspects of our economy evidenced by a host of depressing business indicators, the need for help is constantly increasing. Small business needs help from the Government and the Government needs help from small business.

Those of us in Government must boost small business today because of its ability to give us real productivity. Small business is the major contributor of invention and innovation to this economy. We need that innovation; we need the new jobs, the new tax dollars, the new capitalists. We need the new productivity—today as almost never before.

While my concern about small business is general in scope, my purpose in introducing this privileged resolution is more specific. I am deeply concerned with the unwillingness of our financial institutions to provide term debt and equity capital to businesses on the small end of the size spectrum. A business that cannot be financed cannot be productive. A business that is inadequately financed can be only marginally productive.

Small business in this country today requires upwards of $50 billion per year in working and venture capital. And, while exact figures are not available, my best guess, based on the response to my inquiries of experts in this field is that only about 60 percent of this need is being met by private financial institutions and some lesser percentage is being met on a less than satisfactory basis.

A small company, even a small company that is an exceptionally good credit risk finds it next to impossible to obtain money for expansion—term debt or capital; that is, small businesses cannot obtain the kind of money that best feeds the productivity effort. Commercial banks, with their inherent, built-in liquidity problems are usually able to meet only the short term, "above-the-line" credit requirements of the small concern; further, a commercial bank is typically prohibited by law from making an equity investment in such an enterprise. An investment banker or an institutional term lender, such as an insurance company, is not normally interested in the small concern because of the relatively small size of the proposed financing. Thus, such a business is caught in a most difficult squeeze and must incur frustration and divert its attention from concerns that would make it productive to concerns that must be addressed for the purpose of sheer survival.

The lot of the small businessman is difficult enough having to compete with giant business organizations where economies of scale and adequate financial support leave great margins for error, but to add to his burden the unavailability of term debt and equity financing is a classic case of adding insult to injury. The lucky entrepreneur who can liberate his business from the trappings of the capital gap by finding a rich uncle or discovering a receptive venture capital pool in the haystack is the extraordinary exception. All too often, the choice he must face is the sale of his business, its acquisition by a large concern or a continued existence in purgatory with the high hopes of success and economic contribution only a dim light at the end of the tunnel.

The Federal Government has in the past and must continue in the future to help close this capital gap. Defects in our free enterprise system, some of which are self-imposed, have inhibited the development of one kind of institution that could make major inroads into solving not only the problems emanating from the capital gap, but to many of those other problems that plague small businesses as a result of their inability to acquire sophisticated management and technical assistance—the venture capital company or the venture capital pool.

Venture capital organizations traditionally have given focus to the problems of those business concerns which are caught in the squeeze previously mentioned. Though limited in number and in dollar impact when compared to the multibillion-dollar need that I have referenced, these organizations are committed to the principal that they can reap great financial rewards if they can find, develop and support an idea, an innovation; they follow through on their commitments by giving financial support, advice and counsel to those few companies that they select—companies they believe will offer future capital gains on their investments.

The existence of such venture capital firms would seem to contradict my earlier assertion that there is no institutionalized entity available to provide term debt and equity money to small business. The fact is that venture capital organizations are few and far between and those that do exist have nowhere near the resources necessary to serve the need resulting from the capital gap. Venture capital organizations do not exist en masse as do banks and insurance companies. They do not, and have not, as business entities been attractive as options for the commitment of capital from private markets. Indeed, until very recently in our history, venture capital concerns were limited almost exclusively to the more affluent who have found reward in backing a new industry as well as a feeling of great contribution to the future of this Nation, along with some deserved tax credits for any losses.

Some years ago the Federal Government recognized that the venture capital concept, if institutionalized, could fill a most important need. And, though the track record of the venture capital business was unimpressive, it had the potential to provide a magnificent vehicle for solving problems directly and indirectly related to the capital gap. The question then posed to our government was; how can incentives be provided to induce a significant segment of this country's financial community to join in the venture capital business, how can the Government bring together venture capital pools to make massive attacks on the troubled areas of our economic concern?

In 1958, the Congress enacted, and President Eisenhower signed into law the Small Business Investment Act. This legislation was intended to effectively create a new industry, it sought to institutionalize on a sound and well-regulated basis the venture capital concept. It provided economic incentives to draw expertise and financial commitment to an industry which could play a major role in solving the plight of the small businessman. The Government, in proposing this program to close the capital, management, and technical assistant gaps, made an ingenious move; it called upon the private sector, it called upon entrepreneurs who best knew how to find those who could combine ideas with other business principals to produce beneficial results. The Government sought to use the private sector to solve a problem that was unique to the private sector. It provided funds and tax incentives to private parties willing and able to promote and develop small companies where those companies were otherwise unable to get adequate support from any existing financial institution. It created the Small Business Investment Company—an entity designed to be dedicated to the solution of a major economic dilemma; an entity that could help liberate the existing small business, the budding enterprise from the deadly restrictions of a capital market that was and is hostile to high risk, unorthodox thought processes and individuals who do not always conform to the "business school" conservatism.

The Small Business Investment Act thus brought high hopes to millions of Americans. The U.S. Small Business Administration was charged with the responsibility and given authority to leverage the private capital of venture capital organizations on a very favorable basis. This financing authority was the carrot, the inducement to prompt private financiers to move into a business that previously was not economically sound by traditional standards. The SBA had another responsibility; it was given regulatory authority over those who chose to establish and operate SBICs; authority that was necessary to protect not only the credit position of the Government, but to protect the small businesses sought to be helped under the program from the threat of overreaching, unconscionable conduct by the venture capitalist. This latter authority represented the stick, the negative aspects of the program against which a would-be venture capitalist would have to weigh the benefits of leverage.

SBA was, thus, given a unique opportunity in 1958, an opportunity to promote productivity by opening new doors for small entrepreneurs, and for liberating struggling small concerns from the frustrations of their continuing financial dilemmas. SBA had the responsibility and the authority to close the capital gap.

Not only was opportunity lost, but the history of the program to date gives evidence of a little known, but very real national tragedy. In the last 16 years the SBIC program has been beset with alternating periods of underregulation, overregulation, and inept regulation. On only two occasions during this period of time has any gleam of hope come from SBA. In the middle to late sixties when over half the SBIC's—hundreds of SBIC's—had to close their doors, a major effort to clean up the program put it back on the right track. Later, in the early seventies, innovative proposals to streamline the regulatory pattern and secure new sources of financing from the public markets prompted predictions that the program was again moving to meet its mandate. But, shortly following these high points, the direction of the program turned inward, was recaptured by a bureaucracy with no enlightened courageous leadership, and no willingness to administratively assume the responsibility that would relieve staff of its fear of their personal responsibility for innovations.

In short, the SBA has and is failing to meet its obligations to this Nation. Not only is that agency not providing the leadership that should include proposing enlightened changes to keep up with the dynamic, dramatic changes in this complex economy, but it is gradually choking those few SBIC's who are in the marketplace struggling to shore up the expectations of the Congress and the public.

A great opportunity was there, but its administration has fallen far short of the challenge. Now is the time to take advantage of this SBIC program to help the Nation in this current economic crisis.

Today, with over $400 million of private funds, industry has only used one of its three potential dollars in leveraging. Therefore, the program today can bring meaningful relief to the troubled entrepreneur. Through proper oversight and dynamic administration, the program could provide up to $800 million from available funds today. This would bring some rationality and reality to the prayerful expectations of the small businessman and provide a significant impetus to the economy. The funds thus far placed in the hands of the SBIC's is insignificant as a needed economic stimulant. The total SBIC industry volume of dollar investment in all small business entities thus far served, is actually less than the investment in business enterprise of a single medium-sized regional bank. More than half of the SBICs licensed since the inception of the program have either gone out, or have been put out, of business. Many of those that remain are for sale at a fraction of book value. The few which are successful generally must take very high risks at relatively low interest rates.

The tragedy is that a great opportunity has not been realized. Something must be done to make this program produce the great benefits that are so obviously within its capability. This need is especially acute in these troubled times.

There is almost no public market for new issues of term debt and equity securities today. Therefore, one of the contemplated bases for an SBIC's viability and profitability no longer exists. The "big winner" is no longer a realistic dream for an SBIC—it cannot be sold. Capital gains which, in the past could be projected on a price earnings ratio basis are meaningful only in theory—they cannot be realized in today's market. These changes in market conditions are not the fault of the SBA. But the SBA is at fault for not keeping up with the times. Commonsense dictates that new rewards for SBIC's must be structured. SBA must step up to the line and at least share the risk with these venture capitalists. The conventional wisdom that previously focused on the ability to capitalize earnings and realize a "super money" profit is, at least for the time being, a thing of the past. Why doesn't the SBA propose a discount window arrangement for SBIC's—an arrangement that would give SBIC's the ability to put highly successful investments back to the Federal Government? And why is it not proposed that such investments be packaged and sold through a market organized within the industry, itself, and/or with Government support in the public market? Why should the SBIC be given less support through Government guarantee than the banks are provided? The SBIC risk is greater and the SBA takes a senior debt position to the investor who is providing the ingenuity, the staff, the equity capital and the supervision. Until SBA takes an equal risk to those who are putting up all the effort and equitable capital, the program will never reach the volume required to help the country's economy.

It is not my intention to have the foregoing rhetoric construed as the laying of a foundation for my being proclaimed an expert in the SBIC business. I only know that the program is potentially magnificent and presently fraught with fear and negative direction at the career staff level. It is quite possible that some of my remarks are oversimplified and, consequently, to some degree unfair to the SBA. I am sure that there are exceptions to the sometimes sweeping generalities I have made. But I am disturbed by the negative comments I get from the financial and legal communities, the treatment of a constituent SBIC, the criticism I hear from my colleagues that the pathetic performance of the industry that is apparent from the volume and quality of activity that exists in the program. Sixty million dollars less funds have been placed this year than last even though Congress provided the legislation necessary for the capital bank and additional funding.

There are certain areas in the SBIC regulatory complex that I think deserve careful investigation. I have reason to believe that certain licensees are treated in an arbitrary and capricious manner. I believe it can be shown that SBA permits "regulatory" activity that does not preclude discrimination against certain licensed program participants and favoritism to others, and allows judgments to be made by unqualified staff. If my information is correct and my fears prove true, this irrational classification of SBIC licensees by personality of management, political belief or by racial background is not only totally inconsistent with the kind of regulatory pattern we have a right to expect in this country, but is in violation of the Constitution of the United States. And, needless to say, such a system is hardly in keeping with the health and viability of the industry and does explain the drop in activity in SBIC funding at a time when the need is greatest and the supply of funds available. It will help me give SBA the answer to their recent admission that they do not know why the SBIC's are not placing all of the dollars available to them into the hands of the critically capital-short small business enterprises. Accordingly, I have proposed interrogatories to the Honorable Thomas S. Kleppe, Administrator of the Small Business Administration, under a privileged resolution which is in the form of House Resolution 1473, in order that we begin to repair, restructure and reinvigorate a great and dynamic program that can take enormous steps forward to fight our "Public Enemy No. 1" by greatly enhancing this Nation's real productivity.

PROPOSING THE ESTABLISHMENT OF A BICENTENNIAL COMMISSION TO CONSIDER THE CHANGES TO OUR CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. GUDE) is recognized for 20 minutes.

Mr. GUDE. Mr. Speaker, I rise this afternoon to propose the establishment of a Bicentennial Commission to consider the many changes to our Constitution which have been introduced in the Congress during the past decade. I do this mindful that our Constitution has served us well; that it has provided the framework in which our country has grown to greatness. But accelerating change and pressures of a 20th-century world—factors undreamed of in the less complex society of two centuries ago—strongly compel us to maintain our basic law in a form which will continue to preserve and protect the democratic principles of our system of government.

Since 1776, America has grown from a rural society of a few million souls to a complex industrial and urban one of over two hundred million. Most of the early population was farm-oriented. Today, just a few more persons than our original population are working the farms that feed us all, and most of us are in urban areas and in industry or services. Tremendous economic growth and social change on the domestic scene have paralleled a growth to a world position where advances in communication, transportation, and military technology make awesome the role of the United States as a major contributor to world peace and freedom. Thus, we have moved from a weak nation barely able to maintain its independence in an era of gunpowder to leadership in a nuclear age.

The challenges and changes of the last four decades have led to an increasing number of questions from all sectors of our Nation concerning the ability of Congress, the President, and the courts to meet the responsibility of Government in the 1970's. The executive branch has grown tremendously in power and size and Members of the House now each represent, not 30,000, but one-half million people. Of particular urgent concern is the problem of openness in Government, as manifested by the Watergate blight; this has led to a myriad of open meeting or "sunshine" proposals, financial disclosure initiatives, and requirement for limitations on as well as public recording of campaign financing.

But the increase in executive power coupled with erosion of legislative strength are the prime contributors of governmental inadequacy. And Congress has passed bills in this area: We have restricted the President's power to impound funds and conduct wars. Additionally our changes in the rules of the House providing for more record votes and moves by both the Republican and Democratic Parties to moderate the seniority system are bound to have an impact as to the relative strength of Congress within our political system. But are more changes of a more profound nature necessary to keep the Constitution adequate to the task of maintaining a strong democracy, a democracy which can deal with modern world problems? In the last decade, Members of Congress have introduced hundreds of proposals to amend the Constitution. More than half of these amendments are directed to the task of modifying the institutional and structural framework of the American Government.

One category of these constitutional amendments proposes to make government more representative of and attuned to the needs of the people. Examples of amendments of this type are the direct popular election of the President and Vice President and the abolition of the electoral college. Another proposal has evolved from recent events—before the ink was hardly dry on the 25th amendment it was invoked with the result that we have a President in power who was not elected by all the people. This has resulted in a strong cry to send constitutional mechanics back to the drawing boards to provide a repeal which would guarantee that Presidential successors between terms will be popularly elected. It shows the need for diligent care in drafting amendments to our fundamental law.

Other proposals would change the candidate selection method—not only Presidential but congressional—to State and national primaries.

Still others would provide for the popular election of supreme court justices or their reconfirmation, while others would reduce age requirements for President and Members of the Congress.

A second category of constitutional amendments seeks to strengthen governments ability to cope with todays problems. One extends the term of a representative to 3 years another to 4 while other amendments even set attendance standards with some providing for mandatory retirement age such at 70.

But as in the case of procedural rules and statutory proposals the greatest area of concern has been to reassert the balance of power among the three branches. Proposals introduced in the House and Senate include enlarging the procedures for removal of Presidents, Congressmen, and judges from office; providing a congressional veto of supreme court decisions; congressional reconfirmation of judges; and limiting deficit spending by the Congress. Interest in features of the the parliamentary system, a favorite area of discussion for students of comparative government, has sparked several interesting amendments such as a congressional vote of confidence in the President.

Because of these and many other far-reaching proposals, I am proposing a bill which would establish a Bicentennial Constitutional Commission to study and examine the structures and institutions of our Government and to consider and propose changes where approriate and necessary. The Commission would focus particularly on those constitutional amendments proposed in the Congress over the last decade when challenges to our Government have been most acute. Proposals by constitutional scholars and lawyers and other interested persons would also be examined. The expertise of the Commission would suit it for the task of considering and studying the structure of the American governmental systems—issues or policy amendments such as prayer in public schools or busing should not be considered. These are issues which should be considered by Congress itself or special ad hoc groups.

The Commission provided by my bill would be bipartisan and would be composed of Senators, Representatives, and other persons who are specially qualified because of their education, training, or experience. It would be appointed by the President and would report its findings and recommendations to the President and Congress no later than July of 1976.

In almost two centuries since it was written, our Constitution has been amended only 26 times—a tribute to the wisdom and foresight of our founding fathers. Accelerating change, and the pressures of our 20th-century world strongly encourage us to be sure that we maintain our basic governmental framework in a form that promotes quick action, good decisionmaking, and democratic responsiveness. A Bicentennial Constitutional Commission, I am sure, will find the Constitution in fine shape for something that was written so many years ago in such different times.

The proposed commission thus may recommend no changes—or it may recommend several. These recommendations may only include changes which the Congress can enact through legislation or the commission may recommend amending the structures and institutions of our Government embodied in our Constitution. In any event, I am sure that our Founding Fathers would applaud our desire to have some of our finest minds of today review their document of yesterday. Indeed if they were serving here today, they might even demand it.

ADMINISTRATION ETHNICS SLURS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, Agriculture Secretary Earl Butz, in an unguarded moment, succeeded in simultaneously ridiculing the person of Pope Paul VI, millions of Roman Catholics throughout the world, and the sensitivity of many Italian Americans.

This is the second time in a very short period of time that high ranking Ford administration officials have openly and with impunity engaged in ethnic slurs and the spreading of gross misinformation about two very large segments of the American population.

This type of disregard for the sensitivities of these groups in American society is but the most recent evidence of the depreciation of the values and contributions of these immigrant and religious groups together with their descendants to the American mosaic of cultures, races, religion and sex groups.

President Ford has called in these two officials and engaged in official wrist slapping. The result has been reluctant apologies which fail to undo the impression which this type of official bigotry gives to the American and international community. If President Ford chooses to merely publicly rebuke two bigots and take no further action, it shows that he has a shallow understanding of the forces which are prevalent in American life and which must be dealt with, not patronizingly, but in a realistic way.

The pettiness of Mr. Butz and the gross ignorance of General Brown are but verbalizations of cocktail chatter in which it is legitimate to tell ethnic jokes and render ethnic and religious slurs with impunity.

Pope Paul VI is a head of state, and leader of 600 million persons throughout the world. The concern of the Roman Catholic Church of which he is head is classic. The Roman Catholic Church has no apologies to make to anyone for its concern for the poor, hungry, undertrodden, and forgotten throughout the world for close to 2,000 years. Pope Paul's outspoken pleas for the value of life and the redistribution of wealth come from the very source of Christian charity and concern. To have Pope Paul's motives impugned by a titillating hearsay joke in a mock Italian dialect is offensive, obscene, vulgar, uncalled for, and downright childish. One wonders—either off or on—the record—would Secretary Butz have told a Russian joke about Secretary Brezhnev or a Chinese joke about Mao Tse Tung?

Italian Americans in the United States have been active in the building of this Nation and continue as a source of ferment and creativity in American society. Her sons and daughters and their descendants have fought in her wars, contributed to the industry, commerce, art, and cultural life of the United States, despite great odds and in the face of open prejudice and stereotyping. Italian Americans continue to take active roles in every facet of American life with dignity, honor, and a sense of loyalty unsurpassed by any group; however, Italian Americans particularly, and Catholics generally, have been ignored as a positive force in American life despite their constant witness to the basic beliefs of their democratic system.

Besides the recent bad example provided by the continued and increased permissiveness of ethnic and racial slander by leading Government officials—General Brown and now Secretary of Agriculture Butz—President Ford, by refusing to act decisively perpetuates and condones an escalated ethnic bias throughout the country. The President's bad example in refusing to seek the resignation of Mr. Butz, for example, further aggravates the climate in many Government agencies where ethnic jokes and slurs easily turn to ridicule which is reflected in outright bias toward ethnic groups by Federal officials.

For example, HEW's official or unofficial attitude toward the ethnic heritage studies program—title IX, Elementary and Secondary Education Act—is related to ethnic bias which deliberately attempted to sabotage efforts seeking endorsement and support of the Secretary of HEW for the program. As a matter of fact, the Secretary of HEW has never appointed an advisory council for this program which is required by law.

Other Government agencies—the Department of Commerce, OEO, HUD, the Community Relations Service—have also demonstrated the pervasiveness of ethnic bias by the attitude and scorn which individual departments or agencies reflect in discrimination toward ethnic groups or ethnic communities—discrimination which is reflected in denying program assistance to these groups because of ethnic bias.

It may now be time to review legislation and Federal Executive orders in the whole area of ethnic bias and discrimination because these guidelines, including those in the Department of Labor, have been ineffective and really are not taken seriously.

At the same time, the bad example of leading Government officials and the President's relative indifference to ethnic bias has its effect in the private sector. A recent study, published in Fra Noi, a leading Italian American newspaper published in Chicago, of discrimination in the executive suites of Chicago's largest corporations, shows we as a nation have to be more sensitive to the continued bias against ethnics in the corporate and business world. Perhaps it is time for a national study, commissioned by the Government, to show once and for all the serious nature of ethnic bias which is covered over by our melting-pot mentality.

Perhaps it is also an appropriate time to look at the record of other public and private institutions, particularly foundations. It would be important to know the ethnic board membership, staff appointments, and grants made by the foundation industry.

In the final analysis, our Nation must learn to what extent the American society will be free from bias and truly reflect the ethnic and racial pluralism of the American population.

TO BREAK THE HOUSING DEPRESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, I am today introducing H.R. 17553, a bill designed to compensate for the effects of stringent monetary policies on the homebuilding industry and on the people who buy homes. These policies simply raise interest rates to a point where a significant number of American families cannot afford to purchase a home. High-interest periods occur in cycles. The cumulative effect of these cycles is to make it impossible to meet the long-range housing goals of building enough homes to achieve a housing stock adequate to serve the needs of new household formations and to replace housing units which are lost, for one reason or another, from the housing inventory.

The fact that the current period is the most devastating yet attests to our failure to do the basic restructuring of our financial system necessary to resolve this problem on a more or less permanent basis. We ought to redouble our efforts to find permanent solutions.

But, until we do, temporary "emergency" measures are in order. These short-term actions ought to accomplish what we want them to as efficiently as possible. What we want to accomplish is to increase housing starts and purchases substantially. The administration has taken a number of steps over the past year to accomplish this objective. But it has made meager progress in stimulating housing starts because it lacked the boldness to confront high interest rates head on.

H.R. 17533 can stimulate the construction of up to 1 million homes over the next year. It can do this by lowering interest costs sufficiently—from the present 9½ or 10 percent to 6 percent—to generate a substantial market demand for new housing among middle-income families.

This is a short-term program which would terminate 2 years after enactment. It has innovative features which will help accomplish its objectives at a minimum cost to the Federal Government.

First, the subsidy to any family lasts for a relatively short period of time—not longer than 4 years. This short-term subsidy will be sufficient to enable numerous families whose real incomes are expected to rise to purchase homes now rather than deferring their purchase. I hope, too, that we are witnessing the zenith of high interest rates and that mortgages can be refinanced in the future at lower rates.

Another efficiency-minded provision of the bill is one requiring a preference to be given to high-density developments, such as row or clustered homes or condominium or cooperative projects. High-density development can cut land and fuel costs substantially, and for this reason has been heralded as the wave of the future by two recent studies—the HUD–CEQ–EPA financed study "The Costs of Sprawl," and the Federal Energy Administration's "Project Independence Report."

H.R. 17533 is designed to assist families generally in the $10,000 to $16,000 bracket, the forgotten, hard-working Americans who need a minimum of help to make a go of it. Homes could be financed either through FHA or VA programs, or with conventional mortgages. The program would be limited to economically priced homes, those with appraised values not in excess of $38,000, and to families with incomes not over 120 percent of the median income for the area.

The average cost per family should be about $650 a year. During the fourth year, the subsidy would be halved, preparatory to its complete elimination after the fourth year. At least 80 percent of the units would be new or substantially rehabilitated homes. The new construction to be stimulated by this program will significantly reduce the real spending impact, because the multiplier tax effects of new building activity will result in higher Federal tax revenues.

The text of H.R. 17533 follows:

H.R. 17553

A bill to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Middle Income Housing Act of 1974".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) many families of middle income cannot afford to purchase homes at present prices and high interest rates;

(2) the decline in the home purchasing power of middle income families has contributed to the severe economic recession of the building industry and those industries dependent upon the building industry;

(3) the sharp decline in housing starts jeopardizes the attainment of an adequate housing stock in the years ahead; and

(4) the accessibility of homeownership to middle income persons is further aggravated by the high costs of land and fuel associated with low-density development.

(b) It is the purpose of this Act to reduce high mortgage interest costs to middle income families during the current emergency period and to encourage land and energy conservation, where appropriate, to reduce further the costs of homeownership.

TEMPORARY HOMEOWNERSHIP ASSISTANCE

SEC. 3. (a) The Secretary of Housing and Urban Development (hereinafter referred to as "the Secretary") is authorized to make, and to contract to make, periodic assistance payments on behalf of families of middle income to assist such families in acquiring homeownership during periods of high interest rates.

(b)(1) The assistance payment shall not exceed the difference between the amount of principal and interest due under a mortgage, and the amount of principal and interest due if the mortgage were to bear interest at the rate of 6 per centum per annum.

(2) Assistance payments may be made up to the full amount authorized under paragraph (1) for the first three years during which a family occupies a dwelling unit and up to one-half of such amount during the fourth year. No assistance payments shall be made after the fourth year.

(3) No assistance payments under this section shall be made after two years following the date of enactment of this Act, except pursuant to contracts entered into on or before such expiration date.

(c) Assistance payments may be made with respect to single-family units, one-family units in a condominium project, or units in a cooperative housing project, but no such unit shall have an appraised value in excess of $38,000 at the time of its purchase, as determined by the Secretary. Not less than 80 per centum of the units assisted shall be newly constructed or substantially rehabilitated units, as determined by the

Secretary. Assistance payments on behalf of an occupant of a cooperative housing project shall be in amounts computed on the basis of the formula set forth in subsection (b) applying the cooperative member's proportionate share of the obligations under the project mortgage to the items specified in the formula.

(d) In making financial assistance available under this Act, the Secretary shall accord a preference to such dwelling units as he determines will contribute to the conservation of land and energy resources because of their location in clusters or projects or otherwise.

(e) As used in this Act, the term "families of middle income" means those families whose incomes do not exceed 120 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller or larger families, except that the Secretary may establish income ceilings higher or lower than 120 per centum of the median for the area on the basis of his findings that such variations are necessary because of prevailing levels of construction costs, unusually high or low family incomes, or other factors.

(f) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. The aggregate amount of contracts to make assistance payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed $650,000,000 per annum.

INCREASES IN WORLD FOOD PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, the World Food Conference in Rome made some progress on the long-range aim of solving the world food problem by establishing a World Food Council. But little was done to deal with the immediate problem of how to save 500 million people from threatened starvation next year.

I cosponsored legislation earlier this year urging the United States to substantially increase its pledge to world food programs. I am reintroducing another piece of legislation today, H.R. 17497, which I believe also speaks to the urgent need for immediate measures to prevent widespread starvation. This measure—which was introduced recently in the Senate by Senator DICK CLARK of Iowa—is aimed at easing the critical world food shortage by curbing the wasteful use of fertilizer for nonfood purposes.

About 15 percent of the fertilizer consumed today in the United States is used for such ornamental purposes as the improvement of suburban lawns, cemeteries, and golf courses. This is approximately 4 percent of total world fertilizer use. It is as much as the entire nation of India uses and more than is used yearly by most of the other less developed nations of the world.

There is currently a severe shortage of fertilizer throughout the world. Prices have skyrocketed and many farmers—especially in poor nations—have been unable to obtain fertilizer at any price. This has drastically reduced production throughout the world, exacerbating already short food supplies.

I believe that the American people would be willing to curtail their use of ornamental fertilizer—just as they turned down their thermostats last winter. But it is up to the Federal Government to set the example. This legislation requires the Federal Government to reduce its use of fertilizer for decorative purposes to not more than 10 percent of its average annual use for such purposes during the preceding 3 years. This would immediately free about 90,000 tons of fertilizer for agricultural use. Equally important, it would save the Federal Government approximately $13 million. Second, the measure directs the President to urge all State and local governments, businesses and private individuals to follow the Federal Government's example. Finally, it calls on the President to establish a commission to determine methods of increasing fertilizer production.

I think that this measure is a step in the right direction and I am hopeful that it will mark the beginning of a new sense of responsibility by the American Government and the American citizens towards the world's less fortunate people.

SECRET WAR IN CAMBODIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, last week, in response to charges made by a journalist in Southeast Asia, the Department of Defense admitted that American pilots in American planes have been flying photo reconnaissance missions over Cambodia and identifying "items of intelligence interest" for Cambodian bomber pilots. The Department of Defense contends that this does not violate congressional prohibitions on combat activities in Southeast Asia. They contend that selecting targets for bombers is not, strictly speaking, a combat activity.

Surely this is a curious example of governmental double-talk. Participating in the bombing of a foreign country can hardly fail to be a violation of the Case-Church amendment, which prohibits the use of American tax dollars "to finance directly or indirectly combat activities by U.S. military forces in or over or from off the shore of North Vietnam, South Vietnam, Laos, or Cambodia". I am sure that many of my colleagues agree with me that it is a violation of both the spirit and the letter of the Case-Church amendment as it is now embodied in law.

However, I think it might be a mistake at this point if we allowed ourselves to get involved in an argument over whether this particular activity—photo reconnaissance to pick out bombing targets—is a technical violation of the Case-Church amendment or possibly the War Powers Resolution. To spend too much time on this particular fact, as serious as it is, would be to lose sight of a whole disturbing pattern of war-like acts in, over, or from off the shore of Cambodia. And, from the evidence I have seen—and will place in the RECORD today—that is exactly what we are faced with today. The evidence, mostly from the reports of journalists who have been to Cambodia, paints what can only be described as a very alarming picture.

Because this is such a serious matter, let me be very plain: From the evidence that I have seen, it appears that the United States is involved, directly and indirectly, in fighting the war on Cambodian soil. Although the Government has endeavored to keep the extent of our involvement in Cambodia secret, the pattern is unmistakable. When you add it all up we are deeply involved, by proxy and in person, in another secret war.

Legal technicalities aside, what do we have to do before we can say we are involved in a war? Are we involved in a war if we send military advisors to assist one side in a civil war, pay all of that sides bills, fly photo reconnaissance for that side's bombers, train their troops and ship them supplies by water, and, in addition, provide overall political and military direction that side? Obviously it is and according to the evidence I have seen, that is exactly what the United States is doing today for the Lon Nol regime in Cambodia.

I need only add that during the current year the Army and Air Force will pay $1.8 million in combat pay to men serving in Cambodia. By law, combat pay can be given only to men in combat or in imminent danger of being fired upon.

As I have said, the evidence of these activities comes from reports in newspapers. Some of these accounts, particularly those about American advisors in Cambodia, have been consistently denied by the government. Others, such as charges that American pilots have been flying photo reconnaissance for Cambodian bombers, have eventually been admitted. However, whether the reports have been confirmed or denied, they merit our most careful consideration.

There is no question who has the better record over the last years, the press or the Government, for giving the truth. Certainly, in light of the Air Force's contention that they have a constitutional right to lie to Congress to protect secrecy of operations like this, the newspaper accounts deserve some answers.

Let me summarize the evidence:

First. There are U.S. military advisers in Cambodia. Over the past months there have been a number of newspaper articles describing such activities. An article by Tammie Arbuckle in the Washington Star-News tells how CIA-led commando teams in Cambodia engaged in sabotage, spying, and directing air and artillery strikes. An article by Elizabeth Becker in the Washington Post is about an American adviser named Ondecker, who, when he was observed, was ordering troops about in the town of Kampot, Cambodia. Of course the use of "advisers" is illegal under the Case-Church amendment.

Second. The United States finances the operation of the Lon Nol government in Cambodia, including the conduct of the war. This information comes from official Government records. In fiscal year 1974 the United States paid more than $700 million to the Lon Nol regime. Approximately 80 percent of this went for military purposes. In all, our contribution to the Lon Nol regime was at least 10 times as much as their total revenues.

Third. U.S. pilots perform aerial reconnaissance over Cambodia and help Cambodian bomber pilots pick out targets. The most recent news story about American photo-reconnaissance flights was in the Washington Post on November 26. The U.S. Government now admits to these flights, but says they constitute no violation of law.

Fourth. The United States is training Cambodian pilots. According to an article by Jack Foisie in the Los Angeles Times of Jan. 11, 1974, these activities are taking place at the Udorn Air Base in Thailand. Information about such activities in Thailand has been hard to get because our bases in Thailand have generally been off limits to outsiders, including newsmen. However, Mr. Foisie, who was permitted to make one of the rare visits to the Udorn Air Base, reports that while he was there officers told him that Americans were training Cambodian pilots at the base. The training, according to the Far Eastern Economic Review, is being done by the men of Detachment One of the Military Assistance Command in Thailand.

Fifth. U.S. pilots airdrop military supplies to Cambodian troops. U.S. Government spokesmen have admitted to Congress that the United States flies Cambodian troops by air,. but have said that these flights are carried out only in uncontested areas. Eyewitness accounts including a New York Times story of March 16, 1974, indicate that, in fact, some of the missions are flown to supply Cambodian troops that are under attack. The Times story describes how U.S. Air Force pilots, flying C–130 transport planes, parachuted ammunition to "beleaguered" government troops. There are numerous stories about U.S. supply missions over Cambodian rivers.

Sixth. Finally—and most importantly—U.S. officials are actually directing the war for the Lon Nol regime in Cambodia. This is verified by a report of the House Foreign Affairs Committee and several news accounts from Cambodia. According to the accounts, this advice, which extends not just to military operations but to all government operations, is made necessary by the ineptness by the Lon Nol government. It is this high level participation in the war that makes the pattern of our military activities there so unmistakable and so serious.

According to the reports, the war is being conducted with the advice and direction of John G. Dean, the U.S. Ambassador to Cambodia. The House report says,

> By his own admission—Mr. Dean—does not hesitate to give strategic military advice to Lon Nol or tactical advice to subordinate military commanders.

In an article in the Washington Post of June 6, 1974, Philip A. McCombs writes that:

> Ambassador Dean has already become a legend in Phnon Penh, scolding high government officials, demanding economic and political changes, and even ordering specific big military operations.

This evidence, from Government reports and the accounts of professional journalists, cannot be discounted. Certainly, it cannot be overlooked any longer. And if it can be disproved, then let the administration do it. I, for one, would be much happier to know that my Government is not involved in another covert war.

However, especially after the lies we have been told on the secret war in Laos, the U.S. bombing of Cambodia and the "destabilization" of Chile, to name a few, we should not take Government denials at face value. Now that this evidence of our involvement in the war in Cambodia has been presented, I believe the burden of proof is now on the administration.

For the benefit of my colleagues, I would like to place excerpts of the newspaper articles I have referred to in the RECORD:

[From the Washington Star-News, July 24, 1974]

UNITED STATES PUTS "ADVISERS" IN CAMBODIA

(By Tammy Arbuckle)

SVAY RIENG, CAMBODIA.—The United States has launched a program, staffed by American personnel in the Cambodian countryside, with para-military overtones and the potential for a U.S.-run private army on the Laos model.

The program has 10 Americans in it, stationed semi-permanently in province capitals such as Svay Rieng, Battambang, Kompong Cham, Kampot and others. The operation was launched two months ago, although the first group of five Americans arrived in Phnom Penh in April.

They moved into the countryside in early May and the second group of five followed a few weeks later. The ceiling of 200 American Embassy and related personnel was not exceeded as cuts were made in personnel in other departments to make room for the new program.

At least two of the Americans were engaged previously in the Laos paramilitary program.

The present program is supported by China Airlines, of which Air America, the private company used in the Laos operation, is a subsidiary. The pilots are in many cases the same men who flew in Laos, providing support for American-run teams in enemy-held areas. These Americans expect the same situation to evolve here in Cambodia.

China Airlines is opening a new office in downtown Phnom Penh. Americans in the field are supplied with radio equipment giving direct contact with U.S. Embassy in Phnom Penh and capable of contacting air support and local guerrilla teams. Cambodian military sources here say a U.S. official in Svay Rieng help with 14 three-man teams of "Black Commandos."

A U.S. official here receives and collates radioed information from the teams, and suggests places where the teams might operate. Each team leader has a Cambodian cover name, similar to the Laos operating system.

The teams, besides gather information, engage in reportedly successful raids—usually rocket attacks on trucks passing down Viet Cong supply routes 10 miles west and seven miles east of this three-street town, the only Cambodian government holdout in Cambodia's Parrots Beak area close South Vietnam's border. The teams also call in air and artillery fire on the Viet Cong supply routes.

The "Black Commandos" are mostly Cambodia border smugglers who know the area well. The teams were recruited by Cambodian Col. Mok Cheay and the United States only stepped in to develop them—a move reminiscent of the U.S. development of Laos village defense groups in 1965 which later became private army regiments with U.S. commanders.

The Americans use call signs such as "Kipper," "Anthill" and "Easter Bunny," and airstrips have site numbers because Air America pilots can't handle Cambodian names, a system that was used in Laos too.

There are Cambodian nationals in U.S. employ who handle communications and reporting in more dangerous areas under fire and coordinate local air strikes. These Cambodians correspond to Laos operational assistants. The Air America helicopters with U.S. officials do appear at hotspots and have come under fire, according U.S. and Cambodian sources who give specific dates, times and places. . . .

Meanwhile, a U.S. official in Svay Rieng conceded the enemy undoubtedly knew of the American presence in countryside and there was a possibility of grenade attack. They expressed surprise there had been no embassy statement of this U.S. presence.

"It can't be hidden. We stick out like a sore thumb," he said, noting he was the only American in this tiny Communist-surrounded town. U.S. Officials admit local air support has been expanded following new China Airlines contracts.

[From the Washington Post, Mar. 13, 1974]

AMERICAN ADVISES IN COMBAT

(By Elizabeth Becker)

KAMPOT, CAMBODIA.—During the dark hours of dawn the Cambodian insurgents were lobbing mortars around the government's command post at Kampot. Inside, U.S. Maj. Lawrence W. Ondecker was showing the Cambodian officers how to mount a counterattack.

"I want you to respond very quickly he said. "If even one mortar falls in your zone, you must answer back with fire immediately."

While the American major was poring over maps with the Cambodian staff officers, the Cambodian general officially in command of the post was writing in his diary, alone in an adjoining bunker.

The U.S. embassy in Phnom Penh has repeatedly denied reports that Americans are serving as military advisers in the field. Congress has passed a law that prohibits the U.S. mission here from direct involvement in the conduct of the war.

But the situation in this coastal town about 80 miles south of Phnom Penh is critical, and Maj. Ondecker was flown down Sunday. "He was loaned to us from the 3d Infantry Brigade," Lt. Col. Choey Yeun said. "He is attached to the 3d and normally works in the field with them, but he is needed here. I am surprised that you did not know him."

In the past month rebel troops have moved within one to four miles of Kampot, capturing the city's main water supply and the country's only cement factory. They regularly shell the town with 75-mm recoilless rifles and 81-mm. mortars.

Although government intelligence officers warned of an impending offensive as early as January, the Kampot garrison made no defense preparations. Over the past week the Cambodian high command sent reinforcements—and they sent Maj. Ondecker.

"Protect this area immediately," Maj. Ondecker said while the 31 rounds were falling in and around the city Monday morning. "Good, perfect," he said as a Cambodian officer pointed on the map after accepting the American's proposal.

The day before rebel gunners shot down one of the two helicopter gunships stationed here, and the second one was recalled to Phnom Penh. Maj. Ondecker arranged with the U.S. embassy on the morning of the attack that additional gunships would be sent to Kampot to support the infantry.

A member of the U.S. military attache's staff in Phnom Penh, Ondecker, is in Kampot officially to gather information. Chuck Bernard, known as Monsieur Jacques, is the other U.S. representative in town. He has approximately the same official duties as Ondecker except that his area is civilian matters.

"Monsieur Jacques works with me," said Ker Sophay, director of political warfare. "He writes propaganda tracts with me. We have published and distributed 6,000 pamphlets in the three weeks he has been here."

While junior Cambodian officers say Americans advise in the field around Phnom Penh, it has never been confirmed. In Kampot, however, it difficult to hide. Ondecker was in and out of the command post, openly recommending military maneuvers. Sometimes he prefaced his proposals with "I suggest and the general also suggests that you immediately fire in this direction."

U.S. AID TO CAMBODIA

[In millions of dollars]

Program	Fiscal year 1973 (actual	Fiscal year 1974 (estimate)
Military assistance [1]	141.1	169.1
Drawdown authority, sec. 506 DOD stocks	0	250.0
Total military	141.1	419.1
Indochina postwar reconstruction	68.0	95.0
Food for peace, Public Law 480	41.5	[2] 194.2
Total economic budgetary support	109.5	289.2
Grand total	250.6	708.3

[1] Includes supply operations and excess defense articles.

[2] In fiscal year 1974 $146,100,000 of Public Law 480 generated funds were used "common defense purposes." This makes a total of $565,200,000 in military aid for Cambodia.

[From the Washington Post, Nov. 22, 1974]

United States Said To Pick Out Targets for Cambodians

(By John Burgess)

Bangkok, Thailand, Nov. 21.—American military analysts are making recommendations on bombing targets in Communist-controlled areas of Cambodia to the military command in Phnom Penh, according to a well-placed U.S. military source.

The recommendations, based on aerial reconnaissance flights conducted several times daily by U.S. jets, are in apparent violation of the congressional ban of a direct U.S. military role in Cambodia.

[A congressional source in Washington said he thought the ban, which went into effect Aug. 15, 1973, definitely prohibited any advisory role for Americans such as recommending targets in the Cambodia fighting.]

The intelligence flights, about three sorties a day, are carried out by RF-4 Phantom jets belonging to the 432d Tactical Fighter Wing stationed at Udorn Air Base in northeastern Thailand.

About two weeks before the ban against a U.S. combat role went into effect, the Pentagon said that it understood it could continue "unarmed reconnaissance flights for the purpose of gathering intelligence."

In the period since a number of the RF-4 have returned from missions over Cambodia with minor battle damage, but none have been shot down, the source said.

Once the film is back at Udorn it is studied by American photoanalysts who identify targets, look for camouflaged positions and make recommendations for bombing strikes.

Their reports are passed on to the U.S. Support Activities Group, the Air Force headquarters complex at the Nakhon Phanom Air Base, also in the northeast. This unit forwards it to the Cambodian Air Force, presumably through the U.S. embassy in Phnom Penh.

[From the Washington Post, Nov. 26, 1974]

Army Says Data Given to Cambodia

A defense Department spokesman confirmed yesterday that intelligence on possible targets in Communist-controlled areas is passed to the Cambodian armed forces.

The practice does not violate the congressional ban on U.S. combat activities in Southeast Asia, he contended. A dispatch in The Washington Post last Friday quoted a U.S. military source in Bangkok as saying that American analysts were selecting targets from aerial reconnaissance data.

Photo interpreters "identify items of intelligence interest" and pass them to the Cambodians, the Pentagon spokesman said, with "the judgment of what should be done, if anything," left to Phnom Penh.

The congressional ban that took effect Aug. 15, 1973, prohibited use of American funds "to finance directly or indirectly combat activities by United States military forces in or over or from off the shore of North Vietnam, South Vietnam, Laos or Cambodia."

Intelligence flights over Cambodia are flown by RF-4 jets from Udorn Air Base in Thailand.

Some congressional authorities on the ban contend that it excludes any advisory role by Americans.

[From the Los Angeles Times, Jan. 11, 1974]

U.S. Airmen Still Draw Indochina Combat Pay

(By Jack Foisie)

Udorn Air Base, Thailand.—There still are U.S. airmen drawing combat pay for flights over embattled Indochina, even though all bombing by American warplanes ceased Aug. 15.

Confirming that aerial reconnaissance continues over South Vietnam, Cambodia and Laos, Brig. Gen. James R. Hildreth said two-man photo-recce crews still face the risk of hostile fire and so are entitled to added pay for extra-hazardous duty. They get $65 extra a month.

In another disclosure, officers here said a special American unit continues to train Lao and Cambodian pilots in planes usually bearing the markings of those nations. The civil war continues in Cambodia but the rival forces in Laos are under a ceasefire.

When American reporters asked to talk with members of this American unit they were told that it could not be done without the consent of the Thai government.

The unit, located in a closed-off corner of this air base, recently was made a separate command whose boss, Col. E. E. Johnson, reports directly to headquarters in Bangkok and Honolulu.

Although its role was defined only as "training and logistics," in past years three of its members were killed in action in unspecified areas of Indochina. Air Force spokesmen were unable to elaborate on the circumstances.

[From the Far Eastern Economic Review, Feb. 11, 1974]

Flying Into an Uncertain Past

(By David Jenkins)

Udorn: Among the 5,500 US Air Force personnel stationed at the huge Udorn air base in Northeast Thailand are a handful of Americans who are training Laotian and Cambodian pilots to fly T-28 fighter-bombers, the planes which form the backbone of those countries' air forces.

The men belong to an obscure unit which was, until recently, known as "Detachment One" of the US Air Force's 56th Special Operations Wing (SOW) at Nakhon Phanom but it has now been redesignated as Detachment One—"the training and logistics detachment"—of the Military Assistance Command, Thailand (MACTHAI).

And a certain amount of mystery surrounds "Det. One" and its operations in Thailand.

Newsmen who recently toured the sprawling Udorn air base saw at least 20 Det. One TZ28's tucked away in one wired-off compound on the base perimeter. Some of the planes carried Royal Lao Air Force markings some had Cambodian Air Force markings and some had no markings at all. Some of the planes were painted light grey, some were decked out in green and brown camouflage paint.

The visiting journalists, the first party of newsmen to visit the base in four years, saw a number of Americans in the Det. One section of the base but were not allowed to speak to any of them. However, the visitors were told something about Det. One by Brig.-Gen. James R. Hildreth, commander of the USAF's 13th ADVON (Advanced Echelon) and the man responsible for all USAF training and logistics in Thailand. Gen. Hildreth said that Det. One had been taken away from the 56th SOW at Nakhon Phanom and put under his control at Udorn to "streamline the command structure"; with the T-28s at Udorn and the 56th SOW at Nakhon Phanom it had been difficult to maintain efficient control.

Det. One trained Laotian pilots, Gen. Hildreth said. It also trained Laotian ground crews to maintain T-28s. That was all. Did it train any Cambodian airmen? Yes, said the general, there were a few but not so many now. Did it train anyone else? No, no one else, he said.

The T-28s belonged to different countries and that was why they carried different markings. The planes were involved purely in a training programme and never left Thai airspace and never dropped real bombs; even on the practice range they used dummy bombs.

It all seemed fairly straightforward. But later, as the newsmen were being shepherded into the officer's mess for lunch, they noticed an honour roll with the names of all the men from the Udorn base who have been posted as killed in action (KIA) or missing in action (MIA) in the years since the USAF came here in 1965. There were about 50 small brass plates on the roll, each one bearing the name, rank, unit and date of death of each man (or the date when a man was posted MIA). But the three most recent additions to the roll were men from Det. One and they were all listed as KIA and there were no dates given. (The fourth most recent name was that of a man who had been KIA in December 1972).

The obvious question was: how can a man be listed as KIA if he is only flying inside the boundaries of a friendly country on training missions? You have to be in a combat situation to warrant a KIA designation; a crash not caused by hostile action will not do and, so far as anyone knows, the Thai insurgents haven't yet taken to shooting down American training planes. It was all very curious and the Air Force public-relations men, who were getting more and more flustered as the day wore on, did not really come up with any answers. But they did seem to be making a mental note to take down all the honour rolls the next time the press visited Udorn.

And so the mystery of Det. One and its three KIA American instructors remains. Perhaps Det. One is just an innocent training and logistics detachment. But it does look as if this strange little unit that was taken from the 56th SOW—a unit which, observers say, has a reputation for doing "a lot of the spookie things"—was not always quite so innocent.

[From the New York Times, Mar. 16, 1974]

U.S. Airlift Help to Cambodia Port

Phnom Penh, Cambodia, March 15 (AP)—A United States C-130 transport parachuted ammunition to beleaguered Government troops in the seaport of Kampot while the troops opened a counter-offensive against insurgent positions, military sources said today.

The reports said that the transport, flying from Thailand, dropped three containers of ammunition into the town, accidentally killing one person on the ground. Although American air attacks are now forbidden in Indochina, United States military aircraft have parachuted ammunition before to isolated Cambodian towns and outposts as part of the military equipment delivery program.

The troops in Kampot, which is 85 miles southwest of Phnom Penh, attacked insurgent lines northwest and east of the town, military sources said. Sharp fighting was reported, but little headway.

[From the Boston Globe, June 6, 1974]

U.S. PLANES FLY SUPPLIES TO BESIEGED CAMBODIANS

(By Kim Willenson)

WASHINGTON.—Defense Secretary James R. Schlesinger said yesterday that US planes continue to fly about 690 supply missions a month to Cambodia, many of them in the form of airdrops to towns and villages surrounded by insurgent troops. He said there was "some risk" of US planes being shot down on these missions, "but we are taking precautions to keep it as low as possible."

Pentagon spokesmen said later that the figure of 690 missions quoted by Schlesinger applied to only one month, August 1973. They said including both airdrops and resupply flights that land at Phnom Penh's airfield the total has been averaging only about 425 per month this year.

Testifying before the House Foreign Affairs Committee on 1975 arms aid requests Schlesinger said the total budget on that account has more than doubled from the current level because of developments in both Indochina and the Midcast.

But Schlesinger maintained that military aid was actually quite a bargain for the United States because it made possible "regional stability in crucial areas of the world without the need for direct intervention by American forces."

He said the conflict in Southeast Asia has demonstrated the problems that can result from the direct involvement of American forces. Here is where security assistance has an indispensable role."

Schlesinger was asked by Rep. Clement Zablocki (D.-Wis.), whether South Vietnam would be seriously affected by major aid reductions.

[From the New York Times, Aug. 4, 1974]

U.S. ENVOY IN CAMBODIA SAID TO GIVE ARMS ADVICE

(By Bernard Gwertzman)

WASHINGTON, Aug. 3.—John G. Dean, the United States Ambassador in Cambodia, regularly gives military advice to President Lon Nol and other Cambodian officials despite Congressional injunctions, according to a report issued today by the House of Representatives Foreign Affairs Committee.

The report, which covered all of Indochina, noted that five separate acts of Congress prohibit the United States "from acting in a military advisory capacity in Cambodia."

But the study, prepared by two committee consultants, said that Mr. Dean, "by his own admission does not hesitate to give strategic military advice to Lon Nol or tactical advice to subordinate military commanders."

"It is his interpretation of existing laws that Congress did not mean to preclude 'advising' at the level at which he performs," the report said. It was prepared by John J. Brady and John H. Sullivan, who visited the area from April 15 to May 10.

The report said that, contrary to some press reports that American military personnel were actively advising Cambodian military units, "the staff survey team could find no evidence that Americans are acting as combat unit advisers."

Members of the defense attaché's office regularly go into the field to gather information the report continued, and while there their actions "or even their questions may have some impact on the actions of Cambodian field commanders."

"There is no indication, however, that this practice has been systematized or is being used by defense attaché office personnel with the intent of violating the law," it added.

"It is clear, however, that American officials have not hesitated to give the Cambodians advice on military matters ranging from command structure and training to management and logistics," it said.

[From the Washington Star-News, Oct. 24, 1974]

INDOCHINA WOES STILL LINGER

(By Henry S. Bradsher)

SAIGON.—The American attitude toward the problems of Indochina has changed far more among people in the United States than it has among U.S. diplomats and other American officials in this area. . . . Some show a flexible willingness to adjust to the new mood at home, the congressional limitations on the future U.S. role in the area, and such changed situations as the American-financed coalition government with the Communists in Laos. Others still follow the old hard-line concept of fighting the Communist conspiracy and putting that fight ahead of everything.

The question arises of whether the fight is sometimes placed ahead of honesty. The way an increasingly politicized U.S. embassy in Saigon has distorted the evidence of responsibility for military violations of the South Vietnam cease-fire has caused controversy, for instance.

The broader question is where true American interests lie. There is a noticeable difference in interpretation between some senior Americans here and the mood at home as reflected in congressional reductions of aid to the area.

Despite the congressional desire to disengage from Indochina, the U.S. embassies in Saigon, Phnom Penh and Vientiane are very heavily involved in helping to run the governments there.

This is particularly marked in Cambodia. The patent inability of the Lon Nol regime to manage its remnant part of the country efficiently or honestly has virtually forced an American encroachment on what would normally be national sovereignty. Americans remain important behind the scenes in South Vietnam, too, and provide the spark for the non-Communist side in the Lao coalition. . . .

When the United States became involved in Cambodia after the ouster of Prince Norodom Sihanouk in March 1970, it was to help defend the country against North Vietnamese attack. But the war has shifted into more of a civil conflict between Cambodians while Lon Nol's government has become weaker and in greater need of economic and military assistance.

In this situation the U.S. embassy has gradually been drawn into playing a more assertive role in trying to reduce inefficiency and corruption so that the regime could survive. The present ambassador, John Gunther Dean, has earned the mocking title of "governor-general" like the old days of French rule.

[From the Washington Post, June 6, 1974]

U.S. INTERESTS IN CAMBODIA IMPERILED BY STUDENT UNREST

(By Philip A. McCombs)

PHNOM PENH.—The student turnout in Phnom Penh imposes yet another burden on the shaky republican government of President Lon Nol, and necessarily affects the enormous commitment that the United States has made in Cambodia.

That commitment is to strongly back the Lon Nol government for the time being and ultimately to settle for nothing less than a coalition government that is not hostile to U.S. interests.

To these ends, the United States is now spending $1.75 million a day in military and economic aid to Cambodia—nearly $650 million this year. The new U.S. ambassador in Phnom Penh, John Gunther Dean, has in two months made it absolutely clear to Cambodians and foreigners alike in Phnom Penh that he is, in effect, running the country.

The government of Lon Nol and Prime Minister Long Boret make no major desions without consulting Dean. . . .

Ambassador Dean has already become a legend in Phnom Penh, scolding high government officials, demanding economic and political changes and even ordering specific military operations.

He is under instructions from U.S. Secretary of State Henry Kissinger to "keep a strong hand in" in the support of U.S. interests in Cambodia.

A strong hand means propping up the Lon Nol government so that it can survive and continue to fight off the insurgents until they can somehow be brought to the negotiating table.

OPPOSITION TO SAVINGS INTEREST TAX DEDUCTION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 5 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I am opposed to H.R. 16994, which would allow an income tax deduction of up to $500 a year on savings interest for each individual taxpayer, and I intend to vote against it. I am opposed to it, first of all, because I believe we should have a truly progressive tax system, in which each individual pays taxes in accord with his income, and the enactment of this bill would be a large step away from this goal.

It is common knowledge that a great many wealthy individuals do not pay their fair share of the tax, and, far from doing anything to correct this situation, this bill would most assist the few who are fortunate enough to be able to put $10,000 in the bank. To those who speak of this bill as one to assist the small saver, I would say it is obvious that the bill doles out aid to the small saver with a teaspoon, and to the wealthy with a ladle.

I, of course, am not at all unsympathetic to the major purpose of the bill, which is to increase the availability of home mortgage money in private lending institutions. But estimates are that this bill will provide only a possible one-time boost of $3.5 billion for new mortgages. Considering the fact that it will result in a $2 billion loss to the Treasury each year, at a time when the budget deficit is a major concern, and the blow it strikes to the concept of tax equity, I am certain we can produce a better bill to help the housing industry than this.

PROJECT TURNAROUND: U.S. INTERNATIONAL AIRLINES NEED HELP

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. DULSKI) is recognized for 5 minutes.

Mr. DULSKI. Mr. Speaker, this week the flight crew members of Pan American World Airways are sponsoring a conference of pilots, flight engineers, and other employees of the U.S. international airlines.

The 3-day meeting, dubbed "Project Turnaround," is being held at the Mayflower, and features speakers from industry and government who are addressing the various aspects of the airlines' crisis.

On previous occasions, I have called my colleagues' attention to this important issue and to the lack of action by the administration. Today I was privileged to speak to the participants of "Project Turnaround" on the subject of world air mail rates, and I would like to insert the text of my remarks.

REMARKS OF THADDEUS J. DULSKI

Mr. Chairman, members of the conference and guests. It is a pleasure to be here this morning to speak to you on world air mail rates. From recent statements I have heard and articles I have read on world air mail rates, I consider it a double honor that you have chosen me as an expert on the subject. As chairman of the House Post Office and Civil Service Committee, having met with postal officials and Universal Postal Union representatives from around the world, I have had a particular interest in the effects of current rates on our international carriers.

As you know, the Universal Postal Union is a multi-national postal group that meets in a Congress every five years. In the interim, certain standing committees and an international bureau located in Bern, Switzerland, continue the workings of the Union. The Universal Postal Union throughout the world forms a single postal territory, having uniform rules and regulations in the exchange of mail between countries. It sets uniform postage rates, surface transportation rates, sizes of letters and other mailable objects, and the rates for the settlement of air mail accounts between postal administrations. Most countries of the world are members and the membership varies around 150.

The last Postal Congress was held in Lausanne, Switzerland, in June of this year, celebrating its centennial. It is interesting to note, at this point, that one of the founders of the Universal Postal Union was Postmaster Montgomery Blair of the United States.

The part of the UPU machinery that we are dealing with today is the rate-making procedure for air transportation. It is a complicated one, usually taking some five years to arrive at a rate. It uses not only the facilities of the member countries, but also data from the International Civil Aviation Organization (ICAO), a government group, and the International Air Transport Association (IATA), a commercial group. Normally, when rates are established and approved by each Congress, they are based on the five-year period after approval. The Lausanne Congress in 1974, therefore, approved rates for the 1976–1981 period.

Until the 1969 Vienna Congress of the Universal Postal Union, rates for the settlement of air accounts between administrations was not set by any cost formula but was an agreed-to rate among members. Between the Vienna Congress in 1964 and the Congress of Tokyo in 1969, the various standing committees began to obtain cost data from both ICAO and IATA. From this date, they arrived at a rate which they considered equitable.

Between the Tokyo Congress in 1969 and the Lausanne Congress in 1974 the same procedure was used to arrive at an equitable rate. These rates are expressed in Postal Gold Francs per kilo per kilometer. Translated into our language the letter rate is $1.73 per ton/mile and for other classes 57.7 cents per ton/mile. All Congresses are signed by United States Postal officials and ratified by the Postmaster General and President of the United States.

These air rates are applied to the settlement of air accounts between postal administration . . . that is to say, if one country uses the air services of another country then it will pay the UPU rates. The rates and distances between all points where air service is available is in the "List of Postal Distances" published by the International Bureau of the Universal Postal Union.

The rate set by the Civil Aeronautics Board for the carriage of U.S. mail by U.S. air carriers is the authority established by the Civil Aeronautics Act of 1938, which at that time included "service pay" and "subsidy pay." Historically the Board has always set mail rates based only on cost of the U.S. air carriers. Recently the Board said that under section 406 it has no other alternative. If you take the time to read section 406 (a) and (b), you can find no statement prohibiting other considerations. We must therefore, assume that bureaucratic precedence has won over progress.

Now let's review a few of the arguments for and against paying U.S. air carriers Universal Postal Union rates for the carriage of civil mail. The Postal Service, CAB, and Department of Transportation representatives have together or separately said the following:

1. The rate is a subsidy rate.
2. The rate is arrived at by using many short-haul carriers.
3. Most nations of the world do not pay their national air carriers the IPU rate for national mail.
4. The UPU transit rate has a provision to give transit countries monies to defray the cost of handling transit mails.

Some have said that the rate set for profit margin/return of investment is too high, therefore, it amounts to subsidy. However, this is a class rate applying to all carriers on a worldwide basis, set and approved by governments including our own. Any class rate such as a passenger fare or a cargo rate—or even the present CAB rate for the carriage of mail—is under cost for some carriers and above cost for others. The operating cost data submitted by IATA covered to a large extent only long haul carriers. The volume of mail carried by short-haul carriers was minimal.

Most countries of the world do pay their national carriers the Universal Postal Union rate for carriage of national mail.

The two major countries of the world that do not are Canada and Great Britain. Notwithstanding the Postal Services statements to the contrary, the fact is that the rates which Canada and Great Britain pay their national air carriers are substantially more than the present CAB rate of some 32 cents per ton/mile. Canada, in addition to having an all up service up to eight ounces, also forwards surface mail at rates almost equal to present cargo rates.

Now, to the last item of monies included in transit rates to pay the transit administration for handling the mail. The transit rate is an air transportation rate appearing in the Book of Postal Distances. Let's get to one basic fact that is overlooked . . . if we have passenger fares and cargo rates, set by international organization, that are uniform for all users of the service regardless of carrier or direction, then why can't we have the same condition applying to U.S. Mail carried by U.S. carriers vs foreign carriers?

Why does our Postal Service want to continue the practice of paying foreign air carriers the higher UPU rate and paying U.S. air carriers the lower CAB rate? Why do they oppose modernizing the present law?

The sole stated reason is one of economics. For the past 10 years the CAB has been reducing the international air transportation rate by U.S. air carriers, while the Postal Service has been increasing the postage rates to the public. Right now, the U.S. international airlines are subsidizing the United States Postal Service, by carrying U.S. mails at a lower cost than the Postal Service collects in postage to pay for this air service.

The United States Postal Services states that costs are increasing; however, what they do not tell you is that the regulation of the Universal Postal Union only allows them to collect the surface postage plus the actual cost of air transportation. If they were to pay UPU rates to American air carriers they would have to have postage rates comparable to other countries who pay their carriers UPU rates.

No one to my knowledge has asked such questions as: should our air carriers be paid the UPU rate? Is it a fair rate? Are the statements made by agencies of the government true or false?

Well, I think we are in agreement here about the fairness—and the need—for our country to join the rest of the world in paying our carriers a just rate. The question is how to see that it is done.

It has become obvious that the Administration is not going to take constructive action, as I recently pointed out on the House floor when I analyzed the Department of Transportation's so-called "Action Plan."

Therefore, Congress will have to mandate a course of action. H.R. 14266, the International Air Transportation Fair Competitive Practices Act, is scheduled for a hearing before the Rules Committee this morning.

Although the bill as reported did not include a firm UPU rate provision, an amendment will be offered if the rule permits. Congressman John Murphy has already appealed to House members for support of the amendment, and I believe that support is growing.

Our U.S. international air carriers need parity. They will have my support for legislation to assure it.

FOOD POLICY NEEDS SENSE OF DIRECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, one of the most perceptive writers in America today, Dr. Jean Mayer of the Boston Globe, whose outstanding work as a Harvard nutritionist earned her a position on the committee which prepared the basic document of the World Food Conference in Rome, has written an article deserving of our attention.

The article, entitled "Food Policy Needs Sense of Direction," which appeared in the November 26 edition of the Boston Globe provides great insight and a realistic appraisal of our massive food problem. Dr. Mayer lists the four major goals set by Agriculture Secretary Earl Butz, and then points out the problems in attempting to meet them. She states:

> Building up grain reserves and shipping large amounts of food abroad to aid the starving would raise prices to the U.S. consumers; if prices received by U.S. farmers were increased this again means we can't hold the line on food prices for the American buyer; and certainly, we cannot improve the balance of payments by shipping large amounts of grain abroad as gifts or for payments in non-convertible currencies. Yet, somehow we must fulfill all four of these objectives.

Mr. Speaker, as you know, I have introduced legislation which would enable the American consumers to produce $380 million worth of high quality fresh food at no cost to the consumer, and with only a $6 million cost to the Federal Government. The American public is paying high taxes to finance Government programs, and to date, those programs seem only to result in higher food costs at the marketplace. I think it is about time that this Government took a tiny fraction of the billions of dollars paid in taxes each year and provided the American people with at least one program which would help insulate them from the staggering food prices. This, of course, would go a long way in assisting the efforts toward an equitable food distribution system. A copy of Dr. Jean Mayer's article follows, and I urge that all of my colleagues take the time to read it thoroughly. I would also hope that my colleagues will keep my bill to authorize the Secretary of Agriculture to distribute free vegetable seeds to consumers for use in home gardens, H.R. 9468, well in mind, and will note its direct application to easing our food problems.

I ask permission, at this time, to also include an article by the renowned Washington Post gardener, Henry Mitchell. Mr. Mitchell often provides us with helpful little hints designed to cultivate the green thumbs that are hidden in the best of us. He has a plan, described below, that can save the urban dweller about $280 a year, and in these times of inflation we would do well to follow his wise advice. The articles follow:

THAT 15- BY 25-FOOT HEDGE AGAINST INFLATION

(By Henry Mitchell)

Vegetable gardens usually fail, if they fail at all, for several good reasons:

Not enough sun.

Indifferent soil preparation (DIG, man).

Overambition. Remember, you aren't a tractor.

Ignorance of plant requirements—planting peas in hot weather or cucumbers in chilly spring.

Lack of ruthlessness. The sweet little weeds and dear bunnies must go.

Now it is all very well for the city gardener to grow vegetables, even when the garden is small and the lust for roses is great.

I myself grew three crops of bush beans last summer, and do not mind reporting them superior to any beans I have ever encountered. One picks and mutters at Safeway and Giant; in the garden, one marvels.

Derek Fell, director of the National Garden Bureau at Gardenville, Pa., was telling me recently that the Russians have looked into old age and concluded the three most critical factors are eating lots of vegetables, getting regular moderate exercise, and maintaining a sweet disposition.

Gardening is the fount of all three blessings, Fell pointed out.

President Ford said we might all "plant vegetable gardens" as one of 12 ways to fight inflation.

Often, in Washington, you can acquire a nice little house with a bit of land behind it for $70,000. Here you may be able to plant today's version of a vegetable garden for four people (no corn, of course, nor okra nor artichokes) in 15 by 25 feet, and work and save $280.

Start now, digging the earth 18 inches deep. Do this in relatively dry weather, and leave the earth in great clods (have no fear, that's the way it will come up when you dig it) not trying to break them up at all.

The miracle of winter cold will work marvels on the clods, and in March you will see how nicely the earth crumbles when you dig it again and then rake it.

The attached sketch and tables show how much you can grow, of the various sorts of vegetable, how far apart the rows should be (it varies according to the vegetable), how much you may expect in yields and how much that is worth at current grocery-store prices.

If you do not like beets and have no intention of eating them, then obviously you leave them out and plant another row of spinach. Or, not to sound too much like a primer, you use the space for whatever it is you do like.

Tomatoes and brussels sprouts (it has been worked out) save you the most money if you grow them yourself.

Again and again I have seen it happen: Great enterprises fail for no better reason than that the gardener was not quite ready to plant when the time came.

Collect leaves now, grind them up and compost them, they will come in handy for mulching next summer. Or see if you can't find a source of cow manure during the winter and apply it to the resting land.

Thus, by forethought and a stitch in time, as it were, you will be all ready when the frost is out of the ground. You will never have time to plan, to think, to order, to prepare the land when spring comes and you go racing about to wallow in daffodils.

Now let's see. If you subtract $280 from $70,000—well, you want to reach a fine sturdy healthy old age, don't you?

Yields:	Savings
60 Cucumbers at 25¢ each	$15.00
100 lbs. Tomatoes at $1.00 for 3 lbs.	33.00
40 lbs. Zucchini at 39¢ per lb	15.60
40 lbs. Peppers at 39¢ per lb	15.60
24 heads Cabbage at 39¢ head	9.36
48 heads Lettuce at 49¢ head	23.52
25 lbs. Beans at 39¢ lb	9.75
48 lbs. Chard at 59¢ lb	28.32
36 lbs. Beets at 29¢ lb	10.44
36 lbs. Carrots at 29¢ lb	10.44
12 lbs. Spinach at 59¢ lb	7.08
24 bunches Radish at 29¢ bunch	6.96
48 bunches Parsley at 29¢ bunch	13.92
24 bunches Green Onions at 25¢ bunch	6.00
28 bunches Leeks at 59¢ bunch	16.52
24 heads Broccoli at 49¢ head	11.76
12 heads Cauliflower at 79¢ head	9.48
15 lbs. Peas at 39¢ lb	5.85
60 pts. Brussels Sprouts at 59¢ pt	35.40
Total	284.00

[From the Boston Globe, Nov. 28, 1974]

FOOD POLICY NEEDS SENSE OF DIRECTION

(By Jean Mayer)

Across the world, 500 million people face malnutrition and starvation. This cataclysmic food-gap brought representatives from 130 nations to Rome this month to seek answers to global hunger. Attending was The Globe columnist Dr. Jean Mayer, the Harvard nutritionist who was a member of the committee which prepared the basic document of the meeting. What did the World Food Conference achieve?

* * *

The Rome Conference has come and gone. Its meager results have dashed the hopes of those who were unaware of the lack of sound preparation, the deep division within our government, the total absence of leadership overseas and the need for so many governments to hide the failure of their development programs.

The United States has been the bulwark of the world against famine ever since the days of UNRRA in 1945. The hard work of our farmers, the ingenuity of our agricultural scientists and the generosity of our people have jointly been responsible for an outpouring of millions of tons of grain to relieve hunger in the Middle East, Asia, Africa and Latin America. Nor was there any doubt that we would again rise to the challenge if the need were convincing.

Alas! In a world confused and afraid of what the next few years may bring, our delegation sounded a very uncertain trumpet indeed. Our Secretary of State, Dr. Henry Kissinger, made a generous but vague appeal to all nations to band together to eliminate hunger and malnutrition within our generation, while Secretary of Agriculture Butz refused to commit us to any but the most restricted scope of action, thus losing leverage to put the necessary pressure on other nations to do their share.

Admittedly, Secretary Butz's task was not, and is not, easy. American food policy should have four aims:

1. To stimulate food production by American farmers and ensure them a fair return on their labor and investments.
2. To keep food prices reasonable for American consumers.
3. To help starving people overseas.
4. To help even our balance of payments.

There are built-in contradictions here, however: Building up grain reserves and shipping large amounts of food abroad to aid the starving would raise prices to US consumers; if prices received by US farmers are increased, this again means we can't hold the line on food prices for the American food buyer; and certainly, we cannot improve the balance of payments by shipping large amounts of grain abroad as gifts or for payments in non-convertible currencies. Yet, somehow we must fulfill all four of these objectives.

At this point, we are failing, at least partly, in all four objectives. Calves are slaughtered rather than sent to market because of the high cost of feed. Prices have moved up erratically because we do not hold reserves large enough to exert any stabilizing effect. At the same time, sudden price upsurges have done much to trigger inflation psychology. And we are pledging far less to help the hungry abroad than at any time since World War II—of the one million tons that we have pledged this year, 80 percent will be sent just to South Vietnam, Egypt and Israel.

The key to Secretary Butz's (and the nation's) failure to reach these goals is Butz's refusal to recognize that the only way to achieve results is through a change in the American pattern of food consumption.

We must decrease the amounts of cereals that are fed to animals to produce meat. At present, each American consumer directly and indirectly uses over 2000 pounds of cereals per year, 1800 pounds of which are converted to animal products. (By contrast, a reasonably well-fed but poor country will use 400 pounds of cereals per person per year, almost all of which is consumed directly as grain.)

A decrease of 10 percent in our meat consumption per year alone would yield enough grain to feed 60 million starving people. And a decrease in consumption of animal products, besides being good for our consciences, would be good for our heart and blood vessels—since meat is a major source of heart-threatening saturated fats in our diet—as well for our pocketbooks.

A less important contribution to increasing the availability of grain, but one which would, again, have a significant and favorable effect on the conscience, the health and the pocketbook of Americans would be to moderate our consumption of spirits—beer and "hard" liquor—all of which are made from grain.

It seems to me that it would be acceptable to the nation to recommend that we observe two meatless days a week (replacing meat by beans, peas and lentils, fish, cheese or eggs, which use up no grain or far less grain for their production) and that we reduce our home or social drinking to wine (produced from grapes, not grain) or cut down to a maximum of one daily grain-based drink—either beer or hard liquor.

Since we should ask Americans to consume less so that others may live, let us also put as much pressure as we can muster to have other nations play their part in this effort, too. The "new rich," oil-producing Arab nations have done almost nothing so far to help in the food crisis—which they precipitated by quadrupling the price of oil—thus putting fuel for irrigation and tractor machinery and petrochemical-derived fertilizers and herbicides out of the financial reach of poor nations.

I believe that we must stop treating the Russians with kid gloves and start putting pressure on them to cooperate more fully, in terms of reporting their grain reserves and crop forecasts (so as to make early warnings of crisis possible), in terms of moderating the swings in their grain buying, and in terms of participating in the world relief effort.

In the long run, as contrasted to the next few months or years, the solution to the world food crisis lies, not in food or money aid from the traditional donors (including the United States) or the new rich, oil-producing countries, but in increased food production and decreased population growth in the presently poor countries. This increase in food production must be helped by research and technical assistance from the developed countries and through investments from the "new rich". It must also be based on energetic efforts by the poor countries themselves.

THE HOLT AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, tomorrow a number of Members of the House will be seeking the support of the House to defeat the Holt rider to amendment No. 17 of the Supplemental Appropriations Conference Report, H.R. 16900.

In support of this position I would like to call to your attention a letter from Secretary of Health, Education, and Welfare, Caspar Weinberger, opposing the conference committee language of the Holt amendment.

The text of the letter follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
December 2, 1974.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor and Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Supplemental Appropriations bill for fiscal year 1975 (H.R. 16900) as reported out of the Conference Committee contains the following proviso relating to the classification and assignment of teachers and students for reasons of race, religion, sex, or national origin:

Provided further, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin.

Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

Although the Conference deleted language from the original Holt Amendment that would have prohibited the Department from requiring school systems to prepare or maintain "any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students," the prohibition relating to the classification of students and teachers was left intact. That provision would prohibit the Department from requiring grantees to collect and report certain statistical information relating to the treatment of minorities. Without such information the Department would be unable to make the key decisions as to where to direct our investigative resources under titles VI and IX. Nor would we be able to investigate the numerous complaints of discrimination against minorities and women without access to data classifying students and teachers.

In addition to those problems, however, the above proviso would prohibit the Department from compelling any school system, as a condition to the receipt of Federal funds, to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin". Although this language is somewhat ambiguous, in our view it would restrict the Department from enforcing the requirements of titles VI and IX in those cases where a reassignment of teachers or students might be necessary to eliminate discriminatory assignment practices.

This is a highly complex legal issue and one that is certain to be presented to the courts. If the courts give full effect to the proviso, the Department could not carry out its responsibilities under titles VI and IX. Doubtless there are various interpretations courts could adopt; but it might take two to three years to get a final interpretation. In the meantime we could not violate the Holt Amendment and therefore we would not be able to enforce titles VI and IX to the extent indicated.

Sincerely,

CASPAR WEINBERGER,
Secretary.

I would also like to call to your attention the text of the Dear Colleague that you will be receiving.

The text follows:

DECEMBER 2, 1974.

To Members, Resident Commissioner of Puerto Rico, and Delegates from the District of Columbia, Virgin Islands, and Guam,
U.S. House of Representatives,
Washington, D.C.

DEAR COLLEAGUE:

We the undersigned ask for your help in defeating Amendment No. 17 to the Supplemental Appropriations 1975 Conference Report to accompany H.R. 16900.

We are in full agreement that the funds for the Office of Education provided for in the Conference Report are sorely needed. However, we strenuously object to the language of the Holt Amendment which has been attached as a Rider to Amendment No. 17.

The language of the Rider will make it virtually impossible for the Department of Health, Education, and Welfare to implement Titles VI and IX.

In a recent letter to Senator Warren Magnuson Secretary Caspar Weinberger said the following:

"The Supplemental Appropriations bill for fiscal year 1975 (H.R. 16900) as reported out of the Conference Committee contains the following proviso relating to the classification and assignment of teachers and students for reasons of race, religion, sex, or national origin:

Provided further, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin.

"Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly Title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and Title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

"This is a highly complex legal issue and one that is certain to be presented to the courts. If the courts give full effect to the proviso, the Department could not carry out its responsibilities under Titles VI and IX. Doubtless there are various interpretations courts could adopt; but it might take two or three years to get a final interpretation. In the meantime we could not violate the Holt Amendment and therefore we would not be able to enforce titles VI and IX to the extent indicated."

Once the Amendment is defeated we shall submit an Amendment which will protect all of the funds contained in Amendment No. 17 but which shall delete the language of the Holt Amendment.

We urge your support in defeating Amendment No. 17 as it is presently written and we urge your vote for the Amendment we shall submit.

Sincerely,

Yvonne Brathwaite Burke, Cardiss Collins, Shirley Chisholm, Barbara Jordan, Bella S. Abzug, Margaret M. Heckler, Ella T. Grasso, Patricia Schroeder, John Conyers, Jr., Charles C. Diggs, Jr., Augustus F. Hawkins, Parren J. Mitchell, Charles B. Rangel, Andrew Young, Edward R. Roybal, Donald M. Fraser, Dave Obey, Phillip Burton, Benjamin S. Rosenthal, Lindy Boggs, Elizabeth Holtzman, Patsy T. Mink, William (Bill) Clay, Ronald V. Dellums, Walter E. Fauntroy, Ralph H. Metcalfe, Ronald N. C. Nix, Louis Stokes, Herman Badillo, James C. Corman, Chas H. Wilson, George E. Shipley, Henry B. Gonzalez, John Burton.

SUPPORT FOR VETERANS' BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, I was pleased to join with the overwhelming majority of my colleagues in voting today to override the Presidential veto of the veterans' education amendments, H.R. 12628. While I agree with Mr. Ford's sentiment that our Federal expenditures must be cut, I do not agree that this is the place to exercise that responsibility. Veterans under the GI bill have experienced an increase in their cost of living of over 22 percent since the last raise in benefits was enacted. This being the case, a 23 percent increase—just barely enough to allow them to catch up—is not an unreasonable request and it is certainly justifiable in the face of today's inflation.

The Government and the taxpayer will not be losing money or wasting it by enactment of this increase; rather, we are making a sound investment in our country's future. We did not hesitate to call upon these people to serve. We should not balk, therefore, at this expression of thanks.

WOMEN'S CLUBS LEAD CAMPAIGN TO MAKE CHARLESTON SAFER AT NIGHT

(Mr. SLACK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SLACK. Mr. Speaker, in the midst of our high level of concern about energy matters, it is encouraging to see how some citizens groups are planning and executing thoughtful campaigns to make their communities safer places to live and work in at night while conserving energy.

Over the past decade, the combined efforts of several women's clubs in my home city have resulted in Charleston, W. Va., developing into one of the safest and best lighted cities in America.

It is interesting to note that today some people think street lighting is the symbol of energy waste. In point of fact, quite the opposite is true. The city of Philadelphia recently installed new lights, increasing light levels on its streets 70 percent, while actually using 10 percent less energy. Salem, Oreg., did the same thing, increasing light levels 40 percent while reducing energy used by 42 percent. The Federal Energy Administration has urged communities not to turn their lights out, rather to upgrade their lighting systems as have Charleston, Philadelphia, and Salem.

Recently, two women's clubs in Charleston were awarded the first prize in a nationwide project to make towns and cities safer places at night. The efforts of the Women's Club of Charleston and the West Side Women's Club, and their respective junior departments, won the 550 club members the "First Lady Award" in the Brighten the Night project sponsored by the General Federation of Women's Clubs and coordinated by the Street and Highway Safety Lighting Bureau.

In 1966 a group of 500 women launched a determined effort to improve lighting throughout the city. They surveyed city blocks, gathered crime and accident figures, set up luncheons with city officials, were quoted and photographed in the newspapers, appeared on TV talk shows, regularly attended city council meetings, and made nearly 500 visits and calls to the mayor, police department, councilmen, the utility, the Governor, and anyone else who would listen to them.

The end results prove that determined citizens can change the cities they live in.

Charleston each night now turns on her 4,560—soon to be 5,468—street lights to thwart crime, accidents, and insure a feeling of security among her people. The era of incandescents is gone forever. They have been replaced by mercury vapor lamps and shortly the first high-pressure sodium street lights in the State.

Things, however, did not always sound or look so bright. Mrs. Mason Cloud, president of the Women's Club of Charleston said:

> In the early 60s we were kiddingly known as the worst lighted city in the U.S.
>
> Our members were afraid to go out at night and there was discussion of what we could do as a club. But what really prompted our project was the stabbing of a youth in 1966 after a night high school football game.

The community football field and the adjacent street had been the scene of some near riots and vandalism but that senseless murder spurred the citizens to action. The women's clubs conducted a phone survey and discovered that most of those interviewed felt the stabbing would not have taken place if the street leading to the field had been better lighted.

The women began their campaign on that street.

A call on the utility company was first on the list of actions. Mrs. Jay Henry who was community improvement committee chairman for the Charleston Women's Club at the time said:

> My husband is an engineer and he'd worked for the power company, so I knew we could get an appointment there.

It was not more than a meeting or two before the women realized Charleston had no planned city lighting. If a citizen wanted a light, he petitioned the city for it. The result was hodgepodge lighting, most of it not up to recommended safety standards.

Elmer Dodson, mayor at the time, remembers:

> Looking back, I'd say the women can claim much of the credit for Charleston's new lighting. The major thing they did was instigate discussion and get us thinking about an overall master plan for street lighting.

The battle, however, was far from being won. Experiencing typical bureaucratic shuffling from office to office, the women kept their project visible by attending city council meetings and talking loudly to the newspapers. They initially allocated $200 of club moneys to finance letters, speakers, special meetings, and a free luncheon to which presidents of all civic organizations were invited along with utility and public officials.

A new lighting contract was approved with the stipulation for upgrading the city's existing 3,500 lights. The city lighting budget was increased to $111,054 in 1968.

Business streets were upgraded to 21,000 lumen mercury vapors and additional lights were installed.

As one block was lighted or improved, the women patted themselves on the back and went back to City Hall to inquire which area was next and when would the improvements begin.

After complaining bitterly for years about the dangerous nighttime conditions on a city expressway, work was begun early in 1974 to not only install 294 lights with 21,000 lumens, but also to pave the shoulders and update signs.

Mrs. Henry said:

> I never felt the city officials wanted us to disappear. We felt it was important to show them that the public was interested and we knew they were interested in our votes.

To the city officials, cooperating with the women was more than just vote gathering. With the downtown relighted, seven patrolmen were removed from downtown streets thus saving the city $35,000. Accident figures declined. Crime next to the football field fell drastically.

To understand the scope of these improvements, one has to realize that in 1967 the city police chief publicly advised citizens not to walk alone at night in downtown Charleston. In the 6 months prior to his announcement there had been 88 muggings and robberies downtown.

Charleston is a much safer city today, but as more lights go in and old lights are updated, there has been a correlating drop in crime figures. For 1973, for instance, total offenses were down by 9 percent, while there was an increase of 165 lights. Felonious assault dropped 70 percent and auto theft decreased 13 percent.

"Unfortunately sometimes someone's life has to be taken before action is taken," said Mrs. Carl Perkins, community improvement chairman for the Charleston West Side Club.

Also, unfortunately sometimes city officials do not put their full faith behind women's clubs.

"There is a tendency to rely on the same sources for advice and discard the others, including women's clubs," said former Mayor Elmer Dodson. "But this is wrong. Their image is changing and they are a viable force." The resistance on the part of city officials does not usually disappear until the women's clubs prove themselves. They have to keep pushing for what they believe.

"We realize we still have a hit and miss plan for the city's lighting," said Tom Boyd, traffic engineer, "but we are planning for the future. After we finish the major thoroughfares, I want to study putting in an additional 2,000 residential lights."

At city hall the word is that the 1975 lighting budget can be expected to go over 1974's $170,000. "From our accident and crime figures, it is obvious what areas should be improved next," said Mayor John Hutchinson. "What we need to do now is put high pressure sodium on our streets the way they have done in Washintgon, D.C., and other cities."

High pressure sodium is already being used by the State Highway Department at an Interstate Highway junction. "This is the beginning of the lighting for the interstate that will be coming through Charleston," said William Wilshire, assistant director, Traffic Engineering Division. High mast lights will be used at interchanges with high pressure sodium lights at 40 foot heights in between.

"It may take us another 8 years to get this entire city lighted to recommend standards, but we will keep fighting," said Mrs. Karl Shanholtzer, president of the Charleston West Side Women's Club. "Never underestimate the power of women."

ON BIGOTRY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, while Secretary of Agriculture Earl Butz has apologized for his coarse and ill-considered ethnic joke, and while Gen. George Brown similarly has apologized for the effects of his repetition of an anti-Semitic canard, the underlying issue is still with us. Simply stated, are there high Government officials whose orientation is such that their racial and religious prejudices overwhelm them and affect their judgments? I speak now not of their personal judgments but the decisions they are authorized to make on behalf of the American people.

Let me say at the outset that anyone who believes there is a substantial number of American citizens wholly without race or religious prejudice is naive. We all have prejudices, perhaps as a result of our education or lack thereof, because of family influences or because of the very nature of our competitive pluralistic society. But the question is, can we control these feelings? And can we restrain by statute our actions in those areas?

Martin Luther King, Jr., told his fellow countrymen that they did not have to love him—they merely had to respect him. That respect of one's rights can and must be the subject of legislative control. We have fair housing laws, fair employment laws, and fair public accommodations laws. While on the Federal level this legislation dates back to 1965 we still have not been able to deal adequately with the personal prejudices of our public officials as they affect their official duties.

Someone once suggested to me that just as the Armed Forces hold sensitivity seminars for its officers and enlisted men, there dealing primarily with prejudices relating to color, similar seminars should be held for the highest officials in the country on an even broader range. At the time I thought the idea absurd, but the statements of Secretary Butz and General Brown no longer make the suggestion so bizarre. The President should definitely consider such a program for our high-ranking officials.

Mr. Speaker, I want to make it clear that I do not believe that ethnic jokes are unacceptable but there is a vast difference between an entertaining anecdote and an ethnic slur. Ethnic humor can be very funny if done in good taste and not at the expense of someone else's religious or cultural heritage. If not, however, and when the offenders are persons of the stature of Secretary Butz and General Brown, then such offensive ridicule and scorn is even more appalling. While the two officials have apologized, Mr. Speaker, the incidents are not closed. They leave a permanent scar. Our quest must be to lessen their recurrence—hopefully not needed with these two gentlemen who have acknowledged error, but with their peers.

HARDSHIP IN THE HOMEBUILDING INDUSTRY

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, as we all know, current economic conditions have created a real hardship for the homebuilding industry. Housing starts are down significantly from last year, and many builders have been forced to either lay off substantial numbers of workers or go out of business altogether.

In large part this decline has been caused by the tight money and credit policies being pursued by the Federal Reserve Board. While such policies may have their place in economic policy, no one would deny that they have hit builders and related industries harder than other sectors of the economy. Savings and loans and other thrift institutions have experienced substantial disintermediation which has seriously restricted the amount of money available for construction and home mortgage loans.

Congress reacted to this problem several months ago by passing the Brooke-Cranston bill, the Emergency Home Purchase Assistance Act of 1974, and the President agreed to put $3 billion into the depressed housing industry through the act. Unfortunately we are now learning that Department of Housing and Urban Development regulations have effectively crippled the program by adding 6½ points to the interest rate in violation of congressional intent. Aside from the obvious economic consequences of this regulation and its inflationary impact, it creates a particular hardship in Maryland, as State law prohibits the charging of points on conventional mortgage loans. Thus this program will be of little value to the entire State.

Clearly, still more needs to be done to provide assistance to the housing industry, and I am today introducing legislation which will deal with the homebuilding crisis through the creation of a new program of revolving mortgage purchases within the Federal Home Loan Mortgage Corporation.

This program has two purposes: First, it will add needed liquidity to savings and loan associations and other thrift institutions hard pressed by extensive disintermediation during the current economic crisis; and second, it will provide needed new funds for mortgages and construction loans.

Since mortgage loans are long term, most thrift institutions currently are carrying in their portfolios loans made several years ago at substantially lower interest rates, usually between 5 and 6 percent. One institution in the District of Columbia estimates that it has approximately 220 loans worth $6,000,000 at rates of 5.75 percent or less. In times of tight money these loans add a significant restraint to the ability of thrift institutions to meet new mortgage and housing construction demands.

My bill provides an opportunity for thrift institutions to sell these older mortgages to the Government—Federal Home Loan Mortgage Corporation—temporarily, thereby releasing new funds for new mortgages. Later when monetary conditions have eased, the FHLMC would sell the mortgages back to the institutions. This revolving feature of the program will ease the burden on the Government by insuring a fairly rapid payoff on a relatively low-yielding portfolio, while at the same time providing new funds for lending when they are most needed. Further costs to the Government will be reduced by a provision which requires that servicing of the mortgages be done by the seller—the thrift institution—and that the seller buy back any loans which go into arrears, or reimburse the Government for any losses due to foreclosure. The revolving plan spreads the repurchases over a 5-year period beginning 5 years after the Government purchased the mortgages, meaning that only after 10 years had elapsed would the mortgages have gone full circle, unless, of course, the thrift institution chose to repurchase earlier. This procedure limits the repayment burden an institution will have at any one time.

The bill further imposes a series of limitations to insure that no single institution receives more than its fair share of the funds available for the program, and that the new funds do in fact go to housing loans and not for other inflationary purposes. In addition, a ceiling will be imposed on each new loan to insure that the new money is not used primarily for high-priced homes.

I would like to insert at this point in the RECORD, the text of the bill.

A bill to amend the Federal Home Loan Mortgage Corporation Act to establish a new secondary market program under which the Federal Home Loan Mortgage Corporation may provide needed liquidity for the savings and loan industry by purchasing older seasoned home mortgages from savings and loan associations and other financial institutions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 305 of the Federal Home Loan Mortgage Corporation Act is amended by redesignating subsection (b) as paragraph (4) of subsection (a), by striking out "this section" in the matter so redesignated and inserting in lieu thereof "this subsection", and by adding at the end thereof the following new subsection:

"(b) (1) In addition to its authority under subsection (a), the Corporation is authorized to purchase and make commitments to purchase from any Federal home loan bank, the Federal Savings and Loan Insurance Corporation, any member of a Federal home loan bank, or any other financial institution the deposits or accounts of which are insured by an agency of the United States, at par, older, seasoned residential mortgages (including mortgages covering cooperatives and condominiums) meeting such standards as the Corporation determines will promote the objectives of this subsection and will particularly aid in providing needed liquidity for savings and loan associations subject to section 5 of the Home Owners' Loan Act of 1933. The Corporation may hold, deal with, sell, or otherwise dispose of (pursuant to commitments or otherwise) any such mortgage or any interest therein, as provided in this subsection, and the servicing on any such mortgage shall be performed by the original seller.

"(2) (A) The Corporation may not purchase any residential mortgage from a savings and loan association or other financial institution under this subsection, if as a result the aggregate amount of residential mortgages purchased from such association or institution and held by the Corporation under this subsection would exceed 5 per centum of the total amount of residential mortgages then held by such association or institution. The aggregate amount of residential mortgages which the Corporation may purchase from any such association or institution in any one month shall not exceed 1 per centum of the total amount of residential mortgages held by such association or institution on the first day of such month.

"(B) Any sale of a residential mortgage to the Corporation under this subsection shall be made with recourse; and the seller may be required to repurchase the mortgage if payments thereunder are three or more months in arrears, or to reimburse the Corporation at the time of foreclosure for any losses sustained by the Corporation in connection with such mortgage, or to take such other action as may be necessary to assure that the Corporation is fully compensated for any such losses.

"(C) The Corporation may purchase a mortgage under this subsection only upon receiving satisfactory assurances that the proceeds will be used by the seller solely for mortgage loans (including loans on cooperatives and condominiums, and including construction loans in the case of new housing) having an original principal amount (in the case of any one loan) of $——— or less.

"(3) The Corporation may purchase a mortgage under this subsection in any month only upon condition that the seller enter into a binding commitment to repurchase such mortgage according to a schedule which shall be agreed upon between such seller and the Corporation, and which shall provide that—

"(A) 20 per centum of the total amount of the mortgages purchased from such seller by the Corporation under this subsection during that month will be repurchased by the seller on the sixth anniversary of the first day of such month,

"(B) 25 per centum of the mortgages so purchased which are still held by the Corporation after the transaction described in the preceding subparagraph will be repurchased by the seller on the seventh anniversary of such first day,

"(C) 33⅓ per centum of the mortgages so purchased which are still held by the Corporation after the transaction described in the preceding subparagraph will be repurchased by the seller on the eighth anniversary of such first day,

"(D) 50 per centum of the mortgages so purchased which are still held by the Corporation after the transaction described in the preceding subparagraph will be repurchased by the seller on the ninth anniversary of such first day, and

"(E) all of the remaining mortgages so purchased will be repurchased by the seller on the tenth anniversary of such first day.

Any such commitment shall include provisions permitting the seller to repurchase the mortgage or mortgages involved, in whole or in part, in advance of the date or dates provided by the schedule, and shall require the payment by such seller of penalties in the event that any such mortgage is not repurchased within one year after the applicable date specified in the schedule.

"(4) The maximum aggregate amount of mortgages that may be purchased by the Corporation from any one savings and loan association or other financial institution under this subsection shall not exceed $20,000,000."

Sec. 2. Section 305(a) of the Federal Home Loan Mortgage Corporation Act (as amended by the first section of this Act) is amended by striking out "this section" each place it appears and inserting in lieu thereof "this subsection".

Sec. 3. There are authorized to be appropriated such sums as may be necessary, in addition to amounts otherwise available to the Federal Home Loan Mortgage Corporation under section 304 of the Federal Home Loan Mortgage Corporation Act or made available to such Corporation from other sources, to carry out the mortgage operations provided for by section 305(b) of such Act (as added by the first section of this Act).

TREASURY GOLD SALES

(Mr. CONLAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. CONLAN. Mr. Speaker, as I am sure my colleagues in the Congress are aware, the Secretary of the Treasury appeared today before the House Banking and Currency Subcommittee on International Finance. During his testimony, Secretary Simon announced the forthcoming sale by the Treasury Department of 2 million ounces of gold from our U.S. gold stocks, Secretary Simon stated:

> With the concurrence of the President, I have therefore asked the Treasury to prepare a public auction of 2 million ounces of gold in 400-ounce bars to be held on Monday, January 6. The GSA will issue the formal invitations to bid in about ten days using procedures comparable to those employed by the GSA in the past when selling silver on behalf of the Treasury.

Mr. Speaker, it was this very possibility of Treasury gold sales which prompted me to join my colleague from Illinois (Mr. Crane) in introducing legislation on September 23, 1974, to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by act of Congress.

The Secretary of the Treasury has very broad outstanding authority to dispose of our gold. Current law provides that:

> . . . he may sell gold in any amount at home or abroad, in such manner and at such rates and upon such terms and conditions as he may deem most advantageous to the public interest . . .

I ask my colleagues if it is in the public interest to make this announcement, which precipitated a decline in the price of gold of about $13 already today, and to sell this commodity in quantities of 400 ounces which, at a free market price of $150 per ounce, would require an investment of $60,000. This is yet another area where the executive branch has unlimited power and where the people's Representatives in Congress should have the right to oversee any action taken.

The Secretary of the Treasury was initially granted this broad power for the purpose of stabilizing the value of our currency at a time when it was redeemable in gold. As Secretary Simon himself stated only this morning:

> Gold remained as partial backing for Federal Reserve Notes until 1968 when Congress completely eliminated this requirement. As a result of this action, gold now has no function in our domestic monetary system.

For this same reason the Secretary no longer needs his power to dispose of our gold in order to stabilize our currency. The gold-reserve requirements for Federal Reserve notes and deposits have been abolished and the reduction of the monetary role of gold, begun in the days of the New Deal, has been completed. It is time that Congress reassert its prerogative in this matter of the disposal of our most precious national treasure. There is clearly no reason for denying Congress the oversight authority provided by the legislation I have joined in introducing. The power to dispose of our gold reserves must not rest in one individual.

I would like to include in my remarks at this time the text of the legislation introduced in September of this year:

A bill to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by Act of Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 3699 of the Revised Statutes (31 U.S.C. 733), section 10(a) of the Gold Reserve Act of 1934 (31 U.S.C. 822a (a)), or any other provision of law, or any rule, regulation, or authority of any such law, the Secretary of the Treasury, may not sell, alienate, or commit gold without prior, specific approval by Act of Congress.

Mr. Chairman. In light of Secretary Simon's announcement this morning, I call upon my colleagues in the House of Representatives to join me in passing this legislation which would return to Congress its rightful oversight authority in this question of U.S. gold sales.

CONFERENCE REPORT ON H.R. 11929

Mr. JONES of Alabama submitted the following conference report and statement on the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments:

Conference Report (H. Rept. No. 93-1512)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That the Tennessee Valley Authority Act of 1933 is amended by inserting immediately at the end of section 15d the following new subsection:

"(i)(1) Beginning with fiscal year 1976 and for each of the next four fiscal years thereafter, the Corporation may elect to defer payments under the annual repayment schedule established under subsection (e) if the expenditures of the Corporation for certified pollution control facilities for the preceding fiscal year exceed the amount of the scheduled repayment. The annual repayment schedule shall be suspended one fiscal year for each fiscal year for which the Corporation so elects.

"(2) Beginning with fiscal year 1976 and for each of the next four fiscal years thereafter the Corporation shall be entitled to credit against the payments required as a return on the appropriations investment in power facilities the amount of expenditures for certified pollution control facilities in excess of the amount of any repayment deferred under the preceding paragraph.

"(3) For the purposes of this subsection, the term 'certified pollution control facility' means a new identifiable treatment facility which is or will be used, in connection with a plant or other property, to eliminate, abate, or control water or air pollution or contamination by removing, altering, disposing, or storing of pollutants, contaminants, wastes, or heat and for which—

"(A) the Board has made application for deferral or credit to the State certifying authority having jurisdiction with respect to such facility; and which the State certifying authority has certified to the Environmental Protection Agency as being constructed, reconstructed, erected, or acquired in conformity with the State program or requirements for elimination, abatements, or control of water or air pollution or contamination; and

"(B) the Administrator of the Environmental Protection Agency has certified to the Secretary of the Treasury or his delegate (i) as being in compliance with the applicable regulations of Federal agencies and (ii) as being in furtherance of the general policy of the United States for cooperation with the States in the prevention, elimination, and abatement of water pollution under the Federal Water Pollution Control Act, as amended (33 U.S.C. 466 et seq.), or in the prevention and abatement of air pollution under the Clean Air Act, as amended (42 U.S.C. 1857 et seq.).".

And the Senate agree to the same.

Robert E. Jones,
John C. Kluczynski,
Harold T. Johnson,
W. H. Harsha,
LaMar Baker,
Managers on the Part of the House.

Jennings Randolph,
Joseph M. Montoya,
Mike Gravel,
Howard Baker,
Pete V. Domenici,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

DEFINITIONS

House bill

The term "certified pollution control facility" means a new treatment facility which is or will be used in the abatement or control of water or air pollution, which the Board of Directors of the Tennessee Valley Authority (TVA) has certified to the Environmental Protection Agency as having been constructed, reconstructed, erected, or acquired in conformity with programs or requirements for abatement or control of air or water pollution, and which the Administrator of the Environmental Protection Agency has certified to the Secretary of the Treasury as complying with applicable regulations for Federal agencies and with the policy of the Federal Water Pollution Control Act or the Clean Air Act.

Senate amendment

The definition of "certified pollution control facility" in the Senate amendment differs from the House version as follows:

(1) the facility may be used in the elimination of water or air pollution as well as in the abatement and control of these forms of pollution; and

(2) the State certifying authority having jurisdiction with respect to the facility, rather than the Board of Directors of TVA, does the certifying to the Environmental Protection Agency.

Conference substitute

The conference substitute is essentially the same as the definition contained in the Senate amendment except that the Board must make application for deferral or credit to the State certifying authority and the State certifying authority must certify to EPA that the facility is constructed, reconstructed, erected, or acquired in conformity with the State program or requirements for elimination, abatement, or control of water or air pollution or contamination.

NATURE OF THE BENEFIT PROVIDED TO TVA

House bill

The House bill provides that TVA is entitled each fiscal year, beginning with the 1975 fiscal year, to a credit against the amounts which it is obligated to pay the Federal Government in order to reduce the amount invested by that Government in the power facilities of TVA and in order to provide that Government with a return on its investment. The credit shall be equal to the amount actually expended by TVA during the preceding fiscal year for certified pollution control facilities. The credit shall be applied first against the amount required to be paid as a return on the investment by the Federal Government. If the credit exceeds the amount required to be paid as a return, the excess is to be applied against the annual repayment which is made to reduce the investment of the Federal Government. Furthermore, if the credit exceeds both the amount required as a return and the annual repayment, the excess is to be applied to reduce the investment of the Federal Government.

Senate amendment

The Senate amendment differs from the House bill as follows:

(1) the period during which TVA shall be entitled to the benefits provided by the bill begins with fiscal year 1976 and ends with the completion of fiscal year 1980;

(2) TVA may defer for one fiscal year the annual repayment required to be made to reduce the investment of the Federal Government if TVA expends during the previous fiscal year an amount for certified pollution control facilities which exceeds the amount of this required repayment, and the difference between the amount expended for certified pollution control facilities and the amount of the repayment deferred shall be credited against the amount required to be paid as a return on the investment of the Federal Government; and

(3) any amount credited against the amount required to be paid as a return on the investment of the Federal Government shall be added to the total amount of that investment.

Conference substitute

This provision is essentially the same as the provisions of the Senate amendment with the exception that the requirement that any amount credited against the amount required to be paid as a return on the investment of the Federal Government shall be added to the total amount of that investment has been eliminated.

Section 15d(e) of the TVA Act (16 U.S.C. 831 n–4) requires payments into the Treasury before December 31 and June 30 of each fiscal year. The certification procedures for deferrals and credits under this new subsection (i) might not be complete before the payments are required. In the event that the certification procedures have not been complete it is the intention of the managers that the TVA Board exercise the authority provided in the last sentence of such subsection (e) to defer such payments for which bona fide applications for deferrals or credits have been initiated. At the conclusion of the certification process, the TVA Board should make timely payments of any sums not provided for through the deferrals or credits.

Robert E. Jones,
John C. Kluczynski,
Harold T. Johnson,
W. H. Harsha,
LaMar Baker,
Managers on the Part of the House.

Jennings Randolph,
Joseph M. Montoya,
Mike Gravel,
Howard Baker,
Pete V. Domenici,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Jones of North Carolina (at the request of Mr. O'Neill), for December 3 and 4, on account of illness.

Mr. Cotter (at the request of Mr. O'Neill), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Wydler) and to revise and extend their remarks and include extraneous matter:)

Mr. Bell, for 1 hour, on December 4.

Mr. Scherle, for 1 hour, on December 9.

Mr. Bauman, for 1 hour, on December 9.

Mr. Cohen, for 15 minutes, today.

Mr. Landgrebe, for 30 minutes, on December 10.

Mr. Hinshaw, for 45 minutes, today.

Mr. Gude, for 20 minutes, today.

(The following Members (at the request of Mr. Litton), and to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Reuss, for 30 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

Mr. Alexander, for 60 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. James V. Stanton, for 5 minutes, today.

Mr. Dulski, for 5 minutes, today.

Mr. Burke of Massachusetts, for 10 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Owens, for 5 minutes, today.

Mr. Matsunaga, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bolling and to include extraneous matter.

Mr. Wampler to revise and extend his remarks during special order of Mr. McEwen of New York.

(The following Members (at the request of Mr. Wydler) and to include extraneous matter:)

Mr. Zwach in two instances.
Mr. Ketchum in two instances.
Mr. Rhodes in two instances.
Mr. Young of Florida in five instances.
Mr. Hosmer in two instances.
Mr. Lagomarsino.
Mr. McClory in two instances.
Mr. Whitehurst.
Mr. Collins of Texas.
Mr. Ashbrook in six instances.
Mr. Landgrebe in two instances.
Mr. Smith of New York.
Mr. Blackburn.
Mr. Collier in two instances.
Mr. Steiger of Arizona.
Mr. Hudnut.

(The following Members (at the request of Mr. Litton) and to include extraneous material:)

Mr. Jones of Tennessee.
Mr. Slack.
Mr. Patten.
Mr. Fisher.
Mr. Annunzio in six instances.
Mr. Anderson of California in three instances.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Sisk.
Mr. Long of Maryland in 10 instances.
Mr. Brasco.
Mr. Carney of Ohio in two instances.
Mr. Koch in three instances.
Mr. Aspin.
Mr. de la Garza in 10 instances.
Mr. Won Pat.
Mr. Reuss.
Mr. Mazzoli.
Mr. Leggett.
Mr. Blatnik.
Mr. Symington in five instances.
Mr. Evins of Tennessee in two instances.
Mr. Jones of Oklahoma.
Mr. Fraser.
Mr. Burke of Massachusetts in five instances.
Mr. Madden.
Mrs. Sullivan in two instances.
Mr. Drinan.
Mr. Helstoski.
Mr. Meeds.
Mr. Murphy of New York.
Mr. Hanna.
Mr. Pickle in five instances.
Mr. McCormack.
Mr. Teague.
Mr. Denholm.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2743. An act to establish a program of loan guarantees to enable independent refiners of crude oil to construct or acquire new or expanded refining facilities in the United States; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 342. An act to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, and to amend the Practice of Psychology Act and the District of Columbia Unemployment Compensation Act;

H.R. 15580. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 17503. An act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3202. An act to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on November 27, 1974, present to the President, for his approval, bills of the House of the following title:

H.R. 342. An act to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, and to amend the Practice of Psychology Act and the District of Columbia Unemployment Compensation Act.

H.R. 15580. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 17503. An act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for 1 year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals.

ADJOURNMENT

Mr. LITTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Wednesday, December 4, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3028. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1975 for the Department of State (H. Doc. No. 93–400); to the Committee on Appropriations and ordered to be printed.

3029. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July–September 1974, pursuant to section 10(d) of the Small Business Act, as amended [15 U.S.C. 639(d)]; to the Committee on Banking and Currency.

3030. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 75–2, finding that the sale of defense articles and services to Kenya, the Malagasy Republic, and Mauritius will strengthen the security of the United States and promote world peace, pursuant to section 3(a)(1) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

3031. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

3032. A letter from the Administrator, Federal Energy Administration, transmitting a report on the organization and functions of the Agency, the location of its offices and key personnel, and a delineation of the role of State governments in energy matters and the rights and responsibilities of the public, pursuant to section 20(a)(1)(B) of Public Law 93–275; to the Committee on Government operations.

3033. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the comments of the Advisory Council on the effect of the Orchard-Biddle Neighborhood Development Project, assisted by the Department of Housing and Urban Development, on the St. Mary's Seminary Building, the St. Mary's Seminary Chapel, and the Mother Seton House in Baltimore, Md., properties listed in the National Register of Historic Places, pursuant to section 202(b) of Public Law 89–665 [16 U.S.C. 470j(b)]; to the Committee on Interior and Insular Affairs.

3034. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled "National Power Survey 'Energy Systems Research Task Force Report' "; to the Committee on Interstate and Foreign Commerce.

3035. A letter from the Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of August 1974, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

3036. A letter from the Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting a report on the number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, for the month of October 1974, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

3037. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

3038. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(I)(ii)(b)]; to the Committee on the Judiciary.

3039. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Mattapoisett Harbor, Mattapoisett, Mass., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 10, 1968; To the Committee on Public Works.

3040. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Bass River Harbor, Mass., requested by a resolution of the Committee on Public Works, House of Representatives, adopted June 24, 1965; To the Committee on Public Works.

3041. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Anclote River, Fla., requested by resolution of the Committees on Public Works, House of Representatives and U.S. Senate, adopted August 13, 1958, and August 30, 1965; To the Committee on Public Works.

3042. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report, on Cape Cod Canal, Mass., requested by resolutions of the Committees on Public Works, House of Representatives and U.S. Senate, adopted February 17, 1949, and March 12, 1949, respectively; To the Committee on Public Works.

Received From the Comptroller General

3043. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of independent and comprehensive audits of the Inter-American Development Bank, pursuant to section 14(c) of Public Law 86–147, as amended [22 U.S.C. 283j–1(c)]; to the Committee on Banking and Currency.

3044. A letter from the Comptroller General of the United States, transmitting a report that increased use of computer-output-microfilm by Federal agencies could result in savings; to the Committee on Government Operations.

3045. A letter from the Acting Comptroller General of the United States, transmitting a draft of proposed legislation to repeal certain provisions of law relating to the procurement of advertising for the Government; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of Nov. 26, 1974*]

[*Pursuant to the order of the House on Nov. 26, 1974, the following reports were filed on Nov. 27, 1974.*]

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 12690. A bill to amend the Lower Saint Croix Act of 1972 by increasing the authorization (Rept. No. 93–1504). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 17481. A bill to establish the Harry S. Truman Memorial Scholarship Program, and for other purposes; with amendment (Rept. No. 93–1505). Referred to the Committee on the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 9468. A bill to authorize the Secretary of Agriculture to distribute seeds and plants for use in home gardens; with amendment (Rept. No. 93–1506). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on House Administration. S. 4016. An act to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes; with amendment (Rept. No. 93–1507). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on the Judiciary. H.R. 17409. A bill to assist in reducing crime and the danger of recidivism by requiring speedy trials and by strengthening the supervision over persons released pending trial, and for other purposes; with amendment (Rept. No. 93–1508). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on Nov. 26, 1974, the following reports were filed on Nov. 29, 1974.*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 17084. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; with amendment (Rept. No. 93–1509). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 17085. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; with amendment (Rept. No. 93–1510). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Dec. 3, 1974*]

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7077. A bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; with amendment (Rept. No. 93–1511). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee of conference. Conference report on H.R. 11929 (Rept. No. 93–1512). Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 1483. Resolution authorizing the Speaker to recognize for motions to suspend the rules Monday, December 9, 1974, and at any time during the remainder of the 2d session, 93d Congress (Rept. No. 93–1513). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 1484. Resolution providing for the consideration of H.R. 14266. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes. (Rept. No. 93–1514). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1485. Resolution providing for the consideration of H.R. 5385. A bill to restore and maintain a healthy transportation system, to provide financial assistance, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes. (Rept. No. 93–1515). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 1381. Resolution providing for the consideration of the bill (H.R. 15263) to establish improved programs for the benefit of producers and consumers of rice. (Rept. No. 93–1516). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN:

H.R. 17544. A bill to provide for Federal regulation of foreign banks establishing, acquiring, operating, or controlling banks, branches, and agencies in the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. ASPIN:

H.R. 17545. A bill to prohibit the manufacture or importation of Freon and similar substances unless a study finds such substances are not harmful to human life, agriculture, or the national environment; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN:

H.R. 17546. A bill to repeal the provisions of House Resolution 457 of the 92d Congress as enacted into law by the Supplemental Appropriations Act, 1972 (relating to allowances of Members, officers, and committees of the House of Representatives); to the Committee on House Administration.

By Mr. DEVINE:

H.R. 17547. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. GUDE:

H.R. 17548. A bill to amend the Federal Home Loan Mortgage Corporation Act to establish a new secondary market program under which the Federal Home Loan Mortgage Corporation may provide needed liquidity for the savings and loan industry by purchasing older seasoned home mortgages from savings and loan associations and other financial institutions; to the Committee on Banking and Currency.

By Mr. HAMMERSCHMIDT:

H.R. 17549. A bill to provide for the purchase of animals and animal food products for use in foreign and domestic food relief programs, and for other purposes; to the Committee on Agriculture.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Brown of California, Mr. John L. Burton, Mr. Drinan, Mr. Fraser, Mr. Harrington, Ms. Holtzman, Mr. Nix, Mr. Rangel, Mr. Rosenthal, and Mr. Stark):

H.R. 17550. A bill to amend certain provisions of the Controlled Substances Act relating to marihuana; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI (for himself, Mr. Madigan, and Mr. Forsythe):

H.R. 17551. A bill to prohibit the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on the Judiciary.

By Mr. MEZVINSKY (for himself, Ms. Abzug, Mr. Badillo, Mr. Drinan, Mr. Fraser, Mr. Hechler of West Virginia, Mr. Long of Maryland, Mr. Mosher, Mr. Owens, Mr. Riegle, Mr. Sarbanes, Mr. Stark, and Mr. Won Pat):

H.R. 17552. A bill to make more chemical fertilizer available throughout the world for the production of food during 1975 by substantially reducing the amount of such fertilizer used in the United States for nonfood growing purposes; to the Committee on Agriculture.

By Mr. REUSS:

H.R. 17553. A bill to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources; to the Committee on Banking and Currency.

By Mr. RONCALLO of New York:

H.R. 17554. A bill to amend title VI of the Social Security Act to provide that an individual who is unable to care for his or her personal needs without assistance shall be eligible (as a disabled person) for the services of a homemaker and other service under the applicable State plan approved under such title; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H.R. 17555. A bill to amend the Equal Credit Opportunity Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes; to the Committee on Banking and Currency.

H.R. 17556. A bill to extend for 2 years the authorizations for the striking of medals in commemoration of the 100th anniversary of the cable car in San Francisco and in commemoration of Jim Thorpe, and for other purposes; to the Committee on Banking and Currency.

By Mr. SYMINGTON:

H.R. 17557. A bill to amend the Controlled Substances Act to make the stealing of a controlled substance from a pharmacy or related establishment a Federal crime; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK:

H.R. 17558. A bill to amend the act of May 13, 1954, relating to the Saint Lawrence Seaway Development Corporation to provide for a 7-year term of office for the Administrator, and for other purposes; to the Committee on Public Works.

By Mr. GILMAN:

H.R. 17559. A bill to provide for the refinancing of real estate and chattel indebtedness incurred as the result of a natural disaster; to the Committee on Agriculture.

By Mr. GUDE (for himself, Mr. RIEGLE, Mr. PEYSER, Mr. ROSENTHAL, Mr. HECHLER of West Virginia, Mr. LENT, Mr. REES, Ms. ABZUG, Mr. WHITEHURST, Mr. HELSTOSKI, and Mr. RANGEL):

H.R. 17560. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the establishment of standards for a grading system by which retail purchasers may determine the relative nutritional value of different foods, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 17561. A bill to establish a commission to study and make recommendations with respect to proposed amendments to the Constitution and laws of the United States which would modify the institutions of the three branches of the Federal Government; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

554. The SPEAKER presented a memorial of the Senate of the State of New Jersey, relative to Turkish opium production; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. TALCOTT introduced a bill (H.R. 17562) for the relief of Raymond Charles Wiggins, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

574. By the SPEAKER: Petition of the Sauk County Council of the American Legion, Sauk City, Wis., relative to age requirements for Reserve officers; to the Committee on Armed Services.

575. Also, petition of Samuel D. Cochran, Alexandria, Va., and others, relative to labor relations with the Washington Metropolitan Area Transit Authority; to the Committee on the District of Columbia.

576. Also, petition of the National Indian Education Association, Minneapolis, Minn., relative to teaching Indian languages; to the Committee on Interior and Insular Affairs.

577. Also, petition of Fred P. Ames, New York, N.Y., relative to immigration; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5385

By Mr. YOUNG of Texas:

Page 106, after sec. 805 insert the following: "Sec. 806. Notwithstanding any other provision of this act the authority and responsibility of the Commission to guarantee the equalization of rates between ports remains intact."

H.R. 16204

By Mr. MOSS:

Page 17, beginning in line 9, strike out "a nonprofit private corporation" and insert "an entity".

Page 17, strike out lines 16 through 21 and insert in lieu thereof the following:

"(b)(1) LEGAL STRUCTURE.—A health systems agency for a health service area shall be—

"(A) a nonprofit private corporation (or similar legal mechanism such as a public benefit corporation) incorporated in the State in which the largest part of the population of the health service area resides and which is not a subsidiary of, or otherwise controlled by, any other private or public corporation or other legal entity;

"(B) a public regional planning body if it has a governing board composed of a majority of elected officials of units of general local government and if its planning area is identical to the health service area; or

"(C) a single unit of general local government if the area of the jurisdiction of that unit is identical to the health service area.

Page 18, line 18, strike out "Each health systems agency" and insert in lieu thereof the following: "The governing body of a health systems agency which is a public regional planning body or unit of general local government shall be the governing body of that regional planning body or single unit of general local government, whichever is applicable. Any other health systems agency.

Page 20, line 25, after "agency" insert the following: "which is a nonprofit private corporation or similar legal mechanism".

Page 22, after line 19 insert the following:

"(5)(A) ADVISORY COMMITTEE.—The governing body of a health systems agency which is a public regional planning body or a unit of general local government shall have an advisory health council (i) which shall advise the governing body with respect to the agency's organization, operations under this section, and the performance of its functions under section 1413, and (ii) the composition of which shall conform to the requirements of subsection (b)(3)(C).

"(B) If a governing body of a health systems agency which has an advisory health council described in subparagraph (A)—

"(i) adopts a health systems plan or annual implementation plan under section 1413(b),

"(ii) makes a grant or enters into a contract under section 1413(c)(3),

"(iii) approves or disapproves under section 1413(e) a proposed use of Federal funds, or

"(iv) makes a recommendation under subsection (f), (g), or (h) of section 1413,

and its advisory health council has made a recommendation to it for action differing from that taken by the governing body, the governing body shall make public the recommendation of the advisory health council, together with the governing body's reasons for taking such different action, and shall when reporting its actions to the Secretary or the State health planning and development agency or the Statewide Health Coordinating Council, as the case may be, include such recommendations."

H.R. 17505

By Mr. PATTEN:

Page 2, strike out lines 17 and all that follows through page 3, line 2.

EXTENSIONS OF REMARKS

SPEAKER ALBERT PROPOSES ECONOMIC RECOVERY FOR THE NATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. EVINS of Tennessee. Mr. Speaker, recently I noted in the Washington Post a report on an economic recovery plan which you have proposed for consideration of the Congress.

Certainly your proposals are excellent, and I commend your plan for the Congress to appropriate committees for their serious consideration and action.

This plan, as you know, includes a public service employment program, a local public works and public investment program, an improved unemployment compensation program, a broad tax reform bill, reestablishment of the Reconstruction Finance Corporation, and creation of a temporary Economics Commission to restore competition to free enterprise, among other major proposals.

In addition to these worthwhile recommendations, in my view substantial economies can be effected by reducing wasteful military spending and military cost overruns, and in cutbacks and reductions in foreign aid expenditures as well as in vigorous enforcement of the antitrust laws.

To eliminate shortages and curb inflation, we need to put into effect policies that will stimulate our economy and increase production, both industrial production and agricultural production.

Certainly I want to commend you, Mr. Speaker, for your excellent proposals—the type of specific recommendations that Congress needs to move forward next year with a comprehensive recovery plan.

Because of the interest of my colleagues and the American people in this most important matter, I place the article from the Post in the RECORD herewith.

The article follows:

ALBERT OFFERS ECONOMIC RECOVERY PLAN

(By Mary Russell)

Declaring the country "on the brink of a terrible recession," House Speaker Carl Albert outlined specific legislative proposals yesterday that amounted to a Democratic alternative to President Ford's prescriptions for what ails the economy.

Albert went so far as to say it "may have to come" to giving the President standby authority for "equitable" wage and price controls, a move that has been strongly opposed by both labor leader George Meany and the President.

Albert admitted that because of labor opposition the heavily Democratic Congress would probably not pass wage and price controls now, but he left the door open for such a move later in 1975, provided the controls could be administered equitably "across the board" for both business and labor.

On energy also, Albert said it "may have to come" to mandatory fuel allocation, import controls and gasoline rationing. "I don't think you can do those things voluntarily," he said.

The Speaker, talking at a breakfast meeting with reporters, criticized Mr. Ford's inflation policies: "I don't think a call for WIN buttons will get the job done." Albert said Mr. Ford had not moved toward stronger measures on the economy because "I think he honestly believes in the old-time Republican philosophy . . . Let's face it. Jerry Ford's just a hard-nosed Republican conservative and he's just not going to change."

The Albert program, similar to a seven-point plan endorsed by Senator Democrats later yesterday, would cost "several billions of dollars," he admitted.

House Minority Leader John J. Rhodes (R-Ariz.) responded: "I would respectfully remind the Democratic leadership that one of the few points of consensus at the economic summit meetings was that bigger government is not the answer to inflation, indeed that our present difficulties are largely a result of the over-ambitious Democratic program of the '60s. A New Deal approach is hardly the answer to the inflationary problem of the '70s."

Albert who has come under considerable criticism for his lack of leadership, left no doubt that he considers himself the leader of the Democratic Party in the House and does not intend to have his role taken over by the party caucus in the House or anybody else: "I'm the leader of the Democratic Party in the House . . . I'm not worried about anybody taking over the leadership of the House."

There has been considerable talk among House Democratic liberals that their party can't preserve the 291-144 majority it won in this month's elections unless it produces a coherent alternative to Mr. Ford's economic policies.

Some critics of Albert's leadership have suggested the program would have to be initiated by the Democratic Steering and Policy Committee, passed through the caucus of all House Democrats, and backed up by caucus instructions to committee chairmen.

But Albert rejected that method: "If you just pass it through the Steering and Policy Committee and the caucus, there's no way you can force it through committees."

Albert said he would discuss his proposals with the Policy Committee, but he also planned to "get more input from the younger members" and then put pressure on all the legislative committee chairmen to "see if we can't get up some steam."

Legislation Albert said he wanted Congress to "consider early in the next session" included:

A public service employment program going beyond President Ford's proposal, which would start when unemployment averaged 6 per cent or more for three months.

An improved unemployment compensation program.

Local public works and public investment programs reminiscent of the Works Progress Administration of Franklin Roosevelt's New Deal. ("WPA got us out of the soup line," Albert said.)

A broad tax reform bill that would "raise a little money from the top brackets" and cut excessive profits including those of the oil industry.

Re-establishment of the Reconstruction Finance Corp.

An export monitoring bill with licensing and controls.

Creation of a temporary economics commission to "restore competition to free enterprise." Albert noted that although Chrysler Corp. can't sell the cars it has, it has not tried to lower the price, and said he was worried about price fixing.

In addition he called for a comprehensive energy policy bill, national health insurance and a trade reform bill if it is not finished in the present session.

H. L. HUNT

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. COLLINS of Texas. Mr. Speaker, this past weekend, America lost one of the most colorful personalities in its history in the passing of H. L. Hunt of Dallas, Tex. He was a gentle soft-spoken man. They say he had tremendous power, but I never saw him use it.

They say that Mr. Hunt had big financial influence in politics, but I never knew of a single candidate in the local, city, or State politics who ever received any financial contribution from him. They say he was very, very rich, but the only comment that I know to be a fact was that a banker told me that Hunt Oil was always borrowing money to keep their operations going.

All of this blends together as you have heard of a lifetime of one of the most dynamic businessmen in our history. Whatever people might say about H. L. Hunt, they will all agree that the man was a genius. He was also a man who believed in saving money. I enjoyed visiting with Mr. Hunt, but I only scheduled one lunch with him. His idea of a lunch in his office was a little brown bread, an apple, a few nuts, take hot water and drop some powdered soup in it, and you could have a can of tomato juice to finish it off.

It is interesting that H. L. Hunt was a Baptist and did not drink or smoke. Out of this deep religious conviction came his strong belief in the American system. He was not a conservative, but always was emphatic in stating his position to be "constructive." He believed you could not stand still, but should always move forward by giving incentive and encouragement to people who produce.

His own record is an example of the American tradition. He reached only the fifth grade in school. By the age of 16, he had left home and was out working on his own. He started in the cotton business and owned 15,000 acres of land down in Arkansas. He was wiped out in 1921 by the recession, but came back, and by 1923, he was a big figure in the El Dorado area in the oil business. At that time he sold a half interest in his wells for $600,000. But his big move came in 1930 when he took over the big operations in the east Texas oil fields. He continued to build and grow for 51 years in the oil business.

His strong interest in life was to see America continue to grow with the principles that were written into the Constitution. He had an obsession that America was moving into communism by gradually taking on socialistic programs. H. L. Hunt will be remembered as communism's No. 1 foe.

Everyone referred to him as Mr. Hunt. He is described as H. L. and the initials were always used. When people spoke of him indirectly they always called him "Old Man Hunt." But of one thing you can be sure—he was the one and only H. L. Hunt. He was a gentle man who spoke in a soft voice. He never made threats, but he had strong opinions. He was living proof that formal education is not the only answer to success in organizing and creating a business operation. The principle thing that H. L. Hunt had was brains, and the neighbors in Dallas have observed the brains have been passed on to his most energetic children. It has been said of H. L. Hunt that he is the richest man in the world. If you knew him, you would never believe it. He never wasted a penny in his life. With the memory of H. L. Hunt, I hope that America will always retain his strong belief and untiring work in fighting to see that our country continues to be the land of the free with the Constitution guaranteeing equal opportunities for all.

SUPPORT FOR VETERANS' EDUCATION BILL

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ASHBROOK. Mr. Speaker, President Ford, in a message to Congress, urged that we support his veto of H.R. 12628, the Vietnam Era Veterans Readjustment Assistance Act of 1974. Criticizing this legislation as too costly and inflationary, Ford stated that it provided for "an excessive increase and liberalization of veterans' education and training benefits."

Just a few days later, President Ford signed pardons for 18 draft dodgers and deserters under his Vietnam amnesty program. In a ceremony which Ford said was intended to "underline the commitment of my administration to an even-handed policy of Presidential clemency," the President issued 8 unconditional pardons and 10 conditional pardons requiring alternate service of from 3 months to a year.

Looking at these two Presidential actions, I am filled with a deep sense of injustice. What we have here is a case of misplaced priorities and distorted values. President Ford is asking that our Nation be lenient when it comes to draft dodgers and deserters but when it comes to assisting those who served in our Armed Forces, stricter sacrifices should be demanded of those who have served with honor.

Our policy, however, should be exactly the opposite. Our Nation should be generous when dealing with our veterans and strict when dealing with those who willfully evaded military service.

Certainly those who served their country should have the fullest opportunity to participate in educational and training programs. These benefits are a small repayment for the sacrifices they have made. The generosity of Americans has been earned by our veterans. How unlike those who fled from service to their country.

I cannot support President Ford's veto of the veterans' education bill while at the same time he pardons draft dodgers and deserters.

Therefore I will vote to override this veto.

THE PRESIDENT'S UNFORTUNATE GIFT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. WHITEHURST. Mr. Speaker, on Tuesday, November 26, 1974, I wrote to President Ford to ask that he consider using synthetic fur instead of accepting a second wolf-fur coat, and also to urge that he use his good offices to effect a treaty with Canada to end the killing of the eastern timber wolf.

On Sunday, December 1, the Washington Post published a letter from Mr. Louis S. Clapper, conservation director for the National Wildlife Federation. Mr. Clapper's fine statement outlines in considerable detail the reasons for not encouraging the use of wolf fur for clothing, and I am pleased to insert it at this point in the RECORD.

I sincerely hope that proper conservation measures can be instituted to preserve the remaining wolf population before it goes the way of its 10 subspecies.

The letter follows:

THE PRESIDENT'S UNFORTUNATE GIFT

(By Louis S. Clapper)

At their recent Vladivostok summit meeting, President Ford presented Soviet Communist Party Chief Leonid I. Brezhnev with a wolf fur coat, apparently as a gesture of American good will. In reporting this incident to its readers, The Post stated that the wolf is not an endangered species. That statement is misleading and needs clarification.

While it is technically true that the timber wolf (*Canis lupus*) is not an endangered species because of the sizeable populations of certain subspecies in Alaska and Canada, it is also true and depressing that of the 10 subspecies of *Canis lupus* once found in the "lower 48" states, seven are now extinct; two—the Eastern timber wolf (*Canis lupus lycaon*) and the Northern Rocky Mountain wolf (*Canis lupus irremotus*)—are on the current U.S. List of Endangered Fauna; and the last, the Mexican wolf (*Canis lupus baileyi*), is being considered for addition to the list.

Extensive research by U.S. Fish and Wildlife Service biologist L. David Mech and others indicates that the wolf is exceptionally vulnerable to man and his environment. Unlike its cousin, the coyote, the wolf seems unable to withstand the pressures of encroaching civilization. Hence, this much-maligned but ecologically-important beast of prey must be managed especially wisely to insure its survival. We urge the American public to refrain from further jeopardizing the threatened status of the wolf by following the President's example.

Regulated hunting and humane trapping are supported by the National Wildlife Federation and most other major conservation organizations because of their value as tools of wildlife management in preventing overpopulation and starvation of some species. However, the wolf will be hard-pressed to withstand the pressures of inevitable future commercial development in Alaska and Canada without subjecting it to the indiscriminate hunting encouraged by the species' value as a furrier product. There is at least one satisfactory synthetic wolf fur substitute available. The synthetic product, developed by the Department of Defense, was used recently in the manufacture of 277,502 military parkas after the federation and others protested in 1972 to the use of wolf fur ruffs in parka hoods.

We hope that President Ford, presumably now aware of his unfortunate choice of gifts for Russian leader Brezhnev, will cancel his order for a second wolf fur coat and, instead, obtain a synthetic fur coat as a replacement garment. All conservation-minded Americans would applaud that action.

ED DALY—A MAN FOR ALL SEASONS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. LEGGETT. Mr. Speaker, the many facets of Ed Daly of California were exemplified recently in a sorrowful philanthropic gesture. In the name of the esteemed late First Lady of Korea, Madame Park, wife of President Park Chung Hee, Daly, president of World Airways of California, established a $200,000 scholarship foundation at the University of Santa Clara.

Ed Daly, the U.S. Congress is continually proud of your international efforts. Madame Park was a person of the world.

The October 19 issue of Newsweek, a Korean publication, points up the details of the new foundation.

U.S. COUPLE OFFERS SCHOLARSHIP

A 51-year-old American has sent to President Park Chung Hee a total of $200,000 for the establishment of a scholarship foundation in memory of the late First Lady which will enable selected young Korean students to study at the University of Santa Clara, Calif.

Edward J. Daly, chairman and president of World Airways, has sent a letter to President Park in which he said, "As a tribute to the memory of Madame Park and to your fine nation, Mrs. Daly and I wish to establish a university scholarship program enabling students from the Republic of Korea to attend the University of Santa Clara, Calif.

Daly, who visited Korea for several days beginning Sept. 24, said that he and his wife have a great respect and admiration for the people of Korea and a desire to foster and strengthen the long and friendly relationship which exists between the people of the Republic of Korea and the United States.

"We feel that this objective can be advanced by affording to the young people of your country the opportunity to study at the Univeristy of Santa Clara, the oldest university in the western United States and one which is world-renowned for its high scholastic standards." Daly told the President in the letter dated Sept. 28.

The university, established in 1851, has 6,000 students, about 80 per cent of whom are Catholics.

During his Seoul visit, Daly also donated $20,000 to Sogang University to help the development of the school.

"This scholarship program, which I would like to establish in memory of your beloved wife, will be founded by my enclosed personal check in the amount of $200,000, made payable to the University of Santa Clara," he told President Park.

"The people of the United States deeply sympahtize with you, your children and all of the people of your fine nation over the tragic death of your beloved wife," Daly said.

Her passing has brought sadness to all the peoples of the world who cherish peace and freedom and who respect the personal traits of human kindness which were exemplified by Madame Park, he said.

Also chairman of the U.S.-West Germany Chamber of Commerce and Industry in the Pacific area, Daly added, "It would also be my desire that in the selection of students for the program, there be an equal balance between women and men students and that emphasis be placed on graduate study."

Daly, leader of a regional organization for Negroes in the United States, has contributed much to the improvement of social status of black people in the United States.

MANY MIA-POW'S STILL MISSING

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. MEEDS. Mr. Speaker, the Washington chapter of the National League of Families continues their efforts to focus the compassion and concern of the American people and those abroad on the plight of the still unaccounted for MIA/POW's in Southeast Asia.

The summary of the chapter's concerns and activities could, I am sure, be repeated for many States of the Union. President Ford reminded us, in his statement on clemency, of the presing need to "bind up the Nation's wounds." The unknown fate of these mising men is an open wound to the National League of Families and to all who share in their search for a resolution to the uncertainty.

The summary follows:

WASHINGTON FAMILIES POW–MIA

There are approximately 50 men from Washington State who remain either in the category of MIA or POW in S.E. Asia.

Included in the Washington Chapter, National League of Families, are grandfathers; minor-age children; elderly parents; parents who have passed away without knowing the whereabout of a son; and wives who have died leaving orphaned children.

We have family members who have traveled, at their own expense, to the ends of the earth seeking information. Some of these family members were told by the North Vietnamese in Russia that they would receive information within 6 weeks. They were told this in 1971, and they still wait. Some were told to write to certain addresses for information, which they did, and still receive no word.

Many of the family members have spent much of their own time and money seeking information and mailing inquiries. There has been no information from iron curtain countries or from the Red Cross in North Vietnam since the cease fire.

We have men from our state who were seen alive. Pictures were taken of them and yet their whereabouts and status remain unknown. Capt. San D. Francisco and Lt. Ron Dodge are two prime examples. And these examples echo across the nation of men who remain unaccounted for as their fate and their families wait, as they have waited for as many as 10 years or more.

And they wait with increasing impatience as the years drag on through one administration after another.

We wait for our elected officials to press "dramatically" for the enforcement of the Paris Peace Agreement in its' entirety.

INTERNMENT POLICIES A TRAGEDY FOR BRITAIN

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ANNUNZIO. Mr. Speaker, for a number of years now, the British Government has been practicing a policy of internment in Northern Ireland that is completely repugnant to the ideals of liberty which have been held so dear by free peoples everywhere. It is especially ironic—and saddening—that this practice continues in the nation which is the birthplace of these noble ideals of individual freedom and where these ideals have long been a living, working everyday reality.

Americans have long prided themselves on the vigilant maintenance of these precious traditions, many of which were inherited from Britain, and we have championed these traditions of liberty throughout our history. It is especially disheartening when a nation such as Britain, or any of our allies for that matter, abandon these traditions and revert to methods long a hallmark of totalitarian states.

I strongly believe that we as Americans must continue to denounce and condemn reprehensible conduct on the part of any nation, including our friends. In fact, we must do so especially in those cases where we have historic ties of friendship, because it is abundantly clear that the United States cannot uphold these standards alone in the interdependent world of today.

Mr. Speaker, at this point in the RECORD I wish to insert a letter on this subject to the Chicago Sun-Times written by Pat Hennessy, national vice chairman of the American Irish Immigration Committee.

The letter follows:

BRITISH INTERNMENT

The fight to end British internment infamy in Northern Ireland is a worldwide one now and gaining ground daily. Hopefully, our President and Congress will speak out against it as the conscience of a free people.

Internment in Northern Ireland means that a "suspect" can be "lifted" or arrested at any time during the day or night and interned for an indefinite period without charge or trial. Some of the more than 500 men and women presently "detained" have been so since 1970.

Internment in Northern Ireland is practiced under the Special Powers Act of 1922, and is a complete repudiation of the English Bill of Rights, 1689; The United Nations charter; the European Treaty on Conventions, 1969, and many other protocols on civil and political rights. It repudiates the traditional individual freedom championed and practiced in England.

As "leader of the free world" our leaders should be at least concerned with the disregard shown by Britain of the Rules of Law in Northern Ireland. They have an obligation to speak out against it and, hopefully, influence Britain to respect and adhere to laws governing civilized people. To do otherwise is to sit idly by and condone an already explosive situation that creates an obstacle to order and peace.

Any impartial observation of the tragic events in Northern Ireland clearly demonstrates that this is no internal British matter. It is prejudicial to other people and nations and must be ended immediately if any hope of bringing peace and ultimate reunification to this country is to be maintained.

PAT HENNESSY,
National Vice Chairman, American Irish Immigration Committee.

MIA'S STILL NOT FORGOTTEN

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. STEIGER of Arizona. Mr. Speaker, for most Americans the war in Southeast Asia is over. But for the 1,300 families of men listed as missing in action during those hostilities, the war will not be over until every effort has been made to account for these men.

I would like to take this opportunity to include in the RECORD a poem written by Mr. E. B. Thomas, a member of the Tucson MIA family group, on our brave men who are missing in action. He poignantly says in verse what I and other Members of Congress have been stating over and over—that the U.S. Government has not done enough to force North Vietnam and the Vietcong to comply with the terms of the Paris Peace Agreement by furnishing all information on the whereabouts of these men.

The tragedy is that it is possible that many of these men are still alive. Some are known to have been alive and in Communist hands at one time and others were photographed in captivity. For some of these men, the enemy issued propaganda releases and photographs of official armed services ID cards of some men stating that they had been taken prisoner. Yet many of these same men were not on official lists released by the North Vietnamese Government. Since some were photographed and some were on lists, Hanoi knows whether they are alive or dead.

Our Government cannot continue to play the passive role it has. Mr. Thomas' poem reminds us that we must not forget and close the book on these men. The last two lines of the poem well express the appalling apathy our Government has shown with regard to these men. Mr. Thomas' verse follows:

OUR MIA'S

These men were some of America's best,
  Thirteen Hundred of her cream;
But today they are merely a Government List,
  A nearly forgotten dream.

Their Country called them and they went
  To bravely bear her arms;
They served her truly wherever sent,
  Without thought of personal harm.

Some men had waited official call,
  Some of them had enlisted,
Some had long times on her Services rolls,
  But none of them had resisted.

Men they were of all colors and creeds,
  And from every walk in life;
Remembered today for their many deeds
  Of valor in Asian strife.

They were Soldiers, Sailors and Marines,
  And Flyers of land and sea.
Yet till today none have been seen
  And no one knows where they be.

Most men had left some loved ones at home,
  Mothers or children or wives,
Waiting the day they should once again come,
  With daily prayers for their lives.

We had names of every prisoner
  When the Paris Peace was made,
And pledged their release with honor,
  But found empty words instead.

Six Hundred of our men came home
  To their Country's shouts of joy,
But unlucky ones were left alone
  Bleak prisons to enjoy.

Most of our dead lie unburied;
  Only twenty-three were brought back,
And America now seems unhurried
  In its search to find their track.

MAKE SOCIAL SECURITY TAX PROGRESSIVE, LIFT BURDEN FROM LOW-INCOME WORKERS—MILWAUKEE SENTINEL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. REUSS. Mr. Speaker, the Milwaukee Sentinel, in an excellent November 28 editorial, has called on Congress to lift the burden of financing social security from America's low-income workers, who can least afford it in these inflation-

ary times, by making the payroll tax progressive or by funding social security through the income tax:

BURDENSOME TAX

Now that Congress and the president have agreed upon a law which assures that all private pension plans will be solvent they ought to look into the most precarious retirement fund of them all—the government operated Social Security system.

New support for a restructuring of the system has been provided by a special advisory council which confirmed that unfunded Social Security liabilities amount to $2.1 trillion. The council said Social Security tax rates must be increased 50% to 75% to make up the difference.

The Social Security Administration disagrees with the council's projections, saying the current rate structure will keep the system sound until the year 2000. In view of the fact that the expensive and regressive tax is geared to escalate with the cost of living, even that optimistic projection is not too comforting. And when one thinks about it, the year 2000 really isn't such a long way off.

In any case, the average workingman can be expected to be shelling into the fund in increasing amounts until the day he dies or retires, whichever comes first.

This would not be a bad situation if the money being taken from the individual worker and from his employer in matched amounts, in most cases, were being put aside for his own retirement. But it is not. It's being used to provide postretirement benefits for persons already on the retirement rolls. Congress, in its generosity, increases the benefits as fast as the money comes in—faster, if we are to believe the $2.1 trillion liability figure.

If any other pension fund were managed in a similar manner, it would have been under investigation for fraud long ago.

Probably the best way to approach any Social Security reform is to properly define the plan: A tax supported guaranteed income and medical service plan for retired persons and others covered by diverse sections of the Social Security law.

The next step would be to make the tax more equitable than the present system under which all persons pay a fixed rate on a limited amount of their income (5.85% on the first $14,100 next year). Either the Social Security tax should be made progressive or it should be done away with in favor of full funding by the income tax.

Ultimately, Social Security would not be less costly, but the burden of its financing would be lifted from the lower income wage earners who are least able to pay for another person's retirement needs.

PROPER ATTENTION TO MS

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. SYMINGTON. Mr. Speaker, as a member of PAUL ROGERS' House Health Subcommittee, I have long been concerned with the many diseases which afflict our Nation and the world. Few illnesses are so tragic as multiple sclerosis—MS—a disease characterized by degeneration of the brain and spinal cord.

MS is progressively dehabilitating. MS afflicts more than 500,000 Americans. It results in loss of motor and sensory functions. There is still no known cause or cure. Equally tragic, MS usually strikes adults between the ages of 20 and 40, thus robbing the Nation of some of its most productive and creative people while inflicting a terrible burden on many young families.

For all these reasons, I call to the attention of the public and my colleagues a very thoughtful St. Louis Globe-Democrat editorial concerning the need for additional Federal funds for research into the causes and cure of MS, multiple sclerosis.

PROPER ATTENTION TO MS

Authorities on multiple sclerosis, the mysterious crippler of young adults, make a good case for increased financial support to combat the dread disease.

Meeting in St. Louis, leaders of the National Advisory Commission on Multiple Sclerosis asked the federal government for $17 million in MS research funds spread out over the next three years.

The amount requested is small compared to the $400 million for cancer research and the $300 million for heart research allocated by Congress last year.

Multiple sclerosis afflicts hundreds of thousands of Americans. A chronic disease of the central nervous system, MS most often hits those between the ages of 20 and 40, the vital years in family life and career expectations.

Congress has appropriated money for MS research, but as part of the total budget for the National Institutes of Health. The commissioners meeting here believe that funds intended for MS should appear as a line item in the budget of the National Institute of Neurological Diseases and Stroke. They also want proper supervision, assuring evaluation of all proposals for research and development related to the disease.

The MS proposals are sound. They should be acted upon by Congress as being in the best interest of national health needs.

IN COMMEMORATION OF LATVIAN INDEPENDENCE

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, this past week has marked the 56th anniversary of the declaration of independence of the State of Latvia. I feel that it is altogether fitting that on this momentous but solemn occasion we recount with horror the persecution and exploitation which the Latvian, Lithuanian, and Estonian peoples have been subjected to since the wholly illegal annexation of those countries by the Soviet Union some 34 years ago.

To this day, however, these brave and proud peoples have not recognized that brutal annexation of their homeland, but rather have chosen to reassert their natural right to independence and self-determination by asking freedom loving nations the world over to join them in condemning the Soviet Union's outrageous imprisonment of a free people.

Of all the nations in the world, certainly we Americans can well appreciate and sympathize with the Baltic peoples' struggle for an independently free country. As the global champion of the democratic process, and the foremost example of a free and open society, it is the duty of this great country to seize the initiative and employ the detente diplomacy, now established with the Soviet Government, to gain official recognition of the basic human rights for all these people. Surely we cannot shrink from this awesome responsibility.

The American people know that, as moral defenders of liberty, justice, and self-determination for all, we must stand unalterably opposed to the Soviet policy of political, cultural, and religious persecution toward the captive peoples of the Baltic States. We will remain firm in our conviction to fight oppression in any form at any place, so that the ideals for which this Nation has struggled for nearly 200 years shall never be compromised to the forces of totalitarianism.

DR. DEBUS: A GIANT STEPS DOWN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. TEAGUE. Mr. Speaker, in the October 20, 1974, issue of Sunrise, a Sunday supplement magazine to Today by Cape Publications, there was a feature article on the distinguished Dr. Kurt Debus, Director of the John F. Kennedy Space Center. Dr. Debus is truly a giant in his field. This fine man has decided to retire and I know everyone connected with the space program, and everyone that ever worked with him will miss him tremendously.

This man, Kurt Debus, has dedicated his finest talents to the U.S. space effort and for that every American must thank him.

I submit the article to you, my fellow Members of Congress, and the general public.

The article follows:

DR. DEBUS: A GIANT STEPS DOWN

(By Bob Thomas)

He could have been a concert pianist, performing perhaps in the stately music halls of European capitals.

Or he could have been a medical researcher, bent over a microscope, probing for answers to diseases that plague the unfortunates of the world.

And he could have been an aeronautical engineer advancing the state of the art of winged flight.

All of those things would have been possible because of his inquisitive nature, a sincere interest in all of those endeavors and because of his magnificent mind.

And although he gave all those careers at least passing thought, he would finally decide on pursuing an education in electrical engineering. Because of that decision, he would participate in no small way in man's greatest period of technical advancement.

We're talking about Dr. Kurt H. Debus, director, John F. Kennedy Space Center.

Dr. Debus is stepping down from that lofty position within America's space program and he is a bit sad about the fact. There was not the slightest hint of pressure from above for him to turn himself out to pasture. It was a decision he reached on his own.

He is perhaps tired and no one would dare deny him his right to leave behind the heady decisions of complex management and turn instead to idle hours of fishing, gardening, traveling and listening to classical music. He has earned the leisure of retirement.

And yet to talk to the man, in this transitional time in his life, is to feel some of his sadness.

He admits he will miss the excitement, the moments of decision making, the exhilaration of still another successful launch.

And what man would enjoy relinquishing the times of having his counsel sought? The stage lights, for Debus, are about to be turned down, and all men and women who know him feel a sliver of his sorrow.

At 66, Debus is a young man. True, he is concerned about his high blood pressure, but that symptom is not uncommon among people half his age. He still is clear of eye and few men would care to joust with his mind. He refuses to take the time to reminisce, preferring to ever look ahead, to dream of discoveries milleniums in the future and to wonder about the scheme of things.

Unlike the Old Soldier, Dr. Debus did not choose to simply fade away from his duties. Until the end he was THE director.

His expansive office did begin to take on an appearance of "gradual transition"—the book shelves were bare, the mementoes and models of countless liftoffs were packed away—but it was otherwise evident that a guiding hand still functioned at full capacity within those four walls.

A permanent successor had not been named at the time of the interview, but he admitted he had "a man in mind," one he would recommend for the position. But he would be pressed no further. No names. No hint of whom.

But that is the only matter, during an afternoon interview, on which he would not express his honest beliefs.

Subject of thousands of such interviews, it would seem there is not a question he has not been asked, nor one for which he does not have a straight-forward and honest answer.

He talks about his youth, and apparently the first six years of his life were no different than those of other youngsters growing up in pre-World War I Germany. The only child of a Frankfurt bookkeeper, he had all of life's necessities and, no doubt, a bit more. And maybe a bit of precociousness showed through from time to time. He began school during the first year of the war, and somewhat shyly he tells you he received "good grades." He enjoyed a healthy body and undoubtedly played the games and sports of youth.

There is a twinkle in his eye that says he may have been something of a prankster.

When young manhood caught up with him he would be off to Darmstadt University for initial and advanced degrees in mechanical and electrical engineering. In 1939 he would obtain his doctorate with a thesis on surge voltages and then become an assistant professor at Darmstadt.

Early into World War II he would be approached by a youthful rocketry pioneer by name of Wernher von Braun. And an "invitation" would be extended to him to join a project at a place called Peenemunde—cradle of the devastatingly accurate V-2 rocket/bomb.

"I was 'drafted' more than 'invited.' And at that time and in that place you went where you were told."

At Peenemunde he would advance to launch commander. At war's end he would surrender to the Allies and become one of 100 German specialists offered U.S. Army contracts to further study the enigmas of rocketry.

The rest is history.

Dr. Debus' resume of accomplishments in this country's history of space flight reads like something out of Jules Verne, and the French novelist undoubtedly was responsible, in part, for piquing a young boy's mind and germinating an interest in interplanetary travel.

The subject of man's journey to the moon, Debus said, "was playfully discussed as early as 1950. At that time we were taking the first technical steps, mostly by our earliest computers, that led us to believe travel to the moon and back was not necessarily a topic simply for science fiction.

"In late 1958 and early '59, it became evident that there was a 'good possibility' we could do it, and around '64-65 we predicted we would do it. Fuel, of course, was one of the bigger problems we had to overcome."

Basically a shy man—he socializes rarely and then only with a group of people who speak his own technical language—Debus is apt to skim over what was undoubtedly his greatest contribution to the space effort. Almost singlehandedly he welded together a team—peaking at 26,000 people in 1968—of a thousand persuasions, and planted in each mind one single goal: Get a man to the moon and back.

Those responsible to him were higher members of the military hierarchy, captains of industry, trade union leaders, scientists, researchers, technicians and laborers. Twenty-six thousand of them. He believed in the delegation of authority, but he occupied the loneliest of all chairs at the Cape. The final decisions were his.

No one would ever accuse him of shirking that duty.

From a hastily drawn pencil sketch—no more than a doodle, really—would grow the Vehicle Assembly Building, the 35-story tower that is all that disturbs nature's horizon as one peers from Debus' fourth-floor office at the center's administration building. That, too, is a Debus creation.

Only naturally, because he has devoted his life to the dream, Debus does not share the nation's apathy toward space travel. He would encourage any young man or woman to pursue a career in aerospace engineering.

"Space travel is in its infancy. Even aviation is only in its young-adult life. We're talking about an entirely different type of transportation here. The bicycle was perfected the first day it was built. And the sailship, too. Oh, there have been refinements, but basically a bike is a bike is a bike.

"That is not true with aircraft, nor with the design and means of propelling a space ship. There is a worthwhile and rewarding future in aerospace for this generation and all generations to come."

And he does not understand America's criticism that it received too little in return for the millions spent and still being spent on the space program.

"We never know at the start of any new technical era what will happen, and we should not be called upon to justify what has been accomplished to date. But some things are worth mentioning.

"We are learning more about pollution and how to avoid it. The space program has contributed to feeding the hungry of the world and we're learning more every day about the sun and the sea and how they can contribute to solving our energy crisis.

"We must realize that space techniques are no more than tools with which to provide us a better life on our little planet. And we should remember that the aircraft was not a necessity the day the Wright Brothers flew at Kitty Hawk."

Given that impossibility to have lived in another era, either past or future, Dr. Debus would have refused.

"I have lived through the most interesting of times. The world has seen a period of 30 to 40 years which provided nearly all of our technical knowledge. I prefer to have been here at the beginning.

"No period in the past holds any great interest for me—and I can dream about the future. I have a good idea what's going to happen."

And that is?

"Oh, perhaps within 40 to 60 years we will establish proof that other civilizations do exist and that we are not alone in the universe. Maybe within 100 years we'll have the know-how and the means to communicate with those beings.

"And by then we'll have had manned landings on Mars, and we'll probably know if life ever did exist on any of the planets in our galaxy."

Debus was there back in January of '58 when this nation launched its first Explorer 1, and he was around when three men last manned Skylab. No doubt he will occupy a seat, front row center, when the American half of the Apollo-Soyuz mission lifts off next summer, and if fate is kind to him he'll shake the hands of the first Space Shuttle crew.

He will have had a good, useful and full life. A rarity for most men.

But from now until July of '75 he will "do nothing," he says, except fish for food—he is not a sports fisherman, spend time with his stereo equipment, visit his daughter, Siegrid, and son-in-law, William Northcut and their children, Monica and Michele in Miami, and a second daughter, Ute, in Washington, D.C. And he speaks of them as would any proud father and grandfather.

Debus admits he will face what many new retirees frequently encounter—a wife who realizes the vow of "for better or worse, but not for lunch" is about to end.

Gay, his wife of almost two score years, played no role in his decision to retire. "If she had her way I'd still be thinking about getting up and going to work every morning. She thinks I'm going to be a bother around the house all day."

The Debuses, however, do not plan to spend all that much time "around the house." Travel will be one of the key words in their conversation in months and years to come. Dr. Debus has no specific place in mind other than "I've never been south of the equator."

He has no great desire to visit the newly-opened borders of China. It is possible that a first-hand look at the Soviet accomplishments would interest him, but, "They (the Russians) have not invited me over."

Certainly once he decides to stir from the hammock of pure leisure, his presence and words will be in great demand at colleges, universities and meetings of international scientific societies. And he is not about to turn down a consultant's fee.

He is, however, quick to tell you he has no intention of entering the private sector on any full time basis. At least not as long as good music is being written, scientific journals are being printed, fish continue to spawn, flowers continue to grow or work needs to be done around the house.

One must wonder how this man, so deeply involved in advancing technology, will find contentment in notes of the scale, the published word, or playing out the roles of Izaak Walton, Luther Burbank and do-it-yourselfer. But time should tell us.

And he has promised to chat with us again in six months.

GROWING UNREST IN NATION OVER DELAYS IN ROCKEFELLER CONFIRMATION

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. McCLORY. Mr. Speaker, there is a growing unrest resulting from the delays in the confirmation of Nelson A. Rockefeller as Vice President of the United States. A most articulate expression of concern was voiced recently by

WBBM Radio, Chicago, Ill. A copy of the editorial follows:

ROCKEFELLER CONFIRMATION

This nation needs a Vice President and we wish the members of the Senate rules committee would get off their Senatorial seats and vote on the confirmation of Nelson Rockefeller one way or another.

We realize that a thorough investigation takes time, and that after a year of political scandal in Washington, the Senators would want to be as careful as possible in their decision-making. But the scent of "politics" at its worst is strong. We can't help be suspicious that a vote on the Rockefeller nomination was withheld until the election was over.

Speaker Albert and Senate Majority Leader Mansfield have promised to do all they can to see that the Rockefeller nomination is brought to full vote before this Congress ends in December. We hope for the good of the country that they will honor that promise.

The need for a Vice President is made all the clearer by President Ford's visit to the Orient this week. If the unthinkable happened, the Presidency would fall to the Speaker of the House, Carl Albert, who has said repeatedly that he does not want to be President.

Our Constitution provides for an orderly transition of power in the event of the death of a president. We feel that the American people have gone through enough governmental upheaval this year by having a President and Vice President leave office. The nation does not need to have that upheaval compounded by a vacancy in the Vice Presidency. The Senate should act on the Rockefeller nomination and quickly.

SENDING A MESSAGE TO WASHINGTON: CUT GOVERNMENT SPENDING

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ASHBROOK. Mr. Speaker, talking to constituents during the past several months one message has come through loud and clear. That message is that Americans have had enough of double-digit inflation.

As a recent Harris poll has shown, 76 percent of the American people consider Government spending to be one of the prime causes of inflation. Of course, this opinion is correct. Government spending is a prime cause of inflation.

One unbalanced budget has followed another. Interest payments on the public debt have soared. If each American family was presented a bill for the interest payments on the national debt for this year alone, the bill would be $429 per family.

It is obvious that the budget must be balanced. There are basically two ways of doing this. One is to raise taxes and the other is to cut spending. As I have said numerous times before, the problem is not undertaxing but overspending.

The American people are fed up with new and higher taxes. In the State of Ohio alone there were over 300 local issues on the ballot dealing with higher tax levies and/or greater spending. The voters turned down many of these proposals for higher taxes and higher spending. The taxpayers are sending local officials and national officials the same message. It is time that the lesson is learned in Washington.

Congress must come to grips with the problem of inflation. It cannot be done by words and empty promises. It can only be done by cutting Federal spending. Such cuts may not be easy but they are necessary. To do this the Congress first must hold the line on spending and second, the administrator must begin cutting the fat out of the budget.

At this point I would like to call to the attention of my colleagues an article by C. W. Borklund which appeared in the November 1974 issue of Government Executive entitled "Can Government Spending Be Cut Back?" Below is the text of this interesting article:

[From Government Executive, November 1974]

CAN GOVERNMENT SPENDING BE CUT BACK?

(By C. W. Borklund)

HIGHLIGHTS

Defense spending ($83 billion this year) is no longer, or at least shouldn't be, the central issue in Government fiscal problems.

What should be is the virtually uncontrolled growth in spending on domestic social and economic programs, already more than 25% of the GNP in Federal monies alone and growing at a rate of 12.6% per year.

Short of fiscal disaster, the only way out is another tax increase or a cutback in the programs, themselves—the latter helped some by Government agencies increasing their operating efficiency.

Chances are disaster will hit before the right moves are made.

When President Ford asked recently for cuts in government spending as one major way to help stop inflation, Congress responded by chopping the current fiscal year (to June 30, 1975) Defense Department expenditure request by some $4.5 billion, to a total $83 billion.

In effect, Defense has been allocated slightly less than 5.9% of the Nation's Gross National Product (GNP). Its buying power is now somewhere between its previous low (since World War II) in President Harry Truman's pre-Korea days and its next lowest, in the immediate post-Korean war era of President Eisenhower.

Whether that is wise or not is a moot question (see box, Defense; "How much is enough?"). To be sure, for lots of different reasons it will please lots of different people:

Those frustrated that the so-called "peace dividend" they thought would result after U.S. withdrawal from Vietnam hasn't seemed to materialize; those angered at the apparent, well-publicized cost overruns in weapon systems developments; those convinced that "a powerful military-industry complex has lobbied successfully to keep Defense spending high in peacetime, stealing funds from needy domestic programs."

The fact is, Defense critics, out of design or ignorance, have perpetuated a myth. Since 1968, when their attack on military spending first gained notable force, Defense outlays have shown an average annual increase of 2%.

So-called "social and economic programs," on the other hand have been increasing in cost at an annual rate of 13.1%. (Compared to the 5.9% of GNP now going to national defense, for instance, 5.8% of the GNP is for social security. In other words, the U.S. is spending nearly as much for social security as it is for national security.)

In dollars, National Defense spending has gone up, certainly. Including military assistance and similar Defense-related spending, outlays were $80.5 billion in 1968. For Fiscal '76, they will hit an estimated $94.7 billion.

But everything else is up, too. Outlays for veterans benefits, space and international programs—$16.2 billion in Fiscal '68—will be $22.1 billion in 1976. Debt interest—$13.6 billion in '68—will be $30.4 billion in '76.

The biggest item by far, however, is social and economic spending. From $72.8 billion in '68, it will climb to $194.6 billion by '76 at the Federal level alone. Adding in State and local outlays for those same kinds of programs will bring the total to $402.4 billion, $100 billion more than the entire Federal budget for the current fiscal year.

INEXHAUSTIBLE SOURCE?

Some "social and economic" examples: Income security—$107.2 billion; Education & Manpower—$12.3 billion; Health—$33 billion; Veterans Benefits—$13.8 billion; Commerce & Transportation $13.9 billion; Natural Resources & Environment—$4.1 billion; Community Development & Housing—$7.4 billion.

That's just Federal spending. Laced in there is about $52 billion annually, and rising, in general and special revenue sharing and grants-in-aid for specific projects to State and local governments.

What it all adds up to is that a Republican White House "working with" a Democrat-controlled Congress since 1968, have outdone President John Kennedy's New Frontier and President Lyndon Johnson's Great Society. They have put a tight ceiling on Defense while watching the cost of domestic programs soar essentially uncontrolled.

Where has the money come from? To date, simply from government, Federal, State and local, taking, mostly through taxes, a bigger bite of the GNP. Social and economic spending was only 12.4% of the GNP in 1956, for instance. It will be 25.1% of the GNP in 1976; and, at a 12.6% annual growth rate, will hit 35–37% by 1986—a year that is right around the corner at the speed government bureaucratic machinery moves.

And of the four main past options to pay the bills, at least two and probably three are no longer realistically available.

CHANGES IN U.S. PUBLIC SPENDING (IN CONSTANT FISCAL YEAR 1969 PRICES)

	Fiscal year 1961 to fiscal year 1968	Fiscal year 1968 to fiscal year 1975
National defense	$+26.5	−$27.6
Veterans, interest, space, international	+5.8	−4.8
Social and economic programs	+32.8	+49.4
Total Federal budget	+65.1	+17.0
Deduct increase in grants-in-id	−10.3	−17.5
Direct Federal programs	+54.8	−.5
State and local governments	+31.0	+56.3
Net U.S. public spending	+85.8	+55.8
National defense	+26.5	−27.6
Social and economic programs	+53.5	+88.2
Veterans, interest, space, international	+5.8	−4.8
Net U.S. public spending	+85.8	+55.8

1.—Even if the GNP were to grow at an annual 4–5% rate, without inflation, neither of which seems realistic at the moment, it would not keep up with the growth trend in government spending. If those government program growths continue unchecked . . .

2.—Short of endless deficit spending (causing more inflation spiral), raising taxes could cover the cost. But as almost every elected official is aware, America's taxpayer is at the breakpoint. Already, in the higher-living-cost states such as California and New York, the average worker gives back to government, Federal, State and local, nearly half his income.

3.—Further cuts could be made in defense, space research and international programs. Space, international and other federal functions are down to only 2.6% of the GNP now, all told; and, even if they could be shifted entirely to social and economic programs, would hardly make a dent in the problem.

Similarly, even if the present Defense budget were cut in half, the transition to firing all its employees because it could not meet its payroll and/or a mixture of that plus halting nearly all procurement and operations would take time. Meanwhile, social and economic spending is growing by that much, roughly $44 billion, every year.

In sum, the size of the Defense budget simply is not the central element any longer in U.S. resource allocation problems. It is only 27% of the $305 billion Federal budget to begin with (less, in significant terms, when it is realized that certain kinds of cuts in Defense would simply mean increases in Federal spending elsewhere, e.g. job training, medical care, welfare, veterans benefits).

And it pales even further when played against total Public spending of nearly $500 billion ($300 billion federal plus a net of nearly $200 billion State and local).

4.—The easiest-seeming answer for fighting inflation and relieving taxpayer burdens would be to cut back the programs.

Yet, while families see their own standards of living eroded by taxes and inflation, Government seems reluctant to face up to the same tough decisions in its family. Few Congressmen, for instance, have shown much willingness to take a hardnosed look at the national "affordability" of such heretofore "sacrosanct" programs as Social Security, welfare, education, veterans benefits, Medicare and Medicaid.

GHOSTLY CUTS

Even with sputtering attempts at budget committee reform, they still tend to propose new, vote-attractive (they think) projects—and leave worries about where the money will come from to someone else.

Similarly, State legislators and city mayors are still more inclined to demand Federal revenue-sharing relief rather than face pockets of constituents with the unhappy news that not everything somebody wants can be done.

Congress did cut, recently, from $20 billion to $11 billion a proposed six-year appropriation for mass transit system construction. But the mass transit "economy" was a paper tiger. Eleven billion dollars was all the Department of Transportation had asked for in the first place.

And they did whack $1 billion in welfare requests out of the $33 billion Health appropriation; but that was, again, more show than substance. Reason for the cut was just they disagreed with what Labor Department and Health, Education & Welfare (HEW) said the cost of this year's welfare obligation would be. They promised if they turned out wrong, they would give the two Departments a supplemental later on to make up the difference.

Fact remains, they have done essentially nothing about the host of programs they have enacted in the past in such a way that more than 75% of the federal budget is uncontrollable by the Executive branch of the Administration. (Examples: the $24 billion current annual national debt interest; such multi-billion-dollar "trust funds" as those covering new highway and shipbuilding construction, airport modernization; virtually the whole of the Human Resources programs; legislated pay and allowances raises for government employees, themselves; the currently $257 billion in direct and guaranteed loans not counted in the budget.)

Nor has government done much, except issue critical reports, about waste and misdirected funding in the programs, themselves. California, for example, proved long ago that billions in welfare payments were going annually to unqualified recipients.

HEW, only in the past year, has begun to sniff at this Pandora's box nationally and is now convinced of the same thing. Billions more have been allocated in just the last few years for such projects as law enforcement assistance, job training and vocational education, child day care centers for poverty-line working mothers.

Government reluctantly admits, and the Congressional General Accounting Office has verified, that nobody has much clue to whether the programs did any good or not. One thing they have discovered: as much as 98%, in some isolated areas, of the money was siphoned off in "administrative costs;" never did reach the people it was intended to help. Compounding that, billions more have been spent on endless local studies to solve the problems—without ever resulting in a decision to just go ahead and solve it.

And beyond even all that, government at all levels is only now beginning to see the need to vastly improve the efficiency of its own internal operation. "If there's one thing eating us alive as fast as inflation," sums up one official, "it's the ballooning cost of our own payrolls and paperwork."

Defense, for example, with 352,000 less military and civilian employees than it had in 1961, spends $20 billion more in pay and allowances (including retired pay) than it did in 1968. Personnel costs are some 55% of the Defense annual budget—and the jumps are all the result of legislated Congressional orders.

PRODUCTIVITY SOUGHT

Most federal agencies face the same problem, even though over the last few years they have held total federal employment down to about a level four million persons (including two million military). State and local employment, on the other hand, has soared to, currently, over 14 million persons in the same timeframe.

Coupling the growth in payrolls with the explosion in program paperwork, government agencies are now torn by a dilemma. Spurred by inflation, funds available to pay these operating costs are, in buying power, dwindling. At the same time, program growth is increasing pressure to do more things for more people.

Like Defense, both in its total operating budget and in its paperwork problem identical to the rest of government, some more far-sighted officials hope the information-handling technology of computers and new office equipment will help bail them out.

Basically, they hope machines will be able to do better and faster what they now have too many people doing by hand. That is only one more facet of a growing public realization: if government spending is to be cut to help stop inflation, it will require the complex interaction of lots of forces.

And it can't happen too soon. The alternative, government-watching economists predict, with or without inflation, is government financial disaster.

MADDEN HAILS PASSAGE OF VIETNAM-ERA VETERANS' READJUSTMENT ASSISTANCE ACT

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. MADDEN. Mr. Speaker. The passage of the Vietnam-era Veterans' Readjustment Assistance Act over the President's veto is a signal that the House of Representatives will pass meaningful legislation to aid and compensate Vietnam veterans.

Since World War II, 10½ million veterans have been trained under the provisions of veterans' aid bills. These programs, like the program adopted by the House yesterday, help to train veterans, many of whom are unemployed, for gainful employment. The veterans' programs have been one of our most successful and worthwhile programs in the history of this country.

The bill we have just passed extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. It establishes a new direct loan program for veteran students. The benefits under the bill are made retroactive to September 1, 1974.

Mr. Speaker, this bill will help the veteran get a chance to realize his goals and potentials. I am pleased that Members of this House have joined me in voting to provide the veterans of our country with this much needed and long-overdue increase in benefits.

WESTERN TEMPORARY SERVICES

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. CONLAN. Mr. Speaker, I want to take this opportunity to commend Western Temporary Services, Inc., an organization that is having a profound and highly beneficial influence throughout our Nation by providing thousands of people with gainful employment.

Western is headquartered in San Francisco and has offices in 154 U.S. cities and in six foreign countries. By providing people with temporary jobs, both skilled and unskilled, this organization has given employment to millions of Americans who otherwise might never have been able to find work.

These Americans include homemakers, whose family responsibilities preclude their taking work on a regular schedule; students whose school work requires them to find employment whenever they can squeeze it in; retired people who only want to work part time when they feel like doing so; those who want additional work to supplement earnings from full-time jobs; and many others who prefer or require temporary employment.

Each year, Western Temporary Services provides more than 50,000 men and women with an opportunity to work when and where they wish, at salaries equivalent to those for regular employment for their skill-level, and with the social security and workmen's compensation coverages that are their due.

I am very proud that the Phoenix office of Western Temporary Services is among the top three in the Nation for providing this temporary work, giving more than 200 Arizona citizens a week the opportunity to help out individuals and businesses who need temporary employees.

In this time of increasing interest in work opportunities for women, it should be noted that Western has provided thousands of homemakers who want to go back to work after months or years out of the job market with an ideal way to accomplish that goal. The firm enables these women to take undemanding assignments during the first few days and weeks after they have rejoined the work force, then to graduate to more demanding work assignments as their skills sharpen.

From its start as a one-man office founded by W. Robert Stover in San Francisco in May 1948, Western has become the Nation's largest independently owned temporary help service. The company operates a clerical division under the name Western Girl and an industrial division under the name Western Man. It also has a marketing services division and a Santa Claus division.

Mr. Speaker, in addition to providing millions of Americans with an opportunity to work, I believe Western Temporary Services has demonstrated in a most dramatic way the ability of our free enterprise system to perform this role.

BUDGET-CUTTING GAME—CALLED EMPTY POLITICAL EXERCISE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. EVINS of Tennessee. Mr. Speaker, the Washington Star-News in a recent editorial takes President Ford to task for playing political games while strong action is needed to stimulate economic activity as the Nation sinks deeper into a recession.

The editorial points out that the $4.6 billion in budget cuts recently requested by the President would come out of the programs benefiting poor people and veterans—and would have little effect in combating inflation.

The editorial further concludes that the President is only now awakening to the fact that the recession is rivaling inflation in the severity of its impact on the economy.

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial in the RECORD herewith.

The editorial follows:

BUDGET-CUTTING GAME

The American people can take no comfort from President Ford's listing of $4.6 billion worth of proposed budget cuts for the current fiscal year. The largely academic plan is no substitute for a serious review of what federal fiscal policy should try to accomplish—or at least avoid exacerbating—in the troubled months to come.

The spending reductions would require 135 separate actions by Congress, few of which have any realistic chance of passing. That Ford knows this is indicated by the inclusion in his scheme of $500 million in savings from his veto of increased veterans' educational benefits—a veto that is sure to be overridden next week. Other Ford suggestions for cuts in social programs have an equally dim prospect of congressional approval.

The lack of realism in the administration's fiscal plan is shown further by assumptions that Congress will adopt the proposed 5 percent income surtax for next year, and that the recession will not be as bad as it is now expected to be. The surtax has virtually no chance of passage, and the recession will cut further into federal revenues while increasing relief costs and the ultimate deficit. The $9.2 billion deficit now envisioned by Ford will be considerably larger whether or not his budget cuts are enacted.

Most of the proposed federal savings ($3.1 billion) would come out of programs benefiting poor people and veterans. Food stamps would cost more, sickly old folks would have to pay a larger part of their hospital bills, states would have to bear a bigger proportion of welfare costs and GI benefits would be held down. Though Ford talked of sharing burdens and dividing misery, most of the sharing and dividing would be among the poor, the elderly and veterans.

The discomfiture of these people, at the same time, would hardly help the overall economy. The $4.6 billion thrift package, if enacted in toto, would have an imperceptible effect on the nation's double-digit inflation. Budget Director Roy Ash once estimated that $5 billion in budget cuts might trim one-tenth of 1 percent from the inflation rate, and some would call that an overestimate given the size of the economy and the movement of other economic forces. Ford apparently was dissuaded by the specter of recession from recommending a more heroic effort to reduce the budget to $300 billion. He has ended up with an essentially symbolic gesture of anti-inflation austerity.

So the proposed budget cuts boil down to an empty political exercise—a continuation of the pre-election effort to pin the big-spending label on Democratic bleeding hearts. A cautious budgetary approach is in order because of the threat that runaway federal spending would further fuel inflation. But Ford is only now awakening to the fact that the deepening recession soon may rival inflation as a threat to the nation's economic well-being. This may force a change to more stimulative fiscal policies aimed at restoring economic growth, and a transfer of the anti-inflation fight to the arena of price and wage controls. There is precious little evidence yet that the administration is capable of producing the more imaginative policies demanded by an unprecedented conjunction of economic evils.

WORLD FOOD CONFERENCE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. MAZZOLI. Mr. Speaker, last week the U.S. delegates to the World Food Conference in Rome returned with a bleak report on hunger and starvation in the world. The economy is still the No. 1 crisis in the United States. There is only one institution in this country which has the power to solve these two problems, and that is the U.S. Congress.

Only through the leadership of the Congress can these crises be met and policies for their solution formulated. While the consideration of our own individual constituents still remains the highest priority, circumstances have extended our representation to the citizens of the world. In the name of humanity, we must stop the hunger and starvation in the world.

But at the same time, the United States cannot expect the problems of the world to be solved unless we can solve the economic instability that faces our domestic economy. The Congress must reform the programs of agriculture, transportation, and foreign trade, and we must formulate programs for the elderly, medical services, and equitable tax laws.

While these problems are difficult and at times seem impossible to solve, immediate action by the Congress can begin to quickly lessen their impact. The American people have placed their trust and confidence in our hands: and without immediate and dedicated action by the Congress, we will have committed a moral crime against our own citizens—a crime no less serious than treason. The crime is apathy.

LET US HELP OUR VIETNAM VETERANS—NOW

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. WON PAT. Mr. Speaker, on December 3, 1974, the House will have another chance to voice its support for increasing assistance to veterans of the Vietnam-era conflict.

As you know, the President recently vetoed H.R. 12628, the Vietnam-Era Readjustment Act, claiming that measure called for "an excessive increase and liberalization of the benefits" for Vietnam veterans.

In this day and age of rising budgets and decreasing tax revenues, President Gerald Ford's message must be taken with more than a grain of salt. I agree with the President that we cannot afford to have our national budget get out of control despite the best intentions.

But does H.R. 12628 really do the terrible things the administration attributes to it? I think not.

What H.R. 12628 does is to bring equity and justice to our treatment of Vietnam veterans. This country has been justly proud of the benefits we have accorded veterans of other conflicts. Yet, when it came to those who served in Vietnam, America was often forgetful and miserly. The educational benefits, in particular, were drastically below standards for Vietnam veterans as opposed to those we gave to veterans of World War II and Korea.

In essence, H.R. 12628 provides for a 23-percent increase in veterans benefits, retroactive to September 1. An estimated 4 million veterans who served in the post-Korea era and another 7 million who served since August 1964 will eligible for the increased allowances.

The 23-percent increase means that a single veteran will receive $270 a month, $50 over the present $220. A married veteran will receive $321 instead of $261; a married veteran with a child will get $366 rather than $298. Each additional child warrants an increase of $22. The measure additionally increases payments for tuition, books, and supply costs while also increasing from 36 to 45 months the period in which a veteran may qualify for educational benefits. The overall cost of these new increases to the Federal Government is estimated to be $800 million for the first year.

Obviously, the package of benefits included in H.R. 12628 is substantial. It needs to be if the Vietnam-era veteran is going to be able to make ends meet. As a cosponsor of legislation similar to H.R. 12628, I call on my colleagues in the House to support the measure and to override the President's veto on the grounds that providing our veterans with the opportunity to educate themselves is not inflationary; rather it is a sound investment in our Nation's future.

During the past months, many of us in the 93d Congress have urged both the Congress and the administration to work together to find new ways to cut Federal spending, without hurting those who need assistance the most.

I can think of several ways to start: Foreign aid, overseas military bases in Europe, the oil depletion allowance, and keeping a closer watch on the horrendous cost overruns on defense spending.

A balanced budget in the Federal Government, as in the home, is a goal we must all work for. But, let us keep our priorities straight while we go about it.

An estimated 11 million veterans, including many of my constitutents in Guam, are closely watching Congress on this issue. I sincerely hope that we shall prove to be worthy of their trust, both now and in the future.

Thank you.

SUPPORTS THE SMALL SAVER'S ACT

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. KETCHUM. Mr. Speaker, I rise in support of H.R. 16994, the Small Saver's Act. I believe that this bill is one of the most sensible steps that Congress can take to ease the tax burden on our citizens while doing something constructive about double-digit inflation, and the housing shortage as well.

As my distinguished colleagues on the Ways and Means, and Banking and Currency Committees have pointed out, this bill will not only encourage savings and reward thrift, but will give a lift to the housing industry as well. As the savings and loan institutions which finance new constructions receive increased deposits, they will be able to provide the cash for new homes and apartments. This, in turn, will help reduce interest rates and also provide jobs in construction for many who are now unemployed.

I have no doubt that the revenue generated by this bill will more than offset any loss that it occasions. The bill has so many merits that I hope this House grants it swift and overwhelming approval.

The American people have been waiting with remarkable patience for Congress to do something about inflation. By passing this legislation, we can take one important step in that direction.

WARREN G. HARDING HIGH SCHOOL OF WARREN, OHIO, WINS CLASS AAA STATE FOOTBALL CHAMPIONSHIP

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. CARNEY of Ohio. Mr. Speaker, my home State of Ohio has long been known for producing the best football players in America. A quick check of the college and professional football team rosters will show more players from Ohio than from any other State in the Union.

Ohio is always well represented on the all-America teams at the end of each college football season. In addition, the Ohio State University Buckeyes are perennially among the top 10 college football teams in the country. Last, but not least, Miami University of Ohio is the cradle of football coaches, including Woody Hayes, Bo Schembechler, Ara Parseghian, Paul Brown, Weeb Ewbank, Paul Dietzel, Johnny Pont, and Alex Agase, to name a few. I might also mention in passing that the Football Hall of Fame is located in Canton, Ohio.

In 1972, all Ohio high school football teams were computerized and divided into four regions. It gives me great pleasure to note that for the third straight year, the best high school football team in the State of Ohio is located in the 19th Congressional District, which I have the privilege to represent. The first year of the computer playoffs, Western Reserve High School of Warren won the class AAA State championship. Last year, Cardinal Mooney High School of Youngstown won the class AAA championship by defeating Warren Western Reserve. This year, the Warren G. Harding High School Panthers are the class AAA State champions in football.

The Warren Harding Panthers, ranked No. 2 in the State before the playoffs, finished the regular season with a 10-to-1 record. The Panthers defeated No. 1-ranked Cincinnati Moeller in the semifinals by the score of 20 to 10. On Friday evening, November 22, Warren Harding played No. 3-ranked Upper Arlington for the class AAA title before 19,253 fans in the Akron Rubber Bowl. The Harding Panthers crushed the Upper Arlington Golden Bears by the score of 41 to 8. The Panther attack was led by fullback Jim Valentine, who ran for touchdowns of 79 and 74 yards, and John Henry Ziegler, who also scored two touchdowns. Defensive standouts for the Panthers were Richard Hall, who intercepted two passes, and Kelton Dansler, who intercepted a pass and recovered a fumble for a touchdown.

The Warren Harding victory marked the third time in as many years that a team from the Mahoning-Trumbull County area has won the class AAA title and the second time in 3 years that a team from the city of Warren has won it.

I am hopeful that this area's domination of Ohio high school football will continue. But, just as important as winning the championship is the manner in which the championship is won. I am proud that the Warren Harding Panthers are true champions in that respect as well. The Panthers played hard, clean football and demonstrated good sportsmanship throughout the contest. Their team spirit, pride, and dedication are deserving of the highest praise. Coach Ed Glass and his staff and players are a credit to the game of football.

Mr. Speaker, I would like to mention the names of the Warren G. Harding High School football players and coaches at this time. They are: Ends—J. Hall, Candella, Machuzak, Hughley, Hudson, T. Hall, J. Shunkwiler, W. Shunkwiler, Cassudakis, Ellison, Freeman, Adgate; tackles—Amos, Ennis, Kowalczyk, Butler, Moshuris; guards—Zambelli, Yavorsky, Farah, M. Ziegler, McCoy, Aurand; centers—Day, Sporich, Maurice; backs—Richburg, Ziegler, Hicks, Valentine, Dansler, Porter, Wiebusch, Frey, Angel, Jones, White, Tucker, Canty, Fakkas, R. Hall, and Ingram. The members of the coaching staff are: Head coach Ed Glass, defensive coordinator Carl Z. Angelo, offensive coordinator Tom Ross, defensive tackles, middle guards and offensive tight ends coach Jack Rogers, offensive guards and centers and defensive ends coach Jack Bogart, and defensive secondary and wide receivers coach Cullen Bowen. Coaches who served as scouts during the season are: Sophomore coaches Gordon Hazen and Ed Jenkins, and freshman coaches Mark Vennis and Carl Martin.

Others who helped with scouting besides their normal duties are: trainer Gerry Rishel, volunteer freshman coach Steve Huzar, and equipment manager Al Wells.

Mr. Speaker, I would also like to take this opportunity to extend my hearty congratulations to each and every one of these individuals for a great football season, and to wish them continued success in the future.

MANUFACTURE OF FREON

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ASPIN. Mr. Speaker, today I am introducing a bill which would ban the production, importation, or licensure for manufacture of freon–11 and freon–12 after July 1, 1976, unless the scientific warnings that freon reduces the ozone layer are disproven.

The freon industry would have us wait until we know for certain that freon destroys ozone before we act to restrict its production. That is the logic of Russian roulette: as long as you don't know for certain there is a bullet in the chamber, it is safe to pull the trigger.

I believe this subject is worthy of intensive research; but I am not prepared to see research invoked as a substitute for timely action. If the industry can demonstrate that its product poses no substantial threat to human life, agriculture, or the natural environment, well and good; if not, it is time to start looking for other propellants and refrigerants.

All of the freon produced in the non-Communist world is produced under patents held by DuPont, a U.S. corporation. My proposal, by forbidding the licensing of any freon patent, would effectively end freon production on a global basis.

It is an encouraging sign that the Commerce Subcommittee on Public Health and Environment chaired by the distinguished gentleman from Florida (Mr. ROGERS) has decided to hold hearings on this matter. That decision bespeaks a determination to act before disaster strikes, rather than waiting until the results of inaction are felt. That determination could be, quite literally, a life saver.

CHRISTIANITY VERSUS THE STATE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. LANDGREBE. Mr. Speaker, for several months prior to the House passage of the Elementary and Secondary Education Act Amendments of 1974, I made public my opposition to the extension of Federal funding of education under that program, an opposition based upon a number of good reasons. Perhaps the most important of these reasons is not that the public schools have failed to educate our children, despite, or perhaps because of Federal funding and intervention, but that the education of our children has been fundamentally anti-theistic, anti-Christian. Dr. Russell Kirk, in a brief article in National Review, pointed out the situation that exists in education today: the establishment of anti-Christianity as the state religion, and the public schools as the state church which young citizens are forced to attend. Because I believe this to be a very important matter, I include Dr. Kirk's article to be printed in the RECORD at this point.

The article follows:

THINGS THAT GO BUMP IN THE NIGHT

(By Russell Kirk)

In the public schools of Minneapolis, young persons may study the supernatural. Are these tidings of great joy? Nay, not so. For the Minneapolis "supernatural" course for pupils in the seventh and eighth grades is concerned with the unnatural or the subnatural, rather than with those realities that transcend physical nature. The Minneapolis course reminds me of a harsh criticism of W. B. Yeats made by T. S. Eliot in *After Strange Gods*. The "supernatural world" of Yeats was "the wrong supernatural world," Eliot wrote. "It was not a world of spiritual significance, not a world of real Good and Evil, of holiness or sin, but a highly sophisticated lower mythology summoned, like a physician, to supply the fading pulse of poetry with some transient stimulant so that the dying patient may utter his last word."

Perhaps the aim in Minneapolis is to supply the fading pulse of public schooling with some transient stimulant. A teacher of the supernatural course, styling herself Ms. Katz, describes for parents the character of this interesting curriculum. "Our first unit is superstition and requires gathering a list of superstitions, and studying the origin of many common superstitions," she begins.

"The second unit covers mythical and semimythical characters, such as vampires, werewolves, Frankenstein, ghosts, and witches. . . . Also, there will be a seance conducted.

"If finances permit, we may have a guest speaker, either a medium or a witch. The third unit is fortune telling and involves work with Astrology, Tarot Cards, the Ouija Board. Palmistry, and Numerology. Your child will learn to work with each method of fortune telling on a superficial basis. The final unit will be the study of ESP. Each student will be required to conduct evaluations of this area."

Ms. Katz says that she is "attempting to teach objectivity," and that pupils will be asked to "look for reasonable explanations for the supernatural phenomena." Those soothing phrases do not satisfy the Reverend C. Philip Hinerman of the Park Avenue United Methodist Church, Minneapolis who wrote me: "Many young people inevitably become hooked on communication with the dead, some have gone deep into witchcraft, and all sorts of bizarre and unhappy episodes have resulted."

Mr. Hinerman also raises a constitutional point. If Bible reading, prayer, and any sort of doctrinal instruction are prohibited in the public schools by the Supreme Court of these United States, how can public schools offer instruction in strange cults? Witchcraft is bound up historically with a heresy from Christianity; the Spiritualists maintain stoutly that theirs is a true religion; astrologers make religious, or quasireligious, claims. Is it quite permissible to offer instruction about any god but God?

"What would the School Board of Minneapolis say to us," Mr. Hinerman continues, "if we proposed a course in conservative evangelical biblical Christianity? We could entitle it, perhaps, 'A Study of Evangelical Supernaturalism.' To ask that question is to answer it. You know very well what the School Board would say to us if we would ask for such permission."

Aye, just so. What increasingly develops in many public schools is a kind of establishment of antireligion. The Supreme Court began to recognize that unpleasant fact when it emancipated Amish children from attendance at public high schools; the august Court may find it necessary to take cognizance, eventually, of how public schools deal with the "supernatural."

Religion, Christianity in particular, is an endeavor to communicate with transcendent being—which, its nature not copying man's nature or physical nature, we call supernatural. The very character of study of the supernatural must lead to theological affirmations or negations. If one makes no such judgments at all—why, then, one plods round the prickly pear, in company with other Hollow Men, at five o'clock in the morning.

Don't mistake me, friends: I distinctly am not of the opinion that young people should be kept blissfully ignorant of the supernatural and the preternatural. Like Yeats, your servant was reared in a family that believed earnestly in the existence of ghosts; and that dogma has been confirmed repeatedly by many private experiences in my own vagrant life. I have written tales of the uncanny and collected true narrations of unquiet spirits. I was telling fortunes by the Tarot long before the hippies ever heard of that art—mostly for amusement, although it can be a dangerous pastime.

Much lies beyond "nature"—both great summits and dreadful depths. We live in a world of wonders. The physical sciences themselves increasingly may direct their attention to what commonly is called the "supernatural"; so Mr. Arthur Koestler argues in his recent book *The Roots of Coincidence*. The study of extrasensory perception, so superficially taken up in Ms. Katz's course, is no mere hocus-pocus, and ought not to be lumped together with numerology, say. Most important of all, our moral and our social order are sustained by "supernatural" convictions—by Christianity and Judaism.

Were I to have junior high pupils in my charge, with an eye to giving them glimpses of something beyond the five senses, I would employ the instrument of humane letters. I would have them read and discuss the tales of C. S. Lewis, and J. R. R. Tolkien, and Charles Williams (though he is a trifle difficult for the seventh grade), and Ray Bradbury—especially Bradbury's fantasy *Something Wicked This Way Comes*. I would give them George Macdonald and Jacquetta Hawkes. I would not encourage my pupils to "look for reasonable explanations" of great myths, say; rather, I would encourage them to seek the truth that is veiled in myth.

The supernatural is not the diabolical; nor is it merely "Madame de Tornquist, in the dark room/Shifting the candles." Schools which shut out the supernatural utterly are wretched schools. Yet there are opened up nowadays contrived corridors which would lead a child not above nature, but beneath it.

A TRIBUTE TO SIR WINSTON CHURCHILL

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. JONES of Oklahoma. Mr. Speaker, the character and public service of Sir Winston Churchill, a strong, sensitive politician, are held in high esteem and admiration by the American people. This November 30th marked the 100th anniversary of his birth, and it stands as a time to commemorate this honorary citizen of the United States, "the Saviour of England."

Churchill recognized that the tonicity of practical politics rested in good measure upon the vitality of parliamentary life. With his personal courage, faith in God, and indomitable spirit, Churchill provided exemplary leadership which guided England and the Allies to a victory in World War II. It is time to reflect on Churchill's legendary "blood, toil, sweat, and tears" speech which he gave in the House of Commons on May 13, 1940. Britain then stood alone, after the fall of France. Churchill's ability to inspire courage, perserverance, and the will to win emerged for all of the Free World to see. He aroused a people, mobilizing their energies and skills, as no man had ever done.

Free men everywhere, stirred by his brave sentiments and bold challenges, by his brilliant phrases and blustry personality, continue to draw strength and inspiration from his determined efforts. Churchill confronted the dangers of

Nazi and Fascist tyranny by expressing his genuine convictions. Truth was the ultimate virtue, not popularity. History was to be the ultimate test, not opinion polls.

In a period of indecision, confusion, and questionable alternatives, Churchill's presence as a leader in the Free World can offer lessons for the decision-makers of today. We need to bring to bear the courage, the foresight, and the imagination that Churchill exhibited on that isolated island nation. His personal manuscripts of movement and power serve as guides for the historical present.

Those who cherish freedom are forever indebted to him, as he set forth novel patterns of human achievement which our country's youth will seek to surpass for many years. The nobler achievements, the wiser achievements that are necessary for orderly progress can be gleaned from the life of Sir Winston Churchill, whose stature may never again be equalled. Truly God's fortune is with us, for benefits received from his life of service have been produced through our trust in God.

In a recent New York Times book review article, Peter Stansky summed up Churchill's life this way:

> The irony of the life is inescapable; lacking a sense of proportion, he continually came on strong, when restraint would have served him better; he lived full tilt, but for a good deal of the time with nothing to tilt at—until the war came, and his style, his rhetoric, his imaginations and his capacities were all matched with a situation appropriate to them. Over the exploding bombs, the devastation of the blitz, the antiaircraft fire, was heard the roar of the lion—nothing less would have done for England, or for Winston Churchill.

As an individual separate from men bound to tradition, Churchill did indeed "dare to be different," as his epitaph so accurately indicates. This represented the design of a man, Sir Winston Churchill.

VETO OF H.R. 12628

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. KETCHUM. Mr. Speaker, I believe that my commitment to fiscal restraint and to a balanced budget is well known in this House. Nevertheless, I must urge my colleagues to vote to override the veto of H.R. 12628, the Veterans' Education and Rehabilitation Amendments.

During 1973, I made an extensive survey of veterans in colleges in my congressional district and in the State of California. It soon became obvious to me that current benefits are quite considerably below those given veterans of World War II and Korea. Tuition costs alone have skyrocketed in recent years, and the Vietnam veteran, unlike his predecessors, does not receive tuition relief. Moreover, it is now exceedingly difficult for a college student to find a part-time job that can really pay for his education. A substantial number of veterans with whom I have spoken have told me they were perfectly willing to work for their tuition, but that no jobs were available.

Mr. Speaker, the Members of this House spoke eloquently of the need for this new GI bill when they voted by a unanimous vote of 388 to 0 to pass it. That need still exists.

There are many areas of the budget that could be cut to accommodate the spending authorized by this bill. Moreover, since there are only so many Vietnam veterans, the program has a visible closed end.

We must provide these young people with the means to pursue an education that is suited to their abilities. I urge my colleagues to vote to override the veto.

DELAY FRUSTRATES INTENT OF 25TH AMENDMENT

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. McCLORY. Mr. Speaker, a most thoughtful and provocative editorial appeared in the Thursday, November 21 issue of the Daily Courier-News, published in my congressional district in Elgin, Ill.

I am attaching a copy of this editorial for the earnest consideration of my colleagues.

The editorial follows:

> "RESPONSIBLE SWIFTNESS": DELAY ON VICE PRESIDENT REVEALS WEAKNESS IN LAW
>
> Three months of congressional inquiry into the affairs of Nelson Rockefeller have revealed the unique character of the family whose name he bears but no reason why he should not be confirmed a vice president.
>
> Nothing connected with the Rockefellers' gifts and loans suggests impropriety and the fact that he was connected with publication of a book about former Supreme Court Justice Arthur Goldberg hardly rates as political hardball, even in the sensitive post-Watergate years. Interestingly, Mr. Goldberg, who has said that the book is libelous, has not sued Mr. Rockefeller.
>
> The suggestion that the Rockefeller wealth is so pervasive that anything Rockefeller would do as vice president would constitute a personal conflict of interest is unacceptable. If nothing else, the Senate hearings have made clear that the Rockefellers have used their wealth responsibly and that the nominee for vice president is a person with an immense compassion and a sensitive concern for ethics.
>
> What has emerged from the Senate committee sessions is that the 25th Amendment to the Constitution, which rules how the offices of president and vice president should be filled in case of illness or tragedy, is inadequate.
>
> When the amendment was under discussion in Congress in 1965 the nation still was mourning the loss of President Kennedy. There was a widespread concern because President Johnson served with a vice president for 14 months—that House Speaker John McCormack, who was 74 years old, was a heartbeat away from the highest office in the nation.
>
> It was understood in 1965, and for the succeeding two years that it took the states to ratify the amendment, that these high offices would be filled with responsible swiftness once the constitutional provision was in force.
>
> There is no reason why it should not except that the amendment does not contemplate politically inspired foot-dragging by Congress or how biennial congresional elections influence the vice presidential selection process.
>
> In a news conference, President Ford suggested that it was time to take another look at the 25th Amendment; that perhaps a deadline for Congress to act should be included in its provisions.
>
> The procrastination by Democrats in Congress over Mr. Rockefeller's confirmation could very well be the political catalyst that brings about the changes that Mr. Ford suggests.

THE DANGER OF GOVERNMENT CREDIT ALLOCATIONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. CRANE. Mr. Speaker, coercive Government regulations, it has been observed many times, have a tendency to grow and multiply.

When Government involvement in any area of the economy produces inequitable results, as is usually inevitable, the result is not to eliminate that involvement but to expand it.

At the present time one of our serious economic problems is the shortage of loan money. This has shown itself most dramatically with regard to the housing industry.

One important reason for this shortage is that savings and loan associations, the ordinary lenders to home purchasers, are prohibited by law from raising their interest rates. In a period of dramatic inflation, depositors are naturally withdrawing their funds from such institutions.

Instead of urging the elimination of Government-imposed interest ceilings, the AFL–CIO and others are now suggesting Government credit allocations. This, of course, is true to the established pattern of correcting the inequities of one set of Government regulations by imposing yet anther set of equally coercive rules which, in the end, will fail even more dramatically.

Commenting upon the idea of credit allocations, the Wall Street Journal notes, with regard to the shortage of funds in the housing field, that:

> A good answer would be to remove interest rate controls, but that is not a quick answer because savings institutions already have liquidity and intermediation problems that will take time to solve. Quick or not, it should be done. But the one answer that should be avoided like the plague is credit allocation. We've already had a look at that future, and it doesn't work.

It seems clear that the best economic course for correcting problems created by Government rules and regulations is to eliminate such interference with the working of the economy—not adding to that interference.

I wish to share with my colleagues the editorial, "A Close Look at Credit," which appeared in the Wall Street Journal of

September 30, 1974, and insert it into the RECORD at this time:

A CLOSE LOOK AT CREDIT

Despite the sad experiences with wage-price controls, oil allocations and other experiments with central economic management, there are those in Washington who never tire of seeking a way to run a $1.4 trillion economy with a magic lever.

The latest idea, making the rounds of the Senate corridors, the AFL–CIO headquarters and other policy centers, is credit allocation. The idea is beguilingly simple: Since loan money is going to all the wrong places, the theory holds, somebody in Washington with a head on his shoulders should order banks to send it to the right places.

Those right places are principally the housing industry and other labor intensive fields where it is assumed that lending could be most quickly translated into jobs. Less is said about where money would *not* go since there is not much political mileage to be had from urging self denial.

We are not out of sympathy with the problems of the housing industry nor do we underestimate the importance of housing growth to the health of the economy. Housing starts in August were the lowest since February 1970 and Argus Research estimates that over the next six months they could run 30% below year earlier levels. That is only part of housing's problems. The other part is that for several years it has been victim of a boom-bust cycle which disrupts logistics and planning, causing waste.

But the notion that housing's troubles can be cured by credit allocation betrays a serious misunderstanding of the problem. The problem is not maldistribution but shortage, and primarily a shortage in the savings and loan industry which acts as a primary conduit of credit to housing. There are several ways that problem can be dealt with, and credit allocation is not one of them.

Credit allocation, as it is usually envisioned, would have the Federal Reserve Board act as the allocator, licensing lenders and setting limits and terms on loans. The President already has legal authority, provided in a 1969 act, to set up such a scheme. Presumably, if the Fed ran the show, the allocations would apply principally to banks rather than savings institutions.

But before tackling such a task it might be a good idea to ask how banks have been faring on their own with market demand largely determining lending priorities. For example, there was a big leap last summer in lending to public utilities, presumably to help them with fuel inventory problems, antipollution measures and other pressing needs. There also was a sizable gain in lending to a machinery industry that is trying to catch up with a flood of orders for new industrial capacity, which might help to relieve inflationary pressures. Even the construction industry had a sizable rise in borrowing and outstanding real estate loans by banks have risen substantially over the last year.

In other words, so far as banks are concerned, the market has been allocating credit with a remarkable respect for the nation's needs and priorities. It probably could do an even better job if it was freer of governmental restriction. Those savings institutions that are so important to the housing industry are having trouble fulfilling their role largely because government interest rate ceilings have left them at a disadvantage in competing for funds. The U.S. Treasury itself has proved to be one of their biggest competitors.

With things in their present state, there is probably no answer to housing's problems that is both good and quick. Senate Banking has just come up with a quick answer—$10 billion in new government-subsidized lending to housing—but it isn't a very good one. There is something anomalous about the government drafting ever larger chunks of capital when a shortage exists. A good answer would be to remove interest rate controls, but that is not a quick answer because savings insitutions already have liquidity and intermediation problems that will take time to solve. Quick or not, it should be done.

But the one answer that should be avoided like the plague is credit allocation. We've already had a look at that future, and it doesn't work.

THE HOUSING CRISIS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. KOCH. Mr. Speaker, I would like to bring to your attention an excellent statement on the very serious housing crisis which the Nation is experiencing. A special resolution calling for decisive action by the Congress to develop a strategy for housing and community development activities was adopted this past October by the National Association of Housing and Redevelopment Officials at their national conference. I would like to append that resolution for the information of our colleagues:

EMERGENCY ACTION TO GET HOUSING AND COMMUNITY DEVELOPMENT ACTIVITY MOVING IN 1974

PREAMBLE

In its Program Policy Resolution for 1974–75 (see pages 452–455), NAHRO expresses confidence and optimism that the United States will meet its problems at home and abroad. The Association calls for an all-out effort to expand housing and community development activities in 1975 by implementing the Housing and Community Development Act of 1974 in a new spirit of partnership between federal, state, and local government. NAHRO believes that such expanded activity can proceed as part of a balanced program to restore and bolster the national economy.

But in October 1974, the nation is in the midst of an economic crisis that requires immediate action. The danger is not only from a continually rising rate of inflation, now recorded in double digits, but also from a decline in economic activity led by a faltering housing industry, which, if not checked, could lead to a deep economic recession.

National housing production is about 50 percent below the 2.6 million unit average annual level determined by the Congress in 1968 as necessary to meet the nation's minimum housing needs. More than 60 percent of American families cannot now afford to purchase a new home, because of inflation-related high costs, lack of mortgage funds, and escalating interest rates.

New federally-assisted activity for community development and for low- and moderate-income housing is on dead center. The combination of the two-year moratorium and slowdown in new federally-assisted activity, plus national economic inflation, has brought these efforts to an almost full standstill.

The future economic stability of our nation, as well as progress in meeting urgent housing and community development needs, may well depend on our ability to develop a balanced, coordinated national program, attacking the danger of *inflation* and the danger of *recession*—both at the same time. Housing and community development activities can be utilized as strategic levers in such a coordinated effort. A significant number of housing and community development activities have a minor inflationary impact, as indicated in the NAHRO Program Policy Resolution for 1974–75. Many of these activities have direct benefits for lower-income families hit hardest by inflation.

NAHRO calls for immediate, decisive action by the national Administration and the Congress to develop such a balanced, coordinated national economic program, including the strategic use of housing and community development activities.

The Association has developed a series of recommendations which it believes are urgently required—now in 1974—to get housing and community development moving again. It is prepared to work cooperatively, in the national interest, to stage these activities as part of a total strategy to restrain rising inflation and to prevent an economic recession. At the same time, such activities can have multiple benefits in maintaining the national capacity to respond to the demands of a balanced economy in the future.

Following is the full listing of activities required to get housing and community development moving again. It represents the spectrum of actions which should be considered for inclusion in an over-all balanced program.

COMMUNITY DEVELOPMENT

HUD should release immediately the 197 million dollars in appropriated funds to enable local communities to meet their commitments to ongoing urban renewal and model cities activities;

HUD should promptly process advance-of-fund requests from entitlement communities to enable quick action to proceed on programming transitional activity, and on preparing for the block grant community development program;

HUD should include explicit requirements in the block grant application and in the statement of the initial year's program activity for any local community, to insure that the three-year program will reflect the goals of the Congress for the community development program, i.e., to eliminate slums and blight and respond to the needs of low- and moderate-income families;

The Congress should speedily approve a supplemental appropriations bill for fiscal year 1975 containing 2.55 billion dollars for community development.

HOUSING REHABILITATION AND NEIGHBORHOOD CONSERVATION

An urban reinvestment program involving expanded housing rehabilitation and conservation activities is an essential element in national economic recovery.

The Congress should quickly approve the appropriation and the Administration should carry forward a 70 million dollar program level for Section 312 rehabilitation loans in fiscal year 1975;

The priorities and earmarkings for housing rehabilitation in the 1974 housing and community development act should be carried forward;

Local communities should carefully consider housing rehabilitation and neighborhood conservation activity as part of their total community development programs.

NATIONAL HOUSING CONSTRUCTION

NAHRO indicates its intent to join with the National Association of Home Builders (NAHB) in a "Housing Crisis Conference" in mid-October to develop an action program based on the recommendations of a coalition of builders, manufacturers, distributors, financial instittuions, trade associations, building trade unions, and other organizations or groups, concerned with the present housing crisis. Specifically, NAHRO supports the following actions to bolster the national housing construction industry and to improve housing opportunities and insure equity for lower-income families.

Congressional approval of the Brooke-Cranston Home Purchase Assistance Act of

1974 (S3979) to provide interest rate reductions on federally guaranteed mortgages for single-family home purchasers who cannot afford to purchase housing under current interest-rate requirements and to authorize additional special assistance funds for the Government National Mortgage Association (GNMA) for purchase of mortgages on new housing, including authority and funding for GNMA to purchase conventional mortgages, as well as FHA and VA guaranteed mortgages, in selected housing market areas which require such special assistance [*the House and Senate passed this bill on October 15*]:

Actions by the Federal Reserve Board and Federal National Mortgage Association (FNMA) to increase the flow of loans for housing construction, including single-family houses;

Specific national initiatives to reduce interest rates;

Provision of a tax credit (up to $200) under the Federal Income Tax Law for taxpayers who increase their savings in eligible mortgage lending institutions. NAHRO believes that such a credit is both more equitable and more efficient than a comparable exemption of interest on savings deposits;

Retention of tax incentives under the Federal Income Tax Law that encourage capital investment in housing construction and rehabilitation, while eliminating the abuse of such incentives by enlarging the scope of the alternative minimum to include all such incentive deductions as "tax preference items" and significantly increasing the minimum tax rate so that no taxpayer will be able to avoid the payment of income taxes by virtue of such incentives.

FEDERALLY ASSISTED LOW- AND MODERATE-INCOME HOUSING

NAHRO urgently requests HUD to accelerate its processing procedures and to release Congressionally authorized funds for all federal housing assistance programs, with the goal of placing under contract at least 400,000 new units in this fiscal year, putting the nation back on the track toward achieving its 1968 housing goals. Specifically, NAHRO recommends:

Action by HUD to immediately activate those programs that are already in place with applications in the pipeline and approved processing procedures, including the traditional public housing programs, the Section 235 homeownership program, the Section 236 rental assistance program, the Section 202 direct loan program for the elderly, and those portions of the new Section 8 housing assistance program that require the fewest changes from existing Section 23 regulations. (These latter include leasing of existing housing under Section 8 and new construction where the LHA selects the developer.) These programs should be accelerated at levels sufficient to achieve total new contract levels in fiscal year 1975 of at least 400,000 units, taking into consideration a realistic estimate of the new contracts that may result from those portions of the new Section 8 program that require completely new processes and procedures that will take time to implement;

Action by HUD to insure that there is an adequate number of skilled staff in its area and regional offices to carry out a 400,000-unit contract level in fiscal year 1975;

Action by the Secretary of Agriculture to immediately activate the rural housing assistance programs, particularly those that can serve the housing needs of lower-income families. Local public agencies should immediately exercise their eligibility to utilize these programs;

Action on supplemental Congressional appropriations

(1) to appropriate at least half (400 million dollars) of the Section 202 elderly loan funds in order that activity can proceed under this program;

(2) to appropriate the 50 million dollars authorized in the 1974 act for fiscal year 1975 to support the federal contribution to reduce interest on state-issued taxable bonds for housing purposes;

(3) to appropriate at least 4 million dollars for fiscal year 1975 for counseling to homeowners and tenants for Section 235 home purchases and for the other federally-assisted rental housing programs;

Action by the Congress to sustain the language in the conference report on HUD appropriations for fiscal year 1975, which mandates the release of Section 236 housing funds, setting aside the report language of the 1974 housing and community development act, which required that a local community demonstrate that its housing needs could not be met under the Section 8 program;

Action by HUD to raise the Section 236 mortgage limits to the authorized limits under the 1974 act, rescinding the HUD regulation of September 6, 1974, which restrained the use of these new limits;

An accelerated process by HUD to review requests from local communities for adjustments in "fair market rents" to meet local circumstances, in order to assure that these rents are set at realistic levels to permit leasing of existing housing, as well as new construction and substantial rehabilitation;

An accelerated process by HUD to revise public housing construction prototype costs, in order to insure that new activity can move quickly;

Consideration by HUD to easing environmental impact requirements for small-scale housing projects;

Action of HUD to make firm federal housing assistance allocations to support those requested in the HUD-approved local housing assistance plan.

NAHRO urgently recommends that HUD quickly release—

Operating assistance funds for the traditional public housing program. These funds should be set for fiscal year 1975 at a level sufficient to cover a realistic increase in operating cost due to inflation, as well as the rapidly rising cost of utilities. Modernization needs of older public housing developments should be fully met. Use of operating funds for safety and security services should be recognized as essential in some communities. The full amount of earmarked contributions for operating assistance (500 million dollars) should be utilized, with an addition if required;

Operating assistance funds for the existing Section 236 housing developments authorized under the 1974 act, to provide additional assistance to cover increases in taxes and utilities so that lower-income families will not suffer undue hardships from increased rents.

THE FUSION ENERGY ACT OF 1974

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. HANNA. Mr. Speaker, I am inserting the text of my bill, H.R. 17533, the Fusion Energy Act of 1974 into the Record today so that my colleagues may acquaint themselves with the provisions of the act. I feel that the development of fusion energy techniques is imperative if we are to meet the energy of the future and I ask my colleagues for their consideration and support of this bill

The bill follows:

H.R. 17533

A bill to expand and accelerate the domestic and international development and use of thermonuclear energy through the establishment of certain advisory committees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fusion Energy Act of 1974".

Sec. 2. The Congress finds that—

(1) the general welfare of the United States would be enhanced through the development of various applications of controlled fusion energy (commonly known as thermonuclear energy), including the production of electrical power, helium, hydrogen, and space propulsion systems; and

(2) many such applications may soon be possible due to recent progress in laser, electron beam, and other advanced technologies.

Therefore, it is the purpose of this Act to encourage the acceleration of research and development of such applications of fusion energy by establishing the Advisory Committee on Thermonuclear Energy, the Advisory Committee on Fusion Systems Development, and the Advisory Committee for International Coordination of Fusion Energy Development.

Sec. 3. (a) There is hereby established the Advisory Committee on Thermonuclear Energy (hereafter in this section referred to as the "Committee") which shall be composed of thirteen members to be appointed by the Energy Resources Council as follows:

(1) Three members selected from among scientists and engineers who are experts in the area of magnetic containment research and development.

(2) Three members selected from among scientists and engineers who are experts in the area of laser fusion research and development.

(3) Three members selected from among scientists and engineers who are experts in the area of electron beam fusion research and development.

(4) Three members selected from among scientists and engineers who have experience in the area of fusion research, hydrogen and helium production, and hybrid systems.

(5) One member, who shall serve as Chairman of the Committee, selected from among scientists and engineers who are knowledgeable in a broad range of fusion energy developments.

A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(b) The Committee shall develop proposals to expand and accelerate the research and development of experimental and prototype fusion systems to be used for electrical power production, space propulsion, and resource element production. In developing such proposals—

(1) the Committee shall emphasize laser and charged particle beam techniques utilized in bringing about a fusion reaction; and

(2) the Committee shall consider means of gaining additional participation of industry, university, and private expertise in the area of fusion energy.

The Committee shall submit a report of such proposals to the Energy Resources Council no later than 180 days after the date of the enactment of this Act.

(c) For the purpose of developing the proposals described in subsection (b), the Committee shall establish subcommittees to study the following areas: laser and charged particle beam techniques; engineering systems; the economics of fusion systems; the potential of fusion energy for space propulsion systems; education in fusion-related sciences, technology, and economics; and the safety and site problems associated with fusion power plants.

(d) (1) Except as provided in paragraph (2), members of the Committee shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Committee.

(2) Members of the Committee who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Committee. For the purposes of this paragraph, the term "pay" does not include travel expenses or per diem as such terms are used in paragraph (3) of this subsection.

(3) While away from their homes or regular places of business in the performance of services for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of tite 5 of the United States Code.

(e) Seven members of the Committee shall constitute a quorum.

(f) The Committee shall meet at the call of the Chairman, a majority of its members, or upon request of the Energy Resources Council.

(g)(1) The Committee shall appoint a Director who shall be paid at the rate of basic pay in effect for grade GS–18 of the General Schedule.

(2) With the approval of the Committee, the Director may appoint and fix the pay of such personnel as he deems desirable.

(3) The staff of the Committee shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(h) The Committee may procure the services of consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed $100 per diem.

(i) Upon request of the Committee, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Committee to assist it in carrying out its duties under this Act.

(j) The Committee may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Committee, the head of such department or agency shall furnish such information to the Committee.

(k) For the purpose of carrying out this Act, the Committee may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Committee may deem advisable.

(l) The Committee shall cease to exist thirty days after submitting its final report pursuant to subsection (b) of this section.

SEC. 4. (a) There is hereby established the Advisory Committee for Fusion Systems Development (hereafter in this section referred to as the "Committee") which shall be composed of thirteen members who shall be appointed by the Energy Resources Council in the manner set forth under paragraphs (1) through (5) of section 3(a) of this Act. A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(b) The Committee shall advise and consult with the Energy Resources Council with respect to—

(1) the implementation of the proposals set forth in the report of the Advisory Committee on Thermonuclear Energy (submitted to the Council pursuant to section 3(b) of this Act); and

(2) the experimental and demonstration fusion systems under current development,

(c) The provisions of subsections (d) through (k) of section 3 of this Act shall apply with respect to the Committee.

(d) The Committee shall cease to exist two years after the submission of the report of the Advisory Committee on Thermonuclear Energy under section 3(b) of this Act, or upon the termination of the Energy Resources Council, whichever occurs first.

SEC. 5. (a) There is hereby established the Advisory Committee for International Coordination of Fusion Energy Development (hereinafter in this section referred to as the "Committee") which shall be composed of thirteen members who shall be appointed by the Energy Resources Council, after consultation with the Secretary of State, in the manner set forth under paragraphs (1) through (5) of section 3(a) of this Act. A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(b) The Committee shall advise and consult with the Energy Resources Council with respect to the coordination of joint programs with other nations in the area of fusion systems designed to meet the world need for energy, propulsion, and resource materials.

(c) The provisions of subsections (d) through (k) of section 3 of this Act shall apply with respect to the Committee.

(d) The Committee shall cease to exist two years after the date of the enactment of this Act, or upon the termination of the Energy Resources Council, whichever occurs first.

SEC. 6. As used in this Act—

(1) the term "Energy Resources Council" means the council established by section 108 of the Energy Reorganization Act of 1974 (88 Stat. 1242);

(2) the term "hybrid systems" means systems which combine the use of both the fusion and fission process; and

(3) the terms "laser fusion" and "electron fusion" include both the impact on pellets and heating of magnetically contained plasmas.

SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 8. The provisions of this Act shall become effective on the date of the enactment of this Act, except that section 4 shall become effective upon the expiration of the 180-day period which begins on such date of enactment.

WHO IS GETTING RICH SELLING BEEF?

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ZWACH. Mr. Speaker, it is ironic that at a time when our meat industry has its back against the wall, the consumer is still paying near-record prices for meat over the retail counter.

The reason for this is the increase in the price spread.

In 1971, the spread in price from the farmer's gate to the retail counter was about $140 per head of beef. Today that spread is closer to $240. Nationally, that is over $2 billion annually for handling charges.

For the information of my colleagues, I would like, with your permission, to insert into the RECORD an article by M. J. Hankins of Stanton, Nebr., on this matter:

WHO IS GETTING RICH SELLING BEEF WHILE THE CATTLEMAN GOES BROKE?

Our entire cattle industry is being needlessly sacrificed due to exorbitant farm to retail price spreads. The cattle man would have plenty of money to operate on if he only had his fair share of the consumer's beef dollar.

It costs over $250 to have a steer slaughtered and the meat cut and wrapped and laid out on the counter for the housewife to serve herself. A custom slaughterer will do essentially the same work for under $100.

Consumers are paying enough for beef and eating more than they did last year.

The period since September 1973 will long be remembered as the time of the most drastic price crash in the entire history of the cattle industry. In a period of about 100 days during the fall of 1973, $200 to $300 per head was taken off of the price of fat cattle. The entire cattle industry was brought to the brink of disaster. Unwise and ridiculous Government policies and price fixing triggered the action. This was followed in quick succession by sky rocketing and record breaking producer to consumer price spreads that greatly exceed all increases in such costs as labor, transportation, taxes and general overhead expenses.

Retail price spread increased from about $140 per head from August 1971, the date price margins were frozen by the Price Commission, to about $220 per head in November of 1973 or a net increase of about $80 per head. This figures to over $300 million on an annual basis for the cattle fed in Nebraska. The national figure would be about two billion dollars.

The irony of this whole situation is that there was no legitimate supply and demand reason for this tremendous market break as confirmed by a diligent search of USDA statistics. Only a token amount of this price break was ever passed on to the consumer in the form of lower meat prices at retail.

Producer to consumer mark-ups or price spreads are paid for by the consumer and/or the cattle industry. Therefore, the consuming public is just as much concerned about price spreads as the cattleman.

During the 100 day price break last fall the demand for beef was so great that retailers had no trouble in selling beef at or near record high prices. They reduced their promotion activities and advertising in daily newspapers to stretch the available quantity of beef which was in short supply compared to 1972. For instance, average weekly cattle kill during November, the month of the lowest cattle prices, was 4,000 head short of 1972. The average weight declined from 1067 pounds per head during November of 1972 to 1060 pounds for November 1973. There was no surplus of beef. The average consumer only eats about 5 ounces of beef, carcass weight, per day—3 ounces as retail cuts. When the beef is cooked and trimmed it figures to less than 2 ounces.

Shortly after the first of the year retail beef was marked up to a new high of $1.50 per pound. Retail price spread jumped $10 per hundred and the price of cattle was forced down so low that prime heavy steers sold for dog food at 30 cents per pound in early June at Sioux City, Iowa.

Great damage has been done to the productive capacity of the cattle industry. This is of direct concern to the consuming public because beef shortages and higher prices will be the ultimate result. Present prices will cause large scale panic selling of cows and calves and other breeding stock. A very real beef crisis is in the making.

We welcome and solicit consumer cooperation in reducing price spread margins to fair and reasonable levels.

We do not have a surplus of beef produced in this country but we very urgently need the imposition of import quotas to prevent this country from being a dumping ground for beef from all over the world. The consumer has a big stake in seeing that the welfare of our great beef production factory is amply protected.

The Government should do a much better job of acting as a referee at the market place to keep our markets operating on a free and openly competitive basis.

As a result of the conditions previously stated which indicate that most of the money lost by cattle feeders was absorbed by the meat processing and distribution industries in the form of exorbitant price spreads and net profits, it is hereby requested that producer to consumer price spreads be investigated by the Federal Trade Commission and/or the Justice Department.

Cattlemen and their bankers from all over the United States are urgently demanding that everything possible be done immediately to correct a market condition that can unjustifiably wipe them out financially almost over night.

We should not be lulled into a state of false security by a temporary raise in the price of cattle.

Our cattle could be compared to a huge labor force that works around the clock 365 days per year without strikes or lock-outs in converting a much larger tonnage of raw material into a finished product than all other industries combined.

Without our cattle millions of acres of grass, forage crops and crop residue would be rendered useless for food production.

Our feed lots double and triple beef production and greatly increase palatability by adding tenderness, flavor and keeping quality.

We enjoy much more high quality grain fed beef than any other nation in the world.

Only about 2 to 3 pounds of grain goes into the production of each pound of beef consumed in the United States.

"The cost of the original product is the least important factor in setting the price of beef to the consumer. The price is set as high as the housewife is willing to pay." Quote from a public address by a big Food Chain Executive.

Isn't it ironic that we are unable to get our big livestock and farm organizations to help us in fighting our price spread wars?

M. J. HANKINS.

A BILL TO STRENGTHEN THE EQUAL CREDIT OPPORTUNITY ACT OF 1974 AND TO INCLUDE RACE, COLOR, RELIGION, NATIONAL ORIGIN, AND AGE

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mrs. SULLIVAN. Mr. Speaker, on October 9 when the House debated the conference report on H.R. 11221, the bank deposit insurance bill, under a rule waiving all points of order on nongermane Senate amendments, I cited the serious deficiencies and anticonsumer features of some of the far-reaching Senate riders to that bill, amending the Consumer Credit Protection Act of 1968, which were agreed to by the House conferees and subsequently enacted into law as Public Law 93–945 on October 28. As I pointed out on October 9, the House conferees from the Committee on Banking and Currency were drawn from a subcommittee which has no jurisdiction over the Consumer Credit Protection Act, which is within the jurisdiction of my Subcommittee on Consumer Affairs.

As I acknowledged in the floor debate, the House has minimum interest in jurisdictional arguments within standing committees. But by adopting what amounted to a closed rule for the consideration of the conference report, the House shut itself off from an opportunity under our rules to vote separately on some of the nongermane Senate amendments and eliminate those which hurt consumers. One such provision virtually kills the most effective weapon we have had for the past 5 years in assuring compliance by all major creditors to the exact letter of the Truth in Lending Act—the overwhelming danger of huge class action suits.

Pulling the teeth of the class action remedy under truth in lending had been a major objective of the credit industry ever since the truth-in-lending law went into effect in 1969, and in Public Law 93–495 that credit industry objective was finally realized.

It is too late in this session of Congress to try to rescue the class action weapon because that change in the truth-in-lending law took effect immediately upon enactment on October 28; and the issue is so complex and controversial that it could not be taken up and disposed of in these remaining weeks of the 93d Congress.

STILL TIME IN THIS SESSION TO ACT ON CREDIT BIAS

But another hasty enactment of Public Law 93–495, title V—equal credit opportunity—prohibiting discrimination in extensions of credit by reason of sex and marital status, can still be amended without controversy, and in time to make this law as effective as the Subcommittee on Consumer Affairs intended it to be when we developed our own bill on this subject, H.R. 14856. The full Committee on Banking and Currency was in the process of completing action on H.R. 14856 in early October when the conferees on H.R. 11221 short-circuited our efforts and agreed to the much weaker Senate version of credit discrimination legislation. Title V of Public Law 93–495 does not take effect until October 28, 1975. Hence, if we act promptly to correct the deficiencies in this legislation while the Federal Reserve Board is just beginning a year-long project of writing and promulgating the regulations under it, the law, when it does take effect, can really accomplish the purposes all advocates of strong legislation to prohibit credit discrimination want to see accomplished.

I am, therefore, introducing today a new bill to amend and strengthen the new Equal Credit Opportunity Act.

Basically, what this new bill does is to carry out the considered judgments of a majority of the members of the Subcommittee on Consumer Affairs—the only subcommittee on either side of the Capitol which held hearings on equal credit opportunity legislation and which devoted many, many hours to the drafting of an effective law.

CHANGES PROPOSED IN EQUAL CREDIT OPPORTUNITY ACT

Many of the changes I now propose are technical ones. But there are some tremendously important substantive changes as well. These include:

COVERAGE

First. Broadening the scope of the coverage, as did H.R. 14856, to prohibit discrimination not only for sex or marital status but also for race, color, religion, national origin, and age. Testimony before our subcommittee by the Assistant Attorney General for Civil Rights, by the Chairman of the U.S. Commission on Civil Rights who is also Administrator of the Administration on Aging of the Department of Health, Education, and Welfare, and by officials of the U.S. Equal Employment Opportunity Commission clearly established the need for such broad coverage in the law if it is to be effective in combating credit discrimination, including discrimination against women.

Black, Puerto Rican, and other Spanish-speaking Americans, Indians, and the elderly are among the most discriminated consumers in the credit field, be they male or female. Hence, a law which prohibits discrimination only by reason of sex or marital status invites the application of credit tests of an invidious nature based on such factors as race, color, religion, national origin, or age.

"PATTERN AND PRACTICE" SUITS BY ATTORNEY GENERAL

Second. Also as proposed in H.R. 14856 as it was referred to the full committee, my new bill provides authority to the Attorney General to initiate civil actions to enforce the law whenever he has reason to believe that one or more creditors are engaged in a "pattern or practice" in violation of the act, including the power to obtain injunctive relief. This provision was strongly recommended by the Justice Department and by some of the women's groups seeking really effective enforcement of antidiscrimination legislation.

ADVISORY COMMITTEE

Third. The Federal Reserve Board, under the new bill, would have the advantage of an advisory committee composed of consumers and creditors, such as was established under the Truth in Lending Act, to help the Fed write effective and practical regulations.

TWO-TIERED STATUTE OF LIMITATIONS

Fourth. Although there is provision in title V of Public Law 93–405 for individual civil actions against violations, the law taking effect next October sets a 1-year statute of limitations on the filing of such suits after a violation occurs. H.R. 14856, as referred to the full committee in October, recognized that many consumers would not be aware of the fact that they had been discriminated against until a Government agency enforcing the law had investigated a creditor's operations and had established a violation. Hence, H.R. 14856, and my new bill, provide for a 1-year statute of limitations except in those instances in which a Government agency during that 1-year period commences an action based on a violation, in which case the consumer would have an additional year after the conclusive establishment of the violation to initiate a lawsuit to recover damages.

ANNUAL REPORTS TO CONGRESS

Fifth. The new bill, as did H.R. 14856 as referred to the full committee, would require annual reports to Congress by February 1 of each year by the Federal Reserve Board and by the Attorney General on compliance with the act and a summary of enforcement actions taken by each of the agencies which has enforcement responsibilities under the act.

RELATIONSHIP TO OTHER ANTIDISCRIMINATION LAWS

Sixth. Another improvement to title V of Public Law 93–495 would not foreclose consumers from pursuing remedies under the Federal law if they had even so much as filed a complaint to a State agency under any of the numerous State laws prohibiting discrimination in credit. Many of the State programs involve mediation efforts rather than civil action. My bill permits recovery of damages under the Federal law only if no damages have been obtained under State law, but does not preclude a consumer from the use of both State and Federal machinery to achieve compliance. Similarly, the new bill, as did H.R. 14856, clarifies the relationship of title V of Public Law 93–495 and the Fair Housing Act of 1968—title VIII of the Civil Rights Act of 1968—to make sure there are not dual recoveries under both laws as they relate to real estate mortgage loan discrimination.

CONFORMANCE WITH H.R. 14856

Otherwise, Mr. Speaker, the new bill I have introduced today, as I said, corrects and clarifies technical deficiencies in title V of Public Law 93–495, bringing it into conformance with H.R. 14856, the bill approved by the Subcommittee on Consumer Affairs.

The statement of managers to accompany the conference report on H.R. 11221—House report 93–1429, printed in the CONGRESSIONAL RECORD on October 4—states that the conferees had accepted the Senate's title V "with amendments to conform it more closely to the version of the 'Equal Credit Opportunity Act' recently reported by the House Subcommittee on Consumer Affairs," and listed a few such changes. But the final version of title V does not in fact conform to the subcommittee bill in major respects, and my new bill would achieve that purpose.

NO ATTEMPT TO SALVAGE CLASS ACTION WEAPON

It should be noted that I have made no effort in this new bill to salvage a strong class action provision in the Equal Credit Opportunity Act. Once the Truth in Lending Act class action weapon was virtually destroyed in title IV of Public Law 93–495, taking effect immediately upon enactment, I have decided to forego trying to do anything in the remaining days of this session about the similar version of class action recoveries under the Equal Credit Opportunity Act. Thus, there is nothing really controversial in these proposed amendments to title V of Public Law 93–495; they represent changes I think everyone interested in fair and effective antidiscrimination credit legislation would be willing to accept without argument.

AGE DISCRIMINATION

Some Members who have indicated a recent willingness to expand the Equal Credit Opportunity Act to include a prohibition against discrimination by reason of age, including some Members who voted against the inclusion of age in the subcommittee, have nevertheless professed to see some serious problems for creditors in such a prohibition.

I, therefore, take special notice of the fact that under the law as recently enacted, and under my proposed amendments to it, the Federal Reserve Board has full authority in issuing regulations which may contain "such classifications, differentiation, or other provision, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith."

Hence, if the spectre of a creditor being sued for refusing to grant a 40-year mortgage to an 85-year-old individual really worries the credit industry, and is not just a smokescreen to avoid treating credit-worthy elderly people with the same consideration as other credit applicants, this can readily be provided for in the regulations. For instance, the regulations are going to have to take into consideration numerous quirks and provisions of State laws dealing with the credit-worthiness of married women. Thus I do not foresee any real problem in adjusting the regulations to cover the credit-worthiness of the elderly. We learned in our hearings that credit discrimination against the elderly is widespread and usually based on pure prejudice, not economic factors.

NEED FOR QUICK ACTION

Mr. Speaker, although the time is short before adjournment of the 93d Congress, I feel that necessary amendments to the Equal Credit Opportunity Act can still be made in this Congress if there is a willingness on the part of the Members to recognize their obligation to all citizens to have equal access to credit based only on ability to repay the credit.

Since the new law does not take effect until next October, the time to make those changes is now, before the regulations are written covering sex and marital status only.

TEXT OF NEW ANTIDISCRIMINATION CREDIT BILL

Mr. Speaker, the text of the new bill I have introduced to amend the new Equal Credit Opportunity Act of 1974 follows:

H.R. 17555

A bill to amend the Equal Credit Opportunity Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 701(a) of the Equal Credit Opportunity Act (title V of Public Law 93–495) is amended by inserting "race, color, religion, national origin, age," immediately before "sex".

(b) Section 701(b) of the Equal Credit Opportunity Act is amended to read as follows:

"(b) The declination of credit on terms offered pursuant to—

"(1) any loan assistance program expressly authorized by law for an economically disadvantaged class of persons;

"(2) any loan assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(3) any special purpose loan program offered by a profitmaking organization to meet special social needs which is specifically approved by the Board or meets standards prescribed in regulations by the Board; shall not constitute a violation of this section."

SEC. 2. Section 702 of the Equal Credit Opportunity Act is amended by striking out subsections (a) and (g), and by redesignating subsection (b) through (f) as subsections (a) through (e), respectively.

SEC. 3. (a) Section 703 of the Equal Credit Opportunity Act is amended by inserting "(a)" immediately prior to "The", and by adding at the end thereof the following new subsections:

"(b) In prescribing regulations under subsection (a), the Board shall provide—

"(1) that an inquiry by or on behalf of a creditor of the marital status of any applicant is not a violation of section 701 if the inquiry is to ascertain the creditor's rights and remedies; and

"(2) that a request by or on behalf of a creditor for the signature of both parties to a marriage to create a valid lien, pass clear title, waive inchoate rights to property, or to assign earnings is not a violation of section 701.

"(c) The Board shall establish an advisory committee to advise and consult with it in the exercise of its functions under this Act. In appointing the members of the committee, the Board shall seek to achieve a fair representation of the interests of creditors and consumers. The committee shall meet from time to time at the call of the Board. Members of the committee who are not regular full-time employees of the United States shall, while attending meetings of such committee, be entitled to receive compensation at a rate fixed by the Board, but not exceeding $100 per day, including traveltime. Such members may be allowed travel expenses, including transportation and subsistence, while away from their homes or regular place of business."

SEC. 4. Section 705 of the Equal Credit Opportunity Act is amended to read as follows:

"MISCELLANEOUS PROVISIONS

"SEC. 705. (a) Consideration or application by a creditor of any State law which relates to the creditor's rights and remedies against the applicant in the event of default is not a violation of section 701.

"(b) Any provision of State law which prohibits the separate extension of consumer credit to each party to a marriage shall not apply in any case where each party to a marriage voluntarily applies for separate credit from the same creditor: *Provided*, That in any case where such a State law is so preempted, each party to the marriage shall be solely responsible for the debt so contracted.

"(c) When each party to a marriage separately and voluntarily applies for and obtains separate credit accounts with the same creditor, those accounts shall not be aggregated or otherwise combined for purposes of determining permissible finance charges or permissible loan ceilings under the laws of any State or of the United States."

SEC. 5. Section 706 of the Equal Credit Opportunity Act is amended to read as follows:

"CIVIL LIABILITY

"SEC. 706. (a) Any creditor who violates section 701 or any regulation prescribed under section 703 shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such

applicant acting either in an individual capacity or as a member of a class.

"(b) Except with respect to any government or governmental subdivision or agency, any creditor who violates section 701 or any regulation prescribed under section 703 shall be liable to the aggrieved applicant for punitive damages in an amount not greater than $10,000, in addition to any actual damages provided in subsection (a), except in the case of a class action the total recovery shall not exceed the lesser of $100,000 or 1 per centum of the net worth of the creditor. In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

"(c) Upon application by an aggrieved applicant, the appropriate United States district court may grant such equitable and declaratory relief as is necessary to enforce section 701 or any regulation prescribed under section 703.

"(d) In the case of any successful action under subsection (a), (b), or (c), the costs of the action, together with a reasonable attorney's fee as determined by the court, shall be added to any damages awarded by the court under such subsection.

"(e) No provision of this title imposing any liability shall apply to any act done or omitted in good faith in conformity with any official regulation or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy. No such action shall be brought later than one year from the date of the occurrence of the violation, except—

"(1) whenever any agency having responsibility for administrative enforcement under section 704 commences its enforcement proceeding within one year from the date of the occurrence of the violation and obtains compliance with this title by a creditor who was in violation of such title, or

"(2) whenever the Attorney General commences a civil action within one year from the date of the occurrence of the violation in an appropriate United States district court under this section against a creditor who is found by the court to be in violation of this title,

then any applicant who has been a victim of the discrimination with respect to the administration action under paragraph (1) or the judgment of the court under paragraph (2) may, within one year after the date of compliance with the administrative action or within one year after the date of the judgment of the court, as the case may be, bring an action under this section against such creditor.

"(g) The agencies having responsibility for administrative enforcement under section 704, if unable to obtain compliance with section 701, are authorized to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted.

"(h) When a matter is referred to the Attorney General pursuant to subsection (g), or whenever he has reason to believe that one or more creditors are engaged in a pattern or practice in violation of this title, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"(i) No person aggrieved by a violation of this title shall recover under this title on any transaction for which recovery is had under the laws of any State relating to the prohibition of discrimination on the basis of race, color, religion, national origin, age, sex, or marital status.

"(j) No person aggrieved by a violation of this title and by a violation of section 805 of the Civil Rights Act of 1968 shall recover under this title and section 812 of the Civil Rights Act of 1968, if each such violation is based on the same transaction."

SEC. 6. The Equal Credit Opportunity Act is amended by redesignating section 707 as section 708 and by inserting immediately after section 706 the following new section:

"ANNUAL REPORTS TO CONGRESS

"SEC. 706. Not later than February 1 of each year after 1976, the Board and the Attorney General shall, respectively, make reports to the Congress concerning the administration of their functions under this title, including such recommendations as the Board and the Attorney General, respectively, deem necessary or appropriate. In addition, each report of the Board shall include its assessment of the extent to which compliance with the requirements of this title is being achieved, and a summary of the enforcement actions taken by each of the agencies assigned administrative enforcement responsibilities under section 704."

SEC. 7. Section 707 of the Equal Credit Opportunity Act is amended by inserting ", except that section 703 shall take effect on the date of its enactment" immediately before the period at the end thereof.

STEVE HAMAS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. HELSTOSKI. Mr. Speaker, Steve Hamas, one of New Jersey's most famous retired athletes, died October 10 in Northport, N.Y., at the age of 67. Mr. Hamas, a heavyweight boxing contender, was best known for beating Max Schmeling in the early 1930's. Yet boxing was not his only sport, for Steve Hamas was a five-letter man at Penn State, graduating in 1929 with honors in football, baseball, track, and lacrosse, in addition to boxing.

Moreover, to his credit, Mr. Hamas made many fine contributions off the athletic field as well. He was a major in the Air Force during World War II and spent years working for the New Jersey Department of Motor Vehicles before retiring earlier this year.

Mr. Speaker, today I would like to share with my colleagues two newspaper articles from the Passaic Herald-News, each of which gives further insight into this remarkable man. The first article appeared June 10, 1970, when Mr. Hamas was honored at a New Jersey Boxing Hall of Fame dinner. The second article appeared the day after he died. The articles follow:

WALLINGTON'S HAMAS TO BE HONORED

(By Mike Galos)

When Wallington's Steve Hamas jokingly said "sure" one day in 1927, he never imagined that his reply would have affected his life the way it did.

As a junior at Penn State University, Hamas began boxing because the Nittany Lions needed a heavyweight for the 1927 intercollegiate championships. On Sunday, more than 42 years later, Hamas along with Tony Galento, Mickey Dell and Willie Gradwell, will be inducted into the New Jersey Boxing Hall of Fame at the Greenbrier Restaurant, North Brunswick.

A letterman on the famous Passaic Wonder Team of the 20's, a team his late brother Mike starred on, Hamas moved to Wallington and graduated from East Rutherford High in 1925.

Hamas went on to earn All-East honors in basketball, honorable mention All-America as a halfback in football, and to participate in track at Penn State. Thanks to being in the right place at the right time, Hamas was the intercollegiate heavyweight boxing champion in 1927 and 1928.

AGREE TO FIGHT

Once basketball season ended, Hamas liked to stay in shape by working out daily at the campus gym. One afternoon, Nittany Lion boxing coach Leo Houck asked the versatile athlete if he would give his roommate a workout. Hamas shared a room with Marty McAndrew, who at the time was intercollegiate lightweight champ.

Figuring his roommate wouldn't hit him too hard or too often, Hamas agreed, and managed to survive the sparring session. He thanked McAndrew for allowing him to "stay vertical," to which his buddy replied, "Steve, I really tried to knock your block off."

Hamas' showing prompted coach Houck's invitation to represent the school at the intercollegiate championships. Not taking the coach seriously, Hamas replied, "Sure, I'll clean house" and left the gym thinking his boxing days were behind him.

The next day the coach met Hamas who was smoking a cigarette on campus, and frantically asked what he was doing. How could he box if he was going to smoke? Realizing for the first time that the coach was serious, Hamas, "put out the cigarette and went to workout."

The intercollegiate boxing championships began the following Saturday at 2 o'clock in the afternoon. By the time the heavyweight bout rolled around it was past 2 a.m. Hamas was to meet Dynamite Joe Lavoti of host Syracuse University. All Lavoti had done was knock out seven opponents in a row, in all less than two minutes.

FIVE-YEAR CAREER

Since an injury suffered during football made his right hand useless, Hamas had to rely entirely on his left, and somehow he made it through the first round without tasting Lavoti's strong right hook.

Between rounds coach Houck asked Hamas if he had ever thought of trying to hit the man, so in the second he attempted a left jab and connected, drawing blood from Lavoti's nose. The fight continued this way and, much to Hamas' surprise, he got the decision.

After the fight, he went on to win his next bout and take the heavyweight crown. Hamas came back to successfully defend his crown the following season.

Born in Passaic, Hamas came from a family which included five boys and two girls, and the appeal of professional boxing and its big purses caused Hamas to enter the professional boxing world after graduation.

His career spanned only five years, but in 40 fights, Hamas won 31 bouts, lost three and had six draws.

Twenty-six of Hamas' wins were by knockouts. His biggest victory was a 12 round decision over Max Schmeling in Philadelphia in 1935 in Schmeling's first fight after defeating Joe Louis.

Hamas' boxing career came to an abrupt end later in the year when Schmeling handed Hamas the only KO of his life in their return bout in Hamburg, Germany.

VERSATILE ATHLETE

Hamas was truly a versatile athlete, winning 13 letters in three years at Penn State in football, basketball, track, and lacrosse.

He tried a year of pro football in Orange while teaching physical education at East Rutherford High School, his alma mater.

While at East Rutherford he introduced a program of boxing instruction.

One thing Hamas always hoped to do was repay his family for his education and finance his way through medical school. His career was an illustrious one and he estimates his total earnings from the ring to be approximately $50,000 in four and one-half years.

Even though he didn't get to medical school, boxing proved beneficial for Hamas and his induction to the Jersey Hall of Fame is a fitting climax. If he had the choice to make again, his reply would definitely be, "sure!"

Steve Hamas, Boxer, Ex-Title Contender

Northport, N.Y.—Steve Hamas, a former heavyweight contender who beat Max Schmeling in the early 30s, died Thursday at Northport Veterans Hospital after a long illness. He was 67.

Hamas was a five-letter-man at Penn State, graduating in 1929 after winning honors in football, baseball, track, lacrosse and boxing. After winning several collegiate boxing titles, he turned pro after graduation and beat former world champion Schmeling in 12 rounds in 1934. The next year, however, in Hamburg, Germany, Schmeling knocked him out on the ninth round of a return match and he quit the ring soon after.

Hamas was a major in the Air Force during World War II and spent many years working for the New Jersey Department of Motor Vehicles before retiring earlier this year.

He is survived by his widow, Katherine, a son Steve Jr., a daughter Katherine Savoy and 10 grandchildren.

He is also survived by three brothers, Andrew of Toms River, and George and John, and a sister, Mrs. Ann Sudeck, all of 147 Wallington Ave. Another brother, Michael Hamas, predeceased him.

Hamas was a letterman on the famous Passaic High School Wonder Team of the 20's, a team his late brother, Mike, starred on. The family moved to Wallington, N.J., and Hamas went to East Rutherford High School.

Hamas' career spanned only five years, but in 40 fights, he won 31 bouts, lost three and had six draws.

Hamas, born Steven V. Hamas in Passaic, N.J., graduated from East Rutherford, N.J., High School, before becoming a freshman at Penn State in the fall of 1925. He was twice national intercollegiate heavyweight champion before gaining national prominence as a pro by stopping veteran Tommy Loughran in New York's Madison Square Garden in 1932.

That made Hamas the newest heavyweight sensation of the time and led to his bouts with Schmeling. He was the first big man from the college ranks to win a main bout in the Garden.

A WOMEN'S STATE OF THE STATE ADDRESS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. FRASER. Mr. Speaker, Koryne E. Horbal, Coordinator of the DFL—Democratic-Farmer-Labor—Feminist Caucus in the State of Minnesota presented the first feminist state of the State address at the second annual convention of the caucus, November 16, 1974.

In this address Ms. Horbal analyzes the recent election from a feminist standpoint and lists priorities for women in the coming legislative session in Minnesota. These are: Employment for women; concern for elderly women; child care—not child warehousing—programs; implementing regulations prohibiting sex discrimination in schools; personal rights; ERA laws; and health care.

It will be of interest to many because it emphasizes the influence that women can and do have in political life. The address follows:

State of the State Address

(By Koryne E. Horbal)

Friends in the Caucus, without seeming pretentious, I would like to preface my remarks with the observation that these are very significant days in the history of women. And, we all too readily take them for granted. We are caught up in our everyday work . . . endless meetings, countless conventions, and mundane fundraisers: We tire of the constant battles that each of us fights politically as well as personally, knowing that the hardest ones are yet to come. We tend to lose perspective.

But we must stop for a moment. Stop to consider that today 200 committed feminists are gathered here at a political meeting . . . which we ourselves have called . . . on the eve of the International Year of the Woman, 1975. Without giving it a second thought, we are about to do something that has never been done before. So let us give this meeting a second thought: Feminists have come of age, sure of ourselves and of our cause. And we dare to deliver . . . a feminist state of the State address!

The DFL Feminist Caucus, only one year old, is unique in the Nation. We are the first, and only politically affiliated feminist organization in the country (with the exception of our sister republican feminists in Minnesota.) In addition, we are the only organized humanist, issue-oriented pressure group, that exists today in the DFL party—which is at this moment virtually in complete control of our State government. Our position is not only unique: it is valuable. In fact, I would go so far as to say that our commitment to feminism and to the party, because of the increased public support for feminist issues that we saw in the recent election, and because of the exceptional talents of our membership; that what the DFL Feminist Caucus can do to influence the majority DFL party in this State in the next two years could have as great an impact on Minnesota politics as can the activities of the Republican party itself, which is currently in a state of total disarray.

If we in this room have the courage, and just as importantly, if we have the patience and strength, we can bring about meaningful change in Minnesota in the next two years. But we will need to play two roles to bring about those changes.

First, the role of a guide, sharing with the party the feminist vision of a better, more human world. And secondly, the role of supporting, assisting and reinforcing the progress we hope for under DFL leadership.

Our party experienced a heady victory last week. Let us look at it and see what that victory means to DFL feminists and the changes we anticipate. There are some DFL'ers who will claim that the victory was an overwhelming mandate to continue in the status quo. That is certainly a very comforting and comfortable interpretation.

But I do not share that interpretation. While without a doubt the DFL has made significant strides in such important areas as tax reform and relief, campaign and government ethics, and minimum wage, it must not be tricked and lured into a state of laziness and self-congratulation. If it is, then this landslide victory of 1974—like the national Republican landslide of 1972, will be promptly, and catastrophically, reversed.

We must keep moving. As Democrats we must recognize in all honesty that an important factor in this election was voter frustration. Voters know that they have been duped, and they are angry. They react to being neglected, to being used by hired ad men like pawns on a politician's chess board to be won. Sometimes politicians forget that voters see government as determining important parts of their lives: the amount of their social security check, the 89¢ they must pay for a pound of ground beef, the kind of future they can hope for for their children.

Voters want . . . voters are demanding! . . . results. As DFL'ers, we have only two years to deliver on that challenge. And DFL feminists feel this urgency as deeply as any DFL State legislator, as deeply as our DFL governor, as deeply as our DFL party chairperson. We have as much to gain as they do . . . and much more to lose.

But before going on to enumerate the issues in our legislative program, we should take one more look at the 1974 election, this time from a purely feminist standpoint.

Twenty women, more women than ever before, ran for the Minnesota House of Representatives. We are pleased at the results of that election. We are pleased that Minnesotans elected seven women legislators—a near record number for this State.

We are also proud of those women who ran, brave and well-organized campaigns—but lost them in traditionally Republican areas. We owe them our special thanks. These women have served as well as the others, but their service has not been recognized. Let us recognize it.

We must remember, as we look at these election results, that no matter what establishment politicians tell us, our legislative victory was not accidental—feminists worked for it.

We are pleased that for the first time in Minnesota history a woman was elected to statewide office. Certainly four years ago there was no necessity to run a woman on the State ticket. I would say that four years ago a woman . . . any woman . . . would have been unacceptable.

But again, no matter what establishment politicians tell us, remember that this victory was our victory. It was not given to us, but we worked for it; many of us for two years, four years, ten, even more years.

We are pleased that not even one of our friends in the legislature who took firm stands on feminist issues was defeated. Couple that with the fact that 70% of the candidates the caucus endorsed were victorious; that several anti-feminist legislators were defeated: That the total number of feminist legislators has doubled, perhaps tripled.

Again, that is no accident. These facts represent the rewards of a long, grueling battle.

Yet, as gratifying as these successes are, they are even more impressive as they were repeated on the national scene.

One national feminist leader, Bea Blair, states that 42 of the "enemies" of feminism are not returning to Congress in 1975. For example, Congressman Angelo Roncallo of New York, Congressman Lawrence Hogan of Maryland (author of one of the three compulsory pregnancy bills), and Congressman Harold Froehlich of Wisconsin (author of a compulsory bill) will not return to Congress. And in our neighboring State of Wisconsin, Kathryn Morrison, the first woman ever elected to that State's Senate, defeated Gordon Roseleip, the enlightened incumbent who said, "if we give condoms to the poor, what will happen to America in her hour of need? Who will provide her armies?"

All the women incumbents in the Federal Congress were elected, and five additional women will join them. Ella Grasso was elected Governor of Connecticut, the first woman governor elected solely on her own merits. And across the Nation, there are 26% more women in State legislatures than were there last year.

Of the ten feminist congressional candidates targeted for defeat by the arch-conservative publication The Wanderer, only one. . . the only non-incumbent was defeated.

What does this mean?

It means that at long length, large numbers of women, trained from childhood to defer to men both privately and publicly, are beginning to assert their own priorities. The public assertion, I am convinced, is all the stronger because it publicly reflects and magnifies the thousands, even millions of personal assertions that women are now courageously making in their private lives.

It means that women have not only mastered the political skill to achieve their political goals, but they have also developed the confidence to use those skills how and when they must.

Finally, and let us say this often, and say it publicly, because it is true: It means that much work, after much suffering and pain, feminists have succeeded in breaking the back of that great paper-tiger: The anti-abortion, anti-woman lobby. With the battle turned so that the myopia and the intolerance of that single-issue lobby is finally exposed, feminists will finally be free to turn to other equally important issues.

We feel that with this increased awareness and respect for the feminist movement, never again will our own DFL Senators and Representatives be so intimidated by the anti-woman lobby that they will remain silent while women are publicly humiliated in the legislative chambers. Never again will they remain silent, albeit embarrassed while a Senator Schrom accuses supporters of the equal rights amendment (who are present in the Senate gallery even while he speaks) of "hating themselves, hating men," and maintaining their "homes in chaos with bastard children under their beds."

Frankly, I am embarassed to repeat those words, and I am sure that you are embarrassed to hear them. Therefore, we can all sincerely hope that with our strong, new DFL majority in both Houses, such words of scorn and insult will no longer be tolerated in our official public forums.

But one spectre of gloom still hovers above us, at the peak of this feminist victory. It is the same sense of foreboding shored by all other Americans: The prospect of a recession, or even worse, a depression.

For while all Americans suffer in hard economic times, statistics show that women, like minorities and the aged, suffer the most. In good times it is very attractive to fill the labor force, and relatively easy to hire non-whites, non-males. But in hard times, and we look to the earlier years of this country for documentation, women and minorities are always the last hired, and the first fired. That is why, in our legislative program for 1975, we place a great deal of emphasis on economic security and economic opportunity for women.

Already we hear talk of keeping women at home, urging them to abandon their jobs. But in our legislative program we will emphasize the importance of stimulating *full* employment, especially in public service jobs in areas such as day care, environmental needs and services to the aged. One of our economy's draining expenses is the high cost of welfare. It stands to reason that the only way to reduce welfare is to assure women who wish to work outside the home of their ability to earn a decent living.

JOBS FOR WOMEN

Therefore our first economic priority is jobs for women. Our jobs for women program has three parts:

A modification of Veteran's Preference to a one-time only advantage. While we recognize that these men have served their country generously, we also know that there are thousands of women who have also generously served their families and their country, in their homes. But when they decide to enter the job market they are systematically kept out by nearly unlimited Veteran's Preference. The problem is especially serious in the Civil Service. We would also extend Veteran's Preference to the widows of veterans who died service-related deaths, and the wives of veterans incapacitated by service-related accidents.

The second part of our jobs for women program is legislation to help make the State of Minnesota a model employer. The State, Minnesota's largest employer has the duty to afford equal employment opportunities to all its citizens. Therefore we will propose additional funding for the State affirmative action program for effective recruitment, more frequent departmental reviews and more assistance for department affirmative action officers, supplementary training for minorities and women, awareness and human relations training for all employees, and career development counseling for all State employees.

Our third jobs for women proposal would enable our existing State human rights law . . . one of the finest in the Nation . . . to do its intended job better. We favor the citizen's right to private action. This legislation would change State law so that women and minorities and the handicapped can hire their own attorney in order to bring their cases of discrimination directly to court. The legal costs would be paid by the party committing the Discriminatory Act, if the plaintiff wins the case.

Now, all charges of discrimination must be handled for an initial period of 90 days by the State Department of Human Rights, which is already overburdened with literally hundreds of cases. We support this concept, knowing that 90 days is a long time to be out of a job, and knowing that this procedure would free the human rights department to concentrate on policy questions, and important landmark cases.

AGING WOMEN

A second area of concern to feminists is the plight of senior citizens in this inflationary-recessionary time. We know that elderly women are the single most impoverished segment of our society.

After many years of productive service to their families, most women live several years longer than their husbands, and are doubly handicapped by discriminatory social security laws, over and above the universal problems of the elderly. The DFL feminist caucus supports the legislative priorities of the metropolitan senior citizens federation, including: the generic, rather than brand labeling of drugs: a higher tax credit on rents: the restructuring of nursing home reimbursement methods; and continued and additional tax relief for the elderly.

CHILDREN

Our third area of concern without doubt represents the most important investment Minnesotans can make in the future. It is a subject that is close to all of our hearts: our children.

Today in Minnesota there are over 115,000 children of employed mothers and single male heads of household for whom there is no room in existing licensed day care centers. This situation is intolerable. And experts predict that day care needs will increase 43% in the 1970's.

The DFL Feminist Caucus will support additional funding for the Child Care Facilities Act for a variety of child care programs Special attention should be given to programs for Latin American and Indian children, and migrant children, who are expected to arrive in ever growing numbers in Minnesota in the next few years.

Let me stress that the caucus favors child care programs—not mere child warehousing.

Another very serious problem for our youngest citizens exists in Minnesota today. In 1973 there were 278 reported cases of child abuse in Minnesota, and according to the Mondale Commission on Child Abuse, for every reported case there are between 10 to 100 cases unreported. The DFL Feminist Caucus will support legislation to alleviate this complex and horrifying problem. We will attempt to get at the root of child abuse, with funding for counseling and public education, and crisis centers for families in distress. We feel that any such program should respect the right to privacy, as well as due process of law.

Finally, we support increased funding for the State Department of Education to enable it to carry out the new regulations that prohibit sex discrimination in our schools. This is where discrimination is most damaging to young women. If we refuse to grant them equal educational opportunity, we will be handicapping them socially, economically, and personally, for the rest of their lives.

PERSONAL RIGHTS

Feminists, who are committed to the free, socially responsible exercise of individual rights, favor two bills that will help safeguard those rights: "consenting adults" legislation: and expansion of the conscience clause to protect health personnel performing abortion-related services from harassment, intimidation, and recriminatory loss of job.

E.R.A. LAWS

We support the series of bills that will systematically correct discriminatory sections of our Minnesota statutes. This revision will be required by the Equal Rights Amendment, ratified by our legislature in 1973.

GUN CONTROL

We will continue to actively support a State gun control law. One poll shows 83% of Minnesota women supporting gun control.

HEALTH CARE

Finally, we focus on health care. We will support legislation to provide a State subsidy for local public health services. We support a program to coordinate State and Federal assistance for community family planning services, working through established organizations such as planned parenthood. And wherever possible we will urge the inclusion of consumers on public health boards at all levels.

We will submit this program to Governor Anderson and our legislative leaders with the hope that they will recognize the special needs of women in the State of Minnesota and for our part we must be willing to make the commitment of time and energy necessary to support their good efforts.

As feminists we believe that because these issues are priority issues for Minnesota women. They deserve the priority attention of our elected officials.

We are confident this program will receive their attention. It represents a positive step towards a more humane future for ourselves and for our children.

FLIGHT 514

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. HUDNUT. Mr. Speaker. TWA's Flight No. 514, which originates in

Indianapolis early in the day, stops at Columbus, Ohio, and arrives in Washington in the middle of the morning, has sometimes been dubbed the "Congressional Milkrun" or "Congressional Special" because so many Congressmen, members of their staffs, and other political figures ride the plane. Over the past 2 years, I have ridden it on an average of almost once a week, and enjoyed the company of other Hoosier political figures such as Senators BIRCH BAYH and VANCE HARTKE, Congressmen WILLIAM BRAY, JOHN MYERS, and former Congressman Richard Roudebush. Usually, when we stopped in Columbus, Ohio, Congressmen CHALMERS WYLIE and SAM DEVINE would get on the plane and we would all ride into Washington together.

Last Sunday morning, December 1st, Flight 514, diverted from Washington National Airport to Dulles International Airport, due to inclement weather conditions, failed to clear the Blue Ridge Mountains and crashed into a rocky outcrop known as Paris Mountain some 23 miles west of its intended destination. The 92 persons aboard were killed, including 19 Hoosiers among the victims, and 16 others who were visiting friends and relatives in Indiana and were returning to Washington at the conclusion of the Thanksgiving weekend. It was a terrible disaster that sent shockwaves throughout the Nation.

I am sure I speak for all my colleagues in the Congress—and particularly those who, like myself, have frequently flown Flight No. 514—when I say that we extend to the victims' families and loved ones our sincerest sympathy in their bereavement. Their loss diminishes us all, and we want them to know that we are with them in spirit in their hour of sorrow, linked to them by the mystic cords of brotherhood that bind us together in the human family. Not that anything we might say can assuage their anguish; but we would assure them of our sensitivity to their pain and our compassion for their suffering.

Now then, beyond this, without presuming upon the privilege of access to the CONGRESSIONAL RECORD, without intending in any way to trespass upon the religious beliefs—or agnosticism—of others, and without wanting to give the appearance of exploiting an aviation tragedy for purposes of speechmaking, I wonder if I might be permitted to make a few random personal observations which came to me as I was riding flight 514 into Washington this morning, about the relation of a tragic accident like this to the religious faith cradled in the Hebrew and Christian Scriptures, a faith, I am sure, which a majority of Americans profess.

Trying to figure out God's ways with man is a question that invariably arises whenever disaster strikes a community or misfortune unexpectedly falls upon someone's shoulders. Dark moments tend to throw our belief in God's power and goodness into shadow. They test our faith. Beyond their social impact, they have a theological dimension—at least for a person of faith. Some may simply shrug them off by charging them to bad luck:

> That's the way the ball bounces. That's the way the cookie crumbles. It was in the cards. Just fate, "Que Serra, Serra." Whatever will be will be.

But for anyone who believes that God is actively in work in His World, a problem, indeed, exists.

It would be presumptuous to claim final answers, because mortal men "see through a glass darkly," when at all. But perhaps some glimmerings of truth can be cited that may show us a bit of light at the end of the tunnel. Tragedy invariably tempts men to despair or prompts them to faith, and reflecting on this matter and hoping to move my thoughts in a positive direction, five considerations came to my mind which I would like to share with my colleagues in the House.

I.

I believe God was there. He was not out on recess. When people experience misfortune, they often feel God has abandoned them. Feeling empty inside, they decide life is empty outside. They let tragedy void life of meaning, and turn them into nihilists. If God were really God, they suppose, He would have been there to stop the evil before it worked its damage.

But the Scriptures of the Old and New Testaments point us to a different conclusion. God is present in our darkest moments, suffering along with us: that is certainly part of what we must say as the smoke clears from the wreckage on that Virginia mountainside. Scripture teaches that God did not create the world and then vacate its premises. He did not birth it and then drop it, as a foundling on the doorstep of an indifferent universe. He created it, but continues to sustain and work His will through it. He is involved. Says the psalmist:

> Yea, though I walk through the valley of the shadow of death, Thou art with me. If I ascend to Heaven, Thou art there. If I make my bed in Hell, Thou are there. If I take the wings of the morning and dwell in the innermost parts of the sea, even there Thy Right Hand shall hold me.

And then, jumping from the Old Testament to the New, we encounter Jesus of Nazareth, who went by the name "Emmanuel" which is translated "God with us." Christians believe that God took our humanity so seriously, wanted so much to identify Himself with us, that He Himself became human. He did not hold Himself aloof. "Lo, I am with you always, even unto the end."

The ancient Greeks had a notion of the impassibility of God—that is, the unfeelingness of God. Nothing could deserve Him or move Him, they said. They interpreted Him as an imperturable cosmic sphinx. But the biblical witness suggests that this is a false notion. Without in any way limiting God, we can legitimately say on the basis of His revelation in Scripture, that He feels emotions and voluntarily suffers time and again, much like any human father. In Hebrew literature, we hear Him crying out with David for one child who had died, "O Absalom, Absalom." And in Christian literature, we hear Him crying out with Jesus for a whole group of His children, "O Jerusalem, Jerusalem."

God knows what we are going through. The universe is not indifferent to us. He was on flight 514 from runway to mountainside. Our pain is His pain. The death of our loved ones is the death of His loved ones. Our tears are His tears. If we find ourselves plunged into a twisted burning mass of steel and gas and snow, He is there, saying:

> "Fear not, I am with thee, O be not dismayed."

II.

I believe we should avoid explaining it all away as God's will. We cannot gloss over the tough and tragic facts of life. Biblical faith faces the tragic, it does not soft-pedal it. The usual way of ignoring the tragic in religious circles is to pass off the tragic as God's will. This pious platitude is intended to chloroform one's outraged feelings. But it strikes me as terribly gratuitous and oversimplified to consign an accident like this to the will of God and leave it like that. For the life of me, I cannot accept any facile resolution of misfortune that annuls its calamitous aspects. Biblical faith has tragedy—the tragedy of exile and crucifixion at its heart. So, to the bereaved persons stumbling through the debris of flight 514, you do not try to sugar-coat the tragedy by saying "Well, this was God's will." Rather, you say, "This was awful." A little boy runs out into a street and gets hit by an automobile—a man overworked, breaks down and goes to pieces—a mother with three small children, takes ill with a terminal disease—nation lifts up sword against nation—an instrument malfunction, a sudden downdraft occurs, and the frail airborne bark of man is plunged to earth, carrying 92 persons to their death—can we say God causes these things to happen, or that He directly wills them? I think not. A little reverent agnosticism at this point might be very much in order. Dostoevski's Ivan Karamazov was right when he said that if God's truth demands the tortured cry of a single innocent child, then God's truth is not worth the price of admission.

III.

But third, I believe the accident can be comprehended within the permissive will of God. Not that He caused it, but He created the kind of world in which it could happen. The story in the opening chapters of the Bible suggests that while God created a Garden of Eden, He also created the conditions in which a fall from grace could occur. He created a world in which instruments can malfunction, technology can fail, human beings can err, nature can erupt, the temples of men can be torn down, and goodness can be crucified. God's world is no antiseptic greenhouse in which evil germs can never sprout. God is not a manipulater, who overrides our freedom, or willy-nilly abrogates natural law to suit our fancy. He has given us life, and works within His givingness to accomplish His purposes.

IV.

Which suggests a fourth observation. I believe we should try to include the tragic in the wider framework of the providence of God. Soaring high above the clouds this morning, up where the sky was clear and where the sun was bright, far above the storm that was buffeting the Earth below, the comforting words of the spiritual came to mind:

"He's got the whole world in His hands." His love spans our world like a rainbow. That is the meaning of the suggestion in the Bible that the very hairs on our heads are numbered, and that not even a sparrow falls to the ground without the Heavenly Father's will. Thus we must ask, can we believe less than that the catastrophe of Flight 514 must somehow be comprehended within the framework of God's wider plans? Either that or God is not God. Either that or life has no ultimate meaning beyond the sheer fragmentariness of events. Either we live by accident and die by accident, or we live by plan and die by plan. Either life is "a tale told by an idiot full of sound and fury signifying nothing" or it is a story conceived by God full of purpose and possibility signifying everything. Either men are to the fates as flies that boys wantonly kill for sport on a summer day, or they are to God as sparrows which do not lose a feather that has not been brushed away by His finger.

Biblical faith sees the tragic in terms of the providential, not the providential in terms of the tragic. So the Jewish nation could interpret the exile and the Babylon captivity as a prelude to their return to Jerusalem and the rebuilding of their temple, and the Christian church could sound itself on the belief that resurrection follows crucifixion. From this angle, the tragic is not an incomprehensible calamity that must merely be endured; rather, it forms part of a larger picture. The jagged piece somehow fits into the puzzle of life. "God moves in mysterious ways, His wonders to perform." You and I may not see the harmony now. We are not asked to see it, only to believe in it. And possibly some future day, we will look back and reflect with the British scholar, H. Wheeler Robinson, who once wrote:

> The warp that is stretched on the loom of the years is all one to God, and the pattern woven by the flying shuttle of men's lives is taken up into that comprehensive pattern He is weaving in ways beyond our comprehension.

So we believe that although God does not will everything that happens, He does will something in everything that happens. If we probe the ruins in the Blue Ridge Mountains with eyes of faith, who can say whether or not beyond our knowing, the lives of those taken had come full circle and now was their appointed hour?

As if God the Father, to paraphrase James Weldon Johnson's famous poem, "Seated on His White Heavenly Throne," had looked down on Earth and seen some of His children ready to cross over, and meet Him face to face; so he called his angel Death and commanded him to go down to fetch sister so and so and brother so and so—and Death loosed the reins on his pale white steed and clamped his spurs in his bloodless sides and rode out and down through the pearly gates, past suns and moons and stars, till he arrived like a falling star on that rocky Blue Ridge Mountain slope, where he scooped those poor children of God up in his icy arms and began to ride again out beyond the evening star, out beyond the morning star, into the glittering light of glory, onto the great White Throne, where he laid them gently down, having brought them home to the House with its Many Mansions. Who can say that this might not have been part of a larger plan that we knew nothing about?

V.

Some were taken, some were spared. I believe the final meaning of Flight 514 applies not to those it took, but to those it left. I came in on Flight 514 this morning, we landed safely. I am still alive, spared to live another day. So are all the other political figures who might have been on Flight 514 last Sunday. So are a lot of other people. Tasks are yet set before us. When the tower of Siloam fell to the ground killing 18 men, the Pharisees in New Testament Times asked Jesus if this was God's way of punishing the 18 for their sins. He answered:

> No. But unless you repent, you will likewise perish.

Which is to say, it remains now for us the living to decide what we have been spared for. Will we go in the same old rut, or will life be a little more precious to us now, and each minute a touch less cheap? This tragedy should catch us up short and make us ask ourselves, "What am I doing with this life that has been spared me? Am I making it count for things that count? Or frittering it away?"

Mr. Speaker, I would hope that we might use this disaster as an occasion for rededicating ourselves to God's unfinished work in the world—which is the work of transforming the human race into the human family and of building a little more justice and good will and peace and brotherly love into the sinews of society.

While the light shines in our sky, we have work to do. None of us knows when the Sun will set, when our busy world will be hushed, when the fever of our life will be over and our work will be done. So each day counts. There are problems to solve, wildernesses to conquer, challenges to face, and responsibilities to shoulder. They face us all, whether we be here in these hallowed Halls or somewhere else. And if we approach them with courage and faith, with perseverence and patience, with integrity and sensitivity, we will develop the resources of our land—to borrow from Daniel Webster's immortal words engraved in marble right here in this place—call forth its powers, build up its institutions, promote all its great interests, and, in our day and generation, perform something "worthy to be remembered."

TIME TO RECONSIDER U.S. RELATIONSHIP WITH THE U.N.

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. CRANE. Mr. Speaker, the United Nations has, for some time, been in clear violation of its own charter in a number of important areas of concern.

In clear violation of the charter, for example, the U.N. expelled the Republic of China from membership and substituted the Communist regime of Mao Tse-tung in its place. It did so on the basis of a view, not expressed in the charter itself, that U.N. membership should be universal. Now, in the current U.N. session, we have witnessed a situation in which a nongovernment, the Palestine Liberation Organization, has been invited to speak and participate, and has been treated to an extraordinary display of hospitality, while a duly established government, that of South Africa, has been denied the right to vote, to participate in debate, or even to take its seat.

Discussing the double standards inherent in the current workings of the United Nations, William F. Buckley, Jr., who served as a delegate to the General Assembly as U.S. Representative on the Human Rights Committee, notes that:

> One learns almost instantly in the United Nations that the convention is very simply to ignore Soviet infractions against the stated ideals of the organization. . . . This is something in which everyone is automatically trained; even as, say, altogether spontaneous conversations deploring drunkenness will take place in households in which a principal is an alcoholic; after a while, nobody notices.

While all members of the U.N. give lip service to such human rights as the freedom of speech, press, religion, assembly, and travel, the fact is, Buckley points out in his new book, "United Nations Journal: A Delegate's Odyssey," that:

> Of the 135 members of the United Nations, 20 are governed by parliamentary representation.

The current Afro-Asian majority is intent upon imposing its will on the world body. The president of the General Assembly, Abdelaziz Bouteflika of Algeria, has already sharply limited the right of Israel to reply during the recent assembly debate on Palestine and used his presidential powers to order a chief-of-state welcome for PLO chief Yasir Arafat as well as making the extraordinary ruling that South Africa could no longer participate in the work of the current session.

Discussing the deteriorating state of the United Nations, C. L. Sulzberger, the distinguished New York Times columnist, notes that in suspending South Africa:

> The U.N. ignored its constitution. Article Five stipulates that a suspension must be recommended by the Security Council. This was not done with South Africa. Moreover, one must review the roll of moral offenders during the U.N.'s history in order to judge this action. . . . When Stalin still ruled Russia, millions of its people were in prison camps or execution cellars. . . . But Russia remained a pillar of the U.N.

It is high time that the United States review its relationship with the United Nations, with particular emphasis upon the disproportionate share of the U.N.'s budget which is paid for by American taxpayers. As it is working today, the U.N. does not serve the cause of peace but does violence to that concept.

I wish to share with my colleagues the column, "Bending the Rules of the U.N.," by C. L. Sulzberger, as it appeared in the

New York Times of November 16, 1974, and insert it into the RECORD at this time:

BENDING THE RULES OF THE U.N., NOVEMBER 16, 1974

(By C. L. Sulzberger)

PARIS.—Twice this week the United Nations bent its traditions, if not its rules, first by inviting the head of a political movement, Yasir Arafat, to address its General Assembly as if he represented a government; and second by suspending South Africa's participation in the current session.

The chiefs of the Algerian, Cypriot and Mozambique guerrilla movements never were received—or even aspired to that honor. Yet Mr. Arafat staged a triumphant entry. A careful reading of the U.N. Charter shows no clause specifically barring participation—when invited—of a nonmember or a nonstate, but it hasn't occurred before.

The case of South Africa is different although the two examples are implicitly related. Both stem from the preponderant fact of today's Assembly composition: a heavy majority of votes from the underdeveloped "third world," actively endorsed (despite their own rivalry) by Russia and China.

Gone are the days when, as with Korea, a strong pro-U.S. bloc could swing the international organization behind it. United States diplomacy in the third world has been proven politically bankrupt.

American money helped put one after another former colony on its feet but American policy sought to compose so many contradictions and was often so ineptly expressed that its influence declined to virtually nil. Thus, for example, we are today in the position of being disliked in varying degree by India, Pakistan and Bangladesh.

There must be something wrong with our formulations if (while requesting more aid) so many nations oppose us. China, by contrast, has deliberately courted Afro-Asian favor and, with slight expenditure, has made great headway.

The United States opposition to Arafat's appearance at the U.N. came as no surprise because of our support for Israel. Washington also opposed the Assembly's suspension of South Africa.

In that action the U.N. ignored its constitution. Article Five stipulates that a suspension must be recommended by the Security Council. This was not done with South Africa. Moreover, one must review the roll of moral offenders during the U.N.'s history in order to judge this action.

I hasten to stress that, as anyone who has read my dispatches all these years must know, I have constantly opposed bigotry or racism in any form and specifically denounced Pretoria's policy of apartheid.

Right now, nevertheless, the black state of Uganda (which sits in the Assembly) is involved in one of the weirdest, most cruel patterns of government brutality. Chopping up opponents and feeding them to crocodiles is not a lesser sin than South African segregation. And Chad (which also voted) sometimes buries Christians alive in anthills.

When Stalin still ruled Russia, millions of its people were in prison camps or execution cellars. This was widely known even though Solzhenitsyn's "Gulag Archipelago" had yet to be written. But Russia remained a pillar of the U.N.

While thousands of Rumanians were dying along the fevered Danube-Black Sea canal, no one talked of "suspension." After Russia and its allies invaded Czechoslovakia in 1968—or Britain, France and Israel invaded Egypt in 1956—they stayed in the U.N. without more than a tut-tut.

Portugal ran a full-scale, three-pronged colonial war; Haiti was bullied by murderous *tontons macoutes* of Papa Doc Duvalier; and Indonesians (in 1965–66) slaughtered some 350,000 to 500,000 "Communists" (mostly Chinese minority), sometimes playing football with their heads. All stayed in the United Nations.

If an international organization intends to practice fair play—a basic objective of the U.N.—it should do so toward all. The dictates of a majority according to its prejudices one year should not automatically be embodied as a precedent for the future.

It might have been wiser to postpone Mr. Arafat's speech until he had formed a "government in exile." His global standing remains to be formalized and one may only pray (dubiously) that arguing his case before the Assembly may lessen the possibility of another Middle East war. If such proves true, it will seem unfortunate that similar appearances weren't encouraged for earlier de facto political leaders.

To "suspend" South Africa is unfair emotionalism and as segregationist on a world scale as the silly, cruel discrimination that country practices at home. Above all, it was not only illogical to oust the Pretoria Government at a moment when it is showing serious signs of reform but blatantly unjust in terms of all other transgressors, past and present, who have smilingly kept and still keep their seats in so-called respectability's greatest club.

ATTORNEY GENERAL SAXBE THUS FAR FAILS TO FIND ANYTHING WRONG WITH $825,000 INDICTMENT AGAINST JAKE JACOBSEN, WHICH SAXBE NOW SEEKS TO DISMISS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. FISHER. Mr. Speaker, on February 6, 1974, a Federal grand jury in Texas returned a seven-count indictment against Jake Jacobsen, charging conspiracy, misapplication of $825,000 in savings and loan funds, and perjury—carrying a potential penalty of 35 years in prison and $70,000 in fines.

It happens that the savings and loan association referred to in the indictment is located in my hometown of San Angelo, Tex., and many of the victims are my constituents.

Before the case could be tried, an incredible thing happened: The Attorney General of the United States, after an amazing swap-out deal with Jacobsen in Washington, intervened, ordered the U.S. District whose duty it was to prosecute the case not to prosecute it, and to demand dismissal of the charges.

Federal District Judge Robert M. Hill in Dallas, in whose court the indictment was pending, overruled the Government's motion for dismissal. He concluded the application was devoid of valid grounds. Then, when the U.S. District Attorney, acting on orders from Washington, refused to prosecute, Judge Hill appointed three members of the bar to proceed with the prosecution.

The Department of Justice did not like this. At the instance of the Government a stay order was issued by the Fifth Circuit Court of Appeals, pending final action on the issue.

Naturally, my constituents were flabbergasted by the U.S. Attorney General's all-out intervention in behalf of Jacobsen. On August 22, 1974, I addressed certain questions to Attorney General Saxbe, seeking clarification of the rationale which prompted his efforts to protect Jacobsen against prosecution. Three months later I received a reply, the context of which is quoted in another letter I have just sent to Mr. Saxbe—which follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 29, 1974.

Hon. WILLIAM B. SAXBE,
Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I have just received an undated letter from W. Vincent Rakestraw, Assistant Attorney General, which responds to a letter I sent to you on August 22, 1974. In my letter I asked you to answer certain questions regarding your refusal to allow prosecution of Jake Jacobsen on a valid indictment charging a major crime—an $825,000 crime—pending in federal court in Texas.

Mr. Rakestraw's letter to me follows:

"DEAR CONGRESSMAN: This is in response to your letter of August 22, 1974, in which you ask certain questions with respect to the plea bargaining arrangement entered into with Jake Jacobsen. We are enclosing a copy of the Government's brief in the U.S. v. Honorable Robert M. Hill, which was filed with the Court of Appeals for the Fifth Circuit on November 22, 1974. The brief sets forth in some detail the background and legal basis for our action in this matter.

"I trust this is responsive to your inquiry."

The brief referred to is in support of the Government's attempt to force Judge Hill to dismiss the Texas indictment against Jacobsen and to vacate Judge Hill's order appointing three members of the bar to prosecute the case—after you, as Attorney General, had ordered the U.S. District Attorney in Dallas to refuse to prosecute it.

Mr. Saxbe, I have read every word of the brief Mr. Rakestraw sent me. It does not even touch upon the questions I posed to you. Or, possibly you failed to understand what I wanted to find out. I will therefore repeat the two principal questions in my letter to you dated August 22:

"1. Specifically, what if anything was wrong with the Texas case (against Jacobsen), what are the legal grounds, to justify this extraordinary action of dismissal?

"2. Is the proposed dismissal recommended by the U.S. District Attorney whose responsibility it would be to prosecute Jacobsen in the Texas case?

I am not addressing myself to the plea bargaining matter, however abused and contrary to the public interest it appears to be in this case. I am trying to find out what if anything is wrong with the Texas case against Jacobsen, which prompted your incredible intervention.

Putting the questions another way: Do you deny that the Texas case against Jacobsen was perfectly valid? Do you deny that indictment was correctly drawn, charging Jacobsen on seven counts for conspiracy, misapplication of savings and loan funds, and perjury, carrying a potential penalty of 35 years in prison and $70,000 in fines?

As the Nation's top law enforcement officer, is it your belief that one who is guilty of offenses such as those charged in the Texas indictment against Jacobsen, should be punished for such criminal acts?

Do you deny that at the time you intervened from Washington and ordered the prosecution blocked, the District Attorney was prepared to proceed with the prosecution, and was prepared to make out a prima facie case on each count?

It is my understanding that the move for dismissal of this very serious charge against

Jacobsen was initiated by you, and WAS NOT initiated by the U.S. District Attorney in Texas whose responsibility it was to prosecute the case. Is that correct?

As I have said before, my constituents are not interested in the high flights and poetry of Washington-based swapouts, totally and completely unrelated to the Texas indictment against the man charged with taking their hard-earned money. They may be old-fashioned, but they seem to think a man should be held accountable for an $825,000 crime involving their money, and not be permitted to go scot-free, virtually pardoned-in-advance, at the instance of the United States Government.

You see, the Savings and Loan Association involved is located in my home town of San Angelo, Texas. Many of my constituents were victims of Jacobsen's alleged criminal acts related to the $825,000, the basis for the Texas indictment.

Do you blame my constituents for wanting answers to these questions—honest, responsible answers? Do you blame them for being shocked and distressed to learn the United States Government is using its great powers to protect the man indicted for taking and misusing their money?

Have you really stopped to ponder the magnitude of the offenses charged in the Texas indictment—an $825,000 indictment you are using all your power to have dismissed?

I am aware of the predictment which makes it difficult for you to respond to my questions.

Sincerely,

O. C. FISHER,
Member of Congress.

CONGRESS RETREATS ON ITS COMMITMENT TO EQUALITY OF OPPORTUNITY WITHOUT REGARD TO SEX

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. DRINAN. Mr. Speaker, last Tuesday this House passed H.R. 15580, a bill to appropriate money to operate the Departments of Labor and Health, Education, and Welfare, and related agencies. That measure, which originated in this Chamber, as it must, was amended by the Senate in such a manner as to undermine title IX of the Education Amendments of 1972.

The appropriations process should not be used to legislate; it should be restricted solely to the questions of how much and to whom. The action by the Senate and the vote here last week underscore the impropriety of that course of action. On the basis of frantic objections by some school officials and without the benefit of public hearings before any legislative committee of this House, our conferees asked us to approve hastily drawn amendments passed by the other body.

Title IX sought to eliminate sex discrimination in the educational process by forbidding the use of federal funds to programs which practice such discrimination in any form. Until last Tuesday that is what I thought I had voted for when title IX was first enacted 2 years ago. The modifications now approved would forbid HEW from promulgating regulations to bar the use of Federal assistance: First, to certain organizations which limit membership to persons of one sex; and second to schools which requires sex segregation in physical education classes.

It has taken HEW 2 years to promulgate these regulations, which could hardly be said to be really strong. Nonetheless barely is the ink dry on the draft rules before we seek to abrogate them. Considering the length of time it took HEW to publish them in the Federal Register, the least we could have done was allow them to operate for a period of time and then review their actual impact.

In legislating in the area of discrimination, Congress should begin with the presumption that any separation of persons on the basis of irrational classifications, like sex, race, religion, or economic status, is immediately suspect and its proponents carry a heavy burden to sustain any such segregation. Only the most compelling of governmental interests can justify providing Federal assistance to segregated activities. In my judgment the case has not been made to support the encouragement we give to sex discrimination when we passed these amendments. The absence of a hearing record makes it even more difficult to justify these modifications.

Congress should not place the power, prestige, and financial assistance of the Federal Government behind sex discrimination in any form. If organizations such as fraternities, sororities, boys clubs, or girl scouts wish to exclude members of one sex, they of course have a right to do so. They do not, however, have the right to use Federal funds or federally assisted facilities to promote their discriminatory membership practices. We would not allow it if they excluded on the basis of race, and I see no reason to allow it on the basis of sex.

To some the question of sex separation in these organizations, particularly those dealing with youth, and in physical education classes is a matter of little moment in the whole range of sex discrimination issues. That is myopic. In my view we should give no quarter to those who would retard the development of a society free of sex discrimination. By permitting Federal funds to be used, directly or indirectly, to encourage, support, or promote separation by sex, we only reinforce ancient sexual stereotypes which are at the root of the problem. And while the evil of H.R. 15580 may appear to be small, we should always be mindful of Justice Clark's observation that "the trickling stream of today may tomorrow become a raging torrent."

I hope that, in the 94th Congress, the appropriate legislative committee of the House will undertake hearings to reexamine the damage done to the cause of liberation by this bill. Hopefully in a calmer and less pressured atmosphere, we will restore to title IX its full scope.

REPRINTING OF "COMMITTEE ORGANIZATION IN THE HOUSE" HEARINGS OF THE SELECT COMMITTEE ON COMMITTEES

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. BOLLING. Mr. Speaker, the correspondence which follows speaks for itself:

APRIL 1, 1974.

Hon. JOHN BRADEMAS,
Chairman, Subcommittee on Printing, Committee on House Administration, House of Representatives, Washington, D.C.

DEAR JOHN: I am introducing a House resolution calling for reprinting the complete set of hearings and panel meetings held by the Select Committee on Committees during 1973, with corrections to the extent of printer's errors which have been found and marked in a master copy. The resolution requests House Document status for these three volumes.

As you know, a very historic record of Member and outside expert testimony was built through some fourteen weeks of hearings, hailed by many Members as well as outside scholars as close to unique for their exploration of House organization and operation problems. Floor debate on the resolution reported by the select committee lies ahead of us, and the supply of some parts of the original printing is completely exhausted.

It is my view that both the needs of those preparing for the floor debate as well as long term continuing needs for access to the record for study, reference, and legislative history would make it extremely useful to have these volumes reissued. A measure of our commitment to the importance of this project may be provided by the fact the select committee contracted to have an index prepared for this material at a cost in excess of $20,000.

I would be most grateful to have your subcommittee act favorably on this resolution when it is referred to you. Our estimate is that Document status plus 2,000 additional sets in three volumes, with indexes incorporated represents a realistic count of the needs of the select committee.

With best wishes,

Sincerely,

RICHARD BOLLING.

H. CON. RES. 452

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document the three volumes of hearings and panels on the subject of committee organization in the House which were held by the Select Committee on Committees under the authority of H. Res. 132, Ninety-third Congress, together with an index thereto and with such corrections as may be necessary; and that two thousand additional copies be printed for use of the Select Committee on Committees.

OCTOBER 10, 1974.

Hon. WAYNE L. HAYS,
Chairman, Committee on House Administration, U.S. House of Representatives, Washington, D.C.

DEAR WAYNE: This is in confirmation of our discussion the other day at lunch that I would like H. Res. 452 introduced on April 1, 1974, reported favorably by your committee.

As I explained last April, the Select Committee on Committees built a valuable and unique record of the views of Members on the subject of House organization and operation for which we have had a continuing demand from Members and the public. The original printing of these hearings has been exhausted, and in any case, as committee prints they did not go to Federal depository libraries to become more widely available on a continuing basis. This is why we especially want to achieve House Document status. You may also recall that the Select Committee invested in a professional and thorough index to accompany each of the three volumes of the hearings to add to their usefulness.

I will appreciate your attention and good offices in bringing action on this matter when the Committee again meets.

With best wishes,

Sincerely,

RICHARD BOLLING.

OCTOBER 22, 1974.

Hon. JOHN BRADEMAS,
Chairman, Subcommittee on Printing, Committee on House Administration, U.S. House of Representatives, Washington, D.C.

DEAR JOHN: On April 1, 1974, I introduced H. Con. Res. 452 requesting the printing of the hearings of the Select Committee on Committees as a House Document, with 2,000 extra sets for the use of the committee, to be issued in three volumes, incorporating an index to the contents of each volume and with such corrections as may be necessary.

Now that the floor action is behind us, I believe that it would be adequate to reduce the committee portion of this request to 1,500 sets, and still meet the most pressing needs. I would not be adverse to your subcommittee amending the resolution accordingly.

I am still hopeful that the material can be made into a House Document so that it will receive the widespread circulation such status entails, because in this form, the excellent index which was not inexpensive to produce will be included, greatly enhancing the usefulness of the material.

Your staff has asked how much the Select Committee has spent for printing in these two years. So far this is the first and only request I have made for a special printing. One reprint of H. Rep. 93-916 was not requested by me or the Select Committee. All other reports and hearings or other working papers were one-time printing requests to GPO in the same manner as done by all other committees without special resolutions or billing to the Select Committee, so that I cannot state an exact amount which is current. Printing done through June 30, 1974 accounts for most of this, and a computer printout from GPO to that date showed $101,924.00. The Select Committee was originally granted $1,500,000.00 by H. Res. 132, and has asked no other funding for its operations. Through October 1, 1974, it had spent $620,261.69, suggesting the likelihood it will be able to turn back more than half its money unspent when its life comes to an end.

We have had a steady demand from Members, the leadership, university libraries, individual professors, research institutes, public interest groups, and private citizens for copies of these hearings. Considering the cumulative experience and wisdom of 52 Members as well as outside experts who testified, it is not surprising that many people have suggested this hearing record will represent for the next decade the greatest single treasure trove of thought on the needs and problems of the House which will be available. Further, the task of improving the House has only begun, and regardless of the prescriptions to be offered by various groups, it can be invaluable to build on the factual record of these hearings.

I urge you to give your personal support. Stocks are exhausted and if action can be taken now, at least the committee staff can mail out copies of these waiting in some cases for as much as a year for this material.

With best wishes,

Sincerely,

RICHARD BOLLING.

HOUSE OF REPRESENTATIVES,
Washington, D.C. November 12, 1974.

Hon. RICHARD BOLLING,
Chairman Select Committee on Committees, Washington, D.C.

DEAR DICK: First, my warm congratulations on your re-election. It was an extraordinary year for us across the country but I must say that I am especially proud of Indiana in that we elected five additional Democrats, making a 9-2 delegation, the largest number since 1932!

And happily, all five men are vigorous, hard-working and intelligent. I'm proud of them.

I am glad to have the chance to reply to your letter of October 22nd concerning H. Con. Res. 452, to print additional copies of the hearings and panel meetings of the Select Committee on Committees.

As I had earlier indicated to you in our conversations, I have tried to be helpful to you in moving this Resolution and had promised you expeditious consideration of it.

For your information, my Printing Subcommittee unanimously approved the Resolution on April 10, 1974, less than two weeks after you introduced it.

Because the full Committee was busy with the campaign reform bill, the first meeting after April 10th of the House Administration Committe scheduled to consider regular business was on June 5. At that time, several members of the full Committee strongly objected to H. Con. Res. 452 and I thought it therefore prudent to postpone further consideration of it.

I raised the matter again at the next regular business meeting of the full Committee, on June 20. Again strong objection was voiced and I decided, rather than risking a negative vote by the Committee on H. Con. Res. 452, again to postpone consideration of it until a later meeting.

Of course, most printing resolutions are not at all controversial but I trust you understand that some members of the full Committee who did not enthusiastically support the recommendations of the Select Committee were equally unwilling to support H. Con. Res. 452!

I felt, Dick, that you should have this explanation in view of your suggestion that you felt I had not moved speedily, as I had promised, on the Resolution.

In the interim, my Subcommittee Counsel, William Sudow, has discussed this request with both Charles Sheldon and Linda Kamm of your staff and they indicated that one of your principal concerns was to be sure that a full set of the hearings be sent to the depository libraries.

Rosemary Cribben, Staff Director of the Joint Committee on Printing, advises me that the 620 depository libraries eligible to receive government documents have already been sent all but one part of the three volumes of the hearings. I understand that the last part will be mailed to the libraries shortly.

Let me add further, with respect to your reference to the inquiry by my staff on how much the Select Committee has spent for printing in the last two years, that this was not an inquiry I initiated but rather one on which some members of the full Committee insisted.

Again, I much regret the delay in passing this Resolution but I want to assure you that I intend again to bring it up before the full House Administration Committee when the House reconvenes and I will do all I can to get it approved. I hope that the opposition to it will by now have decreased and that there will be no problem.

I hope this information is helpful and I look forward to seeing you next week.

Best personal regards to you and Jim.

Sincerely,

JOHN BRADEMAS,
Member of Congress.

NOVEMBER 19, 1974.

Hon. JOHN BRADEMAS,
Chairman, Subcommittee on Printing, Committee on House Administration, U.S. House of Representatives, Washington, D.C.

DEAR JOHN: I am writing again with reference to H. Con. Res. 452, for the reprinting of hearings of the Select Committee on Committees. I have your letter of explanation dated November 12, and I hope you will be successful in winning approval by the full committee.

I am gratified to hear that there have been partial mailings of the hearings to depository libraries. Let me stress again that hearings in seven parts without an index are of only limited usefulness to most readers. The pending resolution calls for reprinting the seven parts in three volumes, each with an index which has not gone to the depositories, as the early version was only a committee print. This index took months to prepare and was not inexpensive. From the outset it was designed in three sections for reprinting with each of the volumes of hearings. It should be printed with the corrected hearings and panel meetings, as requested, and redistributed. Considering the heavy flow of correspondence from people with a serious interest in this reprint and their frantic efforts to get copies, I do not think there is any worry about over supplying these depositories. For example, the Harvard Library has called repeatedly.

I continue to view this resolution for reprinting as urgent and totally divorced from the issue of whether some Members disagree with the reported version of H. Res. 988. These hearings are the record of what all categories of Members and outside witnesses felt about House organization and operation without regard to their position on H. Res. 988.

With best wishes,

Sincerely,

RICHARD BOLLING.

On November 27, 1974, Charles S. Sheldon II, chief of staff of the Select Committee on Committees was informed by telephone call from William Sudow, staff member of the Subcommittee on Printing that the Committee on House Administration had tabled House Concurrent Resolution 452 in a recent meeting.

PROPAGANDA ATTACK THREATENS CATTLE INDUSTRY

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ZWACH. Mr. Speaker, U.S. farmers are willing and able to produce in abundance if they have assurances that they will not go bankrupt in the process.

But today, one segment of our farm economy, raisers and feeders of beef, are going bankrupt. It is costing them more to feed their stock than they can get for it at butchering time.

To continue along that line can lead but to bankruptcy.

What can be done?

First of all, we can clear up some misconceptions about the beef industry.

Toward that end, with your permission, I would like to insert into the CONGRESSIONAL RECORD, the following article written by M. J. Hankins of Stanton, Nebr. I would recommend that all of my colleagues read this article:

PROPAGANDA ATTACK THREATENS CATTLE INDUSTRY

CONSUMERS EQUALLY CONCERNED

A very vicious national propaganda attack, of vital concern to all consumers and to all of agricultural and related industries, is being launched against the livestock feeding business. The purpose, evidently, is to save grain for shipment to other nations around the world. This barrage of mis-information features such misconceptions as:

Misconception No. 1—We are eating too much beef

We are now eating about 5 ounces of beef per person per day; carcass weight basis. This figures to 3 ounces; basis retail cuts, and less than 2 ounces actually cooked trimmed and consumed—just one half of one hamburger per day.

Misconception No. 2—Beef consumption is declining

Beef consumption dropped slightly last year because of lack of availability. This year consumption was up 4 percent the first eight months, and consumers paid as much or more per pound than the all time high record price.

Misconception No. 3.—Grain fed beef is a costly luxury

Only 2 to 3 pounds of grain is used to produce the average pound of beef consumed in this country. Grain is used as a finishing ration to improve beef quality.

Our 138 million head of cattle could be compared to a huge labor force that works around the clock every day of the year including Sundays and holidays and without strikes or lock outs, in converting a much larger tonnage of raw material into a finished product than all other industries combined. Hundreds of millions of acres of grass lands and crop land by-products would be wasted without cattle.

Misconception No. 4.—We need to stop wasting grain by feeding it to livestock so that we can feed hungry and starving people in other nations

The USA is envied around the world for efficiency in food production. No other nation has come close to equalling the United States in variety, quality, or quantity of food produced. This was accomplished by having a free enterprise system and by combining livestock with the production of grain crops. Communist and dictator countries around the world are hungry for meat and short of other food. They are the ones that are crying for help. If they are sincere in stopping hunger they should do just like we have done. The fact that we ship farm products to foreign countries is no guarantee that it will reach the needy and starving people.

Misconception No. 5.—Farmers should raise grain and not feed livestock

This plan would immediately throw the grain farmer into bankruptcy. Without livestock the surplus of grain in this country would be much larger than any time in history. Grain would sell at fire sale prices because we produce much more grain than needed to satisfy foreign demand—much more than our transportation system could ship out of the country. Export demand for wheat now is only moderate with farmers holding most of the 1974 crop.

Misconception No. 6.—People are overweight because they eat too much beef

Beef is commonly featured in reducing diets. The equivalent of half a hamburger a day, our average per capita consumption per day, never made anybody over weight.

Misconception No. 6.—Fat beef can be injurious to your health

There is no conclusive scientific evidence that beef fat causes a build up of cholesterol or is injurious to health. There is abundant evidence, however, that beef fat is highly nutritious and a very wholesome and valuable food product when used as needed.

Misconception No. 7.—Foreign countries need our grains as a source of protein

All grains are low in protein except soybeans. The crying need of many countries is for high quality well balanced proteins of animal origin. The Japanese are known for being short of stature. Since they started to use more protein, including animal protein, their children grow much taller and much better developed physically.

Misconception No. 8.—Beef is too high priced

The least important factor in setting the price of beef to the house wife is the cost of the original product. What sets the price is what the house wife is willing to pay. In the final analysis the house wife or consumer sets the price. Beef is very cheap when it leaves the farm or feed lot; so cheap in fact that the cattle industry is rapidly being forced into bankruptcy. Cow herds are starting through a stage of large scale and rapid liquidation. King sized price spreads or price mark-ups between the feed lot and the consumer are considerably wider than required to cover costs plus a reasonable profit because of illegal market manipulation and racketeering especially in the big metropolitan areas.

Price spread is paid for by the producer and/or the consumer.

Misconception No. 9.—Feed lots are not needed because they waste grain

Feed lots double and triple beef production and greatly improve eating and keeping qualities. Grainfed beef has a much longer shelf life than grass beef without becoming stale during the transporting, aging and storing processes.

Misconception No. 10.—There is not much difference in the eating qualities of the different grades of beef

Grain fed beef is much more tender, juicy and palatable than grass beef. Steaks served at a good restaurant is an example of grain fed beef. Roast beef served at a cheap restaurant is usually grass beef.

Agriculture, as we have known it in this country, will be destroyed if the consuming public is erroneously led into believing the above misconceptions. We will then be in the same fix as other nations, namely; short of food and asking for help.

The United States has already done much more to alleviate hunger around the world than any other nation. This is because we have a highly efficient and well balanced agriculture that combines livestock with the production of grain crops.

Agricultural market conditions over the past several months have forced many young livestock farmers out of business. Many more have been discouraged from starting. The average farmer is about 60 years old. It is high time the consumer started to think about just who is going to be around to produce food in the immediate future.

Total food production in the USA would take a drastic drop if livestock feeding were eliminated from agriculture.

M. J. HANKINS,

STANTON, NEBR., *September 1974.*

THE STRENGTH OF AMERICA

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUES OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. RHODES. Mr. Speaker, all of us in this House cannot help but be impressed by the immensity of the challenges currently facing the Nation. It is clearly a time for good men and women of both major parties to join together in a common effort aimed at solving the problems of America. However, the sobering nature of the task we face should not cause us to lose either faith or hope in our own ability to meet the challenges of which I speak. Ours is a great Nation because our people have retained their character and basic optimism.

This American strength—the strength of the spirit—was recently documented by Mr. David Broder, the Pulitzer Prize winning journalist who writes for the Washington Post. Mr. Broder frequently travels around the country, so his perspective is a broad one. He is also one of the most talented and incisive reporters in the country today. His observations on this issue, and others, can be highly beneficial to those of us who ask what this country is, and where this country is going.

I hope that we in the Congress can, during the coming session, reflect the sense of strength and optimism that belongs to the people we represent. The text of Mr. Broder's article follows:

[From the Washington Post, Nov. 27, 1974]

THE STRENGTH OF AMERICA

(By David S. Broder)

LONG BEACH, CALIF.—The nightly television news is bleak with reports of layoffs in the auto industry and interviews with young fathers experiencing their first shock of joblessness. The lead story in a Denver Sunday paper quotes a $22,000 teachers' association executive as saying, "My life style is going down the drain" with inflation.

Sugar is rapidly becoming worth its weight in gold, and gold is as precious as platinum. The only appeals the merchants can make for the Christmas trade is to buy now, because you will be able to afford less later.

Churchmen plead for food aid to the starving victims of drought in Africa and Asia. And while President Ford visits two dictators and delays the resignation of a scandal-weakened premier in Asia, Congress plays trump-the-veto in Washington. The United Nations, once an agency of peace, lets itself be used to inflame the passions of wars in the Mideast.

Indeed, passions threaten to obliterate reason everywhere. At a panel on nuclear energy at the Associated Press Managing Editors' convention here, two pillars of the scientific community indulge in a sarcastic name-calling assault on each other's competence and integrity that would shame a pair of Chicago aldermen.

It was a bleak prelude to Thanksgiving—a week that made one wonder if the holiday celebration were not as contrived as those game shows that follow the nightly news on the television screen, full of false excitement and flimsy diversion from the reality that precedes them.

But to dwell on the problems and perplexities that dominate the news is to disregard the underlying strength and goodness of this country and its people—and distort the qualities for which one can, unsentimentally, give thanks this Thanksgiving.

The itinerant journalist, working his way across country from Hilton Head, S.C., to Long Beach and back East, finds evidence at every stop of the character and resilience and good humor of the American people.

You hear that quality in the work songs the sea chanty collector sings for the governors visiting Hilton Head. And you catch it in the story the Texas politician tells about one of this year's candidates, who solemnly addressed a caucus of other office-seekers early in this fall's campaign, as follows:

"Fellows, I've been getting around, and I want to tell you something I've found out. We got to cut out this damned lying; the folks are really getting sick of it."

The story is greeted with the laughter it deserves, but the point is not missed. For the people are *damned* sick of the lying, and even the politicians know they must behave in a way that prevents the spread of the cynicism overflowing the courtroom in Washington, where the tape-recorded words of the former President convict him of the grossest abuse of trust.

So the new President sets a standard of candor at the opposite pole from his predecessor. And Nelson Rockefeller of Pocantico Hills, who has his own private sorrows, brings himself to admit to Charles Rangel of Harlem the misgivings he has so long denied about what happened in Attica prison.

But the politicians do not yet measure the full strength of the people, the readiness to sacrifice and to buckle down to the hard choices this country faces. As retired Gen. James Gavin says in an interview, "We're getting initiatives from Washington that don't begin to tap this reservoir of willingness to do more."

For despite all that has been said and written about the loss of the pride of workmanship in America, the traveler finds a dozen examples that give the lie to that generalization and suggest that people want to be asked to do their best.

One sees it in the woman cafeteria manager at the University of North Carolina in Greensboro, responding to a compliment on her table decorations with the simple declaration, "I love this room."

One senses it in the director of a day care center in New Orleans, her eyes shining with excitement as she describes the reading skills of her young pupils.

And one hears it in the voice of the airline pilot delivering 260 passengers to Denver in his giant jet with the statement, "I want to thank each of *you* for flying with *me* tonight."

The sense of caring is stronger than the country's critics acknowledge.

And so is the sense of community. It shows in the cameraderie enjoyed by the diverse group of blacks and whites, men and women, Republicans and Democrats and independents, lobbyists and community workers who meet weekly at the Institute of Politics in New Orleans to discuss their common concerns.

And one finds it, too, among the grandparents, parents and children sharing the tranquility of the Sabbath service at the Los Angeles temple, a place of tradition and reflection standing beside the freeway that symbolizes the rushing, rootless world of urban America.

This good humor and hard work, this caring and community are as much of the reality of contemporary America as the problems that dominate the headlines—and for that, one may give thanks.

A DAY OF WARM MEMORIES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. DERWINSKI. Mr. Speaker, as we ponder the siginficance of the traditional American holiday, Thanksgiving, too many of the articles and columns which I read today tend to be pessimistic and negative. However, a column by Dennis Wheeler of Tinley Park, Ill., Star-Tribune brings Thanksgiving into a very positive, interesting, and personal perspective. I believe the article reflects the true American Thanksgiving spirit.

The article follows:

[From the Tinley Park, (Ill.) Star-Tribune, Nov. 28, 1974]

A DAY OF WARM MEMORIES

(By Dennis Wheeler)

When I was a boy, Thanksgiving was the next best holiday to Christmas.

It must have been hell on earth for my mother, though, because Thanksgiving was the holiday that the part of the family living in the Middle West celebrated at our house.

Because it was "her holiday," she wanted everything to be perfect. She wanted the house to be immaculate, even though five minutes after the guests arrived it would be a shambles. She wanted there to be far more food available than humanly possible to eat, even though we didn't have very much money. And she wanted her five children to behave like "ladies and gentlemen," washed and well dressed, even though our nature was to be the opposite.

Preparations for Thanksgiving would begin weeks before the event. From someplace, a 25 to 30 pound turkey would materialize. Potatoes, cranberries, turnips, materials for salads, boxes of jello, mixes for mince and pumpkin pies, fruits for a cornucopia centerpiece, gallons of milk, bottles of soda pop, ginger ale, liquor, and beer, and assortments of nuts would all be purchased for the big day.

We would all become aware that my mother was getting nervous about it all days before Thanksgiving. She would start laying down extraordinary rules about taking off our shoes outside before entering, about cleaning up our rooms before going to bed, about not leaving glasses and dishes and papers lying around the house.

"This is a house, not a barn," she would stress. "In a few days, there're going to be 50 to 100 people here. Do you want them to think we're pigs?"

We would sneak glances at each other, and try to suppress giggles. My mother had by then developed the art of exaggeration to a high degree—the actual number on hand for Thanksgiving would be more like 20.

Then on Thanksgiving morning, we would each find a list of things to accomplish on our dressers. My list would usually go something like:

"1. Clean up your room and vacuum your floor.

"2. Pick up the yard.

"3. Crack the nuts. Don't eat any.

"4. Shine your shoes.

"5. Take out the garbage.

"6. Bring some wood to the porch for a fire.

"7. Help set the table.

"8. Ask what else needs to be done."

All morning the house would be like a workshop, but there would be a festive air about it. The house would seem very warm inside, partly I think because of the slate grey weather outside and partly because of the mood of the day.

Then it would get to be noontime, and the expectation of imminent arrivals would start to rise. The guests we children awaited most of all were our cousins, who corresponded closely in age stepdowns to my brothers and sisters and I. Also, by this time, hunger would be building up, but my mother was on starvation until dinnertime. "By that time, we'll be hungry enough to eat all this food," she'd say.

The house would begin filling up with magnificent aromas, especially that of the roasting turkey. And everytime the turkey was basted, it was the occasion for the seven of us to crowd around the oven and oooh and aaah over the browning creature.

Then we kids would erupt with hollering and running when we'd see the car carrying my aunt, uncle, grandparents, and cousins turn into the driveway.

The decorum for which my mother yearned would evaporate amidst running, shouting, backslapping, hugging, handshaking, and loud barking by the dogs. And the noise and confusion would go on until everyone left late that night.

The events of those Thanksgiving days come back now as vignettes of activity—

My cousin and I lobbying for permission for him to "sleep over" Thanksgiving night,

My father and uncle bent over a checkers game for hours, the game ending in a draw.

The women gathered in the kitchen, all talking at once and nobody listening,

My cousin and I playing All-Star Baseball or Foto-Electric Football, or some other box game,

Everybody who walked through the dining room sneaking a grape from the cornecopia or a walnut from the nut bowl,

My grandparents in the living room arguing over Harry Truman.

Then it would be turkey time. All 20 of us would crowd into the dining room and seat themselves around the big table and the card tables set up for the children.

And my mother would appear with a platter carrying the turkey, an event that would always bring loud applause. Then all the children would say grace in singsong unison ("Bless O Lord, for these thy gifts . . ."), and my father would move into position behind the turkey to do the carving.

Champagne (very cheap champagne) would be poured for everyone, including the children. Bowls of food would start moving around the tables. My cousin and I, being the oldest children, would get the drumsticks. We would pile our plates so high with food that you could not see any part of the plate.

Then would come the pies with whipped cream on top, and the launching of some noisy discussion about some political or social problem. The children were allowed to participate in the discussion, and we all did.

After dinner, we would divide the group in two and play a game of charades. The noise level would reach a crescendo.

Then, finally, the excitement of the day would begin to eddy down. The smaller children would burst into tears for petty reasons and were soon being packed off to bed. A new checkers game might begin, and would end in a draw. The older children would retreat in pairs to quiet parts of the house to play games or talk quietly. The lobbying would succeed; at least one cousin would be staying overnight. The grandparents would doze in the living room, listening to a radio show. The women would labor endlessly in the kitchen, cleaning up the disaster scene in the dining room.

On Christmas, the entire scene would be repeated at my aunt's house.

Today, my brothers and sisters and I—all

married and with children—will go to my mother's and father's house (it's a big house now, the bungalow we lived in then) with our families for a day much like those when we were growing up. It will be noisy, hectic, and boisterous.

But it will be warm inside.

TRIBUTE TO WALTER KANER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. WOLFF. Mr. Speaker, I would like to take this time to pay tribute to Walter Kaner, a columnist for the Long Island Press. In addition to being an outstanding writer, he is a concerned humanitarian. For the past 21 years, he has sponsored a Thanksgiving party for homeless, handicapped and needy children of the New York metropolitan area. Without Kaner's efforts, these children would have a Thanksgiving Day, but little to be thankful for. Walter Kaner makes their holiday a joyous one.

Kaner's concern for people is evidenced in his columns which frequently explore human joys and sorrows. This past Veterans Day he reflected on the Vietnam conflict. Today, President Ford vetoed legislation that would greatly assist the soldiers that survived that war. I feel that Walter Kaner's column will make thought provoking reading for my colleagues and I insert it into the RECORD at this point:

[From the Long Island Press, Nov. 10, 1974]

TOMORROW IS A DAY TO REMEMBER

(By Walter Kaner)

Tomorrow is Veterans Day.

For many it will only mean a day off.

But for thousands upon thousands of Americans, it will be a day of heartache and painful memories.

The bands will play. The veterans will march. The politicians will talk.

And families, with tears in their eyes and an ache in their hearts, will visit cemeteries and tenderly place flowers upon the graves of loved ones lost in battle.

Tomorrow is not a holiday . . . not in the "holiday" sense of the word. It is a day of somber remembrance.

Over 50,000 Americans died in the Vietnam War. More than 33,000 gave their lives in Korea. World War II cost the lives of 291,000 Americans. More than 53,000 American lives were sacrificed in World War I.

Statistics don't tell the full story. Figures merely tally up the total tragedy.

Each man was the son of grieving parents. Or a husband who left orphaned children, a heartbroken widow. A human life snuffed out in its youth.

Most of us don't know the pain of war. Not really.

Sure, we read about it in the papers or watched reports on TV. And we were touched by the suffering, the casualty reports. But it affected somebody else. Not us.

As a veteran, like millions of other Americans, I witnessed war and death. But as the years pass from those World War II days, the memories fade.

But I remember other, more recent, more vivid memories. Not statistics. Not countless graves of comrades who made the supreme sacrifice. But just one boy who gave his life in Vietnam.

I was visiting the boy's home when the dreaded telegram arrived.

"The Secretary of the Army has asked me to express his deep regret that your son . . . died in Vietnam . . . from gunshot wounds received while on combat operations . . ."

I saw the grief etched on his mother's face, the tears streaming down her cheeks, the trembling fingers holding the dreaded telegram.

The telegram left out the painful details. It didn't say he was one of 48 American youths killed in ambush. It didn't say 48 American boys lost their lives in eight minutes.

It didn't say a lot of other things.

That he was just a boy. In his early 20s. With a whole life to live. A career to mold. A girl to marry. A family to raise.

It didn't say that he didn't understand the Vietnam War, or why he was sent, or why he was fighting. That he hated wars with their killing and suffering. But he was called, and he went.

The telegram left out so much. That he was born of his mother's pain. Raised as a baby with loving care and sleepless nights. It never mentioned his first day at school. His first bloody nose in a fight. The joy of his first bike.

It never said how he loved to play baseball, gorge himself on pizza, gulp down ice cream sodas, polish his jalopy. It never noted that he was a handsome, blonde grinning kid who loved life, dreamed of a career and enjoyed books and serious music. Or the girl down the block he planned to marry.

And how when he went off to war he joked and kidded about it. Because he didn't want his folks to worry. But inwardly, he was worried. Maybe something would happen to him. Maybe he'd never see his folks, the house, his girl and the neighborhood again.

He never did. He came home in a military coffin.

To many, he was a military statistic. To his grieving family, he meant tears and heartbreak for an only child lost in a faraway war that few understood, favored or supported.

Ironically, on the very day the Army presented his mother with her son's military medals, cruel, anonymous phone callers tortured her with calls saying: "Your son deserved to die. That's what he gets for fighting in Vietnam."

The callers were vicious and wrong. But we—you and I were wrong, too.

It's not only enemy bullets that killed our youth in war.

We've helped. With our apathy, our complacency, our disinterested. Our life "as usual," while the kids fight and die for us.

While 50,000 young men died in Vietnam, it was business as usual here at home. We were busy with our everyday problems, busy earning a living, busy watching TV, busy bowling, busy going to a ballgame. Too busy to ask, to demand to know why our kids were fighting and dying.

I remember the dead boy asking me: "If it's a war for us—isn't it a war for everybody? If a guy is supposed to sacrifice his life for his country—shouldn't the people at home make sacrifices too?"

Thankfully, the Vietnam War is over, the boys are home. There were no parades at their homecoming, no bands played. And many of them are angered, disillusioned, jobless and lacking in benefits given other veterans.

In hospitals across America, thousands upon thousands of veterans still suffer the wounds of war. For them—the blinded, the amputees, the minds damaged—the wars will never end.

Tomorrow is Veterans Day.

Take time to remember . . . and pray . . . for the American men who gave their lives for their country. And the men, blind and maimed, who sacrificed for us.

And pray hard it will never happen again.

MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. SMITH of New York. Mr. Speaker, it is my privilege to insert in the RECORD each month the Monthly Calendar of the Smithsonian Institution. The December Calendar of Events follows:

DECEMBER AT THE SMITHSONIAN

SUNDAY, DECEMBER 1

Sunday shorts—A series of short creative films, *Music Box* with Laurel and Hardy; *Pulse*, by B.Y.M. Productions; *Icarus Montgolfier Wright*, by Format Films; *Karate*, by Stephen Eichenlaub, 5 p.m. Carmichael Auditorium, History and Technology Building, $1.25.*

MONDAY, DECEMBER 2

Kwanza workshops: A week of activities connected with the Afro-American adaptation of the African harvest festival. Workshops will include a slide presentation on an American version of the celebration; an explanation of the objects of Kwanza; sessions in which visitors will make mats, candles, masks or bowls. The Wednesday workshop will feature Virginia Merritt, a candle-making specialist. Activities take place Mon. through Fri., at the Anacostia Neighborhood Museum, 2405 Martin Luther King Jr. Avenue, S.E. Free. For reservations call 381-6691.

Lectures: *A Color Test and Handwriting Analysis*, by Iye-Kwama Health and Kwaku Walker. Two lectures in a series sponsored by Nana Kwabena and the African Cultural and Religious Society. Remaining lectures scheduled December 9, 16, 23 and 30. 7:30 p.m. Anacostia Neighborhood Museum. Free.

TUESDAY, DECEMBER 3

Slide lecture: *Is Design Necessary?* by Larry Erskine Thomas. Mr. Thomas will show examples of his work and that of other artists to illustrate the importance of design in any style of painting. He is a member of the museum staff and of the D.C. Art Association. Held in connection with the fifth annual D.C. Art Association exhibition currently on display. 1 p.m. Anacostia Neighborhood Museum. Recommended for high school students and above. Free.

Films: *The Art of Organic Forms and From Clay to Kiln*. 1 p.m. Carmichael Auditorium, Museum of History and Technology. Free.

Film: *Antonia*, directed by Judy Collins and Jill Codmilow, the story of an indomitable woman musician. 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free tickets may be picked up at the Hirshhorn Information Desk.

WEDNESDAY, DECEMBER 4

Free film theatre: *The Unexplained*—the frontiers of knowledge: ESP, continental drift, dolphin language, life in outer space, and cyborgs. 12:30 p.m. Carmichael Auditorium. History and Technology Building. Free.

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*Indicates programs sponsored by the Smithsonian Resident Associate Program. Discounts are available for members. For attendance or other information call 381-5157. Unless otherwise indicated, tickets should be purchased in advance, and will be sold at the door only if available.

Illustrated lecture: *Historic Preservation in the Soviet Union,* presented by American members of the Joint US/USSR Working Group on the Enhancement of the Urban Environment. The seven speakers are a lawyer, historian, professor of architecture, two preservation architects and two preservation administrators. Co-sponsored by the Renwick Gallery and the Latrobe Chapter, Society of Architectural Historians, 6 p.m. The Renwick Gallery. Free.

THURSDAY, DECEMBER 5

Creative screen: Four color films shown in conjunction with the current exhibition *Figure and Fantasy, Clay Man*—a lump of clay spontaneously assumes the form of an elf-like man. Produced in Prague. *Hobby*—surrealistic animated film. *Magic Machines*—the work of California sculptor Robert Gilbert who turns left-over junk into colorful kinetic sculpture, *Christmas Cracker,* by Norman McLaren. Complete showings at 11 a.m., 12 noon and 1 p.m. The Renwick Gallery. Free.

Film: *Circles II,* and other works in film by painter/sculptor Doris Chase. Semi-abstract films using a combination of dance with sculpture, 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free—tickets may be obtained at the Hirshhorn Information Desk.

Free film threatre: *The Unexplained.* Repeat. See December 4 for details.

Romantic versus classic art. *Delacroix and Millet.* Part of the new series of films by Lord Kenneth Clark surveying the life and work of late 18th and early 19th century painters and sculptors. 6:30 p.m. or 8:30 p.m. Baird Auditorium, Natural History Building, $2. Tickets sold at the door.*

FRIDAY, DECEMBER 6

Film: *The Red Balloon*—the story of a small boy and his magical balloon, 10 a.m. and 11 a.m. The Anacostia Neighborhood Museum.

Rehabilitation medicine films: *Quick, What's Your Blood Pressure?,* distributed by the Washington Heart Association; *Day of Judgment,* Eli Lilly, 12:30 p.m. Carmichael Auditorium, History and Technology building. Similar films are shown each Friday in connection with the current exhibition *Triumph Over Disability.*

SATURDAY, DECEMBER 7

Children's films: Short films by Susan Pitt-Kraning. 12:30 p.m. Hirshhorn Museum and Sculpture Garden. Free—tickets at the Hirshhorn Information Desk.

High school portfolio day: Representatives of professional art schools and colleges and universities with strong art programs will furnish information pertinent to careers in art. All junior and senior high students may bring portfolios of their own art to be evaluated. Among the 50 schools represented are the Rhode Island School of Design, the Parsons School of Design, the Chicago Art Institute and Pratt Institute. Registration with individual schools—11 a.m. to 12:35 p.m. Interviews and portfolio evaluations—1 to 5 p.m. National Collection of Fine Arts. Free.

SUNDAY, DECEMBER 8

Country music. *The Kitty Wells Family Show* with Kitty Wells, Johnny Wright, Bobby Wright and the Tennessee Mountain Boys. Second in the Women in Country Music concerts sponsored by the Division of Performing Arts. 8 p.m. Baird Auditorium, Natural History Building. $5.50, $4 students and senior citizens; $5 Resident Associates. For reservations, call 381-5395.

Sunday shorts: *Making of a Life, T.V. Show, Televisionland,* by Charles Braverman; *The Rise and Fall of the Great Lakes,* by the National Film Board of Canada; *Pas de Deux,* by Norman McLaren. 5 p.m. Carmichael Auditorium, History and Technology Building. $1.25*

Dance: *Laura Dean.* 8:30 p.m. The Renwick Gallery. Presented by the Division of Performing Arts. For reservations call 381-5395. $4.

MONDAY, DECEMBER 9

Seminar: *Tell Jemmeh.* Dr. Gus W. Van Beek conducts an all-day seminar surveying the recent development in Near Eastern archaeological methodology applied in the Smithsonian excavations at Tell Jemmeh, Israel. The day will be divided into the following subject areas: Setting and site; Principles of stratigraphic excavation: Processing artifacts; and Interpretation of the evidence. 10:15 a.m. to 4 p.m. Carmichael Auditorium, History and Technology Building. $20.*

Santa Claus arrives in Anacostia with Mrs. Claus and the little Clauses. They will arrive at Martin Luther King Jr. Avenue and W Street, S.E. (Curtis Brothers parking lot) and lead a parade to the Anacostia Neighborhood Museum for a Christmas concert and candy canes. 10 a.m.

Lecture: *Dreams,* by Anum Thomas. 7:30 p.m. Anacostia Neighborhood Museum. See December 2 for series details. Free.

TUESDAY, DECEMBER 10

Demonstration/workshop: Batick demonstration by Loretta Ballard, member of the D.C. Art Association. Recommended for upper elementary or junior high aged children. 10 a.m. Anacostia Neighborhood Museum. For reservations call 381-6691. Free.

Film: *An independent voice: The community newspaper in America.* 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

Film: American Art of the 60's—the development of American art in one of its most inventive and controversial periods. 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free. Tickets at the Hirshhorn Information desk.

WEDNESDAY, DECEMBER 11

American Aviation Historical Society: Monthly meeting and program with question and answer period. 8 p.m. Arts and Industries Building (entrance through the Smithsonian "Castle" building). The public is invited. Free.

Free film theatre: *Robert Scott and the Search for the South Pole*—Scott's dairy narrates this film on the trials, courage and tragedy of his heroic race to the South Pole. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

THURSDAY, DECEMBER 12

Film: *Andy Warhol*—a film portrait of the artist by Lana Jokel. 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free. Tickets at the Hirshhorn Information Desk.

Free film theatre: *Robert Scott and the Search for the South Pole.* Repeat. See December 11 for details.

Romantic versus classic art: *Rodin and Degas.* Final films in the new series by Lord Kenneth Clark. 6:30 or 8:30 p.m. Baird Auditorium, Natural History Building. $2. Tickets sold at the door.

National Capital Shell Club: *Shelling in the Red Sea.* 8 p.m. Lecture Room, Natural History Building. The public is invited to attend. Free.

FRIDAY, DECEMBER 13

Exhibition: *Contemporary American Illustrators of Children's Books.* One hundred fifty-five original paintings, drawings and prints by 32 artists who are distinguished by these illustrations that instruct, amuse, fascinate and inspire children too young to read. National Collection of Fine Arts, through February 2.

Rehabilitation medicine films: *My Friend Edi,* distributed by Eli Lilly; *The School that Love Built,* distributed by Abilities, Inc., 12:30 p.m., Carmichael Auditorium, History and Technology Building.

Contemporary art lecture: *Yes, but . . . the Work of Philip Guston,* by Dore Ashton, author and art critic, 2 p.m. Hirshhorn Museum and Sculpture Garden. Free.

SATURDAY, DECEMBER 14

Children's film series: Animated films by Chuck Jones. 12:30 p.m. Hirshhorn Museum and Sculpture Garden. Free. Ticket at Hirshhorn Information Desk.

SUNDAY, DECEMBER 15

Brass and brunch: 19th century holiday music played on brass instruments from the Smithsonian collections, by Robert Sheldon and other musicians from the Division of Musical Instruments. Concert: 11 a.m. Breakfast/Brunch: 10 a.m. or 12 noon, $7.*

Concert: *Alan Mandel,* pianist, performing selected contemporary works. 6 p.m. Hirshhorn Museum and Sculptor Garden, $5.50; $4 students and senior citizens; $5 Resident Associates. Presented by the Division of Performing Arts. For reservations call 381-5395.

Sunday shorts: *Very Nice, Very Nice,* by Arthur Lipsett; *Sgt. Swell,* by David Brain; *The Tempest,* by Robert Brown and Frank Ogilvie; *Glass,* by Bert Haanstra; Fortuna, by Woody Garvey; *The Shellfish Giant,* by Reader's Digest. 5 p.m. Carmichael Auditorium, History and Technology Building, $1.25.*

Lecture: *Man on High,* by Dr. Peter Steele. Both the long-term adaptation of mountain people and how short term visitors to high places cope with the problem of rapid acclimatization will be covered in Dr. Steele's talk on the physiological and medical problems encountered when man attempts to live and work at extreme altitudes. Dr. Steele is an authority on high-altitude disease and a renowned mountaineer who accompanied the 1971 International Expedition on its climb of Mt. Everest. Presented by the Potomac Appalachian Trail Club. 8 p.m. Baird Auditorium, Natural History Building. Free.

MONDAY, DECEMBER 16

Demonstration/workshop: Gloria Freeman, member of the D.C. Art Association, demonstrates tissue collage. Participants will make a Christmas object. Sixth grade or above. 10 a.m. Anacostia Neighborhood Museum. Call 381-6691 for reservations. Free.

Audubon lectures: *Born to Sing,* by Charles Hartsborne, Field Associates, Cornell University Laboratory of Ornithology and Professor of Philosophy. Dr. Hartshorne will discuss why, how, and to what extent birds sing and will illustrate his talk with recordings and slides. 5:30 and 8:30 p.m. Baird Auditorium, Natural History Building, Co-sponsored by the Audubon Naturalist Society, $3.*

Lecture: *Scents and Palmistry,* by Kwasi Allen and Adwoa Allen. 7:30 p.m., Anacostia Neighborhood Museum. See December 2 for series details. Free.

TUESDAY, DECEMBER 17

Illustrated museum talk: *The Evolution of the Drug Store,* by Michael R. Harris, Museum Technician, Medical Sciences Division, 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

Films: *A Man and His Dog Out for Air* (1957), *Horse over Teakettle* (1962), *Fist Fight* (1964) and other films by Robert Breer, painter, sculptor and filmmaker, Mr. Breer will be present to introduce the program and to discuss his work, 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free. Ticket at Hirshhorn Information Desk.

Christmas concert: The Concert Choir and the Vocal Camber Ensemble of the Friendly Senior High School of Oxon Hill, Md., will perform the Vaughan-Williams *Fantasia on Christmas Carols,* based on a medley of familiar carols and *A Vision of Peace* by Jean

Berger. 12 noon, Great Hall, Smithsonian Instituion "Castle" Building. Following the concert, the group will carol in the Arts and Industries Building. See also December 18.

Lecture: *Economic and Nutritional Determinants of Size and Growth*. Speaker: Stanley M. Garn, Center for Human Growth and Development, University of Michigan. 8:15 p.m. Carmichael Auditorium, History and Technology Building. Sponsored by the Anthropological Society of Washington. Free.

WEDNESDAY, DECEMBER 18

Demonstration/workshop: Georgette Powell, Member of the D.C. Art Association, demonstrates portrait sketching. Participants are furnished with materials. 10 a.m. Anacostia Neighborhood Museum, For reservations call 381–6691. Free.

Lunchbox forum: *Sailing Ships and Satellites*, by Alexis Doster III, Assistant Curator, Astronautics, National Air and Space Museum. 12 noon. Lecture Room, Natural History Building. Free.

Free film theatre: *The Great Mojave Desert* One of the last wild places. The Desert is shown as a showcase of adaptation vast, brutal, and threatened. 12:30 p.m. Carmichael Auditorium History and Technology Building. Free.

Christmas program: Renaissance caroling complete with costumes, lutes, and recorders, performed by the Friendly Senior High School Concert Choir and Vocal Chamber Ensemble. 12 noon, Flag Hall, Museum of History and Technology, 1 p.m., Rotunda, Museum of Natural History. Free.

Illustrated lecture: *A Thousand Years of Japanese Music*. Dr. William P. Malm, Oriental musicologist and professor at the University of Michigan, will explain traditional Japanese music. Illustrations will be both color slides and musical examples from court music, Noh and Kubuki. Co-sponsored by the Japan-America Society of Washington, D.C. and the Division of Performing Arts. 8 p.m. Baird Auditorium, Natural History Building. $2.50. Discounts available for students, senior citizens. Resident Associates and JAS members. For reservations call 381–5895.

THURSDAY, DECEMBER 19

Creative screen: *Clay Man; Hobby; Magic Machines; Christmas Cracker*. Repeat program. See December 5 for details.

Free film theatre: *The Great Mojave Desert*. Repeat. See December 18.

Film: *Gertrude Stein; When This You See, Remember Me;* a portrait of the author's Paris years, from 1905 through the 1930's. 1:30 and 6:30 p.m. Hirshhorn Museum and Sculpture Garden. Free. Tickets at the Hirshhorn Information Desk.

FRIDAY, DECEMBER 20

Exhibition: *Hya Bolotowsky;* Bolotowsky's powerful sense of design and his own distinctive style are shown in 33 paintings and sculptures that use only horizontal and vertical lines at right angles. National Collection of Fine Arts, through February 17, 1975.

Rehabilitation medicine film: *Wonder Engine of the Body, and 20th Century Epidemic*, distributed by the Washington Heart Association. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

RECKLESS IRRESPONSIBILITY AT THE UN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of the House the excellent column "Reckless Irresponsibility at the UN" by one of my constituents, Henry Huglin of Santa Barbara, Calif. The author is a retired Air Force brigadier general and syndicated columnist and lecturer with 40 years background of national security and international affairs".

The article follows:

RECKLESS IRRESPONSIBILITY AT THE UN

(By Henry Huglin)

The United Nations General Assembly, led by the Arab and black African nations, seems embarked on a reckless spree of irresponsibility.

With a clear majority of Third World votes—and supported by the Communist nations—the General Assembly in the past month has taken two bad actions.

It accorded its rostrum to Yasir Arafat, Palestine Liberation Organization leader who represents no government. And it suspended (and tried to expel) South Africa.

These actions are contrary to the UN Charter and to UN precedents.

They clearly reflect a surrender to the passions of the moment, and they set a mischief-making precedent for the future.

Hence, they hurt the UN and put its future effectiveness in jeopardy.

The bias and inconsistency of these actions are glaring and outrageous.

Will now the General Assembly welcome other exiled or dissident groups?

What of the Lithuanians, Esthonians, and Latvians who have been trying to get the world to listen to their cause since 1940, when Soviet Russia forcefully annexed them? Or the Hungarians who were brutally repressed by Russian tanks in 1956? Or the Czechs who were likewise put down by Russian show of force in 1968? Or the Tibetans who were repressed by the Chinese in 1959? Or the anti-Castro Cubans?

No, of course these won't be welcomed! These causes are not the ones popular with the Third World and their Communist courters, Russia and China.

The suspension of South Africa, for her violation of the UN Charter and Declaration of Human Rights, was likewise hypocritical.

What about Soviet Russia's notorious record of denial of rights and suppression of peoples within her borders—and her imposing dictatorial regimes on her satellites in Eastern Europe? What of Nigeria's suppression of the Biafrans? And of Uganda's reign of terror which goes on and on. What of other black African nations which have repressed or expelled their native born of Asian descent?

If nations are going to be denied a voice in the UN a common standard needs to be applied to all. But this would, of course, result in many more nations being so denied—and the universality and principal worth of the UN wholly destroyed.

Yet, is injustice only to be recognized in the UN when it is Jew against Arab or white against black—but not when it is Arab against Jew, or black against brown, or black against black, or Asian against Asian, or white against white?

Well, it is obvious that none of the Communist, black African, or Asian nations will be suspended or expelled for their violations of human rights.

By the warped illogic of the Third World intellectual elites (who seem far more interested in other peoples' problems than their own) "just" causes are apparently only those which fit their narrow perspectives and selfish interests.

Is injustice only to be dealt with now in the UN if it can be given a racial, religious, or ideological twist by the UN majority?

If this situation is not righted, the UN will be gravely damaged, perhaps ruined.

The UN cannot function effectively in the long term without consistency, even-handedness, and staying within the scope set forth in the UN Charter.

The UN was prudently based on the principles of providing a forum only for governments and on not getting involved with internal affairs of nations—in the valid belief that the UN had more than enough to do to try to cope with problems between nations.

Limitations on the UN's scope were established on the sound basis that to try to deal with internal and exiles' and dissidents' issues would open a Pandora's Box of complex problems the UN couldn't possibly cope with properly.

In the past this Pandora's Box has been cracked, but now it is being opened wide.

What can we Americans do about this situation? Well, we need to keep our cool and support our government in opposing and trying to reverse such actions.

We ought to do our best to prevent this "tyranny of the weak"—as John Foster Dulles, when he was Secretary of State, characterized such actions—from becoming a "tyranny of the majority" in the UN.

In many ways the UN is extremely valuable, even indispensable, in this growingly interdependent world—even though it is not able to perform very effectively its principal purpose "to maintain international peace and security."

We need to salvage what we can of the UN, despite the current reckless irresponsibility of the Third World majority.

ROCKEFELLER AND INTERNATIONAL FEDERALISM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ASHBROOK. Mr. Speaker, as Congress considers the nomination of Nelson Rockefeller for Vice President of the United States, I think it would be useful to recall Rockefeller's views on international federalism. In particular, I would like to discuss "The Future of Federalism," a book based on a series of lectures delivered by Rockefeller in 1962.

In this book Rockefeller argues that the nation-state has become obsolete:

> No nation today can defend its freedom, or fulfill the needs and aspirations of its own people, from within its own borders or through its own resources alone . . . And so the nation-state, standing alone, threatens, in many ways, to seem as anachronistic as the Greek city-state eventually became in ancient times.

Since the problems are "simply outrunning the political mechanisms for handling them," Rockefeller contends that the United States must build a new framework. The framework he suggests is federalism between the free world nations. Rockefeller states:

> The federal idea, which our Founding Fathers applied in their historic act of political creation in the eighteenth century, can be applied in this twentieth century in the larger context of the world of free nations—if we will but match our forefathers in courage and vision.

I find it somewhat ironic that—as our country is preparing for its 200th birthday celebration—a man would be nominated as Vice President who believes the nation-state is an anachronism and who espouses the principles of international federalism.

I am sure that the vast majority of Americans do not want the United States integrated into a multinational federation. Americans cherish their independence. They want to maintain their existence as a separate and independent nation, not surrender part of their sovereignty to a union of nations.

And we should not be fooled on this point. There simply cannot be a federal union without some reduction in American sovereignty. Webster's dictionary specifically defines federal as "formed by a compact between political units that surrender their individual sovereignty to a central authority but retain limited residuary powers of government."

Rockefeller's proposal would mean a loss of American sovereignty. It would mean a supernational government—a government over and above that of the U.S. Government. It would mean our nation would be subservient to the wishes of other nations.

I strongly believe in the absolute sovereignty of the American people and their unqualified right to control their own destinies. The international federalism advocated by Rockefeller runs counter to these basic principles. It also runs counter to the desires of the American people. I urge Congress to consider this when it takes up the nomination of Rockefeller as Vice President of the United States.

PHONY PRICING POLICIES PREVAIL

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. DENHOLM. Mr. Speaker, the national retail chain stores recently announced a self-imposed "price freeze" on some food items but not all food items and not all prices. I am left in doubt as to the merit of such a "price freeze" because it appears to follow gyrations of price increases on stock "inventories" without just cause or reason.

And so, I ask—are the people to presume prices are frozen at higher levels than supply and demand should reflect—are some food items not subject to the self-imposed "price freeze" that an opportunity is reserved to increase the price levels of those items exempted by the national food chain stores to satisfy the same management that purports to control prices in the public interest.

The fact is that an announced "price freeze" by the A&P national food chain, by Kroger and Safeway is clear evidence of the capacity to "fix" prices on certain food items. That is an intolerable and unacceptable fact that defies a price level to consumers or producers based upon supply and demand in the free competitive market.

Mr. Speaker, I am hopeful that I am wrong and that at last the "rip off" and pirating of prices has been replaced by corporate citizen responsibility in the national interest. Consumers can scarcely pay more and producers cannot continue to provide the essential supply of food and fiber for less.

It is my judgment that when "price freeze" policies are announced by self-serving interests that "price fixing" is a reality that should have the immediate attention of all. It should be a call to arms of the antitrust personnel of the U.S. Department of Justice and the Federal Trade Commission to assure "fair trade" policies in the public interest.

The wholesale-retail sector of the food industry is clearly responsible for consumer price levels at the retail markets when prices received by producers continue the decline of past months far below the cost of production.

Mr. Speaker, I suspect the announced policies of self-serving "price freeze" limitations are really but a phony system of advertising in an attempt to pacify the public and to divert appropriate inquiry accordingly.

THE COAL STRIKE: ARE THE COMMUNISTS INVOLVED?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. LANDGREBE. Mr. Speaker, almost exactly a year after a coal strike led by the Communist-dominated National Union of Mineworkers crippled England and toppled a conservative government, a massive coal strike led by the United Mine Workers of America is taking its toll in this country. The economic repercussions of a strike in one of the basic industries such as coal mining can be enormous, and the Communists should be expected to take every advantage of that fact.

With these things in mind, I came upon an article by Alan Stang in the December American Opinion, an article which ought to cause every American to investigate the matter of the American coal strike further. The article raises questions that must be answered, especially since it now appears that England is well on its way down the socialist drain, pushed by the Communist-led coal strike. Perhaps everyone is not aware that Donald Stillman, UMWA director of publications, visited England during the English coal strike, apparently to gain pointers on how power can be manipulated to optimum effectiveness. Perhaps not everyone is aware that the UMWA sent a "message of solidarity" signed by its President Arnold Miller, to the English coal strikers during the strike. Perhaps it is not general knowledge that Joe Gormley, head of the Communist-dominated National Union of Mineworkers, visited Harlan County, Ky., in April 1974 apparently for the purpose of giving tips to the UMWA. Perhaps it is not widely known that the UMWA sent the Communist-dominated National Union of Mineworkers a cheque for $5,000 during the English coal strike.

If any one of these facts which Mr. Stang has documented in his article is correct, then many more questions are raised, questions that deserve an answer. What is the relationship between the Arnold Miller faction of the UMWA and the National Union of Mineworkers? How many Communists and fellow travelers are involved in the coal strike? Is the purpose of the UMWA strike to cripple America, just as the purpose of the English coal strike was to push England to the brink of collapse? All of these questions—and many more—ought to be answered. Mr. Stang's allegations ought to be investigated thoroughly by a competent body that is not predisposed to gloss over any sordid activities of the labor unions. If we are not to follow England to disaster, not only must we reduce the size of the Federal Government, we must also curtail the violent and subversive activities of those who would delight in transforming this Nation into a socialist menagerie.

Mr. Speaker, I insert a portion of Mr. Stang's article "King Coal" in the RECORD at this point so that my colleagues may understand the necessity of investigating the charges he makes:

> The United Mine Workers of America was organized in 1890, and has been violence-ridden ever since. In 1969, union official Joseph "Jock" Yablonski ran for the UMWA presidency against incumbent W. A. "Tony" Boyle. According to the March 1973 issue of *Workers Vanguard*, a Trotskyite Communist organ: ". . . He was persuaded to run for office by Ralph Nader, who had jumped on the mine-safety bandwagon. It took two months of secret meetings with Nader before Yablonski was willing to announce his candidacy. . . ."
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> You will remember that Nader was a speaker at the Communist Citizens Energy Conference. Indeed, the daily *Australian* of July 8, 1972, published in Sydney, reports that in a speech there Nader said that "what is needed is Socialism or Communism of one sort or another." Ralph Nader later denied he said that, of course, preferring to be thought merely a "Liberal."
>
> Despite Nader's help, Yablonski lost the election, and three weeks later he was murdered, along with his wife and daughter. Since then, various union officials, including Boyle himself, have been convicted of the crimes. But Boyle's criminality was soon to be replaced by something even worse. The Yablonski faction was known as Miners For Democracy, a cofounder of which was Joseph L. Rauh Jr., who also happens to have been a founder of Americans for Democratic Action. You will remember that the A.D.A. is pro-Communist, and was a sponsor of the Citizens Energy Conference.
>
> In the summer of 1970, at a meeting in Chicago called the National Rank and File Action Conference, the Communist Party, U.S.A., led the formation of an outfit known as the National Coordinating Committee for Trade Union Action and Democracy, or T.U.A.D. for short. Almost from the beginning the Conspiracy has tried to manipulate workers, and T.U.A.D. is the newest Communist organization designed for the purpose. In testimony before the House Internal Security Committee on November 28, 1973, minority chief investigator Herbert Romerstein characterized T.U.A.D. as "the coordinating body for the Communist penetration of the trade union movement." And in his report to the December, 1973, meeting of the National Council of the Communist Party, general secretary Gus Hall praised T.U.A.D. as follows: "In this situation T.U.A.D. is making a mark for itself. It has given a lead in many areas of struggle. It is a unified front formation. Its lead on issues has been picked up by important sections of the trade union movement. . . . T.U.A.D. does and can serve as a center that gives direction and takes initiatives with an eye to promoting and creating movements and actions."
>
> In short, T.U.A.D. is a top-level Communist operation. So it will no doubt come as a shock to many of you patriotic miners to learn that both Mike Trbovich, then chair-

man of Miners for Democracy, and Kenneth Yablonski, a son of Joseph Yablonski and an M.F.D. attorney, were speakers at T.U.A.D.'s founding conference. Indeed, Kenneth Yablonski told the Communists: "We hope that this conference will be a new beginning in the labor movement. That's why we are here, we believe in it—we offer you whatever we can do to help you because we are a part of the rank-and-file."

In other words, Miners For Democracy stood ready to do whatever it could to help the Communists. And ever since it has worked both ways. For instance, in May 1971 James West, a member of the national committee of the Communist Party, wrote as follows in *Political Affairs,* the Party's monthly theoretical journal: "The Miners for Democracy . . . has scored a tremendous victory in the election of officers in District 5 of the U.M.W.A. . . . The victory is due to the courage, persistence and determination of the MFD. *It is also due to a correct policy and a resourceful struggle for that policy by the Coal Commission of the Party, led by Comrade Anton Krchmarek.* . . . It did all in its power to bring the fullest possible support to the rank-and-file slate.

It took the initiative in mobilizing over 200 students and faculty members in a number of colleges to help the rank-and-file slate. . . . According to the leaders of MFD, it was this activity by the students which was a prime reason for the victory." (Emphasis ours.)

In December, 1972, an M.F.D. slate won an election for control of the United Mine Workers of America. Arnold Miller became president. Mike Trbovich became vice president. You will remember that Trbovich had been a speaker at the meeting at which the Communist Party founded T.U.A.D. In the summer of 1973, as we have seen, U.M.W.A. struck the Brookside operation of Eastover Mining, a subsidiary of Duke Power. On August 27, 1973, U.M.W.A. president Arnold Miller made a speech at the Center for the Study of Democratic Institutions. You will remember that the Center is a revolutionary "think tank" which is trying to destroy our Constitution, and that Arthur Waskow, of the Marxist Institute for Policy Studies, went there to organize the Marxist National Conference for New Politics. At the Center, Arnold Miller said, "I think we may see a day again, not too far off, when people think of coal miners as 'the shock troops of American labor.' I look ahead, and I see that day coming."

In December, 1973, the U.M.W.A. met in convention at Pittsburgh. Among the "honored guests" was Patrick Toohey, who in the 1920s was expelled by union president John L. Lewis for Communist activities. Indeed, "honored guest" Toohey has been a member of the national committee of the Communist Party. Also present was violent revolutionary Cesar Chavez, of the Communist-backed grape "boycott"; Cleveland Robinson of the Distributive Workers, which was expelled from the C.I.O. for Communist domination; and, Communist James Matles of the Communist-controlled United Electrical Workers. At the convention, the U.M.W.A. officers issued a massive report to the delegates, called *The Year Of The Rank and File,* in which Arnold Miller said this: ". . . Harlan County is a tough nut to crack, especially since we are making every effort to break completely with the violent traditions of the past . . ." So at least we should give Miller credit for a sense of humor.

You will remember that in February, 1974, the revolutionaries ran the Citizens Energy Conference in Washington, at which I.P.S. called for total government takeover. Among the sponsors of that conference was the United Mine Workers of America.

In March, 1974, the Citizens Public Inquiry Into The Brookside Strike held hearings at the Evarts Multipurpose Center. The panel was established at Miller's request, and was financed with a grant of five thousand dollars from the Fied Foundation, which as we have seen also finances I.P.S. The panel included former Secretary of Labor Willard Wirtz, whose brother was long a Communist Party official in Illinois; Raymond Wheeler, president of the Southern Regional Council, identified as a Communist Front in the sworn testimony of former top Communist Manning Johnson; and, Monsignor Geno Baroni, who runs the Center for Urban Ethnic Affairs. Your reporter knows nothing about Monsignor Baroni, except that he was one of fifteen organizers of the Citizens Energy Conference—which is all we need to know. Needless to say, they nodded sympathetically as one witness after another told of "oppression." John Ed Pearce reports as follows in the *Louisville Courier-Journal* of March 17, 1974: ". . . The audience, half of whom comprised college students from North Caroina, Michigan, Kentucky and West Virginia, applauded.

"Many of them had come into Harlan the night before on special buses, clad in the inevitable jeans and shirts, carrying parkas and sleeping bags. Throughout the hearings, they murmured sympathetically at the testimony of striking miners or their wives, applauded enthusiastically each attack on the coal operators or police . . . ."

Funny how a special bus just turns up when you need one. You will also remember the Miners For Democracy victory in District Five several years before, in which the Coal Commission of the Communist Party mobilized "over 200 students and faculty members in a number of colleges to help the rank-and-file slate."

And April, 1974, saw still another "honored guest" in Evarts. Joe Gormley, president of the Communist-dominated National Union of Mineworkers in Great Britain, told the Brookside strikers that he had come to the United States to "let the men know they are not on their own." According to the *Harlan Daily Enterprise* of April 24, 1974, he said: "I feel coal should be nationalized. The country as a whole should own the resources of energy within its boundary rather than one person or a group of persons pulling the coal out of the ground, getting everything for themselves and leaving nothing. Nobody in Great Britain would think of denationalization and the union would fight like hell to keep it from happening."

Gormley was fresh from the national coal strike in Britain, in which the Communists toppled the Conservative Government and virtually shut down the country. It is interesting to note that Comrade Gormley was returning an earlier visit by Don Stillman, U.M.W.A. director of publications, who spent eleven days with striking British miners. And, during the British strike, U.M.W.A. sent a "message of solidarity," signed by Miller, "to their brothers in the NUM," along with five thousand dollars, which is apparently Miller's way of putting his members' money where his mouth is.

The U.M.W.A. also recently worked with the violent Revolutionary Union to strike and boycott the Southern Company, which has been importing coal mined in South Africa. You will remember that R.U. is a Maoist terror gang specializing in bombing and assassination.

And on September 30, 1974, the U.M.W.A. issued a booklet called *Coal Miners And The Economy: A UMWA Research Report* in which are made some interesting proposals: *"What the American economy needs is planning.* Basic to that planning is the need for active public involvement in economic policy development through the application of a balanced set of government policies aimed at each sector of the economy.

" . . . Coal miners support full employment, the stabilization of prices and profits, more equitable distribution of the nation's output, subsidization of housing, and the expansion of public services which will benefit large segments of the population.

" . . . A strong political program is necessary to push for adoption of the policy measures which miners and other workers support, as well as for the adoption of the whole idea of national economic planning. . . . "

To achieve those goals, U.M.W.A. suggests this, for instance: *"Redistribute the total product of the nation.* As part of any long-range effort to provide reduced inflation and economic stability, a tax on consumer spending may be a necessary step. Such a tax would be designed to penalize those whose disposable income exceeds certain levels. As an individual spent more and more money beyond a base level, the tax which he had to pay on such purchases would grow."

And all of this, of course, is simply a cute way of stating the Communist program. Total planning—by the government—is just another way of defining Communism. Indeed, the mass of evidence you have just read is good reason to believe not only that the U.M.W.A. leadership is cooperating completely with the Communists for some supposed advantage—but that, as in England, the union may well be controlled by avatars of the Communist apparatus.

WHERE WE ARE HEADED

As I write, the strong possibility exists that when its contract with the Bituminous Coal Operators Association expires on November 12, 1974, U.M.W.A. will strike. Whether that will happen, your reporter of course doesn't know, but in preparation the union recently shut down the mines for five days, ostensibly as a "memorial" to the miners killed or injured in the pits. The *Daily World,* official Communist Party newspaper, explained it this way on August 20, 1974: "It will unify rank-and-file support and place the union in a better bargaining position since the shutdown will shrink the stockpile the operators have admittedly been trying to build to force a cheap settlement on the miners." In other words, the union was trying to intensify the effect such a strike would have.

Most Americans are unaware of the role coal plays in their daily lives. Arnold Miller explained it this way at the Center for the Study of Democratic Institutions: ". . . If we stopped digging coal in January, the country would shut down in February, when the stockpiles ran out. It's that simple."

And that is no exaggeration. The U.M.W.A. could pull out 125,000 men, who deliver most of the nation's coal. Without it, the utilities would grind to a halt. Electricity would stop. The lights would go out. Elevators, gasoline pumps, and hospitals would cease to function. Food deliveries would be curtailed. Water supply and sewage disposal would be cut off. The situation would make last year's phony oil shortage seem like the good, old days. In short, the union bosses are now angling to do the same thing to the United States that their Communist allies recently did to the people of Great Britain. This time . . . or next time!

And this is not just a battle to get benefits for miners. The real purpose of all this conspiring, once again, is to get in position to provoke a disaster to use as an excuse for the revolutionaries at the top to seize total control of America. The conspirators are really trying to shut America down for good. For instance, the Ford Foundation recently released a report on "the energy crisis," entitled *A Time To Choose,* in which we are told that Americans must resign themselves to shortages, rationing, and a declining standard of living. We are told we must accept "zero energy growth."

So the real question the members of U.M.W.A. need to ask themselves is this: If you permit yourselves to be used as pawns by your leaders in this Communist game, in the belief that you will get some benefits; and if they succeed in shutting the country down, now or in some future strike—where will you really end up? Your lights will go out like everyone else's. If your leaders succeed in giving their conspiratorial bosses the dictatorship they want, you will be its victims along with everybody else. As in Nazi Germany and Communist Russia, there would come a time when you would no longer be permitted to strike. There would come a time when you would have *no right to quit*.

In a letter to S.C. Van Curon, editor of the Frankfort (Kentucky) *State Journal*, Carlyle Owens wrote as follows on July 27, 1974: "... The giant labor unions may control the press; I have seen very few articles of late upholding the right of free enterprise and the right to work of the individual. The individual person who labors with his hands does not have any rights when the large labor unions want to picket his place of employment. He is denied his right to work and because he is an individualist he will not apply for public assistance or welfare, but try to get employment elsewhere where there is no labor strife at the present; but he knows in his mind that sooner or later the big unions will start on that place too."

And Bazel Collins sums it up like this: "If they feed you, they got a rope around your neck."

That one line tells it all. Bazel Collins and Carlyle Owens are what America is all about. And they are not alone. Other miners like them have recently been demonstrating against pro-Communist textbooks in West Virginia. The trouble is that not enough of them have been given the full story of how they are being conned.

Bazel Collins and Carlyle Owens need your help.

WALTER JINOTTI, VERSATILE INVENTOR

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. PATTEN. Mr. Speaker, one of the most versatile inventors in the Nation is my constituent, Walter Jinotti, of New Brunswick, N.J.

Mr. Jinotti, a technologist at Middlesex General Hospital, in New Brunswick, is not only the inventor of a unique blood pump called the TYCOS constant infusor, but also created the "hay feverometer," a machine which measures the amount of pollen in the air—a notable improvement over the older system. In the past hay fever season, this was proven.

Mr. Speaker, I commend the talents, achievements and promise of Walter Jinotti. Instead of going into extensive detail about his inventive accomplishments, I hereby insert with pride:

Two letters written by doctors who helped save a man's life because of the TYCOS blood pump. The letters were sent to Mr. Foster Aldridge, of the Taylor Instrument Consumer Products Division, Sybron Corp., Arden, N.C., by Dr. Ernesto Carampatan, and Dr. Omer Turnacioglu, both of Middlesex General Hospital.

An article written by Sue Epstein, of the Star Ledger, of Newark, N.J., on Mr. Jinotti's "hay feverometer."

On the marvelous TYCOS constant infusor, Dr. Carampatan wrote Mr. Aldridge:

I thought you would be interested in the most recent, successful use of the blood pump:

On the morning of October 19, I was called to see a 42 year old male who suffered a stab wound in the left chest, directly over the heart and was in shock. The blood pressure was never stabilized, despite I.V. fluids and blood.

The patient was rushed to the operating room for open heart surgery and with the aid of TYCOS constant infusor, we were able to stabilize the patient and maintain the blood pressure with full control. Surgery was a success and I feel that the TYCOS constant infusor is great.

Sincerely yours,

Ernesto Carampatan, M.D.

Also praising the effectiveness of the TYCOS invention was Dr. Turnacioglu. In his letter, he wrote:

On Saturday, October 19, at 2 A.M., I started administering anesthesia and taking control of the patient in question who suffered a stab wound penetrating the right ventricular of the heart. We had two TYCO's Blood pumps running and controlling the patient's blood pressure and a third pump connected standing by. Although it was a critical case, everything went smooth and because of the pumps constant pressure flow gave me more time to attend to the patient with anesthesia.

The operation was a complete success and I would like to add my feeling that this TYCOS blood pump is far superior than the old system and I use it at all times when blood is necessary. The TYCOS pump functioned perfectly as always.

I am writing you this because of my deep appreciation for this instrument.

Sincerely,

Omer Turnacioglu, M.D.

Ms. Epstein's article lauded the benefits that will help millions of Americans who suffer from hay fever—thanks to Mr. Jinotti's fine invention.

Inventor Admits Personal Stake in "Hay Feverometer"

(By Sue Epstein)

Hay fever sufferers don't need anyone to tell them. But for those who don't know, this is the peak of the hay fever season, according to the man who makes it his business to know.

Walter Jinotti, a Middlesex General Hospital technician, is the man who invented the machine now used by the New Brunswick hospital to measure the amount of pollen in the air. Jinotti has a slightly selfish interest in the count because he suffers from hay fever.

He noted yesterday that this is the time of year that many plants—especially ragweed—pollinate, the method by which plants reproduce through transferring of pollen.

Jinotti said this peak pollen period, coupled with the hot and humid weather in New Jersey makes the pollen situation "a real problem."

The technician uses a "Roto Slide" to measure grains of pollen per cubic meter of air, and relays his findings, which he records four times a day, to various television and radio networks, as well as some newspapers.

"Middlesex County is so important because we lie in the path of the traveling pollen, between Philadelphia and New York," explained Jinotti. "It reaches us first."

Jinotti said pollen travels as fast as 60 miles in an hour and as high as 6,000 feet, especially when the wind velocity is high.

So far this season has been mild and the pollen and mold counts for our area have been the same as for Philadelphia and New York," said Jinotti. "Hospitals up to Massachusetts have been using the Roto Slide and getting much more accurate results, which have been coinciding with ours."

The Roto Slide creates its own wind, unlike the old method of waiting until the wind rose before counting, said its inventor. It traps the spores on a glass slide from which the technician counts both the molds and pollen.

"Most people don't realize that molds and pollen are two different irritants," explained Jinotti. "The pollen count can be low, but people will still feel the mold count if it's high. That's why we give both results."

Jinotti said the Middlesex County area can expect heavy concentrations of pollen this week, and by mid-next week it should begin to decline.

He warned that a big blast of pollen is imminent due to the humidity and that all hay fever sufferers should stay inside as much as possible.

"At least now we can tell them the same day what the count is so they can take precautions," said Jinotti. "With the old system, all of the readings were a day late and if the weather conditions were not just so, the accuracy was terrible."

Jinotti even has his own weather station rigged up in his office to measure the wind velocity and other atmospheric conditions, making his readings more accurate.

The technician added that so far, since his system was instituted, the count has coincided with the increasing complaints of hay fever sufferers.

Mr. Speaker, I am sure there will be other inventions in the future by Walter Jinotti, who recently built a full-sized operational model of a spectacular 1927 racing car. I am deeply honored that he lives and works in the district I represent in the U.S. House of Representatives.

CONGRESSMAN PICKLE ADDRESSES ENERGY-TRANSPORTATION CONFERENCE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. TEAGUE. Mr. Speaker, recently I had the pleasure of attending the University of Texas-Texas A. & M. University Conference on Long-Range Duplications of Scarce, Expensive Energy on Transportation at Austin, Tex. The Honorable J. J. Pickle addressed one meeting at that conference and his words to that meeting are worthy of note.

Our distinguished colleague points out—

Anyone who expects to control inflation-energy problems by cutting the Federal budget—and doing nothing about transportation—is fooling himself.

I hope that you, my fellow Members of Congress and the general public, will carefully consider Congressman Pickle's remarks.

The speech follows:

Address by Congressman Pickle

Conferences of experts generally oscillate between two extremes—between marvelous images of what could be and depressing scenes of what will be if changes are not made soon. Often the pessimistic view holds sway. A serious study usually reveals complex, seemingly insurmountable obstacles between the problems preceived today and the solutions for tomorrow. I believe your conference is turned to the positive approach.

Yet nothing could be understandable than a touch of pessimism whenever anyone takes a serious look at our own national transportation system. It is, frankly, a mess. I cannot in truth even call it a national transportation system. And the hand-in-glove inflation and energy situations have only made an old wreck look more rusty.

Few objectives are more important than tackling our transportation ills. Transportation is one of the more pervasive and influential sectors of our economy and of our daily lives. Transportation accounts for about one-fifth of our GNP; it bring in about 17 percent of our taxes; it represents nearly 10 percent of our privately owned tangible assets; it employs over 13 percent of our civilian workforce; it consumes 75 percent of our rubber, 56 percent of our petroleum, 30 percent of our steel.

All of this is by way of saying anyone who expects to control inflation-energy problems by cutting the federal budget—and doing nothing about transportation—is fooling himself. Anyone who expects to control inflation-energy problems through taxes and volunteer programs—without radical surgery on our uses and abuses of transportation—is just nibbling at the bullet. Anyone who hopes to use the Mexican—or some future—oil find as a crutch to continue the status quo is putting his head and his shoulders in the sand. And anyone who thinks the changes needed will be easy simply because they are technologically feasible simply hasn't looked at the problem.

Transportation is one of those areas where the first difficuty is not agreeing on a solution but deciding which problem to tackle first.

If colossal volume were all that mattered, the United States transportation network would be home free. Unfortunately—especially where energy is concerned—the volume only adds to the problem. Few domestic problems of our time have been worried over more—yet seen less real progress—than the Transportation Problem. Maybe it is symptomatic of the depth of the issue that these two great Thanksgiving rivals represented here tonight would lay aside their traditional emnity to see if perhaps two collective heads can be better than one. I think it can be.

It is also encouraging.

If we look only at the technological facts of the problem, complicated by the political mess we have inflicted on our transportation system, and hampered by the natural resistance toward change, then the future is indeed bleak. But history is full of magnificent detours and sudden departures from predicted destinations. Arnold Toymbee makes the point that the greatest of all historical forces are put into motion when the people decide to pit themselves against serious challenge. The greatest changes of this century were not predicted: No one could have predicted Adolph Hitler—or the incredible spirit of the British people holding out against him when all of Europe had fallen. No one could have predicted the effect of Franklin Roosevelt rekindling self-confidence in ourselves and thereby snuffing out the smoldering fires of social and political revolution threatening to destroy our own democracy in the economic chaos of the early thirties. Nor could anyone foresee the impact of Thomas Edison, Henry Ford, Alexander Graham Bell, Sir Alexander Fleming, Pierre and Marie Currie, Jonas Salk.

This conference is encouraging because it and the transportation programs which brought you here are—just possibly—a kindling of the kind of spirit which will at long last get some results in the reordering of our transportation.

The topic of this conference implies one major assumption—that energy supplies for transportation will be increasingly scarce and expensive. An unpredictable happening could alter much of what we say here—a widespread development of hydrogen-powered vehicles or a refinement of a very cheap solar cell powerful enough to run an auto or even a train or a plane. But even so, I think it is safe to say that for the next decade or two transportation is going to be reliant basically on petroleum, petroleum is going to be expensive, and some changes are going to be made whether we like it or not. And I think it is safe to say that some aspects of our transportation will change no matter what the fuel situation because of pressures from environmental and land use constraints, housing costs, and myriad other social and economic factors.

The most obvious focal point when one mentions energy—or petroleum—shortages and transportation is the automobile. For while transportation consumes well over half of our petroleum, highway carriers consume well over 80 percent of transportation's share. This is critically important in a State like Texas, which developed during the automobile age. Cities, communities within cities, housing, and businesses are spread around throughout our State in a way that makes us almost totally dependent on our streets and highways for either passenger or freight transportation. Significantly, Texas has for years envisioned the great Interstate Highway system as only a beginning—planning in addition a more extensive freeway network linking the major cities of the State. That, of course, would also mean more cars, trucks and buses, more suburban towns, more commuters, and more use of petroleum. I would hasten to add, however, that it is exceedingly important how we link up our big cities and our country town—that we do have a city transportation problem and a rural transportation problem.

Quite frankly, I would not see expensive petroleum alone causing a great transformation of this trend that emphasizes the automobile. It would curtail it, modify it, but not radically alter it.

Other social and economic forces are at play here, too, however, and the combined effect may be pointing toward new directions.

For several generations Western civilization has been on a proud, confident growth binge—more children, more food, more goods, more energy. The naturalist Jacques Cousteau thinks that now we are experiencing a new awakening—and that this new view on world growth feels an awful lot like a raucous hangover. Many people in the industrialized countries would agree with him. Of course, while we are painfully reviewing the littered remains of the morning after, many underdeveloped nations are still most anxious to get to the party. Their desires—and their haste to join the industrialized nations in luxury—will create additional pressures on the world's resources with each passing year.

Many see environmental concerns as a fad which will vanish before the cost and inconvenience of the clean-up and the necessary controls to keep it clean. However, I think that a good environment has now come to be regarded by the bulk of our citizens as a natural right—almost as one of the Constitutional rights envisioned by the founding fathers. There will be resentment against some efforts, but I see no real retreat from an overall environmental concern. In these critical days, we must continue to clean up—hopefully with common sense, even as we conserve.

The isolated big home consumes much energy itself and represents the epitome of an energy-consumptive life style. It will become more and more expensive—both for the individual and for society—and therefore less and less desirable. How it is replaced will have great influence on the forms of transportation which rise to prominence in the coming decades. And, of course, different areas of the country will find various combinations and solutions to fit their own needs.

Texas likely will not be one of the first to make radical changes in her transportation system—not because she is slower than anyone else but because she, like other states and areas developed after the automobile, faces the most radical changes in making any switch. Finding solutions to high cost, scarce energy in our sprawling state will require all the imagination and commitment this room, and others like it, can master.

In the total national scene, some trends are already visible—and others are notable for their lack of visibility.

U.S. highway traffic consumes a great amount of energy—but it also moves over a fifth of our intercity freight and accounts for almost 90 percent of our passenger miles. We can expect our highways to play a prominent role in our transportation for some decades to come. Key to developments here likely will be the word *conservation*. Down the road will be technological developments that will reduce the average family dependence on the auto. For instance, each home may be equipped with an appliance that combines the TV set with a desk computer and xerox machine. It could not only serve as a television but print out the Daily newspaper and permit its owner to receive radioed letters, review the shelves of a nearby grocery store, order foods and dry goods, pay bills, balance the checkbook, and provide color-video telephone service.

But such contraptions are still a while away and conservation remains the key today.

I do not think that adequate conservation will come voluntarily. In the case of passenger miles, old habits have proved hard to break, easy to resume. In the case of freight traffic, many changes must be made in regulatory agency mandates and in the capital structure of trucking before major inroads can be made.

Gasoline consumption has gone down a *bit*—and stayed down a *bit*—with the recent price hikes. But carpools remain a novelty, buses still run empty, experimental forms of transit like the jitney, the dial-a-bus, remain mostly experimental, fringe parking areas lie bare.

It is true that the semi-division of the Trust Fund in the 1973 Federal Aid Highway Act, and the existence of the 1974 Mass Transit bill now pending in the Congress are handwriting on the wall that moves will be made away from the private auto.

But it is also true that, in general, traffic conditions have to be really abominable and the alternative superlative by comparison before motorists will voluntarily forsake their private cars. Our own U.T. shuttle bus system and the Linderwold Line between New Jersey and Philadelphia are two good examples. Across the country, however, car bans, commuter taxes, regulations concerning size of and gasoline mileage in new cars, and other punitive incentives may well be the only means to force an adequate curtailment in auto use.

Disillusionment with the total wonders of the highway have brought a renewed interest in our railroads; for railroads clearly are the most fuel-conserving means of transportation other than river barges. But the problems with our gas-guzzling autos read like a Dick and Jane reader compared to the mess our railroads are in. A start is being made in the Surface Transportation Act, now reported out of the House Commerce Committee. But even this $2 billion loan program to buy freight cars, and refurbish decaying railroad beds is really only a start. Deferred railroad maintenance alone is now estimated at close to $6 billion. In addition, railroads face tremendous management-labor problems. Disgruntled shippers are taking over many routine maintenance and inspection jobs. And financial woes beset the railroader wherever he turns.

Airlines will have to move away from the multiple flights at the same time and may have to cut back service to many smaller towns—leaving this for taxi-run or other forms of transportation policy.

Present regulatory arrangements offer neither the benefits of a free market nor those of a well-managed cartel. All rail traffic—but only about one-third of truck volume and one-tenth of barge volume—are now under control. Rules and practices formed by a bygone era when the railroads held a vital monopoly over freight movements have added irony and anachronism to the modern problems of transportation.

In the early 1920's, when railroads already were beginning to lose business to trucks, the Interstate Commerce Commission ordered railroad rate hikes by as much as 40 percent. So-called "umbrella" rates, designed to share traffic among competing modes, have also resulted in misallocation of traffic when the effect is seen from a conservation viewpoint. Reduced competition has discouraged technological development and managerial initiative. The value of service pricing principle—where rates are set proportionate for the *value of goods shipped* rather than to the *cost* of hauling them—prevents truckers from cutting rates in order to fill empty trucks on return trips. Consequently, only about half of common carriers have full loads in both directions. Rail car utilization stacks up even worse, and private carriers were full both ways less than 10 percent of the time. Rate regulations have retarded the use of unit trains, containerization and other innovations. Intermodal transportation and equipment is still being winked at—and avoided.

CAB restrictions on setting lower fares has sometimes reduced competition in the airlines to offering trivial luxuries such as more and more elaborate inflight movies, lavish meals, and free cocktails. I think you will see more consolidation—more coordination and more conservation in the airline industry than perhaps any other mode of transportation. The big International Airport at Ft. Worth-Dallas may be one of last great Regional Airports—no matter what San Antonio may want or suggest.

In spite of all this, a lot of opposition to de-regulation comes from the carriers themselves, reluctant to cut the apron string. I do not want de-regulation, per se, but regulatory agencies must not be used solely to protect the regulated industry.

Something must be done, however.

Most of all, whatever else is done, we must make a serious effort truly to integrate our national transportation system. We cannot continue to treat each carrier as though it were a separate entity and as though its use had no impact on the rest of society. But in transportation today the old Ben Franklin admonition "We must all hang together, or most assuredly we will all hang separately," applies painfully well.

I have argued for and Congress has asked for a national transportation policy for years. Yet we have seen only delay, procrastination, and a total lack of result. Until the people are educated to realize the impact our transportation mess has on their pocketbooks and their daily lives, I fear the road is nigh impossible—for most people now have little or no idea really how their goods are brought to them. The concern you are showing here is most encouraging to me. This is a good beginning. I hope that you and others like you will at last get the forces rolling to demand action on an integrated national transportation policy.

Since President Johnson recommended, and the Congress established, the Department of Transportation, it was hoped that this act alone might put under one big tent our transportation problems, goals, and objectives.

That was not the case. We simply added one more layer, although admittedly some additional coordination does prevail today. We still have airlines under the CAB, the trucks and railroads under the ICC, and maritime still is independent as a Spanish galleon.

Many of us feel that this is not the best and we talk about it in the Congress and yet when we had a chance for re-organization in the House of Representatives committee structure this past month, we further split jurisdictions by putting surface transportation under Public Works and the railroads continued under the Commerce Committee. Additionally, research and development for transportation is split in at least three different committees.

This signifies again that the problem is immense. But over and above that, we still cling to jurisdictional jealousies.

Because of the extreme complexities of the transportation system, we are making slow integrated progress, even as we are making giant new discoveries in the various modes of transportation.

I think we recognize that we cannot easily re-locate an airfield that was properly perhaps built at the right location thirty years ago. And we cannot re-lay track lines without exorbitant cost because we know they ought be re-layed. And our highway system has developed almost set patterns of directions which allow little leeway.

What we can do, however, is determine that one voice or one agency can decide these problems in a coordinated and related manner. And until we are willing to put our punch in one glove, we will not have the kind of integrated system we need. It seems incongruous that this may be the fact even as we are on the verge of magnificent development.

I see light and fast Amtrak systems, perhaps magnetically elevated and propelled by linear induction, and trans-urban systems that will squirt us—tubelike—between cities.

I see subways for most of our major cities, including Austin.

I see the feeder airfields with helicopters and heli-pads playing a vital transportation role.

I see city delivery systems becoming even as important as mass transit systems.

But I also see mass transit being given proper attention in the days ahead.

And close behind may well be the vertical take-off vehicles used for civilian purposes much like harrier planes operate in the military today. Perhaps solar or hydrogen cells will force us into a new break-through. These new means are practically within our grasp but they will serve us least efficiently unless we can integrate our system.

Institutions like the University of Texas and Texas A & M University can give us new insight into many of these possibilities and I am proud to see these two institutions working together.

DÉTENTE AND THE FUTURE OF BERLIN

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. BLACKBURN. Mr. Speaker, last Tuesday, November 26, under Extension of Remarks, I had addressed myself to the problems of Berlin within the scenario of détente.

I wish to emphasize that in spite of the Vladivostok summit between President Ford and the Soviet boss Brezhnev, nothing has changed in the Soviet quest for domination of the world.

In Vladivostok a week ago, President Ford's egregious Press Secretary Ron Nessen, excitedly announced a new dawn of hope for this weary world. Investigation rather plainly reveals, however, that the glory shining over Vladivostok was largely a false dawn.

Here, to be sure, one must be careful to make the needed distinctions. It did not serve American interests to put a numerical limit on the quantities of each side's delivery vehicles for nuclear weapons, as was agreed at Vladivostok.

Most of the Soviet long-range missiles are vastly more powerful than ours. Their force has far more "throwweight" than ours. There are competent men, like the veteran policymaker, Paul H. Nitze, who think "throwweight" is an equally crucial factor as mere numbers of missile launchers. Thus, as the Soviets match our MIRV technology, they will be able to lift many more warheads. Thus, some time in the 1980's, they could assume a huge lead in warhead numbers and every other measure of strategic balance.

An equally important distinction to make, however, is between the real and false tests of what is called détente. Claimed "progress" with strategic arms limitation is really a lousy test considering the advantages for the Soviets resulting from the agreement. If détente means anything at all—which many regard as doubtful—the test of détente is general progress toward a more peaceful world situation.

No such progress was made at Vladivostok. This can be said, alas, because the Middle East is the unique storm center where one must now look for signs of any real dawn of hope for peace. Yet, Dr. Kissinger has now passed the word to our allies that nothing substantive was done about the Middle East in Vladivostok.

Two years after the Paris peace agreement, we have a continuation of bloody Communist aggression in Southeast Asia costing literally thousands of lives every week; we have constant violations of the status of Berlin and we see Soviet continuous effort to promote unrest and subversion around the world. The flagrant examples of the latter are the Cyprus crisis and Portugal.

At this point, I insert in the RECORD the second part of the speech of the renowned German publisher and public figure, Axel Springer, which addresses itself to détente and the purpose of Berlin:

BERLIN—CAPITAL OF THE GERMAN PEOPLE—PART II

ALL OF GERMANY IS THEIR GOAL

From a number of facts we know that the Soviets have made a very precise study of the works of the Prussian master of the art of war Carl von Clausewitz. One of Clausewitz's maxims was that: "The principal objective in a war is always the enemy's capital." They maintain this objective even in time of peace. For it was their great leader Lenin who said: "Whoever holds Berlin, holds Germany and whoever holds Germany holds Europe." Anyone who believes that Lenin although dead is no longer a force among the Soviets should remember the words of the Soviet ambassador in the town on the

Rhein, Valentin Falin, who on several occasions has said that in the course of history, West Berlin will fall into the lap of the German Democratic Republic like a ripe apple.

The first objective of the Soviets is the German capital Berlin and they will then lay claim to the whole of Germany.

Our objective is that: Berlin must, above all now after 28 years, become the centre of a German nation which is open to the world, peace loving, industrious and courageous. Even while (and in fact particularly while) the nation remains divided. Berlin is a test case. This is the place where peace and freedom have to be won. Here—in Berlin!

At the same time, it must be made unmistakeably clear that no-one here is thinking in terms of armament. No-one here wants to start shooting. In contrast to those across the wall, who shoot at our homes in time of peace and, contrary to the international agreements, are constantly marching, parading and clanking their weapons.

THE TRIPLE CONSTELLATION OF OUR HOPES

Our arm is justice. Our demand is the demand for self-determination as laid down in the United Nations Charter. The way to reunification can only be via self-determination. Human rights, the right to live in one's own country, and the right of self-determination, these are the triple constellation of our aspirations. The argument in favour of "recognising realities" used to justify relinquishing our claim to our territory and accepting the division of the country must not be allowed to pass and must be vigorously opposed.

The right of self-determination applies also to the Eastern Territories. Moreover, this right cannot be taken away from the people who used to live there by the fact of their expulsion. This is the rule of international law: Only the East Prussians can make a decision on East Prussia and only the Silesians can make a decision on Silesia.

When, after the second world war, a decision was taken on the future of the Saar territory, only the population of this territory voted and they opted for Germany. France, of course, recognised this decision.

Treating the result of voting in elections for the Federal Parliament as a substitute for self-determination is not acceptable. If we have any international claims to respect and if we do not wish to drop out of history, we must not deviate, even by the smallest amount, from insistence on this right of self-determination.

THE ROAD TO RADICAL CHANGE

The men in the Kremlin do not recognise rights, but only power. Their aim is a revolutionary penetration of our country which, at the appropriate moment, will be supported by military threat in order to paralyse resistance to a revolution.

The proof of this can be read in Pravda. In the issue of 19th January this year they said:

> "The intensity of the class struggles within the capitalist system has now reached the stage where, at any moment, at some particular link in the chain, a situation may occur which will open the way to a radical, revolutionary re-structuring of society. Determination, revolutionary preparedness and decisive action by the vanguard of the working class are necessary if the available opportunities are to be exploited."

An official of the Soviet Zone, in Helsinki, translated this into colloquial German in these terms:

> "Once the slogan of reunification has died in the mouths of West Germans, we shall take it over and carry out reunification in a decisively practical manner."

Preparation for military blackmail is all part of this Soviet concept. At this point I am not basing my remarks on NATO information but on assessments by the Chinese, as given recently in Peking, with astounding frankness to the Chairman of the Christian Democratic Party, Helmut Kohl. On the basis of these, Soviet military strength is at the present time much more strongly concentrated in Europe than on the Chinese border. In this conversation, it was repeatedly stated, with bewildering clarity, that the Chinese recognize only "one single German nation". They clearly disapprove of the "German Democratic Republic" which is in a state of "complete dependence" on Moscow. The Chinese advised the Germans neither to over-estimate nor underestimate the Soviet Union and to maintain "long distance staying power" in relation to the German problem.

I was pleased to learn that the Federal Chancellor, Helmut Schmidt, has announced his intention to visit Peking. For the Soviets, as the views of the Chinese also confirm, the initial target is Europe, in other words the Federal Republic of Germany. The eastern camp have available a wide range of devices for intimidation of the Germans in the Federal Republic and for undermining their determination to resist.

BRUTAL SENTENCES AGAINST PEOPLE ASSISTING ESCAPEES

Among these are terror sentences against those who assist people to escape. These supplement the death machines on the border. I should like therefore to say a few words on this important matter. At the present time, there are in the prisons of the "German Democratic Republic" more people who have helped escapees than the number of prisoners on the prison island of Yaros at the time of the fall of the Greek military junta. These people who have assisted others to escape, as we know, in some cases have received diabolical sentences of 10 or 15 years. These are the kind of sentences given to murderers.

The prisoners in the Honecker prison are in no way better off than those on Yaros. But I have seen no television documentary about them. There have been no demonstrations about them. No petitions to UNO. If anybody replies that these brutal sentences against people assisting escapees, which cry out to heaven, are authorised by the Constitution and laws of the "German Democratic Republic" and must therefore be respected, I would say to him that the persecution of the Jews under the Hitler regime and the punishment of people who assisted Jews to escape were also enshrined in laws.

But is there anyone who would dare to say that those death sentences and prison sentences were therefore just? Were not the Nazi judges and executioners punished for this reason? Must our sense of justice and moral truth again be suspended until debolshevisation occurs?

To our knowledge, up to the present time, 158 people have received sentences for assisting escapees amounting to a total of over 800 years hard labour. Between 30 and 40 sentences are still being kept secret. More than 100 people are still being detained awaiting trial.

We tend to play this situation down, by repeating mechanically the talk about the so-called "commercial" aspect of aid to escapees. The intention here is to reduce those helping escapees to the level of unscrupulous racketeers and thus to salve our conscience. As if the authorities on the other side of the wall might be prepared to pardon somebody for aiding escapees provided he doesn't recover his expenses!

SHOCKING DOCUMENTS

In the last few days I have just obtained some shocking documents on the escape of three young people. With the help of a group which assists those wishing to escape, they escaped from East Berlin (via Hungary, Rumania and Yugoslavia) to the Federal Republic of Germany. This story not only highlights the whole German tragedy. It also demonstrates what trials young people will accept in order to escape from bondage.

These people were living only a couple of thousand metres from this square here where we are assembled; but in order to reach freedom they had to travel by a round-about route of some 3,000 kilometres. A whole chain of helpers was involved. On ten occasions there were illegal crossings of frontiers. The escapees were hidden in welded containers in converted vehicles. They went on foot along secret paths through Hungary, through Rumania maize fields damp with rain and across Yugoslav beet fields. Two were discovered in one of the transit countries. They were sentenced together with their helpers. Their freedom was then bought again by a new helper. They were then discovered again. Sentenced again. And their freedom again purchased. Then began their Odyssey again. They hid in small hotels. Left the town under cover of darkness and fog. Had dangerous meetings with their helper. Again they crawled for hours through potato fields, through corn fields and were taken along hunting paths. For days on end they suffered the privations of concealment.

The timetable did not work out. They missed new helpers on the other side of the border. The second escape car was lost. Sent back across the border. Brought before the court. Sentenced to one year's imprisonment. Bought free again. Given wigs by new helpers because the shaven heads of prisoners would be a revealing clue for head hunters. And then finally they were free. The adventure lasted 14 weeks. 14 weeks—98 days—beginning with the first escape plan in a cafe on the other side of the wall, a couple of stone's throws from here. The total costs of the escape, on the basis of the documentary evidence and converted to western currency amounted to over DM 40,000. Considered in relation to the effort involved, the amount paid to the helpers was modest.

Of course, these helpers are mercenaries. However, they are serving the cause of freedom. This is no business for the timid or for theorists. Nevertheless, the expenditure is legitimate both from a moral point of view and in relation to the United Nations Charter. The fact that the helpers received payment for their help does not diminish the extent of their task nor the amount of effort they expended.

PRACTICING ADVOCATES OF FREEDOM

Wherever there is war, there is a need for soldiers. Wherever injustice reigns, there is a need for practising agents of freedom. And no agent works for nothing. The Jews, too, the Socialists, the Communists, and the Conservatives who fled from Hitler's Germany had to pay for their forged papers and their guides and they paid gladly. Were their helpers for that reason sentenced after the war?

The French are proud of the organisations which they built up for helping those threatened by the German occupation or citizens who were hungry for freedom, to escape. These organisations were honoured. With justice, we distinguish those Germans who protected their Jewish fellow citizens and helped them to escape. The Communists have built up a myth about those who help their secret agents in capitalist countries.

We, however, pass moral judgment on those who help escapees at the present time; we refuse to help them and allow them to be imprisoned and even become the victim of defamation. Yes, even here in Berlin, in our own area of authority, we sentence them to terms of imprisonment. I regard this as a scandal and I am ashamed of it.

THE INEXHAUSTIBLE LIST OF EXILES

The history of mankind is full of stories of exiles. The Apostle Paul was rescued by helpers in a washing basket, maneuvered over the walls of the city of Damascus and so preserved for his role as organiser of the Christian church. But for the aid of a princely helper and but for being hidden as an exile in the Wartburg, Martin Luther would never have been able to translate the Bible.

It is impossible to count the number of the great names of human history who bore the lot of the exile. From Joseph and his son Jacob in the Bible through various freedom fighters, kings, dictators, founders of states and revolutionaries, poets and artists of all periods of civilization up to Karl Marx, Lenin, Einstein, Solzhenitsyn and Maximov.

The list is inexhaustible. Willy Brandt was an exile, Heinz Kühn. And many other Social Democrats. Have they forgotten those who helped them to escape?

And in the same way as countless individuals, living under the apocalyptic law of exile and having their character marked by it, so complete peoples, racial groups, religious groups, political minorities and sects have suffered the fate of expulsion. The Mayflower pioneers from England founded America. The Huguenots founded and inspired Prussia. There is, however, nothing to compare with the waves of exiles of the Jewish people which, from dark antiquity until our own time have washed against the shores of the ages.

I do not need to tell you, what the terms exile and expulsion mean. You are some of the millions who have been expelled from their homeland and have gone through heat and freezing cold, by ship or by land, in filthy railway carriages or in endless marches. Over two million died on the roads of misery.

Alexander Solzhenitsyn in his epic poem "Prussian Nights" has created a great literary memorial to countless refugees and described the inferno through the eyes of a sensitive Russian officers who became a poet. He has not romanticised anything.

STALIN WAS BETTING ON CHAOS

Looked at in retrospect, it seems a miracle that these masses expelled from the Eastern Territories of Germany and the millions of refugees did not result in chaos in our country. Stalin had been banking on this happening with certainty.

Your disciplined behaviour, your hard work, your strength and your self-confidence turned the Stalin plan for chaos into an advantage for our economic miracle. You proved once again that exiles can be a gift of God. Your tears bore fruit.

A pre-condition for this was a free political and economic social structure in our country having the support of all parties and of a trade union movement which at that time still had a firmly anti-Bolshevist leadership.

The refugees have often been praised for their disciplined and self-sacrificing behaviour. Nobody, however, gave them any remuneration for this. Today I am asking myself once again whether greater support for them was not called for. In any event such support is certainly appropriate at the present time. 16.5% of the total population of the Federal Republic of Germany are refugees. These are not, as often stated, all living on pensions and private means. They constitute a precise cross-section of our population: More than a third are from 14 to 44 years of age. Nearly a quarter are children up to 14 years of age. Only 13% are aged over 65.

A CENTERPIECE OF A FREE AND STRONG EUROPE

The path to a Bolshevist Germany is paved with appeasement. This is the term the English-speaking peoples use with reference to Hitler. They hoped by appeasement and good behaviour to secure for themselves a peaceful existence. But dictators have a different view of things.

My view is that we ought not to tread this path once again. I believe that the goal of history is not the extinction of a free and once again healthy Germany, but a purified Germany forming the respected centre-piece of a free, strong and Christian Europe.

I don't, of course, believe that God is a German. But I do believe that mercy and justice are his sceptre and his law. And, therefore, I believe that we Germans have a place in his world order provided we do not voluntarily abdicate and bring our country itself to the fate of Sodom and Gommorah.

The Jewish people waited in hope for a return to their homeland and for re-entry into its capital, for 2,000 years. And they have now returned home. We should keep this example before us when we are concerned to provide a new impetus for our policies. We should not allow ourselves to be led astray. We should look at the broad trends of history. And learn the lessons which they teach.

It was a German writer of the romantic period, Joseph von Eichendorff, from Upper Silesia, one of Lutzow's volunteers, a Prussian, and a European who held out to freedom fighters the prophesy with which I would like to end: "For a time will come when the Lord will bring this to an end; then the treacherous will be stripped of their insidious hoards."

ROCKEFELLER NOMINATION OPPOSED BY SECOND AMENDMENT COMMITTEE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. ASHBROOK. Mr. Speaker, with the hearings before the Committee on the Judiciary on the nomination of Nelson Rockefeller for Vice President of the United States, I think it important that a full public debate take place on this man's qualifications for the position.

With this in mind, I include in the RECORD a statement by the Citizens Committee for the Right to Keep and Bear Arms. The text of that statement follows.

STATEMENT BY THE CITIZENS COMMITTEE FOR THE RIGHT TO KEEP AND BEAR ARMS

From Point Blank, publication of the Citizens Committee for Right to Keep Arms, 1601 114th, S. E. Bellevue, Washington, 98004.

We, the Citizens Committee for the Right to Keep and Bear Arms, oppose the confirmation of Nelson A. Rockefeller as Vice President of the United States.

We call upon the 50 million law-abiding, gun-owning American citizens and all organizations claiming to represent the firearms owning American citizens to do the same.

We think that President Ford, in nominating the antigun former Governor of the State of New York to be Vice President slapped us 50 million Americans right in the face.

Rockefeller's anti-gun record is very well known.

In 1968, Gov. Rockefeller requested the New York State Legislature to pass a gun law even more restrictive than New York's Sullivan Law, the most repressive State fire arms law in the Nation. Rockefeller's proposal would have required the licensing of handgun and shoulder arm owners throughout the State, as well as gunsmiths and dealers in firearms, and would have required the registration of all firearms.

His proposal would have required licensing authorities to investigate applicants for licenses, including personal interviews with applicants, examination of applicants' knowledge and ability with respect to basic safety precautions and reports from the New York State identification and intelligence system.

Rockefeller's measure also would have established a firearms control board which "must adopt, and from time to time may amend or repeal, such rules and regulations as it shall deem necessary or desirable to assure the public safety and the proper administration and enforcement of the provisions and purposes" of his measure.

In his January 6, 1971, State of the State message to the New York State Legislature, Rockefeller recommended "strengthened firearms and explosives control."

In 1972, a Rockefeller administration bill would have made the unauthorized possession in New York State of any firearm a crime and would have fixed the fee for firearms possession permits after April 1, 1974, at $30 for three years.

It would have required periodic reevaluations of each and every licensee's fitness and increased license fees for dealers and gunsmiths. It would have required applicants for shoulder arm licenses to be at least 14 years old and created a Firearms Control Board appointed by the Governor to review licensing appeals.

In 1970, 1971, and 1972, Rockefeller vetoed bills to exempt antique handguns from the license requirements of the present State firearms law. In 1973, a similar measure passed the State Legislature but was recalled when it became known Rockefeller would once again veto it.

A measure providing for a license to have, possess and collect antique pistols and replicas of antique pistols was then passed and signed.

Last year, Rockefeller vetoed a bill which would have permitted a person licensed to possess or carry a pistol outside New York City to enter the city to attend a pistol match without first obtaining a license from the New York City Police Commissioner.

Rockefeller said that the anti-gun John Lindsay, at the time Mayor of New York City, had written him that "The City of New York has the most stringent licensing procedure in the State for the possession of firearms. This bill will allow persons licensed under less stringent regulations to enter the city in possession of a pistol.

"We are opposed to any attempt to lessen the control over the use and possession of firearms within the city."

Rockefeller was a member of the 1968 national Emergency Committee for Gun Control which promoted a nationwide system of registration for all guns, licenses for all who own or use guns and a ban on interstate and mail order sales of all guns.

Rockefeller is bad news. We are amazed that the new President in making what may very well be his most significant nomination, could have made such a disastrous blunder.

Rockefeller's record flies in the face of America's 50 million firearms owners. Somebody ought to tell Ford that there are more of us than there were voters for any single candidate for President in the Nation's history.

We're not the only ones President Ford has slapped in the face with this nomination. He has also slapped his own Republican Party, which rejected Rockefeller's national ambitions three times!

He won only one Presidential primary in his life, in Oregon in 1964, when he received 30 per cent of the statewide Republican vote.

For these reasons, we feel a moral obligation to oppose Rockefeller's confirmation as Vice President by the Senate and House of Representatives of the United States.

We urge all lawabiding American firearms owners to protest to the chairmen of the respective House and Senate Committees which will be holding hearings.

TRIBUTE TO LEHMAN SAMMONS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. JONES of Tennessee. Mr. Speaker, I want to take the opportunity today, to include in the RECORD, an article which appeared in the November 10, Memphis, Tenn., Commercial Appeal. The article is a feature story on Lehman Sammons, better known to Memphians, as Pappy. Pappy is the owner of the Lobster Shack in Memphis and has been in the restaurant business since 1910. He has served dinner to many interesting and famous people, among whom are Will Rogers, Sophie Tucker, and Babe Ruth.

Pappy Sammons is 95 years old and is still working 7 days a week. He is an extraordinary man, and an outstanding chef.

At this point, I would like to include the text of the article:

LEHMAN "PAPPY" SAMMONS

Pappy Sammons, likely the best left-handed chef in captivity and beyond any doubt the oldest, was laboring hard over one of his specialties, Oysters a la Fenellia.

It was a labor of love and he was confident it would be appreciated. "It's a fascinating thing to please a human being," he said earlier. "When a man comes up to you and tells you he's had the finest meal he ever had in his life, it gives you the big head."

He stood back and looked at what he had done. Dainty shrimp, a touch of pepper, cheese, a sauce and other ingredients had been arranged on top of a dozen oysters on the half shell. Pappy clasped his hands in front of his chest. "That's fine, Dorothy," he said to Miss Dorothy Robinson, who has been with him 22 years and will remain "as long as he'll have me." She put it in to bake.

Someone once said that Lehman C. Sammons, known to the elite and the not-so-elite alike as "Pappy," is as much a part of Memphis as Court Square. If anything, the comparison favors Court Square. Court Square can't talk.

At 95, "Pappy" loves talking almost as much as cooking. He works seven days a week because he wants to, and because "I just have the gall to keep going."

You can find him during the day at his restaurant, Pappy's Lobster Shack at 2100 Madison, preparing for the evening diners amid a helter-skelter of the memorabilia of Pappy's life: Pictures of forgotten movie stars, baseball nostalgia (jerseys of the old Memphis Chicks, for instance), an old time clock from a cotton mill, a saxaphone given him by W. C. Handy, a top hat donated by comedian Ted Lewis and much more, even down to a faded picture of a muscular youth astride a tusker autographed by 'Elephant Boy.'

All of this is held in the mismatched rooms of what were two houses connected by a labyrinth of halls. The stuff has been described as being quaint, funky, off-beat, nostalgic, curious. Papply calls it junk.

He has been at his present location since 1947. Originally, there were four houses, all connected. A fire in 1962 nearly destroyed everything, including many items relating to the former political boss of Shelby County, E. H. Crump. Even though he was 83 at the time, Pappy didn't even consider retiring. He personally oversaw the reconstruction and reopened.

"Why should I have quit?" he said. "I had a job to do."

Pappy has been doing his job since 1890, when he went to work as a dishwasher "at One Sycamore Stump." He was the oldest of seven children and lived his first 10 years in Dancyville, Tenn. "My family couldn't afford to feed me, so they sent me to Memphis to live with kin," he said.

"I washed dishes out of the wooden end of an old whiskey barrel," he said. "And we made our own soap. In the back, they had ash hoppers. They poured water through the ashes and we took the drippings and other residue and made lye soap. It made the cleanest smelling dishes you ever smelled in your life."

He served 16 years as an apprentice and remembers it as a hard time. "I had talent," he said, "but I was left handed. The chefs were temperamental and it was just like working for a Prussian general. They said a left-handed man always puts his stuff down in the wrong position."

He was hired by John Gaston who had a restaurant at Main and Court and who brought chefs from France.

"That was where I learned what I know today," he said. "In later years, the restaurant business became too commercial. In that era, it was sentimental. You loved your work. It was a profession, like being a minister. The house got full at night and the waiters would say the executive chef is coming through to see how dinner was. Everybody got up and gave him a standing ovation. That's right. Just like Evel Knievel coming through, don't you know. That's how much power he had. . .

"I'll give you an example. I had Will Rogers for dinner one time. He had come here to do a talk show at The Auditorium. This guy was introducing him to big shots and finally Will said, 'I'm going to the kitchen. I first want to shake the hand of the man who's going to fix my dinner.' "

Pappy opened his first restaurant at Calhoun and Front in 1910 and in 1912 he expanded to a location across from the old Union Station "where I met all the greats and near-greats of show business."

In fact, he credits singer Sophie Tucker with getting him into the lobster business when such fare was uncommon in the South.

"She told me they were very popular at other places she had been in her travels," he said. "And she always told people about me.

"You know how show business people and baseball players will travel with food news. They are just like buzzards. They know where a dead mule is all the time."

In the years around the turn of the century, Pappy recalls Memphis as a rough, wide-open town.

"I was here when they gambled in the show windows," he said. "The law was good in its day and it might be good today. Nobody killed you in the respect of robbery. That was almost extinct. But if we got into a fight over a prize fight or a dog fight or a debt fight, it was the quickest man to draw who lived to tell the story. In them days a fellow's honor was something.

"There were lots of killings, but they were on that level called 'justifiable killings,' and I would almost go with them.

"I have delivered food all over the red-light district in the City of Memphis, beginning at 1 o'clock in the morning and continuing until 7 o'clock in the morning. You always had to have at least a hundred in your pocket to make change. I mixed back and forth with all classes and never dreamed of a man bothering me. It never crossed my mind. Tonight, I wouldn't want to fly over that territory in a helicopter unless I was beyond gunshot range.

"People in those days had determination. We had a man who was a plumber and he was a really good plumber. He was thought highly of. He went into the back of a saloon one time at Gayosa and Third to wrestle a man much smaller than him. The plumber's name was Lee Ford. Well, that little man threw Lee and he hit the floor so hard he broke his hip.

"In those days, they didn't know how to repair broken hips and Lee wound up an invalid. But he had so much guts he wouldn't quit. He bought him a billy goat and learned that billy goat to pull a wagon, and he did plumbing with his tools on a goat wagon."

In 1924, Pappy opened another restaurant at Second and Madison. He had another place later in an apartment house and then moved out to Madison in 1947.

"The people hadn't been used to a commercial development and they kicked on it," he said. "They tried to get Mr. Crump to put me out. They said I was a nuisance. About 50 of them went to him. He said, 'I've known that man for nearly 60 years and he runs a highclass place. If he gets out of line, I can take care of that, but until he does let's live with him and see how it turns out.' "

"And we did a business. Oh, my God. If this isn't the truth, I'll give you this piece of land you're sitting on. I couldn't see it, but they come back to the kitchen and tell me people was lined up to the Forest Hill Dairy to get in. You couldn't shut the thing up when you were supposed to close at 12 o'clock, and we'd get out at 5 in the morning. People want to kill you."

Before the fire, the restaurant could seat nearly 400 compared to more than 100 now, and at one time Pappy had 65 employees.

"I'm going to tell you how I got my name," he said. "There used to be a time when a waitress was a job not on an equal basis with being a nice young lady. But there was a crop of young girls coming up and they needed work. The telephone company was one place they went. The laundry was another. The snuff company was another one. Then comes the eating industry growing by leaps and bounds and there were jobs for young girls. But there was something that didn't congeal with the social level, so they were reluctant to go into the food business. So I started to work with girls, and in order to keep down what people might say, I told them to call me 'Pappy.' It grew and grew and I had a name."

Pappy is a tall, split rail of a man. He sees well, hears well, and has more bounce to his step than some men years younger. When interviewed, he was getting over a bad case of shingles, for which he had refused hospitalization on the advice of one of his sons, Dr. L. C. Sammons Jr. (He has another son, George, president of Sammons-Pennington Co., and a daughter, Mrs. Margaret Huntzicker, who helps him operate the restaurant.)

A list of well-known people who have "had dinner" with Pappy would be almost endless. Nearly every baseball player who's been to Memphis has eaten there. Before the fire, he had a Dizzy Dean room and he remembers Babe Ruth "as the biggest eater that I ever fed."

"Babe enjoyed food more than any human that I ever saw in my long career in the food business," he said. "I have seen him start off with a bowl of gumbo. Then he'd tell you to bring him two dozen on the shell. Then he'd want a T-bone steak that looked like the bottom of a whisky barrel . . . and he'd be drinking beer all the time. Then when he got through, he'd have to have a strawberry shortcake. All the time he was consuming that meal, he'd suck on a Camel butt. Joe DiMaggio was a pretty good eater, too. A lot of baseball players were heavy eaters, but none could compare with the Babe."

Show business people who have eaten at Pappy's include Mae West, Peter Lawford, Guy Lombardo and Roy Acuff. Acuff heard Pappy play the violin, left-handed, of course, and offered him a job. Pappy declined. It was the second change of career he had avoided. The other was baseball.

"One of Mr. Connie Mack's scouts saw me throwing baseballs one day and he tried to get me into professional ball, and I could have made it in the big leagues. Somehow or other, though, I had always relied on my grandmother for guidance, and she said baseball was short-lived, so I gave it up.

"When we played baseball, we played for blood. They play now for salary. We played to win and for glory. They play for cash. We didn't have that much sense."

His favorite sport is not baseball, however. It is rodeo, "because you know it's real" and many rodeo performers have eaten with him.

Pappy said that when a man gets to be his age, he keeps going on "60 per cent determination."

"I've had access to the world in all capacities," he said. "Everything that comes along, I saw 50 years ago in a sense. So what the hell is it? Repetition, you might call it."

Still, he does not talk of retiring. And it is obvious watching him on Wednesday nights, the one night of the week he stays around to greet customers, that he delights in what he is doing.

"The last time Mr. Crump ate dinner with me, he'd come from an Ole Miss game in Mississippi, and he stood with his hand on my shoulder at the door yonder. He said, 'Sammons, I've always loved pioneer eating places . . . When you pass on, fix it so this place will not close up. I want it kept here.'

"But it never will. It will close up after I die. There ain't no way to keep it here."

U.S. INFORMATION AGENCY

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. SLACK. Mr. Speaker, I have been for some years keenly interested in the operations of our overseas cultural and information programs. As acting chairman of the Appropriations Subcommittee concerned with the State Department and related agencies, it has been my privilege and responsibility to conduct hearings on the U.S. Information Agency and the Bureau of Educational and Cultural Affairs of the State Department. It is unfortunate in my opinion that the American public knows so little about the important functions they perform. Indeed, I have been disturbed to note that some people within the Government are uncertain even of the purpose they are to serve.

The programs of USIA and the Bureau of Educational and Cultural Affairs of the Department of State are conducted in the field by the Foreign Service officers of USIA. These programs depict those aspects of American society that contribute to an accurate understanding of our country and encourage the interchange of information, culture, ideas, trade, travel, and experience. More specifically, these programs promote understanding, support and respect among foreign audiences for the United States and its policies. This is an essential element in the conduct of our diplomacy. I believe that these efforts serve important national objectives of the United States and I am pleased to express my great confidence in them because of my high regard for the efficient and conscientious manner in which they are administered by the dedicated men and women of the U.S. Information Agency.

The Director of the U.S. Information Agency, the Honorable James Keogh, made a significant speech before the National Press Club on November 12, 1974, which sets forth the philosophy of our public diplomacy and explains how the USIA carries out its mission to support U.S. national interests. I commend it to your attention:

ADDRESS

(By James Keogh, Director, U.S. Information Agency)

Eighteen days ago in Ras al-Khaimah, one of the United Arab Emirates, I participated in a mansef, as the guest of the Amir. It was an elegant banquet. We sat on the floor, in the Arab style, before a well-laid cloth. The piece-de-resistance was a traditional Arab dish: a huge platter on which a leg and side of lamb rested on an enormous bed of seasoned rice.

As the meal began, a server knelt beside us and plunged his right hand into the meat. He tore out a choice morsel and placed it on my plate. Then he scooped up a handful of rice and arranged it around my portion of meat. He did the same for the Amir and for some of the other guests, while others served themselves in the same manner.

The Amir, on whose right I sat, ate with his right hand. He seemed somewhat amused by but nonetheless tolerant of my use of knife and fork. At one point, he held up his right hand, bearing some remnants of lamb, rice and sauce, and offered me some soft-spoken Ras al-Khaimahan counsel about how best to behave at table and be certain that one's food is uncontaminated. "Your hand is your own spoon," he said. "No one else can ever use it."

Having eaten in the Washington style today, I do not cite this Persian Gulf experience as any kind of complaint against the cleansing of silverware at the National Press Club. I cite it to make the point, in an admittedly simplistic way, that explaining the United States, its society, its customs and its policies to the rest of the world has some complexities. If something so basic to us as the use of knife and fork seems a bit odd to some of the audience abroad, think of the perplexity encountered in explaining the meaning of a 5 to 4 decision of the United States Supreme Court on a fundamental issue.

A continuing effort to explain the United States, its actions and its policies—and to correct willful or unintentional distortions about our country—is the daily, worldwide task of the United States Information Agency. From time to time, one hears that there is doubt on the part of some about the mission of USIA. Let me say that at USIA we have a clear perception of our mission. It is (1) to present a fundamental picture of this country and its society to the rest of the world, and (2) to alert the United States Government to the implications of attitudes and opinions in other nations. More specifically, USIA aims to promote understanding, support and respect among foreign audiences for the United States and its policies. Through information and cultural programs USIA depicts those aspects of American society that contribute to an accurate understanding of our country and encourage the interchange of information, culture, ideas, trade, travel and experience.

In this process, USIA uses all appropriate means of communication—including radio, magazines, films, videotape, exhibits, seminars, lectures, libraries, and personal contact. Perhaps the personal contact factor is the most important of all. The late Edward R. Murrow, who in the early '60's held the post I now occupy, once said that USIA can send information around the world in an instant, but the most difficult job is "getting it that last three feet." That last, short, crucial delivery is the task of our people on the scene.

In this era of rapid change in international relations, it is essential for USIA to be flexible and alert to changing circumstances. There is continuing development in what we do and where and how we do it.

USIA has 192 posts in 111 countries. One of the newest is in Abu Dhabi, the capital of the United Arab Emirates, an oil-rich part of the world which is eager for American aid—not in dollars, of course, but for the development of its society. Abu Dhabi, where only a few years ago there was a small village with a mosque, and simple buildings of sun-baked clay, is like a forced-fed architectural garden plunging upward out of the desert. Dozens of medium-rise buildings are under construction among well-lit, four-lane streets. The only basis for it all is oil. Visiting there, one understands why the most thoughtful in that society are concerned about what will happen when the oil runs out. Some estimates are that it may do so in 30 years. Fifty years from now, will Abu Dhabi be abandoned? One hundred years from now, will it be covered with sand? One thousand years from now, will archaeologists be digging it out of the desert and wondering why humankind ever thought a community should be built there?

The desire of the thinking leaders of such countries to acquire the knowledge that will help them to use their wealth to develop their societies is both an opportunity and a challenge for the United States.

USIA's broadest brush is, of course, its radio arm—the Voice of America. We broadcast in 36 languages around the world—and many American journalists in the private sector help us with these broadcasts. I was pleased to hear on my recent trip to the Persian Gulf from a brother of King Faisal of Saudi Arabia that the King listens to VOA consistently. Actually, the Voice is aimed at more than an elite audience but we're always proud of that kind of listenership. In the Soviet Union, where we are no longer jammed, we have an audience of millions. Our greatest worldwide problem is that of signal—transmitting capacity—which often places us in a poor competitive position with Radio Moscow and other international broadcasters.

From the point of view of numbers, our second most broadly-based operation is our Information Center Service, which serves some 300 libraries, cultural centers and reading rooms around the world. Here, too, emphases are constantly changing. We are working urgently now toward the reopening of our library in Cairo, which had been closed since 1967. The interest there in re-establishing and expanding informational and cultural contacts with the United States offers us an exciting prospect.

Constantly changing also are the opportunities and challenges in connection with USIA exhibits. Earlier this year, upon the beginning of the new relationship between the United States and Syria, we had an exhibit at the Damascus International Fair. The most substantive part of it was a Skylab display, but the part of the show that is still being talked about in the Middle East was the immensely popular Florida State University marching band, complete with majorettes. We have just completed a run of our exhibit on "Progress and the Environment" in Bratislava, Czechoslovakia, the first U.S. presentation of that kind in Czechoslovakia since 1968. Our new exhibit on "Technology for the American Home"—showing new techniques and materials being used for building homes and apartments, including interior design, decoration and appliances—was shown at the International Fair in Zagreb,

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Yugoslavia, in September, and is now on its way to the Soviet Union where it will appear in six cities.

Our magazines—we have 15 printed in 24 languages and distributed in more than 100 countries—are fare for a more selective audience. Yet all are designed to explain the principles and practices of American society. The latest issue of our newest magazine, *Horizons USA*, an international publication with regional inserts, focuses on the U.S. Presidency with articles by Erwin Canham, Vermont Royster and George Reedy, among others. Our magazine, *Economic Impact*, which we started last year to deal with major economic issues, features in its current issue an article on the world food outlook and the United States position on that very basic issue.

The rapidly-developing television competence around the world is providing both opportunities and tests for our film and television service. While we are giving priority to acquisitions, our own production on science subjects and American vignettes remain our most popular products. An expanding part of our effort is helping television teams from abroad to get substantive programs about the United States. In the same pattern, we do all that we can to help foreign correspondents to achieve a more complete understanding of this country.

Should all of this be lumped under that dirty old word "propaganda"? We say, emphatically, NO. Hard line propaganda is a relic of the past. We do not say that this is a society without trouble; it would be ridiculous to do so. We try to explain what is happening in the United States in a way that is factual, and with a perspective that places events in the context of the general thrust of the American society. Our approach is as basic as the teaching of English, which we do in more than 100 binational centers in 48 countries, to about 350,000 students annually. It is as frankly pragmatic as presenting the United States as a good place to visit—which is part of our new effort to support U.S. programs for the promotion of tourism and exports. (Incidentally, when I was in Cairo last month, I heard a fine program of Hawaiian song and talk on the Voice of America which made me want to catch the next flight to Honolulu.)

As we go about this work, we do not fear to seize the opportunities that new situations offer us. While detente has by no means ended the ideological struggle in the world, it has opened up new possibilities of communication where doors previously were closed; at the same time the rapidly emerging societies of newly-rich lands are seeking substance for their culture. Seeing the potential, we are perhaps driven by the spectre of lost opportunity that haunted T. S. Eliot when he wrote:

> "Footfalls echo in the memory
> Down the passage which we did not take
> Towards the door we never opened."

We are certainly not alone in this effort. Other nations—Communist and Democratic—have steadily expanded their cultural and informational programs during the past decade. Appropriations for the French external cultural and information programs has more than doubled in the past 10 years. West German expenditures have increased substantially in the last few years to the point where their commitment of resources is far greater than ours. The Soviet Union is spending perhaps four times as much as we are.

Let me say that this keeps us on our mettle. In the past decade the real dollar resources of USIA have declined and consequently the size of our operation has decreased. Now we are hit especially hard by inflation since cost increases in most of the countries in which we operate are greater—often far greater—than those in the United States. Through all of this, we are convinced that, in this era of increasingly complex international relations, a strong United States effort in the informational and cultural fields of public diplomacy is more important than ever.

USIA is only one of many voices "telling America's story to the world." Do you know what is the most important voice? To the members of the National Press Club, I have a one word answer to that question: Yours.

Since I spent 30 years in the newspaper and magazine fields in the U.S. private sector, I suppose I approach the matter with some subjectivity. I am of the firm belief that the most important and most powerful element in the American society today is the press. (I use that venerable term to include all of journalism, both print and electronic.) In this era of massive and constant communication, American journalism has the greatest impact on this society's perception of itself. And because it feeds the journalism of the world, American journalism has the greatest impact on the world's impression of the United States.

This place in the world is reason for pride in the profession but it also presents a problem. As we all know, "the news" is the unusual—the exception, the special, the interesting, the bizarre, the conflicting, the negative, the extreme. But what about the usual—the broad sweep of normal, continuing endeavors, developments and achievements of American society? Is the world learning enough about that? Writing in *Foreign Affairs* a few months ago, Max Lerner expressed the chilling conclusion that the image most nations get of America tends to reflect the worst of America. This has to be a troubling thought for all of us in the American communications field.

Keeping as clear a perspective as we can, we at USIA see our foreign communications activities as part of a permanent long-range process whose effects are cumulative. Whether our professionals are broadcasting on the Voice of America, or editing a magazine in Arabic, or scheduling a performance of Country Music USA in Moscow, or setting up an exhibit of American Art in Romania, or arranging a lecture by a professor in New Delhi, or assisting a French TV producer to plan a series on American environmental programs, or giving the facts about U.S. trade policies to a Japanese editor, it is all part of the same effort—the extremely important work of explaining our country and our people, of correcting or minimizing misunderstandings that clog or contaminate relations between the U.S. and other countries.

These day-to-day contacts are designed to give substance to the continuing dialogue with foreign audiences. By providing facts and points of view and the human dimension of personal relations, we aim to broaden and strengthen this discourse. Collectively and cumulatively these efforts are intended to affect attitudes and enhance perceptions of the United States. They may ultimately have a profound effect on America's relations with the rest of the world.

On the occasion of his 75th birthday, United States Supreme Court Justice William O. Douglas expressed a view with which I am in wholehearted agreement, although I am sure that if I were privileged to sit in deliberations with the Justice he and I might find ourselves on different sides of some more limited issues. Justice Douglas said: "I think the heart of America is sound, the conscience of America is bright and the future of America is great."

While we certainly do not try to say that there are no negatives, this is the vision of the United States that USIA wants to share and make comprehensible to the people abroad so that in our relations with other nations distortion and doubt will be replaced by confidence, respect and understanding.

NELSON ROCKEFELLER AS VICE PRESIDENT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 3, 1974

Mr. RHODES. Mr. Speaker, Mr. Curtis T. Perkins, chairman and national director of the Black Council for Republican Politics, Inc., has presented pertinent and thoughtful testimony to the House Judiciary Committee on the confirmation of Nelson Rockefeller as Vice President.

Mr. Curtis has summed up the public service career of Mr. Rockefeller, his family's contributions to a better America, and has urged that the House act speedily and affirmatively on Mr. Rockefeller's nomination.

I present Mr. Curtis' testimony for the RECORD. I am hopeful that many of my colleagues will take the time to read it. Text of the statement is as follows:

BLACK COUNCIL FOR
REPUBLICAN POLITICS, INC.,
New York, N.Y., November 18, 1974.

Hon. PETER RODINO,
Chairman, Committee on the Judiciary, U.S. House of Representatives, and members of the committee.

A STATEMENT ON BEHALF OF THE BLACK COUNCIL FOR REPUBLICAN POLITICS FOR THE IMMEDIATE CONFIRMATION OF NELSON A. ROCKEFELLER FOR VICE PRESIDENT OF THE UNITED STATES

As a Black independent Republican organization, we urge the immediate confirmation of Nelson A. Rockefeller for the position of Vice President of the United States. We feel Mr. Rockefeller is eminently qualified for this—the second highest job in our Government. We know that he will fulfill not only the constitutional requirements of Vice President diligently but execute the assignments given him by President Gerald Ford with enthusiasm, competence and dignity. His past achievements in many levels of appointive service in government and especially as the elected Governor of the great state of New York affords him the experience which this country needs during this time of crisis and peril. Giving Mr. Rockefeller his mandate of office now would be beneficial to all levels of government and for all citizens: poor, middle income or well-to-do.

Certainly, with President Ford's foreign obligations and commitments we need the office of Vice President promptly filled. On the other hand we heartily endorse the need for thoroughness of the investigative role of the committees of the Congress to make known to the American people all the facts about Mr. Rockefeller. It is our assessment that this process will further enhance and prove the fitness of Mr. Rockefeller to successfully fill the duties of Vice President.

Despite, Mr. Rockefeller's huge wealth he is human like all of us mortals. In his public career as Governor he made two blatant mistakes which were:

Mishandling the Attica Prison uprising:

Giving permission to publish the contrived Goldberg book—an opponent in a past gubernatorial election.

But regardless of these two errors of judgment Mr. Rockefeller's achievements are in the largest majority of his activities. His humanitarism has been beneficial to those who got the opportunity to work for him and the State of New York. Helping others "over the gap," so to speak by Mr. Rockefeller is legend. He aided both upper and lower echelon of those around him in his household and among those holding executive and administrative positions in Albany.

Mr. Rockefeller and his family have long helped the poor, and especially minorities such as us Black people. This is true of their aid to social, religious and educational institutions. They have also supported minorities and the less fortunate in business and economic endeavors.

It was the Rockefellers who gave Blacks in Harlem their first apartment complex and bank. Then there is support of cultural institutions and making it possible for the United Nations to be in America—making New York City the headquarters of the World.

It is traditional in America for those who have a little more to help those with a little less. We dare say that there are many members of the committees evaluating Mr. Rockefeller and members of both the Senate and The House who owe their education and political careers to the help of others who contributed, charged no interest or forgave the obligation.

It is indubitably true that Mr. Rockefeller is not a selfish man. Our research on his charitable achievements indicates that he has subscribed to human needs. Beyond that he has supported permanent projects and ideas for the survival of American history and culture.

Frankly as Black people and a people who need personal and group financial help we do not want to see the spirit of the Rockefellers destroyed.

For there are a lot of rich people in America who give to no significant charity or to less fortunate individuals in a significant fashion. We don't want to see the harassment or suspicion of Mr. Rockefeller's giving to his associates, friends and others in need, a further excuse for certain of our wealthy not to help others.

In this vein of thought when interest rates at banks border on conspiracy and a depression stands outside our doors—the rich ought to concern themselves with the needs of the less fortunate and contribute to rightful causes and charities in their respective communities. For they like the Rockefellers can help stave off social upheaval which can destroy them and what America stands for in this democratic society.

We emphasize that Mr. Nelson Rockefeller has a right to use his money in the light of truly helping others. The "grub stake" helped open up the west, gave us oil, developed inventions and industry and helped the widow with 10 children and the old couple on hard times. These principles are also inherent in the confirmation of Nelson A. Rockefeller as our next Vice President as he has subscribed without thought of manipulation in all of these needs and belief in the American way. We urge the Congress to look at Rockefeller the man and his qualifications for the job rather than his wealth. He has the qualifications.

The Republican Party is on hard times. We need the viable two-party system which gives our great nation stability and continuity, Mr. Rockefeller, a devout and moderate Republican as Vice President can help rebuild the Party which we all need.

Finally, the Blacks and other minorities in the United States need an advocate in the present national administration to rebuild the great urban areas, to give the old dignity and security and to bring health care to the ill, quality education to our young and jobs to the unemployed.

Mr. Rockefeller would make an excellent surrogate for President Ford for he understands the American people and the legislative process.

His confirmation—members of the Congress—must be speedily approved now that the facts are in.

Cordially,

CURTIS T. PERKINS,
Chairman and National Director.

P.S.—We are prepared to testify in person in this regard. You have permission to enter this statement in the record of the proceedings.

SENATE—*Wednesday, December 4, 1974*

The Senate met at 9:30 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

In our work as in our worship, help us, O Lord, in this Advent season, always to wait for Thee, to wish for Thee, and to watch for Thee, that at Thy coming Thou mayest find us ready; for Thy sake we ask it. Amen.

(Ancient Collect—Adapted.)

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 4, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, December 3, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The Clerk will state the nomination on the Executive Calendar.

OFFICE OF MANAGEMENT AND BUDGET

The second assistant legislative clerk read the nomination of Paul H. O'Neill, of Virginia, to be Deputy Director of the Office of Management and Budget.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the President will be notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed consideration of legislative business.

OPPOSITION TO MILITARY ACTION AGAINST ARABS

Mr. MANSFIELD. Mr. President, the Presiding Officer, the distinguished Senator from Alabama (Mr. ALLEN) made some remarks yesterday on which I did not have an opportunity to comment at the time. They referred to the extremely dangerous situation which exists in the Middle East and about comments which had been made, threats that are implied or implicit about our participation in a military adventure in that area.

I want to go on record as being in accord with what the distinguished Senator from Alabama had to say yesterday.

I would point out that he has raised a warning signal to which, I hope, all Senators will pay attention.

We are not going to solve our oil crisis by confrontation or by aggressive actions in the Middle East which, incidentally, is not the main supplier of imported oil to this country.

The main supplier happens to be Venezuela, followed by Canada, followed by Nigeria, followed by Iran, and then the first Middle East country, Saudi Arabia, imports to this country approximately 9.5 percent of all our imported oil.

So I think we ought to keep the facts straight. We are not interested in territory, we are not interested in aggression, we are not interested in confrontation.

What we are interested in and what we are concerned with is having enough oil to supply our needs.

The distinguished Senator from Alabama said:

> If necessary, let us do without Arab oil, even if we have to cut back drastically on consumption, and let us get on with the task of providing self-sufficiency in energy for America.

I think we can do it by tightening our belts a little bit, by cutting down on our imports drastically from all the OPEC countries, and by facing up to the realities of the situation so that we may do what is necessary now to avoid what some might want us to do in the future.

I commend the Senator for his remarks, and join him in what he had to say.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. The Senator from Pennsylvania.

Mr. **HUGH SCOTT.** Mr. President, I yield back my time.

ROUTINE MORNING BUSINESS

The **ACTING PRESIDENT** pro tempore. At this time, there will be a period for the transaction of routine morning business not to extend beyond 10 o'clock, with speeches by Senators limited to 3 minutes.

Is there morning business to be transacted at this time?

QUORUM CALL

Mr. **HUGH SCOTT.** Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

THE JACKSON TOUCH

Mr. **MANSFIELD.** Mr. President, in the December 3 issue of the Christian Science Monitor, there was a commentary by Joseph C. Harsch, one of the best-known columnists in my opinion in the Nation. It is entitled "The Jackson Touch" and it places a good deal of emphasis on the lead which the distinguished Senator from Washington has taken in trying to face up to the oil problem which confronts the Nation today.

I ask unanimous consent that this commentary be printed at this point in the Record.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

The Jackson Touch

(By Joseph C. Harsch)

Back during the 1968 prenomination election campaign in the United States Sen. Henry M. ("Scoop") Jackson and his friends complained of not being able to get public attention. The Senator, although widely recognized in the Senate as a hard-working, able, and effective legislator, somehow failed to rouse public notice. He usually led the polls of possible Democrats—down at or near the bottom end of the list.

The story today, in the wake of the 1974 midterm elections is something else again. Senator Jackson does not lead all the polls. George Wallace is currently leading other Democrats in popularity sampling. But Senator Jackson is always near the top in every poll, and always mentioned in the lead paragraph of any analysis of Democratic possibilities. He is the man most consistently included as a major contender for the honor, or burden, of leading the Democrats in 1976.

The reason is that he is now in privileged and almost exclusive possession for the second time of a highly popular issue which is likely to become more so with the passing months and may well be the only good vehicle to a nomination in 1976.

His first successful seizure of what became a popular and winning issue came with his challenge to Secretary of State Henry Kissinger over the price to be paid for the detente with the Soviets. Dr. Kissinger argued that detente is the first priority of American foreign policy and must not be risked by making it conditional on the relaxation of Soviet policy on Jewish emigration.

Senator Jackson argued back that detente is more valuable to the Soviets than to the U.S. and that they ought to pay a higher price for it. Besides, their treatment of minorities was a scandal calling for every possible form of protest.

Senator Jackson won out. The Soviets did in fact make concessions on Jewish emigration which astonished many an old-time Kremlin watcher. It was an enormous diplomatic victory which won praise for the Senator throughout Washington and the country. He had proved himself a shrewder judge of the Soviets than Dr. Kissinger. He won by it the eternal gratitude of the Jewish community.

Now he is riding another issue of even broader popular appeal. He was the first prominent political figure to start out after the oil companies when the oil prices started mounting with the Arab oil boycott of last winter. He has been after them ever since, calling attention to the enormous profits the oil companies have been making out of the rise of prices and also to the companion fact that there has been no necessary reason why American oil producers should be enjoying the new prices fixed arbitrarily by the foreign oil producers. American oil production costs have not gone up by five times. In the Jackson scheme of things there is no reason why Arab oil sheikhs should fix the price of domestic American oil.

Now he has gone a step further and worked out a coherent plan of action to protect the American consumer from the enormous danger of another oil boycott. He is calling on the governments of all the oil-importing countries to do what is probably the only practical thing they can do to regain bargaining leverage with the foreign oil-producing companies. He proposes "a tough program to limit demand through mandatory energy conservation." He means that if all oil-consuming countries cut back their imports by, say, 20 percent, the oil suppliers would find themselves with unsold oil in their tankers, and in trouble. It would mean real leverage in negotiations over oil prices.

He would, of course, couple this with "an immediate, no-nonsense, expansion" of production of other sources of energy.

But the important thing is that he is the leader among today's prominent American political figures in urging practical steps to free the West from dangerous dependency on imported oil. It's his issue. He was there first. He is in the lead in thinking and doing something about it. He has thus established himself as a political figure with an unusual ability to sense and seize the future issues before others sense them. It is a powerful advantage. It makes him the most serious Democratic contender of the moment.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT

The **ACTING PRESIDENT** pro tempore (Mr. Allen) laid before the Senate a message from the President of the United States proposing 37 new additions to the Wilderness System, and submitting the annual report on the status of the National Wilderness Preservation System, which, together with the report, was referred to the Committee on Interior and Insular Affairs. The message is as follows:

To the Congress of the United States:

Ten years ago, acting with great wisdom, the Congress enacted and President Johnson signed into law the historic Wilderness Act of 1964.

That act declared it to be the policy of this Nation to secure for all Americans the benefits of an enduring resource of wilderness. Some 9.1 million acres were officially designated as part of the National Wilderness Preservation System, and the Executive Branch was charged with the responsibility of surveying the rest of the country and proposing additions to that system which seemed appropriate.

In the intervening years, there have been some 40 additions, so that the Wilderness System now covers 12.9 million acres and extends into many different States.

Today we reach another milestone in this unfolding story. The Executive Branch has now completed the initial, decade-long review prescribed by law in 1964, and as a result of this survey, I am hereby proposing 37 new additions to the Wilderness System. If accepted by the Congress, these recommendations would add an additional nine million primeval acres to the system.

Wilderness areas are, of course, well suited for low density recreation use that does not involve motorized vehicles or equipment, such as hiking, backpacking, primitive camping, and canoeing. They also lend themselves to scientific and educational uses which do not alter their pristine character. But beyond these uses, I believe that the Wilderness System serves a basic need of all Americans, even those who may never visit a wilderness area—the preservation of a vital element in our heritage.

As we approach the Nation's 200th birthday, it is well to remember that we are a pioneering people. For our ancestors, the ability to live in rugged, undeveloped countryside was often a matter of survival. The influential American historian Frederick Jackson Turner considered the frontier—the invisible but very real barrier between civilization and wilderness—to be the dominant force in shaping the American character. American writers from James Fenimore Cooper to Ernest Hemingway and William Faulkner have recognized and depicted the almost religious regard which Americans have for their wild places and creatures. Throughout our history, we have felt a need for rugged interaction with nature, for the solitude and the self-reliance that a wilderness experience can foster.

We have tamed and developed much of our original wilderness endowment, but a surprisingly large amount of it is left. The preservation of wilderness areas across the country today enables us to recapture a vital part of the national experience: like our forebears, we can journey into primeval, unspoiled land. The Nation as a whole is enriched by the availability of the wilderness experience to those who are able and willing to seek it. Wilderness preservation insures that a central facet of our Nation can still be realized, not just remembered.

Briefly described, the additions to the National Wilderness Preservation System which I am proposing today are:

(1) Mount Rainier Wilderness, Mount Rainier National Park, Washington—210,700 acres. The ice-clad, dormant volcano after which this park is named towers above the landscape. The park serves as a habitat for deer, bear, elk, and mountain goats.

(2) Kenai Wilderness, Kenai National Moose Range, Alaska—829,000 acres. This is a diverse area near Anchorage which contains scenic mountains, glaciers, lowland lakes, forests, muskegs, and rivers. The range's wide variety of wildlife includes black and brown bear and the Kenai moose.

(3) Cloud Peak Wilderness, Bighorn National Forest, Wyoming—150,490 acres. This proposed wilderness stretches some 27 miles along the backbone of the Bighorn Mountain Range and includes the rugged Cloud Peak and Black Tooth Mountains.

(4) Agassiz Wilderness, Agassiz National Wildlife Refuge, Minnesota—4,000 acres. Located on prehistoric Lake Agassiz, this area provides nesting grounds for the Canada goose and several species of ducks, as well as a habitat for moose, white-tailed deer, and elk.

(5) Sheldon Wilderness, Sheldon National Antelope Refuge, Nevada—20,100 acres. This refuge in the high sagebrush desert of the northern Great Basin is devoted primarily to the preservation of antelope but also supports deer, bighorn sheep, coyotes, bobcats, mountain lions, and burros.

(6) Monarch Wilderness, Sequoia and Sierra National Forests, California—30,689 acres. This proposed area is located on the west slope of the Sierra Nevada Mountain Range, contiguous to Kings Canyon National Park. The landscape is characterized by steep ridges, deep canyons, and multicolored geological formations.

(7) Santee Wilderness, Santee National Wildlife Refuge, South Carolina—163 acres. This area is composed of coastal plains which protect such threatened species as the wood ibis, bald eagle, peregrine falcon, red-cockaded woodpecker, osprey, and American alligator.

(8) Everglades Wilderness, Everglades National Park, Florida—1,296,500 acres. A remarkable blending of climates makes this proposed area at the southernmost tip of the Florida mainland hospitable to pine trees as well as mangroves, panthers, and alligators.

(9) Salmon River and Idaho Wildernesses. Boise, Challis, Payette, Salmon, Bitterroot, and Nezperce National Forests, Idaho—1,143,487 acres. Bighorn sheep, deer, and elk abound in this region of deep gorges and lofty peaks.

(10) Parker River Wilderness, Parker River National Wildlife Refuge, Massachusetts—3,110 acres. This recommended area on the north shore of the State, about 35 miles from Boston, is one of the few natural barrier beach-dune areas remaining in the northeastern United States.

(11) Hawaii Volcanoes Wilderness, Hawaii Volcanoes National Park, Hawaii—123,100 acres. Two major active volcanoes, Kilauea and Mauna Loa, are the focal points of this park. Kilauea erupts frequently and is readily accessible at protected vantage points. Thus, this area is particularly rich in the scientific and educational opportunities envisaged by the Wilderness Act.

(12) Big Lake Wilderness, Big Lake National Wildlife Refuge, Arkansas—1,818 acres. Believed to be the product of an earthquake in the 1800's, the lake supports a peak population of 30,000 waterfowl during the winter. The proposed wilderness is a cypress-timbered area that has remained in its natural state.

(13) Aleutian Islands Wilderness, Aleutian Islands National Wildlife Refuge, Alaska—1,395,357 acres. Located among the islands that stretch from the Alaska mainland along a thousand-mile chain toward the Soviet Union, this area is the principal home of the sea otter and a habitat for large numbers of pelagic birds (those which have the fur-like outer coat of a mammal).

(14) Beartooth Wilderness, Custer, and Gallatin National Forests, Montana—542,437 acres. This area is characterized by spectacular river canyons and treeless tundras at elevations of about 10,000 feet. Moose, bighorn sheep, mountain goats, and black and grizzly bears are among the area's wildlife.

(15) Swanquarter Wilderness, Swanquarter National Wildlife Refuge, North Carolina—9,000 acres. In addition to accommodating more than 200 species of birds, this island refuge serves as the northernmost range of the endangered American alligators.

(16) Dinosaur Wilderness, Dinosaur National Monument, Utah and Colorado—165,341 acres. This national monument is the site of the most extensive concentration of dinosaur fossils found anywhere in the world and serves as a habitat for mountain lions and bighorn sheep.

(17) Lacassine Wilderness, Lacassine National Wildlife Refuge, Louisiana—2,854 acres. Among the striking birds and animals which use this refuge, located some 25 miles from the Gulf of Mexico, are ibises, roseate spoonbills, armadillo, otter, white-tailed deer, and alligators.

(18) Popo Agie Wilderness, Shoshone National Forest, Wyoming—81,820 acres. This area consists of deep, narrow valleys and canyons set along a 25-mile stretch of the lofty Southern Wind River Range. Elk, moose, mule deer, bighorn sheep, black bear, and a variety of smaller mammals and birds inhabit the area.

(19) Mattamuskeet Wilderness, Mattamuskeet National Wildlife Refuge, North Carolina—590 acres. Consisting of a lake, islands, and marshy shoreline about 50 miles northwest of Cape Hatteras, this refuge is operated for such birds as the bald eagle, red-cockaded woodpecker, and osprey.

(20) Organ Pipe Cactus Wilderness, Organ Pipe Cactus National Monument, Arizona—299,600 acres. The cactus forests and creosote-bush flats of this rugged, Sonoran desert area support 43 species of mammals, 39 species of birds, and nearly 50 species of reptiles.

(21) J. N. "Ding" Darling Wilderness, J. N. "Ding" Darling National Wildlife Refuge, Florida—2,735 acres. Sanibel, a tropical island in the Gulf of Mexico, is the site of this refuge, which provides habitats for several endangered birds, mammals and reptiles.

(22) Trinity Alps Wilderness, Klamath, Shasta-Trinity, and Six Rivers National Forests, California—267,561 acres. At the highest reaches, permanent snowfields and small glaciers dominate the landscape; at lower elevations dense stands of trees and patches of wild flowers clothe the mountain ridges. Black bear, mountain lions, and black-tail deer are the area's major animals.

(23) Assateague Island Wilderness, Chincoteague National Wildlife Refuge and Assateague Island National Seashore, Maryland and Virginia—1,740 acres. The dunes and marsh lands of this area serve a variety of wildlife, including the endangered Delmarva Peninsula fox squirrel, the white-tail deer, red fox, raccoon, sika deer, and the Chincoteague pony.

(24) Death Valley Wilderness, Death Valley National Monument, California and Nevada—1,908,000 acres. Despite the seeming barrenness of this area, where rainfall averages less than 2 inches a year, life flourishes here in a tribute to nature's adaptability. Even fish have managed to cling to life in the parched valley: two species of pupfish inhabit desert springs.

(25) Cedar Island Wilderness, Cedar Island National Wildlife Refuge, North Carolina—180 acres. The salt marsh and islands here constitute a developing habitat for waterfowl.

(26) Fort Niobrara Wilderness, Fort Niobrara National Wildlife Refuge, Nebraska—4,635 acres. The high grazing lands and rolling plains of this refuge are managed primarily to support herds of American bison, elk and Texas longhorns.

(27) Medicine Lake Wilderness, Medicine Lake National Wildlife Refuge, Montana—11,366 acres. A large portion of this refuge consists of lakes and ponds; the peak fall population of waterfowl using the area frequently exceeds a quarter of a million birds.

(28) Great Smoky Mountains Wilderness, Great Smoky Mountains National Park, North Carolina and Tennessee—390,500 acres. Beneath the smokelike haze that envelops these mountains and

gives them their name lies an impressive array of unspoiled forests. Among the animals found in the park are black bear, white-tailed deer, wild hogs, and 27 different kinds of salamanders.

(29) Big Blue, Courthouse Mountain, Dolores Peak, Mount Sneffels and Mount Wilson Wildernesses, San Juan and Uncompaghre National Forests, Colorado—80,130 acres. This area is characterized by high, jagged peaks and deep, narrow canyons interspersed with forested and alpine grassland ridges. The largest wildlife species indigenous to it include elk, mule deer, bighorn sheep, bear and mountain lion.

(30) Lake Woodruff Wilderness, Lake Woodruff National Wildlife Refuge, Florida—1,106 acres. This proposed area is located along the flood plain of the St. Johns River, one of the few large northerly-flowing rivers in the United States. Among the remarkable variety of wildlife found here are threatened species such as the Everglades kite, Southern bald eagle, Florida sandhill crane, manatee, Florida panther, and American alligator.

(31) Anaho Island Wilderness, Anaho Island National Wildlife Refuge, Nevada—747.73 acres. The island is a sanctuary for a multitude of birds, including the largest nesting colony of white pelicans on the continent.

(32) Noxubee Wilderness, Noxubee National Wildlife Refuge, Mississippi—1,200 acres. Consisting of flat and slightly rolling hardwood and pine lands, the refuge provides habitats for the Canada goose, such rare birds as the endangered red-cockaded woodpecker and southern bald eagle, and a good-sized herd of white-tailed deer.

(33) UL Bend Wilderness, UL Bend National Wildlife Refuge, Montana—19,693 acres. Located along the Missouri River's Fort Peck Reservoir, this refuge is primarily a habitat for migratory waterfowl. Among the land birds found here is the unique burrowing owl, which nests in abandoned "dwellings" in prairie dog towns.

(34) Pea Island Wilderness, Pea Island National Wildlife Refuge, North Carolina—180 acres. A part of the Cape Hatteras National Seashore, this refuge is a winter spot for greater snow geese, Canada geese, brant, and many species of duck.

(35) Bombay Hook Wilderness, Bombay Hook National Wildlife Refuge, Delaware—2,000 acres. This salt marsh estuary serves as a habitat for migratory waterfowl and such other birds as the endangered southern bald eagle and peregrine falcon.

(36) Back Bay Wilderness, Back Bay National Wildlife Refuge, Virginia—2,165 acres. A focal point along the Atlantic Flyway, the refuge is the winter home of up to 40,000 Canada geese per year and the rare Ipswich Savannah sparrow.

(37) In addition, the first wilderness area—the Gila Wilderness—in New Mexico, would be enlarged by the addition of 115,648 acres.

Three other areas—Kofa Game Range, Arizona; Charles Sheldon Antelope Range, Nevada and Oregon; and Charles M. Russell National Wildlife Range, Montana—contain surface lands suitable for wilderness designation. However, because the areas are open to mining and may contain minerals vital to the national interest and because they have not been subjected to thorough minerals surveys, I am recommending that action on these proposals be deferred pending the completion of such surveys.

In addition, Lake Mead National Recreation area, contains surface lands suitable for widerness designation. However, virtually the entire area is subject to withdrawals for power purposes. In view of the potential energy needs of the West, I cannot recommend that any part of the area be designated wilderness at this time. I have directed that the area be given additional study and that a further recommendation be submitted within three years.

Finally, Nunivak National Wildlife Refuge also contains surface lands suitable for wilderness designation. Because of the uncertainties of land ownership and their future management which is peculiar to Nunivak, I cannot recommend that any part be designated wilderness at this time. I have directed that future recommendations be guided by native land uses and native land selections pursuant to the Alaska Native Claims Settlement Act.

After a review of roadless areas of 5,000 acres or more and roadless islands, the Secretary of the Interior has concluded that four areas are not suitable for preservation as part of the National Wilderness Preservation System. These are: Deer Flat National Wildlife Refuge, Oregon and Idaho; Blackwater National Wildlife Refuge, Maryland; Mammoth Cave National Park, Kentucky; and Upper Mississippi River Wildlife and Fish Refuge, Minnesota, Wisconsin, Iowa, and Illinois. As to the latter two areas, however, I am directing that a wilderness reevaluation be conducted at such time as management prerogatives and other prospective uses of the areas are better defined.

In addition to this message, I am transmitting herewith to the Congress letters and reports from the Secretary of the Interior and the Secretary of Agriculture regarding these proposals. I concur with the recommendation of the respective Secretary in each case.

As noted above, the Executive Branch has now carried out the original provisions of the 1964 Wilderness Act. Additional surveys will be undertaken on a case-by-case basis, but the Congress now has before it the major recommendations of the Executive Branch, as compiled over a 10-year period. I urge the Congress to give early and favorable consideration to all of these proposals.

Concurrent with the wilderness proposals, I am also transmitting the Tenth Annual Report on the Status of the National Wilderness Preservation System which covers calendar year 1973.

Gerald R. Ford.

The White House, *December 4, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Allen) laid before the Senate messages from the President of the United States, one of which withdrawing the nomination of William A. Anders, of Virginia, to be a member of the Nuclear Regulatory Commission, which was sent to the Senate on December 2, 1974; and other messages submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:16 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed, without amendment, the bill (S. 3308) to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Hungate, Mr. Kastenmeier, Mr. Edwards of California, Mr. Smith of New York, and Mr. Dennis were appointed managers of the conference on the part of the House.

The message further announced that, on reconsideration, and two-thirds of the House of Representatives not having voted in the affirmative, the bill (H.R. 6191) to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty, and for other purposes, returned by the President of the United States with his objections, was not passed.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 11802. An act designating the Laneport Dam and Lake on the San Gabriel River as the "Granger Dam and Lake";

H.R. 12044. An act designating the lake created by the Hidden Reservoir project, Fresno River, California, as "Hensley Lake"; and

H.R. 15322. An act designating San Angelo Dam and Reservoir on the North Concho River as the "O. C. Fisher Dam and Lake."

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following bills:

S. 1561. An act to provide that Mansfield Lake, Indiana, shall be known as "Cecil M. Harden Lake;"

S. 3308. An act to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes; and

S. 3546. An act to extend for one year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. Allen).

At 1:30 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 15818. An act to amend title 44, United States Code, to redesignate the National Historical Publications Commission as the National Historical Publications and Records Commission, to increase the membership of such Commission, and to increase the authorization of appropriations for such Commission; and

H.R. 15972. An act to amend title 14, United States Code, to provide a subsistence allowance for members of the Coast Guard officer candidate program.

The message also announced that the House has passed the bill (S. 1353) to deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials, with amendments in which it requests the concurrence of the Senate.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 16901) making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Whitten, Mr. Shipley, Mr. Evans of Colorado, Mr. Burlison of Missouri, Mr. Natcher, Mr. Smith of Iowa, Mr. Casey of Texas, Mr. Mahon, Mr. Andrews of North Dakota, Mr. Michel, Mr. Scherle, Mr. Robinson of Virginia, and Mr. Cederberg were appointed managers of the conference on the part of the House.

At 2:55 p.m., a message from the House of Representatives by Mr. Berry announced that the House has passed the bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the amendment of the Senate to the joint resolution (H.J. Res. 444) to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

The message further announced that the House has passed the bill (H.R. 5773) to establish the Canaveral National Seashore in the State of Florida, and for other purposes, in which it requests the concurrence of the Senate.

At 4:10 p.m., a message from the House of Representatives by Mr. Hackney announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 12, 13, 18, 23, 26, 34, 35, 37, 38, 40, 45, 51, 59, 61, 62, 65, 71, 73, 79, 82, 83, and 84 to the bill and concurs therein; and that the House recedes from its disagreement to the amendments of the Senate numbered 11, 17, 39, 43, 44, 53, 66, and 85 and concurs therein, each with an amendment in which it requests the concurrence of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Public Works, without amendment:

H.R. 17026. An act relating to former Speakers of the House of Representatives (Rept. No. 93–1306).

S.J. Res. 262. An original joint resolution authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol gounds in connection with the erection of an addition to a building on privately owned property adjacent to the Capitol grounds (Rept. No. 93–1307).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 6925. An act to authorize the exchange of certain lands between the Pueblo of Acoma and the Forest Service (Rept. No. 93–1308).

By Mr. NELSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 8824. An act to provide for the conveyance of certain real property of the United States to Mrs. Harriet La Pointe Vanderventer (Rept. No. 93–1309).

TENNESSEE VALLEY AUTHORITY POLLUTION PREVENTION FACILITIES—CONFERECE REPORT SUBMITTED DURING ADJOURNMENT (S. REPT. 93–1305)

Under authority of the Senate of December 3, 1974, Mr. Baker, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs:

Melvin A. Conant, of New York, to be an Assistant Administrator of the Federal Energy Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RANDOLPH, from the Committee on Public Works:

Maj. Gen. Francis Paul Koisch, U.S. Army, to be a member and President of the Mississippi River Commission; and

Wilmer Richard Hall, of Tennessee, to be a member of the Mississippi River Commission.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duty constituted committee of the Senate.)

HOUSE BILLS REFERRED

The following House bills were each read twice by their titles and referred as indicated:

H.R. 11802. An act designating the Laneport Dam and Lake on the San Gabriel River as the "Granger Dam and Lake";

H.R. 12044. An act designating the lake created by the Hidden Reservoir project, Fresno River, Calif., as "Hensley Lake"; and

H.R. 15322. An act designating San Angelo Dam and Reservoir on the North Concho River as the "O. C. Fisher Dam and Lake"; to the Committee on Public Works.

H.R. 15818. An act to amend title 44, United States Code, to redesignate the National Historical Publications Commission as the National Historical Publications and Records Commission, to increase the membership of such Commission, and to increase the authorization of appropriations for such Commission; to the Committee on Government Operations.

H.R. 15972. An act to amend title 14, United States Code, to provide a subsistence allowance for members of the Coast Guard officer candidate program; to the Committee on Commerce.

H.R. 5773. An act to establish the Canaveral National Seashore in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, December 4, 1974, he presented to the President of the United States the following enrolled bills:

S. 1561. An act to provide that Mansfield Lake, Indiana, shall be known as "Cecil M. Harden Lake";

S. 3308. An act to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes; and

S. 3546. An act to extend for one year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SPARKMAN (for himself, Mr. Tower, Mr. McIntyre, and Mr. Stevenson) (by request):

S. 4205. A bill to provide for Federal regulation of foreign banks establishing, acquiring, operating, or controlling banks, branches, and agencies in the United States, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUMPHREY (for himself, Mr. Aiken, Mr. Young, Mr. Clark, Mr. Dole, and Mr. Huddleston):

S. 4206. A bill to provide price support for milk at not less than 90 per centum of the parity price therefor, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. RIBICOFF (for himself, Mr. Javits, Mr. Nelson, Mr. Mansfield, Mr. Robert C. Byrd, Mr. Magnuson, Mr. Hart, Mr. Bible, Mr. Mondale, Mr. Hartke, Mr. Stafford, Mr. Bentsen, Mr. Metcalf, Mr. Weicker, Mr. Aiken, Mr. Pastore, Mr. Kennedy, Mr. Humphrey, Mr. Williams, Mr. Brooke, Mr. Hathaway, Mr. Muskie, Mr. Cranston, Mr. Jackson, Mr. Tunney, Mr. Hugh Scott, Mr. Case, Mr. Mathias, Mr. Randolph, Mr. Pell, Mr. Taft, and Mr. Schweiker):

S. 4207. A bill entitled the Emergency Unemployment Compensation Act of 1974. Referred to the Committee on Finance.

By Mr. MONTOYA:

S. 4208. A bill for the relief of Ubaldo Trevizo, Emma Yolanda Trevizo, Rodolfo Trevizo, Jr., and Olaya Trevizo. Referred to the Committee on the Judiciary.

By Mr. MUSKIE (for himself and Mr. Randolph):

S. 4209. A bill to strengthen the intergovernmental response to the current energy emergency by providing financial assistance to the States for grants to families with annual incomes of $8,000 or less to assist such families to obtain emergency heating fuel, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. DOMENICI (for himself and Mr. Humphrey):

S. 4210. A bill to establish an Office of Intergovernmental Policy Coordination within the Department of the Treasury, and for other purposes. Referred to the Committee on Government Operations.

By Mr. MOSS:

S. 4211. A bill to amend the Federal Aviation Act of 1958 to prohibit the solicitation or acceptance of rebates by shippers of property in air transportation, and for other purposes. Referred to the Committee on Commerce.

By Mr. PERCY (for himself, Mr. Nunn, Mr. Ribicoff, and Mr. Javits):

S. 4212. A bill to reorganize the Executive Branch to establish a National Center for Productivity and Work Quality; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry and government efforts to improve national productivity and work quality; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

By Mr. HATHAWAY (for himself and Mr. Muskie):

S. 4213. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

By Mr. RANDOLPH, from the Committee on Public Works:

S.J. Res. 262. An original joint resolution authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol grounds in connection with the erection of an addition to a building on privately owned property adjacent to the Capitol grounds. Placed on the Calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (for himself, Mr. Tower, Mr. McIntyre, and Mr. Stevenson) (by request):

S. 4205. A bill to provide for Federal regulation of foreign banks establishing, acquiring, operating, or controlling banks, branches, and agencies in the United States, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, I introduce, by request, for myself and Senators Tower, McIntyre, and Stevenson a bill to provide for Federal regulation of foreign banks estabilshing, acquiring, operating, or controlling banks, branches, and agencies in the United States, and for other purposes. This bill was sent to us for introduction by the Governors of the Board of the Federal Reserve System, and we are introducing the measure to give it a forum before our Committee.

Mr. President, I ask unanimous consent that the bill and summary of the principal features of the bill, be printed in the Record following my introductory remarks.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 4205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the "Foreign Bank Act of 1974".

AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956

Sec. 2. Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(1) by striking out "paragraph (5)" in paragraph (1) of subsection (a) and inserting in lieu thereof "paragraph (6)";

(2) by redesignating paragraph (5) and (6) of subsection (a) as paragraphs (6) and (7), respectively, and by adding after paragraph (4) of subsection (a), a new paragraph as follows:

"(5) For the purposes of this Act, any company which is a foreign bank shall also be deemed to have control over a bank, if such bank is a branch or agency of the foreign bank established or operating under the laws of the United States, any State of the United States, or the District of Columbia.";

(3) by adding at the end of subsection (b) the following new sentence:

" 'Company covered in 1974' means a company which becomes a bank holding company as a result of the enactment of the Foreign Bank Act of 1974 and which would have been a bank holding company on December 3, 1974, if that Act had been enacted on that date.";

(4) By striking out subsection (c) and inserting in lieu thereof the following:

"(c) 'Bank' means (1) any institution organized under the laws of the United States, any State of the United States, or the District of Columbia which (A) accepts deposits that the depositor has a legal right to withdraw on demand, and (B) engages in the business of making commercial loans, or (2) any branch or agency of a foreign bank established or operating under the laws of the United States, any State of the United States, or the District of Columbia. Such term does not include (i) any organization operating under section 25 or section 25(a) of the Federal Reserve Act, (ii) any company organized under the laws of any State of the United States or the District of Columbia which does not do business within the United States except as an incident to its activities outside the United States, or (iii) any office or place of business of a foreign bank located in any State of the United States or the District of Columbia at which no deposits are received, no credit balances are maintained incident to or arising out of the exercise of commercial banking powers, no checks are paid, no money is lent, and no other commercial banking activities are performed. 'District Bank' means any bank organized or operating under the Code of Law for the District of Columbia.";

(5) by striking out "or (3)" in subsection (d) and inserting in lieu thereof "(3)";

(6) by striking out the period in subsection (d) and inserting in lieu thereof the following:

"; or (4) if such bank holding company either is a foreign bank or has a subsidiary which is a foreign bank, any branch or agency of such foreign bank established or operating under the laws of the United States, any State of the United States, or the District of Columbia."; and

(7) by adding at the end thereof the following new subsections:

"(j) The term 'foreign bank' means any company that is organized or created under the laws of a foreign country and which is principally engaged in the banking business outside the United States. For the purposes of this Act, this term includes, without limitation, foreign commercial banks, foreign merchant banks and other foreign institutions which engage in banking activities usually in connection with the transaction of the business of banking in the countries where such foreign banks are organized or created.

"(k) The term 'foreign country' means any country other than the United States, and any colony, dependency, or possession of any such country, and includes, for the purposes of this Act, any territory of the United States, Puerto Rico, Guam, American Samoa or the Virgin Islands.

"(l) A 'foreign bank holding company covered in 1974' means a company that became a bank holding company prior to the date of enactment of the Foreign Bank Act of 1974 and which has a subsidiary that is defined as a 'bank' as a result of the enactment of the Foreign Bank Act of 1974."

Section 3.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended—

(1) by striking out the first sentence of subsection (b) and inserting in lieu thereof the following:

"Upon receiving from a company any application for approval under this section, the Board shall give notice to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national banking association or a District bank, or if the bank sought to be acquired is a branch of a foreign bank established under section 18 of the Foreign Bank Act of 1974, or a branch or agency of a foreign bank established or operating under the Code of Law for the District of Columbia, or to the appropriate supervisory authority of the interested State, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a State bank, or if the bank sought to be acquired is a branch or agency of a foreign bank established or operating under the laws of any State of the United States, and shall allow thirty days within which the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be, may be submitted.";

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) Except as provided in subsection (g) of this section, no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank located outside of the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on July 1, 1966, or the date on which such company became a bank holding company, whichever is later, unless the acquisition of such shares or assets of a State bank by an out-of-State bank holding company is specifically authorzed by the statute laws of the State in which such bank is located, by language to that effect and not merely by implication. For the purposes of this section, the State in which the operations of a bank holding company's subsidiaries are principally conducted is that State in which total deposits of all such banking subsidiaries are largest: *Provided, however,* That for the purposes of this section, the State in which the operations of a bank holding company's subsidiaries are principally conducted for any company which becomes, as a result of the enactment of the Foreign Bank Act of 1974, a bank holding company on the date of such enactment, is that State in which total assets of all such banking subsidiaries are greatest."; and

(3) by adding at the end thereof the following new subsections:

"(f) Every bank that is a subsidiary of a holding company (1) which is a foreign bank having total worldwide bank assets in excess of $500,000,000, (2) which is organized under the laws of a foreign country and owns or controls a foreign bank having total worldwide bank assets in excess of $500,000,000, or (3) of which control is held directly or indirectly by the shareholders of a foreign bank having total worldwide bank assets in excess of $500,000,000, the majority of whom are not citizens of the United States or companies controlled by citizens of the United States, shall become and remain a member bank as such term is defined in section 1 of the Federal Reserve Act.

"(g) Notwithstanding any other provision of this section, a company covered in 1974 and a foreign bank holding company covered in 1974 may retain and operate all branches and agencies of foreign banks which, as a result of the enactment of the Foreign Bank Act of 1974, are defined as banks under section 2(c) and which such company had established on or before December 3, 1974. After the date of enactment of the Foreign Bank Act of 1974, no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to establish or operate any additional branch or agency of a foreign bank located outside of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section, unless (1) the establishment or operation of such a branch or agency is specifically authorized to State banks by the statute laws of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section, by language to that effect and not merely by implication, and (2) the statute laws of the State in which such branch or agency is to be located specifically authorize an out-of-State bank organized under the laws of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section, to establish or operate such a branch or agency, by language to that effect and not merely by implication: *Provided, however,* That applications may be approved under this section for any such bank holding company or any subsidiary thereof (A) to establish an additional branch of a foreign bank in any State where such bank holding company or subsidiary thereof had established a branch of a foreign bank on or before December 3, 1974, if the establishment or operation of such additional branch is specifically authorized by the statute laws of the State in which such additional branch is to be located, and (B) to establish an additional agency of a foreign bank in any State where such bank holding company or subsidiary thereof had established an agency of a foreign bank on or before December 3, 1974, if the establishment or operation of such additional agency is specifically authorized by the statute laws of the State in which such additional agency is to be located. For the purposes of this subsection and subsection (d) of this section, a company covered in 1974 or a foreign bank holding company covered in 1974 or any subsidiary thereof shall not be deemed to have established an additional branch or agency of a foreign bank, or acquired an additional bank located outside of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section, if such bank holding company or subsidiary thereof changes or converts a branch or agency referred to in the preceding proviso into a branch, agency, or other form of banking organization, as the case may be. Notwithstanding any such conversion, this subsection shall not prohibit a company covered in 1974 or a foreign bank holding company covered in 1974 or any subsidiary thereof from applying to acquire additional branches or agencies under the preceding proviso: *Provided, however,* That for the purposes of such proviso, any such company or subsidiary thereof may only acquire additional branches if it has converted its form of banking organization in that State to a branch, and may only acquire additional agencies if it has converted its form of banking organization in that State to an agency. For the purposes of this subsection, a branch or agency of a foreign bank shall be considered as 'established', if the foreign bank has been granted a license, certificate of authority, or other necessary approval to operate such branch or agency by the appropriate State supervisory authority. Notwithstanding any other provision of this subsection, no company covered in 1974, no foreign bank holding company covered in 1974, and no subsidiary thereof, shall at any time own or control in any State outside of the State in which the operation of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section, (i) both a branch and agency of the same foreign bank, (ii) both a branch of a foreign bank and a national or State bank, or (iii) both an agency of a foreign bank and a national or State bank, unless such company, or any subsidiary thereof had acquired or established both such banking subsidiaries in such State on or before December 3, 1974.

"(h) Except as provided in subsection (g) of this section, after two years from the date of enactment of the Foreign Bank Act of 1974, no company which becomes, as a result of the enactment of the Foreign Bank Act of 1974, a bank holding company on the date of such enactment, no foreign bank holding company covered in 1974, and no subsidiary thereof may, directly or indirectly, own, control, or operate any branch or agency of a foreign bank in any State outside the State in which the operations of such bank holding company's banking subsidiaries are principally conducted as determined in subsection (d) of this section. The Board is authorized, upon application by a bank holding company, to extend the two-year period referred to above from time to time as to such bank holding company for not more than one year at a time, if, in its judgment, such an extension would not be detrimental to the public interest, but no such extension shall in the aggregate exceed three years."

SECTION 4.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended—

(1) by striking out paragraph (2) of subsection (a) and inserting in lieu thereof the following:

"(2) after two years from the date as of which it becomes a bank holding company, or in the case of a company which has been continuously affiliated since May 15, 1955, with a company which was registered under the Investment Company Act of 1940, prior to May 15, 1955, in such a manner as to constitute an affiliated company within the meaning of that Act, after December 31, 1978, or in the case of any company which becomes, as a result of the enactment of the Bank Holding Company Act Amendments of 1970, a bank holding company on the date of such enactment, after December 31, 1980, or in the case of any company which becomes, as a result of the enactment of the Foreign Bank Act of 1974, a bank holding company on the date of such enactment, after December 31, 1984, retain direct or indirect ownership or control of any voting shares of any company which is not a bank or bank holding company or engage in any activities other than (A) those of banking or of managing or controlling banks and other subsidiaries authorized under this Act or of furnishing services to or performing services for its subsidiaries, and (B) those permitted under paragraph (8) of subsection (c) of this section subject to all the conditions specified in such paragraph or in any order or regulation issued by the Board under such paragraph: *Provided,* That a company covered in 1970 may also engage in those activities in which directly or through a subsidiary (i) it was lawfully engaged on June 30, 1968 (or on a date subsequent to June 30, 1968 in the case of activities carried on as the result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and (ii) it has been continuously engaged since June 30, 1968 (or such subsequent date): *Provided further,* That a company covered in 1974 may also engage in those activities in which directly or through a subsidiary (i) it was lawfully engaged on December 3, 1974 (or on a date subsequent to December 3, 1974 in the case of activities carried on as the result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before December 3, 1974, of another company engaged in such activities at the time of the acquisition), and (ii) it has been continuously engaged since December 3, 1974 (or such subsequent date). The Board by order, after opportunity for hearing, may terminate the authority conferred by the preceding provisos on any company to engage directly or through a subsidiary in any activity otherwise permitted by those provisos if it determines, having due regard to the purposes of this Act, that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices; and in the case of any such company controlling a bank having bank assets in excess of $60,000,000 on or after the date of enactment of the Bank Holding Company Act Amendments of 1970 the Board shall determine, within two years after such date (or, if later, within two years after the date on which the bank assets first exceed $60,000,000), whether the authority conferred by the preceding first proviso with respect to such company should be terminated as provided in this sentence. Nothing in this paragraph shall be construed to authorize (1) any bank holding company referred to in the preceding first proviso, or any subsidiary thereof, to engage in activities authorized by that proviso through the acquisition, pursuant to a contract entered into after June 30, 1968, of any interest in or the assets of a going concern engaged in such activities; or (2) any bank holding company referred to in the preceding second proviso, or any subsidiary thereof, to engage in activities authorized by that proviso either through the acquisition, pursuant to a contract entered into after December 3, 1974, of any interest in or the assets of a going concern engaged in such activities, or through the acquisition after December 3, 1974 (except pursuant to a binding written contract entered into before December 3, 1974) of any shares of, interest in, or assets of any company, or any branch or agency of a foreign bank, engaged or to be engaged in the issue, flotation, underwriting, public sale, or distribution at wholesale or retail or through syndicate participation of stocks, bonds, debentures, notes, or other securities. Any company which is authorized to engage in any activity pursuant to the preceding provisos or subsection (d) of this section but, as a result of action of the Board, is required to terminate such activity may (notwithstanding any otherwise applicable time limit prescribed in this paragraph) retain the ownership or control of shares in any company carrying on such activity for a period of ten years from the date on which its authority was so terminated by the Board.";

(2) by striking out paragraph (12) of subsection (c) and inserting in lieu thereof the following:

"(12) shares retained or acquired, or activities engaged in, by any company which becomes, as a result of the enactment of the Bank Holding Company Act Amendments of 1970, a bank holding company on the date of such enactment, or which becomes, as a result of the enactment of the Foreign Bank Act of 1974, a bank holding company on the date of such enactment, or by any subsidiary thereof, if such company—

(A) within the applicable time limits prescribed in subsection (a)(2) of this section (i) ceases to be a bank holding company, or (ii) ceases to retain direct or indirect ownership or control of those shares and to engage in those activities not authorized under this section; and

(B) complies with such other conditions as the Board may by regulation or order prescribe;"; and

(3) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; or", and by adding after paragraph (13) the following new paragraph:

"(14) shares owned directly or indirectly by a company covered in 1974 in a company which does not engage in any activities other than those in which the bank holding company, or its subsidiaries, may engage by virtue of this section, but nothing in this paragraph authorizes any bank holding company, or subsidiary thereof, to acquire (A) any interest in or the assets of any going concern (except pursuant to a binding written contract entered into before December 3, 1974, or pursuant to another provision of this Act) other than one which was a subsidiary on December 3, 1974, or (B) any shares of, interest in, or the assets of any company, or any branch or agency of a foreign bank, engaged, or to be engaged, in the issue, flotation, underwriting, public sale, or distribution at wholesale or retail or through syndicate participation of stocks, bonds, debentures, notes, or other securities, other than one which was a subsidiary on December 3, 1974, or which was acquired pursuant to a binding written contract entered into before such date."

FEDERAL RESERVE ACT AMENDMENTS

Section 5.—Section 1 of the Federal Act (12 U.S.C. 221) is amended to read as follows:

"Whenever the word 'bank' is used in this Act, the word shall be held to include State bank, banking association, and trust company, and any branch or agency of a foreign bank established or operating under the laws of any State of the United States, except where national banks, federal branch banks, or Federal reserve banks are specifically referred to.

"The terms 'national bank' and 'national banking association' used in this Act shall be held to be synonymous and interchangeable. The term 'federal branch bank' shall be held to mean any branch of a foreign bank that is established and operating under section 18 of the Foreign Bank Act of 1974. The term 'member bank' shall be held to mean any national bank, federal branch bank, State bank, or bank or trust company which has become a member of one of the reserve banks created by this Act. The term 'board' shall be held to mean Board of Governors of the Federal Reserve System; the term 'district' shall be held to mean Federal reserve district; the term 'reserve bank' shall be held to mean Federal reserve bank; the term 'the continental United States' means the States of the United States and the District of Columbia."

Section 6.—Section 2 of the Federal Reserve Act is amended—

(1) by striking out the last sentence of the first paragraph thereof (12 U.S.C. 222) and inserting in lieu thereof the following:

"Every national bank and every federal branch bank in any State shall, upon commencing business or within ninety days after admission into the Union of the State in which it is located, become a member bank of the Federal System by subscribing and paying for stock in the Federal reserve bank of its district in accordance with the provisions of this Act and every national bank and every federal branch bank shall thereupon be an insured bank under the Federal Deposit Insurance Act, and failure to do so shall subject such bank to the penalty provided by the sixth paragraph of this section.";

(2) by adding at the end of the third paragraph thereof (12 U.S.C. 282) a new sentence as follows:

"Every federal branch bank within each Federal reserve district shall subscribe to the capital stock of the Federal reserve bank for that district in a sum equal to 6 per centum of the paid in capital stock equivalent required to be deposited by the foreign bank holding a certificate of authority to establish and operate such federal branch bank, which shall be payable in the same manner as that prescribed for a national banking association in this section."; and

(3) by inserting after the second sentence of the sixth paragraph thereof (12 U.S.C. 501a), a new sentence as follows:

"Should any federal branch bank fail within one year after the passage of this Act to become a member bank or fail to comply with any of the provisions of this Act applicable thereto, all of the rights, privileges, and franchises of such bank granted to it under section 18 of the Foreign Bank Act of 1974, or under the provisions of this Act, shall be thereby forfeited in accordance with the same procedures applicable to national banking associations: *Provided, however,* That, except as otherwise provided in this Act, any reference in the provisions of this Act to the capital stock and surplus of a member bank or national banking association shall, for the purpose of applying any limitations or restrictions in such provisions to any federal branch bank, be deemed to be a reference to the dollar equivalent amount of the capital stock and surplus of the foreign bank holding a certificate of authority to establish and operate such federal branch bank; *Provided, further,* That any such foreign bank which has more than one federal branch bank in any State shall be required to aggregate the accounts of all such federal branch banks in such State for the purpose of computing any limitations or restrictions under any provision referred to in the preceding proviso."

Section 7.—Paragraph 1 of Section 6 of the Federal Reserve Act (12 U.S.C. 288) is amended by adding at the end thereof the following new sentence:

"For the purposes of the preceding sentence, a member bank that is a branch or agency of a foreign bank shall be deemed to be insolvent when the foreign bank's license or certificate of authority to operate such branch or agency has been terminated or revoked, or when a receiver has been appointed for such branch or agency, or when the foreign bank licensed or holding a certificate of authority to operate such branch or agency is declared insolvent, or a receiver is appointed therefor, or is dissolved or its authority or existence is otherwise terminated or cancelled in the jurisdiction of its incorporation."

Section 8.—Section 9 of the Federal Reserve Act is amended by adding at the end thereof the following new paragraph:

"Any branch or agency of a foreign bank estabished or operating under the laws of any State of the United States shall apply for and be admitted to membership in the Federal Reserve System in the same manner and subject to the same provisions of law as State banks and trust companies and may continue to exercise all powers granted it by the State in which it is operating or established, and shall be entitled to all the privileges of member banks except that (1) any reference in the provisions of this Act to the capital stock and surplus of an applying bank, member bank, or national bank shall, for the purpose of applying any limitations or restrictions in any such provisions to any such branch or agency, be deemed to be a reference to the dollar equivalent amount of the capital stock and surplus of the foreign bank licensed or authorized to establish or operate such branch or agency: *Provided, however,* That any foreign bank which has more than one branch or more than one agency in any State, shall be required to aggregate the accounts of all such branches or agencies in such State for the purpose of computing any restrictions or limitations in any such provisions: *Provided, further,* That every such branch or agency shall subscribe for capital stock of the Federal reserve bank of the district in which such branch or agency is located in an amount equal to either six per centum of the paid in capital stock equivalent which is required under State law to be deposited by the foreign bank licensed or authorized to establish or operate any such branch or agency or, if there is no such requirement under State law, six per centum of the paid in capital stock equivalent which would be required to be deposited by a foreign bank holding a certificate of authority to establish and operate a federal branch bank in the place in which it is located; (2) no such branch or agency may voluntarily withdraw from membership in a Federal reserve bank; and (3) nothing in the provisions of this Act shall authorize the Board of Governors of the Federal Reserve System to appoint examiners to examine the home office or foreign branches or agencies of the foreign bank licensed or authorized to establish or operate such branch or agency, or to regulate the organization or internal affairs of such foreign bank."

Section 9.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended by adding at the end thereof the following new paragraph:

"With respect to a member bank that is a branch or agency of a foreign bank, the provisions of this section shall not apply to (1) any extension of credit by such branch or agency to the foreign bank licensed or authorized to establish or operate such branch or agency or to any other branch or agency of such foreign bank; (2) any extension of credit by such branch or agency to a subsidiary, within the meaning of the Bank Holding Company Act of 1956, as amended, of the foreign bank licensed or authorized to establish or operate such branch or agency, if such subsidiary is organized under the laws of a foreign country and does no business within the United States, except as an incident to its international or foreign business; or (3) any extension of credit by such branch or agency to a bank holding company of which such branch or agency is a subsidiary, within the meaning of the Bank Holding Company Act of 1956, as amended, or to another subsidiary of such bank holding company, if made within one year after the effective date of the Foreign Bank Act of 1974 and pursuant to a contract entered into prior to that date."

Sec. 10—Section 25(a) of the Federal Reserve Act (12 U.S.C. 611) is amended —

(1) by inserting ", except with the approval of the Board of Governors of the Federal Reserve System," after "all of whom" in the second sentence of the fourth paragraph thereof (12 U.S.C. 614);

(2) by inserting in the second proviso of the first sentence of the twelfth paragraph thereof (12 U.S.C. 618) ", except with the approval of the Board of Governors of the Federal Reserve System," after "That";

(3) by striking out the thirteenth paragraph thereof (12 U.S.C. 619) and inserting in lieu thereof the following:

"Except as otherwise provided in this section, a majority of the shares of the capital stock of any such corporation shall at all times be held and owned by citizens of the United States, by corporations the controlling interest in which is owned by citizens of the United States, chartered under the laws of the United States or of a State of the United States, or by firms or companies, the controlling interest in which is owned by citizens of the United States."; and

(4) by adding at the end thereof the following new paragraph:

"Notwithstanding any other provisions of this section, any foreign bank may, with the prior approval of the Board of Governors of the Federal Reserve System and upon such terms and conditions and subject to such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe, own and hold a majority of the shares of the capital stock of any corporation organized under this section, and any such corporation shall be subject to the same provisions of law as any other corporation organized under this section: *Provided, however,* That the Board of Governors of the Federal Reserve System shall not approve any such foreign bank ownership and holding of a majority of the shares of the capital stock of any corporation organized under this section, if, after consultation with the Secretary of State of the United States and the Secretary of the Treasury, the Board of Governors of the Federal Reserve System determines that such ownership and holding would adversely affect the domestic or foreign commerce of the United States or would otherwise not be in the interest of the United States."

NATIONAL BANK ACT AMENDMENTS

Sec. 11.—Section 5133 of the Revised Statutes (12 U.S.C. 21) is amended by striking out the period at the end of the first sentence and adding the following new proviso:

":*Provided, however,* That subject to the provisions of section 5169 of the Revised Statutes, as amended, an association may be formed by or on behalf of a foreign bank, as such term is defined in the Bank Holding Company Act of 1956, as amended."

Section 12.—Section 5146 of the Revised Statutes (12 U.S.C. 72) is amended by striking out the period at the end of the first sentence and adding the following new proviso:

": *Provided, however,* That the Comptroller of the Currency may in his discretion permit as directors not more than one-half the total number thereof, to serve as such, although such directors are not citizens of the United States and do not reside in the State, Territory, or District in which the association is located, or within one hundred miles of the location of the office of the association."

Section 13.—Section 5169 of the Revised Statutes (12 U.S.C. 27) is amended by striking out the period at the end of the last sentence and adding the following:

"; or whenever, after consultation with the Secretary of State of the United States, the Secretary of the Treasury, and the Board of Governors of the Federal Reserve System, the Comptroller determines that it would adversely affect the domestic or foreign commerce of the United States or would otherwise not be in the interest of the United States to grant such certificate."

AMENDMENTS TO THE BANKING ACT OF 1933

Section 14.—Section 2 of the Banking Act of 1933 (12 U.S.C. 221a) is amended by adding the following new subsection at the end thereof:

"(c) Except where otherwise specifically provided, with respect to any member bank that is a branch or agency of a foreign bank, the term 'affiliate' shall include the foreign bank which is licensed or authorized to operate such branch or agency, any other branch or agency of such foreign bank, and any affiliate of such foreign bank, as such term is defined in subsection (b) of this section."

Section 15.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is amended—

(1) by inserting "or section 2(c)" after "section 2(b)" in the first sentence thereof; and

(2) by striking out the period in the first paragraph thereof and by adding the following:

": *Provided, further,* That the provisions of this paragraph shall not prohibit a member bank from being affiliated in any manner described in section 2(b) or section 2(c) hereof with any such organization if such member bank is a branch, agency, or wholly-owned subsidiary of a foreign bank and is a subsidiary, within the meaning of the Bank Holding Company Act of 1956, as amended, of a bank holding company which is permitted to retain its ownership or control of any voting shares of such organization under the authority of section 4(a)(2) of the Bank Holding Company Act of 1956, as amended, or, with the specific consent of the Board of Governors of the Federal Reserve System, under section 4(c)(9) of the Bank Holding Company Act of 1956, as amended."

Section 16.—Section 21 of the Banking Act of 1933 (12 U.S.C. 378) is amended by striking clause (B) of paragraph (2) of subsection (a) thereof and inserting in lieu thereof the following:

"(B) shall be permitted by the United States, any State, Territory, or District to engage in such business and shall be subjected by the laws of the United States, or of such State, Territory, or District to examination and regulation,".

FEDERAL DEPOSIT INSURANCE ACT AMENDMENTS

Section 17.—Within ninety days after the enactment of this Act, the Federal Deposit Insurance Corporation shall submit to the Congress a proposal for implementing the existing provisions of the Federal Deposit Insurance Act so as to include within the coverage of such Act, branches and agencies of foreign banks established or operating under the laws of the United States, any State of the United States, or the District of Columbia.

ESTABLISHMENT OF FEDERAL BRANCHES BY FOREIGN BANKS

Section 18(a).—Definitions.

For the purposes of this section, these terms shall have the following meanings:

(1) The term "Comptroller" means the Comptroller of the Currency.

(2) The term "foreign bank" means any corporation or similar organization organized under the laws of a foreign country, a majority of the shares of the capital stock of which are not owned by citizens of the United States, or by firms or companies, the controlling interest in which is owned by citizens of the United States, and which is principally engaged in the banking business outside the United States. This term includes, without limitation, foreign commercial banks, foreign merchant banks, and other institutions which engage in banking activities usual in connection with the transaction of the business of banking in the countries or places where such foreign banks are organized or operating.

(3) The term "foreign country" means any country other than the United States and any colony, dependency, or possession of any such country, and includes, for the purposes of this section, any territory of the United States, Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(4) The term "initial branch" means the first branch of a foreign bank established under this section in any State.

(5) The term "State" means any State of the United States and the District of Columbia.

(b) Establishment of Branches.

Notwithstanding the laws of any State, any foreign bank may, upon receipt of a certificate of authority from the Comptroller, and subject to the provisions of this section, establish and operate one or more branches in any State: *Provided, however,* That no foreign bank may at any time in any State have both a branch established and operating under this section and a branch or agency established or operating under the laws of such State.

(c) Conversion of State Branch, Agency, or Bank.

Any foreign bank with a branch or agency established or operating under the laws of any State and any foreign bank which owns all of the stock (except for directors' qualifying shares) of any bank organized under the laws of any State may, with the prior approval of the Comptroller and pursuant to the requirements of subsections (d), (e), (f) and (g) of this section, change or convert such branch, agency, or State bank into a branch to be established and operated under this section with any name approved by the Comptroller:

Provided, however, That any such conversion shall not be in contravention of the State law. In any such case, all of the liabilities of such foreign bank previously payable at the offices of the State branch or agency and all of the liabilities of the State bank shall thereafter be payable by such foreign bank at the office of the branch established under this section. When the Comptroller has given such a foreign bank a certificate that the provisions of this section have been complied with, such foreign bank shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by the Federal Reserve Act and this section for foreign banks with branches originally established under this section.

Subject to the limitations of subsection (i) of this section, any foreign bank may (1) if it is converting a State branch under this subsection, retain and operate as additional branches under this section, any other branches established in the State of the converting branch prior to conversion; (2) if it is converting a State agency under this subsection, retain and operate as additional branches under this section, any other agencies established in the State of the converting agency prior to conversion; and (3) if it is converting a State bank under this subsection, retain and operate as additional branches under this section, any other branches established by such State bank prior to conversion.

The Comptroller may, in his discretion and subject to such conditions as he may prescribe, permit such foreign bank to retain and carry at a value determined by the Comptroller such of the assets of the converted branch, agency, or State bank as do not conform to the legal requirements relative to assets acquired and held by branches established and operating under this section.

(d) Requirement of Application.

A foreign bank, in order to obtain a certificate of authority to establish and operate a branch under this section, shall make application therefor to the Comptroller which application shall include such information with respect to the factors to be considered in subsection (f) of this section as the Comptroller may, in his discretion, prescribe as necessary or appropriate to carry out the purposes of this section.

Such application shall be made on forms prescribed and furnished by the Comptroller and shall be duly executed by the foreign bank by one or more of its principal officers.

(e) Views and Recommendations.

Upon receipt of an application for a certificate of authority by a foreign bank to establish and operate a branch under this section, the Comptroller shall transmit a copy of such application to the Secretary of State of the United States, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the bank supervisory authority of the State in which such branch is to be located and shall allow thirty days within which the views and recommendations of the Secretary of State, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the State bank supervisory authority may be submitted.

(f) Factors to be Considered.

The Comptroller shall not issue a certificate of authority to a foreign bank under this section if—

(1) the establishment of such a branch would adversely affect the domestic or foreign commerce of the United States, or

(2) the establishment of such a branch would otherwise not be in the interest of the United States. In making his determination with respect to the preceding factors, the Comptroller shall take into account the written comments of the Secretary of State of the United States, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the appropriate State bank supervisory authority. In every application, the Comptroller shall also take into consideration the financial and managerial resources and future prospects of the applicant foreign bank and the branch concerned, and the convenience and needs of the community to be served.

(g) Certificate.

If, upon a careful examination of the facts so reported, and of any other facts which may come to the knowledge of the Comptroller, it appears that such foreign bank is lawfully entitled to establish and operate a branch under this section, the Comptroller shall issue a certificate of authority to such foreign bank, under his hand and official seal, that such foreign bank has complied with the provisions of this section required to be complied with before the establishment of a branch under this section, and that such foreign bank is authorized to establish and operate a branch under this section at the location specified in such certificate.

(h) Banking Powers.

Upon the issuance of a certificate of authority by the Comptroller, the foreign bank may, subject to the provisions of this section, establish and operate a branch at the location specified in such certificate, and may conduct thereat its banking business with the same rights and privileges as a national bank at that location, and, except as otherwise provided in this section, or in the Federal Reserve Act, subject to the same duties, restrictions, limitations, penalties and liabilities now or hereafter imposed on national banks under the provisions of the National Bank Act and the Federal Reserve Act:

Provided, however, That in any such provision which imposes limitations or restrictions based on the capital stock and surplus of a national bank, any reference in such provisions to the capital stock and surplus of a national bank shall be deemed for the purpose of applying the limitations or restrictions in such provisions to a branch established under this section to be a reference to the dollar equivalent amount of the capital stock and surplus of the foreign bank holding a certificate of authority to operate the branch established under this section: *Provided, further,* That any foreign bank which has more than one branch established and operating under this section in any State shall be required to aggregate the accounts of all such branches in such State for the purpose of computing any limitations or restrictions under any provision referred to in the preceding proviso.

(i) Additional Branches in Any State.

A foreign bank with a single branch established and operating under this section in any State may, with the prior approval of the Comptroller and pursuant to the requirements of subsections (d), (e), (f), and (g) of this section, retain or establish and operate additional branches in the State in which such branch is located on the same terms and conditions and subject to the same limitations and restrictions as are applicable to the establishment of branches by a national bank if the principal office of such national bank were located at the same place as the initial branch in such State of such foreign bank.

(j) Change of Name or Location.

Any foreign bank holding a certificate of authority issued pursuant to this section must secure an amended certificate of authority if it changes its corporate name or changes the duration of its corporate existence, on such application forms and under such rules and regulations as the Comptroller may prescribe. Any foreign bank holding a certificate of authority issued pursuant to this section may not change the location of any branch established and operating under this section without obtaining the prior approval of the Comptroller and no change of location shall be valid until the Comptroller shall have issued his certificate of approval of the same.

(k) Accounts.

The accounts of each branch established and operating under this section shall be conducted independently of the accounts of the principal office of the foreign bank and its branches outside the United States.

(l) Examinations and Reports—Penalties.

(1) The Comptroller shall appoint examiners who shall examine every branch established and operating under this section at least once in every calendar year and any such examiner shall have all of the powers of an examiner of national banks. The cost of such examinations shall be assessed against and paid by the foreign bank holding the certificate of authority to operate such branch based on the assets of its branch as determined under subsection (k) of this section.

(2) Every foreign bank holding a certificate of authority issued pursuant to this section shall make reports of condition for each branch established and operating under this section to the Comptroller in accordance with the provisions of the Federal Deposit Insurance Act. The Comptroller may call for additional reports of condition, in such form and containing such information as he may prescribe, on dates to be fixed by him, and may, from time to time, require special reports under oath to keep him informed as to whether the provisions of this section which fails to make any report under this section have been complied with.

(3) Every foreign bank holding a certificate of authority issued pursuant to this section and regulations or orders issued unquired by this subsection shall be subject to a penalty of $100 for each day after the periods respectively therein mentioned, that it delays to make and transmit such report. All sums of money collected for such penalties shall be paid into the Treasury of the United States, after deduction of the costs incurred in their collection.

(m) Capital Equivalency

Upon the opening of a branch in any State and thereafter, a foreign bank holding a certificate of authority issued pursuant to this section shall keep on deposit, in accordance with such rules and regulations as the Comptroller may prescribe, with such national bank in the State where such branch is located and as such foreign bank may designate and the Comptroller may approve, investment securities of the type that may be held by national banks for their own account pursuant to paragraph "Seventh" of section 5136 of the Revised Statutes, amended, equal to an aggregate amount, based upon principal amount or market value, whichever is lower, in the case of the above-described securities, of not less than the greater of that amount of capital which would be required of a national bank being organized at that location, or 5 percent of the total liabilities of such branch, including acceptances, but excluding (1) accrued expenses, and (2) amounts due and other liabilities to other offices, branches, or agencies of, and wholly-owned (except for directors' qualifying shares) subsidiaries of, such foreign bank; *Provided, however,* That the Comptroller may from time to time require that the assets deposited pusuant to this subsection may be maintained in such amount as he may deem necessary or desirable, for the maintenance of a sound financial condition, the protection of depositors and the public interest. The deposit shall be maintained with any such national bank pursuant to a deposit agreement in such form and containing such limitations and conditions as the Comptroller may prescribe. So long as it continues business in the ordinary course such foreign bank shall, however, be permitted to collect interest on the securities so deposited and from time to time exchange, examine, and compare such securities.

(n) Domestic Assets

The Comptroller shall have the power to require every foreign bank holding a certificate of authority issued pursuant to this section to hold, under such rules and regulations as the Comptroller may prescribe, in any State where it has established a branch under this section, currency, bonds, notes, debentures, drafts, bills of exchange or other evidences of indebtedness or other obligations payable in the United States or in United States funds in an amount which the Comptroller shall prescribe as necessary in order to protect domestic depositors and creditors of any branch established under this section.

(o) Revocation of Certificate of Authority.

Any certificate of authority issued to a foreign bank pursuant to this section shall be revoked when voluntarily surrendered by such foreign bank or when such foreign bank is dissolved or its authority or existence is otherwise terminated or cancelled in the country of its organization, and if at any time the Comptroller is of the opinion or has reasonable cause to believe that such foreign bank has violated or failed to comply with any of the provision of this section or any of the rules, regulations, or orders of the Comptroller made pursuant thereto, the Comptroller shall have the power, after notice and opportunity for hearing, to revoke the certificate of authority of a foreign bank to operate any branch under this section. The Comptroller may restore any such certificate of authority upon due proof of compliance with the provisions of this section and the rules, regulations, or orders of the Comptroller made pursuant thereto.

(p) Receivership.

Whenever the Comptroller has revoked the certificate of authority of a foreign bank to operate any branch under this section, or whenever any creditor of any such foreign bank shall have obtained a judgment against it in any court of record of the United States or any State of the United States and made application, accompanied by a certificate from the clerk of the court stating that such judgment has been rendered and has remained unpaid for the space of thirty days, or whenever the Comptroller shall become satisfied of the insolvency of such foreign bank, he may, after due consideration of its affairs, in any such case, appoint a receiver who shall take possession of all the property and the assets of such foreign bank in any State in which any branch licensed under this section is located. Thereafter the receiver shall exercise the same rights, privileges, powers and authority with respect to such property and assets of such foreign bank a are now exercised by receivers of national banks appointed by the Comptroller.

(q) Regulations.

The Comptroller is authorized and empowered to issue such rules, regulations, and orders as he may deem necessary to enforce compliance with the provisions of this section, to prevent evasions thereof, and to ensure the proper exercise of the powers granted herein.

(r) Service of Process.

Every foreign bank holding a certificate of authority issued pursuant to this section shall execute and file with the Office of the Comptroller and the applicable State bank supervisory authority an irrevocable appointment of an agent for service of process in every State where it has established a branch under this section. Such irrevocable appointment shall be on such form as the Comptroller may prescribe.

If any such agent shall be removed, resign, or die, become insane or otherwise incapable of acting, it shall be the duty of such foreign bank to appoint another agent in his place, and until such appointment shall have been made, or during the absence of any officer, or other agent of such foreign bank from the applicable State, service of process may be made upon the Comptroller, any Deputy Comptroller of the Currency, or upon any person authorized by the Comptroller to receive such service of process. If any process is served on the Comptroller, he shall immediately cause a copy thereof to be either delivered personally to such foreign bank by a person and in the manner authorized to serve process by law in the jurisdiction where service is made, or forwarded by registered mail addressed to such foreign bank at the post office address specified for mailing process as the same appears on the Comptroller's records, or if no address is there specified to the bank supervisory authority of the country of such foreign bank's organization. Nothing in this section limits or affects the right to serve any process, notice of demand required or permitted by law to be served upon a foreign corporation in any other manner now or hereafter permitted by law.

The Comptroller shall keep a record of all processes served upon him by this subsection and shall record therein the time of such service and his action with reference thereto.

(s) Venue of Suits.

Actions and proceedings under this section against any foreign bank holding a certificate of authority issued pursuant to this section may be had in any circuit or district court of the United States held within the district in which any branch established under this section is located, or in any State, county, or municipal court in the county or city in which such branch is located having jurisdiction in similar cases.

(t) Civil Penalties.

Any foreign bank holding a certificate of authority issued pursuant to this section which violates or fails to comply with any provision of this section, or any rule, regulation or order of the Comptroller issued pursuant thereto, is subject to a penalty of not less than $1,000 nor more than $5,000 for each and every offense, for each day in which the violation or failure to comply continues. All sums of money collected for such penalties shall be paid into the Treasury of the United States, after deduction of the costs incurred in their collection. The civil penalties provided in this subsection shall be in addition to all other civil remedies and criminal penalties provided by law.

(u) Criminal Penalties.

Any foreign bank holding a certificate of authority pursuant to this section which willfully violates any provision of this section, or any rule, regulation or order issued by the Comptroller pursuant thereto, shall upon conviction be fined not more than $1,000 for each day during which the violation continues. Any individual who willfully participates in a violation of any provision of this section shall upon conviction be fined not more than $10,000 or imprisoned not more than one year, or both.

JURISDICTIONAL AMENDMENTS

Sec. 19. Title 28, United States Code, is amended by adding the following new sections:

"§ 1364 Foreign Banks as Party

The district courts shall have original jurisdiction of any civil action commenced by the United States, or by direction of any officer thereof, against any foreign bank arising out of the business of any branch of such foreign bank established and operating under section 18 of the Foreign Bank Act of 1974, any civil action against any foreign bank to wind up the affairs of any such branch, and any action by such a foreign bank in the district for which the court is held under section 18 of the Foreign Bank Act of 1974 to enjoin the Comptroller, or any receiver acting under his direction, as provided by such section.

"§ 1407 Actions by Foreign Banks To Enjoin Comptroller

Any civil action by a foreign bank arising out of the business of a branch established under section 18 of the Foreign Bank Act of 1974 to enjoin the Comptroller under the provisions of any Act of Congress relating to the business of any such branch, may be prosecuted in the judicial district where such branch of such foreign bank is located."

UNITED STATES CRIMINAL CODE AMENDMENTS

Sec. 20. Title 13, United States Code, is amended by adding the following new sections:

"§ 16 Member Bank

"The term 'member bank', as used in this Title, includes any branch or agency of a foreign bank that is a member of the Federal Reserve System.

"§ 17 National Bank

"The term 'national bank', as used in this Title, includes any branch of a foreign bank established and operating under section 13 of the Foreign Bank Act of 1974."

BANK PROTECTION ACT AMENDMENTS

Sec. 21. Section 2 of the Bank Protection Act of 1963 (12 U.S.C. 1881) is amended—

(1) by inserting the following in paragraph (1) after "national banks" and before "and district banks";

", any branch of a foreign bank established and operating under section 18 of the of the Foreign Bank Act of 1974,"; and

(2) by inserting the following in paragraph (2) after "State banks" and before "which are members of the Federal Reserve System":

"and any branch or agency of a foreign bank established or operating under the laws of any State".

TRUTH-IN-LENDING ACT AMENDMENTS

Sec. 22. Section 108 of the Truth-in-Lending Act (12 U.S.C. 1607) is amended—

(1) by inserting after the words "national banks" in subparagraph (A) of paragraph (1) of subsection (a) the following:

"and branches of foreign banks established and operating under section 18 of the Foreign Bank Act of 1974"; and

(2) by inserting after the words "national banks" within the parentheses in paragraph (B) of paragraph (1) of subsection (a) the following:

"and branches of foreign banks established and operating under section 18 of the Foreign Bank Act of 1974".

FAIR CREDIT REPORTING ACT AMENDMENTS

Sec. 23. Section 621 of the Fair Credit Reporting Act (12 U.S.C. 1681s) is amended—

(1) by inserting after the words "national banks" in subparagraph (A) of paragraph (1) of subsection (b) the following:

"and branches of foreign banks established and operating under section 18 of the Foreign Bank Act of 1974"; and

(2) by inserting after the words "national banks" within the parenthesis in subparagraph (B) of paragraph (1) of subsection (b), the following:

"and branches of foreign banks established and operating under section 18 of the Foreign Bank Act of 1974".

INTERNATIONAL INFORMATION AGREEMENTS

Sec. 24. Notwithstanding any other provision of law, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, are hereby authorized to make available, under such conditions as they may prescribe, upon request, examination, operating, or condition reports, or other information, in their possession of State banks and national banks to the banking supervisory authority of a foreign country in which such bank has or proposes to have a branch, agency, office, or banking subsidiary, including any banking affiliate which is to be in the form of a joint venture between such bank and any other person, firm, or corporation: *Provided*, That any of the foregoing information may only be made available to such foreign banking supervisory authority upon the condition that such foreign banking supervisory authority shall make available upon request to the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, its examination, operating or condition reports or other information in its possession of banks organized or operating under the laws of such foreign country which engage or propose to engage in a joint venture banking affiliate with a State or national bank, whether in the United States or such foreign country, or which do business or propose to do business through a branch, agency, office, or banking subsidiary in the United States: *Provided further*, That any such arrangement shall be contingent on the condition that the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation and such foreign banking supervisory authority shall not disclose or otherwise make such reports available to any person not an officer, employee, or agent of the Board of Governors of the Federal Reserve System, of any Federal Reserve Bank, of the Comptroller of the Currency, of the Federal Deposit Insurance Corporation, or of such foreign banking supervisory authority.

FEDERAL BANKING LICENSE

Sec. 25(a) Definitions.

For the purposes of this section, the terms "bank", "company", "control", "foreign bank", "foreign country", and "subsidiary" shall have the meanings assigned to them in section 2 of the Bank Holding Company Act of 1956, as amended. The term "Comptroller" means the "Comptroller of the Currency".

(b) REQUIREMENT OF LICENSE.

In addition to any other requirements imposed under the laws of the United States, any State of the United States, or the District of Columbia, no foreign bank or group of foreign banks, and no company (1) which is organized under the laws of a foreign country and which controls a foreign bank, (2) which is a subsidiary of a foreign bank, or (3) of which control is held, directly or indirectly, by the shareholders of a foreign bank, the majority of whom are not citizens of the United States or companies controlled by citizens of the United States, shall control, establish, operate or organize, as the case may be, any bank located in any State of the United States or the District of Columbia unless such foreign bank, group of foreign banks or company, as the case may be, shall have received a federal banking license to control, establish, operate or organize such bank issued by the Comptroller under this section, or shall have received a certificate issued by the Comptroller under section 5169 of the Revised Statutes, as amended, or section 18 of the Foreign Bank Act of 1974: *Provided*, That any such foreign bank, group of foreign banks, or company shall not be required to apply for a federal banking license under this section for any bank controlled, established, operated, or organized on or before the date of enactment of the Foreign Bank Act of 1974, if, within one hundred and eighty days after the date of enactment of the Foreign Bank Act of 1974, such foreign bank, group of foreign banks, or company shall register with the Comptroller on forms prescribed by the Comptroller, which shall include such information with respect to the financial condition and operations, and management of such foreign bank, group of foreign banks, or company and such bank or banks, as the Comptroller may deem necessary or appropriate to carry out the purposes of this section.

(c) REQUIREMENTS OF APPLICATION.

A foreign bank, group of foreign banks, or company, in order to obtain a federal banking license under this section, shall make application therefor to the Comptroller which application shall include such information as the Comptroller, in his discretion, may prescribe as necessary or appropriate to carry out the purposes of this section. Such application shall be made on forms prescribed and furnished by the Comptroller and shall be duly executed by one or more of the principal officers of the applying foreign bank or company, or of each applying foreign bank in a group of foreign banks.

(d) AUTHORITY VESTED IN THE SECRETARY OF THE TREASURY.

Upon receipt of an application for a federal banking license under this section, the Comptroller shall retain a copy thereof and shall transmit the original application to the Secretary of the Treasury who is authorized and empowered to approve the issuance by the Comptroller of any federal banking license under this section. The Comptroller shall also transmit a copy of an application for a federal banking license under this section to the Secretary of State of the United States and the Board of Governors of the Federal Reserve System, who shall submit their views and recommendations to the Secretary of the Treasury within thirty days after the date of receipt of the application.

(e) FACTORS TO BE CONSIDERED.

The Comptroller shall not issue a federal banking license to a foreign bank, group of foreign banks, or company under this section if the Secretary of the Treasury, after taking into account the views and recommendations of the Secretary of State and Board of Governors of the Federal Reserve System, determines that the issuance of a federal banking license would adversely affect the domestic or foreign commerce of the United States, or would otherwise not be in the interests of the United States. In every application, the Secretary of the Treasury shall also take into consideration the views and recommendations of the Comptroller on the financial and managerial resources and future prospects of the applicant and bank concerned, and the convenience and needs of the community to be served.

(f) FEDERAL BANKING LICENSE.

If, upon a careful examination of the facts so reported, and of any other facts which may come to the knowledge of the Secretary of the Treasury, it appears to the Secretary of the Treasury, after taking into account the views and recommendations of the Secretary of State and the Board of Governors of the Federal Reserve System, that such foreign bank, group of foreign banks, or company is lawfully entitled to control, establish, operate or organize such bank under this section, the Secretary of the Treasury shall direct the Comptroller to issue a federal banking license to such foreign bank, group of foreign banks, or company, under his hand and official seal, authorizing such foreign bank, group of foreign banks or company to control, establish, operate, or organize such bank.

(g) REVOCATION OF FEDERAL BANKING LICENSE.

Any federal banking license issued to a foreign bank, group of foreign banks, or company pursuant to this section shall be revoked when any other approval, certificate, charter or license it may have to control, establish, operate or organize the bank for which the license has been issued, has been revoked, canceled or otherwise terminated under the laws of the United States, any State of the United States, or the District of Columbia.

(h) REGULATIONS.

The Secretary of the Treasury and the Comptroller are authorized and empowered to issue such rules, regulations, and orders as each of them may deem necessary in performing their respective duties and functions under this section to enforce compliance with the provisions of this section, to prevent evasions thereof, and to ensure the proper exercise of the powers granted therein.

(i) CRIMINAL PENALTIES.

Any foreign bank or company which willfully violates any provision of this section or any rule, regulation, or order issued by the Secretary of the Treasury or the Comptroller pursuant thereto, shall upon conviction be fined not more than $1,000 for each day during which the violation continues, and any individual who willfully participates in a violation of any provision of this section shall upon conviction be fined not more than $10,000 or imprisoned not more than one year, or both.

SEPARABILITY

SEC. 26. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the Act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

EFFECTIVE DATE

SEC. 27. This Act shall take effect on the ninetieth day beginning after the date of its enactment.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOREIGN BANK ACT OF 1974, SUMMARY OF PRINCIPAL FEATURES

The proposed legislation, entitled the Foreign Bank Act of 1974, would establish a national policy on foreign banks operating in the United States and a system of Federal regulation and supervision of those operations.

Foreign banks have in recent years been coming to the United States in increasing numbers and operating through branches, agencies, and subsidiary banks. The scale and nature of foreign bank activities through these facilities is now significant in terms of competition within the banking industry and of the functioning of money and credit markets. This movement by foreign banks into the United States is part of the broader development of multinational banking in which United States banks are deeply involved through their extensive operations overseas. The multinational banking system that has evolved as a result of the establishment by the world's leading commercial banks of banking and financing facilities on a global basis is now a key element in the world's financial system. Its functioning has far-reaching ramifications for international financial policy and for the economic and financial policies of individual nations.

At the present time, foreign banks entering and operating in this country do so on terms and conditions almost exclusively determined by the laws and regulations of the various States. The uneven incidence of these laws and regulations has the result that in some States foreign banks are precluded from entry; in others, the form of organization and the nature of their activities are restricted in various ways. On the other hand, by careful choice of organizational form, foreign banks are able to engage in deposit banking activities in several States, an opportunity presently not available to domestic banks. Also, in contrast to the large United States banks, a number of foreign banks conducting sizeable banking operations through branches and agencies are not subject to the constraints imposed by the Bank Holding Company Act on nonbank activities. Few foreign banks are members of the Federal Reserve System; as a consequence, a growing and increasingly important sector of money market and credit operations is not directly subject to the monetary disciplines of the central bank. Finally, existing arrangements provide only a limited role for the Federal Government despite the fact that foreign bank operations in this country and their treatment here have important implications for our external financial policy and for our relations with foreign governments.

The proposed legislation seeks to regularize the status of foreign banks in the United States on the basis of the principle of national treatment, or nondiscrimination. Its provisions are aimed at providing foreign banks with the same opportunities to conduct activities in this country as are available to domestic banking institutions and subjecting them to the same rules. In this way, equitable treatment would be afforded to comparable institutions competing in the same national market. The legislation also provides for a Federal Government role in licensing and supervising foreign bank operations because of the national policy considerations involved and would bring most of those operations directly within the purview of the Federal Reserve as the nation's central bank. The ways in which legislation seeks to implement these general objectives are described in the following sections.

COVERAGE

At the present time, foreign banks operating in the United States exclusively through branches and agencies are not subject to the Bank Holding Company Act. Moreover, the branches and agencies of foreign banks that are subject to that Act because of their ownership of a subsidiary bank are not considered as additional "banks" for purposes of the Act. This situation is remedied by Section 2 of the bill which amends the Bank Holding Company Act to redefine "bank" to include branches and agencies of foreign banks established or operating under the laws of the United States, any State of the United States, or the District of Columbia. As a result, the Bank Holding Company Act would apply to virtually all foreign banks conducting depository and bank lending functions in the United States.

These amendments to the Bank Holding Company Act would not extend to New York State Investment Companies nor to banking organizations that are joint ventures of foreign banks. New York State Investment Companies are organized under Article XII of the New York banking law and are empowered to transact all the usual activities of a commercial bank, except that they may not engage in the general business of accepting deposits. Instead, they are limited to accepting credit balances from their customers that are incident to or arise from the exercise of their lawful powers. There are currently three of these Companies that are foreign-owned and conduct the essence of a commercial banking business in this manner. Two of these Companies are wholly-owned subsidiaries of foreign banking organizations, the other being a joint-venture formed by six foreign banks. At the same time, there are about nine domestically-owned Investment Companies that are active but which conduct essentially a domestic finance company business. The foreign-owned Investment Companies are excluded from coverage under these amendments because of the limited number involved and because of the difficulty of distinguishing those Companies on a nondiscriminatory basis from the domestically-owned companies that are not essentially engaged in a commercial banking function.

Banking organizations that are joint ventures of foreign banks are excluded from coverage by retaining the existing standards of control in the Bank Holding Company Act. Under those standards, a company must become a bank holding company if it controls 25 or more per cent of the voting stock of a bank. Thus, a bank owned by several companies, none of which owns 25 per cent of the bank, is excluded. Currently, there is only one institution of significance that falls in this category, the European-American Bank and Trust Company. That institution, which is owned by six European banks, recently became a member of the Federal Reserve System. The singularity of such joint ventures to date, together with the potential domestic repercussions of changing the existing control standards of the Bank Holding Company Act, are the principal reasons for excluding joint-ventures from coverage of the Act.

EQUALITY OF TREATMENT

This objective is achieved by subjecting all foreign banks to the Bank Holding Company Act through the redefinition of "bank" (Section 2 of the bill as just described), by enlarging entry alternatives through facilitating ownership of national banks (Section 12) and enabling the establishment of a Federally-licensed branch (Section 18), by permitting foreign banks to own Edge Corporations (Section 10), by requiring Federal Reserve membership in most instances (Sections 3 and 5–8), and through enabling FDIC insurance on deposits in branches and agencies (Section 17).

ENTRY ALTERNATIVES

The provisions of Sections 12 and 18 would provide an alternative to State chartering and licensing, comparable to that available to domestic banks. At present, foreign ownership of national banks is inhibited by the requirement that all directors of national banks shall be citizens of the United States. The proposed amendment to the National Bank Act would allow the Comptroller of the Currency to permit not more than one-half of the directors of a national bank to be noncitizens of the United States.

The Comptroller is also authorized to license branches of a foreign bank in any State to conduct a banking business on the same basis as a national bank. This would enable foreign banks to establish branches in States where such branches are prohibited or not permitted by State law. Establishment of such branches would, however, be subject to the provisions of the Bank Holding Company Act with respect to multi-State banking operations.

EDGE CORPORATIONS

Domestic banks are presently authorized to own Edge Corporations at various locations in the United States to conduct international lending and deposit activities. Under Section 25(a) of the Federal Reserve Act, however, a majority of the shares of an Edge Corporation must be owned or controlled by citizens of the United States. Moreover, all of the directors of an Edge Corporation must be citizens of the United States. The proposed amendments to this Section would give the Board of Governors the authority to waive these provisions and, consequently, to allow foreign banks to conduct international business throughout the country on the same basis as domestic banks.

FEDERAL RESERVE MEMBERSHIP

The foreign banks operating in the United States are with few exceptions very large banks when their activities are viewed on a world-wide basis. As such, they are direct competitors, both in this country and abroad, of the large U.S. money market banks, all of which are members of the Federal Reserve System. The legislation would require Federal Reserve membership for all foreign banking operations in the United States where the foreign bank involved had world-wide assets in excess of $500 million. Such foreign banks would have to maintain reserve requirements and conform to other provisions of the Federal Reserve Act with respect to their operations in the United States, and would have access to the discount and lending facilities of the Federal Reserve. The exception made for foreign banks with less than $500 million in world-wide assets is on the grounds that banks of that size are likely to come to the United States for specialized purposes and that such treatment is comparable to that given domestic banks. Only a handful of domestic banks with assets larger than $500 million are nonmember banks.

FDIC INSURANCE

Subsidiary banks of foreign banks are now required by the Bank Holding Company Act to carry Federal Deposit Insurance. The legislation would extend that requirement to branches and agencies of foreign banks, thus assuring that depositors in virtually all banking institutions in the United States are covered by insurance. Because of the possible technical problems in implementing this requirement with respect to institutions that are not incorporated in the United States, the bill directs the Federal Deposit Insurance Corporation to submit within 90 days of its enactment proposals to extend insurance coverage to deposits in branches and agencies.

FEDERAL GOVERNMENT PRESENCE

To assure a consistent national policy toward foreign banks and to enable consideration of international financial relations in the entry of foreign banks, the legislation provides in section 25 that a Federal banking license shall be obtained for all banking facilities of foreign banks, whether organized or operating under State or Federal law. The Comptroller of the Currency is designated as the Federal licensing agent for this purpose. However, the Secretary of the Treasury must approve the issuance of any such license and before granting approval he is required to consult with the Secretary of State and the Board of Governors of the Federal Reserve System. Similarly, the Board of Governors is required to consult with the Secretary of State before chartering an Edge Corporation to be owned by a foreign bank.

To facilitate discussions and agreements with foreign authorities on multinational banking issues, section 24 of the bill authorizes the Federal supervisory authorities—the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation—to enter into mutual arrangements with foreign bank supervisory authorities for the interchange of information on banking institutions. At present, the Federal supervisory agencies are strictly limited by law on the disclosure of information arising from bank examinations or other sources in the course of exercise of their supervisory functions.

GRANDFATHERING PROVISIONS

Foreign banks presently conducting banking operations in the United States have in a number of instances banking facilities in more than one State. In a few cases, they have ownership interests in companies engaged in a securities business in the United States and in other nonbanking activities that are not permissible to domestic banks. Under the provisions of the bill, future multi-State banking operations and ownership interests in securities and other nonbanking companies would be limited to the same extent as domestic banks.

The proposed legislation in section 3 gives permanent grandfather status to existing nonconforming activities. Such a grant recognizes the vested interest of foreign banks in these facilities, conforms broadly to this country's obligations under its treaties of foreign commerce and navigation, and is generally consistent with past Congressional precedent. The grandfathering date is set at the date of introduction of the legislation. Nonconforming banking facilities established after the grandfathering date would have to be divested within two years, unless extended for up to an additional three years by the Board of Governors. Nonconforming nonbanking interests acquired after the grandfathering date would have to be divested within a period of 10 years.

The grandfathering provisions with respect to multi-State banking operations would work as follows: foreign banks would be allowed to retain banking facilities in the States in which presently located. The State in which the foreign bank's operations are the largest, as determined by a total assets test, would be defined as the principal State of its operations in this country. In that principal State, a foreign bank would be able to expand its operations through any form of organization as permitted by State law: additional branching, mergers, and acquisitions. Outside the principal State of operations, a foreign bank would be able to expand through the form in which its present operations in that State are conducted—*i.e.*, additional branches if it had branches, or if it had a subsidiary bank, by branching if permitted by State law or by mergers, but not acquisitions. However, the foreign bank would be able to convert its operations in that secondary State to another form of organization provided that all of its operations in that State were so converted. In essence, a foreign bank would be able to retain its operations in the States in which it is located and to expand within those States in accordance with State law.

The securities affiliates of foreign banks are few in number and small in size with little competitive impact within the securities or banking industries. For the most part, these securities affiliates engage in brokerage activities for the foreign customers of the foreign bank and in corporate financial services such as advice on mergers and acquisitions. These activities are very similar to those provided by U.S. banks through their trust departments. The underwriting and dealing activities of these securities affiliates are small. The permanent grandfathering of these affiliates reflects the Board's judgment that no public purpose would be served by requiring divestiture. However, to guard against excessive expansion of securities business conducted by foreign banks, the foreign banks with grandfathered securities affiliates would not be allowed to acquire or to establish de novo additional securities affiliates.

The other nonbanking affiliates of foreign banks that are of a nonconforming nature are limited in number and significance. Providing permanent grandfather status to these activities again reflects a judgment that no public purpose would be served by forcing divestiture of these interests or providing a limited grandfathering period.

By Mr. HUMPHREY (for himself, Mr. ALLEN, Mr. YOUNG, Mr. CLARK, Mr. DOLE, and Mr. HUDDLESTON):

S. 4206. A bill to provide price support for milk at not less than 90 per centum of the parity price therefore, and for other purposes. Referred to the Committee on Agriculture and Forestry.

DAIRY SUPPORT LEVEL SHOULD BE RAISED TO 90 PERCENT OF PARITY

Mr. HUMPHREY. Mr. President, I have been urging that dairy price support levels be increased to 90 percent of parity to save our dairy farmers. But, the Department of Agriculture has continued to turn a deaf ear.

Today, I urge that we in the Congress legislate this level in order to help our dairy farmers to stay in production.

The House of Representatives has been holding hearings on three bills, all of which would raise the price support level to 90 percent. I understand there is strong support to report out such a bill.

My bill would not only raise the price support level to 90 percent of parity, but it also would provide for a quarterly rather than an annual recomputation of the price which farmers receive under the price support level.

The price support level is now set on April 1 each year, and our present price support level was determined at 80 percent of parity on April 1, 1974.

However, because of rapidly escalating production costs, the support level, in terms of prices received by our farmers has gone down, and it is now estimated at 75 percent of parity.

Recomputing the parity level quarterly would be helpful in enabling farmers to at least stay even with ever increasing production costs.

Our Senate Committee on Agriculture and Forestry held hearings on September 30. At that time, the testimony was unanimous that our farmers are in desperate straits. Even the Department of Agriculture, with its rose-tinted glasses, conceded as much. But they have been unwilling to act.

On October 8–10, the Department of Agriculture held hearings to consider raising the minimum prices paid to farmers for class I or fluid milk. A modest increase in the minimum prices to $7.50 per hundredweight was proposed. This would have been somewhat helpful and at least indirectly have provided a minor benefit to the producers of class II milk. However, this minimal increase has been rejected.

Mr. President, I find no other recourse but to enact legislation to do what the Department of Agriculture has neither the courage nor the will to do.

At our Senate hearings in September, we heard that dairy production costs have probably increased by 30 percent in the past year. Feed concentrate costs, as one example, have gone up over 32 percent in 1 year.

With our reduced harvests, there is little chance that the costs of feed will improve. At the time of our Senate hearings, it was indicated that our dairy farmers were able to buy only about 110 pounds of feed with 100 pounds of milk. A farmer should be able to buy 170 pounds of feed with 100 pounds of milk if he is to make a profit.

This feed-milk ratio is an important indicator of profitability, and the present ratio is the worst it has been since 1947.

In surveying States in different areas of the country such as South Carolina, Washington, Colorado, Texas, Oklahoma, Wisconsin, California, Iowa, and Minnesota, it was demonstrated that farmers have been losing from $1.50 to $2 per 100 pounds of milk produced.

To compound the problem, the Department of Agriculture this year increased the importation of milk products by about 1.3 billion pounds over 1972, a fairly typical year. The USDA estimates that this year the CCC will acquire 1.2 billion pounds of milk products, an almost even tradeoff in terms of the level of imports.

It is small comfort for our farmers to be told that the CCC has been making purchases of milk products. If our farmers had not had to face the increased competition of subsidized imports, our milk markets would not be in their present state.

While there has been a minor improvement in milk prices during the fall, this has been very slight. Our farmers have continued to face the choice of staying in production and continuing to lose money or selling their herds at a fraction of their real value.

Many of our urban citizens have rightly been disturbed at the recent slaughter of cattle. The news stories have sometimes given the false impression that the farmers were being greedy and trying to keep cattle prices high.

Our farmers have been trying to get their message through for months, and the USDA has ignored the law and has been unwilling to help.

Members in both Houses of Congress have developed legislation to make large-scale purchases of livestock to relieve this present problem.

Stories have reached me recently of cattle being sold in Minnesota for 8 cents and even 5 cents per pound. In some cases the returns from the sale did not even meet the hauling costs.

This is a sorry state, and it is understandable why our farmers are angry, frustrated and desperate.

I am concerned that we not only look at the question of reducing livestock herds, but that we also find ways of keeping our farmers in production.

My bill to raise the price support level to 90 percent of parity is directed toward this objective. It is a very modest bill. Chairman TALMADGE of our Committee on Agriculture and Forestry announced on September 23 that we would be having extensive hearings early in 1975 on the need for revisions in our agricultural legislation. But, in my view, the situation has reached the point where we cannot wait until some time in 1975 for new legislation.

Mr. President, on November 19 a letter signed by 30 members of the House Committee on Agriculture was sent to the Department of Agriculture, protesting its recent decision against increasing the level of price supports for fluid milk. I also wish to share with my colleagues an October 28 letter which I sent to the Department of Agriculture urging that the milk price support level be increased to 90 percent of parity. The reply to my letter, unfortunately, was negative.

I find this most discouraging when over 3,000 Minnesota dairy farmers have been forced out of production in the past year.

The November 4 Wall Street Journal included an article "U.S. Dairy Farmers Find Selves Squeezed Between Soaring Costs, Sagging Prices." This article details the desperate straits our dairy farmers find themselves in as milk prices have declined by almost $2 per hundred pounds of milk produced, but costs have continued to increase.

As an example, one farmer reports that his feed costs went from around $100 per ton to almost $200 in 1 year, and hay prices increased from $45 to $120 in a matter of weeks.

Mr. President, I ask unanimous consent that the text of my bill to raise the price support level of milk to 90 percent of parity and to provide for a quarterly recomputation of the parity level, be included at this point in the RECORD. I also ask unanimous consent that the following items referred to in my remarks be included in the RECORD, following the text of this legislation: The letter to USDA by members of the House Agriculture Committee; my letter to the Secretary of Agriculture; the USDA reply to my letter; and the Wall Street Journal article of November 4, 1974.

There being no objection, the bill and material were ordered to be printed in the RECORD as follows:

S. 4206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446), as amended, is further amended by adding at the end thereof a new subsection as follows:

"(d) Notwithstanding the foregoing provisions of this section, effective for the period beginning with the date of enactment of this subsection and ending on March 31, 1976, the price of milk shall be supported at not less than 90 per centum of the parity price therefor. The parity price for milk shall be adjusted by the Secretary at the beginning of each quarter, beginning with the second quarter of the calendar year 1975, to reflect any change during the immediately preceding quarter in the index of prices paid by dairy farmers for production items, interest, taxes, and wage rates.".

Committee on Agriculture,
Washington, D.C., November 19, 1974.
Hearing Clerk, 112A,
U.S. Department of Agriculture,
Washington, D.C.

Dear Sir: The undersigned Members of the Committee on Agriculture of the House of Representatives take this means of protesting the proposed order denying an increase in fluid milk (Class I) prices paid to farmers as a result of the Public Hearing at Rosemont, Illinois October 8–10.

We are convinced that without an immediate increase in the income of dairy farmers there is no way whereby we can hope to maintain an adequate supply of milk for our children at any price. Farmers cannot long continue to produce at a loss as most dairymen are doing at the present time. We must look to the longtime effects of our actions. We cannot afford to destroy one of our major industries and bankrupt a great number of our hardest working citizens simply in order to say that we held milk prices down for a few months. Nor are the disastrous results of this low price policy confined to the producers, and ultimately to the consumers, of milk. The entire livestock industry is presently jeopardized as a result of dairy prices far below the cost of production. When a young dairyman today is forced to sell out, he cannot sell his cows to another dairyman because his neighbor is also on the verge of bankruptcy. He must sell his cows for slaughter. Thus the dairy debacle overhangs and makes the beef cattle problem even more difficult. We most respectfully beseech you to extend at least some slight help to these vital producers before they are all eliminated.

At the moment the price of feed grains is good. However, is it not clear that if we sit by and allow the liquidation of a large part of our feed consuming animals that within another year the markets for corn and feed grains will collapse just as has the market for cattle?

Can it be in the public interest to allow this wave of bankruptcies to occur? Can it be in the interest of American consumers to swap a long term adequate supply of meat and milk at reasonable prices for a short term "Bankrupt Sale" of these commodities? Is it fair to the starving people of the world to destroy the only effective incentives for full farm production in the United States?

You attempt to justify your proposed order by suggesting that there will be a decrease in the rate of production decline. Until the costs of production decline, how can dairymen increase their production? The two largest factors in the cost of producing milk are the price of feed and the rate of wages paid. Do you propose to reduce either of these items? If so, how is this going to affect other groups?

The increase in market order prices proposed in the application will not compensate dairymen for the increase in costs occasioned by either increased feed prices or the increase in wages.

What does the Department propose as a means of maintaining this vital milk production? The undersigned Members of our Committee propose approval of the requested market order prices as a partial answer.

Sincerely, ——— ———.

October 28, 1974.

The Hon. Earl Butz,
Secretary of Agriculture, Washington, D.C.

Dear Mr. Secretary: I am writing to insist that you raise the dairy price support level immediately to 90 percent of parity.

As I have said to you repeatedly and most recently by telephone on October 19, our dairy farmers are threatened with liquidation.

In your October 18 speech to the Future Farmers, you stated that you had the authority to raise milk price support levels, and you indicated that some increases might be forthcoming.

When are you going to act?

Your department is well aware that the production costs for our dairy farmers have gone up by at least thirty percent in the last year. And in the last six months the price of milk received by dairy farmers has gone down by about $2 per hundredweight.

Information which I released at the recent Senate hearings on the dairy situation indicates that dairy farmers throughout the nation are losing from .50 to $2.00 per hundredweight.

It is hardly coincidental, Mr. Secretary, that the slaughter rate for dairy cattle in October throughout the nation has been over 100 percent above last year's level.

Over 3,000 Minnesota dairy farmers have been forced out of business in the past year. And these are efficient farmers who have been in business for many years.

When we wrote the 1973 farm act, we required that the price support levels be set at a point to "meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs."

In my view, the Department of Agriculture is in violation of the law. The continued supply of dairy products will be threatened if we continue to wipe out our dairy farmers.

The time for debate is past. It is urgent that action be taken now.

With best wishes.

Sincerely,

Hubert H. Humphrey.

U.S. Department of Agriculture.
Washington, D.C., November 15, 1974.
Hon. Hubert H. Humphrey,
U.S. Senate.

Dear Senator Humphrey: Secretary Butz has asked us to reply to your recent letter requesting an increase in the support level for milk to 90 percent of parity.

We have carefully considered the advisability of raising the support level for milk and have concluded that it should not be increased at this time. An increase in support prices would result in higher wholesale and retail prices for milk and dairy products. We want to avoid this because of reasons made clear by developments this year.

Consumers reacted to the high retail prices last winter by sharply reducing consumption of fluid milk. This caused more milk to be used for manufacturing and production of manufactured products increased, market prices of dairy products fell, consequently causing manufacturing milk prices received by farmers to fall.

Considerable purchases by Commodity Credit Corporation have been necessary to carry out the existing support program with support at 81 percent of parity ($6.57 per hundredweight). Purchases so far this marketing year have totaled 31 million pounds for butter, 52 million pounds for cheese and 202 million pounds for nonfat dry milk, and purchases are continuing. An increase in the support level would require corresponding increases in CCC purchase prices of dairy products. The predictable results would be higher wholesale and retail prices, larger milk production, further discouraged consumption and larger CCC purchases.

With regard to carrying out the provisions of the legislation on the level of milk price support (Section 202 of the Agricultural Act of 1949 as amended by the 1973 Farm Act), we have always taken into account cost of production and the level of farm income necessary to maintain productive capacity to met future needs. Evidence of this is that in most years, CCC has had to buy substantial quantities of dairy products in carrying out the program.

Milk production has increased for the last four consecutive months, and in October was 2.2 percent greater than a year earlier. An increase in the level of support would result in even more milk production. High-cost feed would be diverted from other livestock and poultry enterprises into milk production. The additional milk thus produced would be used for manufacturing dairy products for which there would be no commercial demand and would end up in government hands. Thus, the government would be in the position of purchasing scarce feed resources in the form of surplus dairy products.

Milk prices have risen seasonally, and the average price for manufacturing milk in October is more than 40 cents per hundredweight higher than the low point reached in July. We expect further increases in the months ahead.

Sincerely,

Kenneth E. Frick,
Administrator.

[From the Wall Street Journal, Nov. 4, 1974]

Milk and Money: U.S. Dairy Farmers Find Selves Squeezed Between Soaring Costs, Sagging Prices

(By Robert L. Simison)

Sulphur Springs, Tex.—Ray Musgrave, a big-boned Texan with hands thrust deep in the pockets of his faded dungarees, kicks dejectedly at the red bricks of the town square with the toe of his boot and says, "It kind of makes you want to sit down and cry."

As a dairyman in this lush, East Texas dairy region, Mr. Musgrave would seem to have good reason. For despite such desperate efforts to cut costs as selling off part of his herd, killing his bull calves and giving away heifer calves, he faces the prospect of losing his 318-acre farm outside nearby Mount Pleasant from his inability to meet his expenses.

And he has lots of company among the nation's 300,000 dairymen, who say they're being squeezed as never before between soaring feed costs and weak wholesale milk prices. "I expect to see as many dairymen go out of business between now and Christmas as I've seen in the last two years," says Alpheus Ruth, a Fleetwood, Pa., dairyman. Clifford H. Burton, dairy economist at Oklahoma State University says: "In the 21 years I have worked with milk producers, they have never, even for a short time, experienced the financial crisis they have faced since June 1, 1974."

For consumers, the dairymen's woes almost certainly will mean even higher prices because of reduced production, although no one can safely predict how high retail milk prices will go. And some dairy experts predict temporary, local shortages and price distortions by late summer next year. In the longer term, dairy economists believe current conditions could endanger domestic milk capacity for the six to seven years it would take to rebuild herds allowed to dwindle now.

Cyclical hard times are nothing new to the dairy industry. But the current crunch comes at a time when the industry appeared to be stabilizing after suffering heavy attrition during a similar price-cost squeeze in the middle and late 1960s. Total U.S. milk production declined steadily from 1965 through 1969, but production was picking up this year in response to high milk prices last winter.

Hard times have returned with alarming impact. The Minnesota Agriculture Department is calling it a "disaster situation." "I've never seen so many auction bills in 10 years," a spokesman says. In Pennsylvania, dairy spokesmen claim as many as a quarter of the state's 16,500 dairymen could be forced under by spring. And even in Wisconsin, the nation's biggest dairy state, Agriculture Secretary Donald E. Wilkinson says the state could lose 2,000 of its 53,000 dairy herds, well above the average annual loss of the last decade.

"We've never faced such circumstances as we're facing now," says Samuel F. Howe, associate general manager of the nation's largest dairy cooperative, Associated Milk Producers Inc. "Every dairyman is losing money on a daily basis now."

Sharply rising feed costs are the main reason. The 41-year-old Mr. Musgrave, for example, has seen milo prices climb to $6.50 a hundred pounds from $4.40 since June and soybean supplement prices reach $7.51 a hundred pounds from $5.61. That leaves him with feed costs for his 132-cow herd of about $4,000 a month, up from about $3,500 in June.

Elsewhere, the situation is much the same. "I was astounded when my feed costs went over $100 a ton last year," says dairyman Charles Anken of Holland Patent, N.Y., "and now they're approaching $200 a ton." And Bill Oswalt, a Kalamazoo, Mich., dairyman, says hay prices have gone to $120 a ton from $45 in a matter of weeks. Nationally, feed costs, which normally constitute about half the operating costs of dairying, jumped 20% from July to August.

Bulk milk prices haven't kept pace. In Mr. Musgrave's case, sluggish milk prices combined with a normal seasonal decline in milk output to leave his September milk check at $6,500, down from $8,900 in June. The net price he receives for each hundred pounds of milk increased to $8.06 from $8 in that time.

The wholesale milk prices paid to farmers normally dip during the summer as production increases seasonally, but this year prices came crashing down an extraordinary 15% between March and July. Consumer resistance to high retail prices was diverting milk into such lower-paying uses as the manufacture of cheese, butter and evaporated milk, where the market was glutted from increased imports of dairy products. Since then, continued declines in consumer demand and production gains sparked by last winter's high prices have delayed seasonal increases and kept them smaller than usual.

The combination of rising feed costs and sluggish milk prices has left dairymen struggling to pay their other operating costs. "You get only two things for free in farming," figures dairyman Charles Miller of Hackettstown, N.J. "Air and water." Among Mr. Miller's other operating requirements, the cost of fertilizer for his corn has reached $185 a ton from $75 a year ago.

And Mr. Musgrave, who faces debt payments of $3,200 a month on loans of $50,000 for land, cattle and the sophisticated equipment of modern dairying, says his costs for raising and baling his own hay have risen to $1.06 a bale from 56 cents a year ago. He expects to have a personal loss of about $9,000 this year, contrasted with personal net income of $14,000 last year.

Ironically, low cattle prices may force many dairymen who otherwise would sell out to stay in business. Mr. Musgrave, who trimmed his herd this year, to 132 cows from 178, says cows that brought $650 a head a year ago sold for $180 to $200 this year.

Meanwhile, dairymen feel politically stymied by the taint of scandal surrounding donation of funds to public officials by some dairy groups. "If any official tries to help us now," says Mrs. Vera Harrington, who with her husband operates three dairy farms near Sulphur Springs, "they'll holler, 'How much is he being paid?'" The Agriculture Department is considering proposals made at recent hearings to adjust the federal milk marketing formula by setting a temporary minimum for the price of milk for fluid use, but only minor relief is expected.

All in all, dairymen generally are facing the future with the heaviest gloom in years. "The frustrating part of it," says Norman Alger, a Mantua, Ohio, dairyman, "is that we can't produce milk at a price people want to pay for it."

By Mr. RIBICOFF (for himself, Mr. Javits, Mr. Nelson, Mr. Mansfield, Mr. Robert C. Byrd, Mr. Bentsen, Mr. Magnuson, Mr. Hart, Mr. Bible, Mr. Mondale, Mr. Pastore, Mr. Kennedy, Mr. Hartke, Mr. Humphrey, Mr. Metcalf, Mr. Williams, Mr. Brooke, Mr. Stafford, Mr. Hathaway, Mr. Muskie, Mr. Cranston, Mr. Jackson, Mr. Tunney, Mr. Hugh Scott, Mr. Case, Mr. Weicker, Mr. Mathias, Mr. Randolph, Mr. Pell, Mr. Taft, Mr. Aiken, and Mr. Schweiker):

S. 4207. A bill entitled the Emergency Unemployment Compensation Act of 1974. Referred to the Committee on Finance.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1974

Mr. RIBICOFF. Mr. President, today I am introducing the Emergency Unemployment Compensation Act of 1974 for myself and Senators Nelson and Javits. I am pleased that the bill is also cosponsored by Senators Mansfield, Hugh Scott, Robert Byrd, Magnuson, Hart, Mondale, Pastore, Kennedy, Humphrey, Williams, Brooke, Muskie, Cranston, Jackson, Tunney, Case, Mathias, Randolph, Hathaway, Pell, Schweiker, Taft, Hartke, Stafford, Bentsen, Metcalf, Bible, Aiken, and Weicker.

The fact that this legislation is supported by both the Democratic and Republican leaders underscores the need for immediate action.

It is most important that this legislation be enacted into law now so that we can begin paying benefits under the program by January of 1975. Our proposal is in the spirit of President Ford's proposals in the unemployment compensation area and I hope the administration will give it the support it deserves in order to secure passage in the weeks remaining in the 93d Congress.

Our economy is in the midst of a recession. As a result, unemployment is spreading. In October, 6 percent of the work force—5.5 million workers were out of jobs. In my own State of Connecticut, over 80,000 people—over 5.6 percent of the work force—are out of jobs.

The economic picture is not getting brighter. In Connecticut, it has been predicted that by late winter or early spring unemployment may reach 10 percent. The Council of Economic Advisers in Connecticut predicts that by spring the Connecticut unemployment figures will reach 125,000.

Congress and the President have a responsibility to establish long term programs to turn our economy around.

Meanwhile, however, we must take immediate steps to help unemployed workers and their families make it through our Nation's economic problems.

Families without jobs cannot wait a year or even months for the economic picture to brighten. They need help and they need it now. We must take action now so that jobless families can begin receiving extra benefits at the beginning of 1975.

Our bill would provide 13 weeks of additional emergency unemployment benefits after a worker had exhausted his 26 weeks of regular benefits and 13 weeks of extended benefits.

This proposal is similar to the one which Senator Magnuson and I cosponsored which became law in December of 1971.

The 13 additional weeks of emergency benefits would assure a jobless family of up to 1 year of unemployment benefits. While I am hopeful that a meaningful public service jobs program will enable many of the unemployed to go to work, we must be willing to provide adequately for those who have lost their jobs through no fault of their own.

SPECIFICS OF THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1974

Under our proposal 13 weeks of emergency benefits would be paid after the 26 weeks of regular and 13 weeks of extended benefits have been exhausted. The program would last through 1975 and 1976.

The program would trigger into operation so that it would begin on a national basis when the national rate of insured unemployment reaches 4 percent for at least 3 consecutive months. If the national rate does not hit 4 percent for 3 consecutive months, a State could trigger into the program on its own if its own rate is 4 percent for 13 consecutive weeks.

States would be fully reimbursed for Emergency Compensation benefits out of the extended unemployment compensation account in the Federal unemployment trust fund. Appropriations are authorized to provide the necessary funds.

In addition to providing 13 weeks of emergency benefits, our bill will also ease the requirements for eligibility under the extended benefits program. The national trigger for the extended program will be lowered from 4.5 to 4.0. Once the national trigger is reached, all States would be eligible for extended benefits.

In addition, States will be authorized to pay benefits without meeting the additional requirement that insured unemployment be 20 percent higher than in the previous 2 years. The waiver of the 20 percent requirement will be extended through December of 1976. It is now scheduled to expire on April 30, 1975.

I ask unanimous consent that a table comparing present law with the Ribicoff-Nelson-Javits be printed at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

UNEMPLOYMENT COMPENSATION

PRESENT LAW	RIBICOFF-NELSON-RIBICOFF
Regular	**Regular**
26 weeks state-financed.	Unchanged.
Extended	Extended
13 additional weeks in all states if national insured unemployment rate is 4.5%;or 13 weeks in any state where insured rate is 4% and rate is rising at 120% over previous 2 years (this 120% provision is now waived through Apr. 30, 1975). 50-50 state-federal funding.	13 additional weeks in all states if national insured unemployment rate is 4%; or 13 weeks in any state where insured rate is 4%. (120% requirement would be waived through Dec., 1976). 50-50 state-federal funding.
Emergency	Emergency
No provision.	13 additional weeks in all states if national insured unemployment rate is 4% for at least 3 consecutive months; or 13 weeks if the state unemployed insured rate is 4% and the state has the extended benefit program in effect. 100% federal financing.
Cost	Cost
	$1.1 billion over present law.

Mr. NELSON. Mr. President, I am pleased to join Senator RIBICOFF, Senator JAVITS and my other colleagues on both sides of the aisle today to introduce emergency legislation to provide additional unemployment compensation to workers who have exhausted their weekly benefits under current State and Federal laws. This measure will make it possible for workers covered under existing unemployment insurance laws to receive up to 52 weeks of total benefits while unemployment is intolerably high.

It is clear there is an unemployment crisis in America today, and President Ford has challenged Congress to protect the American worker from the ravages of that crisis. I can assure you Congress stands ready, willing, and able to respond to that challenge.

I want especially to emphasize, Mr. President, that this bill represents just one part of the unemployment program we expect Congress to enact in the days ahead. In addition to extending benefits for previously covered workers, we expect Congress to pass legislation to enlarge the federally funded public service employment program and to extend unemployment benefits to many workers not currently covered under any State or Federal unemployment insurance program.

America is experiencing a 6-percent rate of overall unemployment and a 4 percent of insured employment. Five and one-half million workers were unemployed in October, and all analysts expect a substantial increase when the November rate is announced on Friday. Even Alan Greenspan, the President's chief economic adviser, and Treasury Secretary William Simon have now estimated that the overall rate will go to 7 percent in the weeks and months ahead.

Congress cannot stand idly by in light of these grim forecasts, while ever-increasing numbers of unemployed workers are faced with the exhaustion of every avenue of aid but welfare. If we do not act now to establish comprehensive programs of assistance, we are in for the coldest and hardest winter since the 1930's.

The measure we are introducing today would work as follows:

Workers currently covered by unemployment compensation are generally entitled to State benefits for up to 26 weeks, depending on the duration of their previous employment. Some States provide longer benefits; Wisconsin, for example, provides up to 34 weeks of regular benefits. Under a Federal-State extended benefit program enacted in 1970, workers are also entitled to up to 13 weeks of extended benefits, funded half by the State and half by the Federal Government, if insured unemployment in their State exceeds 4 percent, or if national insured unemployment exceeds 4.5 percent.

As a general rule, insured unemployment lags behind the overall national unemployment rate computed by the Bureau of Labor Statistics by 2 percentage points—that is, an overall national unemployment rate of 6 percent would more or less equal an insured rate of 4 percent.

The effect of this legislation would be to lower from 4.5 to 4 percent the national rate of insured unemployment that would trigger "on" the extended program as it currently exists and to add to that program a special 13-week emergency assistance program, which would also trigger "on" at 4 percent national or 4 percent statewide insured unemployment.

Workers currently covered by unemployment insurance programs would therefore be eligible for up to 26 more weeks of benefits when they exhaust their regular State benefits, so long as national or statewide insured unemployment remains above 4 percent.

The Labor Department has estimated that the bill's 4-percent national insured unemployment standard would be met by early January at the latest. Therefore, I urge my colleagues in both Houses to enact this bill, as well as the other measures we expect soon to bring before you with the swiftness required by the gravity of the crisis ahead.

Mr. JAVITS. Mr. President, last October the President addressed a joint session of Congress and presented a series of proposals designed to deal with the current economic crisis. This past Monday at his press conference the President exhorted the Congress to act promptly on these proposals.

In the weeks since the President made his initial proposals the Committee on Labor and Public Welfare, of which I am ranking minority member, has turned its full attentions to consideration of his proposals to aid the unemployed. In the meantime, the Nation's economic condition has continued to worsen. In particular, unemployment continues to spiral to unconscionable levels with no end yet in sight.

The program that I and other Senators are proposing here today would provide long-term unemployed workers with as much as 52 weeks of unemployment compensation benefits. It would create a new program of special unemployment benefits for workers who exhaust their rights to regular and extended (Federal) unemployment compensation benefits. This program, entirely federally financed, would trigger "on" in all States when the national insured unemployment rate reaches 4 percent or more (approximately 6 percent total) for 3 consecutive months. It could also be triggered "on" in individual States if their insured unemployment rate averages 4 percent or more for 13 consecutive weeks. Current estimates indicate that the 4 percent national trigger level would be reached on or about January 1 of next year.

This program would also continue the temporary waiver of the "120 percent" trigger requirement of the Federal-State extended unemployment benefits program through December of 1976. This waiver eliminates the requirement that a State have an insured unemployment rate that is 20 percent higher than its rate for the corresponding month for the previous 2 years. The State trigger on the extended benefits program would thus continue as an insured unemployment rate of 4 percent. This waiver has been enacted by the Congress several times in the past 2 years at the urging of myself and Senator RIBICOFF.

The President has proposed two new programs to deal with the problems of high and continuing unemployment. While the Labor and Public Welfare Committee will continue to study these proposals, it is vital that we provide immediate relief for workers who are suffering from long-term unemployment. The program that we are proposing today has two distinct advantages over the special unemployment program presented by the President. First, this program would continue automatically if needed until December of 1976, as opposed to the cutoff date in the President's proposal of December 1975. With our program we can provide some measure of income security to those workers who will continue to become unemployed if the Nation's economic condition does not recover by the end of next year. All economic forecasts indicate, sadly, that it is unrealistic to expect any significant relief from the serious inflation and unemployment problems with which we are now plagued before 1976. Second, the program I am proposing relies on trigger mechanisms, and builds upon unemployment compensation programs already in existence, rather than creating an entirely new program.

As critical as is this legislation, it does not go far enough. There are many serious deficiencies in the basic Federal-State unemployment insurance system. For example, more than 10 million workers in the United States are not covered by the present system, and other inequities exist with respect to qualifications for benefits, benefit durations, benefit levels and other areas. For this reason the Labor and Public Welfare Committee is giving urgent consideration to additional legislation to provide basic unemployment payments on a federally-financed basis to those workers not protected by the existing system.

I am also hopeful that there will be quick action on legislation (S. 4079) which I and Senator NELSON have previously introduced, which would infuse an aggregate of $4.0 billion for more than 500,000 public service jobs. These additional job creation resources would supplement the $1.1 billion made available since June for 170,000 public service jobs.

For this Congress to adjourn without taking action to provide some measure of relief for the thousands of long-term unemployed who are the innocent victims of our worsening economic situation would be unconscionable. I am pleased that so many of my colleagues have joined in cosponsoring this legislation and hope that it will receive our most immediate attention.

By Mr. MUSKIE (for himself and Mr. RANDOLPH):

S. 4209. A bill to strengthen the intergovernmental response to the current energy emergency by providing financial assistance to the States for grants to families with annual incomes of $8,000 or less to assist such families to obtain emergency heating fuel, and for other purposes. Referred to the Committee on Labor and Public Welfare.

INTERGOVERNMENTAL EMERGENCY HEATING FUEL ASSISTANCE ACT

Mr. MUSKIE. Mr. President, it was just last winter that an embargo by the Arab oil producers brought on an energy crisis.

Now it is winter again, and another crisis is upon us. Less spectacular than that of last year, it is no less serious in its impact.

The energy crisis last winter was caused by a shortage of supplies. And though some Americans suffered more than others, the shortage affected every one of us in a very real way.

This winter, the energy crisis is one of price rather than supply. And the burden this time around promises to be much less equally distributed. For with fuel prices—particularly for heating oil—soaring out of sight, those who can least afford to pay are going to have a long cold winter.

Today, I am introducing the Intergovernmental Emergency Heating Fuel Assistance Act, on behalf of myself and Senator RANDOLPH a bill to provide emergency financial assistance to families who cannot afford to pay for the energy they need to keep warm this winter.

Under the provisions of the bill, the Federal Government would assist States that develop programs to provide heating assistance to families whose annual incomes are $8,000 or less. Funds would be apportioned among the States according to a simple formula based on the number of eligible families in each State and the State's relative temperature.

Mr. President, this legislation is needed and needed now. Fuel prices have gone up dramatically in recent years. In fact, the September Consumer Price Index shows that energy prices have increased 63.8 percent during the year ending in May. Leading the way is petroleum with an increase of 69.1 percent in the price of crude oil and an 85.2 percent increase in the price of refined products.

For the consumer, those statistics mean higher heating bills—in dollars and cents. For example, in my State, No. 2 heating oil—which more than 90 percent of the homes in the State use for heating—has increased from 19 cents a gallon in December 1972 to 39 cents a gallon in November of 1974. In other words, a consumer who only 2 years ago was paying $400 a year to heat his home must now spend $800 for the same amount of energy.

And the situation is as bad in other parts of the country. The Office of Economic Opportunity in its publication "The Great Energy Crisis of 1973–74," reports that in Georgia the price of propane rose 400 percent before "stabilizing" at a level of 300 percent increase.

In Kentucky, where many of the poor heat with coal, the price of coal has gone up 300 percent to 500 percent over the past 2 years.

And in Pennsylvania, Gov. Milton Shapp says the average cost of heating a home with oil has increased from $312 a year to $420 and with coal from $340 to $625.

OEO observed—

> Heating fuel price increases are no problem in warm weather, but they will strike most painfully at the poor next fall and winter, when prices will be higher, and the weather—'73–'74 was a mild winter—may not be as benign. Costs of propane, electrcity, fuel oil, gasoline—all the energy people purchase directly—are climbing rapidly and price increases are essentially uncontrolled.

As prices have gone up, the low income have begun to spend more and more of their income on energy needs. In fact, according to the final report of the Ford Foundation's energy policy project, low-income Americans now spend 15 percent of the family budget on energy as compared with 4 percent for the well-to-do. This disparity is further accented by a harsh irony of simple economics while the poor use less energy on the average, they must pay more for the energy they do use.

Statistics compiled by the Washington Center for Metropolitan Studies show that for 1972–73, an average household paid $361 for 235 million Btu's of heat or $1.64 per million Btu's. But poor families, who on the average used only 174 million Btu's, had to pay $1.81 per million Btu's. And the elderly, many of whom are on fixed incomes, paid out most of all—$3.50 per million Btu's.

In addition, because many low-income people live in older housing that is often poorly constructed and inadequately insulated, they must buy extra energy to make up for that which is lost.

Mr. President, we have all heard a lot about the skyrocketing prices of both food and fuel. We are too well aware that the price of food has gone up 12 percent in the last year and is expected to continue to rise.

The harsh human realities of those price increases for low-income people is all too clear—unless low-income families receive some kind of help, they will be forced to make the cruel choices between necessities.

They, unlike those Americans with higher incomes, will be forced to choose between staying warm this winter and eating properly—between adequate health care and adequate heating, and that Hobson's choice is underscored when, as it did in Maine last winter, the temperature stays below zero for a whole week, sometimes dropping to 27 degrees below.

This point was brought home to me recently when I received a letter from a retired person in my State. She wrote to tell me how difficult it was for her to afford to heat two rooms in her house and have enough to eat on her monthly income of $132 from social security.

Another problem faced by low- and middle-income families this winter is the lack of credit and the inability of fuel dealers—the traditional source of such credit—to come to their assistance.

In past years, long term payment programs and other credit arrangements enabled low- and middle-income families to purchase and pay for needed energy supplies. But because fuel costs rose so high last winter, many families still owe money on last year's heating bill. As a result, fuel dealers simply cannot afford to extend further credit.

The high prices of fuel have even further reduced the ability of fuel dealers to extend credit. Because they must now pay out so much cash to their wholesalers in order to secure fuel, they have little money left with which to offer credit.

In my own region of New England, small oil dealers are a principal supplier of heating oil, as a result, their inability to extend credit threatens to disrupt the entire distribution system.

The consequences of such a disruption would be grave, indeed. Consumers would be unhappy to buy fuel. And small dealers would face the prospect of being forced out of business.

Mr. President, of course, the legislation I introduce today is no panacea for these serious long-term problems.

It is an emergency program to provide emergency relief and provide it during the energy price emergency this winter.

It would provide the greatest relief to those families in the coldest parts of the country.

It would permit the States to provide that help in a manner best suited to the needs of their residents.

And most important, it is a modest response to a most extreme problem.

This legislation would establish no elaborate bureaucracy.

It is designed to perform only one function—to put funds for fuel into cold hands.

When I began work on this legislation, I set four goals that a program to assist low-income families with their heating bills must meet—

First. It must be simple enough to begin operating and provide relief this winter;

Second. It must offer relief to those families caught in the no-credit/high-cost crunch;

Third. It must not pay people to waste energy; and

Fourth. It must put the money where it is the coldest and where people need it the most.

I believe the legislation I am introducing today meets those objectives.

I am particularly pleased to be joined in the introduction of this bill by Senator RANDOLPH, a congressional pioneer in energy matters. An early awareness that the United States was pursuing an unwise course led to his warnings 15 years ago that energy demand would outstrip our ability to meet it from domestic fuel sources. Senator RANDOLPH's concern and continued efforts resulted in establishment in 1971 of the National Fuels and Energy Policy Study, an activity that has been valuable in helping the Senate to understand and respond to the critical energy questions of the past. His experience and his knowledge in energy matters are substantial.

Mr. President, I ask unanimous consent that a copy of the bill, a section by section analysis, and a table estimating allotments to the States under the bill, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 4209

A bill to strengthen the intergovernmental response to the current energy emergency by providing financial assistance to the States for grants to families with annual incomes of $8,000 or less to assist such families to obtain emergency heating fuel, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Intergovernmental Emergency Heating Fuel Assistance Act of 1974".

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds that solving the present energy emergency requires a cooperative effort among the Federal Government and the States; that the high cost of home heating fuel this winter is a major aspect of the energy emergency; that an important concern of the States in dealing with the current energy emergency is insuring that low income families within their jurisdictions can afford the cost of fuel for heating their homes this winter; that the States are limited in their ability to provide financial assistance to help low income families pay their home heating fuel bills; and that the intergovernmental response to the energy emergency would be greatly enhanced if the States received Federal financial assistance for the purpose of assisting low income families pay the cost of home heating fuel.

(b) Therefore, the Congress declares it to be the policy of the United States to provide financial assistance payments to the States to help them pay for assistance to low income families who cannot afford the cost of heating their homes this winter.

FINANCIAL ASSISTANCE AUTHORIZED

SEC. 3. (a) The Administrator shall, in accordance with the provisions of this Act, make grants to States for assisting families with annual incomes of $8,000 or less to meet the high cost of acquiring heating fuel during the present energy emergency.

(b) For the purpose of making such grants, there are authorized to be appropriated $75,000,000 for the fiscal year 1975.

DEFINITIONS

SEC. 4. As used in this Act—

(1) "Administrator" means the Administrator of the Federal Energy Administration,

(2) "heating fuel" means fuel obtained from any energy source for use in heating residential dwellings,

(3) "State" means each of the several States and the District of Columbia,

(4) "eligible family" means a family, as defined by the Bureau of Census, whose annual income is $8,000 or less, and

(5) "temperature factor" means the ratio the numerator of which is the total number of degrees annually by which all reporting stations in a State, included in the annual report of the Environmental Data Service, National Oceanic and Atmospheric Administration for the Department of Commerce, fall below an average daily temperature of 65 degrees Farenheit divided by the number of reporting stations in the State and the denominator of which is the average for all States of the number of degrees annually that fall below an average daily temperature of 65 degrees Farenheit; except that each degree in the numerator for each State which exceeds such national average shall count as two degrees.

ALLOTMENTS

SEC. 5. (a) The Administrator shall allot to each State an amount equal to the amount appropriated under Section 3(b) of this Act multiplied by the ratio obtained by multiplying the temperature factor of the State by the number of eligible families in the State and then dividing that product by the sum of such products for all States.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Administrator determines will not be required, for the period such allotment is available, for carrying out the purposes of this Act shall be available for reallotment from time to time, on such dates during such period as the Administrator may fix, to other States in proportion to the original allotment to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Administrator estimates such State needs and will be able to use for such period for carrying out such portion of its State application approved under this Act, and the total reduction shall be similarly reallotted among the States whose proportionate amounts are not so reduced. In carrying out the requirement of this subsection, the Administrator shall establish procedures for prompt reallotment of funds under this Act so as to assure the use of assistance during the winter months. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The number of eligible families in each State and the temperature factor in each State shall be determined by the Administrator on the basis of the most recent satisfactory data available to him.

USES OF FEDERAL ASSISTANCE

SEC. 6. Grants made under this Act may be used in accordance with applications approved under section 7 for providing financial assistance to eligible families in each State to assist such families to obtain needed heating fuel.

APPLICATIONS

SEC. 7. (a) Each State may receive a grant under this Act only upon application to the Administrator, at such time, in such manner, and containing or accompanied by such information as the Administrator deems necessary. Each such application shall—

(1) provide for a State program for furnishing heating fuel assistance to eligible families;

(2) provide assurances that the State has in effect or will soon have in effect a program which places special emphasis upon conserving energy;

(3) set forth policies and procedures to assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be available for the purpose described in section 6, and in no case supplant such funds;

(4) provide that fiscal control and fund accounting procedures will be established as may be necessary to assure the proper dispursal of, and accounting for, Federal funds paid to the State under this Act;

(5) provide that reasonable reports will be furnished in such form and containing such information as the Administrator may reasonably require and such reports will be kept and access furnished thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Administrator shall approve, within 30 days of its receipt, any application that meets the requirements of subsection (a) and shall not finally disapprove, in whole or in part, any application for assistance under this Act without first affording the State reasonable notice and opportunity for a hearing.

PAYMENTS

SEC. 8. (a) From the amount allotted to each State pursuant to section 5, the Administrator shall pay to the State which has an application approved under section 7, an amount equal to the amount needed for the purposes set forth in that application.

(b) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

WITHHOLDING

SEC. 9. Whenever the Administrator, after reasonable notice and opportunity for hearing to any State, finds that there has been a failure to comply substantially with any provisions set forth in the application of that State approved under section 7, the Administrator shall notify the State that further payments will not be made under this Act until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made under this Act.

ADMINISTRATION

SEC. 10. The Administrator may—

(a) promulgate such rules, regulations and procedures as may be necessary to carry out the provisions of this Act;

(b) utilize the services and facilities of any agency of the Federal government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

CONSULTATION AND TECHNICAL ASSISTANCE TO STATE GOVERNMENTS

SEC. 11. The Administrator shall—

(1) before promulgating any rules, regulations, or policies under the authority of this Act, consult, to the extent practicable, with State governments and provide them with an opportunity to comment on such rules, regulations or policies; and

(2) provide technical assistance—including advice and consultation relating to State programs—to assist State governments in their efforts to deal with the energy related problems of low income families.

REPORT

SEC. 12. The Administrator shall report to the Congress not later than April 30, 1975, on the operation of the program. The report shall include a statement of the disbursements made by the Administrator pursuant to section 5 of this Act and an evaluation of the operation of the program.

PROHIBITION AGAINST DISCRIMINATION

SEC. 13. (a) The provision of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000-4) shall apply to any activity, program, or service financed in whole or in part from any funds received by any State under this Act. The Administrator shall promulgate regulations to carry out the provisions of such title VI with respect to the distribution and use of any funds under this Act. Whenever the Administrator determines that any State receiving funds under this Act has failed to comply with the provisions of such title VI, or any regulation of the Administration promulgated with respect thereto, he is authorized to (1) refer the matter to the Attorney General with a recommendation that appropriate action be instituted, (2) exercise the powers and functions provided by such title VI, or (3) take such other action as may be provided by law.

(b) Any person adversely affected or aggrieved by an action of an official of a State thereof in violation of subsection (a) of this section, or in violation of regulations promulgated by the Administrator pursuant thereto, may bring a civil action for relief on his own behalf against such official. Any such action may be in any district court of the United States in which such person resides, or in which the claim arose, or in the United States District Court for the District of Columbia. The court may, in its discretion, permit the Attorney General to intervene in such civil action if he certifies that the case is of general public importance. Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the civil action without the payment of fees, costs, or security.

(c) In any action commenced pursuant to this section, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs, and the United States shall be liable for costs the same as a private person.

(d) In the case of an alleged act or practice prohibited by this section which occurs in a State which has a State law prohibiting such act or practice and establishing or authorizing a State authority to grant or seek relief from such practice or to institute proceedings with respect thereto upon receiving notice thereof, no civil action may be brought under this section before the expiration of thirty days after written notice of such alleged act or practice has been given to the appropriate State authority by registered mail or in person, provided that the court may stay proceedings in such civil action pending the termination of State enforcement proceedings.

PAYMENTS NOT TO BE CONSIDERED AS INCOME

SEC. 14. No payment received under this Act shall be considered as income for the purposes of the Internal Revenue Code of 1954; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law.

SECTION-BY-SECTION ANALYSIS OF THE INTERGOVERNMENTAL EMERGENCY HEATING FUEL SYSTEM ACT

Section 1 provides that this legislation may be cited as the "Intergovernmental Emergency Heating Fuel Systems Act of 1974."

DECLARATION OF POLICY

Section 2 sets out the Congressional findings that solving the present energy emergency requires cooperation between the Federal Government and the States; that the high cost of home heating fuel this winter is a major aspect of the energy emergency; that an important concern of the state in dealing with the energy emergency is ensuring that low income families can afford fuel for heating their homes this winter; that the states are limited in their ability to provide financial assistance to low-income families; and that the intergovernmental response to the energy emergency would be greatly enhanced if the states received Federal financial assistance for the purpose of assisting low-income families.

Section 2 further declares the national policy to provide financial assistance payments to the states to help them pay for assistance to low-income families who can not otherwise afford the cost of heating their homes this winter.

FINANCIAL ASSISTANCE AUTHORIZED

Section 3 requires the Administrator of the Federal Energy Administration to make grants to the states for assisting low-income families to pay for heating fuel during the present energy emergency. $75 million would be appropriated for the purposes of making such grants.

DEFINITIONS

Section 4 defines several terms used in the Act.

"Administrator" is defined as the Administrator of the Federal Energy Administration. "Heating fuel" is defined as "fuel obtained from any energy source for use in heating residential dwellings." "State" means each of the several states and the District of Columbia.

"Eligible family" is defined by this section as "a family as defined by the Bureau of Census, whose annual income is less than $8,000"

"Temperature factor" is defined by this section as "the ratio, the numerator of which, is the total number of degrees annually by which all reporting stations in a state, included in the annual report of the Environmental Data Service, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, fall below an average daily temperature of 65 degrees F divided by the number of reporting stations in the state, and the denominator of which is the average for all states of the number of degrees annually that fall below an average daily temperature of 65 degrees F; provided that, each degree in the numerator for each state which exceeds such national average shall count as 2 degrees."

ALLOTMENTS

Section 5 establishes the manner in which the Administrator is required to determine each state's allotment.

Subsection 5(a) requires the Administrator to determine the total allotment—for each state by multiplying the total allocation of $75 million by the ratio obtained by multiplying the temperature factor of the state by the number of eligible families in the state and then dividing that product by the sum of such products for all states.

Subsection 5(b) requires that the Administrator make available for redistribution from time to time State allotments which he determines will not be utilized or necessary. The redistribution to other states must be made in the same proportion as their original allotment under the Act's formula, adjusted for their particular needs. In carrying out the requirements of this Subsection, the Administrator is required to establish procedures for prompt reallotment of funds so as to assure the use of assistance during the winter months. Any amount redistributed to a state under this Subsection will be deemed part of its allotment under Section 5(a).

Subsection 5(a) allows the Administrator to determine the number of eligible families in each state and the temperature factor for each state on the basis of the most recent satisfactory data available to him.

USES OF FEDERAL FUNDS

Section 6 requires that grants made under this Act be used in accordance with approved applications providing for financial assistance to families with annual incomes of $8,000 or less in each state to assist such families in obtaining needed heating fuel.

APPLICATIONS

Section 7 details the information the states must provide in their applications for funds under this Act. That application must:

1. Provide for a State program for furnishing heating fuel assistance to families with annual incomes of $8,000 or less;
2. Provide assurances that the state has in effect or will soon put into effect a program which places special emphasis on conserving energy;
3. Provide assurances that Federal funds under the Act will supplement or increase the level of funds available for providing heating assistance to low-income families;
4. Provide that necessary fiscal controls and accounting procedures be established to assure the proper use of Federal funds under this Act; and
5. Requires states which receive funds under the Act will furnish and keep such reports as the Administrator requires.

Subsection 7(b) requires the Administrator to approve within 30 days of its receipt, any application that meets the requirements of Subsection 7(a). The Subsection also provides that the Administrator may not disapprove, in whole or in part, any application for assistance under this Act without first giving the State reasonable notice and an opportunity for a hearing.

PAYMENTS

Section 8 sets forth the manner in which payments must be made to the States.

WITHHOLDING

Section 9 provides that the Administrator may withhold funds from a state which does not comply with the conditions set forth in its application for those funds, providing he gives that state a reasonable opportunity for a hearing.

ADMINISTRATION

Section 10 authorizes the Administrator to promulgate rules, regulations, and procedures as may be necessary to carry out his functions under the Act, to utilize the services and facilities of any agency of the Federal Government and any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

CONSULTATION AND TECHNICAL ASSISTANCE TO STATE GOVERNMENTS

Section 11 describes the technical assistance and consultation the Administration must provide to state governments.

Subsection 11(a) stipulates that the Administrator must consult with State governments before promulgating any rules, regulations, or policies under the authority of this Act.

Subsection 11(b) requires the Administrator to provide technical assistance to assist State government in their efforts to deal with the energy related problems of low-income families. Such technical assistance may include advice and consultation relating to State programs.

REPORTS

Section 12 requires the Administrator to report to the Congress on the operation of the program. The report must include a statement of the disbursements made by the Administrator under the Act and an evaluation of the operation of the program.

PROHIBITION AGAINST DISCRIMINATION

Section 13 makes Title VI of the Civil Rights Act applicable to the activities financed in whole and in part from the funds provided for in the Act. The Section further expressly guarantees the right of individuals to sue in the Federal District courts in case of violation of Title VI, and provides, in appropriate cases, for the payment of reasonable attorney's fees to the prevailing party.

PAYMENTS NOT TO BE CONSIDERED AS INCOME

Section 14 provides that no payments received under the Act cannot be considered as income for the purpose of the Internal Revenue Code of 1954 or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal program.

	Temperature factor	Number of eligible families	Percentage of total allotment	Dollars (in millions)
Alabama	0.46	486,310	0.0121	0.9075
Alaska	4.23	19,068	.0044	.3300
Arizona	.66	181,917	.0065	.4875
Arkansas	.62	320,799	.0107	.8025
California	.61	1,490,374	.0491	3.6825
Colorado	1.63	212,298	.0187	1.4025
Connecticut	1.1	183,468	.0109	.8175
Delaware	.82	45,730	.0020	.1500
District of Columbia	.82	66,210	.0029	.2175
Florida	.15	873,079	.0071	.5325
Georgia	.5	559,938	.0151	1.1325
Hawaii	0.00005	50,877	0.000	0.0000
Idaho	1.28	84,161	.0058	.4350
Illinois	1.12	843,846	.0511	3.8325
Indiana	.99	458,621	.0246	1.8450
Iowa	1.46	302,184	.0238	1.7850
Kansas	1.10	258,923	.0154	1.1550
Kentucky	.81	446,445	.0195	1.4625
Louisiana	.34	465,188	.0085	.6375
Maine	2.17	119,362	.0140	1,0500
Maryland	.88	294,191	.0140	1.0500
Massachusetts	1.29	410,340	.0286	2.1450
Michigan	1.73	635,178	.0595	4.4625
Minnesota	2.31	332,601	.0415	3.1125
Mississippi	.42	342,579	.0078	.5850
Missouri	.93	521,657	.0263	1.9725
Montana	1.99	78,175	.0084	.6300
Nebraska	1.57	170,243	.0145	1.0875
Nevada	1.34	39,238	.0028	.2100
New Hampshire	3.04	66,544	.0109	.8175
New Jersey	.87	505,672	.0238	1.7850
New Mexico	.90	124,283	.0061	.4575
New York	1.23	1,525,789	.1016	7.6200
North Carolina	.63	668,204	.0228	1.7100
North Dakota	2.38	76,044	.0098	.7350
Ohio	1.04	866,544	.0488	3.6600
Oklahoma	.71	353,213	0136	1.0200
Oregon	1.18	208,313	.0133	.9975
Pennsylvania	1.11	1,120.141	.0673	5.0475
Rhode Island	1.09	85,437	.0050	.3750
South Carolina	.50	331,948	.0090	.6750
So,th Dakota	1.88	87,286	.0089	.6675
Tennessee	.69	555,249	.0207	1.5525
Texas	.41	1,307,609	.0290	2.1750
Utah	1.48	97,649	.0078	.5850
Vermont	1.92	45,587	.0047	.3525
Virginia	.74	496,283	.1099	1.4925
Washington	1.34	282,052	.0205	1.5375
West Virginia	.94	249,577	.0127	.9525
Wisconsin	1.71	363,109	.0336	2.5200
Wyoming	2.16	35,416	.0041	.3075

SENATOR RANDOLPH JOINS IN EFFORT TO AID LOW INCOME FAMILIES IN MEETING FUEL COSTS

Mr. RANDOLPH. Mr. President, prices are continuing to rise at a rate that threatens to deprive many Americans of the ability to provide themselves with the necessities of life. Many family budgets can be adjusted so that expenditures are shifted from items considered luxuries to such essentials as food, housing and heat.

The heavy snows and plunging temperatures that struck States in the East and Midwest last weekend were dramatic reminders that winter is here. With the severe weather, the provision of heat become a critical necessity that demands a larger share of family incomes.

I am gratified to join Senator MUSKIE in introducing legislation for immediate implementation to assist low-income families in meeting their heating requirements—not some time in the future, but this winter. The able Senator from Maine has observed that the cost of home heating has skyrocketed. This is true of every fuel—oil, natural gas, and coal. This situation would be bad enough even if the cost of other necessities was relatively stable. But in a time when all prices are rising—along with unemployment—it is a serious threat to the health and welfare of our citizens.

Senator MUSKIE has demonstrated his concern in drafting a bill that goes directly to the heart of the problem. It would authorize the distribution of $75 million to the States to provide fuel supplement payments to low-income families. Federal funds would be allocated through a simple formula utilizing the number of eligible families and temperature factors.

Under this proposed allocation West Virginia would be eligible for $925,500 to help people keep warm this winter. I saw the heavy snows in West Virginia last weekend, and I know this money would be well spent in helping people keep out the cold in the months ahead.

America has been negligent in developing a rational approach to meeting its energy requirements. Unfortunately, it took last winter's crisis to stimulate action aimed at reducing fuel consumption and lessening our dependence on foreign energy sources. If we sustain this effort we will be successful. In the meantime, however, our citizens must not suffer as they attempt to keep warm.

This is a simple, uncomplicated bill with a humanitarian purpose. Its prompt consideration and passage will do much to alleviate hardship and suffering through the winter months of 1974 and 1975.

By Mr. DOMENICI (for himself and Mr. HUMPHREY):

S. 4210. A bill to establish an Office of Intergovernmental Policy Coordination within the Department of the Treasury, and for other purposes. Referred to the Committee on Government Operations.

Mr. DOMENICI. Mr. President, on October 9, 1974, I introduced S. Res. 427 expressing the sense of the Senate that State and local governments be involved in the formulation of Federal energy and economic policies. The resolution was passed by this body the following day. I now rise to introduce a bill which will help to effectuate this sense of the Senate and for which I request referral to the appropriate committee.

For several years, the Federal Government has been operating at a deficit despite increased tax revenues and borrowing in the form of treasury notes. Yet the more revenue Federal Government generates, the greater deficit it seems to incur. During this same time frame, State and local governments have sought relatively fewer new taxes and have operated under closely scrutinized loan restrictions. Many States and cities are, however, in better fiscal condition today than they ever have been. Therefore, it is incumbent upon the Congress and the President to look to State and local government in enacting fiscal legislation.

The efficiency of State and local government in carrying out counter-cyclical economic policy cannot be attributed to any lack of giant revenues. In 1946, according to the Advisory Commission on Intergovernmental Relations, State-local revenues were $16 billion, accounting for 7.6 percent of the GNP. By 1974, these revenues exceeded $230 billion and will be over 17 percent of the GNP. So, Mr. President, our grassroots governments have flourished in troubled times, and it is critical that we get their advice on economic policy.

While getting this advice, we must also be mindful that State and local governments are in the frontline of the inflation battle. The things smaller governmental units need most are the things inflation and shortages are hitting the hardest—labor, fuel, and raw materials. It must be said that the fairly bright picture I have painted of current State and local governments finances may not be the same in the future. We would be remiss if we did not acknowledge that major cities in particular will in all probability face crippling strikes by municipal workers in the near future. Energy prices will generate escalating prices for municipal services such as refuse collection and treatment. And skyrocketing construction costs may halt or slow urban renewal and housing projects.

Consequently, the war on inflation which we now undertake in cooperation with the President will impact most significantly on State and local governments. We must, then, coordinate our legislative and executive activities for inflation control and energy conservation with State and local government involvement.

To emphasize that the relationship is one of potentially mutual benefit, we need only to look at last year's energy crisis. When gasoline lines were forming, when home heating oil was unavailable, and when factories couldn't find the fuel on which to operate, where was Federal Government's energy conservation innovation? There was very little or none. The new ideas came from local governments. Alternate purchasing days, lowered speed limits, reduced hours of operation, and allocation were all ideas of the States and cities. Rather than trickling down, these ideas filtered up until the Federal Government finally adopted them. We cannot let this talent go to waste as we chart a new course in the energy conservation aspect of inflation control. The Federal Government must involve States and cities in policy formulation, so that it might get the benefit of their views, and so that they may be aware of what the future holds for them in terms of the impact of proposed national programs.

Therefore, Mr. President, to facilitate the improvement, I have introduced the accompanying legislation, the Intergovernmental Policy Coordination Act. This bill would establish the formal mechanisms for the realization of the principles in S. Res. 427. It establishes the Treasury Department an office to foster communication to and from State and local government with regard to national economic policy, and it directs the Advisory Committee on Intergovernmental Relations to study the existing offices in the Federal Energy Administration to assure the same type of communication with regard to every policy. Furthermore, the ACIR will study all phases of Federal Government activities and report back to this body recommending changes which could improve this involvement ment both as to energy and economic policy. Public Law 86–380 created the ACIR in 1959 to provide an independent research organization for Government where the agency concerned may have a bias, and to study any area of Federal legislation which contains an intergovernmental aspect. It is, therefore, a particularly suitable vehicle to accomplish the goals of this legislation.

I urge the expeditious consideration and passage of this measure.

Mr. HUMPHREY. Mr. President, I am pleased to join with my colleague from New Mexico, Senator Domenici, in introducing today the Intergovernmental Economic Policy Coordination Act of 1974. This important legislation would establish an Office of Intergovernmental Economic Policy Coordination in the Treasury Department and require the Advisory Commission on Intergovernmental Relations to study and recommend the Congress reforms that are needed to increase the policy influence of State and local governments at the national level.

At the recent Economic Summit Conference for State and local government leaders, Senator Domenici and I found our fellow Government office holders distressed by their inability to exercise influence, or even to be considered, in the Federal Government's formulation of economic policy. I found the ideas for fighting inflation presented by these officials very valuable and their arguments for a stronger role convincing.

National economic policy decisions vitally affect the interests of our State and local governments. It is unconscionable that they are virtually ignored in the current economic policy process.

This legislation would establish the Office of Intergovernmental Economic Policy Coordination in the Department of the Treasury. It would have a Director who would also serve as a Special Assistant to the Secretary of the Treasury. The Office would coordinate formulation of economic policy with State and local governments and would advise and be advised as to the impact of Federal economic policy proposals on them.

The Advisory Commission on Intergovernmental Relations will analyze the structure and policy processes of the Federal Government with regard to participation by State and local governments in the formulation of economic policy. The Commission would issue its report and recommendations for reform to the Congress within 6 months of the date of enactment of this legislation.

The Commission would also be authorized to study the structure of the Federal Energy Administration and recommend any changes necessary for the more effective participation of State and local governments.

This legislation is an important first step toward solving the communications gap between levels of governments on economic matters. As the responsibilities of these units of Government expand, their involvement in the development of national policies must also grow. If this is not done, their ability to meet these responsibilities will be seriously impaired.

Mr. President, I urge my colleagues to support the prompt enactment of this vital legislation.

By Mr. PERCY (for himself, Mr. Nunn, Mr. Ribicoff, and Mr. Javits):

S. 4212. A bill to reorganize the executive branch to establish a National Center for Productivity and Work Quality; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and work quality; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

Mr. PERCY. Mr. President, the American economy is beset by distortions. Indicators of unemployment are rising. Inflation, while marginally declining, continues to sap our economic vitality, and tragically cut away at the incomes and well-being of all Americans.

One of the most disquieting economic trends I have observed, however, is the declining rate of America's productivity growth. Increasing output per man-hour is by definition the key to noninflationary real growth and a rising standard of living for all Americans. Yet, I must report that productivity statistics for the U.S. economy indicate a sharp drop in productivity during the past several quarters.

Since 1947 the average rate of productivity growth in the total private economy has been 3.2 percent. However, in the past 20 years the figure has dropped to 2.9 percent, and for the past 10 and 5 years, the figures are 2.8 percent and 2.4 percent respectively. In the past year—third quarter 1973 to third quarter 1974—the Nation's productivity has actually fallen by 2.5 percent.

Mr. President, these statistics send out a resoundingly clear message. American productivity is unacceptably low. As a result, the United States ranks ninth among all the industrialized nations in terms of its productivity gains. We must act now to improve our performance.

I have been encouraged by President Ford's pledge to revitalize the National Commission on Productivity and Work Quality in his major economic address to the Nation on October 8, particularly because I was an author of the legislation that gave the Productivity Commission its initial authorization in 1971, and again when the Commission was reauthorized in this Congress.

Even though I have been a founder of the National Commission on Productivity and Work Quality, I have come to the conclusion that the existing Commission is sadly lacking in statutory authority, and in funding. Operating on its current basis—only $2 million for this fiscal year—it has simply been unable to operate effectively to make any inroads against the massive problem of increasing American productivity. It has almost of necessity been relegated to the role of funding studies, though it has done notable and even landmark work in some areas.

For these reasons, I am today introducing a bill to create a National Center for Productivity and Work Quality. This Center would supersede the existing National Commission on Productivity and Work Quality, which is in the Executive Office of the President. The bill does not, therefore, create still another new agency. It takes an existing agency and creates it in a new form, as an independent agency in the executive branch. The new Center would be administered by a board of 10 directors. The board members would include the Secretary of Commerce, the Secretary of Labor, the Secretary of the Treasury, three private members from industry, three private members representing labor, and the Director of the Federal Mediation and Conciliation Service.

The function of the Center would be to develop a national policy for and to coordinate all efforts for the Federal Government to increase productivity growth and improve work quality. In line with President Ford's program to control inflation, the National Productivity and Work Quality Center is charged to study, examine, and identify all existing statutory and regulatory impairments to increased productivity growth and to recommend to Congress legislation which would remove such obstacles.

To carry out its functions, the Center would have the authorization to make grants to private and public academic institutions, private industry, and labor unions to implement technological research programs, and to encourage programs for increased human resource utilization. Its fiscal year 1975 funding would be $10 million, increasing to $20 million in fiscal year 1976, and $25 million in each of the next 3 fiscal years.

Thus, the new Center would have several key missions. It would bend every effort toward creating labor/management cooperative efforts and increased quality of work in every plant across the country. It would promote productivity within Federal, State and local governments, an area full of potential efficiency gains for the American people. It would identify structural obstacles to economic competition, thus carrying out one of the main elements of President Ford's economic summit message: that is, that we must begin a concerted, massive attack on the structural barriers to economic efficiency and competition that abound throughout the American economy.

Mr. President, I am delighted to be joined in this effort by the distinguished junior Senator from Georgia (Mr. Nunn), who also introduced a creative and important bill to improve the organization of the Nation's productivity effort, and by Senators Ribicoff and Javits. Senator Javits has worked with particular distinction in this field. I do not know of a stronger advocate for increased productivity through joint labor-management cooperation.

The Government Operations Committee will schedule hearings on our two bills during this month. We will at that time provide the basis for further action during the coming Congress in this critically important area.

By Mr. HATHAWAY (for himself and Mr. Muskie):

S. 4213. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

Mr. HATHAWAY. Mr. President, forest insects and diseases are causing tremendous damage to our forest resources. This problem is particularly troublesome in Maine where the spruce budworm has infested some 3½ million acres. If the infestation is not controlled, it will have severe economic effects for one-third to one-half of all the people in Maine. In fact, if the infestation spreads further, it can damage the forests of New Hampshire, Vermont, New York, Michigan, Wisconsin, and Minnesota.

Some years ago, the Congress recognized the need to control destructive insects and diseases on State and private lands. It authorized the U.S. Forest Service to undertake control with joint financing by the individual States and the Federal Government on a 50–50 basis. Federal funds are provided for control of recognized infestations through the normal budget and appropriation process.

But sometimes emergency situations arise where an insect population explodes after Federal budgets have been approved. Such a situation exists in Maine. The spruce budworm infestation, thought to be controllable last June, has expanded since then to ten times its former size. If control efforts are not initiated at the correct biological time, early June of 1975, great losses will be inflicted upon the Nation's primary source of newsprint.

We could approach the problem with a supplemental appropriation but past experience indicates this route is much too time consuming. Such a proposal last year took from August 1973 to June 1974 to consumate.

These delays can be eliminated and the effectiveness of control efforts improved by amending the Forest Pest Control Act of 1947 (61 Stat. 177; 16 U.S.C. 594–1 to 5945), so that the U.S. Forest Service can attack the problem on an emergency basis. I offer a bill for that purpose.

I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That advances of money under any appropriation for the Forest Service may be made to the Forest Service by authority of the Secretary of Agriculture for the control of forest insects and diseases in accord with the applicable provisions of the Forest Pest Control Act of June 25, 1974 (61 Stat. 177; 16 U.S.C. 5941 5945). Advances shall be made under such rules and regulations and in such sums as the Secretary of Agriculture may direct and detailed accounts arising under such advances shall be rendered through and by the Department of Agriculture to the General Accounting Office.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 456

At the request of Mr. Moss, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of S. 456, a bill to amend the Internal Revenue Code of 1954 to tax cigarettes on the basis of their tar content, and for other purposes.

S. 3955

At the request of Mr. Inouye, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 3955, the Foreign Investment Review Act.

S. 3985

At the request of Mr. Williams, the Senator from Idaho (Mr. Church) was added as a cosponsor of S. 3985, the Anti-Dog-Fighting Act.

S. 4130

At his own request, the Senator from Illinois (Mr. Percy) was added as a cosponsor of S. 4130, a bill to establish a Federal productivity policy, and for other purposes.

S. 4187

At the request of Mr. Mondale, the Senator from South Carolina (Mr. Hollings) was added as a cosponsor of S. 4187, the Tax Reform and Relief Act of 1974, a bill to amend the Internal Revenue Code of 1954 to provide tax relief to low- and middle-income taxpayers, to increase revenues from other tax sources, and to provide increased incentives for expanded investment.

S. 4196

At the request of Mr. Hugh Scott, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 4196, the Campaign Financing bill.

SENATE RESOLUTION 441—ORIGINAL RESOLUTION REPORTED AUTHORIZING SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Rules and Administration.)

Mr. JACKSON, from the Committee on Interior and Insular Affairs, reported the following resolution:

S. Res. 441

Resolved, That Senate Resolution 245, 93d Congress, agreed to March 1, 1974, is amended as follows:

In Section 2, strike out the amount "$550,000" and insert in lieu thereof "$580,000".

SENATE RESOLUTION 442—ORIGINAL RESOLUTION REPORTED AUTHORIZING THE PRINTING OF A REPORT RELATING TO WATER POLLUTION CONTROL PROGRAMS

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH, from the Committee on Public Works, reported the following original resolution:

S. Res. 442

Resolution authorizing the printing of the report (2 volumes) entitled, "Evaluation of Techniques for Cost-Benefit Analysis of Water Pollution Control Programs and Policies," as a Senate Document

Resolved, That the report of the Administrator of the Environmental Protection Agency to the Congress of the United States (in compliance with section 104(a)(6) of P.L. 92–500) entitled "Evaluation of Techniques for Cost-Benefit Analysis of Water Pollution Control Programs and Policies," be printed, with illustrations, as a Senate document.

Sec. 2. There shall be printed five hundred (500) additional copies of such document for the use of the Committee on Public Works.

AMENDMENTS SUBMITTED FOR PRINTING

SUPPLEMENTAL APPROPRIATIONS, 1975—H.R. 16900

AMENDMENT NO. 2005

(Ordered to be printed and to lie on the table.)

Mr. HUGH SCOTT. Mr. President, on behalf of myself and Senator Mansfield, I send an amendment to the desk and ask that it be printed in the Record at this point. When the supplemental appropriations conference report comes up for debate, I will call up this amendment to an amendment in disagreement and ask for its favorable consideration.

I ask unanimous consent, also Mr. President, to insert in the Record an editorial from the Washington Post which is pertinent to debate on this legislation, and a letter from Secretary Caspar Weinberger to Chairman Magnuson on the supplemental appropriations bill.

There being no objection, the editorial and letter were ordered to be printed in the Record, as follows:

[From the Washington Post, Dec. 4, 1974]

Crippling the Civil Rights Act

In 1964 the landmark Civil Rights Act became law, and in the period immediately following, much of Lyndon Johnson's "Great Society" legislation was passed. Taken together the two kinds of statutes did much to provide the impetus for the racial desegregation that got under way in the late 1960s. A principal reason was that such "Great Society" legislation as, for instance, the Elementary and Secondary Education Act provided federal funds for local school systems, making such money available in large quantities for the first time. The availability of this federal assistance, however, was conditioned by those provisions of the Civil Rights Act that forbade the expenditure of federal funds on state and local programs that discriminated against citizens on the basis of race, color or national origin.

Consequently, a great deal of progress was made in desegregating schools, hospitals and other institutions by states and localities that did not wish to forego the newly available federal funds. It was Title VI of the Civil Rights Act that provided this incentive for compliance with the law, via its "cut-off" provision. And it is Title VI that now is threatened by a pernicious amendment to an appropriations bill. The amendment would have the same undermining effect on other federal statutes, including that which prohibits sex discrimination in education programs.

The genesis of this amendment was some legislation introduced by Rep. Marjorie Holt (R-Md.) and passed by the House a while back. On the Senate side, Sen. Jesse Helms (R-N.C.) was its patron. Although it was defeated narrowly in the Senate, a slightly altered version of Mrs. Holt's measure survived a Senate-House conference—and that is the proposal before Congress now. As is almost invariably the case in these matters, the language employed to eliminate anti-discrimination measures now in the law is itself disarmingly and disingenuously noble-sounding, appearing only to prevent the federal government in general and the Department of Health, Education and Welfare in particular from compelling school systems to deal in race, religion, sex or national origin. Thus: ". . . none of these funds shall be used to compel any school system as a condition for receiving grants . . . from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students . . . for reasons of race, religion, sex, or national origin."

HEW Secretary Caspar Weinberger is among those who have seen this deceptive language for what it is—an attempt to terminate the federal government's pursuit of its duty to enforce the Civil Rights Act of 1964 and related laws. Conceding that some of the proposed language is "ambigious," Secretary Weinberger nonetheless observed in a recent letter to Sen. Warren G. Magnuson (D-Wash.), who is chairman of the Senate subcommittee dealing with the proposal, that enactment of this provision would cripple the Department's capacity to investigate charges of discrimination in federally funded programs and to enforce the requirements of the law where discriminatory practices were found.

There has been an almost haphazard, not to say irresponsible, note to the way the legislators in both bodies of Congress have let this momentous bit of legislation come so near to passage. And now, to stop it, will require a complicated parliamentary procedure when the conference bill reaches the floor. Probably it will be up to the Senate to eliminate the provision, if it is to be done. We think the Senate can do no less if it is to be even remotely faithful to the letter and spirit of the great Civil Rights Act of 1964.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 2, 1974.

HON. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor and Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Supplemental Appropriations bill for fiscal year 1975 (H.R. 16900) as reported out of the Conference Committee contains the following proviso relating to the classification and assignment of teachers and students for reasons of race, religion, sex, or national origin:

Provided further, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin.

Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

Although the Conference deleted language from the original Holt Amendment that would have prohibited the Department from requiring school systems to prepare or maintain "any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students", the prohibition relating to the classification of students and teachers was left intact. That provision would prohibit the Department from requiring grantees to collect and report certain statistical information relating to the treatment of minorities. Without such information the Department would be unable to make the key decisions as to where to direct our investigative resources under titles VI and IX. Nor would we be able to investigate the numerous complaints of discrimination against minorities and women without access to data classifying students and teachers.

In addition to those problems, however, the above proviso would prohibit the Department from compelling any school system, as a condition to the receipt of Federal funds, to "assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin". Although this language is somewhat ambiguous, in our view it would restrict the Department from enforcing the requirements of titles VI and IX in those cases where a reassignment of teachers or students might be necessary to eliminate discriminatory assignment practices.

This is a highly complex legal issue and one that is certain to be presented to the courts. If the courts give full effect to the proviso, the Department could not carry out its responsibilities under titles VI and IX. Doubtless there are various interpretations courts could adopt; but it might take two to three years to get a final interpretation. In the meantime we could not violate the Holt Amendment and therefore we would not be able to enforce titles VI and IX to the extent indicated.

Sincerely,
CASPAR W. WEINBERGER,
Secretary.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1993

At the request of Mr. TAFT, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of amendment No. 1993, intended to be proposed to the bill (S. 3639) to provide for the development and implementation of programs for youth camp safety.

AMENDMENT NO. 1996

At the request of Mr. Moss, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of amendment No. 1996, in the nature of a substitute for S. 2350, a bill to amend the National Aeronautics and Space Act of 1958 to provide for the coordinated application of technology to civilian needs in the area of earth resources survey systems, to establish within the National Aeronautics and Space Administration an Office of Earth Resources Survey Systems, and for other purposes.

ADDITIONAL STATEMENTS

HOW THE GUINNS CUT THEIR ELECTRIC BILL IN HALF

Mr. SPARKMAN. Mr. President, Faye Brewington is women's editor of the Hartselle Enquirer of Hartselle, Ala. Faye has written many interesting and informative articles in that capacity. However, in the Thursday, November 21, edition of the Enquirer, she wrote a story on the Guinn family which I feel is of particular national interest. The Guinns, who live near Hartselle, have cut their electric bill in half while continuing to enjoy their happy family life.

I ask unanimous consent that Faye Brewington's article, "Success Story: How the Guinns Cut Their Electric Bill in Half," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUCCESS STORY: HOW THE GUINNS CUT THEIR ELECTRIC BILL IN HALF

(By Faye Brewington)

Can a family of four live comfortably in a two-story, four-bedroom home—centrally heated and cooled by electricity—with just a $23 per month power bill?

Mr. and Mrs. Amon Guinn, Decatur 4, have proved they can.

Like an increasing number of folks, the Guinns have become very conscious of their use of electricity in recent months; partly due to the alarming reports of possible blackouts, but also due to the rising cost of electric power.

So, back in September, Mr. and Mrs. Guinn decided to really try to cut down—and reduced their electric bill by half (from $46-plus to $23-plus) in a months' time!

"We haven't suffered a bit," Mrs. Guinn said. "In fact, it's been real interesting and I rather look forward to reading the meter every day to see how we've done that day."

The project has become a family affair, with seven-year-old Gina, and Darrell, two-and-a-half, doing their share—even though they don't always understand what it's all about.

Try explaining to a preschooler, for instance, why he can't watch Sesame Street when you pull the main switch for two two-hour intervals a day in a new experiment.

"My husband suggested last week that I pull the main from 9 a.m. until 11 a.m. and from 2 p.m. until 4 p.m.," Mrs. Guinn said. "Our little one always loves to see Sesame Street—and it comes on at nine! But he did real well. He got out his little airport set and started playing."

The sudden realization that an electric power blackout would mean "no TV" really helped Gina to grasp the seriousness of the situation, too, Mrs. Guinn said.

"Everyone should turn their power off just once!" Mrs. Guinn said, laughing at the what-to-do-with-yourself feeling of helplessness—especially when you know the power isn't really "cut off", that you can turn it on again at will. "It's awfully hard not to fudge."

Of course, having a cozy fireplace in the den helps. Now Mrs. Guinn finds it rather relaxing—reminiscent of a long-gone era—to sit beside the window plying her needle and thread or reading a book while the children entertain themselves before the flickering fire.

One member of the Guinn household is completely unperturbed by the self-imposed power failure is the regal-looking Siamese cat sitting on the hearth licking his paws in utter contentment.

Guinn, an executive at Amoco in Decatur, obtained literature through his company's intensive energy conservation program, which has proved valuable to their home project. The Guinns' success has created much interest among their neighbors in the Rolling Hills sub-division off Old River Rd.

"They're always calling to ask what our electric bill was this month and what we're doing to save," Mrs. Guinn said.

"Well, first of all, I started reading the meter at the same time every day to see what we were doing that used the most power," Mrs. Guinn said. "Then we'd take steps to be more efficient in these areas."

Mrs. Guinn found they were using from 28 to 74 kilowatts, depending on the activities of the day. She also quickly found that the use of hot water was one of the biggest culprits (TVA estimates that the water heater accounts for 15 percent of your total electric bill). So she stopped using the "power scrub" cycle on her dishwasher, lightly scouring her pots and pans before putting them in, and turns the dishwasher off when it reaches the drying cycle and leaves the door closed so that they dry as it cools off.

"My husband also set the thermostat lower on the water heater; and the children get pan baths every other night instead of tub baths," Mrs. Guinn said.

Most youngsters buy that.

Mrs. Guinn plans her menus ahead, too, cooking a combination of foods in the oven at the same time. She also uses small appliances whenever possible (at a considerable saving in electricity, according to TVA).

The Guinns had already set their thermostat at 68 degrees; but set it back even further.

"I dress myself and the little one warmer during the day," she said. "I also open the drapes on the sunny side of the house when the sun has time to warm the windows, then close them in the late afternoon."

The Guinns also keep a low fire burning day and night. "We set the alarm clock for 2 a.m. and one of us gets and puts more wood on the fire," Mrs. Guinn said. The heat rises naturally up the stairs and helps to warm the upper-story rooms.

It's hard not to use all that wonderful lighting which they had installed throughout their beautifully-decorated new home (they moved in about a year ago); but Mr. and Mrs. Guinn are doing with only minimum light. They've bought a new set of children's books and have agreed to read aloud to them more and watch television less.

"I think we'll all benefit," Mrs. Guinn said. "I think we'll find time to do many things like reading and sewing we didn't do before—like the handwork I've begun."

Mr. and Mrs. Guinn are well pleased with the success of their project. They set a goal, aiming at holding power consumption down to 100 kilowatts per day. The first day they ran over that figure was last Friday, the day after the snow, when they registered 108 kilowatts.

"I've never been extravagant. My parents taught us not to waste the things we have," Mrs. Guinn said. "But I'm afraid we haven't taught our children the same principles; and we're going to have to give account for it. The Lord has been so good to us and we've taken everything for granted."

The Guinns feel that if everyone will really try to cut back on power consumption, TVA will not have to resort to mandatory blackouts.

"I'd rather do without a little now," she said.

THE VLADIVOSTOK AGREEMENTS

Mr. GOLDWATER. Mr. President, President Ford made a very understandable explanation of the agreements he reached with Marshal Brezhnev in Vladivostok on his recent journey. In fact, his briefing to the Nation was just another of several that we have been able to hear. In spite of the fact that some look on this as a major breakthrough, there are others who maintain reservations about it, and I happen to be one. The Wall Street Journal in its usual succinct and clear way, had an editorial on this subject just the other day, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHOSE TRIUMPH?

President Ford's Vladivostok triumph will be officially unveiled today. Under a bit of examination, it will prove to be a strategic arms agreement that (1) guarantees there will be no meaningful reduction in nuclear arms at least until 1985, and (2) allows the Soviet Union a missile force three times as large as the American one when measured by the most relevant criterion.

The agreement in principle, reached at the summit and expected to result in a formal pact this summer, restricts each side to 2,400 strategic launch vehicles, of which 1,320 can be missiles with multiple warheads, or MIRV. It also carries forward the SALT-I limits on heavy ballistic missiles, to wit, the USSR-308, the U.S.-O. These forces represent a significant increase on both sides, and also significant advantages for the Soviets. Given the theological complexity of arms strategy, it's possible to put a plausibly acceptable face on the agreement, but in the end one is forced to wonder what was accomplished.

In terms of arms control, the disarmament community and the defense planners agree that present forces should be reduced on both sides. Reduction has been opposed by the Russians, and thus by a State Department anxious to reach agreement with them. Secretary of State Kissinger says the agreement puts a "cap" on the arms race, but it's a difficult to believe this means forces in 1985 will be much smaller than they would have been without the agreement.

In terms of American security interests, the agreement must be seen as another step along the path to eventual Soviet strategic superiority. The best measure for comparing two missile forces is "throw weight," or total lifting power, since this controls both the destructiveness of weapons and the number of separate warheads they can carry. Since the Soviets have far larger missiles ultimately capable of carrying more warheads, the U.S. entered the SALT-II negotiations insisting on equality of MIRV throw weight. This was totally abandoned in the Vladivostok agreement, giving the Soviets a potential 3–1 advantage in throw weight and thus warhead numbers.

Theoretically the Soviet lead in missile throw weight is offset by the U.S. heavy bomber force. On the U.S. side the 2,400 vehicles will include fewer missiles and more bombers, and bombers carry heavier loads. But bombers are also vulnerable to air defense while missiles are not. The U.S. had been insisting that any agreement include some recognition of this important difference, but this too was abandoned in the Vladivostok agreement.

For that matter, the Soviets have some 500 medium bombers that do not count against the 2,400 total, on the grounds that they cannot fly from Russia to American and return. Neither can the American B–52s included in the totals. Surely Soviet bombers that can strike here and land in Cuba are a far more credible strategic threat than the American forces in Europe; yet the omission of these "forward based systems" was supposedly the major Soviet concession at Vladivostok.

The "breakthrough" at Vladivostok, in short, consisted of anything but a new Soviet willingness to deal with a post-Watergate President. The breakthrough consisted of the abandonment of essentials of the American negotiating position.

These concessions were offered, moreover, without effective consultation within the U.S. government. The last National Secuirty Council meeting on SALT was held before Secretary Kissinger's late-October visit to Moscow. No decision was taken at this meeting, but Secretary Kissinger says he obtained a Presidential decision on an offer to the Soviets, and that they made a counteroffer in Moscow that led to the Presidential agreement in principle.

Neither the Presidential offer nor the Soviet counteroffer was known to the Joint Chiefs of Staff prior to the agreement. The Secretary of Defense was apparently cut in at the last moment, while the Presidential party was in Vladivostok and he was in Washington. The party in Vladivostok, some 140 persons, included no military representatives. In effect, the defense chiefs have been left with the choice of approving the agreement or resigning. They will approve.

Now, nothing in the world is 100% certain, and conceivably the agreement is a good one. Intelligent people argue that a 3–1 strategic advantage makes no difference when weapons are as destructive as present ones. For our part, we think that "merely psychological" differences are not so mere (ask the Israelis). And if our side already has enough weapons no matter what the Soviets do, who needs a SALT agreement in the first place? Yet we would not dismiss as wholly beyond discussion the notion, sometimes expressed by Secretary Kissinger, that strategic superiority is meaningless.

We definitely would insist, though, that this issue be debated openly and for what it is. On the way to Peking, Secretary Kissinger told the accompanying press, "The throw weight problem in my judgment, and on a deep background basis, is a bit of a phony." A deep background basis means the correspondents are to believe Mr. Kissinger but not to attach any source whatever to the belief. (We did not obtain our information from anyone in attendance.) The only conceivable purpose for putting that remark on deep background was to avoid the necessity of defending it in public.

Yet if the Vladivostok agreement is finally incorporated into a treaty, it will stand or fall on the question of whether the throw weight problem is a phony, whether it matters that the Soviets have a 3–1 advantage. If the policy of this administration is that superiority does not matter, that policy ought to be stated not on deep background but in tonight's Presidential press conference. If the policy is not clarified, any treaty still must be approved by Congress. We can hope that, unlike the defense chiefs, the Congress will insist on knowing in advance precisely what it will be called upon to ratify.

ATTORNEY GENERAL SAXBE MOVES FOR THE PRESERVATION OF OUR NATION'S WETLANDS

Mr. METCALF. Mr. President, an excellent article has appeared in the December issue of Field & Stream magazine which details the commitment of our former colleague and now Attorney General William Saxbe to the cause of preservation of the Nation's wetlands.

I am not surprised, of course, at the stand of my good friend, Bill Saxbe, because he fought the good fight for protection of these precious lands while he was in the Senate. But I think it is significant to dramatize his philosophy because of the uniquely important office he holds.

More and more court cases relating to wetlands violations are coming to the Justice Department. The article quotes the Attorney General on the subject as follows:

> I am determined that all of the needed resources will be available for the Department of Justice to move swiftly and resolutely in the courts in wetland cases. Since the bulk of the litigation falls upon the United States Attorneys, I am requesting that they give a major priority to litigation involving wetlands in every part of the country.

Mr. President, I applaud these firm words of Bill Saxbe. Their mere utterance will do more to stop unconscionable exploitation of these lands than armies of local preservationists. I command him for his position, and I stand ready to aid the Attorney General in any way I can to achieve complete protection of the rights of the public.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Saxbe for the Defense

(By Richard Starnes)

Old man Saxbe put a pair of biggish feet on his desk and stuffed a chew of Mail Pouch into his jaw.

"My reluctance to support gun control is simply the inability to control it. Crime would continue if a man had nothing to beat another guy over the head with but his truss." He had recourse to an ornate gaboon. "Crime has been with us as long as two men got together."

Those are sound sentiments, of course, and they are important to every hunter and gun fancier in the Republic, because the man who uttered them is the Attorney General of the United States.

Bill Saxbe is beyond question the most accomplished outdoorsman to occupy a seat of power in Washington since Teddy Roosevelt. He's hunted and fished all over the world, and he's an Olympic-grade trap shooter. Last summer, after a six-month layoff, Saxbe broke 98 out of 100 targets at a trap shoot they gave for him in his native Ohio.

"I missed two out of the first ten, and broke the rest of them," he told me.

Saxbe's outspoken bluntness in a city that is owned by wafflers has gotten him into all kinds of trouble. But fortunately it hasn't broken him of the refreshing habit of saying what he thinks.

"I got a bum rap on the SST thing when I was in the Senate," he said. "Really what disturbed me was the fact that I was the only active sportsman in all of Congress. A lot of them play at it, but none of them really knows anything about it. My first job was working for the Ohio Conservation Department. My high-school oration was on conservation, and I've been actively involved with it ever since."

(A lot of conservationists criticized Saxbe because he voted for the supersonic transport when he was in the Senate.)

In spite of that vote, however, Saxbe's credentials as a conservationist and outdoorsman are of high order. This is important because the Attorney General has a great deal to say about which laws are enforced and how vigorously they are enforced. All cops and prosecutors will tell you that all laws are enforced with equal fervor, but anyone who has ever learned enough to cross the street by himself knows this is a lot of baloney. Antipollution laws and laws written in an attempt to save what little is left of our wetlands are two notable examples of laws that sometimes get sketchy enforcement. Saxbe is especially browned off by the destruction of the wetlands, as any sensible scattergun man would be. Last summer he shook up a lot of greedy s.o.b.'s when he told them, in characteristically straightforward fashion, that laws to protect the wetlands were going to be enforced. If they are, of course, it means a great many rapacious entrepreneurs of jerry-built condominiums are going to have to quit draining irreplaceable wetlands for their construction sites.

Saxbe spoke with good sense last summer in a speech to the Conference on the Protection of the Gulf Coast Wetlands at Tarpon Springs, Florida—a speech largely ignored by the daily blatts that have sat on their hands while the very land under our feet has been pillaged.

I assume that anyone with the wit to read this far into a piece as high-minded as this one knows why the wetlands are important—vitally important—to the ecology chain. When the last of the wetlands are paved over for apartment houses and retirement rookeries for lard-bottomed former stockbrokers and their blue-haired consorts, we can kiss goodby all of the waterfowl that grace this continent, and probably ultimately all of the fish as well. Wetlands are nature's nursery. When they go, so does everything else. It is that serious—and Attorney General Saxbe knows it.

As A. G., Saxbe told the conference, he has a "special opportunity" to help enforce the laws "designed to protect important but fragile links in the ecology."

"From my perspective, preservation of the wetlands will not be an easy task. Serious inroads already have been made. And if present trends continue, the wetlands will have been gravely diminished a decade from now. If we do nothing, we face the very real prospect that at some point they may practically vanish except for modest park areas.

"Whether they are saved to become a perpetual resource depends in large measure on us and our counterparts throughout the nation. A great deal depends on how effectively we inform all segments of the public and business community about the nature of the present crisis while enlisting their responsible support."

Saxbe spelled out what a few lone voices (notable among which, I am proud to say, has been Field & Stream for some seventy-nine years) have been saying.

"What is in jeopardy is not merely the scenic view of ocean frontage or lakeshore—as important as they are.

"The wetlands represent far more. They are an irreplaceable resource. And, in turn, they are part of a threatened environment in which some detect dangers not only to our way of life but to the very existence of life."

Memorize those paragraphs and yell them into the ear of the next money-grubber who tells you the economy of the nation can't survive without such greedy affronts to civilization as strip mining, or poisonous insecticides, or that monstrously evil Cross-Florida Barge Canal, or any one of a thousand other acts of rape by people who are willing to condemn future generations to death for the sake of a few lousy dollars.

Saxbe has been around enough to know he is up against tough opposition.

"No single segment of society will be able to preserve the wetlands by itself, no more than a lone segment can solve other environmental perils.

"The issues are of such magnitude that they require a joint effort—by government at all levels, by industry and landowners, and by the general public."

Now here is another paragraph to commit to memory:

"If we fail to save the wetlands, we will be losing more than an economic and aesthetic asset that can never be recreated. The loss may also signal an impending and crushing defeat in the larger effort to maintain an environment that civilized man can inhabit."

Saxbe made it plain he was not going to content himself with preaching a few pieties and then sitting down.

"My purpose is not to find fault. There is enough of that to go around and last all of us a long time. My point is that we simply have to do a better job—and I stress that I am most particularly talking about the Department of Justice doing a better job."

That was the stinger; the notice to the people Saxbe scorns as "twentieth century buccaneers" that the Federal government no longer will be a patsy and willing partner to the pillagers.

"The law requires the Army Corps of Engineers to approve any project to alter wetlands, to dredge or fill them, or to build anything on them. It falls to the Department of Justice to represent the Government in the event a court suit stems from the Corps refusal to grant a permit for wetlands work. We also have the responsibility to bring criminal or civil actions when such work is done without a permit—and this is much too prevalent."

Two years ago, Saxbe said, there were only twenty-one cases relating to wetlands violations in the Justice Department. Last summer there were 151 cases in progress, fifty criminal and 101 civil.

The Justice Department, bleakly warned the Attorney General, "has become much more aware of its responsibilities."

"Our Land and Natural Resources Division [has] decided to make wetlands and related cases a top priority. I fully support that decision."

Saxbe made it plain he was throwing all his considerable energy into the fight.

"I am determined that all of the needed resources will be available for the Department of Justice to move swiftly and resolutely in the courts in wetlands cases. Since the bulk of this litigation falls upon the United States Attorneys, I am requesting that they give a major priority to litigation involving wetlands in every part of the country."

Where Saxbe was speaking, to be sure, is one of the world's most grisly wetlands disaster areas. Perhaps no place on earth has been despoiled with the malignant rapacity that has marked the exploitation of the Gulf Coast. The rich ecological broth that stretches from the Mexican border to the Florida Keys has been raped in a manner that must make the Creator Himself weep. Such rotten excrescences as the Houston ship channel are commonplace the length of the whole Gulf littoral. And the effrontery of the "developers"—and seldom has a word ever been so perverted—is almost past belief.

In Oregon, for example, a developer changed the course of a river without obtaining permission from the Corps of Engineers, the Environmental Protection Agency, or any other branch of government. Fortunately, the Department of Justice took this creep to court, and won its case.

In Georgia, another court ordered a freebooting real-estate developer to completely restore a salt marsh area he'd illegally filled. Another such suit is pending in Maryland. In North Carolina the Justice Department is keeping close track of another developer who has bought a large tract of wetlands. He didn't buy it to nurture waterfowl, that's certain, and Saxbe's people are keeping a sharp eye on him. Whatever is done with that particular parcel is going to be done legally.

Saxbe is a rational man, and maybe too easygoing to be a cop. Sitting in his office and talking fishing ("I think I am a pretty good fly fisherman," he told me), it is easy to see how he keeps harping on obtaining the voluntary cooperation of the enormously powerful forces that are out to eat the whole world right out from under our feet.

"We know that additional pressure for development will continue," he observed. "This is particularly true as the nation seeks new sites for power plants, for reports, and for farming and livestock operations.

"Nuclear power plants are an important factor in the nation's future growth. But they should be located carefully to avoid damage to wetlands and marine resources."

Or, as he put it to the wetlands conference, "the clock is tolling."

"There is no time for recriminations. There is only time to try to work together to develop sensible programs that rest on twin foundations of sensible, planned growth and real conservation."

Saxbe is a gun collector of some note—"I suppose I own altogether forty guns"—and it pains him when so many cheap-shot editorialists make gun control the current most popular panacea for crime.

"I try to be practical about it," he told me. "If I thought there was an effective way that we could have gun control, especially on handguns, I'd support it. My reluctance to support it is based on the inability to control it.

And also on my realization, since I've been in this job, that we've had one gimmick after another that's supposed to control crime. I take the attitude there're no more rabbits in the hat; and I think that gun control is one of the rabbits they keep pulling out of the hat and saying, 'Well, this would stop crime.'

"Three years ago everybody said if we could control heroin we could stop crime. That didn't work either. And then we had a great influx of money—by getting enough hardware into the police departments we could stop crime. That didn't work either."

The best way to control wrongdoing, Saxbe is firmly convinced, is not to take his trapguns away from him—and mine away from me—but to punish the wrongdoer: "Catch them and put them in jail," in his words.

In a capital city where much of the currency of public discourse is canting, dissembling, and downright lying, it is refreshing to share an hour with the likes of the Attorney General. He understands what the realities are. He is one of us, not one of them. It is good to have Saxbe for the defense.

THE WORLD FOOD SITUATION

Mr. DOMENICI. Mr. President, as a delegate to the recent World Food Conference in Rome, I was privileged to get a close overview of the world food situation. My experience convinced me of two things: First, that the situation is truly crucial; and second, that this Nation cannot do the job of feeding the rest of the world alone.

I am persuaded, additionally, that while we must continue our food aid program, that merely increasing the amount of free food we give away this year is a stopgap at best. What is needed is a long-term program of increased technological pooling and true worldwide cooperation among the food-exporting nations. However, in the short run this Nation does have moral obligations of a high order that must be met, as we have always met them.

In this regard, I would like to call the attention of my colleagues to recently published remarks by Terence Cardinal Cooke, Archbishop of New York. His article in the New York Times sums up the conflicting tensions of the present world food situation and America's pivotal role in resolving these tensions. I ask unanimous consent that this article be printed in the RECORD at this time and I commend it to my fellow Senators for their perusal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times]

THE 2-YEAR-OLD WEIGHED 16 POUNDS AT DEATH

(By Terence Cooke)

A genuine sense of concern for the helpless poor and distressed is in danger. We have been hearing now for many months that millions are hungry and starving in Africa and Asia, and we are acting as if we have not heard.

Let me tell you about the city of Nouakchott, a collection of low-lying houses surrounded by sandy desert only a few miles from the Atlantic. It is the capital of Mauretania. Five years ago, it had a population of 60,000 people; today it has twice that many as the encroaching desert has claimed mile after mile of pastureland and small agricultural settlements, driving tens of thousands to find food and water on the rim of the already overburdened cities.

One hundred miles to the south in the old French city of St. Louis, Senegal, a young doctor has worked frighteningly long hours in the pediatric ward of a huge underequipped hospital. He walks the corridors with a lovely old French nun who has dedicated 23 years of her life to the same ward and its infants, who now arrive in greater number and with more advanced cases of malnutrition than ever before. Too many people are hungry, and the children often are not strong enough to survive the strain.

Listless children with skeleton faces, distended stomachs and protruding bones are so weak and so fragile that they cannot manage to digest food. In one wing of the old, crowded building, the sister had to persuade a frightened mother to let go of a 16-pound baby who had just died. But the real tragedy became more apparent and more forceful when the doctor told me that the 16-pound baby was two years old. More than 24 months of gradual starvation had taken from the poor little child the power to survive and develop.

These stories can be multiplied across the wide belt of land that stretches across Africa just below the Sahara. In addition, farms in Bangladesh and India, where hundreds of millions live, have also been wiped out.

Other special difficulties are slowing relief. In 1972, the United States, the world's greatest source of food, had a substantial food reserve; this year, it hardly has the reserves for major emergencies.

Moreover, nations of the "fourth world"—emerging nations with inadequate finances for international exchange—haven't the money to buy United States food at the new, inflated prices. Since 1970, the price of American food abroad has doubled. On top of that, there is a worldwide shortage of fish, feed grains, fuel and fertilizer with a petroleum base. Inadequate transportation, distribution and storage facilities make the task of rescuing and giving hope to 400 million people even more difficult.

We Americans think of ourselves as moral and generous. Morality, however, demands that we pay attention to what is happening to others. Yet it is not easy for us, busy with so many concerns at home, to focus attention on remote and unfamiliar places like Nouakchott, Quagadougou, Upper Volta, and Timbuktu, Mail—but our brothers and sisters in the Lord live there and they are starving, and their children are dying before their eyes, and they are calling for help.

Please do not misunderstand what I am about to say about American aid. Since World War II, the United States has given $40 billion in food to poor nations. This year, America alone cannot feed the entire world. Ninety per cent of the world's food is consumed where it is grown. Our obligation, however, because we are so blessed in resources, is to intervene generously when there is an agricultural failure, and then to offer to the hungry the knowledge and basic technical tools needed to multiply their land's productivity. We can do that, and we must, on voluntary and governmental levels.

Concern is effective only when it is thoughtful and specific. This nation, the most richly endowed in the world, will be morally responsive only if it creates a reserve of food, feed and fertilizer for the crises of starvation that nature and human error cause unexpectedly. And we must share our farming skills. Other nations must help but we are the primary agents. There are problems: We need to create reserves without hurting farmers or inflating prices. The answer may demand a long-overdue look at waste in our country and a return to careful consumption.

(*Terence Cardinal Cooke, Roman Catholic Archbishop of New York, recently spent six days in West Africa.*)

HOW "FAIR" SHOULD TV BE?

Mr. PROXMIRE. Mr. President, a reprint of an article by Nat Hentoff that originally appeared in Lithopinion magazine was sent to me by the Television Information Office.

The article—published before the U.S. Supreme Court in the Tornillo case and the D.C. Court of Appeals in the Pensions case decided in favor of the first amendment—is a good summation of the constitutional problems with the Federal Communications Commission's "unfairness" doctrine.

As will happen with a free press, I cannot agree with all of the characterizations of certain persons named in the article. But I certainly agree wholeheartedly with Mr. Hentoff's arguments.

We both agree that the fairness doctrine violates the first amendment to the Constitution.

That is why, immediately upon the convening of the 94th Congress, I intend to introduce legislation clarifying the first amendment—to make clear that as it is written, that first article in the Bill of Rights does apply fully and without limit to broadcasting.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW "FAIR" SHOULD TV BE?

(By Nat Hentoff)

Investigative reporter Nat Hentoff thrives on controversial issues, as evidenced by the subject of his latest book, coauthored with Paul Cowan and Nick Egleson entitled State Secrets: Police Surveillance in America. (Holt, Rinehart & Winston, 1974). Mr. Hentoff is a columnist for the Village Voice and is on the faculty of the Graduate School of Education, New York University, and The New School for Social Research (New York).

Last February, ABC-TV refused to televise an already-taped Dick Cavett show with guests Abbie Hoffman, Jerry Rubin, Tom Hayden and Rennie Davis. In response to queries from newspaper reporters, ABC's management explained that the network "had an obligation to insure fairness and balance under requirements of the Federal Communications Commission." And Cavett's four guests, ABC management continued, "made controversial remarks about the U.S. judicial system, continuing hostilities in Southeast Asia, Watergate scandals and the use of revolutionary tactics.

The offending program would be aired, ABC said, only if Cavett sliced a half-hour out of it and, in accordance with what's known as the Fairness Doctrine, used that time to interview one or more people who are manifestly conservative in their views.

Cavett at first refused, then succumbed reluctantly after the network canceled the original show. When it was finally aired on March 21, it not only had been altered slightly, but for rebuttal purposes two right-wingers—Jeffrey St. John, a CBS political commentator, and Fran Griffin, Illinois chairwoman of Young Americans for Freedom—had been tacked on.

The Fairness Doctrine became law in 1959, when Congress amended the 1934 Communications Act to insist on the obligation of broadcast licensees "to afford reasonable opportunity for the discussion of conflicting views on issues of public importance." The air, after all, is public; and the public should have access to broadcasting facilities using its air.

Television- and radio-station owners, and not a few news reporters and analysts in broadcasting, objected. Nobody, they reasoned, certainly not the government, can force a newspaper or magazine or book publisher to give space to those who consider a particular article or book "unfair." So why shouldn't television and radio, like the print media, have the same inalienable First Amendment rights to voice views freely?

In 1969, the Supreme Court appeared to have answered that question for some time to come. In its *Red Lion* decision, the Court proclaimed that "a licensee has no constitutional right . . . to monopolize a radio frequency of his fellow citizens." Furthermore, the Court emphasized, "It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market . . . [by] a private licensee."

ALMOST EVERYBODY APPROVED

The *Red Lion* decision caused general rejoicing among liberals, most centrists and even a sizable number of conservatives who, while usually of the view that private enterprise and government regulation are antithetical, decided that in the matter of the public airwaves, only the government can effectively mandate that there be a real public forum for clashing ideas. (Many conservatives, after all, hold it as an article of faith that broadcasting is dominated by "left-leaning" reporters and analysts, and the *Red Lion* decision gave promise of some "balance" on the people's air.)

As a civil libertarian, I too was among the rejoicers. One of my own articles of faith has long been that owning a radio station, and especially a television station, amounts to having a license to make a hell of a lot of money. The least that broadcasting ownership can do to justify all those profits is to give dissenting citizens free and fair access to their channels.

My "heresy," with regard to the Fairness Doctrine, began to take shape in November 1972, when I read a dissenting decision by David Bazelon, Chief Judge of the United States Court of Appeals for the District of Columbia Circuit. Bazelon, who warred frequently with Warren Burger when the latter was on that appeals court, is a pre-eminent civil libertarian. He is also one of the few judges in the country who, like William O. Douglas, writes with marvelous and witty lucidity. We all have our prejudices, and one of mine has been best summarized by J. Mitchell Morse in *The Irrelevant English Teacher* (Temple University Press, 1972): "Style is a matter of intellectual self-respect. To write well, a certain moral courage is essential."

I would pay more attention, for instance, to William Buckley if he were finally to recognize that ormolu rococo reveals a talent for self-inflation but has little to do with writing or thinking well.

It was not, however, on aesthetic grounds that judge Bazelon's decision in *Brandywine-Main Line Radio, Inc.* v. *Federal Communications Commission* shook me up. What Bazelon was saying made unnerving sense—both common sense and constitutional sense.

The case at issue concerned the FCC's refusal to renew the license of radio station WXUR in Media, Pa. The station was under the control of Rev. Carl McIntire, a fustian preacher whose views are well to the right of those of, let us say, Barry Goldwater and Savonarola. The FCC claimed that WXUR had failed to adhere to the Fairness Doctrine, pointing out that in decapitating WXUR, it was only doing what the Supreme Court, in the *Red Lion* decision, had mandated it to do.

Bazelon's dissent is worth close attention because it gets to the core of a rather complicated question. The First Amendment is designed to allow the citizenry as wide and robust a range of views as partisans can come up with. Accordingly, the Fairness Doctrine would appear to be eminently in line with the First Amendment. The people's right to hear diversity of opinion, and to express their own opinions, must surely have primacy over the First Amendment rights of those who own radio and television stations and of those who are regular staff reporters and commentators.

THE RIGHT TO BE DISRUPTIVE

It is not, however, all that simple. First of all, Bazelon noted, the FCC, by forcing WXUR off the air, had deprived its listeners of *that* station's ideas, "however unpopular or disruptive we might judge these ideas to be." (Or, as Justice Douglas has pointed out, "Under our Bill of Rights, people are entitled to have extreme ideas, silly ideas, partisan ideas.")

Hold on, though. Let us grant that those who determine policy for a station do have the right to express even such noisome ideas as those of Rev. McIntire. What, then, can be wrong with forcing such ownership at least to share its channel with those who oppose its ideas?

Bazelon answers by observing that it is very difficult for a station such as WXUR to be held firmly and continually to the Fairness Doctrine, since "the monitoring procedures which the FCC requires for identification of controversial issues are beyond the capacity of a small staff, or a shoestring operation." This burden of equal time, he added, involves ". . . very critical First Amendment issues indeed. The ratio of 'reply time' required for every issue discussed would have forced WXUR [if the FCC had allowed it to continue, in strict conformity to the Fairness Doctrine] to censor its views—to decrease the number of issues it discussed or to decrease the intensity of its presentation. The ramifications of this chilling effect will be felt by every broadcaster who simply has a lot to say."

A specific example which judge Bazelon might have cited has to do with a complaint filed with the FCC in 1971 against KREM–TV in Spokane, Wash. The viewer invoking the Fairness Doctrine was Sherwyn M. Hecht, who was irritated by the unfairness, as he saw it, of KREM–TV's failure to provide sufficient air time to those citizens of Spokane opposing a local bond issue to raise money for a projected "Expo '74" undertaking.

Ultimately, on May 17, 1973, the FCC decided that Mr. Hecht's complaint was unwarranted. In the meantime, however, the station had to spend some 480 work-hours of executive and supervisory time satisfying the FCC that it had indeed been fair on that issue. This did not include supporting secretarial or clerical time. As a station official said rather wearily, "This represents a very serious dislocation of regular operational functions and is far more important in that sense than in terms simply of the dollar value of the salaries of those engaged in our self-defense."

That's too bad, an advocate of the Fairness Doctrine would say, but this kind of expense and dislocation is a necessary part of the cost of being a responsible—and responsive—broadcaster. If there is indeed a danger that some small stations might go under because of this financial weight, it could be possible for non-competing stations (stations in different cities) to share expenses in hiring a full-time team of people expert at responding to FCC inquiries.

DIG WE MUST

In any case, this economic argument against the Fairness Doctrine surely can't apply to metropolitan stations or to the networks. However, Richard Salant, head of CBS News, disagrees. In an interview with writer Fred Powledge for the latter's American Civil Liberties Union report, *The Engineering of Restraint: The Nixon Administration and the Press,* Salant spoke of network economic and dislocation problems inexorably linked to the Fairness Doctrine, no matter which administration is in power: "We get a letter [from the FCC, notifying the network of a complaint from the public] and everybody has to dig. The reporters, the producers of the show, everybody has to dig out stuff and try to reconstruct why they did what they did . . . If nothing else, it takes you away from your work. And when it is the government, through the FCC, moving into areas of program content, the effect is *chilling*. We have more lawyers than we have reporters."

It is when broadcasters, including reporters, argue against the Fairness Doctrine on the ground of its "chilling" effect that we move from matters of economics and personnel disarrangement to a fundamental First Amendment question. As Judge Bazelon emphasized in his dissenting opinion on the FCC's expunging of WXUR, "In the context of broadcasting today, our democratic reliance on a truly informed American public is threatened if the overall effect of the Fairness Doctrine is the very censorship of controversy which it was promulgated to overcome."

Is there evidence of a chilling effect because of the Fairness Doctrine?

Louis Seltzer, president of WCOJ, a 5,000-watt radio station in West Chester, Pa., wrote the American Civil Liberties Union last year in an attempt to persuade it to stop supporting the Doctrine. "The Fairness Doctrine," Seltzer argued, "is *unfair*. As a practical matter, I know that it has served to muzzle this station for 25 years. An example: We aired only one or two [shows] of a well-produced series put out by the Anti-Defamation League of the B'Nai B'Rith on 'the Radical Right.' Why? Simply because airing these programs would open the floodgates to a paranoid response from the 'nut' groups . . . True, we could refuse to run the reply programs on the basis of their patent untruth, but this would cost us a $10,000 lawsuit up to the Supreme Court of the United States, and even then there would be a possibility of losing . . . This station is not small, but it is not that large. We have neither the time nor the money to devote to such Joan-of-Arcian causes."

One obvious response to Mr. Seltzer's words is that the First Amendment exists for the benefit of "nut" groups too, but the point is that he did decide not to run the full series rather than get embroiled in a lawsuit.

A CHILLING BALANCE

Another illustration of the Fairness Doctrine's negative effect was that Cavett show decision. Richard Salant, who on the basis of his doughtily independent record would not, I think, have censored that program, has observed in answer to another request for the kind of "balance" that ABC–TV asked of Cavett: "Suppose the English governor had told Tom Paine that he could go ahead and publish all he liked, but at the back of his pamphlets he would have to allow the governor's assistant to publish *his* views to guarantee that the pamphlet had given the other side. That would have preserved Tom's right of free speech, but far from being an implementation of the First Amendment, it would have been just the opposite. You would have to consider it a restriction upon speech if, in order to print a broadside, Tom Paine had to present not only his own views but also those of someone arguing on the other side."

During the same week in which ABC–TV, in fear of the Fairness Doctrine, exercised prior restraint on Dick Cavett and his four controversial guests, a number of radio stations throughout the country refused to broadcast a new recording by the singing team of Seals & Crofts. The song, *Unborn Child*, argued against abortion. The station executives who censored the song from the public air explained that they did not want the hassle of providing equal time to pro-abortion spokespeople.

A recurring point made by Salant is that the *publicized* examples of station and network self-censorship are only a small percentage of such management decisions which no one ever gets to hear about. "When one's very survival in one's business—broadcasting—depends on licensing by the government; when the penalty for error and for government disagreement is not a fine, but capital punishment [the loss of your operating license], does anybody think for a moment that there are not those who have said, 'Let's skip this one, let's not make waves, let's stay out of trouble'?"

Even in his own organization, Salant, who is more supportive of his investigative reporters than any other network news chief, has "a constant fear that somebody down the line—reporters or producers or somebody—will think 'Gee, we've caused such headaches to management, or to ourselves, in having to dig out all this stuff, when the lawyers come around, I'll play it easy for a while.' " Salant even sent a memorandum to his news staff telling them he considered self-censorship a "high crime."

Salant may not know it, but the memorandum didn't work in all cases. An official at WCBS–TV in New York has said—not for attribution, of course—"Sure, there are enough pressures in this business; who needs trouble from the FCC?"

A classic case of FCC interference with a network news operation began with a complaint by a small but vigorous organization called Accuracy in Media (AIM), accusing NBC–TV of not being fair in its 1972 documentary, *Pensions: The Broken Promise*. AIM told the Federal Communications Commission that the program had been unbalanced, focusing on the deficiencies of private pension plans and not providing equal time to those pension plans that actually do protect the retired worker. The FCC agreed, and in May 1973, wrote NBC: "It does not appear that you have complied with your Fairness Doctrine obligation" to give both sides of controversial issues.

HOW TO BEAT THE BLAND

NBC is appealing that decision, maintaining that if the FCC ruling stands, investigative reporting on television will be markedly curbed. Attorneys for the network have emphasized that "to the extent the FCC staff's opinion requires ever greater accountability to the government itself, it is simply inconsistent with the long history of disassociation even antagonism that has characterized the relationship between government and press in our country." Television journalists, NBC went on, would be forced "to engage in a kind of thinking and practice which has nothing to do with journalism. It would impose, as well, a variety of other less-obvious sanctions—the inhibiting effect upon television journalists and producers of being obliged to justify to their superiors and to the Commission the work they have done; the immense amount of time required—time better spent in preparing new programming—in preparing a 'defense' to similar charges; the ever-present threat to license renewals inherent in such rulings; and the like. In short, the issue is not alone whether television journalism will be too bland; it is whether it will be free enough not to be bland."

Ironically, in a footnote to its decision affirming the complaint against NBC by Accuracy in Media, the FCC staff had accurately observed that "for years prior to the broadcast of *Pensions*, neither NBC nor the other networks, to the best of our knowledge, had telecast any program dealing extensively with private pensions. There was little discussion in any general circulation print media and [there were] no widely distributed books on the subject. In fact, there was no apparent public discussion, much less controversy, apart from that of a relatively small number of experts, businessmen and government officials who take a professional interest in the subject. There had been hearings in the last Congress on the subject, but NBC was breaking new ground journalistically on a subject about which the public, at that time, had little knowledge."

So, by way of encouraging new groundbreaking by television journalists, the FCC thereupon demanded that NBC give time to "the other side."

Meanwhile, Abraham Kalish, Executive Secretary of Accuracy in Media, wrote a letter to stations affiliated with NBC, reminding them: "If you carried *Pensions: The Broken Promise* and you have not given your audience a program that showed the other side of the issues, you have not fulfilled your obligation under the Fairness Doctrine. I am sure that you are anxious to fulfill that obligation. NBC may wish . . . regrettably . . . to challenge the FCC on the Fairness Doctrine issue, but it is the licensee, not the network, that *may have this used against him in any challenge to a license renewal.* NBC has an obligation not to play games with your license. We urge you to tell NBC that." [Emphasis added.]

ANTEDILUVIAN ENTREPRENEURS

The message was well-aimed. As a network correspondent—again, not for attribution—notes, "All along the line there are individual owners of affiliated stations who are antediluvian, moneymaking, conservative-thinking entrepreneurs. The network sends them something like CBS's *The Selling of the Pentagon* or NBC's *Pensions: The Broken Promise*, and they get very, very worried."

Richard Salant, for attribution, puts it even more starkly: "The affiliates have the perfect right under the law to turn down everything from the network that they don't want. They can put those of us in news completely out of business by turning the faucet. The government knows it can scare the pants off almost any broadcaster—certainly the affiliates. It takes an awful lot of guts for management to ignore these attacks because they can literally mean station owners will lose their economic life."

In one of the affidavits included in NBC's petition with the Court of Appeals for the District of Columbia, in its attempt to have the FCC decision on *Pensions* overturned, the network points out that this particular program won the prestigious George Peabody Award for public service in television as "a shining example of constructive and superlative investigative reporting." Furthermore, in March 1973, *Pensions* received a Christopher Award for "television news calling public attention to a much-neglected social issue." In May of that year, there was also a National Headliner Award for the program, followed in June 1973 by a Certificate of Merit of the American Bar Association.

Nonetheless NBC—unlike, let us say, THE NEW YORK TIMES if it had printed a similar report on pensions—has to defend itself against the government. Reuven Frank, an NBC executive with a remarkable track record for investigative journalism on television, says mordantly that the FCC's decision means that "we in television news must never examine a problem in American life without first ascertaining that we have piled up enough points on the other side—a little bank account of happiness to squander on an area of public concern. Otherwise, we should be overdrawn, and would have to schedule a program in payment of the debt.

"Must I and others charged with the responsibility for documentary programs," Frank continues, "review each proposed subject to see not only if it needs doing and can be done but whether we are *entitled* to do it? Must a search be made each time of the entire history of the network and its programs to determine whether enough has been presented saying there is no problem, so that we can be licensed to do a program saying there is a wee problem after all? Anyone I could hire for this would not be worth having. On the other hand, it will be a boon for travelogues."

David Brinkley adds: "To be found guilty of 'unfairness' for not expressing to the government's satisfaction that most people are not corrupt or that most pensioners are not unhappy is to be judged by standards which simply have nothing to do with journalism."

A WET BLANKET ON BOLDNESS

And Bill Monroe, Washington editor of the NBC News' *Today* program, articulates the anxieties of many news broadcasters on other networks and independent stations: "The very knowledge that the obstacle course seen in the *Pensions* ruling exists has an inevitable wet-blanket effect on reporters and producers. The FCC, while speaking for boldness, turns around and punishes those who practice it. It is thoroughly understood in the industry that the most likely outcome of bold journalism is trouble with the FCC: a penalty, amounting to harassment, in the form of an official request for justification, in 10 or 20 days after a program has been aired, that the program is in compliance with the Fairness Doctrine. Any newsmen who has seen the effort a broadcast executive and his staff must make to prepare an answer to such an official request can only assume that his boss, as a human being, would have a desire to minimize such official challenges in the future."

Joining in NBC's petition to the Federal District Court was J. Edward Murray, associate editor of the Detroit FREE PRESS and a past president of the American Society of Newspaper Editors. By way of example of how inhibiting a fairness doctrine applied to print media would be, Murray says: "Newspapers, including the Detroit FREE PRESS, investigate and expose policemen who are on the 'take' in the dope rackets. If an equivalent weight or time must be given to policemen who are not on the 'take,' the whole campaign becomes so unwieldy and pointless as to be useless. Must the good cops get equivalent space with the bad cops?"

As of this writing NBC's case for First Amendment rights for its news staff is still in the courts. "Even if we win," an NBC reporter observes, "you can be sure that the next time someone comes up with an idea for a tough expose, the brass is going to think quite awhile before it gives us the go-ahead, and then they'll probably impose their own 'fairness doctrine' on us."

Whatever the courts do decide, those who fervently support the Fairness Doctrine continue to argue that broadcast and print journalism cannot be equated because anyone can start a newspaper but radio and television channels are limited. Therefore, there *has* to be government supervision of "fairness." This is a venerable contention, but it no longer is germane to the real world of communications. In his dissenting opinion in the WXUR case, Judge David Bazelon pointed out that as of September 1972, the number of commercial broadcasting stations on the air was 7,458. By contrast, as of Jan. 1, 1971, there were only 1,749 daily newspapers in the country.

"Nearly every American city," Judge Bazelon wrote, "receives a number of different television and radio signals. Radio licenses represent diverse ownership; UHF, local and public broadcasting offer contrast to the three competing networks; neither broadcasting spectrum is completely filled. But out of 1,400 newspaper cities, there are only 15 left with face-to-face competition."

THE CABLE REVOLUTION

Starting a new daily paper now requires an enormous amount of money and an extraordinary leap into faith. "Who at this time," Justice Douglas asks, "would have the folly to think he could combat the New York Times or Denver Post by building a new plant and becoming a competitor?" The prospect, in fact, is for fewer rather than more daily newspapers in the years ahead. On the other hand, the already markedly larger number of television choices available to the citizenry is going to increase significantly. "It is predicted," Bazelon observed, "that in perhaps 10 years it will be possible to provide to the television viewer 400 channels; that by 1980 half the nation will be on cable television; and that a host of educational and public services will accompany the cable revolution which are simply mind-boggling. Thus, even now we possess the know-how necessary to do away with technical scarcity through CATV [cable television]. . . . Is it not a little ironic that we still adhere to our fears of monopoly and limited access? Ought we not instead focus our attention on how we can make the cable medium economically accessible to those who assert a right to use it?"

I would add that those undeniably well-intentioned groups now striving to expand the Fairness Doctrine—thereby unwittingly "chilling" the potential for more controversial broadcast journalism—might better expend their energies in trying to implement the American Civil Liberties Union's conviction that "cable television should be operated on a common-carrier basis. This means channels of the cable service should be open to anyone willing to lease them, just as the telephone lines are open to anyone willing to pay to make a telephone call."

Testifying before the FCC in 1971, Irwin Karp, a member of the ACLU's Communications Media Committee and also attorney for the Authors League and the Authors Guild, stated: "The ACLU believes that the adoption of a common-carrier policy is essential because it will provide a system of communication that fulfills the needs of the First Amendment, avoiding public and private restraints on freedom of expression; and assuring full access to a meaningful marketplace of ideas. The ACLU also believes that a common-carrier approach will provide the greatest diversity of programming and the most efficient service of which the medium is capable."

Keeping in mind the number of channels which can be made available through cable television, there is the further point that—as a recent Rand Corporation study, New Television Networks, demonstrates—right now it is possible to "drop in" at least 67 major TV stations in the country's 100 largest urban centers. These are stations that could be seen even if you don't have cable television. It is not at all fanciful, in sum, that in a decade or so, TV Guide will, as a television researcher says, be "as fat as a telephone directory."

THE ROLE GOVERNMENT SHOULD PLAY

The scarcity argument—that Federal officials have to insure "fairness" in television because there are so few channels—is no longer tenable. Does the government, then have any legitimate functions in television? Sure, says Justice William O. Dogulas. It has a duty with regard to television—as it has concerning the printed media—to prevent monopolistic practices. That it has largely failed in this responsibility in relation to newspapers (most recently through the Newspaper Preservation Act, which gives them limited but substantial exemption from antitrust laws) does not mean that the government ought to abdicate this duty concerning television. If, for example, one group of station owners is a predominant force in a particular region, that ownership should be divested of some of its telecasting facilities.

Federal authorities are also, Justice Douglas notes, responsible for "promoting technological developments that will open up new channels. But censorship or editing or the screening by government of what licensees may broadcast goes against the grain of the First Amendment."

Another necessary function of government is to make sure that channels don't intersect. Seeing to it that Channel 2 in any given city doesn't cut into Channel 4's picture has nothing to do with the First Amendment. In this respect, the government's role is like that of a traffic cop keeping motorists in their proper lanes.

There is also nothing destructive of the First Amendment in the current efforts of various groups to see that fair-hiring practices—including equality of access to broadcasting jobs by minorities and by women—are adhered to by television stations. That kind of pressure is also being applied to newspapers, and it is entirely constitutional.

My thesis—that those who would also have the government intervene in programming to assure "fairness" are wrong headed—has another dimension. Emboldened by these forays into broadcasters' First Amendment rights, peope who decry the "unfairness" of newspapers are pressing for "access" to print media.

On Feb. 4, 1974, Senator John McClellan of Arkansas suggested that Congress consider mandating that newspapers publish the replies of public figures who are attacked. Let the head of *that* camel get into the tents of newspapers and magazines, and those editors who are already timid—and they are not few—will make sure that their reporters stick to "safe" stories, like "color" features attendant on the annual Indianapolis Speedway race. In 1972, David Burnham of THE NEW YORK TIMES wrote a long, devastating article on police corruption in New York City—a piece that forced an extremely reluctant Mayor John V. Lindsay to establish the independent Knapp Commission to dig into the subject of cops on the "take." Would that story have had nearly as much impact if the TIMES had been compelled to give equal space and position to a story quoting the Police Commissioner about how many honest cops there were on the force? Furthermore, that kind of requirement might well persuade a less independent newspaper than the TIMES not to publish a story on police corruption in the first place.

FLORIDA'S "RIGHT TO REPLY" LAW

There is, in fact, a state law—in Florida—that *does* require newspapers to print the replies of political candidates to critical editorials. In the fall of 1972, when Pat L. Tornillo was a candidate in the Democratic primary for the Florida House of Representatives, The Miami Herald referred to Tornillo in an editorial as a "czar" and a lawbreaker who engaged in "illegal acts against the public trust." A few days later, the newspaper published another editorial which also considerably annoyed Mr. Tornillo.

The alleged "czar" asked the newspaper to print his rebuttal—verbatim and free, as the Florida statute permits. The Herald refused: a lawsuit followed; and the Florida Supreme Court, reversing a lower court decision, held, in a highly disturbing 6–1 ruling, that the state "law of reply" is indeed constitutional.

In a brief that asked the United States Supreme Court to reverse the ruling of the Florida Supreme Court, the American Civil Liberties Union reminded the nine Justices of a previous statement by one of them, Potter Stewart, that the Constitution clearly commands "that Government must never be allowed to lay its heavy editorial hand on any newspaper in this country."

Should the Supreme Court uphold the Florida "right of reply" statute, Sen. McClellan will surely be joined by other legislators in concocting all sorts of "fairness doctrines" to be invoked against print journalism. Justice William O. Douglas, in arguing for full First Amendment rights for television and radio broadcasters (*Columbia Broadcasting System* v. *Democratic National Committee*), has usefully reminded us: "In 1970 Congressman Farbstein introduced a bill, never reported out of the Committee, which provided that any newspaper of general circulation published in a city with a population greater than 25,000, and in which fewer than two separately owned newspapers of general circulation are published, shall provide a reasonable opportunity for a balanced presentation of conflicting views on issues of public importance and giving the Federal Communications Commission power to enforce the requirement."

And Congressman Leonard Farbstein, from New York City, was generally considered a liberal!

With any encouragement from the Supreme Court, such a bill might find it a great deal easier to emerge from committee in 1974 or 1975. In this regard, it is important to remember that not only the Nixon Administration has been given to pressuring the press. As Richard Salant has noted, "We have learned by now that each administration improves on its predecessor in its ability to try to get at us."

Imagine John F. Kennedy's delight, or Lyndon Johnson's, if either had been able to exercise leverage on what newspapers print. Or, for that matter, the delight of Chicago's Mayor Daley or California's Governor Reagan or your own local politician-target of a critical press.

THE DAMNED FIRST AMENDMENT

I am afraid, for further illustration of the vulnerability of the First Amendment, that if a national plebiscite were held now as to whether a "fairness doctrine" similar to the one now operative against radio and television should be applied to newspapers and magazines, the results would be largely in favor of such governmental controls—the First Amendment be damned.

The grail of "fairness" is an enticing one; but unless editors are allowed to edit on the basis of their own judgment—however quirky and infuriating that judgment may be to many citizens—newspapers and magazines will be saddled with a fairness doctrine which, as William O. Douglas says of the doctrine present imposed on television, "is agreeable to nations that have never known freedom of press and tolerable in countries that do not have a written constitution containing prohibitions as absolute as those in the First Amendment."

Even Chief Justice Warren E. Burger, who believes in the constitutionality of a fairness doctrine for television, is apparently beginning to wonder about what he and the majority of his brethren on the High Court have wrought.

"For better or worse," the Chief Justice said last year, "editing is what editors are for; and editing is selection and choice of material. That editors—newspaper or broadcast—can and do abuse this power is beyond doubt, but that is no reason to deny the discretion Congress provided. Calculated risks of abuse are taken in order to preserve higher values."

Ben Franklin, when he ran a newspaper, put it more bluntly. "My publication," he said, "is not a stagecoach with seats for everyone.'

In any case, print journalism, despite its partial redemption in terms of public confidence as a result of Watergate, is not out of danger of government incursion into its First Amendment rights. And the broadcast media are going to have to struggle mightily to shed themselves of what I—and more importantly, to say the least, Justice Douglas—believe to be the unconstitutional Fairness Doctrine. But broadcasters are gradually getting some heretical allies. Most of the "good government" and civil liberties groups are still in favor of the Fairness Doctrine; but in 1973, the research branch of the Association of Trial Lawyers came to the conclusion that "Congress and the courts must return to the First Amendment and apply it for the benefit of all the media . . . Diversity of expression is not to be found in a tightly regulated medium, where fears of censorship, governmental interference, and the possibility of losing one's license reduce creativity to a common blandness, so as not to incur the wrath of the regulator."

TOWARDS DEEPER MUCKRAKING

Will television become less bland—at least in its news and documentary divisions—if it is emancipated from the Fairness Doctrine? There are no guarantees, but the strong likelihood [and I speak from many years of coverage of television journalism] is that those with a taste for muckraking—Richard Salant, Reuven Frank, Paul Altmeyer at ABC–TV, and many others—will feel a lot freer to dig a lot deeper.

I asked Richard Salant that question while researching this article. "If we had full First Amendment freedoms," he said, "the benefits to the public would be precisely the same benefits it now receives from the full application of the First Amendment to print journalism. For papers run by timid, lazy or greedy entrepreneurs, the First Amendment may not do a hell of a lot of good. So, too, in broadcasting.

"But at least," Salant added, "no timid broadcast management could cop out on the ground that they might get into Fairness Doctrine problems with the FCC, or risk a lot of lawyers' fees, or even run the danger of losing their license.

"Whether the Fairness Doctrine is a real or an imaginary Sword of Damocles—and it's real enough for a lot of broadcast journalists—it also serves as a shield for some broadcasters who want to duck hard investigative reporting. I am persuaded, but obviously cannot yet prove, that the brooding omnipresence of the Fairness Doctrine does indeed affect the state of mind of some reporters, some editors, some news executives, if only because they know that if they don't watch out, they're going to have to spend an enormous and unfruitful amount of time and money transcribing old broadcasts and searching them out to provide material for the lawyers who have to respond to complaints and to FCC 20-day letters."

There can be no concrete proof of how much bolder and braver television journalism may become if it finally is fully protected by the First Amendment, but surely it's an option worth taking, particularly since, as Judge Bazelon emphasizes, "Most Americans now consider television and radio to be their most important news sources. Broadcast journalists have grown up. They see it as in their interest to be guided by the same professional standards of 'fairness' as the printed press. There is no factual basis for continuing to distinguish the printed word from the electronic press as the true news media."

And that analysis, I contend, is fair enough—for all.

THE NEED FOR ENACTMENT OF THE TRADE REFORM ACT

Mr. GOLDWATER. Mr. President, I am pleased to rise in support of speedy and favorable action on the trade reform legislation. Although I am not totally happy with each and every provision of this lengthy and complex bill, I do believe it is essential that Congress should enact in this year legislation incorporating the basic authorities of the bill which are to: First, permit the President to enter into new trade agreements promoting the development of an open and nondiscriminatory world economic system; and, second, arm the President with the means to retaliate against countries which persist in unfair trade practices against the commerce of the United States.

Mr. President, for at least 3 years now, I have been warning of the disturbing trend of trade conflicts which have placed the entire system of world trading relationships in jeopardy. In particular, I have been pointing to violations by foreign countries of existing trade agreements with the United States.

As one who believes in a policy of freer trade, accompanied by the expansion of American commerce, I have insisted that it is incumbent upon our Government to assure American business that both sides of the trade avenues will be kept open. This means that if an American industry is willing to accept the challenge of free competition within its own domestic market, then U.S. products and services should in turn be allowed to compete on equal and fair terms in foreign markets.

It is my fear that unless there is such a fair and an equal application of the international rules of trade, the entire system will collapse in a self-perpetuating series of destructive conflicts. Fortunately, it is in this area that the trade bill brings us a ray of hope.

For the fundamental benefit of the legislation, as I see it, will be the prospects for removing or diminishing trade frictions as a barrier to the smooth operation of international trade on a global scale. In addition, success in negotiating and reaching a mutually advantageous trading structure will also remove a troublesome source of division among the nations of the world that may motivate reprisals and conflicts in other areas of the world economy, such as the monetary field.

Mr. President, to get at the problems that are facing the world economy, there must be a new round of multilateral trade negotiations designed to settle present and threatening conflicts and to establish a revised structure which will preserve the stability of an orderly, international trading system. In order for these world talks to begin at a high level, it is also necessary for U.S. negotiators to possess the authorities they will need for the bargaining that will go on at those talks.

But the President of the United States has not had authority to enter into new trade agreements since the last Trade Expansion Act expired on June 30, 1967. Therefore, the trade reform bill would provide the President and his negotiating team with the full range of authorities from Congress which are essential to concluding a beneficial and comprehensive international trade package.

Mr. President, I am impressed in reading through the lengthy report on the trade reform bill by the Committee on Finance to see that time and again the committee has placed its major emphasis upon the expectation that U.S. trade negotiators will, in using the new authorities provided by the bill, exercise them "to obtain full reciprocity and equal competitive opportunities for U.S. commerce."

For example, at page 21, the report reads:

> The Committee bill gives strong emphasis to the need for establishing fair and equitable conditions of trade, and includes a requirement that the President determine, at the conclusion of the negotiations, whether any major industrialized country has failed to make concessions which would provide for the commerce of the United States substantially equivalent competitive opportunities provided by the United States to such country. Any major industrialized country which fails to provide such substantially equivalent market opportunities would not benefit from the concessions made under authorities provided by this bill.[1]

The committee report states that this concept of obtaining "equivalent competitive market opportunities" for American goods and services is in line with "the original intent of the reciprocal trade agreements program initiated in 1934 by Secretary of State Cordell Hull." Actually, the same concept can be traced back to the patriotic policies announced by Thomas Jefferson, when he was America's first Secretary of State.

On December 16, 1793, Jefferson presented to Congress a report on international trade which he had prepared with meticulous care over a period of 2½ years.[2] He was then the American official with the widest experience in the problems of foreign trade, and his report embodies his long contact with the subject, both as Minister to France for 5 years and as Secretary of State.

Jefferson knew that America is a trading nation and that it is in our interest to throw open the doors of commerce to fair competition Jefferson also knew that in a world of closed commercial systems, the young Republic was at a grave disadvantage. In the economics sphere, as in the political sphere, he wanted America to assume the great station to which it was entitled.

Believing that the ideal situation was one of complete freedom of commerce, but realizing that it did not exist in the real world, Jefferson recommended to Congress as the best solution the working out of friendly arrangements with particular countries founded upon the principle of reciprocity. That is, the favored treaties on the basis of reciprocal advantage, such as he, Benjamin Franklin, and John Adams had tried to negotiate in Europe for the Congress of the Confederation.[3]

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[1] See also, Senate Report No. 93–1298, at pages 18, 19, 70, 94 and 95.

[2] Report on the Privileges and Restrictions on the Commerce of the United States in Foreign Countries, VI Writings of Thomas Jefferson 470–484 (P. Ford ed. 1895).

Jefferson advised:

> Some nations, not yet ripe for free commerce in all its extent, might still be willing to mollify its restrictions and regulations for us, in proportion to the advantages which an intercourse with us might offer. Particularly they may concur with us in reciprocating the duties to be levied on each side, or in compensating any excess of duty by equivalent advantages of another nature.[4]

Jefferson continued:

> But should any nation, contrary to our wishes, suppose it may better find its advantage by continuing its system of prohibitions, duties and regulations, it behooves us to protect our citizens, their commerce and navigation, by counter prohibitions, duties and regulations, also. Free commerce and navigation are not to be given in exchange for restrictions and vexations; nor are they likely to produce a relaxation of them.[5]

So said Jefferson in December of 1793, Mr. President, and so recommends the Senate Finance Committee, 181 years later. I am persuaded that Jefferson was right then, and I believe that the proposal reported by the Senate committee is right today.

Mr. President, I urge the approval by my colleagues of H.R. 10710, the trade reform legislation.

Mr. President, for the information of my colleagues, I ask unanimous consent that the report on trade which Thomas Jefferson transmitted to Congress in 1793, be printed in pertinent part in the RECORD.

There being no objection, the portions of the report were ordered to be printed in the RECORD, as follows:

REPORT ON THE PRIVILEGES AND RESTRICTIONS ON THE COMMERCE OF THE UNITED STATES IN FOREIGN COUNTRIES

(The Secretary of State, to whom was referred by the House of Representatives, the report of a committee on the written message of the President of the United States, of the 14th of February, 1791, with instructions to report to Congress the nature and extent of the privileges and restrictions of the commercial intercourse of the United States with foreign nations, and the measures which he should think proper to be adopted for the improvement of the commerce and navigation of the same, has had the same under consideration, and thereupon makes the following Report:)

* * * * *

Such being the restrictions on the commerce and navigation of the United States; the question is, in what way they may best be removed, modified or counteracted?

As to commerce, two methods occur. 1. By friendly arrangements with the several nations with whom these restrictions exist; Or, 2. By the separate act of our own legislatures for countervailing their effects.

There can be no doubt but that of these two, friendly arrangements is the most eligible. Instead of embarrassing commerce under piles of regulating laws, duties, and prohibitions, could it be relieved from all its shackles in all parts of the world, could every country be employed in producing that which nature has best fitted it to produce, and each be free to exchange with others mutual surpluses for mutual wants, the greatest mass possible would then be produced of those things which contribute to human life and human happiness; the numbers of mankind would be increased, and their condition bettered.

Would even a single nation begin with the United States this system of free commerce, it would be advisable to begin it with that nation; since it is one by one only that it can be extended to all. Where the circumstances of either party render it expedient to levy a revenue, by way of impost, on commerce, its freedom might be modified, in that particular, by mutual and equivalent measures, preserving it entire in all others.

Some nations, not yet ripe for free commerce in all its extent, might still be willing to mollify its restrictions and regulations for us, in proportion to the advantages which an intercourse with us might offer. Particularly they may concur with us in reciprocating the duties to be levied on each side, or in compensating any excess of duty by equivalent advantages of another nature. Our commerce is certainly of a character to entitle it to favor in most countries. The commodities we offer are either necessaries of life, or materials for manufacture, or convenient subjects of revenue; and we take in exchange, either manufacturers, when they have received the last finish of art and industry, or mere luxuries. Such customers may reasonably expect welcome and friendly treatment at every market. Customers, too, whose demands, increasing with their wealth and population, must very shortly give full employment to the whole industry of any nation whatever, in any line of supply they may get into the habit of calling for from it.

But should any nation, contrary to our wishes, suppose it may better find its advantage by continuing its system of prohibitions, duties and regulations, it behooves us to protect our citizens, their commerce and navigation, by counter prohibitions, duties and regulations, also. Free commerce and navigation are not to be given in exchange for restrictions and vexations; nor are they likely to produce a relaxation of them.

Our navigation involves still higher considerations. As a branch of industry, it is valuable, but as a resource of defence, essential.

Its value, as a branch of industry, is enhanced by the dependence of so many other branches on it. In times of general peace it multiplies competitors for employment in transportation, and so keeps that at its proper level; and in times of war, that is to say, when those nations who may be our principal carriers, shall be at war with each other, if we have not within ourselves the means of transportation, our produce must be exported in belligerent vessels, at the increased expense of war-freight and insurance, and the articles which will not bear that, must perish on our hands.

But it is as a resource of defence that our navigation will admit neither negligence nor forbearance. The position and circumstances of the United States leave them nothing to fear on their land-board, and nothing to desire beyond their present rights. But on their seaboard, they are open to injury, and they have there too a commerce which must be protected. This can only be done by possessing a respectable body of citizen-seamen, and of artists and establishments in readiness for ship-building.

Were the ocean, which is the common property of all, open to the industry of all, so that every person and vessel should be free to take employment wherever it could be found, the United States would certainly not set the example of appropriating to themselves, exclusively, any portion of the common stock of occupation. They would rely on the enterprise and activity of their citizens for a due participation of the benefits of the seafaring business, and for keeping the marine class of citizens equal to their object. But if particular nations grasp at undue shares, and, more especially, if they seize on the means of the United States, to convert them into aliment for their own strength, and withdraw them entirely from the support of those to whom they belong, defensive and protecting measures become necessary on the part of the nation whose marine resources are thus invaded; or it will be disarmed of its defence; its productions will lie at the mercy of the nation which has possessed itself exclusively of the means of carrying them, and its politics may be influenced by those who command its commerce. The carriage of our own commodities, if once established in another channel, cannot be resumed in the moment we may desire. If we lose the seamen and artists whom it now occupies, we lose the present means of marine defence, and time will be requisite to raise up others, when disgrace or losses shall bring home to our feelings the error of having abandoned them. The materials for maintaining our due share of navigation, are ours in abundance. And, as to the mode of using them, we have only to adopt the principles of those who put us on the defensive, or others equivalent and better fitted to our circumstances.

The following principles, being founded in reciprocity, appear perfectly just, and to offer no cause of complaint to any nation:

1. Where a nation imposes high duties on our productions, or prohibits them altogether, it may be proper for us to do the same by theirs; first burdening or excluding those productions which they bring here, in competition with our own of the same kind; selecting next, such manufactures as we take from them in greatest quantity, and which, at the same time, we could the soonest furnish to ourselves, or obtain from other countries; imposing on them duties lighter at first, but heavier and heavier afterwards, as other channels of supply open. Such duties having the effect of indirect encouragement to domestic manufactures of the same kind, may induce the manufacturer to come himself into these States, where cheaper subsistence, equal laws, and a vent of his ware, free of duty, may ensure him the highest profits from his skill and industry. And here, it would be in the power of the State governments to co-operate essentially, by opening the resources of encouragement which are under their control, extending them liberally to artists in those particular branches of manufacture for which their soil, climate, population and other circumstances have matured them, and fostering the precious efforts and progress of *household* manufacture, by some patronage suited to the nature of his objects, guided by the local informations they possess, and guarded against abuse by their presence and attentions. The oppressions on our agriculture, in foreign ports, would thus be made the occasion of relieving it from a dependence on the councils and conduct of others, and of promoting arts, manufactures and population at home.

2. Where a nation refuses permission to our merchants and factors to reside within certain parts of their dominions, we may, if it should be thought expedient, refuse residence to theirs in any and every part of ours, or modify their transactions.

3. Where a nation refuses to receive in our vessels any production but our own, we may refuse to receive, in theirs, any but their own productions. The first and second clauses of the bill reported by the committee, are well formed to effect this object.

4. Where a nation refuses to consider any vessel as ours which has not been built within our territories, we should refuse to con-

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[3] D. Malone, Jefferson and the Ordeal of Liberty 154–160 (1962).

[4] VI Writings of Thomas Jefferson 479 (P. Ford ed. 1895).

[5] *Id.*, at 480.

sider as theirs, any vessel not built within their territories.

5. Where a nation refuses to our vessels the carriage even of our own productions, to certain countries under their domination, we might refuse to theirs of every description, the carriage of the same productions to the same countries. But as justice and good neighborhood would dictate that those who have no part in imposing the restriction on us, should not be the victims of measures adopted to defeat its effect, it may be proper to confine the restrictions to vessels owned or navigated by any subjects of the same dominant power, other than the inhabitants of the country to which the said productions are to be carried. And to prevent all inconvenience to the said inhabitants, and to our own, by too sudden a check on the means of transportation, we may continue to admit the vessels marked for future exclusion, on an advanced tonnage, and for such length of time only, as may be supposed necessary to provide against that inconvenience.

The establishment of some of these principles by Great Britain, alone, has already lost to us in our commerce with that country and its possessions, between eight and nine hundred vessels of near 40,000 tons burden, according to statements from official materials, in which they have confidence. This involves a proportional loss of seamen, shipwrights, and ship-building, and is too serious a loss to admit forbearance of some effectual remedy.

It is true we must expect some inconvenience in practice from the establishment of discriminating duties. But in this, as in so many other cases, we are left to choose between two evils. These inconveniences are nothing when weighed against the loss of wealth and loss of force, which will follow our perseverance in the plan of indiscrimination. When once it shall be perceived that we are either in the system or in the habit of giving equal advantages to those who extinguish our commerce and navigation by duties and prohibitions, as to those who treat both with liberality and justice, liberality and justice will be converted by all into duties and prohibitions.

It is not to the moderation and justice of others we are to trust for fair and equal access to market with our productions, or for our due share in the transportation of them; but to our own means of independence, and the firm will to use them. Nor do the inconveniences of discrimination merit consideration. Not one of the nations before mentioned, perhaps not a commercial nation on earth, is without them. In our case on distinction alone will suffice: that is to say, between nations who favor our productions and navigation, and those who do not favor them. One set of moderate duties, say the present duties, for the first, and a fixed advance on these as to some articles, and prohibitions as to others, for the last.

Still, it must be repeated that friendly arrangements are preferable with all who will come into them; and that we should carry into such arrangements all the liberality and spirit of accommodation which the nature of the case will admit.

France has, of her own accord, proposed negotiations for improving, by a new treaty on fair and equal principles, the commercial relations of the two countries. But her internal disturbances have hitherto prevented the prosecution of them to effect, though we have had repeated assurances of a continuance of the disposition.

Proposals of friendly arrangement have been made on our part, by the present government, to that of Great Britain, as the message states; but, being already on as good a footing in law, and a better in fact, than the most favored nation, they have not, as yet, discovered any disposition to have it meddled with.

We have no reason to conclude that friendly arrangements would be declined by the other nations, with whom we have such commercial intercourse as may render them important. In the meanwhile, it would rest with the wisdom of Congress to determine whether, as to those nations, they will not surcease *ex parte* regulations, on the reasonable presumption that they will concur in doing whatever justice and moderation dictate should be done. [December 16, 1973.]

AIR TRANSPORT TO MEET THE NEEDS OF PEOPLE

Mr. CANNON. Mr. President, during the recent recess, the distinguished senior Senator from West Virginia, JENNINGS RANDOLPH, had the occasion to deliver a significant address on November 7, 1974, to the Association of Local Transport Airlines at White Sulphur Springs, W. Va., which is served by one of its members, Piedmont Airlines.

Recalling his own experience in the air transportation field some years ago with Capital Airlines, our distinguished colleague pointed out the vital importance of local air service to the smaller cities and communities of the Nation. While complimenting the carriers on their progress during the past few years, he warned against insensitivity to consumer needs and called for sound Government policies to "insure the industry's ability to fulfill its basic function of serving small cities well." Among these, he singled out a sound subsidy policy and a restraint on soaring fuel prices as the most important.

Because of the timeliness of Senator RANDOLPH's remarks, I commend them to all interested in the highly essential function of an adequate national air transportation system. I ask unanimous consent that his speech, entitled "Air Transport To Meet the Needs of People," be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

AIR TRANSPORT TO MEET THE NEEDS OF PEOPLE

(By Senator JENNINGS RANDOLPH)

It is a privilege to participate in this meeting of the Association of Local Transport Airlines. I was particularly pleased to respond to the invitation of our friend, Tom Davis, President of Piedmont Airlines, which is hosting your conference. Piedmont, as well as Allegheny, is a chief common carrier by air, not only here in the White Sulphur Springs and Lewisburg area, but also in several communities throughout our State. Tom and I have had a long association. I have a genuine regard for his valuable contributions to the advancement of air transportation and his dedication to sound principles of effective public service.

Many of you know of my early interest in the advancement of air transportation as a principal means of public transport. It antedates, by many years, my years in the Senate. I recall my association with Capital Airlines as an officer of that company, when, comparatively speaking, air transportation was still in its infancy. In those days, local service—such as we had—was performed by the trunks which had received "Grandfather" certificates under the original Civil Aeronautics Act of 1938. I spent hundreds of hours riding on the "Work Horse" of our fleet—the DC-3. We carried the Gospel of Airline Service to every city, town and hamlet on our system wherever a group would gather to listen. In 11 years I addressed more than 1000 audiences. We endeavored to induce them to become customers then and in the future.

I have retained an active interest in this vital issue and have supported, and will continue to support, needed legislation and policies to further advance the role of scheduled airlines in the National Transportation System.

As we exchange some views on the record of your segment of the air transportation industry, I recall the time after President Truman won his unexpected victory in the memorable 1948 election. He quite naturally approached his first State-of-the-Union message with a high degree of optimism. He started that speech with a short and simple sentence—"The State of the Union is good."

It is timely to observe that the state of the local industry is good. It is good from a financial standpoint. For the first time in your history, you have earned a reasonable return on investment. It is encouraging from a traffic standpoint. You are carrying more passengers than ever before. For the first eight months of this year, local service traffic has grown at a healthy pace—in contrast to little or modest growth for other classes of carriers.

Your operations provide significant service to our citizens. Today, one out of every three domestic departures is performed by a local carrier. Importantly, in the face of fuel shortages, you have generally maintained service and managed to provide a slight increase in available seat miles. In the past few years there have been deletions of service at some terminals. These reductions, however, have not significantly affected the fulfillment of your overall responsibility to provide good air service to the smaller cities, and communities of our Nation. Locals operate at approximately 200 airports serving cities with a population of 100,000 or less. Over one-half of the plane miles you fly are in markets where no other certificated airline provides service. You serve people.

Your companies possess, qualified management and loyal workers who constitute a partnership for solid progress. You do not merely transport them or their cargo. Serving the needs of the public—in smaller and larger communities—has led to the successful and often unique daily flights, including commuter operations.

It is in the area of service where you will, in my judgment, face your greatest challenge. You continue to develop through substantial investments of capital, more modern fleets, of aircraft, new passenger facilities, and automated operations. These are vital and necessary advancements. However, in the final analysis, the success and progress of local transport carriers will depend on the manner in which these services are provided to the public. "Although the customer is first of all interested in fast, safe, comfortable, on-time transportation, he is influenced by the way the services are packaged, sold and delivered," reports one of your companies. I agree.

You are confronted with the challenge of preserving the close relationship between management and its employees and between employees and the public. Unquestionably, your companies grow bigger, with this bigness comes the danger of losing intimate associations. It is a substantial task for the representatives of management to maintain the constant and open lines of communication which have been the hallmark of your organization in the past. You must make a firm commitment and concerted efforts to insure that this is done.

The recognition of persons and stations which have been praised by customers is constructive incentive for better service. Criticism as well as compliments will continue. It is essential that with the good reports that come to your attention, effort be made to present and understand problems and complaints. This endeavor is essential to improved service. The measurement of one carrier against another is competition that should benefit all.

Consumers—passengers and shippers—challenge your capability of meeting the traveling public's needs.

The importance of the service provided by your industry was dramatically demonstrated in the first quarter of this year. At that time the Nation was faced with a severe gasoline shortage. Large numbers of businessmen and other travelers were unable to use an automobile because there was no assurance that gasoline would be available. The shortage had its greatest impact on short distance travelers because that is where the automobile is most useful. You met this challenge by maintaining a basic pattern of essential air service for the shorter distances and at the smaller cities. Thousands of people turned to your patterns of service. As a result you experienced a far sharper increase in traffic and load factors than the longer haul trunk carriers.

The local service response to that crisis is indicative of the basic soundness of the legislation passed by Congress and of the continuing congressional authorization of local service subsidy. It is also indicative of the basic wisdom of the many decisions of the Civil Aeronautics Board to provide a national air transportation system geared to the requirements of both large and small communities, and placing the primary responsibility on you to see that the smaller cities are well served. It was also a product of cooperation between the Civil Aeronautics Board and the Federal Energy Administration to provide the locals with sufficient fuel to meet their vital service responsibility.

Optimism today does not mean the conditions will continue to be good in the future. This is particularly true of air transportation, which has been afflicted by a seemingly endless cycle of good and bad times. It is vitally important that the efforts of management and the policies of government be directed towards preventing another downward cycle. The problem is particularly complex because of fundamental uncertainties within the economy of the United States and, indeed, the world.

There are two areas where it is essential that we have sound government policies if you are to continue a sound transportation system. The first is subsidy policy. The encouraging advances in the economic conditions of the locals raises the question of whether these improvements warrant a rapid reduction in subsidy payments. If your financial situation continue to improve and is sustained over a period of time, a fair and equitable reduction in subsidy needs will be warranted and required by sound fiscal policies. But I do not think it would be wise Government policy to sharply reduce subsidy levels on the basis of short-run economic improvement. The fact that local service carriers have earned good profits in the last few months does not justify a sharp revision downward in subsidy levels at the present time.

As airline executives you have an interest in subsidy policy because of its direct impact on the profits you are permitted to earn. As a legislator, my interest is somewhat different. My responsibility is to insure the industry's ability to fulfill its basic function of serving small cities well. You must have the financial strength to acquire the equipment essential for this job and to operate that equipment with sufficient frequency to provide service to cities on your system.

This basic objective can be realized only by taking a long run—not a short run—view. We must remember that not too long ago your profit picture was described as catastrophic. In the five years ending December 31, 1971, the industry incurred net losses totaling over $140 million. As a result, by the end of 1971—only three years ago—the industry had no retained earnings. It had, in fact, negative retained earning of $90 million. Of course, the picture has improved since 1971. But even with this improvement, as of June 30, 1974, the total industry retained earnings were $20 million, or an average of only 2½ million dollars per carrier. That is a thin retained earnings base for 25 years of effort.

I am advocating uncontrolled assistance at the expense of the consumer and general public. I do urge, however, that this industry has been through a period of severe financial reverses, extending over a substantial period of time and that over its entire history it has earned only nominal profits. Current profit levels have been heavily influenced by traffic and load factor increases caused by the gasoline shortage and present operations may not be representative of future progress. Future cost levels will be substantially higher. We are in a period of feverish inflation which will produce not only increased fuel costs but increases in the cost of all the materials, in wages and salaries you pay. Under these circumstances, it is sound Government policy to continue strong subsidy support. For this industry to have the resources to meet the challenge of the future and be able to equip and service its cities well, it needs reserves. It requires a period of relatively stable subsidy levels to rebuild financial muscle.

The second major area is the problem of the rapid increase in aviation fuel prices. Continuing fuel shortages can be expected at higher prices. Simply stated—although the embargo has been lifted—consumption is continuing to rise, but refinery capacity is not keeping pace.

The travel industry is particularly vulnerable to higher energy costs and to continuing energy shortages. Your livelihood depends on the movement of people in pursuit of business, recreation, and pleasure.

Travel is big business.

In 1973, some $61 billion—or 15 percent of every retail dollar—was spent in the travel industry, which employs four million people. And energy is the life-blood of your industry.

Dramatic declines in tourism were observed nationally following the Arab embargo and the Sunday closing of gasoline stations.

In Tennessee, for example, the drop for December was 33 percent; for January, 20 percent; and for February, 26 percent.

Regional declines as high as 40 percent were experienced. This was accompanied by reductions in hotel and motel occupancy rates, in business receipts, in restaurant receipts, in restaurant sales, in general tax revenues, and in gasoline taxes, as well as a rise in unemployment.

Such impacts transcend direct economic effects. The National Resource Commission estimated substantial economic effects. The National Resource Review Commission estimated substantial economic spinoffs from use of the National Park System. Travel to National Parks and park-related tourist activity is believed to contribute $11.2 billion a year to the economy.

The travel industry also affects the American way of life and the mental health of our citizens.

When Congress permitted price controls to expire, it made an exception of petroleum prices because of the severe shortages in petroleum supplies and because of the importance of petroleum to the Nation's economy. Aviation fuel is particularly important and it has experienced a particularly precipitous price increase. Fuel costs constitute a major item in the operating costs of all air carriers—second only to labor in its importance as a cost factor. I note that for every dollar of cost you incur, a total of 13 or 14 cents is spent for fuel. These fuel costs have been increasing rapidly and will continue to do so in the future. They increased 76 percent in the one-year period between July 1973 and July 1974. This increase is only the beginning because many of you have been protected from the full impact of fuel price increases by the provisions of the contracts with your suppliers. When these contracts expire you will pay higher and higher prices for fuel. Indeed, having experienced a 76 percent increase in the first year of the fuel crisis, you will in all likelihood experience an equal or greater increase in the second year because of the expiration of your contracts.

What is being done to protect you and thereby protect the public? The regulations of the Federal Energy Administration provide no effective price restraints, despite your repeated efforts to have aviation fuel classified as a "special product" to obtain some measure of price protection. You have taken your case to the courts. Whatever the ultimate of that litigation, there is no doubt that the Federal Energy Administration has the authority to provide price protection for aviation fuel. It is essential that it exercise that authority.

Fuel is so important to air transportation that ever-increasing fuel prices mean ever-increasing passenger fares. If fares go higher and higher, many consumers will be priced out of air transportation and we face an unhealthy shrinking of our national air transportation system—a withering of an important national resource. We must not permit this to occur to a service which is as vital as that provided by our air carriers.

We have a good national air transportation system today, providing a full pattern of service to both small and large cities. A large part of the responsibility of maintaining that transportation system evolves upon the management and employees of the airlines themselves. But their efforts will not be fruitful unless they are nurtured by sound Government policies. There are many policies which are needed to avoid a repetition of the up-and-down financial cycle that has weakened air transportation for so many years. But, today, a sound subsidy policy and a restraint on petroleum prices are among the most important. Affirmative action in these vital areas will provide the assurance that in the future we can continue to say that the state of the local service industry is good, and that it is meeting the responsibilities entrusted to it by the Congress and the Civil Aeronautics Board.

MULTINATIONAL CORPORATIONS AND PETRODOLLARS IN THE WORLD OF OPIC

Mr. HUGH SCOTT. Mr. President, Marshall T. Mays, president of the Overseas Private Investment Corp., made some perceptive and interesting remarks before the Economics Club of Pittsburgh. I think they are worthy of the consideration of my colleagues. I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MULTINATIONAL CORPORATIONS AND PETRODOLLARS IN THE WORLD OF OPIC

(Remarks of Marshall T. Mays)

It is a pleasure to be here in Pittsburgh before an audience that is interested in world economic matters. Many of you represent multinational corporations that are headquartered here in Pittsburgh. They, like the Overseas Private Investment Corporation, are highly committed to objectives that will further the social and economic development of Third World Countries while at the same time returning a profit to their American investors.

Today private investment faces a great challenge. First, the nature of and the behavior of the multinational corporation are being questioned because of their interaction with governments and their economic impact on our own country. Second, forces of inflation, recession and cartelization of oil and strategic minerals not only are threatening the economic well-being of the industrial world, but are bringing even more troubles to the underdeveloped world of 90 nations that OPIC and the multinationals are trying to assist. A world, I might add, of 2 billion people, hundreds of millions of whom are literally struggling for survival. These are countries with a lot of prospective growth that have an enormous market potential—potentials that we can not leave to other nations if we are to continue economic prosperity here at home.

But before discussing these subjects, let me tell those of you who are not familiar with OPIC, how we operate. OPIC serves as a catalytic link between the developing countries of the world and the American business community. We try to get each party interested in what the other has to offer. In doing this we insure U.S. private investors going into less-developed countries against the risks of expropriation, currency inconvertibility, and physical damage due to war, revolution or insurrection. We've been in business since 1971, expanding upon a program formerly administered by A.I.D. We make long-term capital available to new investment projects in countries where U.S. lenders either will not, or legally cannot, accept the risks involved without the support of a reliable guarantor. We provide pre-investment information and counseling, and some finance support for investment feasibility studies. Congress recently extended our operating authority to the end of 1977; gave us the tools to proceed with our plan for gradually transferring our political risk insurance program to the private sector; and told us to speed up our programs by getting more U.S. business involved in investing in the poorest countries.

So much for our role as broker, insurer, lender, and counselor. These nouns are a little cold—like profit and loss statements, and economic statistics. They don't translate easily into people terms—and that is what development is all about. World Bank President Robert McNamara makes the point well when he says, "The only criterion for measuring development's ultimate success or failure is what it does to enhance the lives of individual human beings."

That's what we are attempting in OPIC—to build bridges, not from government-to-government, but from people-to-people, businessman-to-businessman. Unfortunately, several economic problems are impeding these people-to-people programs today, and I would like to discuss them.

First, the oil crisis problem. The scope of worldwide investment in recent years has been altered drastically, formerly by the rising economic power of other industrialized countries, and now, the tremendous excess of foreign currency holdings by oil-producing and exporting nations, OPEC not to be confused with OPIC.

Almost overnight, we have seen a shift in global power—not to everyone's liking. Oil resources have given a handful of nations the money and political power not even thought of a year ago. As a result, free market forces are not operating as efficiently as they should to allocate the world's goods and resources. Too many nations cannot pay the present exorbitant price of oil, and revenues from the sale of this oil are not being reinvested in the world's economy. Pessimists have a doomsday scenario. They can see recession, depression, collapse of national economic systems, a jungle in international trade, political change, and even warfare, since history shows battles have been fought for less reasons. Others, hopefully, see that the critical situation can be handled without major political and economic upheavals.

All agree, however, that time is fast running out because the world cannot stand present oil price levels indefinitely since it is still staggering from the inflationary blows dealt by previous oil price increases. Huge international payments and trade deficits caused by the oil crisis will have to be settled among nations. The international financial system already is severely strained by the staggering flows of money generated by increased prices. Oil producing and exporting countries will have an estimated $80 billion dollars this year—up from $25 billion in 1973 and $15 billion in 1972. The prospect of a cumulative buildup of hundreds of billions of dollars in just a few years creates a far more pressing problem of just how this money will be used—what actual transfer of goods and services will be made? Most assuredly, unless oil money gets to the countries that need it for development, the money won't be available to buy oil—or much of anything else—that is needed to keep international trade going. And we all know what happens then.

Thus, the world—and our—problem is to get the surplus funds that oil-producing countries can't use for imports and development in their own economics, reinvested either directly in needy countries or in industrialized nations. Several recycling instruments for petrodollars have been suggested. Oil-producing countries could lend to international agencies. These agencies, such as the International Monetary Fund, the World Bank or some especially-created petrodollar recycling facility would then relend the monies where they are needed—to buy oil or other goods and services.

I mention the oil crisis particularly because of the disastrous effect it is having on the economies of so many of the countries that OPIC is trying to help. Most of these nations are almost totally dependent on oil for industrial and development progress, South Korea is a good example. There is no coal there, they are dependent upon imported oil, and industrial production is feeling the pinch.

The question thus comes up: How can petrodollars be used to aid these developing countries, and what can the multinationals do? By way of background, multinational companies perform a useful reinvestment role. On this globe of economic interdependence, the multinational has proven to be the most effective tool for getting raw materials, finished goods, capital, and technology from place-to-place. Government-to-government trade agreements haven't done the job effectively and results from socialist experiments have been almost uniformly bad. We know our own large, highly developed and open capital market is a natural investment for petrodollars, but I am not making a pitch for the stock market. I am trying to convince cautious OPEC money managers to invest in long-term ventures in developing nations—either by direct action or in joint ventures with the industralized world providing management and technical expertise.

Some reinvestment is possible—these nations are not a monolith, each has different internal needs and different opinions on how to use these excess funds, which for the most part will be government controlled. This means there will be different outlets for them and different economic and political objectives to be served.

This is why I am enthusiastic about a new OPIC project which we blieve will aid in recycling these petrodollars. It is called, "Triangular Investment Mission to Arab Nations." In this project, for example, petrodollars from oil producing Saudi Arabia could be used for investment in Egypt which has no oil. American multinationals would be contributing management and technical know-how to a joint enterprise. Starting in mid-February this mission will meet in Washington, D.C.; and travel to Tunisia; Egypt; and Jordan. Major emphasis will be on combining American management and technology with Middle Eastern financing. I feel that by encouraging investment in countries like Egypt and Jordan, we will be making substantial progress in improving the standard of living there—a vital factor if we are to have long-term peace in that area. In addition, it is easy to visualize that similar-type projects could spread to other less developed nations in other parts of the world.

Second, our critical need for other raw materials. The success, so far, of the OPEC oil cartel has brought the risk that similar cartels for other strategic minerals might be formed. I can see attempts, but I do not see any great successes. Generally, cartels are difficult to organize and more difficult to hold together. I can see temporary dislocations such as we are experiencing with some of the bauxite-producing nations. Some of these countries may lose their preferred position in the U.S. market for their bauxite if they attempt to get too large a share of the pie by raising taxes and royalties.

Jamaica, for example, has increased taxes about six fold. It rests its case largely on the fact that, with demand for aluminum outpacing supply, aluminum prices have increased substantially in major industrial markets, while the transfer price for Jamaican bauxite—the price which the U.S. mining subsidiaries operating in Jamaica charge their parent companies— has remained practically constant. In the near term, aluminum companies are locked in. They either have to pay higher levies or incur the cost of disrupting normal supply patterns, their structural dependence on Jamaican-type bauxite, and their investments in Jamaica. As a result of the levies, the aluminum companies have to either absorb temporarily or pass on the prices.

Since Jamaica has made its move, three other Caribbean producers, Haiti, the Dominican Republic and Guyana have announced plans for higher taxes. It is doubtful that such taxes will be sustainable over the long haul because of the worldwide abundance of bauxite, the availability of close substitutes, and the development of new technologies—particularly in the United States—for the production of aluminum from clays. If the tax is continued, future aluminum investment flows will shift to non-Caribbean areas, and the fact that Jamaica appears intent on voiding contracts with the companies which specifically agreed to tax rates can only reinforce that shift. Jamaica, by insisting on short-term profits, may be putting at risk both its long-term bauxite market and other good investments between our two countries.

Most assuredly, the world can not tolerate a situation where nations with other strategic materials say, "Since we have to pay more for oil, you are going to have to pay more for our raw materials." This would mean that all of the costs of oil would be passed back to the industrialized nations. They can not absorb all of these costs.

This brings up the question of nationalization of critical materials industries. I think we will see less, rather than more of this. Many of the countries that have nationalized have found out that they have not been able to operate as efficiently and as profitably as have private managers. But on the other hand, it's obvious that more countries are looking upon their natural resources as being their national wealth, and any new outside investments in them are not going to be in the form of 100 percent equity ownership. Rather, they will be co-venture investments with production-sharing agreements.

But it is important to remember that multinational companies are going to produce a product for the least price they can to supply any partciular market, whether it is in terms of mining, say bauxite, and the tax they pay on bauxite, or whether it is smelting aluminum and the costs of the energy for that aluminum.

It makes little difference what the energy source is. It can come from hydropower in Norway or natural gas in Saudi Arabia. What we must be mindful of is that the multinational's investment in production is going to be constantly shifting in order to produce the product at the lower price. The incentive to do so is the profit to themselves if, and only if, they serve their customers worldwide more efficiently and at a better price. That's the success of the system.

Earlier, I mentioned that the nature and behavior of the multinational is being questioned. I never cease to be amazed at the fears—mostly unjustified of the multinational company—both here and abroad. Here at home, the fears—probably criticism is a more apt word—are in three areas: it is alleged that the multinationals contribute to the balance of payments deficit; that they are a threat to U.S. jobs; and that multinationals erode U.S. technological advantages.

Far from hurting our balance of payments, multinationals actually help keep us in the black. A recent U.S. Tariff Commission report shows U.S. overseas investment has produced a $3.85 billion favorable balance of payments and was responsible for 500,000 jobs here in the United States. The trouble comes when people look at overseas investment over just one year. We look at it over five years. This way you can see some capital going out of the country, but the large part of it is being returned for purchase of U.S. machinery for an enterprise overseas. Then there are dividends on capital investment, repayments of loan principal and interest, and purchase of materials and services. The important thing here is competition in world trade and whether the investment is essential in order for the U.S. to keep a part of the world market. We think our national prosperity needs these markets.

As far as jobs are concerned, one must remember that we are exporting machinery, generally followed by the export of materials or parts. In entering a foreign market, the multinational first may have only a sales arrangement, then a warehouse for goods distribution and later on, some local assembly. But this assembly operation is done most often with goods produced in the United States. If you want to protect those U.S. industries—and the jobs here at home—that are sending those goods and parts overseas, then you have to make that overseas investment. I might add that OPIC has eliminated support of any investments of what we call "runaway industries,"—those that close up shop here to go abroad in search for cheaper labor only to export back to the U.S. You also should remember that the people overseas will be earning more and that their earnings will be used for the purchase of U.S. products. These purchases also contribute to U.S. employment.

Now, as to the charge that we are losing our technological edge by sending it overseas, I don't know of any export of supertechnology. It's easier to perform sophisticated technological operations in this country where we have highly skilled people. Generally, the investment abroad is a labor intensive industry using our obsolescent machinery.

Overseas, most of the fears, or criticism, of multinationals come from those countries that have had the least experience in dealing with multinationals. They lack the sophistication to seek out and analyze the financial data on these companies. Such data is fairly easy to come by and analysis can determine whether the location of the multinational in their country would advance their national interests. Someone has said what these nations really need is help in reading the fine print of a contract. I agree, but I say this kind of professional service is available. I am convinced personally that these countries generally are not being hurt and this is unsubstantiated fear on their part. Of course, some of the blame should be shouldered by the multinational for being secretive with financial data. This desire of the multinational to protect itself from competitors has added to the knowledge gap. Fears, however, can best be alleviated by responsible and credible studies, and the proper dissemination of the facts. One fact that should be told is that multinationals do advance a nation's interest. You have only to observe their effectiveness in moving world goods.

Some fears arise when developing nations look at how much bigger the multinational may be in terms of assets and gross sales than their own national budget. Actually, they should not be overly concerned with size because the particular country has to deal with only a relatively small operation within its borders. Bigness is not synonymous with badness and we had best get rid of such thinking. Bigness, moreover, can contribute to efficiency. What a country wants to maintain is competition—several investors vying for location. And if they view the multinational as subject to their national sovereignty, there really shouldn't be this fear. The countries are free to regulate the multinational as they see fit. However, as we all know, regulation must be careful or it can become self-defeating, particularly when a big bureaucracy is built up to do the regulating.

In closing, I feel it is most important that multinationals start taking more credit for the good that they are accomplishing in the countries where they operate. Profits and social benefits are neither inconsistent nor incompatible with each other. For there are hundreds of multinationals, that are organized—not as engines for social progress—but for profit, that are really uplifting the quality of life of people all over this globe.

I could cite many examples of exemplary work of multinationals, but let me cite two well-known Pittsburgh names. The Gulf Oil Corporation is mentioned in our annual report this year for investments in a variety of projects in Korea that are contributing to the growth of Korea's energy resources and adding to the supply of materials essential to national development. In addition to oil production, Gulf is involved in producing electrical power, cement, and fertilizers.

Besides contributing funds for scholarship assistance and helping out in other humanitarian ways, all of Gulf's Korean projects have employee training programs covering a wide range of job categories including management, marketing, research and technical skills.

United States Steel Corporation came in for particular mention in our report of last year for its investment in Zuari Agro Chemicals, Ltd. in Goa, India. This joint venture investment, one of the largest fertilizer-producing operations in the world, for more than a year, has been supplying some 17 million farm families—bringing to them a new era of hope and prosperity where before there was little. The chemical operation provides employment for hundreds of Indians who are receiving comprehensive training that will allow them to take on greater responsibilities in developing and running India's future fertilizer industries—an important tool in helping to rid this part of the world of famine.

Thus, the investments of Gulf and United States Steel and hundreds of multinationals like them not only are creating jobs—both abroad and here at home—they are lifting the dignity of individuals the world over. Their investments may not seem much when read in terms of financial statements or esoteric words like balance of payments, but when you look at these investments in terms of putting food on the table, medical attention when needed, education, and providing some of the amenities of life, then you can better understand the humanitarian benefits—and that is what development is all about. I thank you.

THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, genocide is, tragically, as old as history. The history of western civilization began with the deliberate mass exterminations of Christians by the imperial government of Rome. But even these massacres did not approach the horrifying dimensions of Hitler's acts of genocide against the Jews. The organized butchery of 6 million Jewish men, women, and children outraged and revolted decent men and women throughout the world. These events so shocked the conscience of civilized men everywhere that after World War II it had come to be accepted that such conduct could no longer be tolerated in civilized society, and that it should be prohibited by the international community.

This was the climate within which the United Nations began to evolve as a permanent international organization. The next step was quite logically the adoption of a resolution condemning genocide as a crime under international law by the General Assembly of the United Nations, at its first session in December 1946. Delegations from Cuba, India, and Panama proposed that the General Assembly consider the problem of the prevention and punishment of the crime of genocide. The matter was considered at length by the Legal Committee of the General Assembly, a committee composed of lawyers representing each of the more than 50 States' members of the United Nations. That committee submitted a resolution which was adopted without a single dissenting vote and without change by the plenary session of the General Assembly on December 11, 1946.

This resolution declared that genocide, the "denial of the right of existence of entire human groups, shocks the conscience of mankind, results in great losses to humanity in the form of cultural and other contributions represented by these human groups, and is contrary to moral law and to the spirit and aims of the United Nations."

President Truman in a letter transmitting this convention to the Senate of the United States June 15, 1949, emphasized:

> That America has long been a symbol of freedom and democratic progress to peoples less favored than we have been and that we must maintain their belief in us by our policies and our acts.

For a quarter of a century this convention has languished in the Senate without ratification. We must not continue to delay acting on this most important document. Mr. President, I urge that the Genocide Treaty be placed upon the agenda and ratified swiftly before the end of this session of Congress.

NOMINATION OF NELSON ROCKEFELLER

Mr. HUGH SCOTT. Mr. President, last Thursday, November 28, marked not only

Thanksgiving but also the 100th day since the nomination of Gov. Nelson Rockefeller to be Vice President of the United States. One hundred days have transpired since President Ford fulfilled his constitutional duty: 100 days of hearings, investigations, interviews and debates, and seemingly endless verbiage in the media. We have "celebrated" this nomination's first centennial and still there is no end in sight for this political tease.

I am compelled to rise, Mr. President, and note the unnecessarily long drawn out procedures that have marked this second operation of the 25th amendment. The amendment is under political siege.

We have found nothing, I repeat nothing, to disqualify this public servant. Indeed, we in the Senate Rules Committee, after much debate, have endorsed the Presidents recommendation by a unanimous vote. We have reviewed Mr. Rockefellers financial, political, philosophical and personal background thoroughly. And stil we have no Vice President. I have been assured by the majority leader in the Senate that the nomination will be acted upon early next week. I applaud this initiative and plead for swift approval of the nominee.

I now call on the other body, the body which refused joint hearings, the body which is conducting a free for all on the Rockefeller family holdings, to put an end to this worn course of public dissection.

As the Pittsburgh Post-Gazette aptly said in a November 18 editorial:

> This unconscionable delay threatens the very stability and continuity in government that the 25th Amendment was designed to promote.

That course has not been promoted and the public is not being served.

Mr. President, I ask unanimous consent that this excellent editorial from the Pittsburgh Post-Gazette be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Pittsburgh Post-Gazette,
Nov. 18, 1974]

Congress "Speeds" to OK Rocky

On Aug. 22 this newspaper ran what may be the misleading headline of the decade: "House, Senate to Move Quickly to OK Rocky." The article printed below quoted Senate Majority Leader Mike Mansfield as saying, "We're going to do our damnedest to get it done before we go out in October."

The Democratic majority's "damnedest" proved not to be enough. Not only did members of both houses of Congress "go out"—to campaign—without acting on the nomination of Nelson Rockefeller to be vice president. There is also a growing possibility that the nation will be without a vice president until after the 94th Congress convenes next January.

This unconscionable delay threatens the very stability and continuity in government that the 25th Amendment was designed to promote. That amendment was intended to assure the prompt replacement of a deceased, resigned or impeached vice president, so that the line of presidential succession would remain in the Executive branch. By taking nearly three months—so far—to scrutinize Nelson Rockefeller, the Congress has prolonged the condition it should be rectifying.

There is no shortage of excuses for the long delay—Mr. Rockefeller's complicated financial situation, the late discovery of his loans and gifts to friends and political associates, the off-year elections which forced some members of Congress to choose between hitting the hustings or possibly losing their jobs.

But we are convinced that a determined Democratic leadership could have expedited the research and investigation required adequately to screen Mr. Rockefeller. Certainly the House Judiciary Committee, which has not yet opened its hearings on the nomination, should strive to avoid needless exploration of questions already covered—repetitiously—by the Senate Rules Committee. Members of the House committee gathered sufficient television exposure during its impeachment hearings.

Looking beyond the Rockefeller nomination, it might be wise to establish a time limit for congressional action on vice presidential nominations—either by a change of parliamentary rules or, if necessary, a constitutional amendment. President Ford has suggested that such a time limit might be appropriate and so has U.S. Supreme Court Justice Potter Stewart.

After the downfall of Spiro Agnew, it is important that Congress—acting in behalf of the people—carefully scrutinize potential vice presidents, who are also potential presidents. Nelson Rockefeller has been subjected to unprecedented scrutiny and, to our view, has not been discredited. It is now time for his judges to render their verdict.

SELECTED POEMS OF JAMES WHITCOMB RILEY

Mr. HARTKE. Mr. President, as we approach the joyous Christmas season, nothing could be more appropriate to help each one of us experience that joy than the work of the famous Hoosier poet, James Whitcomb Riley.

I ask unanimous consent that a series of his poems be printed in the Record.

There being no objection, the poems were ordered to be printed in the Record, as follows:

Them Old Cheery Words

Paps he allus ust to say,
"Chris'mus comes but onc't a year!"
Liked to hear him thataway,
In his old split-bottomed cheer
By this fireplace here at night—
Wood all in,—and room all bright,
Warm and snug, and folks all here:
"Chris'mus comes but onc't a year!

Me and 'Lize, and Warr'n and Jess
And Eldory home fer two
Weeks' vacation, and, I guess,
Old folks tickled through and through,
Same as we was,—"Home onc't more
Fer another Chris'mus—shore!"
Pap 'ud say, and tilt his cheer,—
"Chris'mus comes but onc't a year.

To Santa Claus

Most tangible of all the goods that be,
O Santa Claus—our own since Infancy!—
As first we scampered to thee—now, as then,
Take us as children to thy heart again.

Be wholly good to us, just as of old;
As a pleased father, let thine arms infold
Us, homed within the have of they love,
And all the cheer and wholesomeness thereof.

Thou lone reality, when O so long
Life's unrealities have wrought us wrong:
Ambition hath allured us,—fame likewise,
And all that promised honor in men's eyes.

Throughout the world's evasions, wiles, and shifts,
Thou only bidest stable as thy gifts:—
A grateful king re-ruleth from thy lap,
Crowned with a little tinseled soldier-cap:
A mighty general—a nation's pride—
Thou givest again a rocking-horse to ride,
And wildly glad he groweth as the grim
Old jurist with the drum thou givest him:

The sculptor's chisel, at thy mirth's command,
Is as a whistle in his boyish hand;
The painter's model fadeth utterly,
And there thou standest,—and he painteth thee:—

Most like a winter poplin, sound and fine
And tingling-red that ripe old face of thine,
Set in thy frosty beard of cheek and chin
As midst the snows the thaws of spring set in.

Ho! Santa Claus—our own since Infancy—
Most tangible of all the gods that be!—
As first we scampered to thee—now, as then,
Take us as children to thy heart again.

Christmas Afterthought

After a thoughtful, almost painful pause,
Bub sighed, "I'm sorry fer old Santy Claus:—
They wuz no Santy Claus, ner couldn't be,
When he wuz jist a little boy like me!"

The Christmas Long Ago

Come, sing a hale Heigh-ho
For the Christmas long ago!—
When the old log-cabin homed us
From the night of blinding snow,
Where the rarest joy held reign,
And the chimney roared amain,
With the firelight like a beacon
Through the frosty window-pane.

Ah! the revel and the din
From without and from within,
The blend of distant sleigh-bells
With the plinking violin;
The muffled shrieks and cries—
Then the glowing cheeks and eyes—
The driving storm of greetings,
Gusts of kisses and surprise.

Some Christmas Youngsters

II—THE LITTLE QUESTIONER

Babe she's so always
Wantin' more to hear
All about Santy Claus,
An' says: "Mommy dear,
Where's Santy's home at
When he ain't away?—
An' is they Missuz Santy Claus
An' little folks—say?—
Chris'mus, Santy's always here—
Don't they want him, too?
When it ain't Chri'mus
What does he do?"

III—PARENTAL CHRISTMAS PRESENTS

Paruntes don't git toys an' things,
Like you'd think they ruther—
Mighty funny Chris'mus-gif's
Parunts gives each other!—
Pa give Ma a barrel o' flour,
An' Ma she give to Pa
The nicest dinin'-table
She know he ever saw!

Child's Christmas Carol

Christ used to be like you and me,
When just a lad in Galilee,—
So when we pray, on Christmas Day,
He favors first the prayers we say:
Then waste no tear, but pray with cheer,
This gladdest day of all the year:

O Brother mine of birth Divine,
Upon this natal day of Thine
Bear with our stress of happiness
Nor count our reverence the less
Because with glee and jubilee
Our hearts go singing up to Thee.

A Hoosier Calendar

DECEMBER

December—why, of course we grin and bear it—shiverin' every minute,

Yet warm from time the month rolls in
Till it skites out with Christmas in it;
And so, for all its coldest truths
And chill, goose-pimpled imperfections,
It wads our lank old socks with Youth's Recollections.

THE HIGHEST GOOD

To attain the highest good
Of true man and womanhood,
Simply do your honest best—
God with joy will do the rest.

All poems or parts thereof from: "The Complete Works of James Whitcomb Riley," collected and edited by Edmund Henry Eitel, Volume 5, 1913.

PAUL SCHUSTER

Mr. RIBICOFF. Mr. President, a longtime friend of mine, Paul Schuster, has recently been elected as the new chairman of American Trucking Associations.

Paul Schuster is a man of great character and ability. He has not only built up a successful trucking business, but has also been a leader in civic and charitable affairs in Connecticut. His election as chairman of the ATA is a fitting recognition of his distinguished career.

I ask unanimous consent that an article in Transport Topics, "Paul Schuster's a Man of Unshakeable Resolve," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW ATA CHAIRMAN: PAUL SCHUSTER'S A MAN OF UNSHAKEABLE RESOLVE

(By Jesse H. Merrell)

As the new chairman of American Trucking Associations criss-crosses the country for the next year, he will continuously draw superhuman strength from the inexhaustible fountainhead firmly imbedded in an invisible line indelibly etched between the raging inferno of Hitler's hellish gas chambers and the merciless grip of an implacable winter along a desolate stretch of Connecticut highway 30 years ago.

Those dreamlike contradictions between insufferable heat and unendurable cold helped to hammer the crucible from which the character of Paul Schuster was formed—steeled for sacrifice and service like the picture of an ox standing beside a plow and an altar with the inscription: "Ready for Either."

Paul Schuster's father, Reuben Schuster, left his native Romania in 1914. The rest of his family and friends were less fortunate. When it became a crime to be a Jew, they were haplessly sucked into a seething vortex of racial hatred, whose firepits were gorged with six million ashpiles offering mute testimony of the madman who bequeathed to posterity a name branded with infamy.

If Reuben Schuster had not left Romania, Paul Schuster would not be chairman of American Trucking Associations today. He would not be anything. He would not be alive.

He would not have been alive, either, if he had not possessed an indomitable will to survive the rigors of an inexpressible agony thrust upon him on the coldest day of the year in 1944.

Ironically, it was heat—but a healing mini-furnace, unlike the flesh-fed killer furnaces of the Fuehrer that destroyed others of his race—that saved Paul Schuster from extinction in the dead of winter on that memorable January night on the road between East Hampton and Colchester, Conn., Mr. Schuster's home base for operating Schuster Express.

This stirring saga began when a Schuster driver ran out of gas. Mr. Schuster took five gallons of gas and went to relieve the stranded truck driver. He swapped trucks with the driver and proceeded to bring the truck the rest of the way home.

In those days, however, fuel pumps weren't what they are today. And when fuel got low, a vehicle often would not make it up a steep hill. There would be fuel in the tank, but it could not get to the carburetor.

As Mr. Schuster started up a steep hill, his gasoline would not make it to the carburetor. For all practical purposes, he was out of gas. He tried to stay warm in the truck as long as he could keep it running on level ground.

But when he ran out of gas, the icy fingers of Old Man Winter began nipping relentlessly at him with monotonous regularity.

Nobody came along to help or offer him a ride.

With visions of death dancing grimly around the truck, Mr. Schuster fought off his pitiless foe for a while longer by instinct—burning a cargo of corrugated boxes often carried in trucks in those days.

As the last dying embers of his godsend flickered into oblivion, Mr. Schuster snuggled closer to his last hope of survival and lay down—to die or live, he knew not which at a time when bone-chilling cold had already numbed his senses as well.

He floundered there, no one really knows how long, while not a single car came along.

Finally, as Mr. Schuster was turning into a block of ice, a motorist happened by. Lucky as that was, unluckily for Mr. Schuster the Good Samaritan turned out to be not quite as compassionate as the man who rescued the victim from the robber-infested ravines of Jericho 2,000 years earlier.

Mr. Schuster's benefactor had been late for work twice recently, and his employer warned he might be dismissed if he was tardy again. So he didn't take time to give Mr. Schuster the attention he needed. He merely dropped him off at the first house he came to.

By the time the people responded to the knock, the benefactor had gone—and Mr. Schuster lay passed out stone cold on the doorstep. The man pulled him inside and thawed him out.

During those agonizing hours, Paul Schuster may have been having second thoughts about his career in the trucking industry. But, as with so many other hardships he has faced, he drew upon his unshakeable resolve and bonedeep courage to persevere against harsh taskmasters.

Today, as Mr. Schuster steps to the podium to represent the trucking industry as its highest elected official, his 200-pound, 6-foot frame radiates a reserve dignity that commands the bushed respect of his audience.

His clarion voice is powerful, but not overpowering; forceful, but not blatant; booming, but not stentorian.

Resplendent with a suave assurance that is confident, but not cocky, Mr. Schuster will merit the attention of his listeners much like the awe-stricken Moses humbled himself before the Burning Bush of Sinai sacred to the memory of Mr. Schuster's forebears.

During his year of duty as ATA chairman, Mr. Schuster hopes to visit every state possible in the 51-association-strong constellation that links the glowing trucking industry firmament.

Among the priority convictions Mr. Schuster will take to his people will be a growing belief that we must get more people involved in the affairs of government.

Keeping an eye on important legislation affecting the trucking industry "can't all be done at the ATA or association level," Mr. Schuster declares. "It's got to be done at the grass-roots level too."

He thinks more trucking industry people should run for public office, and would like to see more young blood injected into the trucking industry mainstream besides those family members growing into it through heredity. "There's enough work for the old people to do," he says.

Another concern of the ATA spokesman is that not enough people are taking advantage of the ATA membership, yet are quick to reap the benefits ATA has labored to secure.

For example, Mr. Schuster recalls that his own state of Connecticut had to be diligently prodded before it would permit 45-foot trailers on state highways—yet when the law was passed, the state took advantage of the measure and bought such units for its own fleet.

There is no reason why states, through their trucking units, could not belong to ATA, Mr. Schuster believes. Or the many telephone, power and water companies who use large numbers of trucks.

There is also a home in the ATA Headquarters for owner-operators, Mr. Schuster notes. "All they have to do is come forward and we're ready to meet with them," he says. "Just write or come in. We do have an address and many of them don't. We think this is the home for all truck operators."

As he speaks across the country, Mr. Schuster will also be praising another speaking effort, the Area Communicators in Trucking (ACT), a speakers bureau function coordinated by the Regular Common Carrier Conference.

"Shouldn't this be done throughout the country?" Mr. Schuster asks. "We've certainly got enough people in the field to talk about our business. It can't all be done by the chairman of the board."

Mr. Schuster says he has heard lots of good reports about the work of ACT, and hopes it will be expanded to tell the story of the trucking industry in an even wider circle.

However wide that circle grows, Mr. Schuster himself will have carved a wide swath of progress from the early days of his trucking industry affiliation, when he was driven like a galley slave to help keep food on the table for a Depression-plagued family.

"There was no place to go but up," the ATA chairman says modestly when asked about his many accomplishments. With very little food on the table, and a 16-to-18-hour workday required to put that dab out, Paul Schuster knew very little but work as a youngster.

But whatever hard times battered at the door, the family remained close-knit. They were bound together by a common element tougher than steel and more durable than diamond. It's called faith.

Paul's father was tough in many respects, the new chairman recalls, but always taught a healthy respect for others. His mother was a dominating influence because his father was away so much driving a truck.

His father got into the trucking business almost by accident. He was foreman of a leather business in New York City, where Paul was born. The company also had a leather factory in Colchester, Conn. The father was asked to go to Colchester and straighten out a problem there.

He stayed for two years. While there, he became acquainted with the owners of a coat factory also doing business in Colchester. One night a truck driver for the coat factory got drunk and couldn't make a run to New York.

The owner called Mr. Schuster's father and asked if he could drive. The owner happened to ride with Paul's father and during the course of the trip, getting madder about his drunken driver, remarked: "I wish you'd buy this truck and go into business."

He did, and that was the beginning of Schuster Express, in 1922, with one truck. Now there are some 1,000 pieces of equipment operating in seven eastern states. Gross revenue this year will be about $20 million.

But it was a long way from the relatively poverty-stricken days of that one truck to the modest affluence of today's $20 million. A lot of Churchill's blood, toil, tears and sweat were ground into the business that has steadily expanded.

Paul Schuster got an early baptism of fire. When his older brother, Morris, died in 1937 at the age of 21, Paul was only a junior in high school. He had to replace him as New York terminal manager. Originally, Paul was only supposed to stay until someone else was hired. But he did such a good job, he wound up staying until 1942.

That's when his father died, and Paul had to move back to Colchester to take more complete charge of the company with his brother, Ben. Paul was general manager from 1942 until 1946, when he became president, the title he still holds.

His brother Ben is now senior vice president. Another brother, Tully, is executive vice president. Paul's two sons, Richard and Steven, are both vice presidents. A nephew, Marty, is also a vice president.

A third son, Mark, is not in the business. He recently earned his master's degree in psychology at Syracuse University, and plans to work toward his doctorate in psychiatry at the University of Southern California.

When Paul Schuster isn't busy with trucking business, he is kept busy by his wife, the former Phyllis Spalter of Hartford, with things around the house. He joked that she put him to work cleaning out the swimming pool on their 32nd wedding anniversary, Sept. 8.

In spare moments, Paul loves to romp with his three grandchildren: Gail, 7, and Stacy, 6, daughters of Richard, and Damon, 6, son of Steven.

Mr. Schuster laughed that he recently let one of them eat seven pieces of candy in one night. Times have changed. When Paul was a boy, he was lucky to get seven pieces of candy in a year, especially during those lean Depression years.

Mr. Schuster also gets a vicarious pleasure from playing with his grandchildren. When he was young, he was away from home most of the time on trucking business and rarely had much time to spend with his children. He now tries to make up for some of that with his grandchildren.

But he does not have all that much time for himself. He gives liberally to others in his profession and community.

For example, when the Colchester Synagogue, the Congregation Ahavath Achim, needed a new temple, Mr. Schuster took over as president and set about to raise the $400,000 needed to build and furnish the temple.

As if touched by Aaron's rod, the edifice sprang up in a few months under Mr. Schuster's guiding hand of unwavering faithfulness. With a holy integrity that matched the temple's building blocks, Mr. Schuster ran a telephone from his office switchboard to the building site and worked for a full month there, conducting business and religion at the same time.

This did not go unnoticed by the community. Like Solomon's Temple of old, whose gold-capped pillars shined as if with a heaven-borrowed glory, the new Colchester Synagogue stood as a monument to the infectious tenacity of Paul Schuster.

Other denominations in the community were so impressed that when the St. Andrew's Catholic Church and the Federated Congregational Church needed new buildings or additions they came to get help from—who else—Paul Schuster.

He helped Catholics and Protestants alike.

In building his own temple, Mr. Schuster promised its members that it would be paid off in five years. He beat his promise by 1½ years. It was paid off in only 3½ years. He also built a new home for the rabbi that was paid off in two years, and bought a home for the cantor.

The congregation did not let his work go unnoticed. When he resigned the presidency in 1968—because he felt a younger man should take over—Mr. Schuster was made honorary president for life.

Mr. Schuster has been a workhorse from an early age. He was deferred from the draft in World War II because, in addition to supporting a family of six, Mr. Schuster was head of the bond drive, chief of the fire department and head of many charities. Heads of the community went to the draft board and asked that he be deferred. He was finally drafted at the war's end and spent three months in service.

Then it was back to the trucking business, which has been Mr. Schuster's life. His life has also been filled with serving a wide spectrum of the industry's affiliated groups.

For example, he has been a vice president to American Trucking Associations since 1954, first as a representative from Connecticut and later as an at-large V-P. He was named ATA first vice chairman in 1973.

Mr. Schuster was chairman of ATA's Regular Common Carrier Conference Board of Governors in 1972–73, and has been president of the New England Motor Rate Bureau since 1961. He was president of the Motor Transport Association of Connecticut in 1954–56, and previously served as first vice president, second vice president and a director.

Mr. Schuster is a trustee of the ATA foundation and was a spearheading force behind the organization of ATA's Trucking Industry Committee on Theft and Hijacking (TICOTH).

He is a member of the Motor Carrier Council of New England and of many shipper-carrier associations and traffic clubs. He is vice chairman of the 100 Club of Connecticut, and a member of the Massachusetts 100 Club, a group which provides assistance to families of policemen and firemen killed in the line of duty. He is a director of Farmers and Mechanics Bank in Middletown, Conn.

It is little wonder that when the time came to choose the Connecticut 1974 Man of the Year in Transportation, there was no trouble in settling on the man who fit the bill completely—Paul Schuster.

Mr. Schuster is the first ATA chairman from Connecticut. He is also the first Jew. He is a founding fellow of the American College in Jerusalem and has been a chancellor commander of the Knights of Pythias since 1960.

He still raises money for Israel, and feels that his hard work for the people of his race has made him a better Jew, raising money to make up for those who didn't have a chance. Those 6 million Paul Schuster might have been numbered with if his father hadn't immigrated to America.

A typical example of how Mr. Schuster looks out for those whom the sunshine of praise does not fall generously upon came three years ago at The Homestead in Hot Springs, Va., during a meeting of the RCCC Board of Governors.

Holding the spotlight as emcee during an RCCC banquet, Mr. Schuster looked over in a corner and spotted the black maitre d'. Singling him out, Mr. Schuster praised the fine job he had done for the RCCC social functions.

At that moment, with applause ringing in his ears as he bowed his gratitude to accept the thanks of his benefactors, there was no one in the world who thought more highly of Paul Schuster than that maitre d'.

As to what Mr. Schuster respects and applauds, he ranks our country at the top of his list. "I'm still a great believer in our country," he says convincingly, adding that he feels current problems can be reversed if we "go back to respect for the country and doing an honest day's work."

"I hope," he says further, "that it doesn't take a depression to do it."

But come depression, recession, inflation or abounding prosperity, Paul Schuster will take his message of hope to the country with the unconquerable constancy that has characterized his life.

The trucking industry will be well represented for the next year. Paul Schuster will see to that. Paul Schuster will be the reason for it.

BUDGET IMPOUNDMENT—THE SAME OLD GAME

Mr. HUMPHREY. Mr. President, the Congressional Budget and Impoundment Control Act of 1974 requires special messages by the President whenever he proposes to rescind or defer appropriations. Its purpose was to develop an orderly procedure by which Congress could examine the merits of a proposed impoundment. To rescind funds, both Houses of Congress must pass a bill or joint resolution of approval within 45 days of continuous session. In the case of a proposed deferral, it remains in effect unless one House passes a resolution of disapproval.

LATEST BUDGET MESSAGE: $4 BILLION CUT IN DOMESTIC PROGRAMS

On Tuesday, November 26, President Ford proposed that Federal spending be reduced by $4.6 billion in the fiscal year ending June 30, 1975.

Nearly three-fourths of these cuts in budget outlays would be taken from programs that help the poor, the elderly and veterans. These cuts would force a substantial new cost burden onto the backs of States, counties, and towns that are already facing budget deficits in their efforts to maintain essential public services in the face of inflated prices and deflated tax revenues.

At the same time, over 14 million Americans, all of whom are poor and can afford to pay little if any income tax, will have a new food tax imposed on their present food expenditures, if the Ford administration has its way in telling them they must pay substantially more for food stamps.

We cannot fight hunger at home by taking food from the poor, nor can we reduce inflation by telling the poor to tighten their belts even further. No single action yet taken by President Ford has done more to destroy public confidence in the fairness and compassion of Government than this cruel scheme.

The administration's proposals to slash our food programs, urban and rural planning activities, and reforestation program, and to sell off large quantities of tin, lead and other metals, are examples of false economizing at its worst.

I am confident that the Congress will reject such ill-considered approaches to combating inflation and will demand constructive programs to help our people who are most severely affected, not only by inflation, but also by recession and unemployment.

It is profoundly wrong for this administration to take a pennypinching short cut to reduce Federal outlays by taking money out of the pockets of veterans, the elderly, and the poor.

The President's proposal includes recommendations for 41 deferrals totaling $393 million in budget authority and 39 rescissions amounting to $864 million in budget authority.

Those recommendations are included in a very long and complex report and it will take additional time and study to determine which of these proposed actions are simply of a routine administrative nature and which reflect significant political decisions and are, in effect, policy impoundments.

I am particularly eager to read and analyze the fine print relating to the announced intention to reduce Department of Defense spending by about $600 million. Whether this is a real cut or another Pentagon "shell game," as indicated in recent press reports, is a matter to which Congress must give careful attention.

FIVE PREVIOUS BUDGET MESSAGES MASK MAJOR POLICY IMPOUNDMENTS

President Ford submitted five earlier packets of special impoundment messages. The first message, released September 20, identifies $495 million in proposed rescissions and $19.8 billion in deferrals. A second special message of October 4, identifies $182 million in proposed rescissions and $3.2 billion in deferrals. Two special messages on October 31 proposed $82 million in deferrals. The fifth message, dated November 13, contains $117 million in rescissions and $643 million in deferrals, most of which are amendments to previously reported actions.

In his first message the President noted that it was "particularly important that the executive and legislative branches develop a common understanding" of the impoundment control legislation. To that end he requested "further guidance" from Congress as to the proper implementation of the impoundment title.

As author of the Federal Impoundment and Information Act of 1972, I have maintained a continuing interest in the quality of impoundment reports. I have repeatedly stressed the need for effective congressional participation in these determinations as essential for the responsible exercise of the constitutional powers of the Congress. I believe that these special messages fall considerably short of what Congress needs and what the President is required by law to provide. I trust that the messages can be substantially improved and then serve as the meaningful vehicles for executive-legislative action that they were intended to be.

First, President Ford was advised by the Attorney General that the act applies only to determinations to withhold budget authority which were made after the signing of the act on July 12, 1974. Actions taken prior to that time were included in the special messages for informational purposes, not for congressional action. Under this interpretation it is impossible for Congress to act on the deferral of $9 billion in clean-water funds, $420 million for forest roads and trails, $401 million for HUD water and sewer grants, $264 million in homeownership assistance—section 235, $199 million in public facility loans, and other amounts.

Of course, Congress never intended such an alleged loophole in the law. In his report to Congress of October 15, 1974, the Comptroller General gave two reasons for rejecting the Attorney General's interpretation. Section 1001(2) of the act expressly states that the act is not intended to ratify or approve any impoundment made prior to July 12, 1974. Moreover, deferral is defined in the act as any type of Executive action or inaction. Failure to release funds after the signing of the act surely constitutes inaction.

I might also comment on the fact that the Attorney General's opinion was not available in written form at the time of President Ford's special message of September 20, nor was it available at the time the Comptroller General reported to Congress. Considering that it took weeks for OMB to prepare the reports, and additional time for clearance at the White House, this strongly suggests that the Attorney General's oral opinion was an 11th-hour reflex. As a procedure it was far from orderly and deliberate; it does not inspire confidence.

Second, I am distressed by the size of these reports. The first message consists of 33 pages covering 20 items; the second message contains 67 items spread out over 83 pages; the third and fourth messages have 7 items and 27 pages; the fifth message runs for 36 pages with 14 items. We do not need such detail on the dozens of routine items included in these messages. If the administration wants to withhold $4,000 from the Fish and Wildlife Service, not for policy reasons but for routine management functions, that is not the kind of action that should command Congress attention. Even some of the large dollar items, such as $497 million withheld in shipbuilding funds, are routine administrative actions. Congress makes shipbuilding money available for 5-year periods. The amounts are released by OMB as construction progresses. There are dozens of other actions in these special messages that are purely routine and should not be given the same priority and attention as policy impoundments.

I recognize that the act appears all-inclusive. It could be argued that the administration felt it would be safer to report everything, down to the kitchen sink. But even the administration had to decide where to stop. If it wanted to report every conceivable "deferral," Congress would be deluged with thousands of actions. Decisions are made in every department, in every agency—in D.C. as well as in the field—that can be described as "deferral" actions. Every time an agency reprograms funds, shifting funds from one project to another, a "deferral" occurs in the depleted account. At the end of fiscal 1974, the level of unobligated balances reached an estimated $193.6 billion. A literal interpretation of the Impoundment Control Act would report all of these actions. Clearly Congress does not want reporting on such a vast, indiscriminate scale.

What we were trying to do in the act was to assure that all significant, policy-making types of impoundments would be reported and made subject to congressional action. When the bill came out of conference and was agreed to by the Senate on June 21, 1974, I entered into a dialog with the senior Senator from North Carolina, who was floor manager of the bill. We agreed that reporting must be of the highest quality when impoundments were of the policy variety. Extensive reporting of routine actions—such as those taken pursuant to the Antideficiency Act or in response to some other specific legislative authority—was not necessary. We then spelled out the major types of actions that we regarded as having policy implications. They deserved reports "of the highest order."

This was not a burdensome request. Senator ERVIN said he doubted that there were more than a few dozen policy impoundments a year. With such a small number, we thought that the special messages from the President should give them "special treatment." Senator ERVIN felt that policy actions should be highlighted and given individual attention, "perhaps by being set aside in a separate section." I expressed concern that policy impoundments would be obscured if mixed in with a multitude of detail on routine, insignificant actions.

I am afraid that has happened. The first five special messages contain more than 100 proposed rescissions and deferrals, most of them of a purely routine nature. We do not need 179 pages of such unnecessary fine print. It is a waste of agency time. It is a waste of our time. It only serves to confuse those who must use this information, and it approaches an Executive "snow job." I trust that the administration will give considerable thought to streamlining these reports, to be more selective, and then do a better job on what they do report.

SPENDING "DEFERRALS"—ANOTHER WORD FOR TERMINATING PROGRAMS

As a third point, I have grave reservations about the use of the deferral category. Of the more than 100 actions in the first five Presidential reports, only eleven are presented for rescission—four of those are repeats of earlier proposals. The remaining actions are presented for deferral, which requires a resolution of disapproval by one House. It is obviously to the advantage of the administration to present actions for deferral. But I think a number of the so-called deferral proposals are actually rescissions in disguise.

In particular, I call attention to seven HEW programs funded by a continuing resolution. In submitting these as "deferrals," the administration has adhered to the President's budget rather than to the higher levels authorized by Congress in the continuing resolution. For example, the administration requested $25 million for public libraries. The enacted continuing resolution authorized a higher level: $11,647,000 per quarter. Despite that funding level, the administration plans to release only $6,210,000 for the first quarter, which is approximately one-fourth its budget request. In other words, the administration grants a superior status to a legislative recommendation—its budget—than to a public law—the continuing resolution.

Particularly alarming is the case of funds for land-grant colleges. The administration has submitted legislation to repeal the program; no funds are included in its fiscal 1975 budget. The House, however, appropriated $9.5 million in the fiscal 1975 Labor-HEW appropriations bill, and this funding level has been retained in the conference report on H.R. 15580. The administration now proposes to defer all funds "in order to preserve the flexibility of the Congress and the administration in arriving at a final decision on the future of this program." Do not be misled by this elegant language. The "flexibility" protects the administration's budget; it does not protect congressional action. It is completely contrary to the vote of both Houses.

The administration has tried to curtail and eliminate the land-grant college program in past years. The fiscal 1974 budget proposed a rescission of $10 million in funds. The Federal courts turned back that effort. Now the administration proposes to defer the entire amount made available by Congress in a continuing resolution. In a practical sense—let us speak in plain language—this is a request to terminate a program. It should come up as a rescission, not a deferral. One of the major objectives of the Impoundment Control Act was to prevent unilateral program terminations by the administration. If we have not done so, our legislation is a farce. Deferrals are not to be used as a convenient route for terminating programs; and Congress must again exert its authority to see that this abuse does not continue.

The President's special message also states that the programmatic effect of a first quarter deferral on land-grant colleges "will not be severe, although institutions are accustomed to receiving these funds in August." If the President's report does not come to Congress until September, and if legislative action is not likely until December, in what possible sense is that not "severe" to the institutions awaiting funds?

One other comment on land-grant colleges. The funds are deferred, we are told, to give Congress time to review the administration's proposal to repeal the Bankhead-Jones Act. The President's message explains:

> Full obligation and expenditure of the annual amount at this time would preempt the Congress' ability to deal with the legislative question.

That is a granddaddy of a euphemism. Are programs to be suspended simply because the administration recommends legislation to repeal them? That is a breathtaking grab for legislative power; it asserts a principle that is completely antithetical to congressional prerogatives, and it must not be permitted to go unchallenged.

My remarks on land-grant colleges can be applied to four other HEW programs scheduled for deferral: university community services, State postsecondary education commissions, impact aid to "B" children, and rehabilitation services.

No funds are included in the budget for those programs. What is contemplated is not a deferral of funds from one year to the next but a termination of a program. What is being challenged is not the timing of a program, handled by deferrals, but the very existence of a program, handled by rescissions.

When the administration argues that it omitted funds for university community services because the program envisioned a service "which is primarily the responsibility of the State or locality," that is not a judgment as to timing. It is a determination that the program should not be carried out at all. It is not simply inappropriate to submit that kind of item in a deferral message, it is an illegal overreaching on the part of the Executive.

THE REAL TEST: THE PURPOSE OF LAWS TO MEET NATIONAL NEEDS

Fourth, I think we have to upgrade the sections on justifications and economic impact in these administration reports on proposed budget rescissions and deferrals. By eliminating dozens of the routine actions, or relegating them to a lesser status and more summary treatment, more time will be available to improve the reports on policy impoundments.

Take the case of $9 billion withheld in clean-water money. The September 20 report states that—

> The program is not one in which the Executive asserts a power to control spending in opposition to the wishes of Congress; it is one in which the President is seeking to exercise the discretion which the Congress intended that he should have.

This implies a maximum degree of consultation and cooperation—a desire by the President to satisfy congressional intent. And yet this program is one of six identified on the summary table as being an action taken prior to the signing of the act and, therefore, not subject to congressional disapproval. The message for clean water is merely for notification, not for congressional action.

The September 20 report also states that—

> The release of additional clean-water funds would require reductions in spending for other programs if balanced budgets are to be achieved as called for by many members of Congress and the President.

Shall public statements by Members of Congress and the President be allowed to determine the pace of a program? I fully understand the need for relative budget balance at this time, but I am totally unwilling to accept this argument as justification for giving the OMB a free hand to cut congressional appropriations at will.

The justification for withholding clean-water funds points to the growth in obligations and outlays over recent years. But that fact, by itself, is inadequate reason to justify the withholding. What was the objective of the legislation? What needs exist? Is the present trend in obligations and outlays, even in the upward direction, nevertheless insufficient to meet legislative objectives and national needs? Are we to allow the administration, every time there is a growth in obligations and outlays in a given area, to use that as a reason for deferring funds? To focus on budgetary "growth" rather than needs and legislative intent is clearly untenable.

The report states that the allotment of $9 billion in clean water funds "would add to the inflationary pressure currently being exerted on the national economy." Of course it can be argued that the release of any funds from any program would add to inflationary pressures. Yet only a few programs are delayed for that reason. If funds must be withheld, why those? Why not funds from other departments and agencies? This rationale is an insult to Congress, because it is irrelevant when choosing which programs are to be funded and which are to be cut.

What is the program impact of failing to allot clean water funds? As prices continue to rise and waste treatment efforts become more expensive, will the original goals set by Congress in law go unmet? Because of the combined effects of deferral and inflation, have we reached the point where the availability of $18 billion in contract authority for fiscal years 1973, 1974, and 1975 will no longer satisfy the goals and policies established by Congress in the Federal Water Pollution Control Act Amendments of 1972? Will the administration have to come back to Congress for supplemental funds? That is the type of information we contemplated when we asked for the "estimated effect of the proposed deferral upon the objects, purposes, and programs for which the budget authority is provided."

DEFENSE DEPARTMENT EXEMPT FROM WAR ON INFLATION

And now I come to my fifth and final point: the matter of priorities. The President presented five reports, proposing more than $600 million in rescissions and $23 billion in deferrals of spending under the Federal budget. His sixth report identifies $393 million in budget authority deferrals and $864 million in budget authority rescissions, some of which appear to constitute changes in the previous Presidential reports.

If we ignore the routine actions—where funds could not be obligated even if released—we find that a mere $600 million is impounded for military programs in the Defense Department. And news reports suggest that even this small withholding of funds may not, in fact, occur.

I find it incredible that the lion's share of the burden of combating inflation and protecting the budget's balance falls on civilian domestic programs, despite the fact that military spending accounts for about one third of our budget. That is incomprehensible.

I do not understand why it is impossible to significantly delay or even cancel some of our weapons systems. I do not understand why savings cannot be realized in military personnel, in operations and maintenance, or in the research and development programs. Surely there is an opportunity for deferrals and rescissions in those areas. I do not understand why the full weight of the administration's budget slashing policies must descend on the cities, the farms, the environment, and on human resources. Nowhere in the 179 pages of five special messages do we find an answer to that fundamental political question.

TO PREVENT THE ABUSE OF PRESIDENTIAL POWER

The entire purpose of our anti-impoundment legislation was to prevent the continued abuse of the President's very limited impoundment authority. It was designed to return to Congress its rightful constitutional responsibility for and control over the nation's purse strings. The Congressional Budget and Impoundment Control Act, which was enacted earlier this year, laid down the ground rules needed to protect against future misuse of impoundment authority by the Executive.

However, the President's six messages on deferrals and rescissions clearly indicate that the Executive is intent upon preserving its ability to abuse the impoundment power by stretching its interpretation of the new act to provide itself with as much authority as possible. In view of this fact, it is essential that Congress direct the Executive, in no uncertain terms, to carry out the full and exact intent of the law.

Unless such action is taken, all of our impoundment reform legislation is worthless. If we are unwilling to force Executive compliance, if we are willing to see our priority setting and appropriations powers unconstitutionally usurped by the Executive without a fight, Congress might just as well pack up and go home.

The question of illegal impoundment has not received the attention its importance demands. It is a complicated subject and a rather dry one. But, it can cripple, if not destroy, the vital and dynamic balance of institutional power that was so wisely created by our Founding Fathers and that has served our Nation so well for two centuries.

I urge the new Senate Budget Committee, under the able leadership of Senator MUSKIE, to hold intensive hearings on the compliance of the administration with the new act.

Specifically, I believe, the new Budget Committee should review the deferral and rescission messages in terms of their impact on congressionally determined budget priorities, their consequences for national fiscal policy, and the compliance with congressional intent in enacting the Budget and Impoundment Control Act of 1974.

We must act now before irreversible precedents are established, or find ourselves hamstrung over this issue at some point in the future when a President decides to use the impoundment power to extend his control over the political process.

COUNCIL OF THE ASSOCIATION FOR COMPUTING MACHINERY TAKES A STAND AGAINST THE MISUSE OF THE SOCIAL SECURITY NUMBER

Mr. GOLDWATER. Mr. President, on November 21, the Senate passed, as a part of the Federal privacy bill, S. 3418, an amendment which I had offered for myself and the senior Senator from Illinois, Mr. PERCY, to halt the growing spread of the social security number as a universal population identifier. By coincidence, a similar proposal was passed by the House of Representatives that same day which was introduced by my son, Congressman GOLDWATER, JR., who represents the 27th District of California.

There are slight differences between our two proposals and these are now the subject of discussion between Senate and House conferees on the privacy legislation. I am hopeful that the conferees will resolve the matter speedily and will agree to place this breakthrough for individual liberty into law before the 93d Congress adjourns.

Mr. President, the importance of passing legislative safeguards regarding the misuse of the social security number and other universal identifiers is reinforced by a resolution which was adopted recently by the Council of the Association for Computing Machinery and which has just now crossed my desk. This association is the leading scientific and technical organization in the computing field, with approximately 29,000 members, and I find it extremely significant that its resolution comes down hard on the urgent need for prompt passage of "legislative safeguards against the misuse of universal identifiers, including the social security number."

Mr. President, to my knowledge, this is the first time that a major professional organization has spoken on this issue, I am told by Mr. Daniel D. McCracken, who is a member of the council of the association, that the resolution concerning universal identifiers was adopted "by a heavy majority of the council."

For the information of my colleagues, I would mention that the membership of the Association for Computing Machinery consists of mathematicians, engineers, physical scientists, business systems specialists, analysts, and social scientists who are interested in the computing and data processing fields. Accordingly, action taken by a knowledgeable group of experts who are directly and intimately familiar with the computing field, should carry great weight with Congress in its deliberations on this matter.

In short, the association recognizes that the social security number is rapidly becoming a de facto universal identifier; and its members, being intimately aware of the relationship between universal identifiers and the use of computers to match and combine records about individuals, are concerned that its potential misuse must be prevented by action of the U.S. Congress.

Mr. President, in order that my colleagues may read for themselves the statement adopted by the Council of the Association for Computing Machinery, on November 14 of this year, I ask unanimous consent that a copy of the resolution regarding the social security number be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

The following resolution was adopted by the Council of the Association for Computing Machinery (ACM) November 14, 1974:

Whereas:

1. The existence of a universal identifier (UID) makes it possible to match and combine records about individuals;

2. This matching, which is usually not economically or technically feasible with manual data processing methods, is relatively simple and inexpensive with the use of computerized data banks that are able to communicate with each other;

3. In many circumstances this computerized matching simplifies technical problems and offers benefits both to individuals and to society;

4. However, despite some current efforts, present safeguards (technical, organizational, and legislative) are inadequate to prevent unacceptable abuses of the right to personal privacy that the combination of an UID and the use of computers makes possible;

5. The Social Security Number is rapidly becoming a *de facto* UID;

6. Members of the ACM, being intimately aware of the scope of potential mis-use of computers, are concerned that this potential mis-use be prevented;

Therefore:

The Council of the ACM states its concern over the absence of legislative safeguards against the mis-use of universal identifiers, including the Social Security Number, and urges the prompt generation and passage of such legislation.

THE ELDERLY: CASUALTIES OF INFLATION

Mr. HUMPHREY. Mr. President, I have pointed out on many occasions that while soaring prices affect everyone to some extent, the elderly are hurt more than most people because they spend the largest portion of their incomes on food and shelter. An excellent study released in November, by the Department of Health, Education, and Welfare, concluded that the current inflation rate is 20 percent higher for the poor than for the middle class.

What this means in the Minneapolis-St. Paul area of Minnesota, where food prices have risen 29 percent over the past 2 years, is that elderly people must cut back on food—often to the detriment of their health.

On Sunday, November 3, the Minneapolis Tribune published a series of excellent articles by Joe Rigert clearly showing just how tight the pinch is getting for the elderly citizens caught in the inflationary vise.

Older people will tell you about their financial problems if you care enough to ask them. But, even then, they do not complain very loudly. After all, they remind you, they have been pinching pennies for years. They have never been big spenders. They feel that other Americans are too wasteful. Inflation now makes it worse for them, but they will get by, somehow.

The economic lifeline for the elderly, their social security checks, can also be blocked or severed by governmental redtape or bureaucratic foulups. What the Government gives, the Government also can take away. The Minneapolis Tribune article about Olga J. Lewen's mixup is regrettably all too typical. The social security computer does play tricks, even on people age 87.

For retired couples, food is the largest element of the inflationary problem. In too many cases, older couples are forced to stop buying such things as fresh fruit because the mushrooming prices make such necessities a luxury. They have to cut back on other things too, such as their daily rations of meat and vegetables. Yet, with all the budget slashing these people are doing, inflation skyrockets, the prices of everything they must buy move relentlessly upward, and their standard of living deteriorates.

Mr. President, this series of articles from the Minneapolis Tribune paints a bleak but realistic picture of the plight of our older people. When we consider legislative action on the problems of inflation and recession, the lives of these people and others who are casualties of ineffective economic policy must be uppermost in our minds.

Mr. President, I ask unanimous consent that this excellent series of articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune, Nov. 3, 1974]

INFLATION: THE OLD ARE HARDEST HIT

(By Joe Rigert)

The old man peered through a magnifying glass at the price of Hostess Filled Cupcakes (29 cents) in the Elasky Food Market on Cedar Av. No. He picked up a package of Tastee Egg Fluff Doughnuts, turning it over in his hand, looking for the price (79 cents). He put it back. Picked it up again. Put it back. Examined Taystee Egg Fluff Chocolate-Coated Doughnuts.

"He likes to take his time," said Andrew Elasky at the checkout counter. "The old people are very finicky, very price-conscious. They look at everything, examine everything." The old man bought a fruit pie and a banana flip at 25 cents each, taking his change from a $5 bill.

The rising prices of inflation affect everyone, but the prices affect low-income old people more than most because they must spend so much of their income on food and shelter. A government study released last week concluded that the current inflation rate is 20 percent higher for the poor than for the middle class. One reason is that food prices have gone up sharply.

What this means in the Twin Cities area, where food prices have risen 29 percent over the past two years, is that many old people must cut back on food—sometimes to the detriment of their health. They have no choice. The rent, the taxes, the utilities—all must be paid.

You'll see some of these old people buying milk at the food co-ops, looking for clothes at a free store, checking prices at the corner grocery, waiting to see a doctor or nurse in a free health clinic, or getting free bread on Wednesday afternoons outside the Free Store at 605 Cedar Av.

You'll see them gathered around Chet Erickson's battered Ford, filling their sacks or cardboard boxes with bread and rolls. One has a lot of medical bills. Another has barely enough money to buy meat. A third tries to live on $80 a month. Erickson pulls the bread out of the back seat and trunk of his car, handing out 100 to 150 loaves, applying his own informal needs test—one loaf here, two loaves there.

"I know what the old people get," he says. "I don't overload them, but I feel that some of these people get $200 a month and have to pay that rent." Erickson, 62, retired as an ironworker because of a heart attack, is a volunteer on the bread line. Living on $234 a month, he also takes advantage of the handout.

Yes, you'll see them in the public places, but you need to visit them in their places of residence to learn how inflation really affects them. You need to go down the tree-lined streets into something like Solzhenitsyn's Gulag Archipelago—in this case, a network of scattered houses and apartments that are prisons for some of the aged—to see their circumstances and hear their stories.

A Charlie McCarthy puppet, wearing a perpetual smile, sits on a sofa in Mrs. Rosamond LeMay's home, but Mrs. LeMay doesn't smile as she tells of her struggle to stay in her own home. Blind Mike Kooreny turns off his 1936 General Electric radio before sitting down to talk about how he scrimps at a local cafeteria to keep down his meal bills. Mrs. Donald Spence sits in the dark, and prays, to save on electricity. The Julian Ciszewskis are spending from their savings each month. Orlyn Dickinson worries about whether he'll be able to pay for insurance on his 1966 Ford under the new no-fault insurance requirements; he has no insurance now. And the Herman Ostens, both suffering from health problems, cut corners to pay $60 a month for medications.

These people will tell you about their financial problems if you ask them, but most of them don't complain very loudly. After all, as they remind you, they've been pinching pennies for years. They've never been big spenders. They feel that other Americans are too wasteful. Inflation now makes it worse for them, but they'll get by somehow.

Those are the impressions you get from talking to them, and Minnesota Poll findings tend to support those impressions. The poll found recently that older Minnesotans are no more concerned about food prices than are people in general.

As Mrs. Osten, 73, puts it, "We've lived this way all our lives, Herman and I. When we were working, we would buy things—a car, furniture—but we never would buy unless we paid for it. People now are just loaded with credit and cars. We never spent money wildly."

Ask the old people what they would do if they had more money, and they usually say they would buy a little more of the basic necessities—more fruit and vegetables, new cooking utensils, clothing, new gutters on the roof or a new carpet to replace the worn rug.

"Oh, I wouldn't be so spendthrift," says Mrs. Spence, 66. "I'd use it, not for foolish stuff, but for a good cause. Oh, I'd help out my daughter-in-law, my son's wife. She's got a little girl. They get money for veterans, but I don't know if it's enough to live on. Every once in a while I buy something for them—fruit or milk. They live in Princeton now. I wouldn't go on a splurge or a spree. I would buy some clothes for myself—dresses and shoes."

Mrs. Spence, whose son was killed in Vietnam in 1969, lives with her husband in a dingy upstairs apartment on Nicollet Island, subsisting mostly on savings down now to $400 to $500. Her husband lost his job because of eye trouble and neither of them is yet drawing Social Security or other benefits.

Some of these old people show a spirit that seems to carry them through the worst of hardships, but others express a resignation that must reflect the weariness of their daily struggle to cope with life.

Kooreny, 80, a piano tuner blind since childhood, rocks quietly in his chair as he describes his fight with the Welfare Department. As he tells it, welfare wants an accounting of his assets and he isn't about to allow it—not because he's over the limit (he isn't), but as a matter of principle, because he feels the rules on savings are inconsistent. "I'm going to win all right," he says. "I'm going to rub their noses in it."

Roy Wendling, 68, seems more depressed. Disabled since 1954, he and his wife live upstairs in what once was an elegant house on Nicollet Island. Now the paint is peeling, the steps are crumbling and the plaster is cracked. Wendling also is in bad shape, he has a heart condition, back problems, circulatory troubles and a dislocated left shoulder. He finds it difficult getting up and down the steps any more.

The Wendlings live on $253 a month, which goes for rent, gas, lights, the telephone and "the rest for eats." But Wendling says he doesn't feel much like eating these days, even if he could afford more. "I guess I ain't got long for this world," he says. "Somebody else can worry about it."

Mrs. LeMay, 73, voices a similar fatalism. "I don't look to the future," she says. "I just live each day as it comes, because as far as I can see, there is nothing ahead for me."

Yet, this spunky woman persists in her desire to remain in her own home in south Minneapolis on a monthly income of $159 from Social Security and supplemental benefits. Mrs. LeMay is typical in this regard—three-quarters of the old people in the Twin Cities area own their homes.

To maintain her home, Mrs. LeMay uses money from here and there. She made more than $1,000 by selling antiques from her home. She sold some old coins to pay for moving a toilet to the first floor—she's crippled and no longer can go up the stairs to the second floor. And she took money from savings, or paid by the month from income, to cover repairs on the house. Meantime, Mrs. LeMay hasn't bought a dress since 1962 and hasn't been a dentist since 1933.

"I should go," she says. "I've got a lot of bad teeth that should come out but I go on the way I am."

Mrs. LeMay and many of the old people apparently would sooner suffer such problems than leave the homes they know and enjoy. Mrs. LeMay says she spent 1½ unhappy months in a nursing home and won't go back unless they "carry me feet first."

The Ostens are just as determined to stay in their stucco house in a working-class area of north Minneapolis. But the cost of drugs and other medications stretches their $325-a-month income from Social Security to the breaking point. Osten, bedridden because of a stroke 11 years ago, needs drugs, bandages, ointments, laxatives and special foods. Mrs. Osten, suffering from anemia, also needs medication. She says their bill for medications has gone from $45 or $50 a month a year ago to $60 a month now.

Medical-care costs have risen 14 percent in the Twin Cities area in the past two years. Government-financed Medicare covers a large part of hospital and doctor bills for old people, but Medicare charges for old people also are going up. And Medicare doesn't cover drugs, dental care or eyeglasses. A Metropolitan Council staff study estimated that Medicare covers only 40 percent of the elderly's total medical bills.

For the Ostens, such medical expenses force them to delay fixing the two burners that went out on their electric stove, reduce their meat consumption from twice a day to once a day, and forgo house repairs.

Social Security benefits have been raised by 33 percent in the past two years. This is more than the 19 percent increase in the cost of living in that period. But Mrs. Osten says, "When I first started on Social Security in 1964, it was $106 a month and we got along. Now it's $325 and it's difficult."

Partly because of that difficulty, say health personnel, some old people are eating too many cheaper, starchy foods and not enough nutritious fruits, vegetables and meat. As a result, they may become overweight, lack vitality and suffer other health problems that lead to still more expenses in a vicious circle. Inflation also makes it more difficult for some of them to afford the dental care they need to eat the right foods.

"With limited income, those foods that are filling, with higher carbohydrate content, are cheaper," said Mrs. K. Jones, nurse practitioner at the senior citizens health clinic operated by Abbott-Northwestern Hospital and the Minneapolis Age & Opportunity (MAO) Center. "So that's what they buy. It's getting worse."

A number of programs have been set up to deal with the health, nutrition and financial problems of the elderly. The Abbott-Northwestern-MAO clinic now serves almost 3,000 people. The Metropolitan Senior Federation has signed up about 6,000 people for buying programs offering reductions in drugs, hearing aids, eye care and various other goods and services. Federally-funded nutrition projects are serving hot meals to 900 old people in the five core counties of the Twin Cities area and to more elsewhere in the state. St. Mary's Hospital in Minneapolis has reached more than 400 old people in a new out-reach health-care program.

While these programs help many old people, the people themselves often help each other. Mrs. Primith Cook, 76, tells how the women at the U-Meet-Us Senior Citizens Lounge in south Minneapolis buy clothes at rummage sales and make quilts for others "worse off than we are." Mrs. Spence provides coffee and conversation for John Spike, 92, in his downstairs apartment. Clarence Anderson, 65, helped unload clothes at the Free Store on Cedar Ave. to work for his free bread.

For all their problems, they also seem to find enjoyment in the simpler pleasures that many Americans may miss in the rush to buy and enjoy the material things.

The Ciszewskis reduced other expenses partly so they could continue to buy Polish-language publications and join Minnesota Educational Radio to persuade MER to play Polish classical music. Polish culture is "our life," she says.

Some of the old people, including the Ciszewskis, aren't alarmed about the ravages of inflation because they've seen worse times and poorer people. Most of them went through the Depression when, as one remembered, "people were just starving."

Now you don't find old people starving. Instead, you more often find proud people who, as Mrs. LeMay put it, don't want to feel obligated. She has $700 in the bank "for my burial."

Now you find the old man in a health clinic, running a finger through a hole in his trousers, commenting, "This hole is getting bigger and bigger, just like a mouse has been chewing on it."

SOCIAL SECURITY COMPUTER PLAYS TRICKS ON WOMAN, 87

(By Joe Rigert)

Olga J. Lewen's lifeline is a Social Security check. But what the government gives, the government also can take away.

That's what happened last month to the 87-year-old Mrs. Lewen, who lives alone in a downtown Minneapolis apartment cluttered with belongings accumulated over a lifetime.

Mrs. Lewen received a computer letter from the Social Security Administration on Sept. 10 telling her that she would get $46.30 in supplemental security income (SSI), in addition to her basic Social Security payment. Then, 12 days later, she received another computer letter advising her that "your checks will stop October 1974."

The first letter said that Mrs. Lewen qualified for the SSI benefits because her income was less than the legal limit. The second letter said she didn't qualify because her income was more than the limit. But, of course, Mrs. Lewen's income depends on the government, and hadn't changed at all.

Her income, however, did change in October. Mrs. Lewen said that her October Social Security check was reduced by $30, leaving her with $139.50 for that month.

Why? An official of the Social Security Administration blames a computer error, possibly arising from the shift Jan. 1 of old-age welfare assistance from county or state governments to the federal government under the Social Security program. This assistance is now called SSI.

Warren McPherson, operations supervisor for the Minneapolis district office of the Social Security Administration, said that the computer first overpaid Mrs. Lewen a total of $300 in January, February and March then cut her off completely from supplemental payments, depriving her of $40.70 through October.

McPherson said that corrective action has been taken—Mrs. Lewen will receive this month the $40.70 in lost pay and from now on will be getting a combination Social Security-supplemental income of $172.70 a month, which the Hennepin County Welfare Department determined last year to be her basic need. No decision has yet been made, he said, on the $300 overpayment. And he hasn't yet dealt with the alleged $30 October underpayment.

Mrs. Lewen wasn't the only victim of computer error. McPherson said that many people received incorrect payments or notices after old-age assistance accounts were shifted to a big computer in the federal program this year. The error rate, he said, has been reduced recently.

For Mrs. Lewen and other old people on limited incomes, such mistakes add to their worries in an inflationary economy. Forgetful and confused, Mrs. Lewen apparently knew nothing about any overpayments when she was found last summer in her apartment-building hallway, crying from lack of food.

The Little Brothers of the Poor, a nondenominational lay community that helps the elderly, came to her aid. They found that she was spending most of her money the first two weeks of the month on prepared dinners, leaving litle for food the rest of the month. So now they help with her shopping, add meat to her diet and visit her regularly. "If it wasn't for the Little Brothers," she said, "I'd starve."

Mrs. Lewen is one of the 30,000 old people in the Twin Cities area living below the poverty level, according to the 1970 federal census. While the cost of food has risen 13 percent in the past year, Mrs. Lewen and others in her situation have received no increase in their incomes since getting a 12-percent raise in old-age assistance in October of 1973. Social Security increases since then haven't helped them because such increases are deducted from old-age assistance (now SSI).

This squeeze probably accounts partly for the estimated 30-percent increase over the past year in the number of old people using food stamps and taking advantage of government-supported medical assistance in Hennepin County. A liberalization of income standards in January also made more people eligible for the medical aid.

Mrs. Lewen has gotten by so far, however, without food stamps or medical assistance. She pays $100 a month in rent, leaving $72 (when she gets proper checks) for electricity, telephone and food.

Like many old people, she shopped for food at the corner grocery, where prices can be higher. Before being helped by the Little Brothers, she was eating a dry breakfast cereal twice a day. She hasn't bought any clothes for "so long I don't know" and hasn't seen a dentist for 10 years or a doctor for three years. And she doesn't use lights.

"I don't have to put on a light until 7 or 8 at night, but I go to bed by then," she said. "So you see I am very stingy."

To keep occupied, Mrs. Lewen listens to the radio or looks out her windows, from where she can see the affluence of the IDS building and the affliction, she says, of young people on drugs in a parking lot.

She says that she is happy. "I live because I love it. I figure this way—as long as I have a square meal on a round table, that's not asking too much."

Then, as you leave, this tiny one-time cleaning woman, wearing a hat with a fur fringe, reaches out with a bony hand to clasp your hand. "Bye, bye . . . once more, bye," she says. And she clings to your hand.

FOOD IS BIGGEST INFLATION PROBLEM FOR RETIRED COUPLE

(By Joe Rigert)

Clarence and Irene Davis can look out on the trees and houses of south Minneapolis from their eighth-floor apartment in a high rise for the elderly. To the east, on the freeways below, they can see the incessantly-moving automobiles of a wealthy society.

The Davises don't have a car and they aren't wealthy, but they have a comfortable apartment, a color television set and enough income to provide nourishing meals.

Still, inflation affects them as it does many other old people. Mrs. Davis stopped buying fresh fruit and has cut back on her daily ration of meat, even though she needs both because of her diabetic condition. She also hasn't been buying specially prepared food without sugar or salt as she should.

"The doctors have been getting after me," she said. "I can't help it. I feel different; get dizzy once in a while. It means I'm getting too much sugar."

Davis, 74, a one-time Chicago boxer and construction worker, needs a hearing aid but can't afford it, she said. They seldom go out, except to shop for bargains at the supermarket, walking or going by taxicab.

The Davises receive $379 a month from Social Security, federal supplemental security income and a veteran's pension. That amounts to $4,548 a year, which isn't far from the median income for old people in the Twin Cities area. The Davises are among about 12 percent of the old people in the area living in subsidized housing.

The annual income of the Davises also is close to what the U.S. Bureau of Labor Statistics figures is needed by a retired couple in this area for a low-cost budget.

If it weren't for government-financed Medicare and Hennepin County's Medical Center (General Hospital), however, the Davises and others like them would be deeply in debt. Mrs. Davis, 62, said that she ran up bills of more than $10,000 in surgery last year to correct an arthritic condition in her legs. She suffered a heart attack after Christmas last year. Davis has undergone heart and gallstone surgery. In addition, Mrs. Davis said she is taking 12 medicines a day for various health problems—leading to a drug bill of $355 so far this year.

The Davises were paying $15 or $20 a month, or whatever they could afford, toward those expenses at the county medical center, where they go for medical care. But a hospital representative, she said, told them "not to worry about paying" when she went back recently for treatment of respiratory trouble.

Inflation? "There's nothing we can do about it," said Davis, whose healthy appearance belies his health problems. "We just got to go along with it. Just check General Hospital; they got a room down there for us."

Subsidized housing also helps the Davis couple. They were paying $155 a month for an apartment in south Minneapolis six years ago. Now they pay $96 a month in the high rise, or 25 percent of their income, as required in such housing.

The rising price of food, meantime, does show up in their budget—Mrs. Davis keeps detailed records. They spent $807 for food in

1972, $864 in 1973 and $878 so far this year—more than for all of 1973, with two months still to go.

Even then, those amounts are considerably under the $1,157 a year for a retired couple that the Bureau of Labor Statistics said was needed for food in the fall of 1973 under a low-cost budget in the Twin Cities.

The rest of the Davis income goes mostly to basic needs—the rent, telephone, transportation, life insurance, repair of the television or a light fixture now and then, church, two newspapers and three magazines, charge-account payments for clothing and a humidifier. Mrs. Davis said that she had 83 cents left in their checking account two days before the end of October.

If they had more money, she said, they wouldn't do anything big—just stock up on canned goods as a hedge against future price increases.

Mrs. Davis said that she gets disgusted and bored at times for having to cut down on their activities and stay at home. Yet when asked about her standard of living, she replied, "I'm satisfied with it. I don't care too much for luxury. I've always been the homebody type. Other people? They try to keep up with the Joneses and they can't. It makes them unhappy. Why? Maybe they are just used to making a lot of money."

The Depression? Yes, she remembers that, remembers wondering whether she would have enough to eat or a place to sleep and she thinks another one is coming. In a way, however, she would rather be back in the Depression.

Why? "Because you were able to make it on your own," she said. "Now you have no control over what happens—job or income."

Mrs. Davis showed a piece of cooked roast. "It's just enough for him," she said, pointing to her husband. "I'll eat oatmeal tonight."

JUDGE JOHN BIGGS, JR., RECIPIENT OF JUSTICE AWARD

Mr. BIDEN. Mr. President, each year the American Judicature Society, an organization of 47,000 citizens concerned with the improvement of the administration of justice in the United States, presents an award to a person who has made an outstanding contribution to the improvement of justice in the United States. This year, I am pleased to note, the society's Justice Award was made to Judge John Biggs, Jr., senior judge of the Third Circuit Court of Appeals. Judge Biggs thus joins such distinguished prior honorees as Justice Tom C. Clark, retired Supreme Court Justice; Herbert Brownell, former U.S. Attorney General; and Judge Alfred P. Murrah, senior judge of the Tenth Circuit Court of Appeals.

I would like to commend the American Judicature Society for their outstanding choice. Judge Biggs, a native Delawarean, has made an important contribution to the legal profession both as a judge and as a scholar.

Born in Wilmington in 1895, Judge Biggs was graduated from Princeton University and received his law degree from Harvard Law School, where he was awarded the Order of the Coif. He was admitted to the Delaware bar in 1922 and practiced corporate law in Wilmington before being appointed to the third circuit in 1937. In 1939, he became the youngest person to hold the position of chief judge of the third circuit. He remained chief judge for 26 years until 1965. He continued to serve on the third circuit bench as a circuit judge and later as a senior judge.

In addition to being an eminent jurist, Judge Biggs has also made an important contribution to the legal literature. In addition to authoring a book on Delaware corporate law and numerous short stories, Judge Biggs also wrote "The Guilty Mind, Psychiatry and the Law of Homicide," a study of mental processes, defects and their relationship to crime.

Judge Biggs has also been a staunch advocate of judicial reform. He was a moving force behind the enactment of a Federal statute creating senior judge status in the Federal court system. Instead of retiring, Federal judges may now go on senior status, take a limited number of cases and thus help relieve the pressure on our overworked judiciary.

In an era when the legal profession is constantly under attack, the distinguished career of Judge Biggs stands for all that is right with the profession. Chief Justice Warren perhaps described his career best when he called Judge Biggs a "one man ministry of justice."

Judge Biggs' career should stand as an inspiration to judges and lawyers everywhere. Once again, I commend the American Judicature Society on its selection and extend my congratulations to Judge Biggs.

NAVY USES FILIPINOS AS SERVANTS

Mr. PROXMIRE. Mr. President, a recent article in the New York Times by John Finney has detailed the history and current practice of using Filipinos as servants in the U.S. Navy.

This practice dates back to World War I or even earlier by some accounts. In fact, it has been established as policy through a treaty arrangement with the Philippines that allows for 2,000 Filipinos to enlist in the Navy each year. Until very recently every one of those men ended up in a servant-type position.

Mr. President, not only is this degrading service to many of these men, it has been a systematic policy of racial bias. It should not be allowed under our system of government. I call upon the Navy to change its policy of using Filipinos in servant type positions. We could start at the top by having the Chief of Naval Operations show the way by giving up the four Filipino servants he has in his own house.

Mr. President I ask unanimous consent that the John Finney article of November 24, 1974 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Navy is Enlisting Filipino Servants

(By John W. Finney)

Washington, Nov. 23—The Navy, continuing a practice that dates back to the American Colonial days in the Philippines, will recruit 1,860 Filipinos this year as servants for its officers.

Of the four military services, only the Navy enlists foreign nationals to serve in its ranks—a practice that high-ranking Navy officers defend on the ground that it provides economic opportunity for young Filipino men who cannot find work in their homeland.

In the process, the Navy obtains men who are willing to serve as stewards, messboys, houseboys and servants for the officers—jobs that both white and black American recruits have been reluctant to take.

The practice also provides free military servants for the White House. About 50 Filipino messboys are assigned by the Navy to work in the White House dining room, aboard the Presidential yacht Sequoia and at the Presidential retreat in Maryland. At times, the messboys are required to work at private parties of White House officials.

ADMIRAL BACKS PRACTICE

In an interview, Adm. James L. Holloway 3d, who as Chief of Naval Operations has four Filipino houseboys assigned to his living quarters, defended the practice of recruiting Philippine nationals into the Navy as "a continuation of a traditional relationship."

One reason that the Navy has been "so slow to turn off the input of aliens" into its ranks, he said, is "compassion." Service in the United States Navy, he said, provides a "great opportunity" for the Filipinos to earn and save enough money so they can return home in relative affluence.

For some of the Filipinos, however, enlistment also provides an opportunity to bypass the oversubscribed quotas on Filipino emigration to the United States. After five years of service in the Navy, they are entitled to become naturalized American citizens. Some 6,000 of the Filipino enlistees now serving in the Navy are following this practice.

The Navy has 22,500 Filipinos serving in its ranks, a number that has slowly grown from 16,000 in 1964.

The use of foreign nationals as enlisted servants is a Navy custom dating back to the 19th century when ship captains on the Asian station were authorized to enlist Chinese to serve aboard their ships. When the United States in the Spanish-American war acquired the Philippines as a colony at the turn of the century, the Navy turned to Filipinos for its enlisted servants.

PRACTICE WAS STOPPED

The enlistment of Filipinos continued into the mid-thirties, when the Roosevelt Administration, at the urging of Eleanor Roosevelt, stopped the practice temporarily to provide job opportunities for American black citizens. In World War II, the Navy had both Filipinos and blacks to wait on officers.

The use of black stewards proved unsatisfactory to the Navy and to the black community. With the end of World War II, therefore, the Navy turned back to Filipinos for its enlisted servants. Shortly before the Philippines obtained its independence in July, 1946, Filipinos lined up for blocks to enlist in the Navy.

The 1947 military base agreement between the two nations gave the United States the right to recruit Philippine nations into its armed forces—a provision inserted particularly for the Navy.

TAKE SAME OATH

The Filipino recruits take the same oath of enlistment as other American recruits to defend the United States but with a supplementary agreement that their oath applies only to their service in the Navy and does not deprive them of Philippine citizenship.

With the Korean War, the Navy resumed its recruitment of Filipinos. The 1947 agreement was amended in 1952 to permit the Navy to recruit 1,000 Filipinos a year, a number that was raised to 2,000 in 1954.

For most of the Filipino recruits, their job is to serve in "officers country," cleaning the quarters and making the beds of officers and preparing and serving the food at officer messes. In recent years, however, the Navy has lowered the caste barriers limiting the role of the Filipino enlisted men.

Starting in 1971, the Philippine nationals were enlisted as "seaman recruits," not as stewards, thus in principle opening to them other enlisted ratings. At present, according to the Navy, 13,700 Filipinos are serving in other than steward ratings.

EFFECTIVE HELP FOR VETERANS

Mr. HUMPHREY. Mr. President, I commend my colleagues in both Houses for overriding President Ford's veto of the much needed Vietnam Era Veterans' Readjustment Assistance Act. I have been a strong and consistent supporter of legislation to increase veterans' education benefits, and I am very pleased that Congress in its collective wisdom has overridden this ill-considered veto.

The bill sent by Congress to President Ford is of vital importance in giving our young veterans the right they have earned to pursue an education and to improve their job skills. The act makes three major changes in existing veterans' education benefits which are absolutely necessary and far from being inflationary.

First, it increases the monthly education allotment for a single full-time veteran-student by nearly 23 percent, from $220 to $270. A married veteran's benefits increase from $261 to $321 under the bill, while a married veteran with a child would receive $366 instead of the current $298.

Second, the act would permit veterans to apply for low-interest VA education loans of up to $600 a year.

Third, the act would give the veteran 9 additional months to complete his undergraduate education.

The House and the Senate worked hard to make this bill fiscally responsible. The Senate itself voted further significant cost reductions.

I find it incredible that the President has overlooked the high public cost of extensive unemployment among our Vietnam-era veterans, as well as the several-fold return in income tax revenues that can be realized from Federal dollars invested now in educating and training these young men and women. Veterans unemployment is over 33 percent higher than for a comparable group of nonveterans 20 to 24 years old, according to the Bureau of Labor Statistics. This is outrageous, and one way to stop this unemployment is to give our veterans a decent education.

The question is, should we make unemployment and welfare payments to these veterans, or should we give them a start on a good career with a sound education?

In a letter sent to the President on October 10, and which I signed along with 39 colleagues, we urged him to sign this vitally needed legislation into law. We argued that "failing to make such an investment would clearly be a false economy, since it would necessarily result in spending even more money per person on such alternatives as public service employment, unemployment compensation and other social programs for needy veterans."

Our veterans need help desperately and this legislation is an effective response by Congress to their urgent request.

Thanks to the congressional override of the President's veto, we are making sure that the security and well-being of all veterans are taken care of with the same wholehearted support our veterans have displayed for the cause of this country—our peace and free way of life.

INDIANA UNIVERSITY SCHOOL OF MUSIC

Mr. HARTKE. Mr. President, citizens of the State of Indiana can take a high measure of personal pride in the contributions that the School of Music of Indiana University, Bloomington, Ind., is making to the world of music. Its student body of 1,582 music majors enrolled for the fall semester of 1974 makes it by far the world's largest school of music. The faculty of 140 full-time persons is world renowned. Outstanding performers and artists who have established careers before international audiences teach side by side with eminent scholars and educators—their influence as teachers further enhanced by their continued contributions to musical life throughout the Nation and indeed the world. The list reads as a who's who of music:

ADMINISTRATIVE

Charles H. Webb, Dean; William B. Christ, Associate Dean; Allan Ross, assistant to the Dean; Ralph Daniel, Director of Graduate Studies; Henry Upper, Director of Undergraduate Studies; and John Nagosky, Director of Admissions.

BAND

Ray Cramer, Frederick Ebbs, Wilber England.

HARP

Peter Eagle and Margaret White.

PERCUSSION

George Gaber and Richard Johnson.

BRASS

Wiliam Adam, Trumpet; Thomas Beversdorf, Trombone; Keith Brown, Trombone; Louis Davidson, Trumpet; Philip Farkas, Horn; Charles Gorham, Trumpet; Lewis Van Haney, Trombone; Ethel Merker, Horn; and Harvey Phillips, Tuba.

JAZZ

David Baker.

PIANO

Frederick Baldwin, Hans Boepple, Jorge Bolet, Janna Dawson, Edith Farbman, Bronja Foster, Sidney Foster, Hans Graf, Enrica Cavallo Gulli, Marion Hall, Wallace Hornibrook, Freda Kaufmann, Natasha Magg, Alfonso Montecino, Menahem Pressler, Alberto Reyes, Joseph Rezits, Walter Robert, Gyorgy Sebok, Karen Shaw, Abbey Simon, Henry Upper, and Marie Zorn.

STRINGS

James Buswell, Violin; David Dawson, Viola; Harry Farbman, Violin; Josef Gingold, Violin; Murray Grodner, Bass; Franco Gulli, Violin; Eva Czako Janzer, Cello; Georges Janzer, Viola; Michael Kuttner, Violin; Albert Lazan, Violin; Frtiz Magg, Cello; Urico Rossi, Violin: Janos Starker, Cello; and Helga Winold, Cello.

WOODWINDS

Earl Bates, Clarinet; Henry Gulick, Clarinet; Harry Houdeshel, Flute; James Pellerite, Flute; Bernaro Portnoy, Clarinet; Eugene Rousseau, Saxophone; Leonard Sharrow, Bassoon; and Jerry Sirucek, Oboe.

ORGAN

Clyde Holloway, Oswald Ragatz, Robert Rayfield, and George Wilson.

VOICE

David Aiken, Linda Anderson, Ralph Appelman, Eugene Bayless, Walter Cassel, Gianna d'Angelo, Jean Deis, Eileen Farrell, Margaret Harshaw, Roger Havranek, Martha Lipton, Virginia MacWatters, Elizabeth Mannion, Paul Matthen, Marko Rothmuller, Roy Samuelson, Vera Scammon, and William Shriner.

BALLET

Nicolas Beriozoff, John Kriza, Kenneth Melville, Jurgen Pagels, Rebecca Rutt, and Marina Svetlova.

COMPOSITION

Thomas Beversdorf, John Eaton, Frederick Fox, Bernhard Heiden, and Juan Orrego-Salas.

ELECTRONIC MUSIC

John Eaton and Tom Wood.

MUSIC LIBRARY

Dominique deLerma and David Fenske.

MUSICOLOGY

A. Peter Brown, Malcolm Brown, Austin Caswell, Ralph Daniel, Walter Kaufmann, Thomas Noblitt, and Hans Tischler.

PIANO TECHNICIAN

Douglas Strong.

THEORY

Bruno Amato, Richard P. DeLone, Ramon Fuller, Vernon Kliewer, Mary Wennerstrom, Allen Winold, and Gary Wittlich.

BUILDINGS AND EQUIPMENT

James Doyle and Ted Jones.

CONDUCTING

Fiora Contino, Alan Harler, Jan Harrington, Julius Herford, John Howell, Tibor Kozma, Allan Ross, Robert Stoll, and Wolfgang Vacano.

MUSIC EDUCATION

Leon Fosha, Miriam Gelvin, Charles Hoffer, Robert Klotman, Newell Long, Eugenia Sinor, Robert Stoll, and Susan Yank.

MUSICAL ARTS CENTER

Richard Lathom, House Manager.

OPERA

Ross Allen, Wilfred C. Bain, Elmar Burrows, Hans Busch, George Calder, Carl Fuerstner, David Higgins, Harold Mack, Fontaine Rodman, Max Rothlisberger, Patricia Vanderbeke, and Allen White.

PUBLICITY

Philip Stephenson.

Mr. President, Indiana University School of Music offers curricula which combine scholarship with performance, theory with practice, the academic with the creative. The highest standards in musical performance, scholarly research, pedagogical skill, and theoretical study are imaginatively joined to produce a unique reputation for this great music school located in the heart of America.

Such a reputation is based upon many factors: a distinguished faculty, superior students, high-level musical performances, a wide range of academic studies, complete libraries, opportunity for specialization, and unexcelled facilities.

Taking cognizance of the needs of the individual, the Indiana University School of Music stresses the importance of flexibility in planning the student's course of study, while maintaining the school's own standards of excellence.

Music education, the largest single field of study at the Indiana University

School of Music, places as much emphasis on the musical development of its students as it does on their educational preparation. All undergraduate students in the school of music take the same fundamental music courses, regardless of their degree programs. As a result, music education majors receive the same instruction from artist-faculty as performance majors and are expected to present recitals as well as participate in organizations and performing ensembles.

The graduate program in music education is flexible enough to meet the specific needs of each individual student. An intensive research program in methods and materials of music education is offered. Faculty and students of the music education department are well represented in publications dealing with music education.

Innovation in curriculum is a byword at Indiana University. Just this semester the faculties of departments of music theory and musicology have presented a combined curriculum dealing with the teaching of the fundamentals of music together with a basic repertoire in a unique approach to the dissemination of information in thesse two vital areas.

The department of music theory of the School of Music has as its purpose the in-depth training of musicians in apperception of musical phenomena from the earliest periods of music history through the most recent of this century's music. The department provides basic training in music fundamentals for the general music student, as a comprehensive program of study leading to undergraduate and graduate degrees in the specialized field of music theory.

The musicology department offers programs leading to the M.M., M.A., and Ph. D. in musicology. Courses and seminars in the significant areas of Western music, as well as in Oriental art music, Russian music, Latin-American music, provide student musicologists with an exceptional range of possibilities in selecting an area for individual specialization. Reference and research are supported by a music library of some 74,000 bound volumes.

The music library, an integral part of the School of Music, provides research and reference materials, performing editions, records, tapes, and monographic materials.

The music library consists of three public service divisions: the Sycamore Hall Library—books and scores, the record library, and the Performing Ensembles Division—performing materials for the orchestras, choruses, and operas of the School of Music. The collection of the music library, one of the largest of its kind in an academic institution, consists of approximately 74,000 books and scores, 45,000 records and tapes, and 166,000 orchestral parts and choral materials.

Also included in the collection are over 5,000 microphoto documents—including the Willi Apel Collection of early keyboard manuscripts and treatises, some 600 serial titles, the black music collection, and the Latin American Music Collection. The University Lilly Library, a rare books and archival library, houses an enormous number of first or early editions of music and music literature, along with several notable collections, such as the Fritz Busch Collection, the Starr Collection—over 125,000 titles of American sheet music dating from ca. 1800 to ca. 1950, and the Helm Manuscripts—114 manuscript opera scores, mostly by copyists, including works by Beethoven, Cherubini, Donizetti, Gluck, Mozart, Paisiello, Rossini, Spohr, Weber, and Weigl, in addition to materials relating to the Teatro Communale di Bologna.

At the heart of the education of musicians at the Indiana University School of Music is the belief that live performance of music is essential. The more than 700 solo and ensemble recitals that are presented annually in fulfillment of degree requirements provide not only concert experience for the performers, but also an excellent opportunity for hearing a large repertoire of music for all mediums.

The ensemble program of the school is consistent with this philosophy. The many ensembles actively engaged in live performance of the great ensemble literature provide a wide range of valuable experience for the participants.

An extensive program is offered in chamber music for strings, woodwinds, brass, percussion instruments, and piano. Trios, quartets, quintets, choirs, and other ensembles meet regularly—for credit—under the guidance of the instrumental faculty. All the ensembles have many opportunities for performance both on and off the campus. The new festival chamber music program, inaugurated during summer session 1974, provides an intensive chamber music coaching period, culminating in a series of recitals for many combinations of instruments.

Five full symphony orchestras, with no duplication in personnel, maintain an active performance schedule. A series of one-a-week concerts throughout the school year presents the standard orchestral repertoire, concertos with student soloists, and significant works of contemporary composers.

Over the years many world premieres have been presented. The experience gained in participating in these orchestras during a student's college years serves as excellent preparation for a professional orchestral career after graduation.

The department of bands provides supervision and instruction for five band organizations that are recognized as being a vital part of the School of Music.

An inclusive spectrum of choral literature is presented annually by the many choral ensembles of the School of Music. The Chamber Singers and the larger University Singers present the finest in serious choral repertoire from throughout the ages. The Pro Arte Ensemble of singers and instrumentalists specializes in concerts of early music using consorts of ancient instruments. An instructional program in the playing of these instruments is available to both music and nonmusic majors. The Singing Hoosiers are known throughout the country and around the world for their professional quality concerts and entertainment shows. The University Chorale and Women's Chorus perform works written for large vocal ensembles. Major works for chorus and orchestra are included regularly in each year's concert schedule.

Three full jazz ensembles present an extensive series of concerts on campus and regularly tour of surrounding areas for additional performances. Their repertoire includes works specially composed for the ensembles as well as standard works for the idiom. Distinguished instrumental faculty members often appear as soloists with the ensembles.

The Indiana Unversity School of Music is one of the few in the country to offer the baccalaureate degree in jazz studies. The program includes a series of courses in jazz history, composition, improvisation, and performance.

Saturday night is opera night at Indiana University. The Opera Theater, which has frequently been recognized by music critics for the professional level of its performances, presents full-scale operatic productions on every Saturday night of the academic year, from September through April. There are usually 22 presentations—6 different operas, each featuring a double cast of outstanding undergraduate and graduate students. A full orchestra accompanies the presentations. Brilliant and striking scenery is designed by world-famous stage designers and colorfully executed by students seeking special training in this field. The intensive activity of the Opera Theater provides unparalleled opportunity for student vocalists, instrumentalists, dancers, and stage technicians. Following the production of John Eaton's opera, Heracles, during the Dedication Week Festival of the Musical Arts Center, Time magazine wrote:

> The University of Indiana's opera department compares with some of its rivals the way a 747 jet compares with Piper Cubs.

The Opera Theater has given 830 full-scale performances of 135 operas in the past 25 years—all in English. These productions have earned the Opera Theater a position that is "second to none when it comes to carefully rehearsed, meticulously prepared performances."

The Opera Theater has enriched the cultural atmosphere of the Midwest and made Bloomington, Ind., a landmark on the musical map of the United States.

The ballet department has as its purpose the creation of a dance company of professional quality within a department offering undergraduate and graduate degrees in ballet and ballet pedagogy. Ballet Theater traditionally presents Tchaikovsky's Nutcracker, full-scale productions of such classical works as Coppelia and Les Sylphides, and contemporary works choreographed by faculty and talented students of the ballet department. Ballet classes are available to all students in the School of Music and to nonmusic majors. A preparatory department offers instruction to precollege students of all ages.

The facilities of the School of Music are housed in five buildings: The Music Building—including the addition completed in 1960, Linden Hall, Sycamore

Hall, the Musical Arts Center, and the Indiana University Auditorium. These buildings contain faculty and graduate assistants' studios and offices, practice rooms, classrooms, rehearsal rooms, and libraries, as well as space and equipment for recitals, concerts, and the full-scale productions of opera and ballet. Over 210 grand pianos and 230 upright pianos are maintained by a staff of five resident piano technicians. In addition, 20 electronic pianos with instructors' master instruments are available for the teaching of class piano. Recently added facilities include the Arthur R. Metz Memorial Carillon, the School of Music Carillon, and two practice carillon consoles.

The Musical Arts Center is unique among instructional and performance facilities in the world. Completed in 1971, it was planned and constructed to enhance the rich program in the performing arts of the School of Music. The decorative vocabulary of the building is glass, rough concrete, and textured plaster accented with bright, contrasting colors. The main auditorium, seating 1,460, is designed in the intimate continental style with the rear wall only 80 feet from the curtain. The large orchestra pit is split lengthwise into two independently controlled elevators, each with two levels. With the single exception of the Metropolitan Opera in New York, the main stage, two side stages, and rear stage are the largest and most well-equipped in the world.

Distinguished musicians from around the world send prize students to Indiana University School of Music for instruction at the highest level. This should make all Hoosiers proud of this school—the flagship of music schools in a fleet of hundreds throughout the Nation.

VA ADMINISTRATOR'S MESSAGE TO EMPLOYEES

Mr. HARTKE. Mr. President, recently Richard L. Roudebush, the recently confirmed Administrator of Veterans' Affairs, sent a message to all field stations in the Veterans' Administration. I believe my colleagues will be interested in the Administrator's message to employees, and I ask unanimous consent that it be printed in the Record.

There being no objection, the message was ordered to be printed in the Record, as follows:

Administrator's Message to Employees

On Saturday, October 12, I had the high honor of being sworn in as your Administrator in the Rose Garden at the White House. It is an honor I wish I could have shared with all of you. Since I fully intend to share with you the essential decision-making, action-taking, result-producing authority needed to serve America's veterans, their dependents and survivors—I want to share with you—as my first order of business—some of my thoughts concerning the Veterans Administration.

It has often been said that we in VA are engaged in a service occupation, and much has been made of the word "service" in describing our mission, our responsibilities and our goals.

I would also like to share with you my idea of service—not to detract from our commitment, but to reinforce and vitalize it.

To me service is people and we are in a people business.

The people we deal with are special people—veterans and their families—men and women who have gone one step further, given up one drop of blood more, held on one hour longer for the continued good of our country.

The special nature of the people we serve demands a special quality in the service we render. We serve people when they are happy, like the veteran who is about to buy his dream house with a VA guarantee. Service to him is easy, requiring only a simple human decency on our part.

The veteran going to school under the G.I. Bill may be entering the happiest period of his life but it won't be very happy if VA people don't get him his checks on time so he can enjoy his education experience without worrying about his next meal.

But mostly we serve people in trouble. The veteran admitted to our hospital deserves not only the best of medical care, but also the best people attention we can give him. For him the best level of medical care means high quality people care from people who really care.

The veteran who lost an arm in service needs more than a high quality prosthesis. He needs the timely adjudication of his claim to provide compensation and a carefully supervised vocational rehabilitation program to permit him to overcome his handicap. And he needs understanding and encouragement.

And the veteran or widow in need deserves more than just pension dollars from us. He or she deserves the type of treatment that preserves dignity as people. He or she deserves the treatment of people who care.

All of these attributes of service—these illustrations of people who care—I expect from each and every one of you in the VA service family.

I expect you to do your best, and more. I expect you to accept thanks in a gracious manner and to accept criticism or abuse with the same full realization of the personal pressures that caused it.

I want you to commit yourselves to excellence—to do not only the most you can, but also to do the best you can—to continue to learn your job better and better to the point that you assure yourself no one can do more at your job than you.

And, in turn, I promise to treat you with the respect, consideration and affection you deserve as VA people.

I promise to make working conditions as pleasant as possible. I promise to listen to what you have to say and to do all that I can to make your worthwhile ideas become reality.

I promise to keep you fully informed on a timely basis of everything you must know to do the type of job I expect.

I promise to try my best to see that promotion channels are open and accessible.

And I promise you as much worthwhile, demanding, and important work as you can possibly handle—and maybe a little more.

Because, together we don't really know how much we can accomplish, we don't know what heights we can reach and we don't know how well we can perform. But we know we serve people who need and deserve our best. And we do know we can be the best there is at our jobs. With dedication we can once again make VA the vanguard agency in government.

CONSERVATION ETHIC

Mr. THURMOND. Mr. President, there seems to be little question that this country must greatly increase conservation of its energy resources if we are to progress in the decades ahead. The recent comments of former AEC Chairman Glenn T. Seaborg were the subject of an editorial entitled, "The Rising Cry for Conservation Ethic." This editorial appeared in the November 21, 1974, issue of the Aiken Standard newspaper in Aiken, S.C.

Dr. Seaborg counsels that the burning of oil and gas to generate electricity should be outlawed. He says oil and gas molecules as finite resources are too precious for future generations to expend except to move vehicles and possibly to fire stationary boilers in steamplants.

Of course, the real answer to these problems lies in a crash research and development program to develop new sources and new procedures to meet our energy requirements. However, in the meantime I share the concern of Dr. Seaborg that the only immediate alternative is to conserve energy.

It is my hope that if President Ford's voluntary plan does not produce immediate and significant energy conservation, more stringent steps should be initiated.

Mr. President, I ask unanimous consent that this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Rising Cry for Conservation Ethic

Another voice, that of former AEC chairman Glenn T. Seaborg, has been heard crying in the wilderness for a conservation ethic.

Dr. Seaborg, a Nobel Prize winner, counsels that the burning of oil and gas to generate electricity should be outlawed. Oil and gas molecules are finite resources, more precious in the long run for petrochemical uses than for simple burning. And, if they are to be burned, they are better used to fuel engines in moving vehicles than to fire stationary boilers in steam plants.

If we stop burning oil and gas for electric generation, what are the possible alternatives? Coal burning is out because of our smog problem. Coal burning at giant power plants in the desert can cause smog there. Hydroelectric dams are controversial because they tame wild rivers and flood canyons. There is a limit to the pace of nuclear development. The new technology can't be hurried without incurring both economic and physical risks. Fusion, geothermal and solar energy sources are somewhere off in the future.

The only immediate alternative is to save energy. Consume less rather than generate more. Public policy must be directed to this end. Stronger measures to curb waste may soon be needed. Every American must adopt a conservative ethic.

THE GOOD WAR THAT MIGHT HAVE BEEN

Mr. HUMPHREY. Mr. President, I recently read an analysis of the war on poverty that brought back many memories; some pleasant, some sad. It was a challenging undertaking that can and must be launched again. The article is aptly titled, "The Good War That Might Have Been," by Mr. Mark R. Arnold and it appeared in the New York Times Magazine on September 29, 1974.

The main thrust of the article is that America could have won the war on poverty, if it had kept up the fight. It now appears that we have given up, "disengaged" from the war on poverty. We have run out of ammunition because of funding cutbacks and program phaseouts. This is a tragic mistake.

As an original sponsor of the Equal Opportunity Act of 1964, and through my involvement in overseeing the program as Vice President, I am well aware of its strengths and its failures. In the battle against chronic unemployment, the Job Corps provided thousands with training and job placement who had no hope without it. Head Start gave small children the chance to get an equal start with more affluent children when they entered school. Community Action Agencies gave the disadvantaged a chance to help themselves and a voice to express their desires.

However, although many of the OEO programs remain in some agency of Government, in some form, they have not been given the political or financial support necessary to succeed in meeting the challenge of poverty in America.

Minor flaws and funding errors in the OEO program were given wide publicity, while the undramatic story of slow and steady progress received scant attention. I agree with Sargent Shriver, former Director of OEO, who maintains today that—

> The fact is that we could have conquered poverty in a decade—just as I told Congress in 1966. What a terrific way to have celebrated the nation's bicentennial!

The enemy remains with us today. He is easy to spot. He can be seen in the ghetto slum, in economic ruin, in illiteracy, in rural decay, and in the eyes of the malnourished children.

Mr. President, in the near future we will be considering antipoverty legislation that will at least continue the skirmish against poverty that is currently being undertaken.

In preparation for those deliberations, I urge my colleagues to refresh their memories of "The Good War That Might Have Been," by reading Mark Arnold's article in the New York Times magazine.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, Sept. 29, 1974]

THE GOOD WAR THAT MIGHT HAVE BEEN

(By Mark R. Arnold)

Ten years after President Johnson signed the Economic Opportunity Act on Aug. 20, 1964, declaring it "the policy of the United States to eliminate the paradox of poverty in the midst of plenty," poverty is in much less danger than the Office of Economic Opportunity. The House voted in May to repeal the act and transfer remaining O.E.O. programs to other agencies, and the matter is now before the Senate.

A rereading of the act, coupled with a review of the program's tortured history, confirms that what the nation got in the war on poverty was an act whose swelling rhetoric bore little resemblance to the tools it made available to carry it out. "Why didn't we eliminate poverty?" Sar Levitan, a Washington economist and the program's unofficial historian, purses his lips as he ponders the question. Then he shrugs his shoulders. "We never really tried." The General Westmoreland of Johnson's poverty war, R. Sargent Shriver Jr., says, "The fact is we could have conquered poverty in a decade—just as I told Congress in 1966. What a terrific way to have celebrated the nation's bicentennial!"

Was it tried? Could it have succeeded? A study of the war on poverty has to be understood on two levels. As measured by the ultimate goal—in the language of Johnson's declaration of war, March 16, 1964: "total victory" in a "national war on poverty"—it is clearly a bust. The numbers of poor have actually increased in two of the last four years. On another level, it can be argued that O.E.O.'s arsenal of weapons has brought about sweeping changes in the way society views the poor and the way institutions respond to their needs.

It is clear now in 1974 that the original antipoverty strategy was based on a number of misapprehensions or beliefs that weakened its impact. One was that a class of Americans—the poor—could be singled out for special treatment without arousing deep resentment among others. Alvin Arnett, whose lobbying activities to preserve O.E.O. programs opposed by President Nixon cost him his job as its director, concedes: "It had to bother the guy who sweated all day to provide for his family when he saw there was a health clinic, or a food-stamp program, or a job-training program that welcomed the welfare mother down the block while he faced a mountain of unpaid bills." A second misapprehension was that a moral commitment to end poverty would guarantee a steadily larger share of Federal resources to fight poverty, in the face of competition for slices of the Federal pie by interests with stronger political constituencies. Finally, there was the idea that Federal tax monies could be used to bring about social and political change—used to "alter the distribution of power through machinery responsive to today's power," in the phrase of Harvard Law School Professor Lance Liebman. This was, in fact, done with surprising success in many areas. But it was a mistake to have supposed that the system could be used to change the system—without arousing the system.

Yet, despite its difficulties, the antipoverty program introduced new techniques for coping with neglected problems, such as neighborhood-oriented health and legal services, preschool education, cooperative business enterprises, paraprofessional jobs and training programs that screen the hardest cases in, not out. It created, through establishment of local community action agencies, new self-help institutions in the slums, enabling the poor to exert leverage on governments at all levels. It provided food, transportation, job training, health care, legal representation, homemaker skills, compensatory education and other basic human services to millions of needy Americans. It established career ladders for hundreds of talented minority-group members, among them Representatives Ronald Dellums of California and Parren Mitchell of Maryland and Mayors Coleman Young of Detroit and Theodore Berry of Cincinnati.

The idea for the war on poverty was born in the summer of 1963, when Walter Heller, chairman of the Council of Economic Advisers, convened a meeting of senior Government officials to discuss how a strategy for fighting poverty could be made part of President Kennedy's 1964 program. Heller had read Michael Harrington's graphic 1962 portrayal of the nation's forgotten poor, "The Other America," and lent it to Kennedy, who, three years before during his campaign for the Presidency, had been deeply stirred by the poverty he had seen in Appalachia. Two days before his assassination, Kennedy had given Heller the go-ahead. Less than a week after Kennedy's death, Johnson ordered the plan accelerated. "That's my kind of program," he told Heller.

The Economic Opportunity Act was Johnson's first major legislative achievement as President. Its passage marked the beginning of one of the most prolific bursts of legislative activity in history. Within little more than a year after its passage, a historic civil-rights act, a voting-rights act, the first omnibus program of aid to public schools and health insurance for the elderly all became law—testimony to Johnson's skill, to the nation's remorse over President Kennedy's death and to Congress determination to bring to fruition the seeds of social policy planted in the New Deal.

Better than any other single document, Johnson's March 16, 1964, message to Congress, summed up the optimism of the moment: "We are citizens of the richest and most fortunate nation in the history of the world," began the message. But "there are millions of Americans—one-fifth of our people—who have not shared in the abundance which has been granted to most of us, and on whom the gates of opportunity have been closed." Poverty to those who endure it, Johnson continued, means "a daily struggle," "hopelessness," "a squalid environment," "racial injustice," a feeling of being "trapped." A tax cut, which he had previously announced, "will create millions of new jobs—new exits from poverty. But we must also strike down all the barriers which keep many from using those exits. . . . We do this . . . because it is right, because it is wise and because, for the first time in our history, it is possible."

Behind the message lay a titanic bureaucratic struggle involving almost a dozen agencies—Agriculture, Commerce, H.E.W. and Labor among them—each eager to have its pet projects included in the poverty package sent to Congress. The basic choice was between a jobs-and-training approach, favored by Labor, and social services stressing community self-help, urged by H.E.W. The eventual compromise put primary reliance on community self-help, but with a strong youth-oriented employment component. A companion question—who was to run the new Federal effort?—was harder to resolve. To settle conflicting claims, and take command of planning, Johnson turned to Shriver, director of the popular Peace Corps and a man whose links to the Kennedy family underlined Johnson's pledge of continuity.

Shriver assembled a task force of eager, bright Government planners, held widely advertised meetings with business, labor and other groups and drew up a proposal that ingeniously enlarged the scope of the planned effort to include several unrelated projects for which the Administration was also seeking legislation, such as a domestic Peace Corps and a welfare work-training program. Inclusion of these projects thus enabled poverty planners to command an $800-million effort the first year, instead of the $500-million Johnson had initially budgeted, at no extra cost to the Treasury. In choosing the ingredients for the antipoverty recipe, many ideas were discarded, among them a proposal for an 18-month crash program to achieve universal literacy. Recalls Hyman Bookbinder, executive director of the task force and later a key antipoverty administrator, who conceived the plan: "My argument was you could never get to first base in helping people to lift themselves out of poverty unless they could read and write. But it was agreed the idea wouldn't fly with Congress. There was a constituency, a lobby, for youth employment, for social services, but none for literacy."

Johnson knew the agency would stir some trouble; it was to be an advocate for the poor within Government, a prodder and goader of the great bureaucracies. At his insistence, it was set up in the executive branch and Shriver was made a Presidential Assistant as well as O.E.O. director. "Sarge," the President said, putting a protective arm around him, "this thing can't survive less'n everybody knows when they're hitting it, they're hitting me. I'm your protection."

The Economic Opportunity Act gave the new O.E.O. responsibility for operating some of the programs itself and for coordinating the often competing activities of the other agencies. Some of the major ones it ran were the community-action agencies, the Job Corps and VISTA (Volunteers in Service to America). The community-action groups, to be composed of all segments of a community, would attack local poverty with the help of $90 in Federal funds put up for each $10 raised locally. The Job Corps established residential training centers, for youths 14 to 22, where school dropouts with poor prospects could complete their education and learn a trade. VISTA was to be a domestic counterpart to the highly successful Peace Corps; enrollees would work in migrant camps, Indian reservation, urban slums and rural outposts, helping the poor overcome their poverty. The Economic Opportunity Act also established a Neighborhood Youth Corps, within the Labor Department, to help keep youths in school, to provide help for migrant workers and small businessmen, to provide job training for welfare mothers and to provide work-study grants to poor college students. New programs quickly joined the list: Head Start, a preschool program that emphasized attention to medical and nutritional as well as educational needs; legal services, and neighborhood health centers.

By 1965 the poverty war machine was rolling across America, scattering money and programs into each Congressional district and burying the local news media under press releases. The Shriver theory was that, like airplanes, programs had to build up speed in a hurry, or they'd never get off the ground. Donald M. Baker, then O.E.O. counsel and now counsel of the House Education and Labor Committee which oversees antipoverty activities, says, "The whole first year or year and a half, we were laying down seed money, building a basis of support for a steady escalation in antipoverty resources." The theory worked for a while. Congress granted the agency $1.5-billion in 1965, and before the program was 18 months old Shriver could boast there were functioning Community Action Programs (CAP's) in more than 1,000 communities. No one was more pleased than Lyndon Johnson, who told his Cabinet members to save as much money as possible on their own programs. "Ya' all give it to him," he said, pointing to Shriver.

Yet little more than a year later, the build-up-speed-in-a-hurry approach began producing confusion and, eventually, widespread backlash. Though prepared for some bureaucratic squabbling, Johnson was taken by surprise at adverse local reaction, and complained to Shriver: "Is O.E.O. being run by a bunch of kooks, Communists and queers?"

Job Corps youths had been flown cross-country to camps without beds or programs. A half-million comic books were printed for recruitment purposes but were never distributed when it was discovered that earlier drives had generated 300,000 inquires for only 1,000 job-training slots. Congressmen were fuming, by 1967, that the program was costing $8,000 per enrollee—more than it cost to send a young person to Harvard (Director Otis Singletary Jr. replied to Congress that he would personally pay for any Job Corps boy whom Harvard would accept.) The trainees often clashed with local townspeople, indeed, rioted in some instances.

Community-action organizers, who had begun seeking to "strike down all the barriers," took aim at local merchants, slumlords, even Mayors. Local officials learned to their horror that they couldn't control community-action agencies. The act included the stipulation that such agencies should be public or private nonprofit enterprises, thus bypassing City Hall, and should be run with the "maximum feasible participation" of the people served.

Community after community erupted in bitter struggles for control of antipoverty activities, with competing poverty factions invoking the act's magic phrase—"maximum feasible participation." O.E.O. was found to be supporting a blatantly racist theater group in Harlem. VISTA volunteers were accused of political agitation, or worse, fomenting revolution.

The horror stories proliferated, breeding public disillusionment from which the programs never fully recovered. "Some of the problems we asked for because Shriver had so damn many things going at once," says Don Baker. "Some happened because O.E.O. had no real administrator at the top. Shriver was still running the Peace Corps with one hand, and he didn't get a deputy he trusted completely until Bertrand M. Harding came in" in June, 1966. "And some problems occurred because we did have at O.E.O. a group of people whom I called the kooks and bongos; they were hell-bent on restructuring society regardless of the realities of life."

There was another factor too. It was that many people took the rhetoric literally. Many of the tactics that drove Mayors and Governors to distraction—rent strikes, marches on City Hall, demands for more municipal jobs for minorities, even suits against welfare restrictions—were legitimate assaults on real sources of poverty. "I'll never forget the day in 1967 when the Supreme Court struck down state residency requirements for welfare eligibility," says Baker. The suit had been brought by O.E.O.-supported legal services attorneys. "Many of our best friends on the Hill, in Governors' mansions, the Mayors' offices—they were all mad at us. This would cost them millions. They might have to raise taxes. Yet here was a decision that did more to alleviate poverty than almost anything else we had done. And that was always our quandary: how could we alleviate poverty without hurting the people whose support we needed to alleviate poverty?"

In 1966 and 1967, Congress enacted a series of restrictions, limiting salaries of antipoverty officials, putting a $6,900 ceiling on per-enrollee costs in the Job Corps, and permitting local governments to take control of community-action programs. These actions, coupled with a number of changes within the O.E.O. itself, took much of the sting out of its activities. The agency, for example, backed off its support of the controversial Child Development Group of Mississippi, a statewide preschool program, whose heavy involvement in civil-rights activities had aroused the state's powerful Congressional delegation.

The agency also decided to prepackage a number of programs that had proved relatively popular and encourage local community-action agencies to adopt the package, rather than devise their own programs. These "national emphasis" programs included the immensely popular Head Start and its sequel, Follow Through, which continued preschool innovation in the primary grades; Upward Bound, a precollege tutoring program for minority students, legal services, neighborhood health centers, family planning and several senior citizens programs. Adoption of a "national emphasis" strategy enabled Shriver, in his periodic presentations to Congress, to answer a question that had long puzzled even friends of community action: What, exactly, were the communities doing with the money? But the effect was that less money was then available for programs designed by the people themselves.

The economic premise of the war on poverty was the belief in escalating expenditures: Economic growth, spurred by expansionist Government fiscal and monetary policies, would create jobs, swell Treasury revenues, and provide a continually rising reservoir of funds.

Back in June, 1966, Shriver's people worked up a 410-page four-year plan: By a combination of expanded services, stepped-up income maintenance and economic growth, two-thirds of the 36 million poor would be lifted from poverty by 1972, the remainder over the next four years. There was only one catch: Government antipoverty outlays would have to grow by $6.4-billion, or 28 per cent, the first year, and $3-billion a year thereafter, O.E.O.'s own budget would quadruple from $1.7-billion in 1967 to $6.8-billion in 1972. Yet, the report said, the recommended increases were "less than the normal annual increase in Federal tax revenues" in a prosperous economy and "would provide a real start" in the all-out war on poverty.

What happened, of course, was that the country got deeply involved in waging, and providing the funds, for another, hotter war. "Vietnam took it all away, every goddamned dollar," says Shriver; "that's what killed the war on poverty. It wasn't public opinion." Charles Schultze, then L.B.J.'s budget chief, adds: "Rather than relying on economic growth to provide more antipoverty funds, he [Johnson] would have to raise taxes. He wouldn't do that. He could say he was raising taxes to finance Vietnam, but he feared the conservatives would use it as a club to kill all the Great Society legislation. By the time he decided to ask Congress for a tax hike [in 1968] he was afraid chances of getting it would be killed if people thought it was for the war on poverty." Thus, the four-year plan was never begun, and the nation never really adopted a goal for eliminating poverty, or a realistic strategy for meeting it.

As events unfolded in 1968, the O.E.O. feared that the protective Johnsonian bear hug would soon become the Nixon stranglehold. In fact, however, Richard Nixon did not move to kill O.E.O. for four years. In some ways he strengthened it during his first term. Sensitive about the narrowness of his razor-thin victory over Hubert Humphrey, hoping to peel away the resentment and suspicion with which he was viewed by much of the public and heavily influenced by the theories of Daniel Patrick Moynihan, his house Democrat, the new President swallowed some of his rhetoric of the 1968 campaign (his pledge to abolish the Job Corps, for example). He proposed a Family Assistance Plan to provide an income floor under every American family, including the working poor who were ineligible for welfare. And he moved boldly to restructure O.E.O.

Shriver and his successor, Bert Harding, had already begun spinning O.E.O. programs off to other agencies once such programs were deemed mature enough to survive in old-line bureaucratic settings without losing their poverty focus. O.E.O., after all, was to be experimental, not permanent. Nixon continued the process, sending Head Start to H.E.W., the Job Corps and other manpower programs to Labor. More transfers were to follow. The O.E.O. would become "the R.-and-D. arm for Government's social programs," Nixon said on Aug. 11, 1971, in a special message that hardly mentioned poverty. The stress was on minimizing class distinctions and avoiding controversy. "We must avoid words and actions which drive people apart," he said, "and emphasize instead the common stake of all Americans in extending economic opportunity."

Nixon's choice to head the agency was Donald Rumsfeld, a young, politically ambitious Republican Congressman from Chicago's northern suburbs, who had voted against establishing O.E.O. in 1964. One of his first acts was to demand that references to "the poor" and "poverty" be stricken from the agency's vocabulary, in favor of "low income," a usage that he later recognized as foolish and repealed. Rumsfeld was never able to overcome the suspicions among the agency's employees and Congressional liberals that he had been given a hidden license to throw the baby out with the bath water. For one thing, Rumsfeld tried to stack the agency with political appointees—clean-cut young executive-type Republicans who seemed more intent on pleasing the White House than serving the poor. Then there was the notorious legal-services flap, in which that acclaimed program's director, Terry Lenzner, and his deputy, Frank Jones, were unceremoniously fired for backing several projects that had aroused heated controversy. (Lenzner later served as a counsel for Senator Ervin's Senate Watergate committee.)

In retrospect, it can be argued that if O.E.O. had not pulled in its horns, it would not have survived as long as it has and many of its programs would not have survived at all. The showdown came in California, where Gov. Ronald Reagan compiled a report charging serious wrongdoing on the part of the statewide California Rural Legal Assistance and demanded that its funds be terminated.

C.R.L.A. was the prototype for dozens of the country's poverty law offices that served up occasional class-action suits along with a steady diet of routine divorce, housing and consumer cases. Acting on behalf of migratory and other poor farm workers in the state, it had brought one suit after another against state agencies and influential growers. Its legal victories had cost Reagan and his conservative supporters millions. The charges against C.R.L.A. were transparently politically motivated and were thoroughly discredited in 1971 by a panel of judges set up to investigate them, but the flap redoubled the Administration's determination to minimize controversy. It also provided a major push for detaching legal services from the O.E.O. and placing them in a nonprofit Government-chartered corporation where they could be better insulated from political attack.

Research funds swelled in those years, and action funds declined. Brought to completion was a research project, begun by Shriver in 1967, under which poor families in five New Jersey communities were given varying subsidies to determine the effect of work incentive. The report's conclusion: "Changes in the labor supply in response to the experimental payments were generally quite small." Translation: Fears that a Government-guaranteed income floor would destroy incentive to find jobs were greatly exaggerated. O.E.O. also began testing various job-training models, alternative day-care settings and performance contracting in school.

Richard Nixon's landslide re-election in November, 1972, affected O.E.O. like no event since the escalation of the war in Vietnam. Federal outlays for the poor had doubled under Lyndon Johnson, rising from $7.9-billion in 1964 to $15.9-billion in 1969. They doubled again in the next six years, but virtually none of the increase went to programs authorized under the Economic Opportunity Act. Outlays for O.E.O. programs in 1973 stood at the same level Nixon inherited in 1969: $1.9-billion. Most of the increase in funds for the poor under Nixon were not spent in training or service programs aimed at getting rid of poverty, but rather the funds took the form of direct financial assistance—in some cases available to nonpoor as well—such as Social Security benefit increases mandated by Congress, Medicare-Medicaid, the new federalized Supplementary Security Insurance, which replaced the "adult welfare" categories: aid to the aged, blind and disabled. The major exception was food stamps, a program which will have reached 15 million people in 1974 as compared with one million in 1969, and on which Federal outlays soared, under Nixon, from $1.6-billion to $5.1-billion.

Interpreting his victory at the polls as a mandate to overhaul the Federal bureaucracy, Nixon forced the resignations of dozens of officials appointed in his first term and impounded billions of dollars in Congressionally appropriated funds in an attempt to close down programs he considered unuseful. At O.E.O. he named a new director, Howard Phillips, a 32-year-old, Harvardbred conservative activist. A founder of Young Americans for Freedom in 1960 and a former national vice chairman of Young Republicans, Phillips was ideologically opposed to using tax dollars to bring about social changes directly or indirectly.

Nixon's 1974 budget proposal contained no funds at all for the O.E.O.; the agency was to be phased out. On the day of his appointment, Jan. 29, 1973, Phillips sent out the first of a series of messages to subordinates directing that they begin dismantling their programs. The wrecking operation came to a quick halt in April, however, when District Court Judge William Jones ruled that Phillips had no authority to defy the clear intent of Congress's authorization that the program continue until 1974.

With the collapse of the White House strategy on O.E.O., Phillips himself was sacked and the White House, by then preoccupied with shoring up its defenses against the unraveling Watergate scandal, declared a truce. Congress should decide what it wanted to do with the programs, said the Presidential deputy press secretary, Gerald Warren. Nominated to succeed Phillips was Alvin Arnett, formerly director of the Appalachian Regional Commission, an Eastern Kentucky boy reared in West Virginia—and, it turned out, a sheep in wolf's clothing. It was widely anticipated that Arnett, like Phillips, would seek to undermine O.E.O. from within. As Phillips' acting deputy, he had drafted the papers to complete the transfer of 11 programs, authorized by the Economic Opportunity Act, to other Government agencies and that transfer was upheld by another federal judge in August, 1973.

To the surprise of everyone, however, Arnett sought to strengthen support for community action, one of the few programs left. He took to the road, alerting local and state officials to the prospect of O.E.O.'s imminent demise. In fiscal 1975, again the Administration had asked for no community-action funds. If the Mayors and Governors—and local administrators—wanted community action to stay in business, Arnett told them, they'd better make their voices heard in Washington. They did.

What happened between last October and May 29, when the House acted, was unprecedented in O.E.O.'s history. The two national organizations that represent CAP directors and other friends of the program hired a high-priced lobbying team in Washington, headed by former Representative William Cramer, a one-time O.E.O. critic. Letters proclaiming the virtues of community action poured in from 32 Governors, dozens of Mayors, Chambers of Commerce and more than a few of the 185,000 Americans who owe their jobs to the program. Some of the endorsements came from strange places. Wrote Alabama's Gov. George Wallace: "There is strong support from all segments of local communities for continued Federal funding. . . . Many of these agencies have developed service delivery systems which are recognized as very effective for reaching low-income and disadvantaged people."

Representative Augustus Hawkins, the Democrat from Los Angeles's Watts section who chairs the House Education and Labor subcommittee that oversees antipoverty activities, estimates that back in October there were less than 100 House votes to preserve community action. Seven months later, by a vote of 331 to 53 the House approved the Community Services Act, which kills O.E.O. but preserves all programs in other agencies.

Martin LaVor, a House Republican staffer who has followed O.E.O. from its inception, explains the shift in sentiment: "Community action keeps the poor off the Mayor's backs. Some of them provide useful services, some are largely job-creating enterprises. . . . They create a buffer between the local power structure and the poor. Take them away and a lot of public officials will have problems on their hands they'd prefer not to have to deal with."

"It was a perfect way to resolve the issue," says Representative Albert Quie of Minnesota, the committee's ranking Republican. "The people who hate O.E.O. could say, 'Look, we're getting rid of it.' The people who like the individual programs could say, 'Look, we're keeping them.' Very often they were the same people."

Though the House voted to terminate the O.E.O., the Senate has yet to act, and the sentiment there remains strong for preserving some independent focus for Federal antipoverty activities. The agency's future depends also, of course, on the new President. As House Republican leader, Gerald Ford consistently led efforts to reduce Federal antipoverty expenditures and to increase state and local governmental control over the programs. But as President he has pledged a working relationship with Congress and may well move slowly in this area.

The real questions raised by the short, unhappy life of the O.E.O. transcend the fortunes of this or that program, this or that office. What indeed has it accomplished? What are its lessons? What does it take to eliminate poverty?

Certainly it has accomplished less than it initially promised. But it also seems clear that it achieved more than most Americans appreciate, changing city halls, welfare offices, housing officials and Congress in their treatment of the poor, bringing millions of poor into the political process and many of them into the decision-making process. It demonstrated that the public attention span is short, and that, as Eli Ginzburg and Robert M. Solow put it in the Public Interest: "Social legislation needs a constituency larger than its direct beneficiaries" if it is to benefit the poor and the minorities, for they are, almost by definition, weak and powerless.

There were 23 million poor in 1973, according to the Government's inflation-related price index. ($4,540 for a nonfarm family of four); this is a third less than there were 10 years ago, when Johnson declared the poverty war. What's happened in the past decade has been a gradual maturing of often effective programs—acompanied by a diminished sense of national interest in the matter.

Sargent Shriver, now a corporate lawyer with offices in Washington's celebrated Watergate complex, talked recently about the antipoverty campaign: "Nothing I ever did before or since had a more beneficial effect on so many people as the war on poverty. Millions of children face a better future because Head Start identified their medical problems and gave them some sense of the world's wonders before it was too late and the damage was done. Hundreds of white and black and Spanish-speaking youth and Indian youngsters have better jobs. We gave people a stake in the system who never had it before. . . . Sure, we made mistakes. Stupid mistakes and inevitable mistakes. But this was supposed to be a war. Westmoreland made mistakes in Vietnam, and we excused them. We were never permitted the same margin of error."

At the Nixon-Ford Office of Management and Budget officials take a different view. "O.E.O. served a purpose," says Paul H. O'Neill, associate director for human and community affairs. "But we're carrying that purpose further with revenue sharing and the new Manpower Act," which consolidates a number of separate, narrow, categorical grant programs into block grants to local

municipalities who can set their own priorities. "You can't run the country in every detail from Washington. What we're good at is collecting taxes and distributing money. We have to specialize in what we're good at."

Though all the evidence is not in, there is little reason to be optimistic about whether revenue sharing is working to the benefit of the poor. The Senate Intergovernmental Relations subcommittee, examining the use to which localities put their first year's revenue-sharing funds, concluded that only 3 per cent went for services to the poor. And the formula by which manpower funds will henceforth be distributed "dilutes the poverty impact," says Sar Levitan. "The suburbs, not the inner cities, will be the big winners. You need a strong Federal presence and national leadership. Otherwise, the problems of the poor get swept under the rug. We forget we have poverty if no one reminds us. If you don't burn the cities, how do we know they're there?"

But O'Neill also argues that recent studies show that recipients "value money more than services; they'd rather have the cash." He explains: "During the oil shortage last winter, O.E.O. lit a fire under a number of agencies to help the poor insulate their homes. It got them a lot of publicity. But, really, it was just so much show biz. Those people didn't have an insulation problem. They had a cash deficiency problem."

True. Poverty is, after all, a shortage of money. And society—American society anyway—has not yet found a politically palatable way of providing it to all who need it. Until it does, the elimination of poverty in America will remain a dream unfulfilled.

BOX SCORE

Community Action: 937 local "self-help" agencies. . . . No longer organize rent strikes or city-hall marches as some did in the sixties, but provide a range of noncontroversial services to the poor: provide emergency assistance to the needy, channel welfare recipients into job training, find housing for the homeless, help for the homebound, run interference for the poor in dealing with local bureaucracies. . . . Employ a work force of 180,000, half of whom were formerly poor or on welfare. Cost: $330-million. Effectiveness: Mixed.

Head Start: Comprehensive health, nutritional, and educational assistance to 380,000 preschoolers from low-income families. . . . Politically popular program whose frequently imaginative teaching techniques have rarely gained a foothold in public schools into which "graduates" are fed. . . . Children attending Head Start and its sequel, Follow Through, grades 1–3, score higher on achievement tests than those who don't. . . . Program is concentrating increasingly on home environment as the key factor in educational attainment. Cost: $430-million. Effectiveness: High.

Job Corps: Schooling and job training in a new environment for teen-age school dropouts; program has undergone drastic changes from the sixties, maintains a low profile . . . boasts a 93 per cent placement rate—in jobs, school or military service. But half of each year's 43,000 enrollees drop out within 90 days, and expenses required for residential setting keeps costs per enrollee at more than $6,500 a year. Cost: $180 million. Effectiveness: Questionable.

Legal Services: Employs 2,500 lawyers in 900 "poverty law" offices . . . provides free legal advice to persons meeting income guidelines up to a third above the poverty level . . . handles domestic, housing and welfare problems, consumer grievances concerning faulty merchandise, repossession threats and the like. . . . A few successful class action suits against government agencies—lowering barriers to qualify for welfare, for example—have enraged many officeholders, but benefited the poor. Cost $71 million. Effectiveness: High.

Volunteers in Service to America (VISTA): 4,200 "domestic Peace Corps" volunteers spend two years working in health clinics, migrant camps, drug rehabilitation programs, senior citizens centers. . . . Well-established program now housed in ACTION, the conglomerate agency formed by the 1971 merger of all Federal volunteer efforts, VISTA has shed its earlier controversial image, now gives its workers specific functions to perform. But program's inability to attract large numbers of volunteers with needed skills (plumbers, nurses) and $4,300-a-year cost of volunteer support has forced administrators to favor less expensive approaches to volunteerism. VISTA's cost: $22.8 million. Effectiveness: Mixed.—M.R.A.

REFORM OF THE FEDERAL CRIMINAL CODE

Mr. HART. Mr. Prseident, the Committee on the Judiciary is currently processing the proposed reform of the entire Federal criminal code and related aspects of criminal justice administration.

It is a mammoth task, underlined by the fact that the latest draft subcommittee print circulated for study runs some 700 pages. That is the bill itself, not the hearings or report, which cover 700 pages, Mr. President.

Under the leadership of the Senator from Arkansas (Mr. McCLELLAN), the Criminal Laws Subcommittee has held many weeks of valuable hearings. Since new versions of a proposed code have been introduced several times during those hearings, it has been necessary for expert commentators to provide additional analyses and statements of their positions regarding each new measure.

None has done this more faithfully or professionally than the American Civil Liberties Union, whose comments are immensely useful for those on the committee, and for other Senators who are asked to support one measure or another.

Unfortunately, the last hearing volume, in which the ACLU's latest statement and analysis will eventually appear, is not scheduled for printing and distribution for some time. Indeed, I understand participants in those hearings have not all made their corrections in the transcript. And for the foreseeable future, the subcommittee will be justifiably preoccupied with preparation and distribution of their draft report analyzing the latest subcommittee print.

Because I think it is important for the ACLU's views to have wide circulation and be available in the meanwhile to all of us in Congress and to the general public, I ask unanimous consent to print in the RECORD at the conclusion of my remarks the text of the ACLU's statements on S. 1 and on S. 1400 at the subcommittee hearing of July 19, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF MARY ELLEN GALE, STAFF COUNSEL, WASHINGTON OFFICE, AMERICAN CIVIL LIBERTIES UNION, ON S. 1400 AND S. 1

INTRODUCTION

My name is Mary Ellen Gale and I am staff counsel with the Washington Office of the American Civil Liberties Union.

The ACLU is a nationwide, non-partisan organization of 275,000 members dedicated to the preservation and promotion of individual rights and liberties guaranteed by the Constitution of the United States. One of the ACLU's primary missions is to encourage legislative advancement of civil liberties and to oppose legislative encroachment on them.

The ACLU strongly supports revision and reform of the federal criminal laws. This over-all goal of making the federal criminal law more rational and more predictable is a salutary one. Clear, coherent, and uniform laws serve the public by making it plain what conduct is lawful and what is forbidden. They give fair notice to citizens and law enforcement officials alike, thereby restricting the possibilities of arbitrary punishment. However, obtaining clear and coherent laws at the expense of the rights and liberties of our people would be a step backward.

In some ways the statutes before this Subcommittee are a distinct improvement on current law. Their definitions are clearer and their classification of offenses far more orderly. Most of the crimes they prohibit are just and proper concerns of the criminal law.

But these bills, as written, constitute a grave threat to civil liberties. Both of them, but especially S. 1400, would concentrate far more than ever before government power to withhold from our citizens information vital to public debate of national policy. Both of them would seriously curtail fundamental First Amendment rights to speak and publish vigorous dissent and to assemble peaceably to petition the government for redress of grievances.

Both bills would misdirect government efforts at law enforcement away from violent or other serious offenses committed by private individuals against other private individuals, focusing instead on apprehension and punishment of those who displease government officials. Both bills would continue to permit the government to invade the privacy of our homes with electronic surveillance devices, in violation of Fourth Amendment limitations on government searches. Both would expand rather than contract conspiracy, attempt, and solicitation offenses which pose substantial threats to due process of law.

In the pages that follow, the ACLU expresses strong opposition to some specific provisions of S.1400 and S.1. We have tried to focus on those sections which are most dangerous to civil liberties and most antithetical to the guarantees of the Bill of Rights. In some cases, such as the obscenity sections, we urge that these provisions be eliminated altogether. In others, we suggest revisions or express concerns which, we believe, should guide those who may draft revised sections. We do not claim that we have raised every conceivable problem or proposed every possible reform, and, therefore, we ask that this Subcommittee permit the ACLU to submit supplemental suggestions or memoranda. We do believe that we have focused on serious civil liberties issues worthy of your most profound attention.

Reform of the federal criminal laws is an enormous undertaking. It must be done with deep concern for the civil rights and liberties of the individual citizens whose protection is, in fact, the reason why we have criminal law.

I. OFFENSES INVOLVING NATIONAL SECURITY

A. The "Official Secrets" Act

Six sections of S. 1400 and, to a lesser extent, the comparable provisions of S. 1, would reverse 200 years of democratic decisionmaking under the Constitution by preferring government secrecy to the freedoms guaranteed by the First Amendment. Sections 1121–26 of S. 1400 would deliver into the hands of the Executive complete and final control of information "relating to the national defense." The free flow of facts and opinions on which self-government ultimately depends would be dammed at its source. Our true national security, which springs from "uninhibited, robust, and wide-open" debate on public issues and public officials, *New York Times Co.* v. *Sullivan,* 376 U.S. 254, 270 (1964), would be destroyed by a misguided attempt at preservation. As a nation, we would come to resemble that village in South Vietnam which was destroyed in order to save it.

This is not a new perception. When Congress first debated the Espionage Act of 1917, two Senators marked off for future generations the parameters of debate over the protection of national security:

Senator Nelson. "[While] there are some expressions perhaps in the bill that may seem a little too drastic, yet I hold that when the safety of the country is at stake the rights of the individual must be subrogated to the great right of maintaining the integrity and welfare of the Nation."

Senator Cummins. "The Senator from Minnesota seems to think this is necessary for the safety of the United States. I do not; nor do I think we have a Nation worth saving if this is necessary. If the power that is here sought to be given to the Executive, coupled with these offenses that are for the first time described in American life, are necessary, I doubt whether the Nation could be preserved." 54 *Cong. Record* 3488 (1917).

We submit that Senator Cummins had the best of that exchange and that—so long as we remain a free, outspoken, and democratic society—he will always have the best of it.

Our opposition to the information control provisions of S. 1400 begins with the spirit which permeates them, a spirit of Executive distrust in the American people, in the press, and in the Congress itself. It is surely ironic that less than three years after the discredited Administration effort to suppress the Pentagon Papers in the name of national security, in the face of the Executive's ill-fated attempt to withhold from Congress and the public the facts about Watergate, again in the name of national security, this Congress should now be asked to endorse future Executive usurpations. We urge Congress to protect its own prerogatives, as well as the rights and liberties of the people it represents, by refusing to elevate unjustified official secrecy to the status of law.

Secondly, we believe that the over-all thrust of these statutes is profoundly unconstitutional. They strike at the heart of free speech and due process of law. They sweep within their prohibitions the collection, communication, or publication of information relating to the national defense regardless of its origin.

They set no standard whereby the conscientious citizen, public official, or news reporter may determine whether the information he possesses, gathers, or shares with others in constitutionally protected—or the subject of criminal sanctions. They use terms so broad and vague as to force men and women of good will to guess at the meaning of the law—and act at their peril. They encourage official abuse by inviting selective prosecution and adjudication on political or personal grounds. Coupled with the capital punishment provisions of S. 1401, passed earlier this year, they might even provide a mandatory death penalty for individuals who sought only to inform their fellow citizens on the great public issues of our time.

1. Section 1121. Espionage

The American Civil Liberties Union recognizes that genuine espionage is a serious offense against the nation, requiring criminal sanctions and punishment. Because it is subject to serious abuse in times of national crisis, it must be closely and carefully defined. *See Gorin* v. *United States,* 312 U.S. 19 (1941). Instead, section 1121 broadly criminalizes the knowing collection or communication of "information relating to the national defense," with the intent that it be used or "knowledge that it may be used, to the prejudice of the safety or interest of the United States, or to the advantage of a foreign power . . ."

These are terms fraught with confusion. What is "information relating to the national defense"? Or, more to the point, what is *not* "information relating to the national defense"? The Supreme Court held in *Gorin, supra,* 312 U.S. at 31–32, that under a statute listing specific places and things, this was a question for the jury to determine. Sound public policy and constitutional law alike demand a carefully confined legal definition to give advance warning of what conduct is prohibited and to guide jury deliberations.

Under the present terminology a newspaper report that bad weather had delayed an Air Force airplane test, that a prominent general was hospitalized for minor surgery, that the North Vietnamese had deployed troops in South Vietnam, or that U.S. troops were using defective rifles, would all be proper subjects for invocation of the espionage provisions. Yet the first two are probably trivial, the last two are not only proper but necessary to informed public debate, and all four are protected by even the narrowest reading of the First Amendment.

Granted that Congress cannot envision every prospective violation, criminal statutes which touch on First Amendment freedoms must nonetheless be written to forbid only the narrow class of conduct which genuinely endangers the public welfare. *NAACP* v. *Button,* 371 U.S. 415, 433, 438 (1963). The late Mr. Justice Harlan, a strict constructionist of the Bill of Rights, put it like this:

"But when a State seeks to subject to criminal sanctions conduct which, except for a demonstrated paramount State interest, would be within the range of freedom of expression as assured by the Fourteenth Amendment, it cannot do so by means of a general and all-inclusive . . . prohibition. It must bring the activity sought to be proscribed within the ambit of a statute or clause 'narrowly drawn to define and punish specific conduct as constituting a clear and present danger to a substantial interest of the State.' " . . . *Garner* v. *Louisiana,* 368 U.S. 157, 202 (1961) (concurring opinion) (citation omitted).

We suggest that the only categories of defense information which may properly be subject to prior restraint on publication are present or future tactical military operations, blueprints or designs of advanced military equipment, and secret codes. *See* Brief of American Civil Liberties Union, Amicus Curiae at 13, *New York Times Co.* v. *United States,* 403 U.S. 713 (1971).

There are similar problems with the other statutory phrases. One reason why information about the general's gallstones or the Army's misfiring M–16's (no secret, of course, to the enemy) might be brought within the statute's sanctions lies in the provision that the only required intent is "knowledge" that the information "may be used . . . to the advantage of a foreign power." But *any* information with some relationship, no matter how tangential, to the national defense, *may* be to the advantage of some foreign "government, faction, party or military force, or persons purporting to act as such," or "any international organization" (the definition of "foreign power" as given in section 111 of S. 1400). The International Red Cross may be interested to learn of our medical technology—and may use it to help the wounded enemy. A German political party may use statistics about disaffected or drug-abusing soldiers to back up a demand for removal of U.S. troops from German soil. These are among the "dangers" of free speech. The Constitution never guaranteed that free speech would protect us from the ridicule or hostility of foreign nations, or from the use of our ideas beyond our shores. Its authors claimed only that if we were not willing to run these risks, we would not be free—and the opinion of others would no longer matter.

Moreover, there seems little reason for stating the proposed standard of harm in the disjunctive: injury to the United States or advantage to a foreign power. "[I]f a communication does not work an injury to the United States, it would seem to follow logically that no government interest can be asserted to overcome the first amendment's guarantee of freedom of speech." Nimmer, "National Security Secrets v. Free Speech: The Issues Left Undecided in the Ellsberg Case," 26 *Stan. L. Rev.* 311, 330 and n. 92 (1974). *See United States* v. *Heine,* 151 F.2d 813 (2d Cir. 1945), cert, denied, 328 U.S. 833 (1946), where Judge Learned Hand refused to apply a similar clause of a precursor statute to information which had never been classified.

There is no greater certainty in the requirement of intent or knowledge that the information gathered or disseminated may be used "to the prejudice of the safety or interest of the United States." Are we more or less "safe" if the public knows or does not know of our defense needs? Is it in the "interest" of the United States to suppress the facts about our conduct of the war in Southeast Asia or to spread them on the public record for debate? The meaning of the First Amendment is that the government shall not have the power to limit public knowledge, save in narrow circumstances where national survival is in clear and present danger. *See, e.g., Whitney* v. *California,* 274 U.S. 357, 376–77 (1927) (Brandeis, J., concurring); *cf. Brandenburg* v. *Ohio,* 395 U.S. 44 (1969). As a former Secretary of State observed in 1822:

"No nation ever yet found any inconvenience from too close an inspection into the conduct of its officers; but many have been brought to ruin and reduced to slavery, by suffering gradual imposition and abuses, which were imperceptible, only because the means of publicity had not been secured." 1 E. Livingston, Criminal Jurisprudence 15 (1873 ed.) quoted in Nimmer, *supra,* 26 *Stan. L. Rev.* at 333.

2. Section 1122. Disclosing National Defense Information.

Section 1122 makes criminal the knowing communication of "information relating to the national defense to a person not authorized to receive it." Section 1126 defines "authorized" as meaning authority to have access to, receive, possess, or control "as a result of the provisions of a statute or executive order, or a regulation or rule thereunder . . . " The statute thus delivers to Congress and the Administration the exclusive power to determine who shall, and who shall not, learn, speak, or write about a vast array of politically as well as militarily sensitive information. To state this proposition is to refute it. The Constitution permits no such law.

Moreover, by failing to require a specific intent to do an unlawful act, the statute "may be a trap for innocent acts" *Papachristou* v. *City of Jacksonville,* 405 U.S. 156, 164 (1972). It is so "lacking in ascertainable standards of guilt, that . . . it fail[s] to give a person of ordinary intelligence fair notice that his contemplated conduct is forbidden." *Palmer* v. *City of Euclid,* 402 U.S. 544, 545 (1971).

No standard of conduct whatsoever is specified. Government officials are given a free hand to enforce their own ideas of what the law should be, and enforcement will depend on who is, or is not, annoyed by the disclosure. But criminal statutes this vague are plainly unconstitutional. *Coates* v. *City of Cincinnati,* 402 U.S. 611 (1971). In addition, § 1122 is overbroad in a constitutionally fatal sense, for it sweeps within its prohibition conduct which is not only innocent, but sanctioned by the First Amendment. *See, e.g., Keyishian* v. *Board of Regents*, 385 U.S. 589 (1967); *Baggett* v. *Bullitt*, 377 U.S. 360 (1964). An overbroad statute may be invalid even though it generally protects vital national interests which can on appropriate occasions outweigh First Amendment rights. *United States* v. *Robel*, 389 U.S. 258 (1967). *Cf. Gorin* v. *United States, supra*, 312 U.S. at 28, narrowing an espionage statute to apply only when scienter is established.

3. Section 1123. Mishandling National Defense Information

Section 1123 has similar deficiencies of vagueness and overbreadth. Had this provision been law at the time of the revelation of the Pentagon Papers, every person through whose hands they passed could have been charged with this offense. Even members of Congress and their staffs might have been prosecuted. *See Gravel* v. *United States*, 408 U.S. 606 (1972). Reporters, editors, publishers, secretaries, and probably even printers could have been swept within the statute's reach. Indeed, the government attempted to use the similar, although perhaps not quite so voluminous, provisions of 18 U.S.C. § 793 (e) in prosecuting Daniel Ellsberg and Anthony Russo.

This provision also poses a unique constitutional difficulty, by making it a felony for one in unauthorized possession or control of "information relating to the national defense" knowingly to fail "to deliver it promptly to a federal public servant entitled to receive it."

The Fifth Amendment forbids the enforcement of statutes which infringe the privilege against self-incrimination. The Supreme Court has repeatedly struck down efforts to shortcircuit the investigative process (and the Constitution) by criminalizing the failure to register oneself as a probable criminal. *E.g., Haynes* v. *United States*, 390 U.S. 85 (1968) (failure to register a firearm); *Albertson* v. *S.A.C.B.*, 382 U.S. 70 (1965) (failure to register as a Communist Party member); *Leary* v. *United States*, 395 U.S. 6 (1969) (failure to comply with the Marijuana Tax Act). *Cf. Leary, supra*, 395 U.S. at 28, holding that the Fifth Amendment establishes a "right not to be criminally liable for one's previous failure to obey a statute which required an incriminatory act."

4. Section 1124. Disclosing Classified Information.

Section 1124 would make it a crime for a government official or former official to communicate classified information to "unauthorized" persons, regardless of his intent and regardless of the probable or even possible effect of his actions. Mere disclosure, with no shadow of purpose or capacity to damage the genuine national defense interests of this nation, would be a felony punishable by a $25,000 fine and three years in prison. Since the statute specifically precludes the defense that the information was improperly classified, presumably a government official who informed his neighbor of matters contained in both his classified file and the daily newspapers would be a potential criminal defendant.

Yet it has been estimated, by a security consultant with more than 45 years of military and civilian experience in the field of national defense information, that over 99½ per cent of classified documents contain information in the public domain or do not warrant protection for other reasons. Subcomm. on Criminal Laws and Procedures of the Senate Comm. on the Judiciary, 92nd Cong., 2nd Sess., *Hearings on Reform of the Federal Criminal Laws*. Pt. III, Subpart D, at 3045 (Comm. Print 1972) (Testimony of William G. Florence). It may be suggested that the problems Mr. Florence spoke of have been overcome by President's Nixon's new Executive Order No. 11,652 of March 8, 1972, ostensibly reforming the classification process. But Mr. Florence testified before this Subcommittee last month that he had tried—and failed—to obtain from the Department of Defense earlier this year some of the classified documents which were designated as public records by the presiding judge during the Russo-Ellsberg trial. The reason for denial of his request? The Pentagon Papers—which have been widely quoted in newspapers, discussed at the trial, recorded in the trial transcripts, and spoken, read, and argued about by millions of Americans (and foreigners)—are still classified.

But this is not all. Enactment of this statute would irreparably damage—if not virtually destroy—the freedom of the press upon which an informed public and democratic self-government itself rely. If the press is not to become merely a withered arm of government instead of the adversary force the Constitution intended, it must have sources other than official press releases for the information it publishes.

In a study prepared by the Foreign Affairs Division of the Congressional Research Service for the Senate Foreign Relations Committee, the point is brought home. *See Hearings on Reform of the Federal Criminal Laws, supra*, at 3063–94. The study found "wide agreement that the great bulk of defense material is usually over protected—too highly classified for too long a time." *Id.* at 3077.

And, it continued, high government officials—such as former Secretaries of Defense Melvin R. Laird and Clark M. Clifford—frequently "declassified" national defense information when it serves their purposes, revealing it to Congressional committees to justify budget requests or to news reporters to test out public opinion on a wide variety of subjects. *Id.* at 3080–81. There is a "high incidence of leaks of classified information which appear to be approved by some one in authority . . ." *Id.* at 3081.

No wonder, then, that conscientious reporters turn to officials with different opinions and different facts at their command to test out in their turn the Administration's version of the truth. Veteran reporters and editors of the *New York Times* and *Washington Post* filed affidavits in the Pentagon Papers case, *see New York Times Co.* v. *United States*, 403 U.S. 713 (1971), to the effect that official and unofficial leaks were both a necessary source of information for a responsible press. Without the use of classified material, according to *Times* Washington Bureau Chief Max Frankel, "[t]here could be no adequate diplomatic, military, and political reporting of the kind our people take for granted . . ." Excerpts from Affidavit reprinted in *Hearings on Reform of the Federal Criminal Laws, supra*, at 3079.

As the Supreme Court declared in another context, the people of the United States "may not be regarded as closed-circuit recipients of only that which the State chooses to communicate. They may not be confined to the expression of those sentiments that are officially approved." *Tinker* v. *Des Moines Independent Community School District*, 393 U.S. 503, 511 (1969). *And* see Justice Douglas' concurring opinion in *New York Times Co.* v. *United States*, 403 U.S. 713, 723–24 (1971):

"The dominant purpose of the First Amendment was to prohibit the wide-spread practice of governmental suppression of embarrassing information. It is common knowledge that the First Amendment was adopted against the widespread use of the common law of seditious libel to punish the dissemination of material that is embarrassing to the powers-that-be. Secrecy in government is fundamentally anti-democratic, perpetuating bureaucratic errors. Open debate and discussion of public issues are vital to our national health."

The statute as written invites abuse. Every government official who handles classified information would speak in peril of violating its technical commands, and be subject to prosecution for politically embarrassing the government. Officials could be punished for expressing political views distasteful to the government, if a single classified fact could be found within their statements. Granting that the government has the right to protect limited categories of information from unauthorized disclosure by its employees, it need not make such transgressions criminal. Dismissal of those who release information with culpable intent or for personal gain should be a sufficient sanction.

5. Section 1125. Unlawfully Obtaining Classified Information

This section makes it a crime for an agent of a foreign power to obtain or collect "classified information." Insofar as the section also precludes the defense that the information was improperly classified, and since it does not require proof of culpable intent, it would be subject to due process and free speech objections similar to those outlined above.

6. Section 1126. Definitions for Section 1121 Through 1125.

Objections to the definitions of "authorized", "classified information" and "information relating to the national defense" have been noted above. We strongly urge that if the latter phrase is retained, it be closely restricted to military or defense material which the government has a legitimate interest in keeping secret from the outside world as well as from the American people—*e.g.*, technical details of military weaponry, tactical details of military operations, the conduct or product of specific foreign covert intelligence gathering operations, and military contingency plans in respect of foreign powers.

7. ACLU Proposed Statute on National Defense Information.

The ACLU proposes the following statute to replace the correlative provisions of S. 1400. We suggest that Sections 1122, Disclosing National Defense Information and 1125, Unlawfully Obtaining Classified Information, be removed entirely and that Section 123, Mishandling National Defense Information be rewritten along the lines of the proposals below, removing subsection (3) to prevent any requirement of self-incrimination.

Section 1121. Espionage. Strike the section in S. 1400 and substitute the following:

(a) Offense—A person is guilty of an offense, if, with intent that classified information relating to the national defense be used by a foreign power to injure the national defense, he or she knowingly:

(1) communicates such classified information directly to a foreign power or agent; or

(2) obtains such classified information in order to communicate the information directly to a foreign power or agent; or

(3) enters a restricted area with intent to obtain such information in order to communicate the classified information directly to a foreign power or agent.

(b) Grading—An offense described in this section is—

(1) a class A felony in time of war;

(2) a class B felony at all other times.

Section 1124. Disclosing Classified Information. Strike the heading and section and substitute the following:

Disclosing National Defense Information by Public Servants.

(a) Offense—A public servant or former public servant is guilty of an offense if, being or having been in authorized possession of classified information relating to the national defense, he or she knowingly communicates such information to a person not entitled to receive it with the intent to injure the United States.

(b) Exceptions to Liability as an Accomplice or Conspirator—A person not entitled to receive information relating to the national defense is not subject to prosecution as an accomplice within the meaning of section 401 for an offense under this section, and is not subject to prosecution for conspiracy to commit an offense under this section.

(c) Defense—It is a defense to a prosecution under this section (1) that the information was communicated for the purpose of providing the information to a member of the Senate or the House of Representatives; (2) that the information was not properly classified under the definition given in section 1126(f).

(d) Grading—An offense described in this section is a class E Felony.

Section 1026. Definitions for Sections 1121 Through 1125.

(a) "Information relating to the national defense" means:

(1) technical details of military operations or weaponry;

(2) the conduct or product of covert foreign intelligence gathering operations;

(3) military contingency plans in respect of foreign powers;

provided that such information would, if obtained by a foreign power, be used by that power to injure significantly the national defense of the United States, and that at the time of the offense the information had not previously been published.

(b) "Agent" means one in the employ or service of a foreign power who is acting on instructions of that power.

(c) "Public servant" is an employee of the United States or of a contractor who promises to abide by this section when given access to information relating to the national defense.

(d) "Knowingly communicates" as used in § 1124(a) means that the public servant knew or had reason to believe that the action which he took would cause injury to the national defense and acted without taking account of this knowledge and balancing it against the public's right to know.

(e) "A person not entitled to receive" is a person not authorized to receive information under a statute requiring such authorization or an executive order issued pursuant to this statute regarding information that Congress has authorized be kept confidential.

(f) "Classified information" means information properly classified pursuant to a valid statute, executive order, or regulation, and not declassified prior to the time of the alleged offense. It is a defense to a prosecution under this section that the information was not classified in conformity with the requirements of the statute, executive order, or regulation, or that the information was not reasonably subject to classification under the statute, executive order, or regulation.

(g) "Previously been published" means made public in any form. It is not a requirement of this section that publication was officially made or authorized by an officer of the government with authority to do so.

8. Other Sections of S. 1400 Which Could be Used To Censor the Press and Withhold Information from the Public

Aside from the provisions included in the so-called "national security" chapter of S. 1400, several other sections of the proposed Criminal Code could be used to stifle the flow of vital information to the press and choke off public debate through lack of knowledge and fear of censure.

The most egregious is the combination of the definition of property in § 111, General Definitions, with the prohibitions of § 1731, Theft, and § 1732, Receiving Stolen Property. Section 111, for perhaps the first time in the history of Anglo-American law, defines "property" to include "intellectual property or information, by whatever means preserved, although only the means by which it is preserved have a physical location . . ."

§ 1731, theft is committed if one knowingly takes "unauthorized control over or makes unauthorized use, disposition or transfer . . . of property of another. . . . There is federal jurisdiction . . . if . . . the property is owned by, or is under the care, custody or control of the United States. . . ." As a recent article in the *Nation* warned:

"In these words is hidden the monstrous concept that all information in possession of the government, although paid for by the taxpayer and collected by public servants in the course of public duty, is transformed into the private property of the government bureaucracy." Criley, "Sneaking Up on the Press: Nixon's 'Official Secrets Act,'" The *Nation*, March 2, 1974, p. 265, 266.

The drafter of this section has publicly declared that reporters to whom "government-owned" information has been leaked would be subject to prosecution under § 1732 for receiving stolen property. *Id.* at 267. Indeed, government briefs in the Russo-Ellsberg case argued that both men were thieves and, by clear implication, that their newspaper recipients were receivers of stolen property.

Even if this Congress were to reject the "Official Secrets" sections of S. 1400, the above provisions would accomplish the same end unless revised to protect our First Amendment rights and liberties. Indeed, they would go much further, since the theft of any government information, whether or not classified and without regard to motive, would be a violation of the law. It would thus give the government the power to punish any leaks of embarrassing or inconvenient information.

Two more provisions of S. 1400 directly lend themselves to governmental oppression of the rights of speech and press. Indeed, Daniel Ellsberg was indicted under the present versions of both these sections. Section 1301, Obstructing a Government Function by Fraud, creates a new offense for one who "intentionally obstructs, impairs, or perverts a government function by defrauding the government in any manner." Since "government function" and "defrauding" are nowhere defined, the section grants wide prosecutorial discretion to harass the press for "impairing" efficient operations by exposing official decision-making processes or even outright chicanery on the basis of information which was the government's "property." See *Haas* v. *Henkel*, 216 U.S. 462 (1910) ("defraud of the United States" defined to include impairing any government function).

Section 1742, Unauthorized Use of a Writing, could similarly result in broad—and unconstitutional—suppression of information. The offense, which originally was limited to forgery of securities and the like, has been rewritten to criminalize a much wider class of behavior. Under § 1742, one may be guilty of a felony "if with intent to deceive or harm a government or person he knowingly . . . (1) issues a writing without authority to do so; or (2) utters or possesses a writing which has been issued without authority." There is federal jurisdiction if the writing is or purports to be "made or issued by or under the authority of . . . the United States . . ." It may be argued that the inclusion of this section with the commercial offenses precludes its use in a wider context. But the language of the statute—and the government's far-ranging briefs in the Russo-Ellsberg case—support no such complacence. The statute should be narrowed to reach commercial offenses only.

9. "Official Secrets" Offenses in S. 1.

The comparable provisions of S. 1 are less sweeping an invasion of our constitutional rights. But they too suffer from serious problems of vagueness and overbreadth. As with S. 1400, the definitions in S. 1, § 2–5A1, of "foreign power" and "national defense information" are far too broad for purposes of attaching criminal liability to conduct or speech. The latter definition, although arguably more restricted than that in S. 1400, includes information regarding "the military capability of the United States." Such a phrase leaves actual definition in the hands of the prosecutor and the jury, expanding or contracting the meaning of "military" to exclude or include such items of common knowledge as the number of men currently serving in the armed forces, the annual production of grain, or the shifting of foreign alliances.

Section 2–5B7, Espionage, uses much of the same vague language as S. 1400. The standard of culpability is "knowledge" that the national defense information the offender "gathers, obtains, or reveals . . . for or to a foreign power or its agents" "is to be used to the injury of the United States or to the advantage of a foreign power." Under § 1–2A1 (a) (3), to act "knowingly" is to act with awareness that conduct will probably cause a prohibited result. A reporter revealing "national defense information" may well *know* that it could be described as "injuring" the United States by those who elevate government secrecy over public debate or that it may aid a foreign power in dealing with the United States, justifying itself to its own citizens, or in myriad ways that have nothing to do with our national defense.

The statutory standard ignores *Gorin* v. *United States,* 312 U.S. 19 (1941), where the Supreme Court upheld an espionage statute against a challenge for vagueness partly on the ground that the statute required "bad faith" or "scienter." *Id.* at 28. If guilty intent was not present, the Court ruled, the criminal sanctions would not apply. *Id.*

Despite the decision in *United States* v. *Heine,* 151 F.2d 813 (2d Cir. 1945), *cert. denied,* 328 U.S. 833 (1946), that for purposes of espionage, "information relating to the national defense" did not include information accessible through public sources, S. 1 includes no such exception. Its espionage section is thus wide open to abuse in much the same manner as that of S. 1400.

Section 2–5B8, Misuse of National Defense Information, gathers into one section offenses spread over several in S. 1400. Subsection (a)(1) is virtually identical with § 1122 of S. 1400 and is subject to the same criticisms. Although the subsection, like all the offenses included in § 2–5B8, requires the prohibited conduct to be done "in a manner harmful to the safety of the United States," this extra prosecutorial hurdle is too vague to deter unconstitutionally broad prosecutions.

Subsection (a)(3), similar to § 1123 of S. 1400, makes criminal the failure to deliver national defense information to a federal public servant "entitled to receive it" if the possession is "knowingly unauthorized." Subsection (a)(3) does require that there be a "demand" for the relinquishment. But this does nothing to solve the Fifth Amendment problems inherent in requiring one to supply incriminating evidence against himself. Moreover, since neither "unauthorized" nor "entitled" are further defined, everyone involved must act at his peril.

Subsections (a)(4) and (5) prohibit the knowing use or communication to an "unauthorized" (undefined) person of "communications information," which is defined in § 2–5A1(3)(ii) to include "the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States or a foreign power for cryptographic or intelligence surveillance purposes . . ." Under these sections, it might be a felony for someone to tell others about radar device construction observed during a motor trip, or for a newspaper to publish information concerning the communications satellite program. Once again, such vague statutes lend themselves to prosecutorial abuse, restrict the dissemination of information properly in the public domain, and sweep the ordinary citizen within an unpredictable net of criminality.

Section 2–5B9, Violation of Wartime Censorship, prohibits knowing communication with an enemy or its ally in time of war (undefined) where in violation of a federal statute, rule, regulation, or order. It could be used to curb news reporters' and others' travels to the war zone or to allied countries for legitimate investigatory purposes. If this section had been law five or six years ago, and if the Vietnamese conflict was a "war," the issuing of a regulation under an existing federal statute might have prevented Harrison Salisbury's reports from North Vietnam or other reports based upon contact with "the other side." The First Amendment contemplates providing Americans with information from all sources in order that they may determine for themselves what is true and what is false—and what public policy should be.

At the very least this statute should be limited to violation of federal statutes. Criminal liability should not be made to depend on rules, regulations, or orders issued through the administrative process. It is Congress' job to define federal crimes.

Sections 2–8D3, Theft, and 2–8D4, Receiving Stolen Property, like the similar sections in S. 1400, could be used to punish the press and its sources, members of Congress, and other citizens attempting to subject government policy-making to outside debate. Subsection (d) (iii) of the theft provision defines property to include "any government file, record, document, or other government paper stolen from any government office or from any public servant." Although this provision is considerably narrower than the definition in S. 1400, it might still cover information transferred to reporters by officials with less than final control over its disposition. Moreover, the degree of knowledge required for the offense of receiving stolen property is merely that it "probably has been stolen."

The section says nothing about whether copying of documents later returned to their proper place, as done by Ellsberg and Russo, constitutes theft or not. But in the Russo-Ellsberg trial briefs, the government, using similarly equivocal provisions of present law, argued that a government record is the information contained within it and not the pieces of paper on which it is in fact recorded. Under the government theory, Ellsberg and Russo were guilty of theft of the Pentagon Papers. This theory would establish government ownership of government "information" in much the same way as S. 1400 and would, similarly and drastically, reduce the sources of information vital to intelligent public discussion of important public issues.

B. Other offenses against the Nation

1. Treason

The National Commission on Reform of Federal Criminal Laws (hereinafter the Brown Commission), in trying to narrow the definition of treason, *see Working Papers of the National Commission on Reform of Federal Criminal Laws,* vol. I, at 419–27 (1970) (hereinafter *Working Papers*), reworded it so as to reach more broadly than ever before into areas of speech and conduct protected by the First Amendment. See *Testimony of the American Civil Liberties Union Before the Senate Subcommittee on Criminal Laws and Procedures on the Final Report of the National Commission on Reform of Federal Criminal Laws* 70–73 (1972) (hereinafter *1972 ACLU Testimony*).

Both S. 1400, § 1101, and S. 1, § 2–5B1, have substantially returned to statutory formulas which would presumably preserve the limits of existing law, including the necessity of an "intent to betray," *Cramer* v. *United States,* 325 U.S. 1 (1944). But the contours of present law are unclear. *Id.* at 46–47. *See, e.g.,* the comment in *United States* v. *Stephan,* 50 F. Supp. 738, 741–42 (E.D. Mich. 1943) to the effect that "In times of peace it is treason for one of our citizens to incite war against us." Incitement without proof of intent could well be no more than advocacy protected by the First Amendment even under a restrictive reading of present law as requiring an unequivocal "call to violence now or in the future" before advocacy may be punished. *Noto* v. *United States,* 367 U.S. 290, 298 (1961). See *Yates* v. *United States,* 354 U.S. 298 (1957). Under *Brandenburg* v. *Ohio,* 395 U.S. 444 (1969), the only speech which may be punished is that "directed" toward causing imminent lawless action and likely to produce it.

Similarly, the treatment of propaganda broadcasters as traitors, *Chandler* v. *United States,* 171 F. 2d 921 (1st Cir. 1948), *cert denied,* 336 U.S. 918 (1949); *Gillars* v. *United States,* 182 F. 2d 962 (D.C. Cir. 1950), raises grave constitutional doubts. One man's propaganda is another's free speech, as the bitter controversy over the war in Southeast Asia taught the nation. In order to avoid the prosecution and persecution of those who espouse unpopular doctrines, the crime of treason should at least be limited, as the Brown Commission suggested at one point, to "actual participation in a foreign war against the United States." *Working Papers,* vol. I, at 419–23.

Among the salient differences between S.1 and S.1400 in defining treason is that S.1 confines itself to United States "nationals," while S.1400 applies to persons "in fact owing allegiance to the United States." The latter formulation is clearly ambiguous and overbroad. Citizens of other nations should not be chargeable with treason against the United States. The need for clarification is illustrated by *Carlisle* v. *United States,* 83 U.S. 147, 154 (1873), which declared that aliens domiciled in the United States are covered because they owe temporary allegiance. Moreover, S.1400 by the phrase "in fact" apparently bars the defense of failure to know that one owed allegiance to the United States. Such a defense is plainly crucial to intent.

S.1 provides a mandatory death penalty for treason under certain circumstances. The ACLU is unalterably opposed to capital punishment on moral, constitutional, and practical grounds. Inflicting the death penalty, as has so often been demonstrated, does not deter serious crime more effectively than severe prison sentences. It is a barbaric anachronism which diminishes the moral and political legitimacy of the society which practices it. *See Furman* v. *Georgia,* 408 U.S. 238, 371 (1972) (Marshall, J., concurring).

2. Military Activity Against the United States

Section 2–5B2 of S. 1 makes one guilty of the offense if "with intent to aid the enemy or to prevent or obstruct a victory of the United States, during a time of war and within the United States, he participates in or facilitates military activity of the enemy." There is no precisely comparable provision in S. 1400.

The section incorporates the Brown Commission's suggested redefinition of treason and is fraught with the same dangers. Since neither "facilitates," "military," nor "war" is defined by S. 1, the statute could arguably apply to an undeclared war, such as that in Southeast Asia, and to speech in praise of the goals, tactics, ideology, governmental system, or any other aspect of the "enemy," if such speech might, for example, stir that enemy to renewed military vigor. This was the very charge frequently leveled against critics of the Vietnam war whose loyalty, patriotism, sincerity, and deep concern about the future of the United States were beyond question. The apparent purpose and likely effect of this section of S. 1 is the stifling of political dissent, of conscience, and of loyal opposition. By its vagueness and overbreadth, it authorizes sanctions against not only the genuine enemies of our nation but also those who express disapproval of or actively urge changes in government policy. In *West Virginia State Board of Education* v. *Barnette,* 319 U.S. 624, 640–41 (1943), Justice Jackson for the majority asserted the claims of conscience against the coercion of the state:

> Struggles to coerce uniformity of sentiment in support of some end thought essential to their time and country have been waged by many good as well as by evil men. . . . As first and moderate methods to attain unity have failed, those bent on its accomplishment must resort to an ever-increasing severity. As governmental pressure toward unity becomes greater, so strife becomes more bitter as to whose unity it shall be. . . . Those who begin coercive elimination of dissent soon find themselves exterminating dissenters. Compulsory unification of opinion achieves only the unanimity of the graveyard.
>
> "It seems trite but necessary to say that the First Amendment to our Constitution was designed to avoid these ends by avoiding these beginnings. . . . We set up government by the consent of the governed, and the Bill of Rights denies those in power any legal opportunity to coerce that consent."

It seems trite but necessary to say that Justice Jackson's words are as true now as when written. A provision like § 2–5B2 has no place in our constitutional scheme of government.

3. Inciting Overthrow or Destruction of the Government.

Section 1103 of S. 1400 and Section 2–5B3(a) (2) of S.1 would re-enact the Smith Act, punishing mere advocacy of revolutionary change. The ACLU vigorously opposes such legislation in any form. According to *Brandenburg* v. *Ohio,* 395 U.S. 444, 447 (1969), "the Constitutional guarantees of free speech and free press do not permit a State to forbid or proscribe advocacy of the use of force or of law violation except when such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action."

The S.1 provision would make it criminal for one to advocate the "desirability or necessity of armed insurrection under circumstances in which there is substantial likelihood his advocacy will imminently produce, in fact," armed insurrection and where there is intent "to induce or otherwise cause" others to engage in armed insurrection. Although S.1 appears designed to meet the *Brandenburg* test, it retains many of the constitutional difficulties with which the Smith Act was riddled. The standards are far too subjective to reach only those the statute ostensibly intends to cover. Since no overt act is necessary, it will always be open to the trier of fact to find "substantial likelihood" of armed insurrection where in fact there was none. Such a standard invites judgment on the basis of passion and prejudice against politically unpopular minorities. The speaker's intent is similarly likely to be judged by the words he uses, for no actions other than words are required.

Despite the ancient rule of criminal law that guilty intent and guilty act must coincide, that unfocused wickedness is not enough and there must be purpose to effect the specific criminal result or at least foresight of consequence, *e.g., Regina* v. *Cunningham,* 41 Crim. App. R. 155, 3 Weekly L. R. 76 (1957); *Dennis* v. *United States,* 341 U.S. 494, 499–500 (1951), the statute further punishes one who "organizes a conspiracy which engages in such advocacy . . ." Thus the organizer of a political group, though he may have left it or have nothing to do with the illegal advocacy or even have opposed it, would be punished for the unforeseen acts of others. A law which so attenuates criminal responsibility invites selective enforcement against the most vocal and most successful opponents of the government. The Supreme Court has held that only members actively involved in an organization, and specifically found to possess guilty knowledge and intent, may be convicted of illegal advocacy under the former version of the Smith Act. *Scales* v. *United States*, 367 U.S. 203, 228 (1961); *Noto* v. *United States*, 367 U.S. 290, 297–300 (1961).

S. 1 further punishes one who, as an "active member" of a conspiracy which engages in illegal advocacy, "facilitates such advocacy." Under this provision, a member who hired an auditorium for a speech later found to violate the statute, even though he neither attended it, knew of its contents in advance, or participated in it, could be convicted of a major felony. Those "active members" who applauded such a speech, without considering it to constitute illegal advocacy of immediate armed insurrection, would be similarly liable. Intent and act are totally divorced from each other by such a standard of culpability. Rights of free speech and association, guaranteed by the First Amendment, are destroyed.

Bad as S. 1 is, the incitement section of S. 1400 is far worse. It is a prescription for governmental tyranny. Under its loose language, entirely innocent conduct informed by not even a breath of suspicion of possible illegality, could be the basis for a major felony. "[T]he most theoretical proposals in the most unlikely circumstances carry penalties up to 15 years . . ." Schwartz, "The Proposed Federal Criminal Code," 13 Crim. L. Rep. 3265, 3273 (1973).

Section 1103 punishes one who "with intent to bring about the overthrow or destruction of the government of the United States, or any state or local government, as speedily as circumstances permit," "incites others to engage in conduct which then or at some future time would facilitate the overthrow or destruction by force of that government." One is similarly liable who, with the prescribed intent, "organizes, leads, recruits members for, joins, or remains an active member of, an organization which has as a purpose the incitement" forbidden in the first subsection.

As with S. 1, S. 1400 permits—indeed, encourages—the finding of criminal intent without the commission of a single act beyond speech itself. The connection between advocacy and "overthrow . . . of the government" is made yet more tenuous by the failure to require either imminent danger or substantial likelihood of success. No "armed insurrection" is necessary.

And the word "facilitate" could embrace incitement of others to make speeches or posters, or write letters, critical of government policy. Section 1103 of S. 1400 is a blueprint for, in Justice Jackson's phrase, "coercive elimination of dissent" and "extermination of dissenters." "The First Amendment to our Constitution was designed to avoid these ends by avoiding these beginnings." *Barnette*, supra, 319 U.S. at 641. This statute, which sanctions the punishment of mere "belief in an idea," *Scales*, supra, 367 U.S. at 274 (Douglas, J., dissenting), paves the way for destruction of our society more surely than the incitement it condemns.

4. SABOTAGE

Sections 1111 and 1112 of S. 1400 and Section 2–5B4 of S. 1 prohibit impairing military effectiveness by damaging property. Although S. 1 is apparently an attempt to limit the offense to military property, S. 1400 reaches out to embrace virtually everything and every activity that might be taken in relation to it. Section 1111 prohibits damage to or delay or obstruction of any United States property or that of "an associate nation," almost any other property, facility, or service that is or might be used in the national defense, or production or repair of such property. The required intent is "to impair, interfere with, or obstruct the ability of the United States or an associate nation to prepare for or engage in war or defense activities." "Associate nation" is defined in section 1111 of S. 1400 as "a nation at war with a foreign power with which the United States is at war." "War" is not defined.

Under the vague terms of § 1111, anti-Vietnam war demonstrators who "interfered with" public transportation by their very numbers could have been prosecuted for sabotage, a major felony. Nothing in the statute's language prohibits a jury from deducing "intent . . . to obstruct the ability of the United States . . . to . . . engage in war or defense activities" under such circumstances. Nothing would prevent prosecution under the general criminal attempt, conspiracy, and solicitation sections of S. 1400, *see* sections 1001–03, for speech encouraging such a demonstration. The section could be used to destroy the rights of association and assembly guaranteed by the First Amendment. It would make every public demonstration, no matter how peaceful and orderly, subject to criminal sanctions at the iron whim of official power. *See Cox* v. *Louisiana*, 379 U.S. 536, 557–58 (1965), where the Supreme Court, in striking down a similarly vague and overbroad statute, observed:

> "It is clearly unconstitutional to enable a public official to determine which expressions of view will be permitted and which will not or to engage in invidious discrimination among persons or groups either by use of a statute providing a system of broad discretionary licensing power or, as in this case, the equivalent of such a system by selective enforcement of an extremely broad prohibitory statute."

Section 1112 essentially repeats the offense outlined in § 1111, but lowers the level of required intent to "reckless disregard." It thus extends still further the opportunities for official suppression of that vigorous and effective dissent on which democracy relies.

Section 2–5B4 of S. 1 makes it criminal for a person "with intent to impair the military effectiveness of the United States" to "damage . . . or tamper . . . with anything of direct military significance to the United States . . ." The latter phrase is defined in the statute to include an "armament or anything else peculiarly suited for military use," even when only "in course of research and development." Since intent to impair military effectiveness could be read to include any opposition to development of weapons, no matter how costly or obsolete, editorials against the ABM, news stories exposing enormous cost over-runs and mechanical failure, or simply a citizen's public or private remarks against the situating of nuclear stockpiles in his hometown, could be prosecuted on the theory that they "damage" the objects of their disapproval. This section should be narrowed to apply only to culpable physical damage to or interference with military hardware.

5. Impairing Military Effectiveness by False Statement

Section 1114 of S. 1400 makes it criminal for a person, in time of war (undefined) and with intent to aid the enemy or interfere with the United States' ability to engage in war or defense activities, knowingly to communicate a statement "which in fact is false" about "losses, plans, operations, or conduct of the military forces of the United States," of an associate nation, or of an enemy. It similarly punishes factually false statements about civilian or military catastrophe or "any other matter of fact which, if believed, would be likely to affect the strategy or tactics of the military forces of the United States or likely to create general panic or serious disruption." S. 1 contains no comparable provision.

Enactment of § 1114 would effectively destroy perhaps the most important function of a free press—the obligation to report fully and fairly in times of national crisis the discoverable facts about that crisis. It would make punishable as a major felony good-faith errors in news reports about a wide range of activity.

Moreover, there is nothing to prevent high-level official concealment of such facts as the bombing of Cambodia while a prosecutor pursues, tries, and obtains a conviction in the erroneous belief that such "facts" were false. The history of our involvement in Vietnam suggests that when the choice is between the official and the press version of the facts, the citizen may be better off trusting the press. Without it, we might never have learned of the massacre at My Lai, the widespread corruption and oppression of the South Vietnamese government, or the strange discrepancy between many battlefield reports and the observable facts.

A free press is going to make mistakes. Occasionally it is going to make major mistakes. Criminal liability for such errors cannot be made dependent on so vague an intent as "interference with" the "defense activities" of the United States. Such a standard would permit official harassment of politically disfavored publications. It would, in effect, impress the press into government service until such time as the state of "war" come to an end.

6. Offenses Relating to Military Service

Both S. 1400 and S. 1 punish evasion of military service, obstruction of military recruitment or induction, and causing mutiny, insubordination, or refusal of duty. The S. 1 provisions, sections 2–5B5 ando 2–5B6, are more narrowly drawn than the S. 1400 provisions, section 1115–17, but they still present serious problems.

Section 1115 criminalizes the failure to "satisfactorily complete" civilian substitute service, without requiring proof of culpability. Since "satisfactorily complete" is nowhere defined, it could be construed to mean anything from failure to show up on time one morning to failure to show up at all. It thus creates a special felony which could be used selectively against conscientious objectors.

The section also punishes conduct with intent to avoid or delay military service which "in fact" constitutes false swearing or making a false statement (which are made criminal by sections 1342 and 1343). Since section 303(e) specifies that "[c]ulpability is not required with respect to any factor specified in the description of the offense as existing 'in fact,'" section 1115 could be read to permit prosecution for innocent false statements without regard to the culpability requirements of sections 1342 and 1343, so long as the larger intent to avoid military obligations was found. Or it could be read to incorporate the knowledge of falsity that they require. Either way it could support conviction for conduct or speech which had nothing to do with actual avoidance of military service and thus again invites discriminatory prosecution on the basis of political beliefs, First Amendment-protected activity, or other impermissible criteria.

By contrast, S. 1 section 2–5B5, prohibiting avoidance of military service, appears definite and limited. But it also provides that the offense is a continuing one until a person is no longer under a duty to register, thereby extending the possibilities of prosecution until long after the original offense may have occurred In *Toussie* v. *United States*, 397 U.S. 112(1970), the Supreme Court construed the Selective Service Act to require observance of the five-year statute of limitations both "to protect individuals from having to defend themselves against charges when the basic facts may have become obscured by time and to minimize the danger of official punishment because of acts in the far-distant past. Such time limit may also have the salutary effect of encouraging law enforcement officials promptly to investigate suspected criminal activity." *Id.* at 114–15.

Extending the time limit for prosecution is another invitation to selective prosecution. It also interferes with due process rights to a fair and speedy trial. For example, witnesses may well disappear and memories grow hazy over a 13-year period.

Section 1116 of S. 1400 forbids incitement of others to "in fact" evade military or substitute service, without regard to First Amendment protections of free speech or to actual connection between the "incitement" and the evasion. Section 1117 of S. 1400 similarly forbids the incitement of mutiny, insubordination, refusal of duty, or desertion, and the "facilitation" of even attempted mutiny or insubordination. The vagueness of the terms, the lack of proved or provable connection between the speech or other expressive conduct and the culpable activity, would permit application of the statute to such constitutionally protected activities as the organization of G.I. coffeehouses in opposition to the war or, indeed, to any speech which might encourage "insubordination." Section 2–5B6(a)(3) of S. 1 similarly makes it criminal for one to "intentionally cause . . . insubordination, mutiny, or refusal of duty . . ." The only definition of "cause" in S. 1 is the explanation in § 1–2A2 that conduct causes a result "when it is an antecedent but for which the result would not have occurred." Such a definition does little in practice to close the gap between speech and action. It does not even attempt to satisfy the prohibition in *Brandenburg* v. *Ohio*, 395 U.S. 444 (1969), of criminal sanctions against speech which is not likely to produce *imminent* lawless action.

II. OFFENSES AGAINST PUBLIC ORDER

A. Rioting

Although the Brown Commission Consultant's Report persuasively recommended sharp limitations on federal riot law because of constitutional difficulties and overlapping state jurisdiction, see *Working Papers*, vol. II at 991–1029, the Commission's *Final Report* (H.R. 10047), S. 1400, and S. 1 all contain anti-riot provisions which could substantially interfere with First Amendment rights. Like many of the offenses against national security, the anti-riot laws are broad and vague, sweeping within their terms conduct clearly protected by the First Amendment, failing to notify the law-abiding of what conduct is properly forbidden, and providing a convenient tool for discriminatory prosecution and governmental oppression of political adversaries.

Yet the Supreme Court has affirmed time and again that public peace cannot be preserved at the price of sacrificing public discourse and dissent, *e.g., Coates* v. *City of Cincinnati*, 402 U.S. 611 (1971); *Terminiello* v. *City of Chicago*, 337 U.S. 1 (1949). In *Terminiello* the Court declared that "a function of free speech under our system of government is to invite dispute. It may indeed best serve its high purpose when it induces a condition of unrest, creates dissatisfaction with conditions as they are, or even stirs people to anger. Speech is often provocative and challenging. It may strike at prejudices and preconceptions and have profound unsettling effects as it presses for acceptance of an idea. That is why freedom of speech, though not absolute, . . . is nevertheless protected against censorship or punishment, unless shown likely to produce a clear and present danger of a serious substantive evil that rises far above public inconvenience, annoyance, or unrest. . . . There is no room under our Constitution for a more restrictive view. For the alternative would lead to standardization of ideas either by legislatures, courts, or dominant political or community groups." 337 U.S. at 4–5.

Rioting is not protected by the First Amendment. But in this context only violent activity itself or conduct clearly and immediately productive of such activity should be punishable by the criminal law. Such conduct cannot be speech alone. See *Brandenburg* v. *Ohio*, 395 U.S. 444 (1969), holding that the government may forbid speech only when it is "directed to inciting or producing imminent lawless action *and* is likely to incite or produce such action." *Id.* at 447 (emphasis added). Speech which is the occasion for violence is not necessarily the cause of it. See *Working Papers*, vol. II at 1000: "What is obviously lacking is any requirement that the proscribed *speech* poses a clear and present danger of violence. The statute . . . refers [only] to the danger that the *violence* . . . on the part of the *rioters* will cause injury to person or property." [Emphasis in original.] A statute which allows government officials to determine when the connection suffices can only lead to the dangers the Court warned against in *Cox* v. *Louisiana*, 379 U.S. 536, 557–58 (1965): "It is clearly unconstitutional to enable a public official to determine which expressions of view will be permitted and which will not. . . ." *And see Hess* v. *Indiana*, 94 S. Ct. 326 (1973), in which the Court majority and dissenters read exactly opposite meanings into the same words uttered by a demonstrator in a moment of confusion and potential violence. Recovery of the actual meaning of speech in such moments from the memories of participants after the fact is at best an extraordinarily difficult task. A society which assigns criminal liability on the basis of such fragile distinctions runs too high a risk of penalizing the innocent.

1. Inciting or Leading a Riot

Sections 1801 and 1805 of S. 1400 and section 2–9B1 of S. 1 prohibit inciting five or more persons to riot. Neither statute distinguishes between major and minor disorders in setting the penalty, as recommended by the Brown Commission. See § 1801 (3) of its *Final Report*. Both statutes define a riot as a disturbance involving violent and tumultuous conduct which creates a danger of injury to persons or property or obstructs a government function. S. 1400 requires that the danger be "grave," S. 1. that it be "immediate." S. 1 further requires the injury involved to be "serious" and the obstruction to be "substantial." Either formulation is an improvement over the even more vague wording of the so-called Civil Rights Act of 1968, the first federal riot law. But neither approaches the constitutional standard enunciated by the Supreme Court in *Brandenburg* v. *Ohio, supra*, 395 U.S. at 447 (1969) (even advocacy of force or violation of law is protected speech except when it aims at and is likely to produce "imminent lawless action"). But see *United States* v. *Matthew*, 419 F.2d 1177 (D.C. Cir. 1969) (upholding the constitutionality of the D.C. riot statute, similar to S. 1400).

Both statutes can be used to punish mere advocacy, even where no riot in fact occurs or where the connection between speech and violence is merely temporal. They thus substantially invade territory governed by the First Amendment. Tumultuous conduct which "obstructs a government function" may be no more than a noisy but peaceful demonstration temporarily blocking a government driveway. Such conduct is well within the constitutionally guaranteed rights of assembly and petition.

Additionally, both statutes punish the giving of "commands, instructions, or directions in furtherance of" a riot. S. 1400 also makes it criminal to "urge participation in" or "lead" a riot. Again, *Hess* v. *Indiana*, 94 S.Ct. 326 (1973), amply demonstrates the difficulties encountered in determining who is trying to further a riot and who is trying to limit it. Such speech is protected not only by the First Amendment, but also by the Fifth Amendment guarantee of due process of law. The standards for punishment are so vague as to require potential violators, law enforcement personnel, and judge or jury to guess at their meaning. *See Lanzetta* v. *New Jersey*, 306 U.S. 451 (1938).

S. 1400 would substantially broaden federal riot jurisdiction. Interstate travel, use of the mail, or use of interstate commerce facilities, regardless of intent, "in the course of the planning, promotion, management, execution, consummation, or concealment of the offense," would be sufficient. There would be jurisdiction where "the riot obstructs a federal government function." Any realistic attempt to enforce such provisions would involve the creation and maintenance of a national riot police, since nearly every "tumultuous disturbance" of whatever description would fall into one or another of the jurisdictional categories. What such provisions really do is give the federal government unfettered discretion to second-guess state law enforcement officials, and to decide, perhaps for purposes far removed from legitimate law enforcement concerns, to prosecute those whom the state fails to charge or convict, or sentence in a manner acceptable to federal officials. Civil libertarians have long opposed the establishment of a roving federal police force as a substantial step toward governmental tyranny.

2. Arming Rioters

Both section 1802 of S. 1400 and section 2–9B2 of S. 1 prohibit training others in the use of weapons with culpable intent—in S. 1400 intent to "promote" a riot and in S. 1 intent that the weapon be used in a riot. Neither section makes it clear whether a riot need occur nor requires any actual danger of imminent violence. Since there is nothing inherently wrong in teaching another to use a firearm under present law, and such teaching may involve no more than speech, the offense may create a trap for innocent talk. *Cf. Working Papers*, vol. II at 1002. In practice it could force defendants to prove lack of guilty intent instead of placing the burden of proof beyond a reasonable doubt where it belongs, on the prosecution. Advocacy which is protected by the First Amendment may be used to prove intention to "promote" a riot, a standard which neither clearly defines the prohibited conduct nor guides law enforcement officials or courts in determining where to draw the line between potential offenders and those protected by the First Amendment.

3. Engaging in a Riot

The primary problem with section 1803 of S. 1400 and section 2–9B3 of S. 1, which prohibit "engaging in" a riot, is the discretion left to law enforcement officials by the vagueness of the term "engaging in." Such broad provisions can only encourage dragnet arrests, where police make the arbitrary determination that everyone within sight or reach is "engaging in" the disturbance, even though many of them may be persons who have committed no culpable act whatsoever or innocent bystanders caught up in unexpected circumstances. It invites arrest on the basis of such irrelevant factors as race, age, and manner of dress. The later invalidation of such arrests or the dismissal of charges cannot compensate the victims for restraint, incarceration, or such collateral consequences of arrest as, under current law, the inclusion of their fingerprints in crime control databanks and the refusal by public or private employers to hire them on the basis of their brush with the law. *See Sullivan* v. *Murphy*, 478 F. 2d 938 (D.C. Cir. 1973).

4. Failing to Obey a Riot Control Order

Section 1804. of S. 1400 and section 2–9B4 of S. 1 would justify mass arrests for failure to obey a federal public servant's reasonable riot control order. Under S. 1400, no riot or violence need actually occur.

S. 1 substantially follows the Brown Commission recommendation limiting the offense to orders given in the "immediate vicinity" of a riot by persons with supervisory authority over a public safety force. S. 1400 embraces disobedience in the vicinity of an "impending riot" as well. "Public servant" is defined in section 111 of S. 1400 as "an officer, employee . . . or other person authorized to act for or on behalf of a government or serving the government or any branch, department, or agency thereof. . . ." Nothing in section 1804 requires the public servant whose orders it is an infraction to disobey to be a public safety officer or have any specific authority related to the specific circumstances.

Under S. 1400, members of the press and public could be ordered to "move, disperse, or refrain from specified activity"—such as taking photographs—by any government official who objected to their presence or activity in an area where a riot was "impending." Such vague provisions give government officials broad powers to interfere with free speech and press and to control what the public learns about government response to protest demonstrations as well as to riots, or potential riots. But these are matters of which the public should be thoroughly and accurately informed.

5. Disorderly conduct

Section 1871 of S. 1400 would make it a violation of federal law to behave tumultuously, violently or threateningly, cause "unreasonable noise," use abusive or obscene language or behave obscenely in a public place, obstruct pedestrian or vehicular traffic or a public facility, persistently follow someone in a public place, solicit a sexual act in a public place, or engage in "any other conduct which creates a hazardous or physically offensive condition for no legitimate purpose." The required intent is merely to alarm or annoy another person or reckless disregard of the fact that another person is bothered by the prohibited conduct. Jurisdiction is limited to the special territorial, maritime, and aircraft jurisdiction of the United States.

The offenses encompassed by section 1871 are limited only by imagination. Is it a violation to yell or run in the halls of a federal building? To swear loudly enough to be overheard? To impede passersby by standing on a busy street corner in "Indian country"? To be noisy on an airplane? Such a law violates the rule of *Cox* v. *Louisiana,* 379 U.S. 536 (1965), by giving law enforcement officials virtually unfettered discretion to apply a broad prohibitory statute against those whose speech or conduct is "annoying" to them or others. But the exercise of constitutional rights cannot be limited to those occasions on which it does not annoy others. *Cooper* v. *Aaron,* 358 U.S. 1 (1958). The Supreme Court has repeatedly overturned statutes which chill First Amendment rights. Such statutes cause the public to steer far wider of the prohibited zone of conduct than necessary, because they fail to give clear warning of what the law forbids. They give police the power to enforce them selectively "against those whose association together is annoying because their ideas, their life-style, or their physical appearance is resented by the majority of their fellow citizens." *Coates* v. *City of Cincinnati,* 402 U.S. 611, 616 (1971). *See NAACP* v. *Button,* 371 U.S. 415 (1963). Even public obscenity, at least where it is essentially expressive conduct, is protected by the First Amendment. *Hess* v. *Indiana,* 94 S.Ct. 326 (1973); *Cohen* v. *California,* 403 U.S. 15 (1971) (reversing a state conviction for "offensive conduct" for use of a word, generally thought of as obscene, to express strong emotion about a political issue). And the general rule on solicitation of sexual contact, at least in tort law, has long been that "there is no harm in asking." *See, e.g., Samms* v. *Eccles,* 11 Utah 2d 289, 358 P. 2d 344 (1961).

B. Drugs

The Brown Commission recommended that possession of marijuana be treated as a mere regulatory infraction, subject to a fine only, *see* Comment in its *Final Report* at 255. The final report of the National Commission on Marijuana and Drug Abuse recommended that marijuana possession be decriminalized altogether. *See Marijuana: A Signal of Misunderstanding* (1972). Yet both S. 1400, section 1823, and S. 1, section 2–9E1, make possession a misdemeanor. In S. 1400 the penalty for a first offense can be as much as one year imprisonment and a $10,000 fine. In S. 1 the possible penalty is six months in jail and a fine of up to $50 per day. Under S. 1400 an offender previously convicted of violating state or federal drug laws may be convicted of a felony and punished by three years in jail and a $25,000 fine.

As the Brown Commission observed: "available evidence does not demonstrate significant deleterious effects of marijuana in quantities ordinarily consumed; . . . any risks appear to be significantly lower than those attributable to alcoholic beverages; . . . the social cost of criminalizing a substantial segment of otherwise law-abiding citizenry is not justified by the, as yet, undemonstrated harm of marijuana use; and . . . jail penalties for use of marijuana jeopardize the credibility and therefore the deterrent value of our drug laws with respect to other, demonstrably harmful drugs." Comment to *Final Report* at 255.

The ACLU strongly endorses the decriminalization of marijuana possession and use. Important constitutional rights are at stake, including the right to privacy. *Cf., e.g., Stanley* v. *Georgia,* 394 U.S. 557 (1969). The fact that marijuana use may be morally "annoying" to many persons is not sufficient basis for making it criminal. *See Coates* v. *City of Cincinnati,* 402 U.S. 611 (1971). The existence of such arbitrary penalties for conduct not clearly shown to be harmful encourages selective enforcement, police corruption, and the use of such police techniques as entrapment and illegal searches. It diverts millions of law enforcement dollars and thousands of man-hours away from investigation and prosecution of serious crime.

Although we approve of the special sentencing provisions in S. 1400, adding 18 U.S.C. § 5101 to permit court discretion in placing first offenders on probation without entering a conviction on their record, as a step in the right direction, we believe that discriminalization is long overdue.

In addition, the ACLU believes that criminal punishment of hard-drug addicts, whose use and possession of the drugs is fundamentally a result of illness rather than criminal intent, is a violation of the Constitution. *See Robinson* v. *California,* 370 U.S. 660 (1962), holding it unconstitutional to make addiction *per se* a crime; *Powell* v. *Texas,* 392 US.. 514 (1968) (dissenting opinion). If the Eighth Amendment ban on cruel and unusual punishment forbids punishment for "an irresistible compulsion," according to Justice White, concurring in *Powell, supra,* 392 U.S. at 348, "I do not see how it can constitutionally be a crime to yield to such a compulsion." We agree.

Section 1821 of S. 1400 imposes mandatory minimum sentences for traffickers in heroin or morphine—five years if the drug weighs less than four ounces, ten years if it weighs four ounces or more, and life imprisonment without parole for second hard-drug offenders trafficking in four ounces or more. Mandatory minimum sentences have been specifically disapproved by the Brown Commission, the President's Commission on Law Enforcement and Administration of Justice (National Crime Commission), and the American Bar Association. *Working Papers,* vol. II at 1062–63. Such harsh mandatory sentences destroy any possibility for rehabilitation based on the individual characteristics of the offender. Under their provisions an indigent narcotics addict who sells drugs only to support his own habit and has no other history of criminal behavior is discarded as an unworthy human being along with big-time dealers and major felons. But it is the little offender, without the backing of organized crime, who is most likely to be arrested and suffer the prescribed penalties.

C. Obscenity

Both S. 1400 and S. 1 make it a federal felony to disseminate obscene material, thereby punishing the freedom of speech and press guaranteed by the First Amendment. The ACLU opposes any restriction on expression on the grounds that it is somehow obscene, immoral, shameful, or distasteful. The Constitution requires that such judgments be left to the individual rather than to the government. Justice Douglas, dissenting from the Supreme Court majority in *Miller* v. *California,* 93 S. Ct. 2607 (1973), outlined the dangers of determining that some forms of expression are beyond the protections of the Constitution:

"The idea that the First Amendment permits government to ban publications that are 'offensive' to some people puts an ominous gloss on freedom of the press. That test would make it possible to ban any paper or any journal or magazine in some benighted place . . . To give the power to the censor, as we do today, is to make a sharp and radical break with the traditions of a free society . . . the materials before us may be garbage. But so is much of what is said in political campaigns, in the daily press, on TV or over the radio. By reason of the First Amendment—and solely because of it—speakers and publishers have not been threatened or subdued because their thoughts and ideas may be 'offensive' to some." *Id.* at 2626.

A definition of obscenity that would both give fair warning of what is prohibited and limit itself to the truly pornographic has defied the best legal minds of the century. In *Miller, supra,* the Court majority confidently predicted that its newest test would single out protected "commerce in ideas" from punishable "commercial exploitation of obscene material." *Id.* at 2621. The Georgia Supreme Court responded two weeks later by holding that the widely acclaimed movie "Carnal Knowledge" was obscene. *Jenkins* v. *State,* 13 Crim. L. Rep. 2386 (July 2, 1973). In reversing that decision, *Jenkins* v. *Georgia,* 42 U.S.L.W. 5055 (U.S. June 24, 1974), the Supreme Court of the United States failed to relieve itself of "the awesome task of making case by case at once the criminal and the constitutional law." *Id.* at 5058 (Brennan, J. dissenting). The constitutional definition of obscenity remains uncertain.

Moreover, as the Supreme Court held in *Stanley* v. *Georgia,* 394 U.S. 557, 564 (1969), "a man's home is his castle" when it comes to determining what books he shall read there or what films he shall see there. Even obscenity laws which do not directly invade the home interfere with constitutionally protected privacy, for they limit the availability of materials for private use.

Section 1851 of S. 1400 and section 2–9F5 of S. 1 embody the classic defects of obscenity law. S. 1400 prohibits distribution of and advertisements for material containing explicit representation or detailed description of sexual intercourse or explicit close-up representation of human genitals. The only exception is for such material as "a minor portion . . . reasonably necessary and appropriate . . . to fulfill an artistic, scientific, or literary purpose." Even that exception fails if the material was "included primarily to stimulate prurient interest." Only a limited class of students and teachers in "institutions of higher learning" and persons with a medical prescription for pornography are exempt from the prohibition. It is no defense that the distributor did not believe the material to be obscene if he had general knowledge of its content.

Such standards are plainly impossible for policemen, prosecutors, judges, juries, counsel, publishers, or private citizens to apply. Everything from the Bible to "The Joy of Sex"—both national best-sellers—could be swept within their prohibition.

S. 1 takes a different route to an equally unconscionable result. Section 2–9F5 prohibits dissemination of material if taken as a whole it "has as its dominant theme an appeal to a shameful or morbid interest of an average person in sex, nudity," violence, or scatology and "exceeds the candor permissible" in representing or describing such matters. The standards to be applied are those generally accepted in the judicial district where the offense occurred. S. 1 thus invites a local jury to dictate the standards for the rest of the community. It gives government the power to determine what is "shameful," who is "average," and how candid one may be in sexually—or violently—oriented speech. It encourages the suppression of politically unpopular ideas under the guise of concern for public morality because of the words in which they are expressed.

Neither statute distinguishes between adults and children as targets for distribution of obscene material, between willing and unwilling adults, or between the full-time dealer in pornography and the man who lends a book to a friend. But even if they did, the ACLU believes that they would violate the First Amendment. Censorship of children's reading or viewing must be left in the hands of individual parents, not turned over wholesale to the state. The effort to distinguish the adult panderer from the adult interested reader for purposes of punishment is one the Constitution clearly forbids. The state that begins by restricting access to sexually-oriented expression may end by restricting access to all expression that offends those in power.

No less than government attempts to control information about its own behavior or to stifle political dissent directly as "incitement," obscenity statutes strike at the heart of due process and free speech. They attack the foundations of our constitutional democracy.

III. OFFENSE AGAINST GOVERNMENT PROCESSES

Under the guise of protecting the integrity and neutrality of government operations, both S. 1400 and S. 1 would permit governmental interference with First, Fifth, and Sixth Amendment rights. There is a genuine need to protect judicial and administrative proceedings from corruption and intimidation. But this need must not be used to invade constitutional rights where the behavior curbed has, at most, slight chance of deleterious effect. Public demonstrations directed primarily at public opinion must not be suppressed on the theory that they interfere with the sanctity of the judicial process. Vigorous advocacy must not be stifled under the label of criminal contempt.

A. Obstructing a Government Function

Section 1302 of S. 1400 and section 2–6B1 of S. 1 makes physical interference with federal government functions a felony. Both statutes are another potential weapon in the government's arsenal of criminal provisions which could be misused against lawful and peaceful demonstrations. Virtually every mass demonstration would, at one moment or another, fall within their prohibition. Yet such demonstrations can be an important contribution to the public debate on a wide variety of topics.

Under the unfettered terms of these statutes, it would be up to the prosecutor to determine whether a large demonstration on federal grounds or near federal buildings was or was not "physically interfering" with some government function. Even an influx of cars carrying demonstrators to the chosen site might constitute the proscribed felony. Since mass arrests on the basis of group behavior are constitutionally forbidden by the particularity requirements of the Fourth Amendment, the statutes would lend themselves to selective abuse by law enforcement officials who object to life-styles different from their own. *See e.g., Coates* v. *City of Cincinnati,* 402 U.S. 611, 616 (1971).

S. 1400 contains a companion provision, section 1301, prohibiting obstruction of a government function by "defrauding the government in any manner." This provision could seriously curtail freedom of the press. See Part I.A.8 of this Testimony, *supra.*

B. Demonstrating to influence a judicial proceeding

Section 1328 of S. 1400 and section 2–6C4 of S. 1 follow present statutory law in forbidding pickets and other similar demonstrations with intent to influence a judicial proceeding if done within 200 feet of a courthouse. S. 1 includes the residences of judges, jurors, and witnesses within the prohibition. Although the ACLU generally endorses such statutes as necessary to protect due process rights, we believe the statute should be written so as not to apply to demonstrators who have no possibility of influencing or intimidating the court, and whose primary intent is to express opinions of the judicial process which are protected by the First Amendment.

C. Criminal contempt

Section 1331 of S. 1400 and section 2–6C6 of S. 1 basically continue present law regarding criminal contempt. S. 1400 permits a sentence of up to six months; S. 1 leaves sentencing to judicial discretion. S. 1400 further specifies that a criminal contempt proceeding does not bar subsequent prosecution for another federal offense based on the same conduct. S. 1's silence on this question would accomplish the same result under present law. Neither statute provides for trial by jury.

The ACLU believes that there is serious question whether the double jeopardy clause of the Fifth Amendment permits more than one prosecution based on the same conduct. Such a bifurcation invites prosecutorial harassment. See Comment in the Brown Commission *Working Papers,* vol. I at 602. Because the criminal contempt power is unusually subject to judicial abuse, may evade impartial judicial review, and has been too often invoked against politically controversial defendents and their counsel, we endorse the recommendation in the original Brown Commission study draft that penalties be sharply curtailed to no more than five days imprisonment and a $500 fine. We also believe that a criminal contempt trial must be held before a neutral judge—not the one in whose court the alleged contempt occurred. *See Working Papers,* vol. I at 603. If longer penalties are to be imposed, there can be no substitute for the intervention of a jury between the court and the accused. Indeed, Supreme Court decisions require a jury trial in criminal contempt cases where a sentence longer than six months is imposed. *Cheff* v. *Schnackenberg,* 334 U.S. 373 (1966); *Bloom* v. *Illinois,* 391 U.S. 194, 208 (1968) (jury trial must be granted in contempt cases where "serious punishment . . . is contemplated").

The criminal contempt section of S. 1400 punishes one who "misbehaves in the presence of the court or so near thereto as to obstruct the administration of justice." The counterpart section of S. 1 prohibits "misconduct" in the same circumstances. Neither statute offers any further guide to judicial discretion. But the Supreme Court has held that before the "drastic procedures of the summary contempt power may be invoked," it must be clearly shown that the court has actually been obstructed in "the performance of a judicial duty." *In re McConnell,* 370 U.S. 230, 234 (1962).

Under S. 1400 and S. 1, there is a significant danger that vigorous representation or self-representation may be held subject to summary punishment, thereby chilling the Sixth Amendment right to effective assistance of counsel. See *Powell* v. *Alabama,* 287 U.S. 45 (1932); *McConnell, supra.* The vagueness of the term "misbehavior" or "misconduct" violates due process rights by leaving the trier of fact "free to decide, without any legally fixed standards, what is prohibited and what is not in each particular case." *Giaccio* v. *Pennsylvania,* 382 U.S. 399, 402–03 (1966). See *Smith* v. *Goguen,* 42 U.S.L.W. 4393, 4397 (U.S. March 25, 1974). The potential overbreadth of the term may invade First Amendment rights to present relevant public issues for discussion or decision, no matter how distasteful to the individual judge. *Cf. Keyishian* v. *Board of Regents,* 385 U.S. 589 (1967).

D. Refusing to testify

Section 1333 of S. 1400 would increase the maximum penalty for underprivileged refusal to testify before Congress or in court from one to three years imprisonment. It would also permit a fine of up to $25.000. Sections 3–10D1–5 of S. 1 provide for compelled testimony on a grant of immunity from use of the testimony or its fruits in "any criminal case." Although no penalty is set by the sections, failure to testify following immunity presumably would be punishable at judicial discretion under the criminal contempt provisions of S. 1.

S. 1400 makes proof of the legal privilege not to answer a question an affirmative defense, thus placing on the accused the burden of proof by a preponderance of the evidence. Where the privilege claimed is the Fifth Amendment one against self-incrimination, the attempt to supply such proof may itself invade the privilege. Requiring the defendant to negate one of the elements required for conviction may also violate the rule that the prosecution must prove beyond a reasonable doubt every fact necessary to constitute the crime charged. *In re Winship,* 397 U.S. 358 (1970). Congressional and police abuses of the Fifth Amendment have too long and dark a history already. The ACLU opposes any such statutory cramping of the Fifth Amendment's reach.

Similarly, raising of the maximum penalty can only increase the pressure to testify on witnesses whose claim to the privilege is marginal or uncertain, or who do not have the benefit of counsel to advise them. See, *e.g., Yellin* v. *United States,* 374 U.S. 109, 123 (1963); *Sinclair* v. *United States,* 279 U.S. 263, 299 (1929), holding that in a congressional hearing the witness who refuses to answer takes the risk of violating a statute penalizing unprivileged refusals to testify even if his belief in his right to the privilege, although wrong as a matter of law, was in good faith. The three-year sentence permitted by S. 1400 chills the exercise of protected rights, and promotes disrespect for the law as a mere guessing game between witnesses, counsel, and courts.

The immunity scheme of S. 1 is substantially the same as that of immunity statutes the ACLU has long opposed. Immunity is no susbtitute for the constitutional privilege not to incriminate oneself. A witness forced to testify by a grant of immunity may, under S. 1 and current Supreme Court rulings, be prosecuted for the conduct he testifies about if the evidence used against him is neither his testimony nor information obtained by use of that testimony. *See Kastigar* v. *United States,* 406 U.S. 441 (1972); *Zicarelli* v. *New Jersey State Investigation Commission,* 406 U.S. 472 (1972). Despite federal guarantees, it is highly difficult if not impossible to be certain that tainted evidence has not been put to some prohibited use somewhere within the prosecutorial machinery. *Kastigar, supra,* 406 U.S. at 469 (Marshall, J., dissenting). Moreover, it is not legally clear whether Congress can protect a witness against state prosecution. Such a decision may be within the state's authority to make.

Nor can a grant of immunity compensate for the damage done to a witness' privacy, especially where he is required to testify about his associations with others or to reveal his political or other opinions. Nothing in the immunity statute protects a witness from losing his job because his employer dislikes his notoriety. Compelling testimony invites trial by publicity without any of the safeguards required by the Constitution for criminal trial and conviction.

E. Obstructing a proceeding by disorderly conduct

Section 1335 of S. 1400 and section 2–6C2 (a) (4) of S. 1 forbid obstruction of an official proceeding by noise, violent or tumultuous behavior or disturbance. The S. 1400 provision adds "or otherwise."

Like the criminal contempt and disorderly conduct statutes already discussed, *see* Parts III.C and II.A.5, *supra,* the provisions could be applied discriminatorily and unconstitutionally because of their vagueness and overbreadth. Noise or violent behavior which directly and intentionally interferes with courtroom proceedings is clearly punishable. But under these statutes, a judge could punish a witness or spectator who wept or laughed in the courtroom or even within earshot. Under S. 1400, a defense attorney who attempted to introduce a line of questioning opposed by judge or prosecutor might be found guilty of "obstructing" proceedings. Even an obstinate refusal to plea-bargain could fit within the very vague words of S. 1400. More likely, politically unpopular defendants whose demeanor or insistence on self-representation annoyed court or prosecutor could be punished for exercising their constitutional rights.

S. 1400 makes the offense a misdemeanor punishable by one year in prison. S.1 makes it a felony, although the prison term is the same. Categorizing such misconduct as a felony, with all the stigma the term carries, is much too harsh for behavior which may be only minimally culpable. Although S. 1 requires "intentional" misconduct, as opposed to mere "knowing" behavior in S. 1400, few juries are likely to appreciate the differences between "intentionally," defined in S. 1, section 1–2A1 as having "a conscious objective to engage in the conduct or cause the result," and "knowingly," being "aware that conduct will probably cause the result."

F. Demonstrating near a temporary residence of the President

S. 1400 amends 3 U.S.C. to add section 209, authorizing the Secretary of the Treasury to designate "any building or grounds" as temporary residences of the President or temporary Presidential offices, and forbidding persons to enter or remain there or in any "posted . . . or . . . restricted area" the President may visit. The required intent is "to impede or disrupt the orderly conduct of Government business. . . ."

The statute effectively gives government officials the power to isolate the President from entirely lawful demonstrations which he or they dislike. The person of the President must of course be protected from physical danger. But nothing in the Constitution permits the Secretary of the Treasury or anyone else to protect him from the danger of opposing ideas and their vigorous expression. Under the terms of this statute, persons peacefully demonstrating their political opinions as protected by the First Amendment or engaging in the right to assemble and petition for redress of grievances may be removed to a "safe" distance beyond the reach of television cameras or the sight of official visitors from other nations.

G. Disclosure of confidential information

Section 2–6F1 of S. 1 makes it a felony for a public servant to disclose any information he has acquired in connection with "regulation, study, or investigation of an industry." It requires that he be acting "in violation of his obligation under a statute or rule, regulation, or order issued under such statute. . . ." No statute is specified. Yet the guarantee of due process requires that criminal laws be clear and definite. Under no circumstances should anyone be criminally punished for violating a "rule, regulation, or order" which is not part of the federal criminal statutes, and which can be promulgated or withdrawn by administrative procedures.

In addition, this section may prevent public officials from publicly discussing information they gain in the course of their employment—information of such vital public interest as oil reserves or food production. Such a restriction interferes significantly with freedom of the press and the public right to know the facts about industries which affect the public interest in any way. The statute would encourage collusion between regulators and regulatees by cloaking their activities from public scrutiny and could drive responsible public servants out of government work.

IV. DEFENSES

A. Insanity

Section 502 of S. 1400 effectively abolishes the insanity defense as it has been developed over the years by courts and commentators. The section provides that "mental disease or defect" is a defense only where as a result of it the defendant "lacked the state of mind required as an element of the offense charged." Since any defendant found to lack the requisite culpability must be acquitted under accepted principles of criminal law, the section classes the insane with all other defendants in assessing criminal responsibility. Given the present state of the criminal law, the insanity defense is necessary to prevent this result. As the former director of the Brown Commission has written:

"To fail to accord such a defense is to ignore the relevance to guilt of moral responsibility and power of choice. It is to use the gravest sanctions of the system of deterrence we call the criminal law against people who are obviously undeterrable. It is to steer unequivocally sick people to jail rather than mental hospitals." Schwartz, "The Proposed Federal Criminal Code," 13 Crim. L. Rep. 3265, 3269 (1973).

By contrast S. 1, section 1–3C2, follows the lead of most of the federal Circuit Courts of Appeals in establishing mental disease or defect as a defense where as a result of it the accused "lacks substantial capacity to appreciate the character of his conduct or to control his conduct." *See, e.g., United States* v. *Currens,* 290 F. 2d 751 (3d Cir. 1961); *Wade* v. *United States,* 426 F. 2d 64 (9th Cir. 1970). The formula, slightly revised, is that of the Model Penal Code § 4.01 (Proposed Official Draft 1962). S. 1, like the Model Penal Code, excludes a defense based on "an abnormality manifested only by repeated criminal or otherwise antisocial conduct."

The ACLU believes that the criminal law must separate the sick from the guilty. "Even one day in prison would be a cruel and unusual punishment for the 'crime' of having a common cold." *Robinson* v. *California,* 370 U.S. 660, 667 (1962). The question is one of basic justice. See *United States* v. *Eichberg,* 439 F. 2d 620 (D.C. Cir. 1971), explaining the jury's role in determining criminal responsibility where the insanity defense has been raised: ". . . it measures the extent to which the defendant's mental and emotional processes and behavior controls were impaired at the time of the unlawful act. . . . The second [jury] function is to evaluate that impairment in light of community standards of blame-worthiness, to determine whether the defendant's impairment makes it unjust to hold him responsible." *Id.* at 624–25.

The practical danger in merging the insanity test into the question of culpability is that criminal conduct is often viewed by juries as evidence of criminal intent. The focus is shifted from the defendant's culpability, where it belongs, on to "treatment criteria . . . as to [the defendant's] most appropriate disposition." Brown Commission *Working Papers,* vol. I at 248. But the constitutional protection against cruel and unusual punishment and the constitutional promise of due process prevent the criminal justice system from "disposing" of anyone unless he is found guilty beyond a reasonable doubt of a criminal offense.

The exclusion from S. 1's insanity defense of abnormalities manifested only by repeated criminal or antisocial behavior is unjustified. There is no intrinsic reason why repeated offenses may not stem from incapacity to refrain from criminal behavior as opposed to moral blameworthiness. Indeed, compulsive disorders like kleptomania are quite likely to be evidenced only by conduct society disapproves. See *United States* v. *Smith,* 404 F. 2d 720, 727 n. 8 (6th Cir. 1968). The question is one of fact, and should be answered by the jury on the basis of individual factors.

Both S. 1400 and S. 1 establish elaborate procedures for use of the insanity defense and for commitment to mental institutions of those acquitted by reason of insanity. Under S. 1400, 18 U.S.C. § 4221 would require pretrial notice of an insanity defense at the time the plea is entered. If notice is not given, the evidence is not admissible at trial. The court is authorized to order pretrial examination of the defendant by court-designated psychiatrists. The court may commit the defendant to a mental hospital for as long as 60 days for purposes of the examination. Section 3–11C5 of S. 1, although not requiring advance notice of the insanity defense, requires—rather than merely authorizes—the court to order that a defendant whose sanity is an issue in the case be examined by a panel of court-designated psychiatrists. If the defendant objects, the court is required to prohibit use of the insanity defense.

These punitive provisions ignore the constitutional requirements of due process of law. They treat the accused who raises the issue of insanity as if he had already been adjudged a criminal. Requiring pretrial notice of the insanity defense invades the adversary process and the Fifth Amendment privilege against self-incrimination. A defendant who pleads not guilty by reason of insanity may discover at trial that the government's case against him is too weak to stand alone or that another defense may better serve his interests. But by then it is too late. Making involuntary commitment the price of raising the insanity defense unconstitutionally burdens the right to defend oneself against criminal charges. Requiring that a defendant be examined by doctors of the court's choice is permissible only where he is plainly given the right and the opportunity to be examined and present testimony by doctors of his own choice as well. If his chosen psychiatrists are unqualified, the prosecution can so inform the jury.

Sections 18 U.S.C. § 4222 of S. 1400 and 3–11C8 of S. 1 establish procedures for civil commitment of those acquitted by reason of insanity. Both sections properly require a due process hearing before final commitment. In the protections that they accord, they are in general a significant improvement in procedural justice. But both sections also permit as a matter of course involuntary detention pending psychiatric examination and final disposition. The ACLU believes that involuntary commitment should be authorized only in cases where there is clear evidence of its necessity to protect the public from a potentially dangerous person and that the court should be required to so find, on the record and with reasons stated, before involuntary commitment is authorized for any period of time.

B. Intoxication

Sections 503 of S. 1400 and 1–3C1 of S. 1 limit the intoxication defense to those instances where it negates an element of the offense. S. 1400 further requires that the element it negates be the state of mind necessary and that the state of mind necessary be either intent or knowledge. Where the required state of mind is mere recklessness or negligence, intoxication is not a defense unless "not self-induced."

The ACLU believes that intoxication in some instances is itself the product of a physical and/or mental disease or defect for which the defendant cannot be blamed. Chronic alcoholism has been widely recognized as a disease. *See Powell* v. *Texas,* 392 U.S. 514 (1968); *State* v. *Pike,* 49 N.H. 399 (1869). Where chronic alcoholism or drug addiction produces intoxication, it should be a defense to criminal responsibility on the same grounds as mental disease or defect under the Model Penal Code formulation requiring acquittal of defendants who lacked substantial capacity to appreciate the wrongfulness of their conduct or to conform to the law.

C. Entrapment

The present state of entrapment law is a disgrace to our system of justice. The most egregious police misconduct will not bar prosecution of an offender who might never have engaged in criminal conduct if the police had not inveigled him into it. The Supreme Court has recently reiterated its past approval of a "predisposition" test under which the prosecution may refute entrapment by detailing the accused's past misconduct or criminal activity—thereby violating the principle that an accused should be tried solely on the offense charged and not required to justify his entire life. *See United States* v. *Russell,* 411 U.S. 423 (1973); *Working Papers,* vol. I at 319–20.

To its credit, the Brown Commission attempted to remove the predisposition question from the law and to establish an objective test of entrapment. *See* § 702 of its *Final Report*. S. 1400, and to a lesser extent S. 1, weaken the prohibition against entrapment and thus encourage police misconduct and corruption.

Under S. 1400, section 531, entrapment is a defense only where "the defendant was not predisposed to commit the offense charged and did so solely as a result of active inducement by a law enforcement officer. . . . [M]ere solicitation which would not induce an ordinary law-abiding person to commit an offense, does not in itself constitute unlawful entrapment." S. 1, section 1–3B2, defines prohibited entrapment as "methods of . . . encouragement" which "create a substantial risk that the conduct would be committed by persons other than those who are ready to commit it." S. 1 declares the risk "less substantial" where the defendant is known to have previously engaged in similar misconduct.

Neither statute requires probable cause to believe that the suspect is a likely potential offender. Yet, as the Brown Commission *Working Papers* note, vol. I at 319, inducement of criminal conduct violates privacy in much the same way as unfounded searches prohibited by the Fourth Amendment. Such inducement makes "inroads upon the freedom of the will." *Id.* A government policy sanctioning unlimited police intrusion into the decision making processes of individuals or groups for the purposes of ferreting out unsuspected crime can easily metamorphose into a justification for relentless pursuit of those considered "predisposed" by political opinions or associations to commit crimes. The "Government cannot be permitted to instigate the commission of a criminal offense in order to prosecute someone for committing it. *Sherman* v. *United States,* 356 U.S. 369, 372 (1958)." *Russell, supra,* 411 U.S. at ——, 36 L.Ed. 2d at 378 (dissenting opinion).

It is no doubt necessary on occasion for law enforcement officials to use disguise and deception to procure evidence of serious criminal misbehavior. But such conduct should be strictly limited. Instead, S. 1400 contemplates its expansion, by restricting the entrapment defense to offenses committed "*solely* as a result of *active* inducement. . . ." Under S. 1400 proof of entrapment would be virtually impossible. Overzealous police officers and their informers would be free to solicit intemperate criticism of our system of government and then prosecute it as revolutionary incitement or to organize a group dedicated to overthrowing the government or purchasing marijuana and then charge its members with conspiracy. The possibilities are endless. Under such circumstances, the First Amendment rights of free speech and association would be not only chilled but frozen.

In *United States* v. *Russell, supra,* the Supreme Court, while approving present entrapment law, plainly left the way open to Congressional reform. 36 L.Ed. 2d at 374 & n. 9. Congress should take the opportunity to curb official lawlessness.

D. Public duty

Sections 521 and 532 of S. 1400—and to some extent sections 1–3C3 and 1–3C6 of S. 1—would insulate public officials and those acting at their direction from the prohibitions of the criminal law. The statutes would effectively divorce personal responsibility from official action, thereby setting a lower standard of conduct for every federal employee from the President on down the scale. Such statutes are more than a flagrant invitation to official lawlessness. They are a signal to every citizen that the government is not really interested in evenhanded justice. They invite every citizen to follow the government's example and "get away with" whatever he can. As Justice Brandeis warned nearly half a century ago:

"Decency, security, and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the government becomes a law-breaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy." *Olmstead* v. *United States,* 277 U.S. 438, 485 (1928) (dissenting opinion).

The principles so eloquently stated by Brandeis remain relevant today. In the last year we have repeatedly heard high federal officials attempt to justify perjury, wiretapping, and burglary—offenses that would be felonies if committed by ordinary citizens—on the grounds that they were doing their duty as public servants. Under present law, which contains no provisions comparable to the proposed ones in S. 1400, United States District Judge Gerhard A. Gesell last week refused to countenance any exception to the Constitution or criminal laws for public officials on national security grounds:

"The Government must comply with the strict constitutional and statutory limitations on trespassory searches and arrests even when known foreign agents are involved. . . . To hold otherwise, except under the most exigent circumstances, would be to abandon the Fourth Amendment to the whim of the Executive in total disregard of the Amendment's history and purpose." *United States* v. *Ehrlichman, et al.,* Crim. No. 74–116, Memorandum and Order (D.D.C. May 24, 1974).

If Congress changes the law to permit such a justification, no innocent citizen will be really secure from government lawlessness.

Section 521 makes it a defense to prosecution under any federal statute that the defendant "reasonably believed" his conduct was "required or authorized by law . . . to carry out his duty as a public servant, or as a person acting at the direction of a public servant . . ." Section 532 permits the defense that the defendant's conduct "in fact conformed with an official statement of law, afterward determined to be invalid or erroneous . . . which is contained in . . . an administrative grant of permission to the defendant . . . if the defendant acted in reasonable reliance on such statement of the law and with a good faith belief that his conduct did not constitute an offense."

Standards like "reasonable belief" and "reasonable reliance" in such circumstances offer virtually no guidance to law enforcement officials, judges, or juries. The statutes do not even suggest that conduct plainly lawless if done without official justification should have to overcome any higher hurdle of reasonableness than conduct which is ordinarily legal and within the scope of duty. They offer every defendant the opportunity—eagerly accepted by many of the Watergate defendants—to claim that he was merely a good soldier.

But public officials are not soldiers. The Brown Commission *Working Papers* are simply wrong when they equate the soldier's duty to obey commands with the public official's duty to carry out his superior's orders. *Id.* at 263. The public official's highest duty is to the public. He cannot escape the law's commands by reference to administrative permission to ignore them. *See Westbrook* v. *United States,* 13 F.2d 280 (7th Cir. 1926). *Cf. Screws* v. *United States,* 325 U.S. 91, 129 (1945) (Rutledge, J., concurring). One fundamental lesson of Watergate is that we must encourage public officalals to exercise independent judgment when faced with a supervisor's order which raises doubts in their minds.

It should be noted that Section 532 includes a perfectly legitimate defense for ordinary citizens—one that should not be confused with its grant of criminal immunity to public officials. The statute properly grants a defense to those who follow the law as laid down in statutes, Supreme Court decisions, other court or administrative decisions to which they are parties, official agency interpretations, or even administrative grants of permission to them as individuals—only to discover later that the authority they followed was wrong. The ACLU believes that such a defense—for private citizens—is an important shield for the innocent. Indeed, we suggest that this provision and its counterpart in S. 1, section 1–3C6 (b), should permit individuals to rely on lower court and administrative decisions to which they are *not* a party, at least where there are no conflicting decisions in the same jurisdiction or at the same judicial or administrative level. Such a further protection accords with general principles of legal precedent and *stare decisis*.

Section 1–3C6 of S. 1, covering ignorance or mistake of law, is virtually identical with section 532 of S. 1400 and subject to the same criticisms concerning the dangers of official lawlessness. But S. 1's section 1–3C3, on execution of public duty as a defense, is significantly more limited than S. 1400. Under its provisions, the defense is not available if public servants and their agents act "in reckless disregard of the risk that the conduct was not required or authorized by law." Nonetheless, the ACLU believes that even this narrower justification for official misbehavior is not warranted.

Especially in light of current events, Congress should take a firm stand against limiting official responsibility for criminal acts. Public respect for public officials is already frighteningly low. Undermining it further may well destroy the bedrock of confidence on which democratic self-government rests.

E. Use of force against criminals

Section 521 of S. 1400 grants further license to private and official misconduct and contains an invitation to private and official violence.

First, it creates a defense based on reasonable belief that otherwise criminal conduct was required, or even merely authorized, in making a citizen's arrest or preventing the escape of one who has committed a felony. Although private persons have a role to play in law enforcement, it is arguable whether that role should include the use of force against any and all felons—some of whom are guilty of wholly non-violent crimes like tax evasion and bribery. Even non-violent criminal conduct directed against a felon is something the law should be slow to countenance. Under S. 1400, a private defendant could even argue that his burglary or wiretap was committed merely to seek out evidence of another's criminality in order to "make an arrest or prevent an escape" from justice. The possibilities—and dangers—are almost unlimited.

Moreover, the wording of section 521 makes the defense available only where the person arrested or prevented from escaping was in fact a felon. Any citizen attempting through legitimate means to help enforce the law would thus act at his peril, even where he had ample probable cause for arrest or apprehension of another. Under such an unpredictable law, everyone's rights suffer. Section 1–3C4 (d) of S. 1, which permits the use of force to prevent an "in fact" offense, is subject to similar confusions and objections.

Secondly, section 521 permits the use of deadly force by custodial officers where such force is "reasonably believed . . . necessary" to prevent the escape of a prisoner "charged with or convicted of a crime." The crime charged could be petty theft, disordrely conduct, or obscenity, and the prisoner may be innocent of any wrongdoing—yet deadly force would still be authorized. The risk of injury or death to innocent bystanders is not even mentioned as a restraint. Such a provision has no place in modern law. It can only provoke unjustified killing.

F. Use of force to protect persons or property

Both S. 1400 and S. 1, in different ways, sanction the use of force in situations which invite needless violence or brutality.

Under S. 1400, section 522, the victim who gives "provocation" apparently loses his right of self-defense altogether, regardless of what the provocation is, how slight it is, or how murderous the other person's response. Although the Brown Commission *Final Report* forbids the use of deadly force where a safe avenue of retreat is available, *see* § 607(b) (2), under S. 1400 the possibility of retreat, even with "complete safety to himself and others," is merely one factor to be considered in determining whether a defendant's use of deadly force was reasonably believed necessary to protect himself or another from the risk of death or serious injury. *See Brown* v. *United States,* 256 U.S. 335, 343 (1921). Such provisions are dangerously confusing. By granting the right to use extreme violence in some circumstances and denying it in others seemingly quite similar, they make the law quixotic and unpredictable. By denying the foolish or thoughtless provocateur the right of self-defense and granting the right to kill to those who might be able to run away, they encourage violence. *See Laney* v. *United States,* 294 F.412 (D.C. Cir. 1923); *State* v. *Abbott,* 36 N.J. 63, 174 A.2d 881 (1961).

Section 523 of S. 1400 similarly encourages the use of force in defense of property. The section permits the use of all force short of deadly force to eject a trespasser or prevent taking of or damage to property, no matter how trivial. It does not even suggest that the property owner ask the trespasser to leave, issue a warning, or use other non-violent means before resorting to force.

By contrast, section 1–3C4 of S. 1 permits "proportionate force" where the defendant's conduct "is reasonable and is believed in good faith to be necessary to defend himself against immediate and unreasonable use of force by another person." This formulation properly subjects the use of force by both an objective ("reasonable") and a subjective ("good faith") test, instead of merging the two. The idea of "proportionate force" limited to situations of "immediate" danger may help restrict self-defense to the bare minimum of force. Section 1–3C4 similarly limits the defense of property to the use of proportionate force. Like S. 1400, however, it contains no requirement that non-violent means of persuasion be tried first.

G. Use of force against supervised persons

Section 3–1C4(e) of S. 1 permits the use of "proportionate force" when reasonable and believed "necessary" by parents or teachers against minor children, by persons caring for incompetents, by doctors (presumably against patients but the statute does not so specify), by persons in charge of a vehicle or an assembled group, by persons attempting to prevent another's suicide, and by "similar persons." Such a provision can only encourage tendencies toward violence in a class of persons—those caring for others—who should on the contrary be especially wary of using force against their often helpless charges.

The statute ignores the fact that children, incompetents, patients, and even suicides have the same rights as the rest of us to be free from physical coercion by others. Its vague terminology invites abuse. The concept of "proportionate force," which makes some sense as applied to self-defense and even defense of property, makes no sense at all in these circumstances. Is it "proportionate force" for a parent to strike a young child in retaliation, and therefore excusable even if the child is severely injured? May "incompetents"—a term which is less than clear, since many of the mentally ill are not legally incompetent—be physically punished for refusal to obey minor institutional rules? Where a person inflicting violence on another has a genuine intention to protect lives or safety, such as the person who tries to prevent suicide or keep order in a moving car, he presumably cannot be punished under the criminal law in any case, since he entirely lacks culpable intent.

The apparent purpose of the statute is to allow corporal punishment or coercion "for another's good" by parents and others in authority or control over another, when the situation does not clearly negate culpability. But even traditional corporal punishment of unruly students has been seriously questioned by educators, doctors, and lawyers. *See 1972 ACLU Testimony* at 17–22. There seems no good reason to extend it into new areas, especially not by means of a law which sets no specific standards for its infliction. Except in the case of the person seeking to prevent suicide, the statute does not even specifically require imminent danger of harm to anyone before "proportionate force" may be invoked. A law which sanctions the indiscriminate use of force by the strong against the weak is a barbaric reversal of the general purposes of the criminal law.

V. THE INCHOATE OFFENSES

The criminal law has wrestled long and hard with the problem of when the law may intervene to prevent criminal conduct by imposing sanctions against activities which lead up to the actual criminal event. The ACLU acknowledges the importance of crime prevention and the logic of punishment which protects the innocent public before rather than after completion of the criminal act. At the same time, we believe that the so-called inchoate offenses—solicitation, attempt, and conspiracy—offer unparalleled opportunities for over-zealous law enforcement which invades constitutional guarantees of freedom of the press, free speech, free association with others, and due process of law.

The combination of inchoate with substantive offenses can lead to such absurdities as the prosecution of outspoken public critics of the government for conspiracy to incite draft resistance. *See United States v. Spock,* 416 F. 2d 165 (1st Cir. 1969). In such cases the conduct alleged to constitute a criminal offense is doubly removed from any act in itself criminal, the links connecting them may consist entirely of constitutionally protected speech and association, and there is seldom any possible proof that another's act originated in the speech or assembly prosecuted rather than springing from individual choice. Such prosecutions, with their unmistakable overtones of political repression and enforced unanimity of public opinion, move far away from the general purposes of the criminal law and the theories under which inchoate offenses have been held punishable. See *Grunewald* v. *United States,* 353 U.S. 391, 402 (1957): "For every conspiracy is by its very nature secret; a case can hardly be supposed where men concert together for crime and advertise their purpose to the world."

Society unquestionably has a stake in punishing or deterring those who seek to undermine it by criminal activity. But it has at least as great a stake in clearly marking the limits of the criminal sanction. Laws which make political dissent evidence of criminality have no place in our system of constitutional self-government. The government which extends criminal punishment to responsible opposition attacks its own foundations. The government which sweeps within the label of criminality those who only may perhaps belong there, who may have lacked firm purpose, or drifted temporarily close to the margin of legality, makes more outlaws than it needs. *See Working Papers* at 362–63. It may even induce criminal behavior. *Cf. Wootton, Crime and the Criminal Law* 14 (1963): "one conviction, and still more one period of imprisonment, is a great impediment to a subsequent honest and respectable living; and . . . the experience of conviction, and still more of imprisonment, is itself only too likely to be criminogenic." Until we learn far more than we now know about deterrence of crime and rehabilitation of offenders, we have an obligation to society, as well as to the prospective victims and defendants, not to make too many criminals.

A. Criminal attempt

Section 1001 of S. 1400 and section 1–2A4 of S. 1 would give the federal government, for the first time, an across-the-board attempt statute applicable to all other offenses. Such a statute may have the virtue of uniformity, but it directs Congressional attention away from the salutary effort to determine, in respect to particular crimes, whether an attempt statute is wise or necessary. Do we really want to punish unsuccessful attempts to engage in disorderly conduct, disseminate obscene books, or disclose classified information? Are such prosecutions an intelligent use of limited resources for combating serious crime? Moreover, the ACLU believes that punishing attempts to incite unlawful conduct seriously increases the danger of government prosecution for advocacy plainly protected by the First Amendment.

S. 1400 and S. 1 require both culpable intent with regard to the major offense and intentional engagement in conduct which furthers it. In S. 1400 the defendant's conduct must be such that it "in fact, corroborates his intent to complete the commission of the offense." In S. 1 the conduct must constitute "a substantial step toward commission of such crime." Although the S. 1 formula is more limited in its impact on vigorous political speech, either statute would chill protest activities from their very beginning. Under S. 1400, a mere declaration of intent to incite a crowd to anger against the government could constitute an attempted incitement of violent revolution. Under S. 1 making arrangements for a public assembly at which inflammatory speeches were to be made would presumably be enough for conviction. Under either statute news reporters gathering information for reports on issues of vital public interest might be subject to prosecution for attempts to obtain classified information if their research annoyed someone in authority. Reporters who importuned the President, Secretary of State, or other government officials for facts which the public has a right to know might find themselves facing prosecution on similar grounds.

These examples are not farfetched. Courts have not found it easy to define the meaning of "attempt" in the criminal law. Some well-known attempts to limit its scope, *e.g., The King v. Barker*, 1924 N.Z.L.R. 865 (New Zealand 1924), have not found favor in American jurisdictions. Even Justice Holmes, as Chief Justice of the Supreme Judicial Court of Massachusetts, had his difficulties. *See Commonwealth* v. *Peaslee*, 177 Mass. 267, 272, 59 N.E. 55, 56 (1901): ". . . preparation is not an attempt. But some preparations may amount to an attempt. It is a question of degree. If the preparation comes very near to the accomplishment of the act, the intent to complete it renders the crime so probable that the act will be a misdemeanor, although there is still . . . need of a further exertion of the will to complete the crime."

See also, Hyde v. *United States*, 225 U.S. 347, 387 (1912) (Holmes, J. dissenting): "There must be a dangerous proximity to success." Neither S. 1400 nor S. 1 incorporates Holmes' salutary restriction on the reach of attempt doctrine. They leave wide open the possibility that, as the Brown Commission *Working Papers* put it, vol. I at 357: " 'Thinking out loud' coupled with some equivocal act [may] constitute a sufficient basis for conviction."

Both S. 1400, section 1004(c) and S. 1, section 1–2A4(d) permit a defense of "voluntary and complete renunciation" of criminal conduct. The defendant must abandon his criminal effort and, if this does not prevent the crime in itself, take affirmative steps which do prevent it. A renunciation does not meet the "voluntary and complete" standard if motivated even in part by belief that "a circumstance exists which increases the probability of detection or apprehension . . ." or by a decision to postpone the criminal activity. Remembering that the offense involved is merely an attempt, such a high standard for renunciation may be a trap for the belatedly innocent who go along so long as criminal purposes are hazy but draw back when faced with the actual necessity for criminal behavior if their end is to be accomplished. One purpose of criminal sanctions is to deter people from making the ultimate decision to violate the law. If the sanctions work, the case for punishment is at best tenuous.

B. Criminal solicitation

Sections 1003 of S. 1400 and 1–2A3 of S. 1 make it a crime to endeavor to persuade another to do something which is "in fact" a criminal offense. S. 1400 is specifically limited to soliciting certain crimes, some of which are major offenses, such as treason, espionage, murder, and aircraft hijacking, but some of which are not—*e.g.*, refusing to testify and failing to be sworn. S. 1400 also requires "circumstances strongly corroborative" of the necessary intent. S. 1 contains neither of these limitations, but does preclude conviction for attempt to solicit criminal activity.

Under both of these statutes, the solicitor need not know that the conduct he endeavors to persuade another to undertake is criminal. He need only intend that the conduct occur. Thus under S. 1 he could be convicted for encouraging someone else to engage in what he thinks is constitutionally protected protest activity, and still be convicted for soliciting disorderly conduct. Under S. 1400, he could he convicted for soliciting espionage if he "induced" or "entreated" the publication of news reports about faulty rifles, flagging negotiations, or governmental chicanery later found to be "information relating to the national defense" which he knew could be used "to the prejudice of the safety or interest of the United States, or to the advantage of a foreign power. . . ."

Since S. 1400 does not prohibit prosecutions for attempted solicitation, he could even be charged with attempted solicitation of, for instance, refusal to testify. What might constitute adequate "preparation to solicit" such a crime is anyone's guess. The connection between the punished conduct and prospective criminal activity in such cases is so remote as to defy rational proof.

In suggesting a solicitation statute, the Brown Commission intended to provide punishment for those who *instigate* offenses and thereby are truly culpable. *Working Papers*, vol. I at 368. But terms like "endeavor to persuade" cast a much wider net. On their face they ensnare the speaker for nothing more than his speech, when no other criminal act has occurred. By deleting the Brown Commission's requirement of an overt act in response to the solicitation, see *Final Report* § 1003, both S. 1400 and S. 1 could be used to punish advocacy without the slightest possibility of producing lawless action. But the First Amendment plainly forbids this consequence. *E.g., Brandenburg* v. *Ohio*, 395 U.S. 444 (1969).

C. Criminal conspiracy

Neither S. 1400 nor S. 1 in its definition of criminal conspiracy does anything to limit the "elastic, sprawling and pervasive" nature of the offense. *Krulewitch* v. *United States*, 336 U.S. 440, 445 (1949) (Jackson, J., concurring). As long ago as 1925, the federal judiciary expressed serious concern that conspiracy prosecutions were ranging far beyond the legitimate purposes of conspiracy law—to prevent the establishment of continuing group schemes for cooperative lawbreaking—and being used "arbitrarily and harshly." *Annual Report of the Attorney General for 1925* at 5–6. Some twenty-five years later Justice Jackson again warned that "loose practice as to this offense constitutes a serious threat to fairness in our administration of justice." *Krulewitch, supra*, 336 U.S. at 446 (concurring opinion). Twenty-five more years have passed, with conspiracy prosecutions for political dissent and mere advocacy drawing yet more criticism. Yet S. 1400 and S. 1 would leave conspiracy law in much the same state of confusion and overbreadth, subject to the same flagrant abuse, as it is now.

"The modern crime of conspiracy is so vague that it almost defies definition." *Krulewitch, supra*, 336 U.S. at 446 (concurring opinion). According to S. 1400, section 1002, conspiracy occurs when someone "agrees with one or more persons to engage in or cause the performance of conduct which, in fact, constitutes an offense or offenses, and he or one of such persons does or causes any act to effect any objective of the agreement." Section 1–2A5 of S. 1 defines conspiracy as a knowing agreement "to engage in or cause" conduct constituting a crime "in fact." As in S. 1400, one of the co-conspirators must engage in or cause "the performance of conduct to effect an objective . . . of the relationship."

As with criminal solicitation, the conspirator need not know that the conduct he agrees to engage in or cause is actually a crime. He can therefore be punished merely for an agreement, evidenced only by speech ordinarily protected by the First Amendment, to engage in other speech ordinarily protected by the First Amendment. The only consummation required is some act to effect an objective of the agreement or relationship. "Any act or omission, however otherwise innocent, other than those acts surrounding the hatching of the plot itself, performed by any member of the conspiracy, while the conspiracy remains yet afoot, fulfills the requirement." *Working Papers*, vol. I at 393 & cases there cited. Attendance at a meeting may be sufficient. *See Yates* v. *United States*, 354 U.S. 298, 333–334 (1957). The objective effected need not itself be criminal under the terms of either S. 1 or S. 1400. In short, one may be convicted of conspiracy on almost no proof at all of serious criminal intent or behavior seriously tending to accomplish a crime. The divorce between criminal act and criminal intent is virtually complete. *See United States* v. *Spock*, 416 F.2d 165 (1st Cir. 1969).

The substantive law of conspiracy is made even more dangerous by the procedural anomalies that have grown up around it. Since the parties to a conspiracy need not be aware of the participation of others or know each other's identity, *Blumenthal* v. *United States*, 332 U.S. 539, 557–58 (1947), and since one co-conspirator may be convicted on the hearsay evidence of another, *Krulewitch* v. *United States*, 336 U.S. 440, (1949), a defendant may be convicted of conspiracy on the basis of collateral agreements or acts he knew nothing about, engaged in by persons he had never heard of. The rule that independent evidence of the conspiracy must be shown is vitiated if not lost at trial in the rule that the conspiracy may be proved after the hearsay has been admitted. "In other words, a conspiracy often is proved by evidence that is admissible only upon assumption that conspiracy existed." *Id.* at 453 (concurring opinion). Both S. 1400 and S. 1 ignore the limitation in *Spock, supra*, 416 F.2d at 173, requiring that culpable intent be proved against each conspirator individually on the basis of his own conduct.

Although the Sixth Amendment grants the rights to trial in the district where the crime was committed, a conspiracy prosecution may be brought anywhere any conspirator did any act to effect an objective of the conspiracy. Thus in the *Spock* case, *supra*, the government chose to try the case in Boston although several of the acts charged in the indictment took place in New York and Washington, D.C. The procedural law of conspiracy permits the government to engage in forum-shopping for the place where a conviction is thought most likely to be obtained.

The political misuses of conspiracy law have been amply demonstrated in the last few years. The more ordinary abuses, against less publicized defendants, were well-known as much as fifty years ago. One test of any revision or reform of the Federal Criminal Code is its willingness to grapple with and end the abuses of this prosecutorial tool. Both S. 1400 and S. 1 totally abdicate Congressional responsibility in this critical area of the law.

VI. WIRETAPPING AND ELECTRONIC SURVEILLANCE

The ACLU has long opposed wiretapping and electronic surveillance by anyone—including the government—for any reason. The use of electronic devices to invade the privacy of conversations in homes and offices, in telephone booths, and nearly anywhere else is a flagrant violation of the Fourth Amendment ban on dragnet searches and seizures, the Fifth Amendment privilege against self-incrimination, and the constitutional right of privacy. The electronic ear does not discriminate between conversations about criminal activity and conversations entirely within the protection of the First Amendment. It does not separate the intimate discussions of friends from the clandestine plotting of criminals. It sweeps up everything in its way. As Justice Brandeis observed in *Olmstead* v. *United States*, 277 U.S. 438, 475–76, 478 (1928) (dissenting opinion):

> "The evil incident to invasion of the privacy of the telephone is far greater than that involved in tampering with the mails. Whenever a telephone line is tapped, the privacy of the persons at both ends of the line is invaded and all conversations between them upon any subject, and although proper, confidential and privileged, may be overheard. Moreover, the tapping of one man's telephone line involves the tapping of the telephone of every other person whom he may call or who may call him. As a means of espionage, writs of assistance and general warrants are but puny instruments of tyranny and oppression when compared with wire-tapping. . . .
>
> "The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. . . . They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men."

The threat to privacy from electronic surveillance was so great, so pervasive, and so alien to the spirit of the Constitution, Brandeis wrote, that even intrusions in the name of law enforcement must be banned. "Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficent. . . . The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning, but without understanding." *Id.* at 479.

Despite studies indicating that, from the government's point of view, the costs of electronic surveillance far outweigh its purported benefits, Schwartz, *Report on Costs and Benefits of Electronic Surveillance* (ACLU 1973), both S. 1400 and S. 1 essentially re-enact the electronic surveillance provisions of Title III of the Omnibus Crime Control and Safe Streets Act, 18 U.S.C. §§ 2510–20. The ACLU vigorously opposed Title III at the time it was under consideration by Congress. We oppose its reenactment now. Despite its requirement that a neutral magistrate issue a warrant based on "probable cause" and on the failure of ordinary investigative techniques, Title III has greatly expanded the use of electronic surveillance. The number of "intercept applications" authorized has risen from 174 in 1968 to 864 in 1973. State participation in the government's wiretapping and electronic surveillance program has steadily increased. Report of the Director of the Administrative Office of the United States Courts, printed in Cong. Rec., vol. 120, pt. 10, pp. 13218–19. Further, the typical federal wiretap in 1972 involved the interception of 1,023 conversations among 66 persons over an average period of more than three weeks. See Cong. Rec., vol. 119, pt. 11, p. 13518 (remarks of Sen. McClellan). As Senator McClellan noted in inserting the 1973 report into the Congressional Record, only two applications for intercept orders were denied in 1973. In the overwhelming majority of cases, then, the neutral magistrate has accepted the government's word that such surveillance was necessary and would be carefully limited within statutory guidelines.

Yet there have been extraordinary abuses—abuses involving wholesale deception of the courts by the Administration. Despite the requirement that only the Attorney General or an Assistant Attorney General specially designated by him could authorize federal applications for intercept orders, 18 U.S.C. § 2516, a requirement designed by this Congress to insure that only a "publicly responsible official" would set law enforcement policy in this sensitive area, S. Rep. No. 1067, 90th Cong., 2d Sess., 96–97 (1968), a large number of such orders were routinely approved by an executive assistant to the Attorney General and submitted to the courts in the name of an Assistant Attorney General who had, in fact, nothing to do with their authorization. As a result, the Supreme Court has now held that evidence gathered under those orders cannot be admitted in court. *See generally, United States* v. *Giordano*, 42 U.S.L.W. 4642 (U.S. May 13, 1974).

Moreover, the Administration on its own interpreted the Congressional authorization to permit electronic surveillance of political dissidents without court order, under the rubric of national security. It persisted in this practice until the Supreme Court unanimously ruled that the Fourth Amendment forbids such warrantless searches in "domestic security" cases. *United States* v. *United States District Court*, 407 U.S. 297 (1972). As the Court there noted:

> "National security cases, moreover, often reflect a convergence of First and Fourth Amendment values not present in cases of 'ordinary' crime. Though the investigative duty of the executive may be stronger in such cases, so also is there greater jeopardy to constitutionally protected speech. . . . Fourth Amendment protections become the more necessary when the targets of official surveillance may be those suspected of unorthodoxy in their political beliefs. The danger to political dissent is acute where the Government attempts to act under so vague a concept as the power to protect 'domestic security.'" *Id.* at 313–14.

The Court emphasized that—

> "The price of lawful public dissent must not be a dread of subjection to an unchecked surveillance power. Nor must the fear of unauthorized official eavesdropping deter vigorous citizen dissent and discussion of Government action in private conversation. For private dissent, no less than open public discourse, is essential to our free society." *Id.* at 314.

In reaching its decision, the Court held that the existing legislation did not attempt to confer surveillance powers on the President. *Id.* at 308. But S. 1400, 18 U.S.C. § 3126 would reverse this ruling by excepting the President from the statutory restrictions. The ACLU believes that all language reserving inherent Presidential power should be eliminated. However, if any such power at all is reserved it must be consistent with the holding in *United States* v. *United States District Court, supra,* that the Fourth Amendment controls where "there is no evidence of any involvement, directly or indirectly, of a foreign power." 407 U.S. at 309. If it is to exist at all, this concept needs to be carefully and narrowly defined in the statute. Such a definition should, as a minimum, incorporate the guidelines offered by the Justice Department two years ago and confirmed by Attorney General William Saxbe last week: "substantial financing, control by or active collaboration with a foreign government or agencies thereof in unlawful activities directed against the government of the United States." Testimony of Deputy Assistant Attorney General Kevin T. Maroney, *Hearings on Warrantless Wiretapping before the Subcommittee on Administrative Practice and Procedure of the Senate Committee on the Judiciary*, 92d Cong., 2d Sess., 12 (June 29, 1972); Washington Post, May 24, 1974, at A 20.

If such narrow authority is reserved to permit electronic surveillance in the absence of probable cause, that reservation should not be total. Such electronic surveillance should remain subject to statutorily-established warrant and judicial review requirements in order to obtain some accountability in this very sensitive area.

S. 1400, 18 U.S.C. §§ 3125–31, would continue present law authorizing electronic investigation of a long list of federal offenses. Insofar as S. 1's electronic surveillance sections, 3–10C1–5, shorten the list and confine surveillance to major crimes, they are less intrusive than S. 1400 into constitutional rights. However, both S. 1400 and S. 1 continue the Title III provision for emergency surveillance without court order for up to 48 hours. S. 1, section 3–10C3(h) authorized such government surveillance with respect to "national security interests"—an apparent violation of the holding in *United States* v. *United States District Court, supra*. Nothing in that opinion permits warrantless "domestic security" wiretaps even in alleged emergency situations. S. 1400, 18 U.S.C. § 3129(g) limits such emergency searches to "conspiratorial activities characteristic of organized crime." The ACLU strongly believes that this loophole too should be eliminated. Either formula is so vague as to permit warrantless surveillance of political dissidents or other disfavored groups of people.

Both S. 1400, 18 U.S.C. § 3128(e) and S. 1, section 3–10C3(g), authorize the use of evidence of crimes other than those specified in the court order authorizing the interception. This provision only exacerbates the dragnet qualities of electronic search and seizure. It permits law enforcement officials "to rummage for months on end through every conversation, no matter how intimate or personal, carried over selected telephone lines," *United States* v. *United States District Court, supra*, 407 U.S. at 325 (Douglas, J., concurring) in an effort to uncover evidence of criminal activity. It makes a mockery of the requirement for a warrant specifying in advance the offense of which evidence is ostensibly sought.

S. 1400, 18 U.S.C. § 3131, continues the present specific authorization of recovery of civil damages by those whose conversations are illegally intercepted. S. 1, section 3–10C5(g), does not. The ACLU strongly believes that if there is to be any wiretapping, this provision—virtually the only protection this statute offers against sweeping electronic invasion of private rights—must remain in the law. We further oppose the provision in both subsections that good faith reliance on "legislative authorization" is a "complete defense" to any civil action (S. 1) or civil or criminal action (S. 1400) based on illegal electronic surveillance. Since bad faith is extremely difficult to prove, such a provision would prevent the recovery of damages by those whose privacy was invaded for years by government surveillance without court order.

Both S. 1400, section 1532, and S. 1, section 2–7G1, provide some protection from electronic eavesdropping by private persons or authorized government officials, by making it a felony to intercept or disclose the contents of private communications. However, both statutes continue the present law's exception where one party to the conversation gives prior consent to the interception. The ACLU opposes this restriction on the citizen's right to be free from unreasonable search and seizure of his private thoughts. Consent by one party should not be allowed to bypass the constitutional rights and privileges of another.

VII. SENTENCING, PROBATION, AND PAROLE

Both S. 1400 and S. 1 set harsh retributive sentences for many crimes. Both provide for the death penalty, which the ACLU has long opposed as cruel and unusual punishment in violation of the Constitution. See *Furman* v. *Georgia*, 408 U.S. 238(1972). Although the Senate has already approved the reinstitution of capital punishment by passing S. 1401 on March 13, 1974, we believe that if this bill becomes law, it will not survive challenge in the courts. We urge the Senate in general and this Subcommittee in particular not to endorse yet again a penalty which has been used to perpetuate racial and economic discrimination in a fashion which degrades our nation in the eyes of civilized men and women. Our claims to moral progress and to equal justice under law are mocked by the infliction of savage and final retribution against those least able to defend their cases in court.

Both S. 1400 and S. 1 skew their sentencing schemes in favor of long-term prison sentences, despite the overwhelming recommendation of penologists and lawyers who have studied the correctional system that sentences instead be sharply reduced. *See, e.g.*, President's Commission on Law Enforcement and Administration of Justice, *The Challenge of Crime in a Free Society* 348–351 (Avon. ed. 1967); Brown Commission *Working Papers*, vol. II at 1255–57; 1269; Schwartz, "The Proposed Federal Criminal Code," 13 Crim. L. Rep. 3265, 3266(1973). Although such sentences may be aimed at the most egregious offenders, the Brown Commission reported, "they have a psychological tendency to drive sentences up in cases where such a tendency is unwarranted. Long, incapacitating terms can do great damage if imposed in the wrong cases, both in terms of injustice to the individual and in terms of positive, harmful effects to the public upon release of the prisoner. Long sentences imposed on the wrong people can lead to more offenses rather than less. "*Working Papers*, vol. II at 1257.

A sentencing system which mandates fifteen, twenty, and thirty year sentences for a large variety of crimes becomes its own worst enemy. Even given the wide disparity between authorized maximum and time usually served, see *Working Papers*, vol. II at 1255, the system's inevitable effect is to destroy any possibility of rehabilitation for nearly everyone caught in its grasp. High recidivism rates among major felons testify to the fact that our prisons are training schools for criminals. By increasing the number of victims and offenders, they present a tragedy of broken and wasted lives.

S. 1400 sets high mandatory minimum sentences for traffickers in heroin or morphine, see Part II, B., *supra*, despite widespread criticism of such sentences as interfering with the judicial discretion vital to fairness in our criminal justice system. Such sentences deny the sentencing court the power to place the offender on probation, require a set term of years in prison, and refuse parole. Federal judges, prosecutors, and correctional personnel, as well as the American Law Institute, the National Council on Crime and Delinquency, and the American Bar Association, have vehemently opposed mandatory minimum sentences. *Working Papers*, vol. II at 1252.

Even if it were desirable to limit discretion, mandatory minimum sentences do not do so. They merely displace discretion from the judge to the prosecutor, who retains the power to determine the charge. As the Brown Commission noted, prosecutors often charge drug offenders with at least one offense carrying a mandatory sentence and one carrying a lesser penalty which permits probation and parole. "The guilty plea process, supposedly resting upon the uncoerced consent of the offender, is clearly distorted when the prosecutor can hold the threat" of a mandatory minimum sentence over the offender's head. *Working Papers*, vol. II at 1254. This practice unconstitutionally chills the Sixth Amendment right to trial by jury, and the Fifth Amendment right to plead not guilty, burdening the defendant's choice with heavy consequences if he should be convicted. *See United States* v. *Jackson*, 390 U.S. 570 (1968).

The ACLU supports the long-overdue establishment of appellate review of criminal sentences. Appellate review would permit correction of seriously excessive sentences and would tend to equalize sentences for like offenders and like offenses. At the same time, it would allow more than one court to consider individual circumstances in determining an individual's fate. As the Brown Commission *Working Papers* observed: ". . . every other judicial decision of consequence at the trial level in both civil and criminal cases is subject to the review of appellate courts. Why the criminal sentence should be the one item which should be insulated from review is not immediately clear. That it is is one of the great ironies of the law." *Id.* at 1335.

S. 1400 does not provide for judicial review of sentences. S. 1, sections 3–11E2–3 permits review of conditions of release and of upper-range sentences imposed against "dangerous special offenders"—those specifically found subject to especially severe penalties under S. 1's sentencing scheme. But even the limited reform S. 1 grants is seriously undermined by its provision for appeal by the government as well as by the dangerous special offender. Although S. 1 properly forecloses higher sentences when the offender alone takes an appeal, it permits imposition of more severe sentences when the government takes an appeal. Such a provision plainly violates the constitutional guarantee against double jeopardy. *See, e.g., Ex parte Lange*, 85 U.S. (18 Wall.) 163, 173 (1873); *Blackledge* v. *Perry*, 42 U.S.L.W. 4761 (U.S. May 20, 1974). *Cf. North Carolina* v. *Pearce*, 395 U.S. 711 (1969). Whatever the exact scope of the guarantee, *Lange, supra*, 85 U.S. at 168, there has never been any doubt that the Constitution prohibits a second punishment on the same facts for the same statutory offense. The constitutional protection against more than one trial would be of no avail if "there can be any number of sentences pronounced on the same verdict[.]" *Id.* at 173.

Since S. 1 does not require the sentencing judge to state his findings and reasons on the record, the defendant's decision about appeal will not only be chilled by his fear that the government will take an appeal as well, but also by his lack of knowledge as to the reasons which the judge actually relied upon in sentencing him. Where the original sentence is based on an erroneous reading of the facts, he will have no way of so discovering and demanding correction.

Despite the Brown Commission's finding that "probation is likely to be the most effective form of sentence in a great many cases," *Working Papers*, vol. II at 1268, both S. 1400 and S. 1 create substantial legal hurdles to the imposition of probation instead of a prison sentence.

S. 1400, section 2101, requires a prison sentence unless the judge is "of the opinion" that probation "will not fail to afford deterrence to criminal conduct" and "such disposition will not unduly depreciate the seriousness of the defendant's crime, undermine respect for the law, or fail to constitute just punishment for the offense committed." As the former director of the Brown Commission has pointed out, almost no intelligent and conscientious judge can ever arrive at such conclusions beyond doubt. Schwartz, "The Proposed Federal Criminal Code," 13 Crim. L. Rep. 3265 3266 1973). S. 1, section 1–4D1, although properly requiring the court to consider the offender's individual circumstances, declares that the judge "shall be guided by the need to maintain respect for law and to reinforce the credibility of the deterrent factor of the law. . . ."

Such provisions implicitly tell the judge that probation is not preferred, but a last resort, to be accorded only the criminal offender who is an extraordinarily good risk. They ignore the fact that prison sentences completely dislocate offenders from the community, cutting off the ties of family and job which alone may provide the incentive to obey the law. Yet since most offenders ultimately do return to the outside world, it is in society's best interest—as well as theirs—that they have more to go back to than a life of crime. *See Working Papers*, vol. II at 1268.

S. 1400 additionally requires a judge, in granting probation, to find that the defendant "is not in need of such education or vocational training, medical care, or other correctional treatment as can be provided most effectively by his commitment to an institution." Such factors only reinforces the criminal justice system's discrimination against the poor, the sick, and the uneducated. The constitutional guarantees of due process and equal protection of the law require courts to weigh evenly the claims of rich and poor, skilled and unskilled. Freedom from imprisonment and the chance to try again should not depend on an absence of past sufferings. "Effective" provision of job training and medical care in most cases does not require isolation of the offender from the community in which he will ultimately have to learn to live. The Congress should legislate to provide these services outside of prison, instead of incarcerating people just to obtain them.

S. 1400, 18 U.S.C. § 4202(d) and section 3–12F3(e) of S. 1 similarly stack the decision-making process against the granting of parole. Yet parole, like probation, can be crucial in encouraging offenders to establish law-abiding lives. See *Morrissey* v. *Brewer*, 408 U.S. 471, 484 (1972):

> "The parolee is not the only one who has a stake in his conditional liberty. Society has a stake in whatever may be the chance of restoring him to normal and useful life within the law."

S. 1400, 18 U.S.C. § 4204, departs from traditional parole law by adding a mandatory one-to-five-year parole term on top of the specified prison terms. S. 1 retains the present approach, using parole to diminish the maximum prison term. Parole is still a significant restraint on individual liberty, permitting return to prison for parole violations which would otherwise be innocent and harmless behavior. Allowing an administrative agency, not subject to judicial review under S. 1400, 18 U.S.C. § 4208, to determine whether an offender shall continue under restraint past the maximum authorized sentence violates due process rights and creates substantial opportunities for unreviewable abuse. The ACLU believes that parole should count as part of the sentence it is served under, and that judicial review should be accorded to make sure that the administrative body dealing with parole does not arbitrarily discriminate against some defendants or fail to apply the statutory criteria in making its decisions.

The ACLU also believes that parolees must have the right to counsel at parole revocation hearings, see *Morrissey* v. *Brewer, supra*, 408 U.S. at 490 (concurring opinion), and that the state must provide counsel for an indigent parolee facing a return to prison. *Cf. Douglas* v. *California*, 372 U.S. 353 (1963). Neither parole revocation provision, S. 1400, 18 U.S.C. § 4207(c), nor S. 1, section 3–12F6 (d), provides this basic due process right. Although the Supreme Court in *Morrissey*, *supra*, 408 U.S. at 489, specifically reserved the question whether the Constitution requires counsel at such hearings, the complexities of fact and law involved in parole revocation hearings are not intrinsically less than those involved in the usual criminal trial. Parolees are no more skilled in the art of cross-examination, the sifting of relevant from irrelevant fact, or the interpretation of legal language than other laymen. Providing them with other procedural rights will scarcely aid them if the do not know how to use those rights to plead their cases effectively. *See Gideon* v. *Wainwright*, 372 U.S. 335, 244–45 (1963): As Justice Douglas observed in *Morrissey, supra:*

"A hearing in which counsel is absent or is present only on behalf of one side is inherently unsatisfactory if not unfair, 408 U.S. at 498 (concurring opinion) (citation deleted)."

Fairness at parole revocation hearings, no less than fairness at trial, is fundamental to protection of individual liberties.

SENATOR HATFIELD CHALLENGES AMERICA ON WORLD HUNGER

Mr. MATHIAS. Mr. President, the Senator from Oregon (Mr. HATFIELD) delivered the sermon at Fourth Presbyterian Church, in Bethesda, Md. on Sunday, November 11. Although Senator HATFIELD is a Baptist, he frequently joins his Maryland neighbors at Fourth Presbyterian when he is in the Washington area. The Reverend Dr. Richard Halverson is the minister at Fourth Presbyterian, and his leadership is an important influence in the community. Senator HATFIELD delivered a challenge to the congregation to respond to the hunger crisis facing so many areas of the world. He had returned from Rome the day before, where he had been a Senate delegate to the U.N. World Food Conference. Senator HATFIELD also serves on both the Agriculture and the Foreign Operations Subcommittees of the Appropriations Committee where foreign aid and food for peace programs are funded. I feel that Senator HATFIELD's thoughtful remarks merit a wide hearing and, therefore, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

WORLD HUNGER AND CHRISTIAN RESPONSIBILITY

(by MARK HATFIELD)

I'm very conscious that I stand in a very important pulpit today. I did yield to pastoral pressure; and then I began to realize that it was probably more of an example of pastoral confidence than pastoral pressure, because he—our pastor, Dr. Halverson—has risked the pulpit this morning to a Baptist. And I'm very conscious that every detail has been cared for because, as you know, the Presbyterian side of the pulpit has used a glass, and this morning on the other side of the pulpit we have a pitcher of water . . . realizing that it takes more water for us Baptists to operate. I'll refrain from the temptation of discussion true doctrine, such as immersion and other such discussions.

When Christ came to earth he called his disciples at that time, as well as those of us who are his followers today, to be faithful to a vision of compassion and love. When he began his public ministry and the first words uttered, it's very interesting to note that he used the quotation from the Old Testament, the Book of Isaiah, when he said these words: "He has annointed me to preach the good news to the poor; he has sent me to proclaim release to the captives and recovering of sight to the blind; to set at liberty those who are oppressed; to proclaim the acceptable year of the Lord." And interestingly, he also observed some of the religious institutions and the religious practices of that day. He was very critical when he looked to the Pharisees and said that even though they had given their tithe, that they had not done anything more than that. This was his challenge to the religious establishment. "Alas for you, Pharisees, you pay tithes but you have no care for justice and the love of God. It is these you should have practiced without neglecting others."

Last March it was my privilege to be not only in one of the most suffering and probably one of the most famine-stricken places in the world—Calcutta—but also to spend the day in the presence of a living saint of God, Mother Teresa. And as we followed Mother Teresa that day through the various parts of her ministry from where she went to the lepers and to reach out and to touch the lepers as an expression of her love and concern for them; to the places where the babies were being brought to be given because the mothers could no longer feed the babies; to the places where she had picked up the dying old people from the streets and had performed there a ministry of bathing and feeding and nursing, loving these people as they were in the state of dying; she told us of an incident only a few days earlier. She had gone to a home to take a portion of rice, and the mother of the household shared with her the fact that the members of her family, of which there were five, had not eaten for three days. And as Mother Teresa portioned out this amount of rice she noticed the mother was picking up some of the rice and placing it into another vessel, and she puzzled and inquired what it was for. The mother of the household said, well, there was a neighbor family and this family had not eaten for three days either, and she wanted to share her rice with them. The perceptive and profound observation that Mother Teresa made was, "I could have given a double portion of rice, but I did not want to deny this family the blessing of sharing."

What does this mean for us today? We live in a very unique time of history in the world. As we look at the world's growth and development we find that by the year 1,000 A.D., after an estimated 1 million years of human history, there were no more than about 275 million people on the face of the earth—no larger than the United States. By the year 1900 that population had grown to 1.6 billion. By the year 1970 it had increased to 3.6 billion. By the year 2000 the population is expected to reach 7½ billion people. There are over 6 million more people born each month at present rates of population growth. The experts tell us that the only way we're going to deal with this particular problem of rising food requirements and rising population growth—and stabilize that relationship—is either through war, through famine, or through planning by the nations of the world.

And so it was that last week we convened in Rome, the first conference on world famine and food ever held by the nations of the world. One hundred and eleven countries were represented, and are represented as that conference continues. Over fifty organizations also were represented by executives and leaders of those organizations concerned with hunger and famine. And of course, as we met there we were conscious of the fact that there were certain factors that brought us together under these unique circumstances; that we had had in many parts of the world a very bad harvest in 1972. We recognized that there had been a general reduction in grain reserves among countries who were surplus countries. We realized that there have been rapidly rising prices of food throughout the world. And we truly wrestled with problems—problems that perhaps even defy human solution in our present perspective in time.

We had a duality of purpose and yet it was an interesting imbalance that existed there over the first week of the conference. On one hand we had the call for immediate food aid to relieve the starving of today. And on the other hand we had the requirements to plan ahead for increasing food production, especially in these countries which we called the developing world. We also knew that within the entire world this would have an impact upon the social structures, the economic structures, the political structures. We understood, at least in mind—whether action follows will remain to be seen—that there are not sufficient intra-structures in many of the developing parts of the world to handle even food aid, let alone immediate use of increasing food production or the technology required to do so. We saw that throughout the world the large corporate commercial agricultural enterprises were squeezing out the small farmer, denying the small farmer oftentimes the opportunities to produce. We see the slowness of land reform, where land is held selfishly, miserly, in the hands of the few.

We see that there are not sufficient transportation systems to move the food from farm gate to the consumer; not sufficient market programs and facilities, or distribution facilities. All these represent great and monumental problems with which the nations of the world were wrestling.

And yet I am not certain in my mind whether or not those nations—whether the developing nations or the developed nations, together or separately—understood a simple proposition that no sustained agricultural progress can be made without social progress, and that no social progress can be made without sustained production in agriculture. We saw even among some of the developing countries the call for capital intensive investment: tractors for some of the nations of the world in which many of the small farmers are using a straight stick with leather thongs attaching a sharp rock into that stick, to hoe into the land to try to plow and plant and to try to reap. I had the priviledge of sitting next to the representative from Tanzania, he said, "How foolish for some of these developing countries to be talking about capital intensive investment" he said, "when in my country if we had a tractor there would be one man running that tractor and 1,000 men watching him run the tractor. We need labor intensive development."

Yes, these were some of the great problems with which the nations of the world are attempting to wrestle and come to some solution. We might ask ourselves what the role of the United States is in this particular world picture today. Oh, we hear so much about the theat to our national security, and we measure that threat by comparing the number of war planes, the number of bombs, the number of warships, to other great powers. We say, therefore, if we but have an equity or a priority or a superiority we will be secure; when actually the greatest threat to this nation and the stability of the entire world is hunger. Hunger and famine will do more to de-stabilize this world; it's more explosive than all of atomic weaponry possessed by the big powers. Desperate people do desperate things, and remember that nuclear fission is now in the hands of even the developing countries.

Well, we have made noble efforts, and I do not denegrate the efforts of the American people. Today under the PL 480 program we express our concern generally in a material way to help the hungry part of the world. It's under PL 480 that we have taken the agricultural surplus and we have, either through grants or through loans, made available these surpluses.

To give you a context of our record, from 1968 to 1972 the United States of America under PL 480 averaged 9 million tons of grains and foodstuff exports. But interestingly, in 1973 that dropped to 7.3 million tons, and in 1974 it dropped to 3.1 million tons. As we project 1975, we have an option of a range from 3.1 million to 5.5 million tons.

We make these decisions really on the basis of the arguments between the State Department and the Agricultural Department. The State Department says, let us give foreign aid on the basis of our military and political allies. The Agriculture Department says, let us give foreign aid on the basis of how we can create future markets to sell American products. And yet we say and we argue these points in a world in which ½ of the deaths are attributed to malnutrition and starvation.

For every one dollar of your tax money that we allocate to life sustaining and life preserving programs, we spend 50 dollars of your tax money for destruction of life and instrumentalities of destruction. I can give you an example of how, in effect, much of our foreign aid today is consistently coordinated with military involvement and to political considerations. In 1974, out of our Food for Peace, 450 million dollars of that went just to Indo-China, whereas the combination of the countries of the Sahel in Africa, Pakistan, Bangladesh and India received only 206 million dollars of such aid. Of the vital commodity of fertilizer to help increase food production last year and this year, half our total exports went to South Vietnam, based obviously on political and military considerations. Fifteen percent of our foreign aid will go to the Middle Eastern countries, and yet we know that today in those Middle Eastern countries, with the exception of two countries, they already are meeting 90% to 109% of their calorie requirement per day. And the other two countries meet 84% to 86% of the need. Obviously, the aid in this area is political in nature.

What is incumbent upon us, as Christians, in light of the inequities in today's world? Jesus was quite clear when He told a story about coming judgment. Judgment was clearly related to feeding the hungry. Both the Old and New Testaments admonish us to feed our enemies.

I think often our first inclination as a Christian community is to look to government. But, my friends, this is not always the answer. By so doing we oftentimes ask Caesar to undertake what is basically a spiritual ministry.

Did not Jesus say, "Truly, I say to you, as ye did it to one of the least of these my brethen, ye did it unto me." And what seems to be a purely material ministry is very much and basically a spiritual ministry. Government is limited by its resources in its ability to be compassionate, as we are seeing by what is happening to us today in the world. But Christians are not so limited in terms of resources or priorities. The greatest commandment we have is to love God and to love our neighbors, and love is not an emotion, it is action.

I think we must ask ourselves some very hard questions. What does it mean to be the salt of the earth? Has our outreach been truly Christian in all cases? When we understand God's love—the depth of his love—in our being, we will no longer then separate the message of the Gospel from the mission of the Gospel, even though there has been a tragic and un-Biblical separation between witnessing to the good news of Christ and acting with his love to meet human need. How dare we present Christ as the bread of life to a hungry man and only be concerned with Christ as the spiritual bread, and not obey Christ by providing the physical bread to meet that man's physical needs of today. The message of God's redeeming love in Jesus Christ is inseparable from the living witness of that love in each of our lives for other people.

What does it mean to be crucified with Christ, to deny ourselves and to take up the cross daily? I think the time is ripe for Christians to act individually and corporately in a manner consistent with being crucified with Christ, with the denial of ourselves, with true separation from the world—a separation not defined by legalism but by the way we respond to the world's hurt and pain. We can avoid being squeezed into the world's mold or into a cultural mold. We can act personally and individually. I think we also have examples of how our nation can act and respond to this.

One of those golden moments of America's history, of which we have many, was in the year 1917. As you know we were at that point very much concerned with and moving toward involvement in the great war. And our great President Woodrow Wilson appointed a man named Herbert Hoover to be the food director and food administrator for this cause. And Mr. Hoover accepted his task and his assignment from President Wilson. He accepted it on the basis of organizing the service of self-denial of the American people so as to supply our allies with foodstuffs during the war, and all of Europe after the war. The significance of the American attitude is critical: we had an obligation to help not only our friends, but even to help our enemies. He said his job was to increase American exports by immediate reduction of waste and consumption in all commodities.

At that time, and mind you, this was April 1917, the crops had been planted for that year—we were not able to accelerate our production at that point. Yet in that one year, calling on the American people to sacrifice, to yield their consumption levels, we were able to increase our exports to our allies by 5.4 million tons, almost equal to our high option of 1974. And in 1918, when we had been able to institute increased food production, we increased the exports to 18 million tons and the goal of 20 million tons of export was achieved in 1919. Mr. Hoover said this was accomplished primarily through the yielding and the giving of the American people.

In like manner we can analyze ourselves and our individual lifestyles of today. I was shocked at Rome Food conference that in all the speeches and all the comments I heard from the developed countries of the world, so little attention was addressed to the possibilities of increasing aid through changing our own lifestyles.

What is our lifestyle? Is it characterized by consumption or by conservation? What determines our needs—the television, magazines, friends, culture? What determines our buying patterns today? More gadgets, the best, the most colorful, the easiest to care for, the throw-away ethic, convenience or disposability? We as Christians have the first obligation to review our lifestyles. Do we feed our animals today better than most human beings eat?

A study made in this country recently showed that out of one year's births, 5% of the babies born in this nation were born mentally retarded. But in that same generation of babies, by the time they reached 12 years of age, there was an 11% mental retardation in the profile, mostly attributed to malnutrition and the lack of protein.

Yet we produce protein in a most uneconomical way. We can get 667 pounds of protein from one acre of soybeans, but we can only get 9 pounds of protein from one acre cultivated in feed grain for cattle.

And we, as Christians, really must reexamine the attitude that one of the columnists criticized recently when he said that we spend $200 to buy a machine that changes 40 pounds of garbage into 40 pounds of garbage. And yet we have millions crying out for survival.

There are people in this nation today on social security and welfare who literally are eating pet food to stretch their dollars in today's economy. I have received from my constituents cans of pet food, asking me to live on it for a while to see how it felt, as they are required to do. But why not quietly adopt such a person as our personal opportunity to share Christ's love.

Oh, there are numerous organizations involved as well as government. We don't have to wait for government to act. And there is no contribution too small to be received by such organizations to help save the lives of people—and probably more efficiently and economically than many of our governments—organizations such as World Vision, Care and many others.

We can act corporately as a church as well as individually. Let us recall that the church of Jesus Christ was the reforming influence of the 18th and 19th centuries: child labor, abolition of slavery, caring for the needy. Let us not abdicate this work to agencies which do not have the underpinning of love and motivation of Jesus Christ. The churches, the Christian communities again can act and not merely adopt statements and resolutions. We can adopt a needy family just as we support missionaries, help that family to re-enter the world of employment. We can also promote fasting as a spiritual discipline and encourage the money saved on the food to be sent to relief organizations. We can decry wasteful eating habits and set the example of change in lifestyle, especially at holiday times, and again encourage the money saved to be spent on relief efforts.

If we really believe that God loved us while we were yet sinners, then we will love the poor and the outcasts of society. We will not wait for them to earn the right to be loved in our eyes. Nor will we demand that they show due appreciation for what we're doing for them. We will avoid all the lame excuses that prejudice against the poor, the needy, the dispossessed. We will love them because of the cross, because we have been shown in our own lives that people do not need to deserve love or to earn love.

Another great golden moment in our history was when the famine hit Soviet Russia in 1922 and 23. We were out of the war by this time; we had fed our allies; we had helped feed Europe after the Armistice. On behalf of Nicolas Lenin, Maxine Gorky wrote a letter to the Secretary of Commerce of the United States Herbert Hoover, recognized as the great authority on food. And he asked Hoover to come to Russia to help organize famine relief for the dying hundreds of thousands of Russians. Much of the reaction in America was, "Let the Bolsheviks die. We don't like their system of government. They're our enemies." Mr. Hoover said hunger does not respect political ideological barriers. And he went and he organized and he elicited from the world the help necessary to save literally millions of lives of the so-called "political enemies."

I think this is how we come to understand the full meaning of the atonement: that Christ died for all men, and God loves all men in a way that should effect our lives as Christians. It should revolutionize our lives and our attitudes towards all other people, in each of our relationships each day.

As you go down to the National Portrait Gallery you will find that the theme of the first of our bicentennial exhibits is "In the minds and the hearts of the people," which are words taken from a letter written by John Adams in 1818. When someone had written him and asked him to comment on the war of 1776, identifying it as the American Revolution, Mr. Adams wrote back and said the war was not the Revolution. The war of 1776 was not the American Revolution—it was but the consequence of the American Revolution. The Revolution began in the minds and the hearts of the people fifteen years before a drop of blood was spilled at Lexington. That was the American Revolution.

And so today out of the minds and hearts of the American people redeemed and regenerated by the love of Jesus Christ can come the basis for the new American Revolution. This spiritual revolution can reach out in love and compassion to demonstrate by deed and action the love and compassion we have already received in our personal lives and in the corporate life of the Church because of the cross of Jesus Christ.

EARTH RESOURCES TECHNOLOGY SATELLITE LEGISLATION

Mr. HATHAWAY. Mr. President, about 2½ years ago NASA launched its first satellite in a program which could become one of its greatest achievements. The amount of money committed to the program has been comparatively moderate. None of the events associated with the program have attracted great public attention. Yet, in terms of improvement in our way of life, we are just beginning to realize its large potential.

The program is the Earth Resources Technology Satellite program. Over the past 2½ years investigators have shown the value of ERTS in agriculture, forestry, range resources, water resources, mineral resources, and in land use planning and mapping.

Recently, the Governor of Maine wrote to the chairman of the Senate Space Committee, my colleague Senator Moss, and outlined the importance of continuation of the ERTS program to our State. Governor Curtis said that:

> It is obvious that the ERTS satellite imagery will be the most rapid and efficient means of monitoring, updating, and maintaining information on our natural resources.

He said that it is in the best interests of the State of Maine, as well as all other States, to make sure that this valuable source of data is continued.

Senator Moss recently introduced Amendment No. 1996 to S. 2350, a bill which would assure continuity of Earth Resources Satellite data through 1980. This bill requires that the President assure continuing availability of ERTS data, foster improvements in the system, and that he promote international understanding and beneficial use of the data. The President would be required to provide an annual progress report on the ERTS system and an assessment on the desirability and timing of an operational system.

I regard Amendment 1996 to S. 2350 as important legislation and I am pleased to indicate my support.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 10 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 10 a.m.

There being no objection, the Senate, at 9:46 a.m., recessed until 10 a.m., whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. ALLEN).

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The time set apart for the transaction of routine morning business has expired. Morning business is closed.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. The Chair lays before Senate the conference report on H.R. 15977, which the clerk will report.

The legislative clerk read as follows:

> The report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

The ACTING PRESIDENT pro tempore. The time between now and 11 o'clock has been set aside for debate on the conference report and the motion to invoke cloture. The time is equally divided between the distinguished Senator from Pennsylvania (Mr. SCHWEIKER) and the distinguished Senator from Illinois (Mr. STEVENSON). Who yields time?

Mr. SCHWEIKER. Mr. President, I yield myself such time as I may consume.

I should like to read at this point, for the benefit of the Senate, part of a short article from a publication put out by the United States Information Agency. This publication is entitled "Problems - of Communism." This is the May-June 1973 issue. The editorial office for this magazine is the U.S. Information Agency, 1776 Pennsylvania Avenue, NW. I mention that to show that it is our own official information publication.

On page 33 is an article about the Soviet energy deal that I think would be of interest to the debate before the Senate, about whether or not we should continue permitting the Export-Import Bank of the United States to make overseas deals that are detrimental to the national interest. I think here is a classic example of exactly how the Eximbank works against the American people, against our national interest, and how the freewheeling Export-Import Bank has in fact decided that they will set what the national interest is, with no relationship to our needs, our people's concerns, or even our Government policies.

The caption is "Project 'North Star' ":

> The third and most ambitious form of joint venture under consideration is one which would likely lead to an unparalleled Western *participation in decision-making* because of the size of Western investment funds involved. While the North Sakhalin and Yakutsk gas projects (mentioned above—

They are the energy oil and gas projects—

> and apparently now in abeyance) are two examples—

I might say that they are no longer in abeyance, because, as I read into the RECORD yesterday, a wire story was published in the Washington Star a week ago which stated that the Japanese and an American company and the Russian Government signed a letter of intent to go ahead with one of these projects. That project is contingent upon getting 7 or 8 percent money from the U.S. Government through the Export-Import Bank. So this statement about it being in abeyance is not correct, because the full intention is to go ahead with the project. We just had a new agreement signed by a private company here, by the Russian Government, and by the Japanese Government. We certainly are not naive enough to think that the Russian and Japanese Governments signed that agreement if there were not some reasonable expectation that the American Government was going to produce the Export-Import Bank financing, which is the whole key to the deal. The article points out exactly the kind of deal that, at least at this point, has been envisioned.

> the most prominent current proposal is the so-called Project "North Star," for the extraction, liquefication, and export of gas to the West from the Urengoiskoe field of West Siberia. According to the US firms negotiating with the Soviet Union—Tenneco, Inc., Texas Eastern Transmission Corporation, and Brown & Root, Inc.—a credit of 3 billion dollars (US) and an additional 700 million in cash provided by the USSR—

I think that ratio is quite interesting. We are putting up $3 billion in cash of our money for the project, and they are putting up $700 million for the project.

> would finance purchase of American-made transmission equipment (compressors and 1,500 miles of 48-inch steel pipe capable of withstanding temperatures of minus 60 degrees Fahrenheit) and construction of a plant at the ice-free port of Murmansk to liquify the gas for shipment to the east coast of the United States. The US credits would consist of a 6-percent loan of 1.5 billion dollars from the Export-Import Bank—

This article is dated 1973. I think the bank has raised its rate 1 percent, so it might be 7 percent; at the most, 8 percent.

> and a loan of equal amount from various US banks, insurance companies and suppliers the latter guaranteed by the Export-Import Bank.

Of course, if the deal was in any way negated by the Russian Government or if our property was seized, or if they simply decided that they would not sell us the gas any more, after investing $6 billion or $7 billion, we would guarantee the people investing in it, so the taxpayer would hold the bag.

> In addition, the American partners would build a fleet of 20 specialized LNG (liquified natural gas) tankers at an added cost of 2.6 billion dollars.

We now have a tanker shortage in this country, and private yards are well short of being able to supply all the American requests for tankers. Yet, here we are committing ourselves, if we go through with this deal, to build 20 tankers for use in Russia, at an added cost of $2.6 billion.

> The USSR would repay the credits and earn an additional 10.8 billion dollars (which could only be spent in the US) by deliveries of gas over a 25-year period beginning in 1980.

So the only way we would get our money back would be on the basis that they would supply us with gas for 25 years. Having just been burned by the Middle East boycott and by the use of oil as a weapon against this country by the Arabs in the Middle East, it is a little risky, it seems to me, to assume that the Soviet Union, for 25 years, is going to supply this country with natural gas at times when they, themselves, may need it for their own industrial production and growth.

> In light of the magnitude of the undertaking, the need for Western technological know-how, and the adverse effects on American lenders of any interruptions or delays in supply of West Siberian natural gas, it is likely that the American parties to the deal will expect and require a considerable measure of direct participation in Soviet operations. In the first place, there is the issue of on-site inspection to assure Western investors of the adequacy of gas reserves and to permit them to estimate extraction costs. On the first count, the firms negotiating on Project "North Star" seem assured of sufficient gas reserves. However, there is a distinct need for Western technicians to survey the gas fields for the purpose of making accurate cost estimates and to share in decision-making with their Soviet counterparts in order to insure proper installation and operation of specialized Western technical facilities in severe climatic conditions. This would entail further arrangements for communications, housing, transportation, and working facilities.
>
> Another set of problems revolves around the interest charge on credits and various questions of pricing and repayment. If the USSR is granted long-term credits at low interest.

Of course, that is exactly what the proposal is, because nobody else can get 6 or 7 percent money in this country. Only the Soviet Union can get it from the Export-Import Bank; and we, the taxpayers, are subsidizing it.

I continue reading:

> Then pricing of the natural gas delivered as repayment would have to assure the Western purchasers of a profit on resale. Next, the United States government, for one, is unlikely to grant the Soviet Union credit terms more favorable than it grants other nations. Should such major capital projects based on credit proliferate, they might overtax capital markets and make it more difficult for the USSR to get favorable interest rates and repayment terms. Furthermore, according to *The New York Times* of April 5, 1973, it is possible that the USSR may balk at requirements of the US Export-Import Bank for disclosure of Soviet foreign-reserve balances as a precondition for extending credits in the amounts indicated for Project "North Star." While such requirements are standard procedure for Export-Import Bank operations, such disclosure would be unprecedented for the Kremlin.
>
> Although the negotiations concerning Project "North Star" are continuing amidst an atmosphere of considerable optimism, it is not clear when or even whether the joint project will be finalized. Agencies of the US government involved in approving the project have reportedly shown concern over the price of the Soviet natural gas (about three times current wellhead prices in the US), but the US firms involved in the negotiations have argued that domestic prices are likely to rise to similar levels by 1980. Clearly the future of this project is closely linked to the whole question of the nature and success of Soviet-American efforts at promoting detente as well as to the issue of overall US energy policy.

I think this is very interesting. Here we are talking about maybe a $6 or $7 billion project, financing it for 7 percent money, underwritten and guaranteed by the United States, and the price is 3 times what we pay for natural gas in this country. It seems to me that a lot more logical way to spend taxpayers' money in view of the energy crisis, is very simply to put that kind of money and technology and know-how right here into our own proven reserves, and develop them here. After all, we are starting with a price that is one-third what it is from the Soviet Union, and we know the source of supply would be stable, and we know the source of supply could not be interrupted, and we know that nationalization or whatever interruption might be involved was not even a factor.

Mr. BROCK. Will the Senator yield, just for a question?

Mr. SCHWEIKER. Yes, I yield.

Mr. BROCK. I am not sure that I disagree with the point the Senator is making about investing the money domestically. I should very much like to see that. The Senator is aware of the fact that most investors seem to feel that the current Federal Power Commission limitation on the price of natural gas and on the probability of development is not sufficient to warrant an investment of anything like this magnitude.

For example, in my own State of Tennessee, apparently, we have been told by geologists that there could be a rather considerable magnitude of natural gas, but it is very deep, and they have to go through a great deal of rock to get to it. They might have to go as much as 30,000 feet. They say that at the current price level, it is utterly impractical to go after that resource at today's market price.

I think that is the problem that I see in saying we ought to make the investment. The fact is that if the investment were adequate to make the return—in other words, if we were able to deregulate natural gas so that the marketplace would pay an adequate price for the resource—I think the investment would be made. But the fact is that that is not the case, is it not?

Mr. SCHWEIKER. I appreciate the Senator's point. I think this is one of the issues for Congress to resolve, there is no question about it. I think it relates to what an overall, integrated energy policy is, and I think it is certainly a subject for debate and consideration before the Senate, in terms of our energy policy.

It seems to me that we should resolve policy questions like this before we even anticipate making a deal in the Soviet Union. My objection is to not following up our other alternatives and our options here in this country before we sign agreements elsewhere.

Mr. BROCK. I am not sure I disagree with the Senator. I think I do agree. As a matter of fact, I find that there is a serious question in my mind whether I could, at least as it is currently explained, support the proposed Soviet Union development of natural gas, or liquefied gas, as it may ultimately be.

My point is that, right now, American investors, if there are many left who have much money to invest, are somewhat hard pressed to find any logic to the development of natural gas, because Congress has not acted on a proposal that the administration has had before it for better than a year, now to deregulate natural gas at the wellhead and thereby allow natural gas to reach a market price which would be inducive to development.

I understand the Senator's point, but it seems to me that he is saying that we should not do it in the Soviet Union, we ought to do it here. The fact is that we cannot do it here unless Congress acts in a more responsible fashion in terms of allowing development in this country, and Congress has not seen fit to do that to date.

Mr. SCHWEIKER. I appreciate the Senator's point. I think he raises a very valid question. I think that part of the problem is that Congress is a little saddlesore from seeing some of the other energy developers pay such a small share of our tax burden that allowing them free rein simply costs us too much.

I know the Senator is probably familiar with the report that was released this week, showing that the big seven oil companies paid an average tax of something like 5.5 percent on gross income. The average business—well, business has to pay a 48-percent tax on its net income, and I think the average industry rate is something like a 30-percent effective payment. Here the oil companies are averaging 5.5 percent. I think one of the oil companies was as low, as I recall, as 1.5 percent on net income. That was all the tax that it paid out of the 48 percent. One of the other companies paid 7.5 percent.

I think this problem that the Senator raises is very much linked with this other problem, where we have seen abuses and other energy producers taking advantage of loopholes and alleged incentives. I am afraid that the incentives have been more for foreign sources and foreign operations than for domestic. I think we have to look at the whole energy policy range.

Mr. BROCK. The Senator is absolutely correct on that. I think he knows that there is one Senator, the Senator from Tennessee, at least, who supports reform of the tax code, particularly as it relates to depletion and to windfall profits. But it does seem to me that we are now unfairly penalizing the American people because, with one hand, we place a ceiling on natural gas, which is well below its Btu potential, in competition terms, with oil, coal, and other fossile fuels; yet we continue to lay on the oil companies a tax program which is, in fact, an inducement for overseas development and not for domestic development.

I am completely in concurrence with the Senator. It does seem to me that the logical route would be to remove the regulatory authority on pricing and then impose a windfall profits tax so that there would be a positive disincentive for tax or price increases which are used to take advantage of a shortage situation, and thereby let the marketplace determine, with the protection of the windfall profit tax, the price at a competitive level so that we can proceed with the development of the resources of this country.

As it is now, the Congress is doing almost everything it can to impede adequate supply to the consumer at a reasonable price.

Mr. SCHWEIKER. One point I should like to make is that I understand that the Federal Power Commission, in terms of the prices it allows now, does allow a 15-percent return on costs in its present pricing policy. I do not know if the Senator is aware of that figure or not, but the way they price the present regulated gas supply, it is a 15-percent return on costs. I am not so sure that a 15-percent return is not a fair return. I am not so sure that there are not some speculators holding back on the basis that they want to see the lid taken off so that they can reap some of the same windfall profits that oil companies have taken.

Mr. BROCK. Maybe the Senator from Tennessee is not as smart as some other Senators. I do not believe that I can say whether 15 percent is adequate to a given situation.

It might be on a low-risk industry. It might be more than adequate on a very low-risk industry. But the development of this resource is a high-risk industry, and it seems to me that maybe it is quite possible that one could lose an absolutely incredible amount of money simply by the fact that they could not get through the rock in Tennessee, in my particular example, and produce the gas at a profit.

The point is that rather than controling the price, or saying we ought to have 15-percent profit on all of these endeavors, I would frankly have a great deal more respect for and confidence in the marketplace to determine a competitive price if we had competition.

But, you see, Mr. President, Congress continues and the FPC continues to limit competition, so there is no adequate determination, other than the power of Government, and Government is particularly inept in exercising that power in the interests of the people of the United States. That is what bothers me. We seem to continue to whet the appetite of our constituents for lower cost power without dealing with the fundamental long-term problem of the adequacy of the source itself.

Mr. SCHWEIKER. I think the Senator has raised a valid point, and I share his interest in a free market solving some of our problems that might not be solved in other ways. But as with every free market, there are always abuses. I cited the oil reports of yesterday, compared with an average return of 5.5 percent on corporate income.

I think the sugar industry is another industry where we have seen inordinate profits. I think letting the free market prevail is fine as long as it is not abused and contrary to the national interest. I think one of the problems with the natural gas situation is, how do we assure that what happened with sugar will not happen with oil and gas, if we completely take off the lid?

Maybe there is some middle ground. Fifteen percent does strike me as a reasonable return. I would be glad to invest my money at 15 percent today, whatever I had, which frankly is not much for investment. I would be glad to do it.

Mr. BROCK. I might say to the Senator that if the current rate of inflation holds, 15 percent on money is going to net out about 1.2 percent. I am not sure that is a very adequate return on capital.

But that is not the point. The point is that if the Senator is concerned, and I know he is, about excess profits that come about as a result of a monopoly situation, where you can take advantage of a monopoly, as in the case of sugar and the case of oil, is it not more rational to deal with that situation, not by controls, which impede investment and production, but by a windfall profits tax, which is a positive inducement to hold profits down.

It seems to me that is a much more rational approach than to say we are going to hold the lid on profits regardless of the circumstances in the marketplace, and thereby hold down production.

I did not mean to get into a discussion with the Senator. I was simply saying at the outset that while I agreed with his comments on the Soviet Union, I believe Congress has an obligation to the people of this country to revise its domestic policies so as to encourage trade development here. We have not done that.

Mr. SCHWEIKER. I thank the Senator.

Mr. President, I yield such time as I have remaining to the distinguished Senator from Nevada.

Mr. CANNON. I thank the Senator.

Mr. President, today the Senate is asked to vote cloture on the conference report for the authorizing legislation to continue operation of the Export-Import Bank. Because of the serious doubts I have about this legislation I intend to vote against cloture and I speak here today to urge my colleagues to do the same.

On June 28 of this year one of the most respected financial publications in this country, the Wall Street Journal, editorialized that "U.S. economic interests would be served by liquidation of the Bank, which by our reckoning stays in business by sleight of hand and covert use of the taxpayers' money."

It went on to say:

> After all, the only thing the Bank really does is subsidize exports. No matter how you slice it, it is a subsidy to provide 7% money to finance sale of a widget or an airplane to Ruritania or a computer to the Soviet Union, when an American businessman can't finance either.

The Journal finished this editorial, admonishing Congress since there was no economic justification for the Bank, Congress should feel no qualms about letting its authority lapse for a few years and see what happens.

Mr. President, I ask unanimous consent that the editorial in its entirety be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A LONG LOOK AT THE EX-IM BANK

The authority of the Export-Import Bank expires today, which simply means that until Congress renews its authority the bank cannot make new loan commitments. How nice it would be if Congress took its time, say a year or two, before acting one way or another. It might even find that U.S. economic interests would be served by liquidation of the bank, which by our reckoning stays in business by sleight of hand and covert use of the taxpayers' money.

After all, the only thing the bank really does is subsidize exports. No matter how you slice it, it is a subsidiy to provide 7% money to finance sale of a widget or an airplane to Ruritania or a computer to the Soviet Union, when an American businessman can't finance purchase of either for less than 11¾%. The bank gets privileged rates in the private capital market because the United States puts its full faith and credit behind the loans. Why the U.S. government should give the Ruritanian businessman a sweetheart deal that it won't give an American, save those at Lockheed, is beyond us.

The alleged economic justification for the bank's operation, which Ex-Im Bank Chairman William J. Casey pushes with great fervor, is that it improves the U.S. balance of trade. Granted, an export is an export. But Mr. Casey would have us look at only one side of the transaction. There's no way he could persuade us that wresting capital away from Americans, then forcing it abroad through the subsidy mechanism, does anything but distort relative prices, misallocate resources and diminish revenues, with zero effect, at best, on the trade balance.

Sen. Lloyd Bentsen of Texas sees part of the economics when both sides of the transaction are analyzed. He has an amendment that "would prevent Ex-Im financing of those exports involving the financing of foreign industrial capacity whenever the production resulting from that capacity would significantly displace like or directly competitive production by U.S. manufacturers." He has in mind Ex-Im's subsidizing of a foreign textile or steel plant that competes with its U.S. counterpart, to the detriment of our balance of trade.

Senator Bentsen thinks it's okay to subsidize finished products, like airplanes, which the Ex-Im Bank does plenty of. But Charles Tillinghast Jr., chairman of TWA, doesn't like the idea. He says TWA is losing piles of money flying the North Atlantic against foreign competitors who bought Boeing 747s and such with subsidized Ex-Im's loans. If TWA got the same deal, it would save $11 million a year in finance charges. Mr. Tillinghast is currently pleading for a government subsidy so he can continue flying the North Atlantic and providing revenues in support of, ahem, our balance of trade.

Even if Ex-Im Bank subsidized only ex-

> ports of goods and services which could not conceivably come back to haunt us directly, we see adverse economic effects. Subsidizing the export of yo-yos to the Ruritanians gives them a balance of trade problem that they correct by subsidizing the export of pogo sticks to us. Taxpayers both here and in Ruritania are thereby conned by this hocus pocus into supporting lower prices for yo-yos and pogo sticks than the market will support. In fact, all our trading partners have their own Ex-Im Bank to achieve exactly this end.
>
> Two and three decades ago, when the Ex-Im Bank was a modest affair, its impact was relatively trivial. Now, it has $20 billion of lending authority and is asking Congress to bump this to $30 billion. By 1971, its impact on federal budget deficits had grown so large that Congress passed a special act taking the bank's net transactions out of the federal budget, so the deficit would look smaller. But the transactions have the same fiscal effect as a deficit, and the same drain on the private capital market. In the fiscal year just ending, the bank took $1.1 billion out of the capital market. In the next fiscal year, it expects to take $1,250,000,000 out of it.
>
> There being no economic justification for the bank, Congress should feel no qualms about letting its authority lapse for a few years to watch what happens. The Russians, eager to continue getting something for nothing through the Ex-Im Bank, would be mildly unhappy. But they'd adjust by getting into the private capital markets with the underprivileged. We'd be surprised, too, if our trading partners didn't follow suit by scrapping these non-sensical subsidies. And if they don't, why should we complain about their taxpayers sending us subsidized pogo sticks?

Mr. CANNON. The cogent argument of the Wall Street Journal is amply demonstrated by examining the statistics on export activity. Fully 96 percent of all U.S. export activity exists without Eximbank loans. Of the 4 percent that reap benefits of Exim financing one-third of that lending is in aircraft sales to competitors of our ailing domestic airlines, often times who fly the same routes as Pan Am and TWA. In the past 17 years $4.7 billion in credit for aircraft to foreign competitors has been supplied by Exim and in the past 4 years over 70 of the world's largest foreign airlines have used Eximbank facilities to purchase and lease aircraft. Exim finances 45 percent of the purchase price of aircraft at 7 percent interest and provides lease guarantees which permits no-risk lease arrangements at lower rates and insurance. U.S. airlines purchasing the same equipment, to compete on the same routes, at the same fares with these foreign carriers, must obtain their financing on the open market at interest rates ranging from 11 to 14 percent.

In addition to this Mr. President, I learned this week that despite the adverse impact on domestic aviation, which the Bank has been acutely aware of during the period of August 27, 1974, to November 11, 1974, Eximbank according to the Bank's figures loaned $196.8 million to foreign air carriers at rates of generally 7 percent. The Air Transport Association has provided figures showing loans totaling $308 million based on press releases of the Bank. Either figure is a substantial increase of the lending activity of the previous year. Time and again on this floor I have expressed my dismay that while Pan Am, our flagship airlines, was asking the Congress for $10 million a month in survival loans, the Eximbank was subsiding their foreign competitors with cut-rate loans on purchases of nearly $1 billion. The Congress is now asked to give taxpayer dollars to help float our domestic aviation industry on one hand, and on the other, shell out dollars to its competitors who are responsible for putting Pan Am in its critical financial condition. I think that it is about time we stopped this ridiculous merry-go-round.

This is a serious game played with taxpayer dollars which will foot the bill to keep our flagship airlines afloat and which also subsidize Exim's give-away loan operation. The subsidy means taxpayers shell out $7 million to $20 million for cut-rate aircraft purchases and are asked to give $10 million a month for Pan Am.

What do all these give-aways mean? Let me refer again to the Wall Street Journal in another editorial on July 5, 1974:

> The Exim subsidy is an illusion, fashioned by politicians to induce buyers and sellers to think they're getting something for nothing. But it simply has to follow that the more resources a nation gives away for free, the weaker its economy will be. We will not only follow in the footsteps of Britain and Italy, we will get there faster by tripling the lending authority of the Eximbank and cutting its interest rates below the rest of the world's. If we give large enough subsidies to foreign buyers, we can export all of the machine tools made in the U.S. Americans who need machine tools, but can't buy them here, can always import those made in Italy.

Mr. President, I have consistently opposed the foreign aid programs because I am tired of giving away everything we have in the United States and I think the Congress would do well to start cleaning house here. I am also fed up in particular with this overgrown bureaucracy that is serving no one but the large banking institution and then at taxpayer expense.

In addition to the adverse impact on domestic aviation and the Exim's dollar drain on the U.S. Treasury, it has been tapping some $1.1 billion each year from the private money market driving up the interest rates for the housing, small business, and State and local governments.

I have followed the reports of the Department of Commerce indicating a precipitous drop in the housing starts in this country because of the extremely tight monetary situations. Small businesses are collapsing at the rate of 190 per week and Small Business Administration loans have been up to 11 percent.

Exim officials have passed off the effect of Exim's borrowing as having a minimal impact on the private money market. I, for one, would like to ask some of the young couples of this country trying to purchase their first home and some of the small businesses desperately needing financing that seems never available whether the $1.1 billion the eximbank sapped in U.S. credit and handed foreigners was minimal.

Mr. President, I suggest that $1.1 billion is a massive amount of financing which does drive interest rates up and does strain the private money markets of this country.

Let us revert a moment to the subsidy issue. Since Bank officials feel they are running a profitmaking venture, although they do not want to demonstrate it by going back into the budget, it may be profitable to examine it more closely here. The subsidy issue can be resolved fairly and easily. The Bank contends that since its borrowing rate is lower than the 7 percent at which it lends, it earns a profit which it returns to the Treasury at the end of the year. I might first point out that if the Bank were loaning money at competitive rates it would be returning a great deal more to the Treasury, reducing the national debt. The fact is, this is irrelevant to the subsidy issue. Subsidies exist when a foreign importer is subsidized to the extent that interest rates on credit they receive from a U.S. Government Agency are less than interest rates on financing available from the private banking institutions. Quoting Douglas Bohi from comments printed in Export-Import Bank of the United States.

> There is no private lending institution that can draw upon the same resources as the Exim Bank and therefore could conceivably compete with the lending rates of the Exim Bank . . . It is the connection with the U.S. Government that reduces the Exim Bank's costs and thereby provides the subsidy in the form of lower lending rates.

How do we measure this subsidy? When the Exim Bank borrows money from the Treasury, the Treasury earns rather low rates of return on the taxpayer's money. Wouldn't it be better if the Treasury had that money available to work for social programs or at least were available for the private money market where it would be lent at a competitive rate and thereby reduce the horrendous national debt. The measure of the subsidy is of course the difference between the small profit of funds earned from foreigners through the Exim Bank and the alternative uses that I have already mentioned. I submit, Mr. President, we measure this subsidy in the millions of dollars each year.

Second, even if there were no more profitable way to use the funds, the beneficiaries of American taxpayer dollars should be Americans not foreign importers. If the Treasury stopped lending to the Exim Bank then it would mean the Treasury would be able to reduce the amount of borrowings it undertakes each year, freeing capital for the ailing private money market and reducing the cost of money to those sectors suffering because of the severe lack of credit. No where in this authorizing legislation do I see to Exim Bank referred to as a charity; but Mr. President it should be listed right along with all the other foreign aid programs; this program is clearly a charity to foreigners and not, as it is represented, as promotion of U.S. exports.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired. The Senator from Illinois has 25 minutes remaining.

Mr. STEVENSON. Mr. President, I yield the Senator from Nevada 3 more minutes.

Mr. CANNON. If in fact the Exim

achieves its purpose in anyway, to increase exports, it also discriminates in favor of exporters and to the detriment of nonexporters. Since nonexporting businesses compete with exporters for labor and raw materials, any Government program boosting demand for exports will tend to shift productive resources from nonexporters to exporters, increasing the output and profits of the latter at the expense of the nonexporters.

The question of whether the Exim Bank actually increases exports is one that merits examination in some detail. Mr. Casey, president and chairman of the board of the Exim Bank of the United States, in a letter addressed to me on September 10, addressed the matter of our 1972 trade deficit which reached some $6 billion. Throughout that correspondence he alluded to the premise that without the Bank's financing we were in danger of falling trade deficits for years to come. My first question to Mr. Casey is where was the bank in 1972, a time when its authorizing legislation had not expired and the bank was in full swing. I have noticed a marked improvement in our balance of trade in the past quarters from 1972 figure. I think their argument is spurious, and I submit the Exim Bank has no effect whatsoever on the amount of exporting of these select industries.

Douglas Bohi in an article entitled "Export Credit Subsidies and the U.S. Exports: An Analysis of the U.S. Exim Bank," concluded there is no significant relationship between Exim Bank financing and changes in exports. The Exim Bank can only offer testimony from the impressions of those who have received Exim financing that these exports would not have occurred had it not been for the Export-Import Bank. Foreign business of course would prefer the cheaper rates that the Exim is loaning although it is fair to say that Exim just supplants private financing that is already available.

An Exim Bank loan which finances an export that would have occurred in any case is clearly deleterious to American interests. It is a give away to foreign consumers and it brings no benefit to the American consumer. In fact, I am prepared to argue, Mr. President, that Exim financing is bad for the balance of trade, for if a commercial bank were loaning the money the increase in the interest rate would increase the inflow of dollars into the United States and actually contribute to a better balance of trade.

Mr. President there clearly is no significant evidence presented by anyone other than impressions of bank customers, supplied by the bank, that there is any increase in the amount of exports because of the financing by the Export-Import Bank.

Another assumption that has not seriously been questioned in the discussion on the Exim Bank is whether or not these types of exports are needed or are good for the economy. My direct concern is the effect of Exim financing the exports of jobs, technology and production facilities by the bank.

Every time the Export-Import Bank finances large production equipment overseas it in effect exports Americans jobs, since no longer will an American worker produce the goods. Rather, A foreign competitor will, and will in turn certainly want to sell his goods on the American market. This increase on the market will be direct competition with goods produced in this country. Should it be from a country in which the workers are paid substantially less, then we can reasonably expect the goods will cost less and thereby drive our American firms out of business. Clearly the Exim has a part in shifting production facilities overseas to the detriment of the American work force.

I thank the Senator for yielding.

The **PRESIDING OFFICER.** Who yields time?

Mr. **STEVENSON.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **STEVENSON.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **STEVENSON.** Mr. President, I yield the Senator from Nevada 10 minutes.

Mr. **CANNON.** Six months from now, the members of the international community will begin extensive discussions with a view to assessing the progress achieved by the International Atomic Energy Agency in implementing certain provisions of the Nuclear Non-Proliferation Treaty. As you know, the International Atomic Energy Agency is the United Nations agency responsible for applying safeguards and safeguards procedures on a global basis to insure that nuclear material is not diverted from peaceful to nonpeaceful activities, pursuant to Article 3 of that treaty.

Yet, in spite of the elaborate nuclear safeguards system which has been developed as a result of the ratification of the Nuclear Non-Proliferation Treaty, we in Congress are today considering a bill which would, for all practical purposes, authorize the appropriation of funds for the exportation of nuclear reactors to countries with less than noble political objectives. I feel strongly that the trade in nuclear materials with communist countries would have dire political, military and economic consequences.

The United States was one of the prime movers in the negotiations behind the Nuclear Non-Proliferation Treaty, and as such I feel that we have a special obligation to uphold the spirit, as well as the letter, of the international laws governing the export of source or other special fissionable material. I would like to take this opportunity to remind my colleagues of the provisions of the Nuclear Non-Proliferation Treaty which are relevant to the legislation we are now considering.

The preamble of the Non-Proliferation Treaty states that the United States, which is a party to that treaty, should "co-operate in facilitating the application of International Atomic Energy Agency safeguards on peaceful nuclear activities" and must support efforts "to further the application, within the framework of the International Atomic Energy Agency safeguards system, of the principle of safeguarding effectively the flow of source and special fissionable materials. . . ." In addition, article 3, section 2, of the Non-Proliferation Treaty states clearly, and without reservation, that—

> Each party to the Treaty undertakes not to provide: (a) source of special fissionable material, or (b) equipment of material especially designed or prepared for the procession, use or production of special fissionable material, to any non-nuclear-weapon State for peaceful purposes, unless the source or special fissionable material shall be subject to the safeguards required by this article.

This means, Mr. President, that when nuclear material is exported from the State, safeguards in respect of that material terminate as far as the State in question is concerned. A system of advance notifications and of reports is included to ensure that the Agency has knowledge of the destination of the exported material. All States party to the Non-Proliferation Treaty are under the same basic obligation not to export source or special fissionable material or equipment unless such exports are based on the condition that they be covered by International Atomic Energy Agency safeguards.

In June 1974 the Governments of the United Kingdom, the Soviet Union, and the United States agreed that they would henceforth provide the International Atomic Energy Agency on a continuing basis with information regarding exports and imports of nuclear material out of and into the three respective countries. This is an attempt "to improve the flow of information to the International Atomic Energy Agency concerning export and import of nuclear material, and thereby making the safeguards activities of the Agency more effective and efficient. . . ."

However, even if the exported material and equipment used for nuclear reactors are subjected to International Atomic Energy safeguards, there is still no 100 percent assurance, no absolute guarantee, regardless of the stringency of nuclear safeguards, that the radioactive material we are exporting for peaceful purposes will not end up in some military or terrorist activity contrary to our own national interest. And without that absolute assurance, I suggest that we dare not take the risk.

Even Dr. Rudolf Rometsch, the Inspector-General of the IAEA, has stated that:

> With a reasonable amount of technical and organizational means in the safeguards system, it will be possible to detect the buildup of significant military potential. But I think it will not be possible to detect, through reasonable safeguards, the diversion of material sufficient for a single bomb.

In addition—

> The safeguards system as established at present is by no means designed to prevent, by itself, a country from making atomic weapons. . . . Rather, the controls are merely meant to ascertain the inoffensive use of particular items submitted, directly or indirectly, to the Agency's supervision; they are

not designed to determine that a particular State does not have, anywhere, any military nuclear activities or stocks of nuclear weapons.

The New York Times of October 6, 1974, carried an editorial entitled "Halting Nuclear Spread," and I think that part of this article is relevant to these deliberations. I ask unanimous consent that it be printed at this point in the RECORD.

There being on objection, the article was ordered to be printed in the RECORD, as follows:

HALTING NUCLEAR SPREAD

> In this fifth year of the Nuclear Non-Proliferation Treaty, more than a hundred nations have now ratified or acceded to the pact's pledge to abstain from nuclear weapons and to accept the safeguard system created under the treaty by the Vienna-based International Atomic Energy Agency. But India's underground nuclear explosion in May alerted the world to the inadequacies of both the treaty and its safeguard arrangements.
>
> Congressional concern, expressed particularly by members of the Joint Atomic Energy Committee, evidently has now forced some new thoughts in the Ford Administration about dangers in the nuclear negotiations in progress with Egypt and Israel. The State Department, as a result, reportedly is now pressing both countries to agree to place all present and future nuclear facilities and materials under I.A.E.A. inspection—not just the fissionable matter they would get from the United States.
>
> Ideally, no nuclear assistance should be provided at all to countries like Egypt and Israel that have not accepted the nonproliferation treaty. Of the twenty countries potentially able in the next decade to manufacture their own nuclear weapons, only thirteen have signed the nonproliferation treaty and only seven have ratified or acceded. With the energy crisis spurring expansion of nuclear power plants, the world's output of plutonium by the mid-1980s may well exceed 200,000 pounds a year, enough for 10,000 Hiroshima-size bombs.
>
> If an embargo on countries failing to adhere to the treaty is not feasible, the minimum necessity is insistence that nuclear assistance be withheld unless recipient countries put all their nuclear activities under safeguards. India was able to make a bomb with plutonium from an unsafeguarded Canadian reactor and that plutonium was extracted from the fuel rods by an unsafeguarded separation plant that India built for itself.
>
> Perhaps the most effective safeguard for the Middle East would be to create a "plutonium-free zone," as urged by Herbert Scoville in the current United Nations Association bulletin. Under this proposal, recipients of nuclear assistance would have to abstain from building facilities to separate plutonium from spent fuel rods, which would be sent elsewhere for treatment.

Mr. CANNON. Mr. President, in this 5th year of the Nuclear Nonproliferation Treaty, more than 100 nations have now ratified or acceded to the pact's pledge to abstain from nuclear weapons and to accept the safeguard system created under the treaty by the Vienna-based International Atomic Energy Agency. But India's underground nuclear explosion in May alerted the world to the inadequacies of both the treaty and its safeguard arrangements.

Congressional concern, expressed particularly by members of the Joint Atomic Energy Committee, evidently has now forced some new thoughts in the Ford administration about dangers in the nuclear negotiations in progress with Egypt and Israel. The State Department, as a result, reportedly is now pressing both countries to agree to place all present and future nuclear facilities and materials under IAEA inspection—not just the fissionable matter they would get from the United States.

Ideally, no nuclear assistance should be provided at all to countries like Egypt and Israel that have not accepted the Nonproliferation Treaty. Of the 20 countries potentially able in the next decade to manufacture their own nuclear weapons, only 13 have signed the Nonproliferation Treaty and only 7 have ratified or acceded. With the energy crisis spurring expansion of nuclear powerplants, the world output of plutonium by the mid-1980's may well exceed 200,000 pounds a year, enough for 10,000 Hiroshima-size bombs.

If an embargo on countries failing to adhere to the treaty is not feasible, the minimum necessity is insistence that nuclear assistance be withheld unless recipient countries put all their nuclear activities under safeguards. India was able to make a bomb with plutonium from an unsafeguarded Canadian reactor and that plutonium was extracted from the fuel rods by an unsafeguarded separation plant that India built for itself.

Perhaps the most effective safeguard for the Middle East would be to create a "plutonium-free zone," as urged by Herbert Scoville in the current U.N. Association Bulletin. Under this proposal, recipients of nuclear assistance would have to abstain from building facilities to separate plutonium from spent fuel rods, which would be sent elsewhere for treatment.

Even Dr. Dixy Lee Ray of our own Atomic Energy Commission has stated that the expansion of nuclear facilities on a global basis "has forced a constant revision of methods, goals and surveillance procedures. Future safeguards performance cannot be guaranteed solely by the success of the past." The crucial three paragraphs of her recent remarks before the Fourth International Symposium on Transportation and Packaging of Radioactive Materials in Miami Beach, Fla., are as follows:

> In this topsy-turvy world that we are living in, with rapid changes, and with rapidly developing technologies, it was inevitable that the development of nuclear energy would cause a few headaches. But despite that, headaches can be cured and even though they may recur, they don't give us too many surprises. From the very day the nuclear age was born, most of us recognized that special nuclear material would invite illegal diversion or sabotage, which might lead directly to loss of life, damage to property, and a threat to national security. National and international safeguards are in effect throughout the world today and have protected this nation and the world up to now, and despite some criticisms, these safeguards have worked remarkably well. Nevertheless, we cannot afford to relax our efforts or to take any bows or credit.
>
> New events and multiplying needs require more diligence than ever and there must be continued improvements in the techniques we apply for safeguarding nuclear materials. The rapidly expanding use of nuclear power to generate electricity is really relatively new. It is an extremely dynamic addition, particularly at the present time, and is taking its place along with the other examples of the peaceful uses of nuclear materials.
>
> At the same time, we are seeing a tremendous expansion in the amount of nuclear materials that the United States and other countries are utilizing, processing or transporting for commercial, medical and military purposes. This expansion has forced a constant revision of methods, goals and surveillance procedures. Future safeguards performance cannot be guaranteed solely by the success of the past. We must take steps to protect ourselves and all nations against the increased potential for illegal diversion or for deliberate abuse of nuclear materials by individuals or by groups.

Mr. President, it is not my intention to underrate the value of nuclear energy, nor to downgrade the effectiveness of the application of nuclear safeguards by the International Atomic Energy Agency. However, I feel strongly that the exportation of nuclear reactors would not be in the best interests of this country. We would be better off, I believe, to use the funds of this legislation to research, develop, and improve our own Nation's energy supplies, including nuclear energy facilities; I can see no benefit that would accrue to the citizens of this country through the exportation of nuclear reactors to Communist countries.

In recent testimony before the Atomic Energy Commission regarding the storage of radioactive waste, Dr. L. Douglas Denike made the very perceptive remark that:

> It is frequently found, in connection with proposed programs of the federal government, that they would conflict with pre-existent government goals or programs. Similarly, the finding that a suggested government action would not be consistent with national defense aims is far from rare.

I am convinced that the authorization of the Eximbank which we are considering today might lead to such conflict.

I say that it might be inconsistent with our preexisting national defense policy because, as the distinguished political scientist Hans J. Morgenthau as stated during the hearings on this legislation:

> Trade has a different meaning for Communist nations than it has for us. Trade with Communist nations is a political act which has political consequences. It is folly to trade, or for that matter to refuse to trade, with Communist nations without concern for these political consequences.

Mr. President, I urge my colleagues to vote against the conference report.

The **PRESIDING OFFICER.** Who yields time?

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFICER.** Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I ask

unanimous consent that Eleanor Bachrach be granted the privileges of the floor during the consideration of the conference report on the Export-Import Bank amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, the issue before the Senate is not the merit of the conference report on the Eximbank amendment of 1974. The issue is whether the Senate will now be afforded an opportunity to vote on the merits of the conference report.

The subject of the Eximbank in this conference report has been fully debated. It was debated when the Senate passed its version of the Export-Import amendment of 1974. The issue has been discussed in connection with four continuing resolutions which have been approved by the Senate in order to keep the Eximbank in business. The subject has been fully debated.

It serves no good purpose to continue the bank in its present state of limbo. The time has come to resolve the issue one way or the other by voting on the conference report, and by closing off debate.

For those reasons, Mr. President, I urge my colleagues to vote in support of the cloture motion.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate on the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, the Export-Import Bank Act Amendment.

Bob Packwood, Robert P. Griffin, Lee Metcalf, Mike Mansfield, Hugh Scott, J. Glenn Beall, Jr., Joseph M. Montoya, Howard H. Baker, Jr., Frank E. Moss, Wallace F. Bennett, Robert T. Stafford, Edmund S. Muskie, John Tower, Thomas J. McIntyre, Lowell P. Weicker, Jr., Harold E. Hughes, Bill Brock.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 514 Leg.]

Allen
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Gurney
Hatfield
Hathaway
Jackson
Mansfield
McIntyre
Moss
Pastore
Ribicoff
Schweiker
Stennis
Stevenson
Symington

The PRESIDING OFFICER (Mr. HATHAWAY). A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Aiken
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brooke
Buckley
Burdick
Case
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Goldwater
Gravel
Griffin
Hansen
Hart
Hartke
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Javits
Johnston
Kennedy
Long
Mathias
McClellan
McClure
McGee
McGovern
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Proxmire
Randolph
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Colorado (Mr. HASKELL), and the Senator from Washington (Mr. MAGNUSON) is necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER (Mr. HATHAWAY). The question is, is it the sense of the Senate that debate on the conference report on the bill H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Colorado (Mr. HASKELL), and the Senator from Washington (Mr. MAGNUSON) are necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

The yeas and nays resulted—yeas 48, nays 44, as follows:

[No. 515 Leg.]

YEAS—48

Aiken
Baker
Beall
Bennett
Biden
Brock
Brooke
Byrd, Robert C.
Clark
Cook
Curtis
Dole
Domenici
Fannin
Fong
Griffin
Hart
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Javits
Kennedy
Mansfield
Mathias
McGee
McGovern
Metzenbaum
Mondale
Montoya
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Scott, Hugh
Stafford
Stevens
Stevenson
Taft
Tower
Tunney
Weicker
Williams

NAYS—44

Abourezk
Allen
Bartlett
Bayh
Bentsen
Bible
Buckley
Burdick
Byrd, Harry F., Jr.
Cannon
Case
Chiles
Church
Cotton
Cranston
Dominick
Eagleton
Goldwater
Gravel
Gurney
Hansen
Hartke
Helms
Hruska
Jackson
Johnston
Long
McClellan
McClure
McIntyre
Metcalf
Nelson
Nunn
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stennis
Symington
Thurmond
Young

NOT VOTING—8

Bellmon
Eastland
Ervin
Fulbright
Haskell
Magnuson
Percy
Talmadge

The PRESIDING OFFICER. On this vote there are 48 yeas and 44 nays. Two-thirds of the Senators present and voting not having voted in the affirmative, the cloture motion is not agreed to.

Mr. STEVENSON. Mr. President, Members may want to remain in the Chamber because it is likely there will be another rollcall within a matter of minutes. I intend, in a few minutes, to move to table the conference report.

The purpose of this motion is not to kill Eximbank legislation in this session of the Congress, but instead to save it and to improve it.

The only way to do that is to go back to conference with the other body, and the only way that we can go back to conference with the House is, in the present circumstances, to table this conference report and then move for a new conference, which is what I now intend to do.

The Bank's permanent authorizing legislation expired on June 30. Since then, the Bank has operated on four continuing resolutions, the last one of which expired on Saturday.

Now, it serves no one's purpose to continue the Bank in this limbo and the time is running out in this session of the Congress. If the Congress is to act at all in this session, it must act soon and that requires another conference with the House and another chance to prepare a conference report which is acceptable to the Senate and more in line with the Senate-passed bill.

So, Mr. President, to seek one more chance to resolve the issues which are before us, and in this session of the Congress, I suggest a new conference with the House and to that end move to table the conference report.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I reluctantly rise in opposition to the conference report on H.R. 15977, the Export-Import Bank Act Amendment. I have supported the Export-Import Bank in the past, and I hope I will be able to do so in the future, for I recognize the importance of Eximbank to the economy of the United States. Exports result in a more favorable balance of trade and add to our economic stability. Export sales supported by Eximbank mean jobs for American workers, revenues for the Federal Government as well as State and local governments, and foreign currency earnings to offset imports of needed goods and raw materials. During fiscal year 1974, Eximbank participated in nearly $13 billion of United States export sales which sustained nearly 800,000 full-time U.S. jobs.

In addition, Eximbank does not receive annual appropriations, but rather finances its operations by borrowing from private capital markets and by making loans out of retained earnings. Eximbank is a unique Government agency in that it has been able to operate at a profit over the years while at the same time accomplishing its objective of stimulating exports.

Mr. President, I must, however, oppose this conference report. The Senate adopted an amendment requiring affirmative congressional approval of Eximbank financing of equipment and expertise for the exploration and production of fossil fuel energy resources in Communist countries. The conference committee deleted this amendment. I consider retention of this amendment necessary because the major constraint on rapid development of domestic oil and gas resources is a severe shortage of equipment and technical personnel. The Congress should be able to consider the question of subsidizing the transfer to the Soviet Union of capital and equipment which is needed here at home for Project Independence. We should not allow the attraction of increased exports to overshadow the danger of providing the Communist countries with aid at the expense of our citizens.

Mr. President, the Senate also adopted an amendment placing an overall ceiling of $300 million on loans and guarantees to the Soviet Union. This provision was modified in conference to allow the President to raise this ceiling if he finds that it is in the National interest to do so. While I respect the authority of the executive branch in matters dealing with foreign affairs, I am convinced that congressional approval should be obtained prior to the $300-million level being raised.

Mr. President, I hope this report will be sent back to conference and returned to the Senate in a form acceptable to a majority of the Members.

The PRESIDING OFFICER. The question is on the motion to table the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Colorado (Mr. HASKELL), the Senator from Washington (Mr. MAGNUSON), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE), is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

The result was announced—yeas 84, nays 8, as follows:

[No. 516 Leg.]

YEAS—84

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Fannin
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Young

NAYS—8

Bennett
Fong
Hathaway
Javits
Packwood
Taft
Tower
Williams

NOT VOTING—8

Bellmon
Eastland
Ervin
Fulbright
Haskell
Magnuson
Percy
Talmadge

So the motion to lay on the table was agreed to.

Mr. STEVENSON. Mr. President, I move that the Senate further insist upon its amendment and request a further conference with the House of Representatives on the disagreeing votes of the two Houses thereon; and that the Chair be authorized to appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. ALLEN. Mr. President, I have a motion at the desk which I would like stated.

The PRESIDING OFFICER. The motion will be stated.

The legislative clerk read as follows:

> I move that the Senate conferees on H.R. 15977, Export-Import Bank Act, be instructed to insist on the Senate amendments to the House bill.

The PRESIDING OFFICER (Mr. NELSON). The question is on agreeing to the motion of the Senator from Alabama.

Mr. STEVENSON. Mr. President, what is the motion?

The PRESIDING OFFICER. The instructions of the Senator from Alabama to the conferees.

The question is on agreeing to the motion.

The motion was agreed to, and the Presiding Officer (Mr. NELSON) appointed Mr. SPARKMAN, Mr. WILLIAMS, Mr. PROXMIRE, Mr. CRANSTON, Mr. STEVENSON, Mr. MCINTYRE, Mr. BIDEN, Mr. HATHAWAY, Mr. TOWER, Mr. BROOKE, Mr. PACKWOOD, Mr. BROCK, Mr. BENNETT, and Mr. WEICKER conferees on the part of the Senate.

Mr. SCHWEIKER. Mr. President, I commend the distinguished Senator from Illinois for moving to recommit the conference report. I was one of the strong opponents of this conference report. I think that the last vote on cloture, a nearly-even vote, plus the overwhelming vote to recommit the bill to conference, indicates that those of us who feel strongly against the conference report hope that the conferees will look closely at the 13 points on which we felt the Senate gave in to the House position, particularly the four key points, about which a number of us who are opposed to the conference report wrote a letter to our colleagues. I hope we can stand fast to the Senate position on these key points.

I commend the distinguished Senator from Illinois for his action in recommitting this report.

FOREIGN ASSISTANCE ACT OF 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Senate will now resume consideration of S. 3394, which will be stated by title.

The legislative clerk read as follows:

> A bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, on October 2, the Senate recommitted the Foreign Assistance Act. Since that date, several members of the committee have been working with the administration on a compromise bill which we are offering here today.

This compromise is a reasonable one. It represents a workable solution to the impasse of October 2, I believe this legislation fairly reflects the sentiment of the Foreign Relations Committee and of the Senate as a whole that this body regain greater control over the expenditure of billions of dollars of taxpayers' money devoted to the foreign assistance budget.

This bill represents a significant and substantial reduction in the amount requested by the executive branch. The President originally requested $3.25 billion for the programs included in this legislation. The committee has cut that request by 18 percent or $579 million.

The committee was mindful of our domestic economic situation. The legislation before us recognizes the condition of the American economy as well as our responsibility to aid those in need. The bill was approved by a vote of 12 to 0 in the Foreign Relations Committee, with one member voting "present."

Now, Mr. President, let me briefly review the major spending reductions made in the bill:

The administration requested $985 million for worldwide military assistance. The committee cut that amount by $435 million and now recommends $550 million. The committee also eliminated the "drawdown authority," which in the past provided the President with the ability to supply a nation with up to $250 million worth of military supplies.

The Foreign Relations Committee reduced economic assistance to Indochina from the proposed level of $940 million to a level of $617 million. This represents a cut of 34 percent.

The committee also included in the Indochina section very detailed spending limitations and policy guidance as to how the money shall be spent.

In the Middle East, the committee provided the President with his requested $100 million special requirements fund. We also added to that provision a method by which the Congress would have right to veto proposed uses of this money. Cognizant of the dire economic straits of the Israeli economy, the Foreign Relations Committee increased economic aid to Israel by $89.5 million, bringing the total in supporting assistance funds for Israel to $339.5 million. There is also $300 million worth of military credit sales to Israel, of which $100 million shall be in grant assistance. The committee also provided $250 million in economic assistance to Egypt.

As a result of the World Food Conference, and the commitment of the administration to development assistance projects which will increase agricultural production in the developing world, the committee proposes that $230 million worth of new obligational authority be added to last year's food and nutrition account in the 2-year authorization. I need not remind my colleagues how important greater agricultural self-sufficiency is for nations of the developing world.

In summary, this bill demonstrates both restraint and responsibility on the part of the Foreign Relations Committee. I urge its passage in the name of a modest but responsible world role for the United States.

In security supporting assistance the bill contains a $339.5 million program for Israel. The committee had earlier voted an additional $200 million above the amount requested but in view of Israel's weakening foreign exchange position, the committee believed that an additional $289.5 million was justified.

It must be emphasized that this aid program is designed to assist Israel in purchasing U.S. goods and services and the expansion of the program is not intended to preclude or replace the traditional U.S. assistance for Israel in purchasing essential agricultural commodities under Public Law 480 or any other ongoing U.S. assistance program. Despite 19 years of mutual cooperation under Public Law 480, regrettably the administration plans a program for Israel totaling only $8 million this year and there has been no commitment to date for 1975. It is hoped that a decision will soon be made to provide Israel with the amounts of Public Law 480 assistance commensurate with her current needs and proportionate to quantities allocated in the past.

Since 1972, Congress has approved $50 million annually in supporting assistance for Israel to facilitate a commodity import program under AID regulations. Supporting assistance is used to purchase mainly electronic equipment, tractors, and to finance shipping of U.S.-flag vessels. Under current AID regulations, however, it is not possible to expand the commodity import program to encompass the increased supporting assistance in this bill. Thus, it is essential that a substantial proportion of this aid be allocated to Israel as cash budgetary assistance. This is justified by both logic and precedent. Because AID requires copious documentation on each item purchased under the commodity import plan, it would be impossible for the Government of Israel to fully document the purchases under an expanded program.

The task alone would require the establishment of a complex bureaucracy and would be counterproductive to the constructive aims of this assistance program designed to help Israel meet her present financial burdens. It must be noted that much of Israel's purchases are made via small importers with thousands of orders.

Supporting assistance allocated as a cash budgetary grant would unquestionably be utilized to purchase goods exclusively in the United States since today Israel already imports more than $700 million annually of American nonmilitary items.

This would not be the first time that our Government has found it most practical to supply supporting assistance in the form of cash budgetary aid in the Middle East. In fact Jordan has received most of its supporting assistance in this way.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged to either side.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2002

Mr. NELSON. Mr. President, I call up my amendment No. 2002.

The PRESIDING OFFICER. The clerk will report.

The LEGISLATIVE CLERK. The Senator from Wisconsin (Mr. NELSON), for himself and others, proposes amendment No. 2002.

The amendment is as follows:

On page 62, between lines 5 and 6, insert the following new paragraph:

"(7) (A) At the end of chapter 1 add the following new section:

"'SEC. 25. QUARTERLY REPORTS; CONGRESSIONAL APPROVAL.—(a) Not later than fifteen days after the end of each quarter, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a report setting forth the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23 of this Act, and guaranties under section 24 of this Act made during the preceding quarter, and the country or international organization to which such sale, credit sale, or guaranty is made or expected to be made.

"'(b) (1) The President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a written statement giving a complete explanation with respect to any agreement or contract to sell or to extend credit or guaranties if—

"'(A) the amount of such sale, credit sale, or guaranty exceeds $25,000,000; or

"'(B) the amount of such sale, credit sale, or guaranty, when added to the amount of all the sales, credit sales, and guaranties made to that country or international organization in that fiscal year (including the amount of any sale, credit sale, and guaranty made to that country or international organization under a statement of waiver in accordance with subsection (c) of this section), causes the total amount of sales, credit sales, and guaranties made to that country in that year to exceed $50,000,000 for the first time.

Each such statement shall include an explanation relating to only one agreement or contract to sell or to extend credit or guaranties, and shall set forth—

"'(i) the country or international organization to which the sale, credit sale, or guaranty is made;

"'(ii) the amount of the sale, credit sale, or guaranty;

"'(iii) in the case of a sale, a description of the defense article or service provided;

"'(iv) the department, agency, or branch of the United States Armed Forces entering into such contract or agreement; and

"'(v) the date of such agreement or contract.

"'(2) (A) No sale, credit sale, or guaranty may be made under such agreement or contract until the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted.

"'(B) The President may make such sale, credit sale, or guaranty thirty days after the statement has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of

Congress after the date on which the statement is transmitted, Congress adopts a concurrent resolution disapproving the sale, credit sale, or guaranty with respect to which the statement is made.

"'(3) For purposes of paragraph (2) of this subsection—

"'(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"'(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"'(c) The provisions of paragraph (2) of subsection (b) of this section shall not apply if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of waiver in the national security interests of the United States.

"'(d) Subsections (e) through (m) of this section are enacted by Congress—

"'(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"'(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"'(e) For purposes of subsections (d) through (m) of this section, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress does not approve the (agreement, contract) for and explained in the statement transmitted to Congress by the President on , 19 .", the appropriate word within the parentheses being selected, the first blank space therein being filled with the name of the foreign country on whose behalf the sale, credit sale, or guaranty is made, and the other blank space therein being appropriately filled with the date of the transmittal of the statement; but does not include a resolution specifying more than one sale, credit sale, or guaranty.

"'(f) If the committee, to which has been referred a resolution disapproving a sale, credit sale, or guaranty, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same sale, credit sale, or guaranty which has been referred to the committee.

"'(g) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same sale, credit sale, or guaranty), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"'(h) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same sale, credit sale, or guaranty.

"'(i) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a sale, credit sale, or guaranty, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"'(j) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"'(k) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a sale, credit sale, or guaranty, and motions to proceed to the consideration of other business, are decided without debate.

"'(l) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a sale, credit sale, or guaranty are decided without debate.

"'(m) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"'(1) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"'(2) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted.'

"(B) Section 35(b) of such Act is repealed.".

On page 62, line 6, strike out "(7)" and insert in lieu thereof "([illegible])".

Mr. NELSON. Mr. President, this amendment has twice passed the Senate—on October 2, 1974 and June 25, 1973. It provides that whenever there is a military sale by the Government of the United States of $25 million or more, or whenever there are cumulative sales to one country in 1 year of $50 million or more, the President must submit to Congress a statement of his plan to make such sales. By concurrent resolution of both Houses, the President's planned sale could then be vetoed.

Not only has the Senate twice voted for this amendment. The House Foreign Affairs Committee this year also reported its own version of the Foreign Assistance Act which includes language requiring reports on major arms transfers and providing for a congressional veto by concurrent resolution of both Houses.

Each time this provision has been offered, the Senate has endorsed it. The latest Senate action made the amendment—No. 1929—part of S. 3394, the Foreign Assistance Act, which was recommitted to the Foreign Relations Committee. However, last week the committee reported out a new version of S. 3394 without amendment No. 1929.

Failure to include this provision, in my opinion, was a grave mistake and a serious oversight of clearly expressed and twice indicated Senate direction.

I am asking the Senate today to indicate once again its desire for this legislation. This legislation now known as amendment No. 2002 is vital if we are to move this country closer to responsible, public deliberation of one of the most vital areas of American foreign policy making—arms transfers overseas. Congress has come a long way in righting an imbalance whereby the executive branch of this Nation can and does involve the United States in military situations overseas without congressional and public debate, discussion, or deliberation. A great deal still remains to be done to correct this imbalance however. This is the reason for this amendment.

Huge sales of military hardware have a significant impact on foreign policy. In fact, the circumstances which warranted the amendment's consideration and Senate passage last year have grown even more serious in the interval.

When I offered my amendment last June 25, 1973, I said that:

> It is difficult these days to open the newspaper without coming across unexpected reports of another U.S. multi-million dollar arms deal with another small nation somewhere.

Ironically this year, not only have the sums, which were already vast, grown astronomically but the newspaper accounts now relate State Department and Defense Department internal criticism of the policy of pushing arms sales overseas. Our foreign policy experts have come to question the wisdom of some of these massive deals. Had this amendment become public law, Congress and the public would have had a role in reviewing the highly significant foreign policy implications of these sales before the sales were finalized and before the potential damage had been precipitated.

Clearly foreign military sales has become a major instrument of U.S. foreign policy. The executive branch of this Nation involves the United States in military situations throughout the world without congressional and public debate, discussions, or deliberation.

The bare statistics and figures for the FMS—foreign military sales—program tell much of the story. By DOD's account, the United States has sold over $21 billion worth of military goods in the years between 1950 and 1973.

Last year when I offered this amendment, available data showed that the FMS program was estimated to rise from $3.5 billion in 1972 to $3.8 billion in 1973. Fiscal year 1974 sales had been estimated to be in the neighborhood of $3.9 billion. The latest figures now available, however, reveal that the forecasts of all the experts in and out of the Government were frightfully off. The United States in fiscal year 1974, in fact, sold $5.9 billion in arms—a huge increase over the previous fiscal year and much more than had been anticipated. When credit sales and guarantees are added in, the FMS program in fact totals a phenomenal $8.6 billion.

This is practically double the arms sales for the previous year and almost

$2 billion more than all the arms sold or given away by all nations 3 years ago. In 4 short years, the program has grown sixfold. Fifty-eight nations participate in the FMS government-to-government sales program.

Clearly we are in need of a review process to keep up with the galloping growth of this program. Congress must have the necessary information on and oversight authority over proposed foreign military sales to exercise its responsibility in this crucial area. Legislation which the Senate has twice perceived a need for is even more crucial today.

Foreign military sales constitute major foreign policy decisions involving the United States in military activities without sufficient deliberation. This has gotten us into trouble in the past and could easily do so again.

Despite the serious policy issues raised by this tremendous increase in Government arms sales, these transactions are made with little regard for congressional or public opinion. The Department of Defense is consulted. The manufacturers of weapons and the providers of military services are consulted. The foreign purchasers are involved. But Congress is hardly informed of these transactions, much less consulted as to their propriety. As it stands now, the executive branch of the Government simply presents Congress and the public with the accomplished facts.

The lack of required reporting to Congress, coupled with the traditional secrecy surrounding international arms transactions, frequently results in Congress learning about arms sales only as a result of the diligent efforts of the press. Thus, ironically, the American public learned of the 1973 sales to Persian Gulf countries only after the American media picked up an Agence France-Presse report and pressed the State Department spokesman to officially confirm the fact that we had an agreement in principle to sell Phantoms to Saudi Arabia and that we were negotiating a giant deal for arms to Kuwait.

So, too, the American public learned about negotiations for the sale of jets to Brazil last year from a report originating in Brazil. And this summer the Washington Past correspondent in Quito, Ecuador—not Capitol Hill, Washington—reported U.S. intentions to resume military sales to Ecuador after a 3-year ban. Ecuador, which has been involved in the so-called tuna war with the United States, resulting in seizure of U.S. tuna boats and expulsion of U.S. military mission to Quito, reportedly had a long shopping list including 12 T–33 trainer jets, basic infantry equipment, and large quantities of engineering equipment.

Congressional reliance on the press for hard data on U.S. Government arms sales abroad, however, is not the most serious deficiency in the decisionmaking system governing such sales. At this time there is no formal procedure by which Congress can participate in determining the merits of these arms deals before they are finalized. Nor is there any way for Congress to exert effective oversight authority and monitor the impact of these deals after they are negotiated.

When this amendment was first introduced, I pointed out the press reports of burgeoning U.S. arms sales to the Persian Gulf nations, including Saudi Arabia, Kuwait, and Iran, and to Latin America. Apparently those sales were only the tip of the iceberg.

PERSIAN GULF

An article in the Christian Science Monitor based on interviews with officials of the State and Defense Departments estimated that the size of arms sales to Persian Gulf countries in fiscal year 1975 alone could total $4 to $5 billion. These prospective sales deserve particular attention in the light of heavy U.S. sales in the past 2 years.

IRAN

In fiscal year 1973 Iran contracted to buy $2 billion worth of U.S. military equipment. In the past year, according to the Wall Street Journal, the Shah's "purchases totaled a staggering $3.5 billion, several times the amounts of 2 years before." And the New York Times on September 19 reported a possible $10 billion sale to Iran of communications equipment, including satellites.

Wall Street Journal staff reporter Richard J. Levine stated in an August 29, 1974, dispatch that Defense Department officials have:

> Allowed and even encouraged (the Shah) to purchase some of the most sophisticated weapons in U.S. arsenals, including Grumman's swing-wing F14 fighter (the Navy's newest warplane) McDonnell Douglas' F4 fighter, Lockheed's C130 transport and Hughes Aircraft's TOW antitank missile. In the case of Bell's AH1J attack helicopter, the Shah is getting a whirlybird more advanced than any used by the American Army. His future purchases are likely to include Litton's DD963 destroyer and a lightweight fighter still under development.

More significantly, the usually reliable and generally unhysterical Wall Street Journal reports that:

> It is increasingly uncertain whether U.S. policy has promoted stability and U.S. access to Mideast Oil, or, rather, has fueled a Persian Gulf Arms race that is heightening regional tensions and spurring the oil-producing states to raise oil prices to pay for expensive weapons.

It reveals that some experts in Government consider our policy "at least self-defeating and at most highly dangerous." One top State Department official worried publicly that weapons sales to Iran "achieved a magnitude people didn't anticipate without benefit of consideration of the long-term consequences."

Selling to Iran means more than just a fast buck for U.S. defense contractors or a shot in the arm for U.S. trade balance. It means we are deeply involving U.S. policy in the military future of Iran—a nation to which under a 1959 agreement, the United States is committed to "take such appropriate action, including the use of armed forces, as may be mutually agreed upon." We are pouring rivers of sophisticated arms into a nation whose dubious military adventures include the occupation in 1971 of three small strategically located islands at the entrance to the Persian Gulf, which the Arabs in the area also claim.

THE ARAB NATIONS IN THE PERSIAN GULF

Moreover, in an incredible policy which attempts to be "even-handed" in the Middle East but which boggles the mind for its shortsightedness, the same policymakers in our Government who approve sales to Iran are also pushing sales to the Arab powers in the Persian Gulf region—Saudi Arabia and Kuwait—thus fueling an arms race.

SAUDI ARABIA

Saudi Arabia, which last year ordered a total of between 150 to 200 F–5 fighters, signed a $355 million agreement in April for the modernization of the Saudi National Guard. The agreement includes the purchase of American armored vehicles, antitank weapons, and artillery batteries. In the year ending June 30, Saudi purchases totaled a little over half a billion dollars.

Recently, two high ranking military experts visited Saudi Arabia in a move that the New York Times says illustrates growing United States military involvement which stops "just short of a mutual defense pact, which would oblige the United States to resist a foreign attack on the country."

In the words of one U.S. military official:

> I do not know of anything that is nonnuclear that we would not give the Saudis.

On September 11, 1974, New York Times listed examples of these massive sales:

Raytheon Corp.—Hawk missiles, a $265 million purchase program for advanced Hawk ground-to-air missile batteries for the Saudi air defense system, and the stationing of 450 Raytheon technicians to service the missiles:

The Northrup Corp.—F–5E jet fighters, pilot training and development of personnel and facilities;

Lockheed Corp.—C–130 cargo planes with pilot training and ground personnel;

Bendix.—track and armored vehicles for the Saudi Army;

The United States has entered into a $250 million arms and training contract with the National Guard, the Saudi internal security force;

The United States maintains a training mission for the Saudi army, air force and navy;

The Corps of Engineers has supervised the construction of the two big army bases at Tofuk, near the northwest border with Jordan, and at Khamis Mushait, in the South near Yemen and Southern Yemen; and

The United States is also involved in a 10-year program to improve the Saudi navy by selling patrol craft and building bases.

These deals, reports a September 19, 1974 New York Times article, are arranged by means of newly established joint commissions with Iran and Saudi Arabia, Secretary of State Kissinger regards these arrangements as "less than a formal alliance and more than bilateral talks," thus "sidestepping congressional concerns about treaty commitments" and making it possible to give permanence to negotiations."

The magnitude of the sales and the means by which they are instrumented should, it seems to me, be a source of alarm to every single Member of Congress. Unless Congress acts soon, its will shall continue to erode as the administration continues to concoct hybrids such as joint commissions. The amendment which I am offering today is an appropriate form of congressional oversight. Congress failure to act now would serve as a sign of further abdication of power to the executive branch.

KUWAIT

Saudi Arabia is not the only Arab country in the Persian Gulf taking part in this massive arms race fueled by products made in the United States. Kuwait, according to a September 18 Washington Post dispatch from Beirut, is about to sign a contract worth $450 million for American arms and equipment including advanced design Hawk surface-to-air missiles. It will shortly open final negotiations for American fighter bombers. The Post reports:

> The Kuwaiti purchases and large-scale buying of aircraft by Saudi Arabia form part of a heated arms-buying campaign that is turning the Persian Gulf into a gigantic armory. Strong reaction from Israel and its supporters in Washington can be expected if the Arab desires (for more sophisticated fighters with greater range and firepower) are met. And there are American hints that a large arms package deal would imply a strengthening of American-Kuwaiti defense ties and a willingness to offer large aircraft.

The Post also reports:

> American planes under discussion are the McDonnell-Douglas Phantom F–4, one of the mainstays of the Israeli air force, and the more recent longer-range Ling-Temco-Vought A–7 Corsair. The Corsair, a U.S. Navy light attack bomber, is capable of reaching the borders of Israel from Kuwait.
>
> Kuwait has reportedly opted for a defense plan that will have its air force scattered at four or five locations in Kuwait and in neighboring Arab states.

This indicates to me, at least, that a massive sale to Kuwait will not only imply strengthening ties between the United States and Kuwait. It may also have the direct effect of arming other Arab nations more directly involved in the Arab-Israeli conflict.

CONCERN EXPRESSED

Both the regional and East-West implications of these large weapons sales is beginning to worry some Government officials and recognized experts in the field. Former Secretary of Defense Melvin Laird has publicly echoed this concern in the introduction to an American Enterprise Institute study titled "Arms in the Persian Gulf." Mr. Laird suggests that while providing armaments to third world countries might be a positive short-term measure, it should be accompanied by diplomatic activity so that weapons sales do not become a standard long-term U.S. policy. He also raises important questions about the implications of such sales for future peace and accommodation in the region.

In another forum, Laird recently stated in a Forbes Magazine interview:

> To me the most important agreement that can be worked out in the next four or five years is to involve the Soviet Union, the United States, and all other arms-producing countries to limit the sale and delivery of conventional military equipment into the Middle East, Southeast Asia, Latin America, and Africa.

These are serious issues—issues that deserve to be debated by both the Congress and the executive branch. Without this amendment offered today, Congress will be totally ill equipped to debate them. It will not have adequate information. Nor will it have the necessary formal procedure to make its voice heard.

LATIN AMERICA

Similar questions concerning sales in the Persian Gulf might well be raised about recent and potential sales of jet aircraft to Latin American countries. In 1973 the administration authorized sales of F–5E international fighters to Argentina, Brazil, Chile, Colombia, and Venezuela, ending in one sweep a 3-year ban on the sale of sophisticated military equipment to underdeveloped countries. As of December 1973, Brazil had ordered 42 aircraft. Potential orders from Chile, Peru, and Venezuela could total 90 aircraft. At a cost of $2.5 million per plane, jet aircraft sales to Latin America could amount to $300 to $400 million over the next few years. And, as previously noted, the United States plans to sell arms to Ecuador as a result of the truce in the 3-year tuna war with the United States.

Perhaps these transactions—in the Persian Gulf, in Latin America, anywhere—have merit. Perhaps they do not. Without debating the merits of these sales, it seems to me that they represent such a qualitative change in our involvement in the Persian Gulf area and such a significant turn in our Latin American relations, that Congress must be afforded the opportunity to deliberate on these matters as well as on all other significant sales agreements entered into by the U.S. Government.

INADEQUACY OF PRESENT REPORTING REQUIREMENT

This amendment fills a vacuum in information available to the Congress. There is no statutory requirement to insure that Congress receives up-to-date information on U.S. Government foreign military sales. The various required reports either provide information on last year's sales or provide detailed information on only a small part of total American arms sales abroad. Thus, the report required by 657(a)(1) of the Foreign Assistance Act lists only the total amount of U.S. Government sales by country for the past fiscal year. The report contains information on the dollar value of U.S. Government arms grants and sales to each foreign country. It provides no specific information on the type or quantity of weapons ordered. More importantly the report, which covers the preceding fiscal year, is issued 6 to 9 months after the end of that fiscal year. Thus the commitment to transfer weapons could have been made up to 18 months before the release of the report.

Government-to-government arms sales do not require export licenses. Therefore, the portion of the section 657 report titled "Export of Arms, Ammunition, and Implements of War," providing past fiscal year data only on commercial sales, which are approximately one-eighth of total American arms sales abroad is of little use. Moreover, since the information when it is reported, deals with arms deliveries during the preceding fiscal year, it is released up to 18 months after the delivery of equipment identified in the report.

The 657(a)(4) report on "Exports of Significant Defense Articles on the U.S. Munitions List" was formerly required by section 36 of the Foreign Military Sales Act. That requirement was made a part of the section 657 report in 1973. To date no reports have been issued pursuant to section 657(a)(4). The report will cover all categories of arms transfers, but by definition it will not provide information on all weapons transfers abroad. Again, the report will probably be released approximately 9 months after the end of the fiscal year and contain data on exports made up to 18 months previously.

Similarly, the more current reports on munition lists exports totaling more than $100,000, required under another commercial sales reporting provision sponsored last year by Senator HATHAWAY, contain no data on the majority of U.S. arms sales—the government-to-government sales in which the U.S. acts as an intermediary between an American munitions firm and a foreign country.

Section 35(b) of the Foreign Military Sales Act calls for semiannual reports on a country-by-country basis of "forecasts of sales and of guarantees and credit applications and anticipated guaranty and credit extensions to economically less-developed countries for the current fiscal year." However, since the approval of the Foreign Military Sales Act in October 1968, the House Foreign Affairs Committee Calendar lists only three reports submitted pursuant to the section 35(b) requirement whereas approximately 12 reports should have been received to date. And as the report title describes, the reports only contain data on sales to less-developed countries—thus leaving out highly relevant information concerning sales made elsewhere. The three reports thus far filed were issued in April, January, and February respectively. The annual presentation document, which the Defense Department claims contains data submitted in lieu of a second semiannual report, is also transmitted to the Congress sometime during March or April. In effect, therefore, Congress is receiving what are supposed to be two different reports at approximately the same time.

As for the presentation material, a detailed justification of the administration's military aid program, it contains an estimate on a country-by-country basis of the dollar value of cash, credit, and guaranty weapons sales. In recent years, however, actual sales have far exceeded the original DOD estimates. An example which bears repeating is the original DOD estimate for cash sales in fiscal year 1974—$3.678 billion. Actual cash sales during fiscal year 1974 on the other hand totaled $5.9 billion.

In summary, two facts should be kept in mind about the information currently submitted to Congress. First, a great deal of the information is on arms transfer that have already taken place. Second, none of these reports contain procedures by which Congress may reject arms sales which it does not feel are in the national interest.

The purpose of this amendment is to correct this situation and to give Congress the opportunity to consider—and if necessary—reject foreign military sales according to prescribed conditions.

ADMINISTERING THE AMENDMENT

The enactment of this provision should place no significant administrative burden on the executive branch. Neither Congress nor the executive branch will be inundated in paperwork as a result of the adoption of this amendment. The total number of statements that would have been submitted for congressional consideration in fiscal year 1973 had the Nelson amendment been in effect is approximately 30.

Nor should the 30-day congressional review period prior to consummation of sale provide any serious interference with normal procedures. Under normal circumstances the negotiation of a sales agreement can take months and the delivery period for such purchases may extend over a period of several years. Moreover, once an offer of sale is accepted by a foreign country there is a second period of negotiations on a production contract. Only then is a final price agreed to.

The negotiation of a production contract pursuant to the offer and acceptance takes anywhere from 3 weeks to 9 months. This timelag is in addition to the timelag of from 90 to 120 days, which a foreign country is given to accept or reject a letter of offer. Even when the acceptance simply involves material ordered from U.S. defense stocks, there is still bound to be a bureaucratic timelag before the implementation of the acceptance.

The contract—form 1513 of the DOD—allows for delays, changes in conditions, or even cancellation by both the seller and purchaser. Thus the fact that the acceptance is considered legally binding on both parties does not prevent either the United States or the foreign government from canceling the agreement. Section A(6) of the explanatory "Conditions" accompanying the letter of offer—form 1513—specifically reserves the right of the U.S. Government to cancel the order "under unusual and compelling circumstances when the best interests of the United States require it." Similarly, a foreign government may at any time terminate the acceptance. If the order is canceled before the final negotiation of a production contract—which can take from 3 weeks to 9 months after the signing of the acceptance—it does so at no cost to itself.

Mr. President, one last point should be made concerning the administration of this proposal. A purchasing county's decision to buy U.S.-produced military equipment is made primarily on the basis of the high technical quality of American weapons and only secondarily on the basis of the price and delivery schedule. Iran, for example. negotiated the purchase of F–14's for more than a year and reportedly paid more than double the price that the U.S. Navy paid for the same plane. Their delivery is not expected to be completed before 1977. A 30-day congressional review period, therefore, would not cause any significant delay nor lose the sale.

EMERGENCY WAIVER

In an emergency situation, the amendment provides a special waiver to cover circumstances such as occurred during the October conflict in the Middle East.

There are an increasing number of precedents for the legislative approach employed in the amendment—congressional veto of proposed actions by the executive branch. Some of them are:

War Power Act—Public Law 93–148—concurrent resolution can terminate commitment of U.S. Forces to hostilities abroad.

Rail Reorganization Act—Public Law 93–236—final reorganization plan for Nation's railroads will be accepted unless either House or Senate passes a resolution rejecting it.

Budget and Impoundment Control Act—Public Law 93–344—either House of Congress can disapprove Presidential proposal to defer expenditure of funds; both Houses must approve any proposed rescission of appropriated funds within 45 days.

District of Columbia Self Government Act—Public Law 93–198—either House of Congress can disapprove acts of the D.C. City Council within 30 days.

More significantly, the Committee on Foreign Relations has adopted a provision in the bill we are presently debating requiring that Congress be told in advance how the President proposes to use funds under section 903, the special requirements fund. Congress is then allowed a period of 30 days within which it could by passage of a concurrent resolution, disapprove the proposal.

Mr. President, the Congressional Research Service prepared a study on the constitutionality of the so-called legislative veto, embodied in the original Nelson amendment. That study finds that the proposed amendment is constitutional. It closely parallels the analogous provisions of the Executive Reorganization Act, the constitutionality of which has not been challenged by the executive branch. Moreover, the amendment would serve a useful function in assuring that the congressional policy origination power is not abdicated to the executive branch.

Mr. President, there is no question that if the one House veto is constitutional then the concurrent resolution, or two House veto, would be subject to even less question.

THE REVISED AMENDMENT

To repeat, the revised provision would require that the President report to Congress whenever he intends to finalize an agreement to sell or extend credits or guarantees for the sale of U.S. military goods and services for $25 million. The amendment further requires a report whenever sales, credits, or guarantees extended to one country in 1 year amount to $50 million. If, after Congress has examined these sales plans for 30 days and both Houses of Congress have not voted disapproval in the form of a concurrent resolution, the President's sales plans may be finalized.

The provision has been slightly revised from last year's amendment to meet some procedural and administrative difficulties which the Department of Defense found with the amendment. And the amendment which I am asking the Senate to reapprove today also has been revised to meet the legitimate procedural problems which the Foreign Relations Committee perceived when it first considered S. 3394 in October 1974.

The revisions will:

Cut down on the number of statements which must be submitted to Congress;

Grant the President a waiver on any single report whenever the President certifies to Congress that there was an emergency affecting the interest of the United States;

Clarify a semantic issue which troubled the Department of Defense. The term "proposed sale" has been changed in this amendment to the term "agreement or contract to sell," thus making it clear that Congress shall receive statements on U.S. offers to sell that have been accepted by foreign governments; and

Employ a concurrent resolution instead of a one-House veto.

In closing, let me reemphasize the importance of these foreign military sales by citing a Washington Post article by Andrew Hamilton, a former National Security Council assistant to Henry Kissinger, who discussed five major aspects of the burgeoning arms sales program of the United States:

> (1) Much of the new wealth of developing nations is paying for non-productive military equipment at inflated prices at a time when more than a billion people face starvation because of inadequate food supply and distribution.
>
> (2) The sales have created new regional arms races, thus boosting demand for more arms and contributing to the risks of war—and of great power confrontation—in unstable areas like the Persian Gulf.
>
> (3) For the first time, the United States is selling its most advanced, most expensive, and most highly classified conventional weaponry and electronics technology.
>
> (4) The danger exists that the buyers, to pay for U.S. and other modern weapons, will be tempted to further increase raw material prices, which in the long run could wipe out any advantage from arms sales and intensify worldwide inflation.
>
> (5) Despite the diplomatic and economic risks involved, the key decisions behind the new rise in U.S. arms exports were made by President Nixon without consulting or even informing Congress.

I am pleased to note that the Defense Appropriations Subcommittee has also expressed its concern about burgeoning U.S. arms sales. Incorporated in its report passed by the Senate, is language closely paralleling my amendment which requires prior notice to the Defense Subcommittee of certain future cash sales of military equipment to foreign governments. The distinguished chairman of the committee and I had a colloquy on this subject in which he stated that:

> The committee does not in any way mean to preclude his (the Nelson) amendment to the Foreign Military Sales Act.

Mr. President, in closing, let me repeat my firm belief that this Government—including both Congress and the executive branch—have the responsibility to its own citizens and to the international community to give very careful consideration to weapons sales of such magnitude. This amendment would provide both the essential information and the necessary procedure for congressional review.

Mr. President, all this amendment does, as I stated previously, is require the President to submit to both Houses of Congress for approval or disapproval under the Reorganization Act, sales of $25 million or more, or cumulative sales in 1 year to one country of $50 million or more. Therefore, Congress will have the opportunity to debate the wisdom of making the sale and its impact on foreign policy. It will have an opportunity to vote approval or disapproval.

There is one additional provision. That is a provision that, in case of emergency such as the Middle East situation a year ago, the President does not need to submit the sale to Congress for its approval or disapproval, but he must report in writing to Congress why he is waiving the congressional veto requirement. He must delineate and explain the sale and what the emergency is.

That covers the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. HUMPHREY. Mr. President, this amendment has been before the Senate on two other occasions. It is an amendment which has been overwhelmingly approved by the Senate.

I have spoken to the distinguished Senator from Wisconsin about it. I see no reason not to accept this amendment even though I feel this bill should not be amended appreciably, because it has been worked on very hard by people of both political parties in the administration, and between the Senate and the administration. This particular amendment, I think, does no injustice to the purposes of the bill and, if the Senator is prepared, I am prepared to yield back my time and accept the amendment.

Mr. NELSON. Mr. President, I thank the distinguished Senator from Minnesota. As the Senator knows, in this current bill, as a matter of fact, the Middle East funds are controlled under exactly the same device by concurrent resolution.

Mr. HUMPHREY. That is correct.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

> On page 17, line 3, strike out "June 30, 1975," and insert in lieu thereof "June 30, 1976."

Mr. HUMPHREY. Mr. President, would the Senator explain that amendment?

Mr. SPARKMAN. Mr. President, the amendment simply extends by 1 year the funding of military assistance to Vietnam through the Defense Department budget.

Let me say that this is done at the request of the President. He invited me to come down yesterday afternoon to talk with him and this is what we did.

Mr. HUMPHREY. Mr. President, I should say that I have also spoken to the ranking minority member, and my colleagues on the Senate Committee on Foreign Relations, Senator CASE and Senator JAVITS, about this.

While I have to make note of the fact that the Senate has, in the past, insisted on the Committee on Foreign Relations taking over the jurisdiction on this program, I shall take this amendment, but I wish to say to the Senator that I think we ought to discuss it, after having taken it, when we go to the conference with the distinguished chairman of the Committee on Armed Services (Mr. STENNIS).

Mr. SPARKMAN. I say to the Senator that I have discussed this particular amendment with Mr. STENNIS. He will support it.

Mr. HUMPHREY. Mr. President, we are ready for a vote on this amendment.

The PRESIDING OFFICER (Mr. NELSON). Do both Senators yield back their time?

Mr. HUMPHREY. I yield back my time, Mr. President.

Mr. SPARKMAN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TIME LIMITATION OF 30 MINUTES ON AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any amendment, excepting the Eagleton amendment, be limited to 30 minutes rather than 1 hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I take it that there is a 1-hour time limit on this amendment?

Mr. HUMPHREY. That is correct.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. EAGLETON. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 27, between lines 8 and 9, insert the following new section:

"SUSPENSION OF MILITARY ASSISTANCE TO TURKEY

"SEC. 18. Section 620 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"'(x) All military assistance, all sales of defense articles and services (whether for cash or by credit, guarantee, or any other means), and all licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data relating thereto) to the Government of Turkey shall be suspended on the date of enactment of this subsection unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus.'"

On page 27, line 10, strike out "SEC. 18" and insert in lieu thereof "SEC. 19".

On page 27, line 13, strike out "SEC. 19" and insert in lieu thereof "SEC. 20".

On page 27, line 23, strike out "SEC. 20" and insert in lieu thereof "SEC. 21".

On page 30, line 4, strike out "SEC. 21" and insert in lieu thereof "SEC. 22".

On page 30, line 25, strike out "SEC. 22" and insert in lieu thereof "SEC. 23".

On page 31, line 1, strike out "section 21 (a)" and insert in lieu thereof "section 22(a)".

On page 32, line 6, strike out "SEC. 23" and insert in lieu thereof "SEC. 24".

On page 32, line 7, strike out "sections 21 (a) and 22" and insert in lieu thereof "sections 22(a) and 23".

On page 33, line 24, strike out "SEC. 25" and insert in lieu thereof "SEC. 26".

On page 36, line 4, strike out "SEC. 26" and insert in lieu thereof "SEC. 27".

On page 38, line 2, strike out "SEC. 27" and insert in lieu thereof "SEC. 28".

On page 39, line 6, strike out "SEC. 28" and insert in lieu thereof "SEC. 29".

On page 39, line 18, strike out "SEC. 29" and insert in lieu thereof "SEC. 30".

On page 45, line 19, strike out "SEC. 30" and insert in lieu thereof "SEC. 31".

On page 45, line 20, strike out "section 29" and insert in lieu thereof "section 30".

On page 49, line 20, strike out "SEC. 31" and insert in lieu thereof "SEC. 32".

On page 49, line 21, strike out "sections 29 and 30(a)" and insert in lieu thereof "sections 30 and 31(a)".

On page 52, line 16, strike out "SEC. 32" and insert in lieu thereof "SEC. 33".

On page 52, line 17, strike out "sections 29, 30(a), and 31" and insert in lieu thereof "sections 30, 31(a), and 32".

On page 53, line 5, strike out "SEC. 33" and insert in lieu thereof "SEC. 34".

On page 53, line 6, strike out "sections 29, 30(a), 31 and 32" and insert in lieu thereof "sections 30, 31(a), 32, and 33".

On page 53, line 19, strike out "SEC. 34" and insert in lieu thereof "SEC. 35".

On page 59, line 10, strike out "SEC. 35" and insert in lieu thereof "SEC. 36".

On page 63, line 11, strike out "SEC. 36" and insert in lieu thereof "SEC. 37".

On page 63, line 19, strike out "SEC. 37" and insert in lieu thereof "SEC. 38".

On page 64, line 3, strike out "SEC. 38" and insert in lieu thereof "SEC. 39".

On page 64, line 25, strike out "SEC. 39" and insert in lieu thereof "SEC. 40".

On page 65, line 22, strike out "SEC. 40" and insert in lieu thereof "SEC. 41".

On page 68, line 16, strike out "SEC. 41" and insert in lieu thereof "SEC. 42".

On page 69, line 16, strike out "SEC. 42" and insert in lieu thereof "SEC. 43".

On page 70, line 13, strike out "SEC. 43" and insert in lieu thereof "SEC. 44".

AID TO TURKEY SHOULD BE CUT OFF

Mr. EAGLETON. Mr. President, the amendment I offer today has been before the Senate in one form or another on at least eight occasions. It was necessitated by the refusal of the State Department to acknowledge the legal requirement to terminate the shipment of American arms to Turkey after that nation used our weapons to invade and occupy Cyprus.

After a number of votes by both Houses calling for an immediate cutoff, a compromise was worked out whereby the provisions of the Foreign Assistance and Foreign Military Sales Acts were waived until December 10. As part of that compromise, no American "implements of war" could be transshipped from Turkey to Cyprus.

It is important to emphasize that the laws governing our military aid and the sale of arms to foreign nations require that recipient nations violating our terms are to become "immediately ineligible" for further assistance. When the administration refused to terminate aid, Congress sought to effect the immediate cutoff required by law. But because the President chose to veto the legislation requiring him to live up to his legal obligation, an impasse was reached. I feel that the resultant compromise went a long way toward preserving the integrity of the controls we have placed over the export of American arms. But it is now necessary to make that principle part of permanent law.

The General Accounting Office, in an excellent legal opinion on this question, strongly admonished the State Department for its failure to make the required determination on Turkey's eligibility. GAO made the following observation:

> . . . section 505(d) of the Foreign Assistance Act and section 3(c) of the Foreign Military Sales Act—in view of their express terms (particularly the references to 'immediate' ineligibility) . . . place a specific duty upon cognizant officials to expeditiously consider, and make appropriate determinations concerning the applicability of such provisions in circumstances which clearly suggest potential substantial violations.

What action is being taken by "cognizant officials" at the State Department to assure that legal responsibilities are met? The answer to that question came to me recently in a November 22 letter from the State Department explaining the administration's failure to act:

> . . . The Administration decided that it was impossible publicly to express a legal conclusion on the issue of Turkey's eligibility for further assistance and sales without undermining our foreign policy objective of persuading Turkey and Greece to enter into direct negotiations for a solution to the Cyprus problem.

Mr. President, not long ago the White House used the phrase "national security," now it is "foreign policy objective." But the meaning is the same—that the personal concepts of men in power can, especially in crisis situations, replace the dictates of law. That is a dangerous proposition.

Now the administration apparently wants to give yet another meaning to the word "immediate." The right conditions for meaningful negotiations have not come about, it is argued. More time is needed to work out a settlement. Now, after the administration has ignored the law for over 4 months to facilitate its brand of diplomacy, December 10 is thought to be too "immediate."

Mr. President, it is true that there is only a caretaker government in Turkey. But we must ask whether the ultimate goal of the Turkish people is a Cypriot solution to the problems of Cyprus, or a Turkish solution.

If Turkey is truly concerned about the Turkish Cypriot minority, then it will allow the leader of that minority, Mr. Denktash, freely to negotiate a settlement. Surely Mr. Denktash is in the best possible position to understand the problems of his people on Cyprus.

To say, therefore, that a resolution of the Cyprus problem is not possible until there is a strong Turkish government is to say that the ultimate solution has little to do with the fate of the Turkish Cypriot minority.

The reality is that as each day passes the possibility of a final solution on Cyprus becomes more remote. Each day Turkey becomes more entrenched. Turkish citizens are taken from the mainland to run Cypriot businesses. Defense fortifications are being built. A political infrastructure with strong ties to the mainland is being formed. A special Turkish postage stamp has even been issued.

By simply following our law and stopping the shipment of any additional U.S. arms we can transmit a message of urgency to Turkey that the entrenchment process must be reversed. We can express in clearly comprehensible terms the attitude of the United States that the status quo on Cyprus is unacceptable.

The stakes are high, Mr. President. If Turkey's occupation of Cyprus becomes so intractable that a meaningful diplomatic solution is impossible, NATO will be worth nothing in the Eastern Mediterranean. Greece and Turkey will be permanent antagonists and Cyprus will be a battlefield for the guerrilla warfare that has characterized other artificially partitioned nations. We must make Turkey recognize that while the United States values her friendship and appreciates her importance to NATO, we cannot tolerate the status quo as it pertains to Cyprus today.

Certainly, there are risks in whatever course we pursue, but none are greater than those inherent in the status quo. It it not a time to ignore our laws in favor of what has oeen an obsequious posture toward Turkey. Our past failure to exert tangible pressure bought us only the invasion of Cyprus and the eventual takeover of 40 per cent of that island. And if we fail now to exert meaningful pressure, we will be buying a permanent condition of instability on NATO's southern flank.

Mr. President, while we can safely assume that a cutoff of arms will enter the Turkish Government's decisionmaking process, we cannot be sure that it alone will lead ultimately to a settlement. It would be wrong to claim that a single action, no matter how significant, will help our diplomats work miracles. But whether or not the cutoff provides Turkey with an important incentive to negotiate as I believe it will, at least it will terminate indirect U.S. participation in the occupation of Cyprus. It cannot be in our national interest to actively engage in the deterioration of an important part of NATO by providing the arms to make that deterioration complete.

Finally, Mr. President, Congress' involvement in the Cyprus matter—the State Department would call it interference—has thus far had one very beneficial effect. The Greek election results on November 17 reflected only a minimum of anti-Americanism. This contrasted greatly to the situation in the summer when adverse public reaction to our Cyprus policy threatened to push Greek leaders toward closing U.S. home port facilities. That process has now been reversed.

Mr. President, our Government's policy has been to urge the parties to the Cyprus conflict to begin negotiations toward a meaningful settlement. We have publicly acknowledged that no settlement is possible unless Turkey agrees to major concessions including the removal of its forces from Cyprus. The United States recently joined with the Soviet Union in the Vladivostok communique in urging the parties to resolve their differences and in stating "firm support for the independence, sovereignty and territorial integrity of Cyprus." The United States joined other members of the United Nations Security Council in adopting two U.N. Resolutions demanding "an immediate end to foreign military intervention in the Republic of Cyprus" and recording the formal disapproval of the U.N. "of the unilateral military actions undertaken against the Republic of Cyprus."

It is time now to add tangible meaning to our policy pronouncements on this critical problem. If we fail to do all in our power to provide incentive to the parties to negotiate, then we risk the possibility that the southern flank of NATO will be permanently crippled. I urge my colleagues to vote to support the laws which require an immediate cutoff of military sales and assistance to Turkey. Such action is not only sound law, it is sound diplomacy in a difficult situation.

Mr. President, I reserve the remainder of my time.

Mr. BROOKE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield time to the Senator from Massachusetts?

Mr. EAGLETON. Does the Senator intend to speak in support of the amendment? How much time does the Senator require?

Mr. BROOKE. Just 7 minutes. I have seven pages.

Mr. HUMPHREY. I am happy to yield 10 minutes to the distinguished Senator from Massachusetts out of the time on this amendment.

Mr. **BROOKE**. Do I correctly understand there is an hour on the amendment?

Mr. **HUMPHREY**. Yes; 30 minutes on each side. I have yielded 10 minutes to the Senator.

Mr. **BROOKE**. I thank the Senator.

Mr. President, on December 10, 1974, the temporary suspension of the various laws requiring a cutoff of U.S. military assistance to Turkey because of that country's military actions on Cyprus will terminate. If significant progress is not achieved in the next week toward an agreement that will lead to the immediate withdrawal of Turkish armed forces from the island, an extremely unlikely possibility, the United States must suspend all military aid to Turkey until such progress occurs.

In October of this year various Members of the Senate, including myself, believed that a cutoff of military aid to Turkey should be avoided for a time in order to enhance the chances for meaningful negotiations. It was not unjustified at that time to hope that such negotiations were imminent. Nor was it untenable or unwise to believe that every effort should be made to avoid the danger of provoking Turkish intransigence through a precipitous cutoff of military assistance so long as the possibility of an immediate agreement on the withdrawal of Turkish forces from the island existed. Hence, the compromise finally agreed to, suspending the effect of the various legal provisions conditioning the giving of military aid, was a prudent course of action.

Unfortunately, the hopes that motivated that action have yet to be fulfilled. Meaningful negotiations have not occurred.

Turkey has not exhibited, in any marked degree, a willingness to withdraw its forces from Cyprus in the near future. Indeed, there are disturbing indications that Turkey is buttressing its military positions in such a way as to permit it the option to partition Cyprus permanently if it chooses to do so. Moreover, some observers have noted that Turkey seems intent on insisting that the Turkish Cypriots receive far more of the productive land in any settlement than their percentage of total population would justify. In addition, the lack of a stable government in Turkey increases the likelihood that such tendencies will not be altered in the immediate future. In light of these developments, a continued suspension of the legal requirements after December 10, 1974, would be unjustified.

Even though the United States must suspend military aid to Turkey until significant progress takes place, U.S. efforts to encourage moderation on both sides should not abate. Our primary objective must be to avoid a situation where the intransigency of either Greece or Turkey leads to a permanent alienation of the United States from either country. Such alienation would do irreparable harm to the NATO Alliance and thus to the vital interests of the United States. Hence, great prudence and patience will be required as we continue our efforts to promote a solution to the crisis; patience that reflects a continuing attempt to balance the need to exert maximum influence on Ankara to abandon its reliance on military force to protect its interests with the opposing requirement of avoiding unnecessary provocations that increase Turkish intransigency and hence make an equitable settlement more difficult to achieve. At the same time, U.S. policy must recognize and promote the just expectations of the Greeks and Greek Cypriots regarding their legitimate aspirations for Cyprus. Although the lack of progress toward a settlement and the continued obstinancy of the Turkish government regarding the removal of its forces from Cyprus has seriously undermined the efforts by the United States and others to achieve the desired balance between these competing objectives, the search for such a balance should not be abandoned.

It is in our interest to promote a Cyprus solution that is something more than a pause between shooting wars. While it would be presumptuous to claim one has such a solution, several basic objectives can be identified that must be met if a stable situation is to evolve. First, Cyprus must remain an independent unified state. Second, a new constitutional arrangement will have to be evolved that will insure adequate security for the various ethnic communities while at the same time permitting effective functioning of a central government in areas where diffused authority is unworkable.

Suggestions emphasizing a cantonal arrangement on the Swiss model are worth consideration but it must be recognized that it is the ethnic groups on Cyprus who must effect a workable arrangement if further conflict is to be avoided.

In the process of achieving the above, several initiatives will be necessary. Demilitarization of the island must occur if all the involved parties are eventually to achieve the confidence in each other's intentions necessary for peace. There is precedence for such demilitarization in the area in the 1923 Treaty of Lausanne which provided for the demilitarization of several Greek islands.

Some form of international guarantees of the independence of Cyprus and the right of the Cypriot communities to equitable treatment within a unified state will have to be evolved if Greece and Turkey are to forego the option of intervening unilaterally in the future. Since the prior arrangement whereby guarantees were given by Turkey, Greece, and the United Kingdom has proved inadequate, consideration should be given to some form of general U.N. guarantee.

Mr. **HUMPHREY**. Mr. President, I yield another 5 minutes to the Senator from Massachusetts.

Mr. **BROOKE**. I thank my distinguished colleague.

The PRESIDING OFFICER. The Senator may proceed.

Mr. **BROOKE**. Given the broad goals that should be the focus of American policy that I have suggested here, what must occur immediately if the possibility of their achievement is to be enhanced? First, an immediate withdrawal of Turkish forces deployed on Cyprus is needed to encourage those in Greece and on Cyprus who believe that accommodation is possible and desirable. This is especially the case in view of the overwhelming show of support for the moderate Caramanlis government in the recent Greek elections. The Greek people exhibited wisdom in giving that government a clear vote of confidence in its attempts to pursue an enlightened nonbelligerent course of action regarding Cyprus. I believe that the present Greek government is willing to support negotiations which seek to meet the just demands of all concerned parties. An immediate withdrawal of Turkish forces from Cyprus would be a strong indication that Ankara is committed to a similar course of action.

Every effort must also be made to arrest the drift toward acceptance by many of the present demarcation lines as being permanent in nature. It is inconceivable that any just settlement can be reached if the Turkish Cypriots and their supporters insist on retaining life most productive 36 to 40 percent of the island under their control even though they constitute only 18 percent of the population. An equitable sharing of land and resources in some form of rough proportion to population breakdown is crucial to any lasting settlement of the crisis.

Compounding the difficulties involved in the territoral aspect of the crisis is the fact that many Greek Cypriots were displaced and their homes and lands confiscated during the Turkish military offensives. Unless some form of equitable restitution is found for those so displaced, continued strife rather than nonviolent accommodation will likely ensue in the future.

Finally, immediate and increased attention must be given to meeting the pressing needs of the refugees who face the prospect of a cold winter without adequate shelter, clothing, or food. The United States, in cooperation with others, must provide the temporary relief these people need over the next several months if the Cyprus tragedy is not to deepen by several magnitudes. We can do so, not only by direct monetary contributions, but also by helping the thousands of concerned Americans who have privately collected foodstuffs, clothing, and medical supplies for Cyprus. I expect our government to do everything possible to facilitate the delivery of these goods.

In conclusion, the time for intelligent decisions by all concerned parties is now. Failure to achieve significant progress in the areas I have outlined during the next several months will only make more difficult the task of relieving the suffering of the Cypriot peoples and will greatly increase the danger that U.S. interests in the area will be permanently damaged.

Mr. **EAGLETON**. Mr. President, I suggest the absence of a quorum with the time to be charged equally to both sides.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I ask unanimous consent that during the consideration of the bill that my assistant Stephen Bryen be permitted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I yield 5 minutes to the distinguished Senator from Illinois.

Mr. STEVENSON. Mr. President, on 11 occasions in recent months the Senate and House declared overwhelmingly that the laws governing military assistance must be obeyed.

It is now almost 5 months since Turkey violated its military assistance agreements with the United States by invading Cyprus. During that time, the United States has unlawfully continued to ship military equipment to Turkey. In fact, it appears that the United States increased arms shipments to Turkey after its invasion of Cyprus, despite the lack of any progress in the Cyprus negotiations.

I join with Senator EAGLETON in this amendment because it is past time the Congress insured that the laws of the United States are observed and respected by the executive branch and by those foreign countries which benefit from our laws and agree to their provisions.

This amendment makes it clear that the Senate intends for the laws of the United States to be obeyed. It signals Senate disapproval of a policy which rewards aggressors and nations which breach the terms upon which they accept U.S. assistance.

The folly of indiscriminately lavishing food, arms, nuclear reactors, and cash on nations throughout the world in the expectation of some reciprocated good will has been demonstrated again in the eastern Mediterranean. The legitimate government of President Makarios in Cyprus has been toppled. Turkey has invaded Cyprus. Greece has effectively left NATO, leaving NATO's southern flank exposed.

Tens of thousands of Cypriot citizens are homeless and hungry. Our relations with Greece have been strained. And now the administration, the architect of this tragedy commenced by its support of the Greek Junta, suggests that the Congress should have more confidence in it and permit further transgressions against the law and the Nation's best principles by permitting it to rearm the aggressor. To lavish still more arms upon Turkey.

Secretary Kissinger contends that it is "ineffective and counterproductive" to cut off U.S. military aid to Turkey. He argues that "it will have very adverse foreign relations consequences for an important ally."

Mr. President, it will have "adverse foreign relations consequences" to continue support for politically repressive, militarily aggressive regimes at the expense of popular, democratic governments and old allies, such as Greece. Such support only isolates the United States in the world and undermines its security as recent history, in the eastern Mediterranean and in south Asia and southeast Asia, makes painfully obvious.

As far as the exigencies of the situation in the eastern Mediterranean are concerned, stalling the military aid cutoff required by law, has only encouraged Turkish intransigence. Instead of negotiating, Turkey occupied a third of Cyprus.

The Turkish Government recently proposed a 50-percent increase in its defense budget. Under the Foreign Assistance Act now pending before the Senate, Turkey is scheduled to receive $205 million in military aid from the United States. For the United States to reward such transparent violations of the terms upon which its aid is accepted will only encourage others to act with an expectation of similar rewards—and impunity.

It is time for the United States to use its influence to bring peace to the people of Cyprus. And it is time for the United States to repair its relations with Greece. It is also time—long past time—for the United States to aline its actions in the world with its principles. The place to begin is in Cyprus. And the way to do so is simply to obey the law—to cut off all further U.S. military assistance and sales to Turkey. Such an action is dictated by Turkey, not by any unilateral or vindictive action of the United States.

This amendment does not undercut the flexibility the Secretary of State needs to help negotiate a settlement between Cyprus, Greece, and Turkey. If the President certifies that Turkey is in compliance with the provisions of the Foreign Assistance and Military Sales Act and "substantial progress" is made toward agreement regarding military forces in Cyprus, the United States can resume shipping arms to Turkey.

By approving this amendment the Senate sends a message to the people of Cyprus, to the new government of Greece, and to Turkey. It says that the United States intends to act now to observe its laws and help restore peace and independence to the citizens of Cyprus—Turkish and Greek alike. It is a message the United States should send to the world. I urge the Senate to adopt the Eagleton-Stevenson amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, what is my time on this amendment?

The PRESIDING OFFICER. The Senator has 16 minutes remaining.

Mr. HUMPHREY. Mr. President, will the Senator yield 6 minutes of that time?

Mr. EAGLETON. I yield.

Mr. HUMPHREY. Mr. President, the amendment that is offered today by the distinguished Senator from Missouri and the distinguished Senator from Illinois is one, of course, that has been voted upon here in the Senate and I have voted for it on every occasion.

As we know, it ended up in a deadlock with the executive branch of the Government. The President and the Secretary of State felt this amendment would not be helpful and, in fact, would make it exceedingly difficult for the conduct of our foreign policy in that part of Europe, particularly because of the delicate political situation in Greece.

As a result of the controversy between the Congress and the executive branch, a compromise was reached in the continuing resolution which was adopted by the two Houses of Congress.

That compromise stated what is the substance of the Eagleton-Stevenson amendment and then added the proviso that the President is authorized to suspend the provisions of this section if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until December 10, 1974, and only if during that time Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S.-supplied implements of war.

Now, Mr. President, the December 10 date is arriving and the problem that the President and the Secretary of State face is that there is really no government with which to presently negotiate.

I take this time just to mention these things because the whole Turkish question today is of the utmost importance to the Government of the United States.

There are large supplies of weapons of all kinds and natures in Turkey. The stability of the Turkish governmental system itself is a matter of concern to the United States, and to others.

I have spoken to the distinguished Senator from Missouri. He knows that my heart is with him. I am not sure that my judgment should be.

As I see it, it would be more suitable for our national security interests, and it would be preferable, if it were possible for the Congress to extend the time from December 10 to a later date to give the President and the Secretary of State again the opportunity to engage in negotiations.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. HUMPHREY. Yes, I yield to the Senator from Maryland.

Mr. MATHIAS. The Senator refers to a later date.

Mr. HUMPHREY. Yes.

Mr. MATHIAS. Is the Senator thinking in terms of days or weeks?

Mr. HUMPHREY. I was thinking in terms of the date of March 1 or March 15, that is, a date that would allow for the establishment of an effective and responsible government in Turkey that has the power to negotiate. The present government does not have that power.

Mr. MATHIAS. They do not have a fully empowered government to negotiate at all.

Mr. HUMPHREY. That is correct. It is an interim government, a caretaker government.

That is why it appears to me that it might be better to go over to a period like March 1 or 15.

I have discussed this matter with a number of our colleagues on the Foreign Relations Committee—Senator AIKEN, Senator JAVITS, and Senator MUSKIE.

As the Senator will recall, we discussed it with Senator MUSKIE and Senator McGEE, and also with Senator SPARKMAN, who is now in the Chamber. We also discussed it with Senator SCOTT.

I have not yet had a chance to discuss this with Senator CASE. The people I have mentioned it to have indicated that they thought that at least we should try to find some language that would not be quite as exacting as that of the Senator from Missouri and the Senator from Illinois, but yet would accomplish the ultimate purpose.

I have to be frank with my colleagues. I understand the feelings that are held so sincerely by our two colleagues from Missouri and Illinois. The Turkish representatives have not been at all cooperative in these matters. They have a political crisis in their country. One crisis has been resolved in Greece, which makes it possible for the Greek Government to be a much more forthright and effective government for negotiation.

I am hopeful that the same thing will prevail in Turkey.

I believe what I am saying here, and what I am asking, is for a little more patience, recognizing that our patience runs pretty thin because of the tragedy of the circumstances in Cyprus. I think what has happened in Cyprus is an outrage. Needless to say, in the past I have supported very vigorously the efforts that have been made to bring Turkey to some understanding of her responsibilities, and also, more importantly, to see that the United States did not aid and abet what was going on in Cyprus by our infusion of arms into that area.

All that I am asking is to see whether there is some meeting of the minds possible here in the Senate to extend the time under the continuing resolution which was, after a long and arduous struggle, agreed to, and to make that date somewhere very near in the future. I do not have an ironclad time. It could be, as I said, March 1 or March 15. I believe we need at least that much time in the new year.

The Senator from Maryland was discussing this with me.

Mr. MATHIAS. I am sure that the distinguished Senator has also considered the effect of this on a subject that every one of us is interested in, the stability of the new democratic regime in Greece, for which we all have high hopes, and in which we are all very much interested.

The PRESIDING OFFICER (Mr. BIDEN). The Senator's 6 minutes have expired.

Mr. HUMPHREY. I yield myself another 5 minutes.

Mr. MATHIAS. Does the Senator have reason to believe that this extension for a very limited period of time would have any adverse effect on the new regime in Greece? Would an extension of time promote stability in the area which would give a greater chance for the new Greek Government to take over?

Mr. HUMPHREY. I must say that the responsible officials in our Government feel that this extension would not be injurious at all to the Greek Government. To the contrary, it might be welcomed.

Mr. MATHIAS. May I inquire of the Senator as a member of the Foreign Relations Committee? It is my understanding that the U.S. Ambassador to Greece is presently in Washington, and the same is true of the U.S. Ambassador to Turkey. It would be extremely helpful to us in the Senate to have the views of these informed representatives before we took action on this, if we are going to vote upon the basis of the best and fullest information on this whole question.

Mr. HUMPHREY. I am afraid that we will not have a chance, in the time that we have, to receive their recommendations or their counsel. The Secretary of State obviously does receive reports from these Ambassadors. It has been the hope that we could have some extension.

Let me just lay it on the line: I have discussed this with the executive branch of the Government in private conversations. I told them first of all, when there was no desire to have the Eagleton amendment brought back again:

> You are just living in a dream world. The amendment will be back, and something will be done about it.

I said this privately to the Senator from Missouri.

It is my judgment that what the Eagleton amendment seeks to do is what we would like to do. In other words, what the Eagleton amendment seeks to do is to cut off aid and bring about a peaceful resolution of the problems in Cyprus and the withdrawal of the Turkish forces.

The continuing resolution that we adopted just before the recess did that, but it gave the date of December 10 as the time frame in which, hopefully, there could be negotiations.

The fact of the matter is that there was a Greek election which took place in the interim which brought democracy back to Greece. For this action, we in this body should express our gratification.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HUMPHREY. I yield myself an additional 2 minutes.

Second, during this period of time, the government in Turkey was dissolved. So we have the problem of trying to find a government in Turkey with which this country can negotiate. What I am saying is that the United States feels a moral responsibility to try to bring about a resolution of the problem in Cyprus. We could wash our hands of it and say, "Well, it is no affair of ours. After all, why should we be worried?"

But we cannot really do that as a moral country and as a people who like to have some degree of decency about us.

I would hope that we might proceed along the lines I have suggested here.

I yield to the Senator from Alabama.

Mr. CRANSTON. Will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Ellen Frost, Everett Engstrom and Murray Flander of my staff have the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. The Senator knows that the Secretary of State has been with the Foreign Relations Committee all morning and is very much concerned about this. He wants to see a situation that will allow him to continue negotiating. He believes, and I think the Senator will agree with me, he can negotiate a satisfactory settlement to the problem.

Mr. HUMPHREY. That is the fact. I was not able to be there all the time. May I say that the Secretary of State was hopeful that we can allow some flexibility in the final bill that is passed.

Mr. SPARKMAN. That is correct.

Mr. HUMPHREY. I know that the Senate could go ahead and accept the Eagleton amendment because, after all, it has been adopted 3 or 4 times, and the House could act, and there might be some adjustments in conference. However, if I were a member of the conference—and after handling this bill today—I would be pledged to support the Senate position. I believe in keeping my word.

However, if the Senate adopts the Eagleton amendment as prepared and stated, and the House does the same, then there is no maneuverability at all, and you cannot negotiate something in conference when there is no disagreement.

Therefore, I am just asking for the opportunity for some flexibility on our part.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HUMPHREY. I think we have 2 more minutes.

Mr. SPARKMAN. Mr. President, the matter of negotiating the Cyprus situation is ticklish. I was in London, attending the NATO meeting, and the Turkish Ambassador invited our entire delegation to have breakfast with him. I told him, in so many words, that I felt that when they moved into Cyprus, they were too aggressive and went too far. I will not say that they admitted it; they did not deny it. They said that they would be willing to work out that situation.

I believe that if Secretary Kissinger is given the time he needs, he can work this out satisfactorily. I hope we do not impede him too much in this effort.

Mr. EAGLETON. Mr. President, I have listened with great interest to the remarks of the distinguished Senator from Minnesota and the exchanges between himself and the distinguished Senator from Maryland and the distinguished Senator from Alabama (Mr. SPARKMAN).

In a sense, we are replaying the debate of last October. The law on this matter is very clear, and the State Department acknowledges that the law is clear: when a government—in this instance, Turkey—uses our military assistance to commit an aggressive act against a neutral or sovereign nation, aid shall be terminated immediately. So there is no dispute about the law.

Back in October, this body, on several occasions, adhered to the rule of law and said that the law should be enforced and that aid should be terminated. The House did likewise, in a series of votes.

But an impasse was reached with respect to the continuing resolution which affected several vital agencies of government. In order to resolve that impasse, the December 10 cutoff date was agreed to—reluctantly, I might add, by many in this body and in the other body. It was thought that during that period, negotiations could go forward that would result in a meaningful settlement, but that has not occurred.

What is now being suggested by my good and distinguished colleague, the Senator from Minnesota, is that, once again, we go the extension route, perhaps to March 1 or March 15. He said that his feet are not in cement as to the specific date. Once again, if we were to go that route, which I cannot agree to, we would be back here early next year, seeking a further extension.

The truth is, Mr. President, that with the passage of each day, the Turkish forces in Cyprus become more entrenched. The 40 percent of the island that is occupied by Turkish forces becomes more separate, more isolated from the ultimate future of an integrated Cyprus. If this activity is prolonged—indeed, encourage it by further extensions—we will reach the point in the not-too-distant future when any meaningful negotiation as to an integrated, unified Cyprus will be impossible. That 40 percent will be so dominated by Turkish forces that, for all practical purposes, it will have been severed from the island of Cyprus.

The question, then, really boils down to the requirements of our law. And by following our law we can encourage negotiations between the respective parties. The respective parties, I hasten to add, include Mr. Denktash on the island of Cyprus, who, were he given the authority by the Turkish military could negotiate a settlement.

In my opinion, and in the opinion of many others who are experts in the foreign policy area, the only way we can convince Turkey that it is in their interest to negotiate is to cut off military aid. The ephemeral threat that it might be cut off some day in the future, that it might have been cut off on December 10, that it might be cut off on March 15, that it might be cut off on June 15—that rather vague threat, which the Turkish Gvernment must realize from recent experience the executive branch does not wish to fulfill—is not enough to induct the Government of Turkey to negotiate meaningfully.

What is meaningful is that, if and when the aid is cut off, they know that the die is cast. I think that is an inducement, a strong inducement, to achieve some kind of rational settlement on Cyprus, with the interested parties involved participating—especially, I hasten to add, those representing the Greek Cypriot community and the Turkish Cypriot community, the people most deeply aggrieved and most deeply affected.

So I think that to go ahead with a postponement date would not be in the interest of a meaningful resolution on Cyprus. Quite to the contrary, I believe it would further freeze into a position of intransigence the Turkish occupation on Cyprus. By March 15, or whatever date might be suggested, the situation will have long passed the point of no return, in a sense that the "Turkification" of that northern portion of Cyprus would have been so intense, so complete, and so overwhelming that, for all practical purposes, partition will have occurred. The northern portion of the sovereign nation of Cyprus will have been severed from the main body itself.

Therefore, Mr. President, realizing the good intentions of the Senator from Minnesota, which are self-evident, I cannot support such a position, because I think it would be foredoomed to failure. It would be self-defeating insofar as a resolution of the Cyprus question is concerned. It would not be an inducement to a meaningful solution.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, has all time on the amendment been used?

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining, and the Senater from Missouri has 5 minutes remaining. The time has not been yielded back.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time, and I call up the amendment for discussion.

The PRESIDING OFFICER. All time having been yielded back, the clerk will report the amendment of the Senator from Minnesota.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Minnesota (Mr. HUMPHREY), on behalf of himself and others, proposes an amendment to the Eagleton amendment, No. 2004, as follows:

On page 2, between lines 9 and 10, insert the following:

Provided, That the President is authorized to suspend the provisions of this section and said acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until March 15, 1975 and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

Mr. HUMPHREY. Mr. President, a point of information: Do I correctly understand that under the previous unanimous consent agreement, this amendment is limited to 30 minutes, divided?

The PRESIDING OFFICER. That is correct—30 minutes, divided equally between the Senator from Missouri and the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be taken from the time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I modify my amendment to read as follows:

Provided, That the President is authorized to suspend the provisions of this section and said acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until 30 days after the convening of the 94th Congress and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

Mr. President, this modification changes the date from what I had originally intended, March 15, to the date specified, 30 days after the convening of the 94th Congress.

I submit the amendment as modified and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be so modified. The clerk will state the modification.

Mr. HUMPHREY. I ask unanimous consent that the reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY's amendment, as modified, is as follows:

On page 2, between lines 9 and 10 insert the following:

Provided, That the President is authorized to suspend the provisions of this section and said acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until 30 days after the convening of the 94th Congress and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

Mr. HUMPHREY. The whole purpose of this amendment is to do what we were talking about earlier during the colloquy with the distinguished Senator from Maryland and the distinguished Senator from Alabama (Mr. SPARKMAN)—namely, to give the President and the Secretary of State a little more time in the hopes of being able to bring about some constructive results in the negotiations between the Governments of Greece and Turkey on the issue of Cyprus.

The present situation has been explained. There is one ray of good hope, and that is there is a new government in Greece, democratically elected, and a real omen for positive and good results.

The bad news, so to speak, is the fact there is only a caretaker government in

Turkey. There is no government in Turkey at the present time that can engage in negotiations.

Now, we have to depend upon the President and the Secretary of State in these matters to protect our national security interests, with the advice and counsel of the Congress of the United States, and I am offering this amendment, as I said, not out of a sense of emotion and heart, because my heart and my emotions go with the Senator from Missouri, but my judgment tells me that this is a sensible and reasonable proposal, that it does not do injustice to the moral position that has been properly and so effectively taken by the distinguished Senator from Missouri and the distinguished Senator from Illinois.

What it does is just give a little more time, and it still leaves in the hands of Congress, by our action, a cutoff date. In other words, a cutoff date would be 30 days after the convening of the 94th Congress, and it will give the Secretary of State, Mr. Kissinger, and the President of the United States time to, hopefully, bring about some negotiations and a settlement in Cyprus.

I would hope that we might see the wisdom of this moderate course. It is not one that is entirely satisfactory, but I do believe it is one that makes sense, and I would hope that the Senator from Missouri would see the concerns that the Senator from Minnesota has. I have talked to him privately about this matter.

There is not much more that needs to be said, at least on this side. I know the Senator from Missouri may want to respond. We do not need to take any more time of the Senate. We all know how we are going to vote.

I yield to the Senator from Maryland (Mr. MATHIAS).

Mr. MATHIAS. Mr. President, I thank the Senator from Minnesota for yielding a few moments to raise some questions.

I have agreed completely with the distinguished Senator from Missouri in his approach to this problem and have voted in support of his proposals. I think he is to be very strongly commended for the tenacity and the adherence to the principles that he has expressed so eloquently to the whole country. He and I agree on the view that this question and any similar question must be resolved by Congress according to the process of law.

This is the Congress' constitutional responsibility and it cannot be delegated away. Congress has to make the decision. The process of law must be the process by which we resolve it.

But the pending amendments, the Humphrey amendment and the Eagleton amendment, raise very fundamental questions to which, very frankly, I do not think the Senate has all the answers. It does not have the facts necessary to come to an informed decision. I do not think we are really ready to vote intelligently.

I find it very difficult to say with any positive force that extra time will produce results, but I cannot say that more time will have adverse effects either.

It would be helpful and, in my view, essential to hear from the U.S. Ambassadors to each country, Greece, Cyprus, and Turkey. We should also have the views of distinguished negotiators on the Cyprus question like former Secretary Vance. A review of those past negotiations would also be useful. I would hope that the Foreign Relations Committee would have hearings and report to the Senate on their findings, at the earliest opportunity. We need to know more before we can vote with confidence.

I must say, Mr. President, that there are echoes in this Chamber that are most disturbing when we talk about time extensions. We have served in this body during the Vietnam war when it was said by previous administrations, "Well, a little more time, a little more time, a little more time may buy us a solution." I hear those echoes, and those echoes are very disturbing to me. I have very serious problems with this.

I think we have to fully support the view of the Senator from Missouri that the validity of the law must be recognized, and that the only aid which can go to any NATO partner is that aid which is provided under law and by the NATO treaty—that is for defensive purposes only.

I think it is a fundamental principle that in any consideration of time extension that, as amendment of the Senator from Minnesota has provided, that there has to be an absolute commitment that there be no buildup of arms, and that there should be no transfer of arms from Turkey into Cyprus. These things have to be taken as fundamental and as a matter of course.

I recognize that we are dealing here not as in Vietnam with two nations, one friendly and one hostile; we are dealing with two friends, with Greece and with Turkey. This is a very different kind of situation. It is one in which I think we need to know far more than we now know. We are dealing with two friends, and in the absence of these vital facts the only way to give ourselves time to know the answers is to provide the flexibility which the Senator from Minnesota suggests to us, and that is the flexibility of giving the new Congress 30 days to consider the question. I believe that is the only reasonable way to properly inform ourselves on how we should act. I ask again that the Foreign Relations Committee hold hearings with the Ambassadors and such experts as Cyrus Vance and report to the Senate on this vital issue.

For this reason it is my view that a short-time extension would be the wisest course of action.

Mr. EAGLETON. Mr. President, I shall be brief. I addressed myself to this amendment even prior to its introduction.

One of the arguments made in support of the extended date, now to be somewhere presumably in mid-February, would be that there is no government with which to negotiate in Turkey. But according to State Department prognostications, the elections will not take place in Turkey until April. So, presumably, even between now and mid-February, if those prognostications are accurate, there would still only be an interim or caretaker regime with which to negotiate.

I point out though that there is someone, Mr. President, with whom there should be negotiations. Mr. Denktash, the leader of the Turkish Cypriot community, the man primarily concerned with the future of his people and his nation, negotiations can go forward with him if what is sought is a Cypriot solution.

I repeat, Mr. President, I am very, very fearful that if we extend this waiver of our laws, the Turkish domination on that northern part of the island of Cyprus will be so complete, so embedded, so enmeshed politically, militarily, and in every conceivable way, that what we will be doing here, perhaps unwittingly, will be to permanently partition the island nation of Cyprus. And if that occurs, the NATO alliance will be permanently damaged in the Eastern Mediterranean.

By the time February 15 comes around the control in that area will be so complete, the flight of Greek Cypriots from that area, the introduction of the Turkish citizens from Mainland Turkey into the northern part of Cyprus will have gone on for so long that, indeed, there will be nothing much to negotiate about. It will be a penultimate fait accompli and, therefore, Mr. President, although I recognize the sincere good motives of the Senator from Minnesota in offering this amendment, and the sincerity of my distinguished colleague from Maryland in supporting it, I think that what we are doing here today in order to "buy some time" is foretelling the ultimate result.

We are, by prolonging the Turkish domination of the northern part of Cyprus, in effect, insuring that there will be a permanent division on Cyprus; that ultimately we will be destroying the integral sovereignty of the free nation of Cyprus. I think that is really what is involved in this reluctance to follow our laws and act now. We may well have crossed that point by now—who knows—but I am persuaded that if we extend it to mid-February we will have gone beyond the point of no return.

Mr. JACKSON. Mr. President, the Senate must once again consider the most appropriate response to the administration's continued calculated indifference to Turkey's illegal occupation of Cypriot territory. Since the last Senate debate on this subject, it has become apparent that the administration continues to pursue policies which are not only lacking in good sense, but are contrary to provisions of American law as well.

As many of my colleagues have pointed out, we have now learned that American military assistance to Turkey actually increased following the Turkish invasion of Cyprus. We have also learned that the State Department lawyers have indeed reached a conclusion as to the legality of these arms shipments, but the conclusion cannot be made public, the State Department says, "without undermining our foreign policy objective." This is a weak defense, indeed, of administration policy.

The fact is that the administration has precious little to show for its acquiescence in Turkish adventurism. But more important, in my view, is the grim reality of conditions on Cyprus. Perhaps a third of the island's population now consists of refugees. Some of the island's most productive areas are in ruins. And, unhappily, the future of the island will remain bleak so long as arbitrary Turkish influence on Cyprus is not restrained.

Mr. President, the adoption of Senator Eagleton's amendment is a pressing necessity. It offers the best hope that American policy in a strategically significant part of the world can be put back on a more sensible plane. I urge its adoption by my colleagues just as I continue to hope that the administration will abandon its misdirected and unprincipled course.

Mr. HUMPHREY. Is the Senator prepared to yield back his time?

Mr. EAGLETON. Yes, I am prepared to yield back my time.

Mr. HUMPHREY. I think the arguments have been made, and there is no necessity for using further time. I am prepared to yield back my time.

Mr. EAGLETON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back?

Mr. HUMPHREY. Mr. President, I gather the Senator wants the yeas and the nays on this amendment.

Mr. EAGLETON. Yes.

Mr. HUMPHREY. I ask for the yeas and the nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and the nays were ordered.

Mr. HUMPHREY. This is on agreeing to the amendment I proposed on behalf of myself and other Senators. This is an amendment to the Eagleton amendment.

The PRESIDING OFFICER. That is correct.

Mr. TOWER. An amendment in the nature of a substitute?

Mr. HUMPHREY. It is an amendment to the Eagleton amendment.

The PRESIDING OFFICER. The question is on agreeing to Mr. Humphrey's amendment to Mr. Eagleton's amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Colorado (Mr. Haskell), the Senator from Washington (Mr. Magnuson), and the Senator from Arkansas (Mr. Fulbright), are necessarily absent.

I also announce that the Senator from Georgia (Mr. Talmadge), is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Nebraska (Mr. Hruska), are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy), is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy), would vote "nay."

The result was announced—yeas 55, nays 36, as follows:

[No. 517 Leg.]

YEAS—55

Aiken
Baker
Bartlett
Beall
Bennett
Brock
Cannon
Case
Chiles
Church
Cook
Curtis
Domenici
Dominick
Fannin
Fong
Gravel
Griffin
Gurney
Hansen
Hart
Hatfield
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Javits
Johnston
Kennedy
Long
Mansfield
Mathias
McClellan
McClure
McGee
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nunn
Packwood
Pearson
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker
Young

NAYS—36

Abourezk
Allen
Bayh
Bentsen
Bible
Biden
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Clark
Cotton
Cranston
Dole
Eagleton
Goldwater
Hartke
Hughes
Jackson
McGovern
McIntyre
Montoya
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stevenson
Symington
Tunney
Williams

NOT VOTING—9

Bellmon
Eastland
Ervin
Fulbright
Haskell
Hruska
Magnuson
Percy
Talmadge

So Mr. Humphrey's amendment to Mr. Eagleton's amendment was agreed to.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Missouri, as amended.

Mr. HUMPHREY. Mr. President, I believe we can handle this by a voice vote now. Let us just have the vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri, as amended. [Putting the question.]

The amendment of the Senator from Missouri, as amended, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. McGEE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. Will the Members please take their seats?

The amendment will be stated.

The Assistant Legislative Clerk. The Senator from Hawaii proposes an amendment on behalf of himself and the Senator from Florida (Mr. Chiles).

The amendment is as follows:

On page 27, line 23, beginning with "(a) Section 203 of the Foreign Assistance Act of 1961", strike out through line 3 on page 28.

On page 28, line 4, strike out "(b)" and insert in lieu thereof "(a)".

On page 28, line 11, strike out "(c)" and insert in lieu thereof "(b)".

On page 29, line 6, strike out "(d)" and insert in lieu thereof "(c)".

On page 29, line 18, strike out "(e)" and insert in lieu thereof "(d)".

Mr. INOUYE. Mr. President, I ask unanimous consent that the name of the Senator from Idaho (Mr. Church) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I cannot hear the Senator.

The PRESIDING OFFICER. Senators will please take their conversations to the cloakroom. The Senator from Hawaii cannot be heard by the Chair.

Mr. INOUYE. Mr. President, over the past 28 years the United States has made almost $200 billion in assistance to its friends and neighbors abroad. Over $10.9 billion of this amount—exclusive of Public Law 480 and local currency loans—remains outstanding in the form of highly concessional loans which most often are repayable at no more than 3-percent interest over 40 years, with the first 10 years of this period designated as a grace period during which interest only is payable.

It is, therefore, understandable that repayments of these loans in the early years were relatively modest and almost without notice were authorized and reappropriated—through language in the authorization and appropriations bills. In my opinion, this procedure has been properly termed a "backdoor" appropriation because these funds were never reflected in the bill as specific dollar amounts or as new obligational authority in the face of annual foreign assistance appropriations reports.

As the years passed, these repayments grew—even with past rollovers and renegotiations of tens of millions of dollars in loans with such nations as India and Pakistan—until this year—fiscal year 1975—when they were estimated at $394 million—over one-third of a billion dollars. In fiscal year 1976, these repayments subject to future renegotiations will total $455 million; in fiscal year 1977, $140 million; in fiscal year 1978, $573 million; and in fiscal year 1979, $547 million. So they will continue to grow.

In the past these funds have been available for financing the Agency's overall program. It is of course true that the gross program was justified to the Congress, but it is also true that these "backdoor" funds were available for bolstering individual appropriations which might have been cut by specific committee action.

As an example, last year in fiscal year 1974, we appropriated a total of $36,500,000 in new obligational authority for selected countries and organizations development assistance. When the administration decided, however, that the Congress had allowed less than the administration desired for assistance to Indochina, we found that the agency's allocation of assistance in its official year budget—made up 30 days after enactment of an appropriation bill—a new $60 million loan was proposed for Vietnam under the selected countries and organizations appropriation account. As was the case with an earlier $50 million development loan, this loan was not contained in the original budget request and indeed was $23 million more than the amount of new obligational authority appropriated for this category for the entire world. The committee strenuously objected to this proposed $50 million new Vietnam loan and when additional funds for Vietnam were forthcoming in the fiscal 1974 second supplemental the agency decided against pressing the matter, and the loan was ultimately not made. The circumstances, however, serve to illustrate how congressional intent can be circumvented when the integrity of individual appropriation accounts is not maintained.

The Appropriations Committee first came to grips with this problem in fiscal year 1973 when it moved to eliminate all such "backdoor" moneys from the bill. I ask unanimous consent that an excerpt from page 16 of the committee's fiscal year 1973 report be printed at this point in the Record:

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

ACTION ELIMINATING "BACKDOOR" APPROPRIATION OF PRIOR YEAR LOAN REPAYMENTS, UNOBLIGATED BALANCES, AND RECOVERIES

The committee has carefully considered the budget estimate of new obligational authority for agencies and activities funded through this bill. It has also reviewed the request to continue the practice of reappropriating prior year loan repayments and prior year unobligated balances. In an effort to bring about improved controls over foreign assistance and a better public understanding of its true dimensions, however, the committee recommends that this practice be discontinued and has proposed bill language which would accomplish this. It would therefore follow that the full amount of the programs proposed for future fiscal years would be reflected in the requests of new obligational authority for that year.

This action is also consistent with the Legislative Reorganization Act of 1946 (Section 139(c)) which provides the following:

> No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision reappropriating unexpended balances of appropriations. . . .

Mr. INOUYE. Mr. President, the committee thought that when the fiscal year 1973 authorization bill which included a two-step phaseout of these repayments—one-half of the repayments authorized to be made available in fiscal year 1975 and eliminated in fiscal year 1976—was enacted that this long and troublesome question had been resolved. Unfortunately, the bill before us would resurrect the entire problem.

My amendment would leave the matter as it was last year with one-half the projected repayments—estimated at $198 million—authorized to be made available in fiscal year 1975 and none next year.

Mr. President, I, for one, have no objection to the authorization of $110 million, or more if it can be justified, for reconstruction, relief, and rehabilitation funds for Bangladesh, the Sahel, and Cyprus, but I do believe these items should be brought in the frontdoor and dealt with on their own individual merits, in clear view, as new obligational authority. In all of our discussions on this matter, no one has given a single good reason why we deny the Senate an opportunity to look this $100 million plus item full in the face.

I assure the Senate that we will continue to deal with urgent matters on an urgent basis; but if the Congress is to control appropriations, we must restore the integrity of appropriation accounts and eliminate these "backdoor" funding arrangements.

Mr. President, this amendment has much attraction because it speaks of the starving people in Bangladesh, in the Sahel, and in Cyprus.

It is well and good to talk about the need for assistance to Bangladesh, but are the Member of the Senate aware that the starving people there have not to this good day received the full benefit of the $300 million in emergency assistance—$200 million in Public Law 92-242, dated March 8, 1972, and $100 million in Public Law 93-9, dated March 8, 1973—voted by the Senate some 2 to 3 years ago, and that $83.3 million of this $300 million is still unexpended?

Is the Senate aware that the starving people of the Sahel have yet to receive the full benefit of $110 million appropriated in emergency assistance for the Sahel last year?

Is the Senate aware that when the Senate included an additional $15 million availability—in the latest extension of the continuing resolution, Public Law 93-448, October 17, 1974—for new emergency assistance for Bangladesh, the Sahel and Cyprus, the $4.1 million allocated for Bangladesh was used to reimburse earlier Bangladesh accounts for funds already used for Bengali assistance? Not one dime of new assistance was provided Bangladesh as a result of our urgent action through the difficult medium of an extension of the continuing resolution.

How will the additional moneys set forth in this proposal be used?

The Appropriations Committee has not received justification for any new program. I doubt that the Foreign Relations Committee has received any justification.

I would like to know the specifics of these needs and programs for which additional authorization is proposed.

I hope that the Senate will consider this matter seriously. I know that all of us are concerned about starving people, but I hope we will remember the large balances of the emergency funds we have appropriated which are yet to be expended.

Finally, I hope that the Senate will insist upon it's own integrity by compiling all requests come through the front door. In that way all of us will have an opportunity to see and study each item and each justification and vote them up or down on their individual merit. I hope we will put a stop to backdoor financing once and for all.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield time to the Senator from Massachusetts.

Mr. KENNEDY. I yield myself 10 minutes.

Mr. President, section 20 of the pending foreign assistance bill, "reconstruction, relief, and rehabilitation," results from an amendment I offered last October 2—with the support of the administration—which was cosponsored by Senators McGee, Humphrey, Mathias, Haskell, Pell, Javits, Cranston, Hatfield, and Brooke. The amendment was adopted by the Senate in its previous consideration of the foreign aid bill. And, I am pleased that the Foreign Relations Committee, in its reconsideration of the foreign aid bill, saw fit to unanimously accept this amendment in the revised bill before us today.

Mr. President, this section simply authorizes the use of some $110 million that will be available from the scheduled loan repayments administered by AID. These funds, 50 percent of the scheduled loan repayments, now revert to the Treasury. The other 50 percent are used, under the law, for new developmental loans. As we all know, at the end of this fiscal year, the entire scheduled loan repayment authorization will end.

My purpose in proposing section 20 was to find a way this year to use the 50 percent of the available loan repayments to meet extraordinary humanitarian emergencies which have developed this year—in Cyprus, in Bangladesh, in Africa, in Honduras, and in several other areas of the world. I believe these humanitarian emergencies require us to use all available funds.

Mr. President, let me stress what this section does and does not do.

First, it does not permanently authorize the use of scheduled loan repayments for the humanitarian purposes outlined in the section. It is not open-ended. It will be for this fiscal year only, because of the extraordinary humanitarian needs which have arisen this year.

Second, this section is not a loss of congressional control over appropriated moneys, rather it is an exercise of congressional control. There is no possibility that these funds could be used for a purpose other than those humanitarian purposes specified in the section.

Third, this section simply earmarks funds already available from an already established procedure. This is not a proposal for a new scheme of "back-door financing," but rather to exercise congressional control over a funding procedure long established, and which will end this fiscal year. I appreciate and share the concern of many Senators over the use of, and the congressional control over, scheduled loan repayments, and I support the purpose of the Church amendment, adopted 2 years ago, which mandated that this program end and be reviewed after fiscal year 1975. But until then I see no valid reason why Congress should not act to earmark and control these available funds—especially to meet urgent humanitarian needs.

Fourth, this section does not free other resources that could be used by the executive branch for other purposes. They cannot be used to fund already planned programs or activities, since this section earmarks funds for unforeseen problems which have arisen long after AID submitted its program and established its basic allocation of resources.

Finally, Mr. President, this section continues the long record of Congress and the American people in responding to humanitarian emergencies. Just last spring, Congress acted to meet famine needs in Africa and the disaster relief requirements in Pakistan and Nicaragua by enacting the Foreign Disaster Assistance Act. And last year, during consideration of the foreign aid bill, Congress enacted section 639B, which provided substantial famine and disaster relief to the African Sahel for the first time.

This section is a logical extension of these acts by Congress, and it continues our country's record of concern for our fellow man. It expands existing sections of the Foreign Assistance Act, and provides a short-term funding source for new disaster needs and unforseen humanitarian requirements in the year ahead.

Mr. President, we have heard some comment that funds are already authorized and appropriated for some of the humanitarian needs contained in this section. That is, in part, true. But I believe the record will show that most, if not all, of these funds are already obligated or programed.

But, more importantly, this section contains a provision to meet unanticipated humanitarian disasters to supplement the extremely inadequate contingency fund. Who could have anticipated this last summer, when this bill was originally drafted, and this past autumn when the Senate first began debate on it, that the situation in Cyprus would emerge as such an urgent humanitarian crisis, for which inadequate funding would be available?

Some $10 million has been allocated from other sources and from the nearly exhausted contingency fund to help meet humanitarian needs on Cyprus—but no funds have been proposed or will be readily available in the future beyond this $10 million. And who here is prepared to say the humanitarian crisis will end by the end of this fiscal year?

In the case of Africa and Bangladesh, existing funding programs proposed by AID in its presentation are, I believe, inadequate, and fail to anticipate unforeseen needs. This was clearly established in hearings before the subcommittee on refugees, which I serve as chairman. On August 20 we held another in a series of hearings on the human disasters in these areas of the world, and it was clear to me that AID requests for funds, and the programs they had proposed to Congress, were inadequate in the face of the growing needs of these famine nations. This section will provide a necessary supplement to the contingency fund, and to the already planned humanitarian programs in these areas.

We have heard some argue that this section should be deleted and delayed in order to make it a separate authorization and appropriation bill in the next Congress. I can only ask what will we do when the next Cyprus, or the next Bangladesh, or the next Honduras tragedy occurs somewhere in the world—as it surely will—and there are inadequate funds available? Will children be allowed to starve and die because we deleted a provision of a bill that provides for these unforeseen humanitarian emergencies, using funds already available?

Mr. President, there can be no question today as to the need for these funds. The current crisis in Cyprus, the hurricane in Honduras, the massive flooding and food needs in Bangladesh, and the continuing drought and famine in Africa, represent the latest links in the chain of ravaged populations which have circled the globe in recent years, and for which AID has made inadequate requests. Such humanitarian emergencies have always brought forth an immediate response from the American people—in fulfillment of our Nation's longstanding leadership in helping, to the extent we can, all people in need.

That is what section 20 of this bill does.

Mr. President, as I mentioned in my remarks, the existing contingency fund will virtually be exhausted with the rest of the obligated funds for this year. There was $30 million authorized, I understand, $15 million of which may be appropriated. All but approximately $3 million of that will have been obligated if this bill is enacted.

We have more than 284,000 refugees in Cyprus alone. It is interesting to listen to the debate that we have heard on the floor this afternoon in the U.S. Senate about military aid and military assistance to Turkey and to think of the extraordinary amounts of money that are going to be involved in that particular undertaking, continuing at least until the midpart of February, to exercise our concern about the use of military equipment in that part of the world; then to have, back to back, an amendment to strike a humanitarian assistance provision which the supporters of this section attempted to write into law, with as careful use of the English language as was possible, with restrictions that the resources that would be available under this section would be designated and utilized solely for humanitarian purposes.

I do not think that that is really an abdication of congressional responsibility. I think what those who supported this section earlier this year were trying to indicate that there were going to be emergency humanitarian situations which would involve people in all parts of the world, and for which adequate funds would not be available. Certainly, the record of this past year, when we look at Nicaragua or Honduras or Pakistan, aside from the incidents which readily spring to mind, such as Bangladesh or the Sahel, or Cyprus, indicate that there are going to be, as sure as we are standing here, some important humanitarian responsibilities that we are going to be facing as a country.

The PRESIDING OFFICER (Mr. STAFFORD). The Senator's time has expired.

Mr. KENNEDY. I yield myself 4 more minutes.

What we are attempting to do is set those resources aside and go firmly on record, we in the Congress of the United States, that the value of human beings, their survival, their ability to survive starvation, is a matter of great consequence and importance.

We are talking of approximately $110 million here. We are not talking about the billions of dollars that we are going to be providing in military assistance, or the hundreds of millions of dollars that we are going to be providing in economic assistance. It seems to me, Mr. President, that this attempt that was made and later supported in the committee itself, was a legitimate, worthwhile, useful expression of congressional intent that we care about humanitarian problems and crises as they spring up throughout the world.

Finally, let me say, Mr. President, that I do not question for a moment the deep sense of compassion and concern of the proponent of this amendment. As one of the most active and dedicated members of the Committee on Appropriations, he has, on every occasion that I have spoken to him, been extremely sensitive to these humanitarian needs and has provided strong leadership in the Committee on Appropriations to make sure that the United States is prepared to meet its responsibilities.

So I want, as I make these comments, to have it very clearly understood that I think the distinguished Senator from Hawaii has shown by his activities as a member of the Appropriations Committee, and I think more importantly by his constant performance in this body, that he has a very deep sense of compassion for needy people throughout the world.

I wonder, as one who speaks with that sense of compassion, if he cannot bring to this discussion and debate some ideas on how he thinks we could meet the objectives of which he has spoken this afternoon, and also be sensitive to these ongoing and continuing responsibilities which we as humanitarian people must be wanting to undertake. I wonder if he can help to enlighten me as to what he thinks, given the reality of the limitation on appropriations which are available, and the recognition that we are not going to have an opportunity, realistically, through any legislative vehicle, to respond to the ongoing and unanticipated needs that we are going to be facing in Cyprus and other parts of the world, what he thinks we can do.

We are hopeful, as we have seen in the course of the recent debate, that there will be some political settlement in Cyprus so that Turkey and perhaps some day even Greece can be brought back into the alliance.

Obviously, a part of that settlement will require the rehabilitation of human beings, the thousands of Turkish refugees as well as the thousands of Greek refugees, and it seems to me that by accepting——

The **PRESIDING OFFICER**. The Senator's time has expired.

Mr. **KENNEDY**. May I have 3 more minutes?

The **PRESIDING OFFICER**. The Chair would inform the Senator that there is only 1 minute remaining on the amendment.

Mr. **KENNEDY**. Will the Senator yield me 3 or 4 minutes on the bill?

Mr. **HUMPHREY**. Yes, I yield the Senator 5 minutes on the bill.

The **PRESIDING OFFICER**. The Chair must inform the Senator that there is only 4 minutes remaining on the bill.

Mr. **HUMPHREY**. On the what?

The **PRESIDING OFFICER**. On the bill.

Mr. **HUMPHREY**. I thought there were 2 hours, under the agreement yesterday.

The **PRESIDING OFFICER**. The Chair is informed by the Parliamentarian that most of it was used yesterday.

Mr. **HUMPHREY**. Well, that is very good news.

Mr. **KENNEDY**. Could we use the Senator's time?

Mr. **INOUYE**. I yield the Senator 2 minutes.

Mr. **HUMPHREY**. The Senator from Hawaii is a most generous man. He is prepared to yield some of his time. We will save the 4 minutes on the bill for words of profundity and wisdom later.

Mr. **KENNEDY**. The Senator knows the question I am interested in. I wonder what he would do.

Mr. **INOUYE**. Mr. President, I thank the Senator from Massachusetts for his generous words.

I would like to make four points. First, as to the word "accountability," I think it is very important. The foreign aid bill has been, I think, well defined by one of our colleagues as the biggest can of worms in the U.S. Congress.

It has been a can of worms because we have not been able to explain the foreign aid picture to the people of the United States, and we will never be able to explain it properly if we insist upon providing funds through the "back door."

Point No. 2: Under the leadership of the distinguished Senator from Massachusetts, this Senate and this Congress have been very sensitive, extremely sensitive, to the humanitarian needs of those who are starving throughout the world. In every instance we have responded, whether it be Nicaragua, the Sahel, Bangladesh, or Cyprus.

As I pointed out in my opening remarks, at this moment we still have funds which are unexpended. In Bangladesh, over $89 million of the emergency funds we appropriated some 2 to 3 years ago have not been expended and, therefore, have not come to grips with the problem to which they were enacted.

Third, I think it would be well to note that there was good reason for the Appropriations Committee and the Senate of the United States to insist upon reducing the contingency account from $30 million to $10 million. If my colleagues will recall, the intent of the law creating this fund is pretty clear indicating that this fund will be used only for urgent and unforeseen matters, such as humanitarian needs arising from hurricanes, floods, et cetera. In the last 2 years, we have had at least two large items under the contingency fund which could not be justified as emergency, unforeseen or humanitarian in nature.

First, $10 million was approved by AID for use in the Bahamas to assist that nation in starting a beef industry. I do not see any urgent or emergency humanitarian need there. Second, earlier this year the former President of the United States on his visit to Egypt, decided that he would like to make a gift, and so he presented to President Anwar Sadat a Presidential helicopter.

That helicopter should have been funded by the Department of Defense or the Department of State. Since both DOD and State put up their hands and refused to touch the matter, where do you think it went? AID picked it up in the contingency fund—the "Disposall," the garbage pile.

And so we find an act which is supposed to be used for hurricane victims and flood victims being used to pay for Presidential gifts of helicopters or long-term cattle development programs.

This is why I am afraid to give the agency too much of a blank check in the contingency fund for millions of dollars and have them administer it for humanitarian purposes. If the helicopter can be a humanitarian purpose, if spending $10 million to start a beef industry in the Bahamas can qualify for humanitarian purposes, there is, indeed, no limit.

In closing, as my fourth point, let me with all sincerity assure the Senator from Massachusetts that when AID comes before the committee, presents its case, and justifies a request for Bangladesh, the Sahel, Cyprus, or any other humanitarian need we will respond immediately to the limit of our ability.

Mr. **HUMPHREY**. Mr. President, we have 4 minutes remaining?

The **PRESIDING OFFICER**. The Chair is advised that there are 4 minutes remaining on the bill.

Mr. **HUMPHREY**. I yield the Senator from Massachusetts 1 minute.

Mr. **KENNEDY**. Mr. President, what I would like to do is to express my hope that the amendment of the Senator from Hawaii will be accepted, and that it will be understood that I intend to introduce as separate legislation this section of the bill, with the idea of being able to draft language as clear and precise as the English language is capable of, so that the funds are provided in this section will be only for humanitarian purposes. Then I would hope that the manager of the bill, who is a member of that committee, and perhaps the ranking minority member—I know they cannot commit themselves in advance as to the action that will be taken by the committee, but they are two of the important figures on the committee—could give us some assurance of expeditious consideration of such separate legislation.

Mr. **HUMPHREY**. Mr. President, I assure the Senator from Massachusetts that that will be done. I will be happy to join with him in that effort, and hope Congress will readily agree to a decision on an amount that has been justified by testimony. The Senator has my assurance of that.

Mr. **INOUYE**. Mr. President, if I may, I assure my colleague from Massachusetts that if he should author an amendment to this bill to authorize the sum of $110 million in new obligational authority for use in Bangladesh, Cyprus, and the Sahel, he can include me as a cosponsor.

Mr. **CASE**. Mr. President, will the Senator yield to me the half minute he has left?

Mr. **INOUYE**. Yes.

Mr. **CASE**. I want to join my colleague in the assurances which have been given to the Senator from Massachusetts.

As a member of the Committee on Foreign Relations, I will support such authorizations as I do, in substance, the purpose of which this one is sought for. As a member of the Appropriations Committee I shall support the Senator from Hawaii in supporting the appropriation based on such an authorization.

Mr. **KENNEDY**. Mr. President, let me say finally, this approach seems to me to make the most sense, rather than get a vote on something which may very well be interpreted as being a lack of sensitivity to real humanitarian needs. I want to indicate that I have every intention of introducing that legislation, either today or tomorrow, and to press for early enactment of it, hopefully before Congress adjourns.

The **PRESIDING OFFICER**. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Hawaii. [Putting the question].

The amendment was agreed to.

The **PRESIDING OFFICER**. The bill is open to further amendment.

The Senator from California.

AMENDMENT NO. 2003

Mr. **CRANSTON**. Mr. President, I call up my amendment No. 2003, and ask that it be stated.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The legislative clerk read as follows:

Amendment No. 2003 proposed by Mr. CRANSTON.

Insert at the appropriate place in the bill the following new section:

"TERMINATION OF MILITARY ASSISTANCE AND SUBSIDIZED SALES TO MILITARY DICTATORSHIPS AND REPRESSIVE GOVERNMENTS

"SEC. . Chapter 2 of part II of the Foreign Assistance Act of 1961, is further amended by adding at the end thereof the following new section:

" 'SEC. . TERMINATION OF MILITARY ASSISTANCE AND SALES TO REPRESSIVE GOVERNMENTS.—(a) Notwithstanding any other provision of law (except subsections (b) and (c) of this section)—

" '(1) the amount of military assistance (including the value of any excess defense articles furnished) provided to any country under this chapter, credits (including participation in credits) extended to any country under the Foreign Military Sales Act, and guarantees made to any country under such Act shall not exceed—

“‘(A) during the fiscal year beginning July 1, 1974, an amount equal to 66⅔ per centum; and

“‘(B) during the fiscal year beginning July 1, 1975, an amount equal to 33⅓ per centum;

of the amount of such assistance provided, such credits extended, and such guaranties made, to such country during the fiscal year beginning July 1, 1973; and

“‘(2) on and after October 1, 1976, no such assistance may be provided under this chapter, and no such credits may be extended or such guaranties made under such Act, with respect to any country.

“‘(b) The provisions of subsection (a) of this section shall not apply with respect to a country for a fiscal year if—

“‘(1) upon the recommendation of the Secretary of State, the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a certification that he proposes to provide such assistance, extend such credits, or make such guaranties to that country during that fiscal year, and that country is not, at the time such certification is transmitted, governed by a government which is a government which has recently engaged in a pattern of gross violations of internationally recognized human rights (including torture or cruel, inhuman, or degrading treatment or punishment), prolonged detention without charges, or other flagrant denials of the right to life, liberty, or the security of the person; and

“‘(2) that certification is not disapproved in accordance with subsection (e) of this section.

“‘(c) The provisions of subsections (a) and (b) of this section shall not apply with respect to a country for a fiscal year if, upon the recommendation of the Secretary of State, the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement that, with respect to that country for that fiscal year—

“‘(1) he cannot make a certification pursuant to subsection (b) of this section;

“‘(2) such assistance, credits, or guaranties are essential to the security and defense of the United States;

“‘(3) such country is in a state of war and that hostilities on a significant scale have occurred in or involved such country within the two years immediately proceding the transmittal of such statement;

“‘(4) a clear and present danger exists that such hostilities will be resumed or escalated; and

“‘(5) such assistance, credits, or guaranties are essential to avoid substantial jeopardy to continuing peace negotiations to which such country is a principal party.

The President is not required to include in a statement, transmitted after the transmittal of a certification with respect to that country for that fiscal year, the matter set forth in paragraph (1) of this subsection.

“‘(d) Any certification transmitted under subsection (b) of this section or statement transmitted under subsection (c) of this section shall contain a full and complete statement of the reasons therefor and shall be published (except with respect to any portion classified pursuant to applicable law and regulation) in the Federal Register.

“‘(e)(1) The President may provide such assistance, extend such credits, or make such guaranties, pursuant to a certification made under subsection (b) of this section, ninety calendar days after the certification has been transmitted to Congress or any day after such ninetieth day during the fiscal year with respect to which the certification applies, unless, before the end of the first period of ninety calendar days of continuous session of Congress after such date on which such certification is transmitted, Congress adopts a concurrent resolution disapproving the assistance, credit, or guaranty with respect to which the certification is made.

“‘(2) For purposes of paragraph (1) of this subsection—

“‘(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

“‘(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period.

“‘(3) Paragraphs (4) through (12) of this subsection are enacted by Congress—

“‘(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

“‘(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

“‘(4) For purposes of this subsection, “resolution” means only a concurrent resolution, the matter after the resolving clause of which is as follows: “That the Congress does not approve the (assistance, credits, guaranties) for ——— for fiscal year ——— and explained in the certification transmitted to Congress by the President on ———, 19—.”, the appropriate word within the parentheses being selected, the first blank space therein being filled with the name of the country on whose behalf the assistance is provided, credits are extended, or guaranties are made, the second blank space therein being filled with the appropriate fiscal year, and the other blank space therein being appropriately filled with the date of the transmittal of the certification; but does not include a resolution specifying more than any one of the following for more than the fiscal year for which the certification is made of assistance, credit sales, or guaranties.

“‘(5) If the committee, to which has been referred a resolution of disapproval, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same assistance, credits, or guaranties which has been referred to the committee.

“‘(6) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same assistance, credits, or guaranties) and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

“‘(7) If the motion to discharge is agreed to or disagreed to the motion may not be renewed, nor may another motion to discharge the committee be made wtih respect to any other resolution with respect to the same assistance, credits, or guaranties.

“‘(8) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a sale, credit sale, or guaranty, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

“‘(9) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

“‘(10) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution of disapproval, and motions to proceed to the consideration of other business, are decided without debate.

“‘(11) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be to the procedure relating to a resolution of disapproval are decided without debate.

“‘(12) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

“‘(A) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

“‘(B) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted.’.”

Renumber all sections and references thereto as appropriate.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, earlier today President Ford submitted a request for a supplemental appropriation of $813.7 million to cover the additional cost of the GI educational bill, which was passed again yesterday over a Presidential veto.

Instead of spending more money, if we made cuts along the lines I have suggested, we would have money to meet the needs of our veterans and have money left over.

Mr. President, on October 2 I submitted an amendment to the foreign aid bill which would have phased out, by the end of fiscal year 1976, all military assistance—including military sales and loans—to military dictatorships and governments which engage in gross violations of human rights.

Today I am proposing a similar amendment. I have changed certain phrases to satisfy the objections raised by several Senators during my earlier effort.

But the main target remains the same: Governments which have, and I quote:

> Recently engaged in a pattern of gross violations of internationally recognized human rights (including torture or cruel, inhuman, or degrading treatment or punishment), prolonged detention without charges, or other flagrant denials of the right to life, liberty and the security of the person.”

This language is identical to a “sense of the Congress” provision contained in the House foreign aid bill. My amendment, however, adds teeth.

Under the terms of my amendment, all forms of military aid to repressive governments would be reduced by one-third in fiscal year 1975 and by another one-third in fiscal year 1976 before being terminated completely in fiscal year 1977. This would include long-term, low-interest loans; credit sales; and sales of excess defense articles as well as outright military grants. It would thus, eliminate any military aid that puts a burden on the American taxpayer.

Before any government could qualify for military assistance, the President would have to transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, a certification that the country in question has not recently engaged in a pattern of gross violations of basic human rights.

A congressional veto would be in order if Congress disagreed with the President's certification. Within 90 days, Congress could invalidate the certification by passing a concurrent resolution, and thereby removing a country in question from eligibility for military assistance.

I realize that there may be extraordinary circumstances which would require that a particular government be exempted from such ineligibility.

My amendment, therefore, provides for an exception designed to accommodate the basic conduct of foreign policy by the executive branch.

An exception could be made for any country in a state of war where there have been hostilities on a significant scale in the last 2 years; where there is a clear and present danger of resumed hostilities; and where such an exception is essential to the security and defense of the United States.

The President would provide for such an exception by submitting a full and complete statement of his reasons to the Speaker of the House and the Committee on Foreign Relations. The statement would be published in the Federal Register, and would not be subject to congressional veto.

Mr. President, I propose this amendment out of a strong conviction that American foreign policy must reflect greater concern for basic human rights.

Furthermore, I believe we must move beyond a "sense of the Congress" approach. All too often, the sense of the Congress has been ignored. We must begin to implement our beliefs with stronger provisions of law.

Together with 103 other Members of Congress, I recently signed a letter written by Congressman DONALD FRASER to Secretary Kissinger. That letter said in part:

> Unless U.S. foreign aid policies—especially military assistance policies—more accurately reflect the traditional commitment of the American people to promote human rights, we will find it increasingly difficult to justify support for foreign aid legislation to our constituents. We cannot, in good conscience, associate ourselves with policies which lack active concern about the fate of people living under oppressive governments. While it may be beyond our power to alleviate the plight of those people, we can refuse to be identified with their oppressors.

Mr. President, those who oppose the kind of amendment I am offering seem to imply that you can not judge other governments. They seem to view this approach as "playing God," or at least as forcing other governments to conform to American standards.

To these people, Mr. President, I reply that the amendment does not dictate to other people what kind of government they should have. Clearly, repressive governments will continue to exist. It is not up to us to rush around the world trying to form other governments in our image.

Mr. President, I do not advocate that Congress eviscerate the entire foreign aid program.

But with a $474 billion national debt, with 25 budget deficits in 26 years, and with double-digit inflation and deepening recession wracking our economy, I do maintain that it is long past time that we get the Federal budget into some sense of balance, reduce worthwhile but nonessential expenditures, and eliminate unnecessary, wasteful expenditures altogether.

I have grave reservations over the fact that in the record-busting $305.4 billion Federal budget proposed for fiscal 1975, most of the $5.1 billion in military and economic aid is slated to go to repressive, authoritarian regimes abroad.

I favor foreign aid for humanitarian purposes, but much of the $47 billion in economic aid we have already given these countries since 1945 has ended up in the banks of the bureaucrats and the affluent instead of in the hands of the poverty stricken. I know that some of it has reached hungry, needy people—but too much has gone elsewhere.

Such aid should be closely supervised and given in cooperation with other nations—rather than direct handouts from Uncle Sam.

I favor military aid to help peace-loving nations defend themselves against aggression. But much of the $81 billion we have already given these repressive governments has been used instead to terrorize and subjugate their own people.

Such governments are unreliable, unsteady foundations on which to base our security and the security of our allies.

A recent study indicates that throughout history, no wars have been fought between freely elected governments. Democracy, in other words, is essential not only to world progress—it is an important ingredient in the struggle for world peace.

We who are fortunate enough to be free must help those who still only aspire to be free. Instead we are, through our foreign aid program, helping their oppressors.

I do not propose to dictate to other countries the form of government they should have. But if theirs is an oppressive, authoritarian government, I say it must not be supported with American money.

I believe it is a perversion of American wealth and good will for billions of dollars in tax money from workers and businesses in the United States—a free society—to be used to help finance the suppression of democracy overseas. This is a form of moral blindness and economic insanity that weakens, not strengthens, our Nation's economy and our national security.

While people may continue to suffer under authoritarian regimes abroad, we do not have to subsidize their oppression.

We do not have to pay for other peoples' dictatorships.

We do not have to identify ourselves with repression and torture. We do not have to arm everyone from generals to jailers.

We do not have to pay for other countries' bad political habits.

We cannot realistically expect all governments to achieve the full observance of full political rights as we know them in our own country—but we can at least demand that the governments to which we give military aid observe basic, fundamental human rights—including freedom from torture, arbitrary arrest and detention, and arbitrary curtailment of existing political rights.

Military power is directly associated with the exercise of governmental control over a civilian population.

By giving military aid to repressive governments we aid in and facilitate repression. We link the Government and people of America with the repression of people around the globe.

It seems to me that is an outrageous thing for us to do. How is the long-term U.S. foreign policy interest served by linking our Government with repressive governments? What do we gain by doing so?

Perhaps, as Secretary Kissinger or the Pentagon might answer, we do gain a short-term advantage, but I say that is not enough. There are no lasting military or political advantages to be gained by supporting governments which must rely on torture and imprisonment of their own citizens to stay in power.

Support for such governments is a complete perversion of the original intent of military assistance—to help free governments protect themselves from outside aggression—by authoritarian regimes.

I believe we must move to reform dramatically and fully our vast, far-flung program of military assistance.

Under the leadership of the distinguished members of the Foreign Relations Committee, we have begun to do that.

The present bill goes a long way in the right direction: By phasing out the grant military assistance program, by phasing out all forms of military assistance to Korea, by prohibiting military assistance to Chile, and by establishing other important provisions.

I am concerned, however, that our interest in human rights not focus solely on those few countries which merit the continued attention of the world's press.

The basic human rights of peoples in other less publicized situations should also be our concern.

Mr. President, I intend to vote for this foreign aid bill. It is an improvement over a continuing resolution, and demands the support of the Senate.

But we have a long way to go. We must develop a logical and consistent format for our aid proposals. We must separate economic assistance from military assistance so that each can be consistent on its own merits.

And we must not relent in our efforts to humanize American foreign policy—and to insure that American tax dollars do not facilitate the repression of human rights around the globe.

Much has been accomplished. But much more remains to be done. It is in that spirit that I introduce my amendment.

Mr. President, I ask unanimous consent that certain tables and articles illustrating the purpose of the amendment be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. I have included a chart listing some 31 governments originally scheduled to receive some $2.5 billion in U.S. military aid in fiscal year 1975. All have exerted various degrees of repression in restricting the liberties of their people. The list includes 16 governments which the State Department itself classifies as military dictatorships, and 15 others which have been persistently identified with gross violations of human rights and political freedom.

My amendment does not name these countries, and the final determination would be subject to the procedures which it describes. No country on this particular list would be automatically ineligible for military aid. The list is for illustrative purposes only, showing possible cuts that would be imposed by implementation of my amendment.

EXHIBIT 1

[From the Washington Post, May 17, 1974]

AIDING POLITICAL PRISONERS

(By Colman McCarthy)

News reports in recent weeks have told about the release of political prisoners in Portugal and Mozambique. In Lisbon, days after a half-century of dictatorship was ended by a coup, 99 political prisoners were released from jail, with thousands of relatives and friends joyously greeting them. In Laurenco Marques, 550 political prisoners, mostly blacks, were freed. One news story told of a man who "had been in Machava (prison) for 10 years for political activity. He could scarcely believe he was free."

As encouraging as these scenes are, they are exceptions to a harsh rule that still prevails elsewhere among nations of five continents. Political imprisonment and torture are still relied on by large numbers of world governments as a prime way of silencing dissent. Unlike other criminals, political prisoners often may not be jailed for what they actually do but simply for what they think. The list of nonviolent political "crime" includes advocating national or cultural autonomy, practicing a minority religion, attempting to organize a political party in opposition to the one in power, performing actions the government or army considers insulting, refusing military service on grounds of conscience, organizing peaceful public rallies directed at changing governmental policy. In the United States, it is generally acknowledged that such government lawlessness exists in Russia and China, but in fact it persists, in one or another form, in all parts of the globe: The Communist world is not free, for sure, but jails in "the free world" can be just as brutal. Freedom to dissent—to think as one chooses—exists only in a few countries; when human rights collide with entrenched power, power seldom loses.

Aside from occasional moments of joy, as witnessed in Portugal and Mozambique, the work of releasing political prisoners is slow and demanding. But it is not entirely hopeless. Since May 1961, one group has persistently been at work: Amnesty International. With its influence and stature growing, Amnesty International recently received the unanimous support of the United Nations for its resolution to abolish torture. Realistically, it is unlikely that this new U.N. resolution will mean a sudden end to torture by means of tiger cages, electroshock, flogging, starvation or whatever. Such resolutions have been approved before and hailed by the jailers, and then totally ignored. But with this recognition from the U.N., Amnesty International is now less able to be dismissed by those governments which resent or resist its persistence.

To many of the governments that detain and torture citizens for what they say or think, Amnesty's methods must seem trifling: polite letters to authorities, picketing embassies, letters-to-the-editor, informal visits of inquiry or persuasion by lawyers, publicity or news stories. Yet, Amnesty's record of peaceful picklocking is impressive. During 1972, 842 prisoners were released and the causes of 1,580 new prisoners were taken up, respective increases of 15 percent and 25 percent over 1971. In the past two years, about $200,000 were dispensed to aid prisoners and their families. In the United States, some 70 groups are now at work on behalf of 200 prisoners in 37 countries; worldwide, more than 32,000 AI members are at work in 62 countries. Despite the indifference they would feign, oppressing governments are fully aware of the organization's work, though in comically different ways. State newspapers in Brazil AI reports, have called its officials "instruments of Communist terrorism," while a Soviet pamphleteer said the "Amnesty International organization was founded in the first place to carry out anti-Soviet propaganda . . ." (Amnesty International's headquarters in this country is: 200 West 72d St., New York, N.Y. 10023).

The work of releasing prisoners is ongoing. One group in Portugal is released and then somewhere else in the world another group is jailed. Recent reports from South Korea stated that students, clergymen and intellectuals are being imprisoned for peacefully challenging President Park Chung Hee.

In January, he announced an "emergency measure" outlawing criticism of the constitution; the press was forbidden to discuss it. As for those he is jailing Park eloquently expressed the classic thought of oppressors (quoted in the New York Times, Feb. 14, 1974): "It is self-evident what they are aiming at by agitating the people with talk of democracy and freedoms."

Because many Americans are active in Amnesty International, it was encouraging that last year in the foreign aid bill all American "public safety advisers" (a term used by the Agency for International Development) to other governments were called home; previously it was an obvious conflict for the United States to condemn torture abroad while continuing to give aid and advice to foreign police forces that were engaged in torture. For now this conflict appears to be resolved, although it is only the minimum of what should be done.

In a March report from the subcommittee on International Organization and Movements of the House Foreign Affairs Committee, the dismal record of the U.S. government was noted. "The human rights factor is not accorded the high priority it deserves in our country's foreign policy . . . Unfortunately, the prevailing attitude has the U.S. embracing governments which practice torture and unabashedly violate almost every human rights guarantee pronounced by the world community. Through foreign aid and occasional intervention—both covert and overt—the U.S. supports those governments. Our relations with the present governments of South Vietnam, Spain, Portugal, the Soviet Union, Brazil, Indonesia, Greece, the Philippines and Chile exemplify how we have disregarded human rights for the sake of other assumed interests." In blunter language, what the report means is that when it comes to making a choice in terms of lining up "power politics" and our supposed larger "security interests" we all too often find ourselves on the side of the world's tyrants at the expense of their victims. If official policy occasionally is strained by the brutality of another country, considerations of the investments of American corporations within that land is often enough to keep U.S. support intact. "International incidents" are to be avoided.

The work of releasing prisoners is one of unknowns: no one knows for certain how many there are, what the conditions of the prisons may be or how the sentences are set. The only certainty is that the work of Amnesty International has a meaning. A Statement of a prisoner released from Chi Hoa national prison in Saigon in December 1972 offers a powerful testament: "We could always tell when international protests were taking place. The food rations increased and the beatings inside the prison got less. Letters from abroad were translated and passed around from cell to cell, but when the letters stopped, the dirty food and the repression started again."

[From the Los Angeles Times, Nov. 27, 1974]

THE GREEKS GET A DEMOCRACY AND THE UNITED STATES GETS TOUGH

(By Georgie Anne Geyer)

ATHENS.—If you don't care much for "Alice in Wonderland," please don't go ahead to read what the new U.S. policy is toward Greece.

For the last seven years of the Greek military dictatorship, Washington angrily defended its nourishing of the Greek junta on the ground that we must—absolutely must—have our bases in Greece.

The colonels were never even gently admonished for their often-cruel and always-inefficient ways. People like then Vice President Agnew got cramps in their shoulders from embracing the colonels in pictures that deeply embittered Greeks against Americans, whom they had considered their closest friends. And Americans who protested the situation were told they just did not understand all the tough real-politik about overflights and underbellies.

And now that there is a democratic government in Greece? Well, now the line from Washington is that we don't really need those bases at all. Indeed, the line is that we are doing the Greeks a favor by staying here.

Greek officials are just beginning to become aware of the new policy line—which is that it is they who need the bases because they are so "exposed"—crouching, as they do, on the peripheries of Eastern Europe (forever destined to be the underbelly).

The Greeks are being treated correctly, but harshly. Washington seems to have some principle at work, at best elusive, to the effect that dictatorships should be coddled but that democratic governments should be dealt with "toughly."

What, precisely, is going on? The most charitable explanation—and probably the major one—is that the new stance is merely a maximalist bargaining position designed to break down the Caramanlis government's will on the question of whether Greece will return to the North Atlantic

Treaty Organization, whose military arm she abandoned in anger last July after its members did not prevent the Turkish invasion of Cyprus.

But the men around newly elected Prime Minister Caramanlis already have made it clear in private that nothing will be done about NATO until the United States gives some gesture of goodwill in helping to resolve the Cyprus question.

But the "bargaining position" explanation is somehow not all of it. There is something curious, now as before, about the American attitude toward Greece. Washington really is not all that enthusiastic about a democratic government here, even though it is by all standards a strong and moderate one of mostly exemplary men.

The new Greek government's greatest weakness, which may eventually be a fatal one, is the fact that Secretary of State Henry A. Kissinger and his men really do not like to deal with parliaments and all that messy business; they prefer to deal with strongmen.

As one new member of parliament put it this week, "Now they cannot deal with one or two men under the table. Now they have to deal with a democracy, and everything will come out.

"Nor will Caramanlis be endlessly reasonable. He can get tough, too. And he has cards to play."

The biggest card is the huge U.S. Souda Bay airfield on Crete. What is little known is that the agreement governing that base expired eight months ago—a fact that gives the new government tremendous leverage over a highly important military installation.

The United States has made a miserable botch of its attempts to get along with the nations of the developing world. We keep mistaking the temporary "order" of strongmen for the genuine lasting inner order of societies constituted in some representative manner.

In Greece, we have a chance to start over. What's more, Greece, with its enormous historic store of goodwill toward the United States, needs only small gestures and acts of appreciation for its new democratic status in order to be thoroughly behind the United States again.

Why, then, our cynical new policy at such a pregnant moment? Why then, our "tough" act, unless it fulfills some strange inner need of our own?

[From the Los Angeles Times, Dec. 1, 1974]

Confusion, Fear Reign in Ethiopia

(By Dial Torgerson)

"They are watching my house," said the colonel. "They probably followed me here. They may arrest me at any time. So why should I bother to take medicine for my cold?"

His brother was one of the 60 men who died by gunfire Nov. 23 at the orders of Ethiopia's military rulers. There are rumors of more executions yet to come.

So the colonel doesn't bother with cold tablets. He drinks strong tea, and waits, and wonders: Will he survive his cold?

Addis Ababa.—The United States is providing powerful new weapons to bolster a military government whose ruthlessness has shocked the world.

American officials admit they don't know who runs Ethiopia, or what the government intends to do with the modern weapons the United States is shipping here.

At Assab, on the Red Sea, a U.S. freighter is unloading a long row of armored personnel carriers. A consignment of M–60 tanks, America's best, has started to arrive.

Sixty-nine U.S. military men are assigned here, helping equip Ethiopia's 34,000-man army with the new hardware. U.S. military aid to Ethiopia has doubled in the past year, to $22.3 million.

The reason: Ethiopia is the United States' friend on the Red Sea—an area of immense strategic importance because of the Arab oil lands, the Suez Canal and routes to the Indian Ocean.

On Nov. 23 the world got a sudden insight into the kind of men who had risen to the top in Ethiopia's nine-month military coup.

The military council which controls the army, executed without trial about 60 men who had been prominent in the overthrown government of Haile Selassie, prominent in the army, or in earlier versions of the council itself.

It was an orgy of bloodletting unseen in recent history. Machine guns fired for six hours as the men on the death list were brought to Addis Ababa's civil prison to die.

A general brought on a stretcher from a hospital, in coma from diabetic shock, died before he could be killed. Another man died of a heart attack on his way to the wall.

One of the slain was Endalkachew Makonnen, former prime minister and ambassador to the United Nations, who at one time was a leading candidate for secretary general of the United Nations. Another was Eskinder Desta, Haile Selassie's grandson. It is widely believed here that the soldiers made the 82-year-old ex-emperor watch Eskinder die.

The men who now dominate the Provisional Military Administrative Council—called dirgue, for junta, in Amharic—are believed to be mostly up-from-the-ranks officers or noncoms. It was intellectuals and aristocrats they killed.

One died with a weapon in his hand: Gen. Aman Mikael Andom, 51, one of Ethiopia's most distinguished soldiers, who fell from favor with the dirgue and resisted arrest when its troops came for him.

Gen. Aman had been chairman of the military council and Ethiopia's head of state. His presence had reassured U.S. officials directing millions of dollars in hardware into Ethiopian hands.

He had opposed continuing the decade-long battle against the Eritrean Liberation Front in the northernmost province of Eritrea. Only a political settlement could end the guerrilla warfare there, he said.

He also opposed executing the dirgue's prisoners. He lost, and became the first to die.

The dirgue is now sending the imperial bodyguard, the Ethiopian 1st Division, to Eritrea, and a new outbreak of fighting is expected in an area largely pacified by Aman's efforts. The ELF is threatening to cut Ethiopia off from the Red Sea, if fighting resumes.

If U.S. authorities here are worried about the dirgue's leadership or direction, they declined to say so. The U.S. Embassy declared as erroneous a report that the United States was halting aid for Ethiopia.

"The embassy has received no information regarding a cutoff in aid to Ethiopia," a spokesman said. A State Department official in Washington said that "no major decision would be made" on Ethiopian aid "pending a better understanding of the situation there."

Such a better understanding may be hard to come by. Diplomats who have been dealing with the dirgue by phone for months still do not know the name or rank of the man they contact. Said one diplomatic source:

"We are studying shadows through frosted glass."

The military council has a new chairman, Brig. Gen. Teferi Benti, 53, a slim, quiet-spoken man who wears starched fatigues and eats lunch alone in an out-of-the-way Addis Ababa hotel restaurant. He is an ex-enlisted man whose education is totally military.

He is believed to be a front man for other forces on the dirgue.

The uncertainties of government spread the past week into the lives of the close to 1 million residents of Addis Ababa.

Tanks rumble through the streets at night. Heavily guarded prisoners are seen being moved from one place of detention to another; among them are 150 ex-officials and the ex-emperor himself.

Street crime is increasing. Mugger gangs have appeared in downtown squares once considered safe after dark. Knots of students try to halt cars on side roads to harangue occupants for money.

One big American firm is sending dependents from Ethiopia to Nairobi, in neighboring Kenya. Tourism, usually big in the golden, cloudless days of Ethiopia's fall, is down to near zero.

Few observers here hold out much hope for the success of the dirgue as now constituted.

"As a man who believes the camel is a horse designed by a committee, I can't see much hope for this government to make it all work," said an international banker, heading home with a negative report on Ethiopia's investment potential.

"It looks like collective leadership with a sergeant's mentality," said a diplomatic source. "They rule by expediency," said an official. "By improvisation," said another.

But on the streets, where tank guns survey traffic from what were once imperial lawns, it is clear how the dirgue rules: by force of arms, arms from the United States.

[From the Saturday Review, June 15, 1974]

The Geography of Disgrace—A World Survey of Political Prisoners

(By Robert Shelton)

London.—One of the ugliest aspects of modern life is the fact that between one and two million people are at this moment in jail solely because of their political beliefs.

This political imprisonment takes various forms: internal exile—a kind of "house arrest" within the borders of a country; banishment to remote penal islands; and being locked up in concentration camps, city jails, national prisons, and other kinds of detention centers.

Conditions in these prisons are, needless to say, usually sub-human and insupportable: Torture, painful shackling, perennial semi-starvation, and carefully calculated breakdown of prisoner morale are the very grammar and rhetoric of political detention.

No matter that very few of these political prisoners are terrorists, guerrillas, bomb-throwers, or even philosophical advocates of violent change. The fact that their outlooks have in some way irritated the authorities is enough to brand them as "illegals," as dangerous, disruptive "elements."

To many readers of this article, the foregoing may seem a bit strong. Is it really true, you may well ask, that an Indonesian novelist has been shipped off to a malarial island and told he will never write again, never be free again? Is it true that a black Rhodesian nationalist has been in jail for ten years without trial? That a Yugoslav educator has been sentenced to five years' hard labor solely for corresponding with an American professor? That South Korean college students face death penalties for *any* protest activity? The answer, sad to say, is yes.

Most amazingly, the ninety countries known to hold political prisoners run across all sociopolitical lines. There is nearly as much use for the jailer of ideas in the "free world" as there is in the Communist bloc. The supposedly idealistic emergent group of Third World nations is not only not immune to the jailing fever but also is in fact heavily into the business of locking up dissenters. In many such nations, to paraphrase the German military theoretician Karl von Clausewitz, the imprisonment of dissenters is simply the continuation of state policy by other means.

Imprisonment is not the only way of silencing dissent. Amnesty International, an organization that monitors the political-prisoner situation, recently reported that torture of such prisoners is rampant in sixty countries. "Torture," the organization states, "is as unthinkable as slavery," but it is practiced widely. Amnesty International's blistering 224-page Report on Torture found that pain-inflicting techniques, "the ultimate corruption," have virtually "become a worldwide phenomenon" practiced "in an effort to retain political power."

Still another form of repression is the "extra-judicial persecution" that denies professional people and artists the right to pursue their occupations. This ploy has been developed to a high degree in Czechoslovakia, where countless scientists, historians, and writers have been reduced to doing menial labor—that is, they are serving life sentences outside jail.

Americans tend to take the "rule of law" for granted and to believe that the wheels of justice will, however slowly, ultimately free the innocent and imprison the guilty. But just what law is meant, when dictatorships of the Right, the Left, or of the nationalist center tailor the law to suit expediency? And of what value is even a facade of law in Guatemala or Brazil, where para-governmental death squads preempt the judicial process? A recent report to the Guardian stated: "There are no political prisoners in Guatemala. They are shot before there is time to register them in that category. The current estimate is that ten thousand have 'disappeared' since . . . 1970."

Although less prevalent than imprisonment, death and banishment for political "crimes" are still practiced. Iraq, Indonesia, Yemen, and Uganda still execute opponents of the regime. The number of executions in Iran has risen to 198 in the last three years. Banishment to remote parts of the Soviet Union, Rhodesia, and South Africa continues. Perhaps worse than banishment is the Soviet practice of sending dissenters to lunatic asylums. In such a climate, who is sane and who is really insane?

Political dissent has grown since the beginning of the century. Rising economic, social, and political expectations have led to more questioning and agitation for change. One might expect more repression in unstable regimes, but continuing clampdowns in the Soviet Union and South Africa belie that. Minority-ruled nations like Rhodesia and South Africa keep the black majority in check through rigorous imprisonment. One-party states, such as Spain, Libya, and Haiti, make punishment of oppositionists a staple of the governing system. When governments fall into the hands of the military, the officers, knowing little but orders and discipline, run their regimes by tribunals and decrees. The military tends to regard the democratic process as slow and inefficient. (One hopes that Portugal's April 26 takeover by avowedly pro-democratic military men will, over the long run, prove an exception to this rule.)

National patterns of political imprisonment differ, especially in regard to the jailer's role. Some repressive hands are bludgeons, while others work with a sophisticated cunning. Perforce, this survey touches on only a small number of the countries where political imprisonment flourishes. (Thanks to the writings of Solzhenitsyn, the Soviet Union has been omitted as obvious.)

The story of any given prisoner is a tale of personal and family tragedy that would constitute a lengthy drama or documentary by itself. Multiply each case by at least one million, and the scope of the problem can be envisaged. Numerical estimates of prisoners are a constant problem. Often, prisoners are not tried, their families are not notified, and the prisoner is virtually buried alive. In other cases, in which trials are held, transcripts are not available. For example, in China the whole picture of political imprisonment, before, during, and after the Cultural Revolution, is virtually unknown to the outside world. The interested reader might, however, consult with profit the recently issued, widely noted Prisoner of Mao, by Bao Ruo-wang (Jean Pasqualini) and Rudolph Chelminski, a work described by the publisher as "an eyewitness account of China's Forced Labor Camp System, by one of its few survivors [Bao Ruo-wang]." A twelve-page excerpt from this book appeared in the August 28, 1973, issue of this magazine.

The situation of the political prisoners in post-Allende Chile, so recently in the headlines, also is not easy to determine exactly. The junta has admitted that 3500 deaths have occurred during the 1973 overthrow of the pro-Marxist government. Hard figures are not easily come by, but the former Swedish ambassador to Chile has offered these startling figures: 10,000 to 15,000 killed; 30,000 children orphaned; . . . and 200,000 people who have lost their jobs for political reasons. Add to this some 8000 refugees, and we are talking less of a coup d'etat than of a holocaust!

Somewhat more is known, fortunately, about the outlook in that most youthful of the world's nations, Bangladesh. In 1972 the government issued a retroactive omnibus-powers decree aimed at citizens thought to have collaborated with the forces of West Pakistan during Bangladesh's 1971 war of independence. Between 40,000 and 50,000 persons were sentenced to jail under the decree; and though Sheikh Mujibur Rahman has declared amnesty for 30,000 of the prisoners, only 12,000 have so far been released.

Some hope glimmers also in Turkey, after a three-year military repression that may have detained a total of 15,000 political prisoners. There, a broad amnesty bill affecting 50,000 criminal and political prisoners has been debated for some time and may or may not be passed this year. These political maneuverings are, of course, cold comfort to political prisoners long since caught up in police dragnets and thrown into jail.

No glancing account of the political-police mind in action can convey in its full reach the terror and despair that such regimes inspire. The following sketches of life under seven representative police regimes may, however, prove indicative:

BRAZIL: "ORDER AND PROGRESS"

The ten-year-old military government that seized power from the reformer João Goulart flies the banner of "Order and Progress' and amazes the world with its story of Brazil's "economic miracle." Order and progress have been achieved by Draconian methods. The benefits of the country's rapid development go to the few, while poverty proliferates. The repression, jailing, torture, and censorship spew blood and dishonor on whatever gains have been achieved for Brazil's 100 million people.

The last fixed estimate of political prisoners, in 1972, was 12,000, but currently it may be anywhere from 500 to 5000. Reuters estimates the number of victims killed by Brazil's notorious death squads at 1300. At least 210 political prisoners and suspects are known to have died in police custody, mostly under mysterious circumstances. The documentation of torture and censorship can only evoke memories of the Nazis.

The army has long played a crucial role in Brazilian history, helping to end slavery in 1888 and to depose Emperor Pedro II the following year. But the tight military control that began in 1964 and was further intensified in late 1968 is without parallel in the country's history. Countering the repression has been one major force, the Roman Catholic church, which is increasingly at odds with the regime, and a broad range of other oppositionists of varying political hues.

In a horrifying document, "Report on Allegations of Torture in Brazil," Amnesty International detailed the findings of a 1972 inquiry. Names of 1081 reported victims and their 472 torturers are listed. Eyewitness accounts are given. Details of physical, psychological, and electronic torture are stated. Brazilian authorities replied by banning from the press all Amnesty International statements on Brazil. (Index magazine, published by Writers and Scholars International, has also documented the staggering facts of censorship and press control in Brazil.)

Political prisoners in Brazil are mainly trade unionists, peasant leaders, university staff and students, journalists, progressive clergy, and politicians or military men who had supported the democratic regime, which was overthrown in 1964. It has been charged that the clergy, after radical students, have been the major target of oppression and torture. Priests have been expelled or refused re-entry after foreign trips. Others have been jailed. Some Catholic publications and radio stations have been closed down.

An inspirational symbol of church resistance to the regime is Dom Helder Camara, archbishop of Olinda and Recife, several times a Nobel Prize nominee. The Archbishop is not permitted to speak publicly, and the press cannot report his activities. An assistant of his was killed, apparently by rightist vigilantes, in 1969. Last year a number of lay workers associated with Dom Helder were jailed and tortured.

A few of Brazil's political prisoners:

Mañuel de Conceicao, thirty-seven-year-old peasants' leader who opposed government policies and was shot five times in the legs in 1968 before he was jailed. Released four days later, he had to have one leg amputated. During an army crackdown in 1969, he fled to the jungle but was captured in 1972, tortured at length (his fingernails were ripped out), and jailed for an unknown period. He has been hospitalized six times since 1972.

Vera Silva Araujo Magalhaes, a twenty-four-year-old Rio student, was arrested in 1970 for "distributing leaflets." She was subjected to brutal physical and psychological tortures, suspended helpless for seven hours, given electric shocks, beaten, and whipped. Her legs were left paralyzed. She was tried and released three months later and lives in exile.

Father François Jentel is a French-born priest who has been in Brazil twenty years, working in the Mato Grosso with Indians and peasants. He helped his village parish resist incursions of large landholders. When there was a shooting incident between his peasants and armed government men, Father Jentel, who was not involved, was held culpable on a dozen charges—including arming peasants and inciting them—which were palpably false. He is serving a ten-year sentence.

Last January Maria Nilde Mascellani, an educator and Catholic activist who had worked for Father Jentel's release, was arrested. A founder of vocational education in Brazil, Miss Mascellani was arrested one night, and her house and library were seized. She was released in mid-March.

INDONESIA: 55,000 "TAPOLS"

The dire human-rights situation in this archipelago is both chronic and tragic. Indonesia has a hard-core political-prisoner population of about 55,000. Few of these have been tried, and most of the jailings date back to detentions in the mid-Sixties.

In the autumn of 1965, an abortive left-wing army coup resulted in the assassination of six rightist generals. This led to a mass reign of terror against Communists, leftists, and suspected leftists that has been called "the most ruthless massacre since the days of Hitler." Estimates of the number killed run from three hundred thousand to five hundred thousand, and of those jailed, to a quarter of a million. In the aftermath of the coup that failed, twenty-six massive organizations and twenty-three educational institutions were smashed.

Who are the 55,000 Tapols (for *tahanan politik*—"political prisoners")? A Dutch Amnesty International leader, writing in that organization's coruscating "Indonesia Special" report a year ago, stated: "Officially, all are described as commited Marxists and prominent members of the Communist movement . . . but [many] are prisoners of accident or victims of circumstance. . . ." For most of the 55,000, there have been no lawyers, no habeas-corpus protection, and no defense, because no case has been made.

Torture of political prisoners has been used as a matter of "routine" and is admitted by the Indonesian Grand Commissioner of Police. Two years ago a letter written by 800 Tapols complained that "we have been pushed into self-dug pits covered at the bottom with glass splinters. We have been given electric shocks, and cigarettes have been used to burn us. . . . Some among us have been shot through the mouth. . . ."

Staggering to the imagination is one isolation colony for politicals, Buru Island, a hot, fetid, and malarial piece of land in what used to be known as the Spice Islands, some 2000 miles from Djakarta. Here, 10,000 Tapols languish, forced to raise their own food. Medicines and clothes are also few, loneliness is extreme, and the sense of isolation is pervading. There is talk of bringing in prisoners' families and thereby raising Burus population to 50,000.

Stark as it is, Buru is only one of scores of resettlement areas, military prisons, labor camps, and interrogation centers throughout Indonesia.

The plight of three long-term Indonesian prisoners hints at the spectrum: Sugiyah was a thirteen-year-old schoolgirl when she happened to be found at the site where the generals were slain in 1965. An apolitical child, she has now spent more than one-third of her life in detention. Sitor Situmorang is a fifty-four-old writer who has been in Salemba Prison, Djakarta, since 1967. Charge: possessing writings "critical of the New Order." Siti Suratih, a nurse, forty-six, was arrested in 1966, presumably because her husband was a Communist. He has since died, but she was recently reclassified as a "dangerous" prisoner, apparently because the jailers want to keep her services as a nurse.

TANZANIA: THIRD-WORLD DILEMMAS

Africa may be flowering with emerging nations, but human rights lie parched in the hot glare of expediency, power struggles, and racism—white and black. Considering the inequities that allow white minorities to suppress black majorities in South Africa and Rhodesia, it may seem strange to focus on Tanzania, which is in many ways a model of judicious African self-rule.

President Julius Nyerere is, after all, a world statesman who has inspired his 14 million countrymen and others with his ideals of social justice. But even in his country, the existence of several hundred political detainees indicates the human-rights dilemmas of emerging nations born in revolution and hardened by the struggle for national identity.

It must be made clear, however, that the locus of the problem here is not the large mainland mass that was Tanganyika, but rather the small islands that comprise Zanzibar, where only 350,000 live. Most victims are presumed to be opponents of the Afro-Shirazi party, which came to power by violent revolution in 1964. The Amnesty International torture report of 1973 states: "The torturers are the Zanzibari police and secret police, and some allegations have stated that they are trained by police from the German Democratic Republic." In dealing with Zanzibar since Tanzania was united with it in 1964, Nyerere has made errors that resulted in tragedies. In 1969, when he sent two former Zanzibar Cabinet ministers back from the mainland under the promise of good treatment, they were executed in Zanzibar.

Tanzanian political prisoners fall into several well-defined categories. A Preventive Detention Act has, since 1962, been used to hold large numbers without trial. These included three from the revolution of 1964. Others are involved in mainland political squabbles, such as that of the Kambona family described below. Other prisoners include perhaps as many as 300 refugees from Mozambique, some of whom quit the Frelimo movement and are held in "preventive detention." Occasionally, there are arrests of Europeans or Asians suspected of spying or of economic crimes, which may border on political offenses. Two specimen cases:

Ali Muhsin Barwani was one of three former Zanzibar Cabinet ministers who fled to Tanzania in January 1964. Barwani and the two others had been detained for ten years without charge or trial. This fifty-five-year-old detainee hasn't seen his wife or six children since his arrest. In a 1971 communication with his Amnesty International adoption group in Norway, Barwani said his needs were: "Books, magazines, proteins, vitamins, and, above all, *freedom*." Barwani, the two other ex-ministers, and twenty-six additional detainees were released in late April.

The family of Oscar Kambona has suffered from the protracted enmity between the former Foreign Minister and President Nyerere. Kambona split with his leader in 1967 and went into voluntary exile. But many of his family and friends were jailed for treason. Some material witnesses for the trial were detained four years. Otini Kambona was a student leader, a national assemblyman, and a publisher who editorialized against detentions without trial. A month later, in December 1967, he himself was detained under the act. He and his brother Mattiya were released in February 1972 but were secretly re-detained in June 1972. Despite ill health, Otini Kambona had been held in a tiny cell in Ukonga Prison with three other prisoners. He is now in Butimba Prison in northern Tanzania.

SOUTH VIETNAM: CIVILIAN PRISONERS

Despite American withdrawal from the Vietnam war, the killing and suffering drag on. For ten years, TV and the press have dramatically documented the travail of Vietnamese civilians. Yet all too little is known of the widespread detention of civilians in South Vietnam for political reasons. The civilian prisoners are estimated to number upward of 100,000.

The Paris Ceasefire and Peace Agreement of January 1973 considered the civilian prisoner problem only cursorily. If anything, the focus on the military accords and the subsequent exchanges of prisoners of war have drawn attention away from the plight of the civilian detainees. In brief, thousands of men and women who supported neither warring side are still imprisoned, often under deplorable conditions and with the widespread use of torture.

Civilian prisoners held by Saigon (The Government of the Republic of Vietnam) in forty main detention centers and 500 lesser places fall into four general categories: (1) members of the National Liberation Front "infrastructure"; (2) those suspected of involvement with the NLF at a low level, including peasants, traders, and children; (3) non-Communist opponents of Saigon, which includes some two hundred leading non-Communist students and more than one thousand Buddhists; (4) those convicted of common criminal offenses. Saigon's practice of reclassifying many political prisoners as criminals has made the top three groupings merge into the fourth.

Conditions at such main jails as Chi Hoa are abysmally bad, with lack of sanitation, overcrowding, and a diet of food that rots the skin and the teeth. The worst hellhole of all for civilians is the prison on Con Son Island, whose human "tiger cages" were denounced in 1970. After the attendant international outcry, the island commandant, Col. Nguyan Van Ve, was relieved but then reappointed in 1973! The shackling of Con Son prisoners has left them deformed paralytics.

Documentary evidence of all forms of torture of civilian prisoners held by Saigon is among the grisliest in the world. The Phoenix Program for uprooting the NFL infrastructure in South Vietnam claims 20,000 dead. It makes no claim to the number that were tortured, but the well-known practice of forcing confessions in a helicopter after one suspect has been dropped overboard is typical. A common expression among South Vietnam police and jailers is: "If you are not a Vietcong, we will beat you until you admit you are; and if you admit you are, we will beat you until you no longer dare to be one." No amount of proof of the bestiality of the Vietcong and the North Vietnamese can counter-balance the savagery of America's South Vietnamese allies.

A celebrated civilian prisoner of Saigon is Huynh Tan Mam, a student leader who has been a courageous critic of South Vietnam. His latest arrest, in 1972, seems to stem directly from his opposition to American policy in Indochina. He has been brutally beaten, given injections, and is said to be disabled, with paralyzed legs. Mam and his supporters say that they are part of a third political force, but Saigon insists he was a Communist. When the government tried to turn him over to the Vietcong in a prisoner exchange, Mam declined and remained in prison.

SPAIN: CHURCH VERSUS STATE

"Do you think Spain is still a Fascist country?" Peter Ustinov, the urbane writer-actor, says he is often asked that, and he replies: "Only in the winter, when the hotel rooms are empty." His mordant gibe reflects the fact that Franco's Spain is still the repressive state that the dictator set up in the Thirties during the civil war, at the cost of 1 million lives.

As reported in *Saturday Review/World* [March 9, 1974], Spain remains a nation where all political parties but the National Movement of Franco are banned by law, a nation where independent labor unions are illegal and where the jailers silence free expression.

The floating population of political prisoners may, at any given moment, be as many as 1,000, with many more awaiting trial. The prisoners include Socialists, Communists, anarchists, Basque and Catalan nationalists, priests, lawyers, students, professors, and writers. More than two hundred conscientious objectors are in jail, including many Jehovah's Witnesses, but a new law seems to be improving the situation for this group.

In the wake of the assassination last December 20 of the premier, Adm. Luis Carrero Blanco, there has been a flurry of crackdowns on Basque nationalists and leftists. But even before this episode, police brutality, censorship, torture, and general maltreatment of political prisoners have been endemic.

Perhaps the most fascinating development in Spain's benighted human-rights picture is the emergence of a split between the Roman Catholic Church and the regime. The church was once a pillar of Franco's authoritarianism, but now there is a fresh wind of progressivism sweeping the clergy. One leading clerical figure is the outspoken Bishop of Bilbao, whose espousal of Basque individuality led to his house arrest. There are countless young "rebel" priests whose defense of labor and civil rights often outrages the right wing. A common practice is for Spanish secret police to join church congregations—and audiences and college classrooms—to spy on speakers. The list of priests fined and jailed for "offensive" sermons is growing daily.

A Spanish prisoner typical of the repressions of underground workers' leaders is fifty-seven-year-old Marcelino Camacho. Although he had already served five years for clandestine tradeunion activity, he was tried again for the same offenses and sentenced in December 1973 to twenty years. With nine other alleged leaders of the illegal workers' commissions, Camacho is now held in Carabanchel Prison.

Narcisco Julian Sanz, who was released in October 1972, had spent twenty-five of his sixty years in jail. A railway worker who fought for the republic in the civil war, he was sentenced to death but won a commutation. In 1946 he was released under a partial amnesty. Seven years later he was re-arrested on charges relating to his political and trade-union activities as a Communist. At his first trial he got twenty-one years, and at his third trial, in 1956, another twenty years. Various general pardons led to his release, but not before he had suffered from spinal arthritis and ulcers.

Ramon Llorca Lopez was sentenced to thirty years in September 1972 for activities, including alleged bombings, on behalf of a Catalan separatist organization. To get his "confession," the authorities subjected him to continual beatings and death threats. The beatings left him unable to walk without the support of his guards. A prison doctor prescribed vitamins and sleeping pills for his condition.

[From the New York Times, Aug. 4, 1974]

TORTURE, AN OFFICIAL WAY OF LIFE IN 30 COUNTRIES

(By Jean-Pierre Clavel)

Torture has now become a state institution in more than 30 countries, a rule of pain carried out by technicians, scientists, paramilitary officials, judges and cabinet ministers.

Documentation comes from the respected human rights agency Amnesty International, a private London-based group that seeks freedom for political prisoners and has offices in 32 nations. As the 25th anniversary of the United Nations' Universal Declaration of Human Rights approaches, Amnesty's London headquarters described in a 224-page report allegations and evidence of torture in 64 countries in the last 10 years.

Most of what the agency calls a "cancerous" growth in torture has occurred in Latin America, spreading to 22 nations there in the 10-year period. Portugal and Northern Ireland are among the 10 European countries named, as are 14 nations in Africa, 7 in Asia and 8 in the Middle East.

The vast number of victims in urban areas are members of legitimate political organizations, trade unions and youth movements, professors, women's leaders, religious figures, lawyers and journalists. In rural situations, it is unarmed peasants, villagers and even children who are caught in the torture net. Contends Amnesty International, "it is apparent today that much of state torture is carried out by the military forces, usually élite or special units, who displace the civil police in matters of political security. Their military training and their exposure to post-World War II theories about 'unconventional war' make them particularly apt for the practice and enable them to apply the concept of 'war' to any situation of civil conflict no matter how mild."

In Latin America, it is possible to pinpoint the arrival of torture in nations such as Uruguay, Bolivia and Chile and to demonstrate the pattern in which torture has spread across the continent. Niall MacDermot, Secretary-General of the International Commission of Jurists, reported at the United Nations this June after a fact-finding mission that between 3,500 and 4,000 persons had been interrogated in Uruguay alone since July 1972, in an effort to stamp out the Tupamaros. Of these, at least 50 per cent are believed to have been tortured.

Secret steps were taken in Brazil in the early nineteen-sixties by a group of senior military and police officials to create a coordinated, autonomous torture and "death squad" network to crush political opposition. To train personnel, illustrated lectures and live demonstrations of torture were conducted, using political prisoners as guinea pigs, by *Operacao Bandeirantes*, once described as "a type of advanced school of torture." Subsequently, trained Brazilian torturers traveled to military academies in neighboring nations to conduct courses in what is euphemistically called "interrogation."

"Refinements" have resulted from technical and medical research designed to develop techniques of intensifying pain without causing death or irreversible damage. In Northern Ireland in 1971, security forces put "sensory deprivation" into action against Irish Republican Army suspects, using white noise, tactile obliteration, fatigue and starvation to force nervous systems to "torture themselves." Dr. Timothy Shallice of London's National Hospital has traced these methods to a clear line of private and government-sponsored research that began in the nineteen-fifties and intensified after the Korean War. "Torture which was once a craft," says Dr. Shallice, "has become a technology."

Further evidence of this trend was unearthed after the "liberation" of the DGS (political police) headquarters in Lisbon following the May coup in Portugal. Inside were found anatomy charts and films used to instruct novices in torture and detailed medical reports indicating that torture had become a medical science conducted under the supervision of doctors.

In the Soviet Union the abuse of psychiatry has led to the long-term incarceration of dissidents such as Grigorenko and Plyusch in execrable conditions inside special psychiatric hospitals on the ground that they had committed political offenses "while of unsound mind."

Amnesty has produced a unique portrait of a world which, like a Bosch phantasm, is panoramic, almost aloof, chronicling the ordeals and wasted lives of men and women trapped in the breakdown of the rule of law. It speaks for the countless victims sent to labor camps in the barren regions of the Soviet Union, for the fate of the 55,000 political detainees still held without charge or trial in the camps of Indonesia, for defendants sent to the torture cells beneath the courtrooms in central Lisbon, for the crippled Vietnamese inmates of the Tiger Cages of Con Son and their dead countrymen thrown from United States helicopters during the years of overt American military involvement in Indochina, for the unknown individuals who faced certain of the Red Guard factions in the violent street trials of the Cultural Revolution and for the personal victims of South Africa's Brigadier Swanepoel, Brazil's Sergio Fleury and Greece's Colonel Theophyloyannakos.

What distinguishes the present wave of torture from others is that where formerly it presented itself as a series of national crises (such as the unleashing of torture during the Algerian War beginning on Algerian patriots and eventually spreading to metropolitan France), today we confront an international network of Torture States exchanging expertise and equipment.

TOTAL MILITARY ASSISTANCE AND MILITARY CREDIT SALES TO SELECTED COUNTRIES

[Thousands of dollars]

Country	Proposed 1975	Actual 1974 (est.)	Cranston amendment			Total, 1945-73
			1975	1976	1977	
Afganistan	200	200	133	66	0	4,600
Bolivia	6,500	8,345	5,564	2,782	0	35,500
Brazil	60,800	56,480	37,654	18,826	0	430,200
Cambodia	363,750	335,367	223,578	111,789	0	608,700
Chile	21,300	16,487	10,992	5,496	0	184,400
Ghana	70	40	27	13	0	300
Guatemala	2,350	3,598	2,398	1,199	0	30,300
Haiti	200	0				4,100
Honduras	4,650	1,752	1,168	584	0	10,300
Indonesia	28,900	25,717	17,144	8,572	0	159,600
Jordan	149,243	160,180	70,786	35,393	0	237,400
Korea	234,300	161,850	107,900	53,950	0	6,041,600
Liberia	600	508	338	169	0	11,600
Mali	50	40	27	13	0	3,400
Morocco	14,860	13,246	8,830	4,415	0	112,400
Nepal	35	25	17	8	0	1,900
Nicaragua	4,450	2,799	1,866	933	0	16,600
Pakistan	280	345	230	115	0	695,900
Panama	550	1,011	674	337	0	6,400
Paraguay	2,350	2,733	1,822	911	0	16,900
Peru	21,300	16,037	10,692	5,346	0	142,900
Philippines	25,400	28,559	19,040	9,520	0	709,700
Saudi Arabia	3,557	3,188	2,126	1,063	0	294,700
Senegal	25	20	13	7	0	2,800
South Vietnam	1,450,000	1,100,000	733,534	366,767	0	14,618,700
Spain	1,600	29,743				
Sudan	50	0				2,200
Taiwan	80,400	91,624	61,082	30,541	0	3,404,400
Tunisia	3,900	4,046	2,698	1,349	0	46,800
Uruguay	4,700	6,261	4,174	2,087	0	59,800
Zaire	3,800	4,247	2,832	1,416	0	49,700
Total	2,490,170	2,020,448	1,327,339	663,667	0	27,943,800

Note: Totals may not add due to rounding. Included: Grants, credit sales, and transfers from excess stocks.

Mr. BAYH. Will the Senator yield?

Mr. CRANSTON. I am delighted to yield to the Senator from Indiana.

Mr. BAYH. Mr. President, in the Senator's opinion would the definition in the measure proposed by my distinguished colleague from California cover the present situation that exists in the Philippines?

Mr. CRANSTON. The amendment does not specifically name any dictatorship. It leaves the decision to the process spelled out in the amendment. But clearly the Marcos dictatorship would be a prime candidate, since it seems to fall in the class of repressive governments at which the amendment is aimed.

Mr. BAYH. Will the Senator yield 1 or 2 moments?

Mr. CRANSTON. Certainly.

Mr. BAYH. Several of us in the Senate, including the distinguished Senator from California, the floor manager of this bill, and others, have taken the opportunity in a very quiet way to express their deep concern about what has been going on over a period of time in the Philippines.

I had prepared to make a rather extensive speech expressing my concern on this subject.

I feel that because of what I thought was a very positive conversation I had with the Philippine Ambassador yesterday, as well as some other information that has come to my attention, that perhaps President Marcos over this coming weekend is going to make an announcement that he recognizes some of the problems he has. Thus the Philippine Government may begin to take the initiative in meeting these problems and not be in the position of the United States telling them what to do.

I therefore felt it would be better for the Senator from Indiana not to initiate any direct attack on that problem at the moment, but I must say to my friend from California, I think the time has come for us to look directly at the question of repression which he discusses very eloquently here.

I feel a very strong sense of friendship with the Philippines. I would like for them to lead the way and show that they, as a Nation that has been very close to the United States and has had a very strong history of democracy, can recognize the shortcomings of what has been going on. I hope they will do this of their own volition and not have to respond to some initiative from the United States.

I appreciate the courtesy of my friend from California.

Mr. CRANSTON. I fully share the Senator's concern. If reforms do not occur in the Philippines, I will join with the Senator in an effort to end military aid to that government. Our aid should not be used to repress the Filipino people.

Mr. HUMPHREY. Mr. President, how much time is left on the amendment?

The PRESIDING OFFICER. The Senator has 15 minutes. The Senator from California has 1 minute remaining.

Mr. HUMPHREY. Mr. President, the amendment that has been offered here today by the able Senator from California is one that we had before our committee.

Might I say that this proposed amendment has had very singular effect. The Senator testified before the Foreign Relations Committee in a very eloquent and persuasive manner.

For example, in this bill no military assistance is provided at all for Chile. In this bill we have cut out the drawdown authority of the Department of Defense. We have reduced the overall military assistance by 45 percent.

Might I say that the Senator from California did a good deal toward seeing that accomplished, along with some of his colleagues who were associated with his effort here today.

So to the Senator of California let me say that much of what the Senator seeks to do in this amendment is underway, and I want the Senator to know that we are going to exercise a much more careful oversight from a committee point of view on the whole foreign aid program than we have in the past.

We have started this in the past year and we had staff members of our committee go abroad who then came back with reports.

Those reports were acted upon by the committee, which tightened up on foreign aid by requiring better accounting, by preventing transfers. I think there is a more direct accountability than we have ever had before.

I would hope that the Senator might not press his amendment today because the purpose that he seeks is the purpose that the manager of the bill here fully subscribes to, as does the distinguished ranking member here of the minority, the Senator from New Jersey (Mr. CASE).

We are in full sympathy with what the Senator is seeking to do and we believe we can better do it by our hearings and testimony, such as the Senator from California gave to us, by a very precise oversight operation on the aid program, and by looking at the program country by country to see what kind of funding goes on and what kind of programs are developed.

I, therefore, would urge upon the Senator, knowing of his deep commitment to this amendment, that he give us the chance to produce some results for him in the coming year and not press the amendment here to a vote.

Mr. CASE. Will the Senator yield?

Mr. HUMPHREY. Yes; I am happy to give time to the Senator from New Jersey.

Mr. CASE. Mr. President, I want to express my appreciation to the Senator from California for raising this issue and then to join my colleague from Minnesota in the hope that the Senator will find it appropriate on this occasion not to press it on this bill.

We in the committee are engaged in what I think is the first operation with the chance of success, getting a hold on this program. One of the requirements for doing that is to pass an authorization bill, not to have the matter go on as it did in the past on a continuing resolution.

We have in this bill, as I am sure the Senator appreciates, a rather considerable advance on earlier programs in the matter of controls, of oversight, of more sound provisions for budgeting, and as the Senator from Minnesota has pointed out, a reduction of the loose authority for transfers.

I think it is very important to stick close to the committee bill, as close as we can, because we have received the assurance we have not had before, that the administration will support us in these important matters that we are trying to accomplish.

I hope, therefore, the Senator will find it in his heart and in his mind to withdraw his amendment at this juncture, with the assurance that his objective is the same as ours, and he can produce it at any time in the future when he thinks it is useful.

Mr. CRANSTON. Will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CRANSTON. I thank the two managers of the bill for their statement about my efforts. I am delighted that what I have done up to now has contributed to the cuts in military assistance, of which so much goes to repressive governments. I am delighted that there is a general agreement that we must go much further. I recognized the importance of getting away from a continuing resolution and on to an authorizing bill.

I know that there are many fine provisions in the pending authorization bill, including the phaseout of grant military assistance over a 3-year period.

I hope we can go further in cutting back all forms of military aid to dictatorial regimes, and that we will do so soon.

If the Senator can assure me that the oversight planned by the committee can and will include hearings on the specific issue of military aid to repressive governments, and can assure me that such hearings can be held by April, and will provide me a full opportunity to consult with the committee on those hearings and to suggest certain witnesses, I would be delighted to agree to his suggested approach.

I recognize that the amendment I have introduced is very complicated. It may not be the very best way to achieve the goals that we share. If it can be submitted to a full examination by the committee, I would accede to the request of the two managers of the bill.

Mr. HUMPHREY. May I respond to the Senator by saying that this request that he makes is entirely in line with our thinking.

As the Senator knows, I have spoken to Senator McGEE, who handled this bill yesterday. We are in full agreement. I am sure I speak for the Senator from New Jersey on this.

We will have hearings on the foreign aid bill. We will take up the Senator's amendment. The Senator will be invited as a witness to present testimony and to invite other witnesses.

The proposal advanced by the Senator is so significant and is so complex. The formula is very complex. I think that it does require, may I say respectfully, very thoughtful consideration and a good deal of testimony.

If the Senator will accept our commitment as a word of honor, he can rest assured that we will proceed forthwith along the lines that he has indicated.

Mr. CRANSTON. Does that commitment include hearings on the specific subject of military aid to repressive governments, together with legislative proposals along the lines I have suggested?

Mr. HUMPHREY. That is correct. Absolutely. The Senator, I would hope, would want to introduce his amendment again in the 94th Congress so that we can have a specific piece of legislative language to relate the testimony to and on which to base our questions and investigation.

Mr. CRANSTON. And we can get to these hearings by April at the latest?

Mr. HUMPHREY. I am sure we can. The Senator said April at the latest. Let me put it this way: We will get into it in the April and May period. The Senator knows how things go here in the Senate in the January, February, and March period. We often do not get down to our detailed annual legislative business until some time in the April–May period. I want to be precise and honest with the Senator.

Mr. CRANSTON. I would like to point out that we have to move faster next year because of the new budget process.

Mr. HUMPHREY. I hope we shall. We will do our best.

Mr. CRANSTON. I thank the two Senators very much.

With that understanding, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The bill is open to further amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I call up my amendment No. 2001, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add a new section as follows:

Notwithstanding any other provisions of this Act, total contributions authorized herein to the United Nations or to any segment or subdivision of this world organization shall not exceed $156,148,000.

Mr. HARRY F. BYRD, JR. Mr. President, under the foreign aid bill as it now stands before the Senate, it provides for a 24-percent increase in U.S. contributions to the United Nations. My amendment, Mr. President, would eliminate the increase and authorize the same amount as current estimates for 1974; namely, $156,148,000.

If the amendment is adopted, the Senate would be voting to save the taxpayers $37,552,000.

Mr. President, this Senate has been on record a number of times expressing the view that U.S. contributions to the United Nations should be brought down to 25 percent. It is well above that now.

This amendment, while it would not bring it down to 25 percent, would bring it down toward that figure.

Mr. President, the United States has been providing very substantial sums to the United Nations. Through the years, I have been a supporter of the United Nations. I think it is desirable to have a world organization. But I think that the Senate and the Congress could help create some sense of responsibility in that world organization if it would take a harder stand on the amount of contributions which the American people put up.

Of the 138 members of the United Nations, 92 have an outstanding debt of $204 million in back dues.

The Soviet Union and its two member republics owe $110 million.

Mr. President, besides having a good effect, in my judgment, on the United Nations, in that it should bring about a greater sense of responsibility on the part of the other member nations, it would save the American taxpayers $37,552,000.

Frankly, I do not see how Congress can justify increasing its contribution to the United Nations for this one program alone by 24 percent.

We are in a period of high inflation. We are supposed to be in a period when the President and the Congress have said that we need to put some brakes on spending.

Here is an opportunity to do that.

I do not propose that the United Nations be cut below what it previously had received. I just propose that the increase advocated by the Foreign Relations Committee be eliminated so that the figure would be that figure which is the current level for the 1974 funding.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I have just one or two quick observations on the amendment of the Senator from Virginia.

The amount, of course, as he has indicated, is equivalent to what was made available in fiscal 1974.

I think we should note, however, that since fiscal 1974 there has been a considerable amount of inflation, and the value of that money has depreciated greatly, much to the sorrow of all of us.

Inflation has taken its toll on all of our resources.

The point that I believe should be made is that this is not money, as such, for the operation of the General Assembly or the Security Council of the United Nations. Actually, what you have here are funds made available by the United States to agencies of the United Nations which, in the main, have had a rather good record.

The United Nations development program is a good program. It is one that has gained the support and the commendation of not only our country but other countries as well.

One of the finest programs they have in the United Nations is the Children's Fund. It has great popular support all through the United States. How many times have we seen little children going door to door, raising money for the Children's Fund? It not only has funds of the treasury but a great deal of voluntary funds as well. There is an increase, I believe, of $3 million provided for the Children's Fund.

A major amount of money that was approved by the committee was at the initiative of our distinguished colleague, Senator McGEE, who has been very active in the United Nations work relating to the U.N. development program. The reason for that increase was the changing of the bookkeeping, so to speak. We are going on a calendar year basis, I believe, for the U.N. contribution which picks up part of one fiscal year and then puts it in another, so to speak. In other words, we are trying to get the American contribution to the United Nations development program on a calendar year basis. So while the figure looks rather large—it is $20 million—it really is not that amount in terms of increased funding.

The U.N. Relief and Works Agency has the sum of $10 million. I would like to refer this matter to our expert on United Nations activities, the Senator from Wyoming. I yield to the Senator from Wyoming for his defense of what I think was a very legitimate request before the committee.

Mr. McGEE. Mr. President, I hate to have to take the time to repeat this, because the Senator from Virginia and I have been over this matter many times; and I had great applause for the Senator from Virginia when we were able, while I was at the U.N. to reduce the American contribution to 25 percent in the basic budget of the U.N. It had been running at 33 percent, 35 percent, and 40 percent over the years. The intent was to get it down to 25 percent. But in getting it down to 25 percent, as we rounded up votes among the developing areas—the Africans and the South Asians and the like—we also had to make clear that we were not cutting back our support of the United Nations in that process.

There are two budgets—the basic budget of the U.N. and the voluntary programs of the U.N. Therefore, when we ended with a continuing resolution in Congress at the end of that year, we had to revert not to the commitment that had been requested in the new budget—namely, the $90 million figure for the UNDP—but to the preceding year budget figure of $70 million because of the rules by which we carry out a continuing resolution process, as the Senator knows. Thus, it became necessary to draw down from the next budget that $20 million difference, because it was already committed and it was an integral part of the whole agreement at the time we were able to cut back the American basic percentage of a contribution to 25 percent.

It was a matter of commitment, a matter of credibility, a matter of the integrity of our Government at a time we got a major breakthrough in the structuring of the basic budget of the United Nations.

It seems to me that it does not hang together very well for the Senator from Virginia to applaud McGEE for getting the 25 percent when a part of the reason we could succeed in that, when everyone said we could not do it, was to assure that, so far as possible, we would live up to our commitments in the voluntary areas of the U.N., particularly the UNDP. They are not the same budget, but they were cut from the same cloth, when one tries to make headway on the politics that takes place in the United Nations or in the Senate of the United States.

The Senator from Virginia is one of those who know best of all the importance of integrity of commitments, and that is the key to the integrity in that particular commitment. That is the reason why I hope that the Senator will consider withdrawing his amendment. We are never going to catch up to that unless we face it. It is a split-year contribution because of that carryover of the continuing resolution in 1973. We are trying to correct that phenomenon. It was not our doing, except that we did have a continuing resolution rather than the new bill. For that reason, we are caught in that bind. This is the only way in which we can face up to it.

I hope that the distinguished Senator will consider a reconsideration of that measure. I know how deeply he feels about the entire matter; and because of the success we experienced in cutting our basic contribution percentage, I am asking, in the same spirit of understanding, that he accommodate with respect to the need for picking up that difference on the first year.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 3 minutes.

In talking earlier today with the distinguished chairman of the Subcommittee on Appropriations, which committee handles the United Nations funding, I expressed the view that the United States probably was putting up 31 percent. He said:

> No, that is low. It is closer to 35 percent.

The Senator from Wyoming mentioned the need to work with the other United Nations members and to be on good terms with them—the politics of it—and that is certainly an important point. But I cannot help note three important votes in the past month.

One vote was on the motion to oust South Africa, a clearly illegal action. The United States strongly opposed it, and we were able to muster 22 votes against 91 affirmative votes.

With respect to the resolution to permit the terrorist Arafat to address the United Nations—that is not illegal; it is perfectly proper if the organization wants to invite a terrorist to address it—the United States strongly opposed it, and we were able to obtain three allies.

On the third vote, to give official observer status to the Arafat group, the United States was defeated by a vote of 95 to 17.

So I am in strong basic disagreement with the report of the Committee on Foreign Relations which contains this sentence:

> The level of our support for the UNDP is seen by the developing nations as a measuring stick for the seriousness of our participation in the United Nations organization.

I say that the developing nations—and all the other nations, for that matter—who are members of the United Nations would have a lot more respect for the United States if Congress would stop continually pouring in more and more funds, upping it every year. I think we would be better off, and it would bring a greater sense of responsibility to that organization.

Frankly, I am unwilling, in the month of December of 1974, to vote to reward the United Nations for the actions it took in November. I am not saying funding should be reduced. I do not favor reducing below the level of previous funding, but I do feel that we should not increase the funding.

I ask unanimous consent, Mr. President, that the following Senators be listed as cosponsors: The Senator from Nevada (Mr. CANNON), the Senator from New Mexico (Mr. MONTOYA), the Senator from Delaware (Mr. ROTH), and the Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

The Senator's time has expired.

Who yields time?

Mr. HUMPHREY. Mr. President, I yield time to the Senator from Wyoming.

Mr. McGEE. Mr. President, I hesitate to say more in this colloquy with my beloved colleague from Virginia, but I think that the whole program at the United Nations requires that at least we keep something straight for the record.

In any political situation, whether it be here or up there or anywhere else, we try to cross one bridge at a time, and we build on those bridges. I agree with the Senator: I think there was a dangerous precedent set when they threw South Africa out of the United Nations. That is not what the United Nations was created for. That is not the way we try to establish the integrity of that body, or to enrich it.

I agree, likewise, that there was a serious flaw in the tactical decision to admit the PLO up there, to have their hearing. But the thing that it says to all of us is that it is still an open body in which we make our case and we have to win our vote. And we lost. But we still have the power of veto in the Security Council, which is the ultimate determining factor.

I was there the very week that these two votes occurred. I must say that the shock effect of them was rather considerable, and that we were already beginning to get a regrouping of the United Nations to reconsider all that had been done. That is a large factor in explaining why they failed to do the same thing to the Cambodian Government of Lon Nol. These are the kinds of things that do make a difference.

We cannot take our blocks and go home because we get mad or because we lose a vote. We are much stronger in protecting our interest in the direction that we go by being there than by running back to the haven of the U.S. Senate and sticking out our tongues at the rest of the world.

I remind my colleague from Virginia that at the very time we were cutting the percentage of the American contribution to 25 percent, the Soviet Union delegate arose on the floor before those nations and said, "If the Americans win this vote, we are going arbitrarily to cut ours from the Soviet Union." They were going to cut it as an arbitrary action.

The response from the U.N. nations was dramatic. The United States was proposing to exercise its decision through the machinery of the U.N. honoring that process. The Soviet Union was going to defy the U.N. and slice its own. They were laughed out of the General Assembly that afternoon.

If we work at it, we have our best chance in this international forum that has done ridiculously stupid things sometimes, but that, likewise, has produced very rewarding and positive actions at other times.

The world is not going to dance to a tune just because we snap our fingers or because we orate on the floor of the Senate. It demands a give and a take. That is why we cannot be running the United Nations from the floor of the Senate. That is the reason we have to balance it all off in terms of the gains that we really can make underneath. Where we have them there, where we can talk to them behind scenes, the real decisions are being made: the decisions that brought the Soviets and the Americans together for the first time in the cease-fire in the Middle East. For the first time that was finally agreed to. It was only possible there, in those halls. The same thing can recur every time we have a great world crisis.

I hope that the Senator, in his proper sense of pique over what they did to the Union of South Africa—because they are entitled to be members of the United Nations, too, as the Soviets are, and as Franco in Spain is, as dictators all over the world are. It is not a little collection of democratic states. It is not a league of the Americas. This is a United Nations of all the world, with all of the differences that are reflected in that spectrum.

We very well have to work at selling our case, and using what we believe to be our sense of direction as one of the great arguments for restraint in the world body. With all of the discouragements, I submit to the Senator that it is all we have, and it offers us the one chance beyond holing up here, as a rock to ourselves, in order to try to protect our national interest.

Our national interest is best protected, Mr. President, in the light of the cross currents of different policies and different views in the United Nations. It is difficult, it is frustrating, but it has to be worth our effort.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I hope that the Senator from Virginia will, in his commendable fashion, give us a little extra consideration here in the light of what I believe is a legitimate administration request; namely, that because of the increased cost of all the services that are undertaken today, the sum for last year is not adequate and it has to be modified to some degree.

We have the $20 million for the United Nations development program, which is, as has been explained by the Senator from Wyoming, basically getting the fiscal calendar and the annual calendar into synchronization. It is an accounting figure.

That is really what it boils down to.

Mr. HARRY F. BYRD, JR. If the Senator will yield at that point?

Mr. HUMPHREY. Yes; I yield.

Mr. HARRY F. BYRD, JR. I point out that the administration itself did not ask that that be done. The administration itself only asked for $10 million in regard to that, according to the committee report. I am guided by the committee report.

Mr. HUMPHREY. The administration, I should say, does support this figure now. The Senator is correct, however, it asked for $10 million.

Did not the administration ask for the $10 million on the United Nations Relief and Works Agency?

May I make this suggestion to the Senator, in the light of his argument? Why not take the $10 million that was asked for by the administration and add that to his figure?

Also, because there has been a considerable increase in the cost of items, we might increase somewhat the Children's Fund.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. I point out that if the Senate will approve the amendment which is before us, the Committee on Appropriations then can fund any of these to whatever extent the Committee on Appropriations deems desirable—the children's fund 100 percent, some other fund not 100 percent.

Mr. HUMPHREY. I understand the Senator, but the real problem is that unless we take into consideration what has been at least suggested here by the administration, we are just going to find ourselves with inadequate resources in the authorization.

I say again that it all comes before the Committee on Appropriations. If they cannot make a good case there, they are not going to get the money.

Mr. HARRY F. BYRD, JR. If the Senator will yield at that point, since he mentioned the administration——

Mr. HUMPHREY. Yes, I yield.

Mr. HARRY F. BYRD, JR. The committee report says that the President requested $153,900,000. The committee approved that request and authorized an additional $30 million over and above what the administration requested.

The PRESIDING OFFICER (Mr. GURNEY). The time of the Senator from Minnesota has expired.

Mr. HARRY F. BYRD, JR. Mr. President, what time do we have remaining?

The PRESIDING OFFICER. The Senator from Virginia has 6 minutes remaining.

Mr. HARRY F. BYRD, JR. I yield 2 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, the Senator's amendment reads in the sum of $156,148,000. I respectfully request that the Senator make the amendment read $165 million.

Mr. HARRY F. BYRD, JR. $165 million?

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Minnesota is such a congenial, wonderful person, such a wonderful Senator, that I am somewhat persuaded to accept his suggestion, although I do not like the idea at this particular time of going above the 1974 figure.

Mr. President, I modify my amendment to change the figure to $165 million on assurance of support from the manager of the bill, the Senator from Minnesota.

The amendment, as modified, is as follows:

> At the end of the bill add a new section as follows:
>
> Notwithstanding any other provisions of this Act, total contributions authorized herein to the United Nations or to any segment or subdivision of this world organization shall not exceed $165,000,000.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

Mr. HUMPHREY. Mr. President, could we just do that, to save time, on a voice vote and pass it?

Mr. HARRY F. BYRD, JR. Mr. President, I think it would be well to have the Senate of the United States——

Mr. HUMPHREY. May I assure the Senator that we are for him, $165 million. We shall save ourselves some time. We have to be through with this bill, according to the unanimous consent request, by not later than 6 p.m.

We have nine amendments to go yet.

Mr. HARRY F. BYRD, JR. I have gone——

Mr. HUMPHREY. Oh, you are a good man, Senator.

Mr. HARRY F. BYRD, JR. Let me have a rollcall, because I think it is important.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. GOLDWATER. If we are going to have the yeas and nays, why not go for the whole amount?

Mr. HARRY F. BYRD, JR. I would prefer that, but——

Mr. HUMPHREY. We are going to go for the $165 million, but we are going to go light a Christmas tree, just as the Senator said.

Mr. GOLDWATER. I think the tree would be much brighter if we have something to vote on. I do not want a reduction.

Mr. HUMPHREY. This is not a reduction.

Mr. CASE. It is a $30-odd million reduction.

Mr. GOLDWATER. Then it is not a reduction?

Mr. CHURCH. There will be another opportunity for the Senator to vote on the reduction on the overall ceiling.

Mr. PELL. It will be a $28 million reduction from what the committee brought in.

Mr. GOLDWATER. The Senator can do better than that, can he not?

Mr. HARRY F. BYRD, JR. I feel certain——

Mr. GOLDWATER. My point is, if we are going to vote, if we agree with the manager of the bill that we not have a vote and save time, we can go for the lesser amount. If we are going to vote, I would rather vote something meaningful.

Mr. HUMPHREY. The Senator wants to increase it?

Mr. GOLDWATER. No, I do not want to increase it. I want to take his original figure.

Mr. HUMPHREY. The amendment is for the $165 million that the Senator from Virginia has asked for, and if the Senator insists upon a rollcall, we will have to, of course, accommodate him; but I would hope he might be willing to accept his victory, which is in hand.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Will the Senator agree that we have a 10-minute rollcall?

Mr. HARRY F. BYRD, JR. Absolutely.

Mr. HUMPHREY. I ask unanimous consent that we have a 10-minute rollcall.

The PRESIDING OFFICER (Mr. GURNEY). Without objection, it is so ordered. Do Senators yield back the remainder of their time?

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. Yes.

The PRESIDING OFFICER (Mr. GURNEY). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Virginia (Mr. HARRY F. BYRD, Jr.), as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Colorado (Mr. HASKELL), the Senator from Washington (Mr. MAGNUSON), and the Senator from Indiana (Mr. HARTKE), are necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

The result was announced—yeas 65, nays 27, as follows:

[No. 518 Leg.]

YEAS—65

Allen
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Helms
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Mansfield
McClellan
McClure
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Scott, Hugh
Scott, William L.
Stennis

Symington
Taft
Thurmond
Tower
Tunney
Weicker
Young

NAYS—27

Abourezk
Aiken
Baker
Brooke
Case
Clark
Cook
Cranston
Hart
Hatfield
Hathaway
Javits
Kennedy
Mathias
McGee
Metcalf
Moss
Muskie
Nelson
Pell
Percy
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Williams

NOT VOTING—8

Bellmon
Ervin
Fulbright
Hartke
Haskell
Hruska
Magnuson
Talmadge

So Mr. HARRY F. BYRD, JR.'s amendment, as modified, was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senator from West Virginia (Mr. ROBERT C. BYRD) be listed as a cosponsor of the amendment which has just been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I yield to the Senator from West Virginia. May we have order?

The PRESIDING OFFICER (Mr. DOMENICI). The Senator from West Virginia has the floor. May we have order?

TIME LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on any remaining amendments today be limited——

Mr. PASTORE. Mr. President, may we have order, please?

The PRESIDING OFFICER. Will the Senator suspend? May we have order in the Chamber, please?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on any remaining amendment today be limited to 15 minutes, with the time to be equally divided between the manager of the bill and the mover of the amendment, with the exception of an amendment by Mr. CHURCH on which there be a limitation of——

Mr. CHURCH. Mr. President, if the Senator will change his request to two amendments by Mr. CHURCH, I would hope to have a half hour. There is an amendment that relates to these two to be offered by the Senator from Indiana (Mr. BAYH).

Mr. BAYH. Mr. President, I do not wish the same courtesy as the Senator from Idaho, but there is another original amendment of my own which I am certain will take about 30 minutes.

Mr. ROBERT C. BYRD. With the exception of an amendment by Mr. BAYH and two amendments by Mr. CHURCH.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent on each rollcall remaining today that there be only 10 minutes allocated with warning bells to be sounded after the first 2½ minutes.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAM L. SCOTT. Are these back-to-back votes?

Mr. ROBERT C. BYRD. No.

Mr. WILLIAM L. SCOTT. Then I object.

The PRESIDING OFFICER. The objection is heard.

Mr. CHURCH. Mr. President, I send an unnumbered amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill add the following new section:

FOREIGN ASSISTANCE CEILING

SEC. 44. Notwithstanding any other provision of law, the total amount which may be obligated during fiscal year 1975 under the Foreign Assistance Act of 1961, the Foreign Military Sales Act, the Agricultural Trade Development and Assistance Act of 1954, the Peace Corps Act, and section 401 of Public Law 89–367 providing military assistance to South Vietnam, may not exceed $4,300,000,000.

Mr. CHURCH. Mr. President, about a month ago when the foreign aid bill was before the Senate for its consideration, I offered an amendment.

Mr. BIBLE. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senator suspend? May we have order in the Senate, please?

The Senator may resume.

Mr. CHURCH. Mr. President, when the foreign aid bill was before the Senate shortly before the election, I proposed an amendment which placed a $5 billion ceiling on fiscal year 1975 foreign aid obligations, not including U.S. contributions to the international financial institutions.

The purpose was to establish an overall ceiling of $5 billion for all of the bilateral aid programs, both economic and military.

That amendment was approved by a vote of 62 to 21.

Other cuts were made in the bill by the Senate at that time and then, as the Senators will remember, the bill was recommitted to the Senate Foreign Relations Committee.

I had thought in view of the action that had been taken by the whole Senate that the committee would be cognizant of a desire that then existed to cut back on foreign aid or, at least, to hold the line and prevent the program from growing even more expensive, particularly in view of the Federal deficit, the inability of the Congress to control spending, the worsening economic conditions in the country, and an inflation that had gone out of control.

Instead, the committee moved in the opposite direction, raising the foreign aid program levels and opening new spending loopholes that will make available an additional $350 million.

Now I want to make it clear, the new committee bill is a third of a billion dollars larger than the earlier bill as it was originally proposed to the Senate a month or so ago.

I have a table, Mr. President, that shows the various increases that the committee added, which come to $347 million above the previous level. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Increases in S. 3394 made in committee after recommittal

I. Changes in authorizations:	
Economic aid to Indochina	+$67,000,000
Food and nutrition	+39,000,000
Middle East (Israel)	+89,500,000
Total additions	195,500,000
Military credit sales	—50,000,000
Net addition	+145,500,000
II. Other additions:	
Use of loan reflows for disaster aid	+110,000,000
Additional military aid funds as a result of delay in effective date for charging costs of military missions	+57,000,000
Additional military aid from changes in excess defense articles provision (estimate)	+35,000,000
Total additional foreign aid in revised version of S. 3394	+347,000,000

Mr. CHURCH. I regret the committee's action, Mr. President, all the more because in the weeks since my ceiling amendment was passed, it has become ever more clear that our national economy is in a dire condition.

More than ever, the responsibility of Congress is to exercise fiscal restraint, to bring the Federal budget under some effective control.

I should think that necessity would be all the more obvious to Senators in view of the fact that we have been overriding Presidential vetoes. I, myself, have been voting to override these vetoes knowing that it would cost a considerable amount of additional money and yet feeling the programs in these cases justified the increased cost, as long as we found other places to cut the budget in the exercise of some semblance of fiscal responsibility.

I am, therefore, again proposing to amend S. 3394, the pending bill, by placing a ceiling on fiscal year 1975 foreign aid obligations, excepting U.S. contributions to the international financial institutions.

I am now, however, proposing a lower ceiling than previously, an overall ceiling of $4.3 billion.

This ceiling has been calculated to allow expenditures at the rate provided for in the continuing resolution now operating. In other words, if the Senate were to adopt this amendment, we would simply hold the line on the Senate program at the present level of spending, as authorized in the continuing resolution which now governs that program.

In other words, the rate of foreign aid spending pertinent during the first half of the fiscal year would be allowed to continue during the second half of the year, but under a regular authorization rather than a continuing resolution.

I ask unanimous consent that there be printed in the RECORD at this point a table which displays expenditures under the continuing resolution, expenditures as they took place in fiscal year 1974, and fiscal year 1975 expenditures as they would be allowed by this bill if the ceiling were not imposed.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOREIGN AID PROGRAM LEVELS (EXCEPT U.S. CONTRIBUTIONS TO THE MULTILATERAL FINANCIAL INSTITUTIONS)

[In millions of dollars]

	Fiscal year 1975 at continuing resolution rate	Fiscal year 1974 (actual)	Fiscal year 1975 provided by S. 3394 (new version)
Economic aid:			
AID	1,677	1,929	2,890
Public Law 480	996	1,152	996
Peace Corps	82	77	82
Military:			
Grants	1,250	[1] 1,678	1,289
Credit sales	325	325	405
Total	4,330	5,161	5,662

[1] Does not include 2 expenditures of a 1-time nature: emergency aid to Israel and emergency drawdown for Cambodia.

Mr. CHURCH. I should point out, Mr. President, that the creation of a $4.3 billion ceiling would not require expenditures to be made in the same categories as delineated in the continuing resolution.

The administration would have authorizations under the various bills, meaning the foreign aid bill now before us, Public Law 480, Peace Corps, the other bills relating to bilateral foreign aid.

The administration, combining these bills together, would have authorization totaling $5.6 billion and would be allowed the flexibility to fund fully those programs it deems essential and to trim those it deems marginal.

While I normally would not approve allowing the executive branch such discretion, I believe in this case such discretionary authority would force the administration to come face to face with some tough decisions on priorities, contrary to its usual practice of attempting to perpetuate all programs at full funding levels.

There is little more that needs to be said, Mr. President. The confused and misguided purpose of much of our vast and largely outdated foreign aid program is now manifest. The sad state of American economy is clear for everyone to see. The only question which remains is whether Congress, which holds the pursestrings of Federal spending, has the will to take corrective action.

I believe that my amendment, by placing a responsible limit on foreign aid expenditures, constitutes such action and I urge its adoption by the Senate today. But if the Senate by its vote indicates that it is unwilling to hold foreign aid spending at its present level, as authorized by the continuing resolution, I shall then propose a second amendment setting a ceiling of $5 billion as was approved by the Senate before the bill was recommitted.

This $5 billion ceiling, as is shown on the table which I have placed in the RECORD, would hold fiscal year 1975 spending to a level roughly equal to that of fiscal 1974, and would thus stand, at least, as a clear statement that the Senate does not want to see the foreign aid program increased beyond the level of last year's spending.

I hope that the Senate will approve the lower ceiling, the $4.3 billion ceiling. However, the establishment of a ceiling at either level, whether it is $4.3 billion or $5 billion, would be a significant step toward bringing the foreign aid program and our Federal budget in line with the grim realities facing our national economy.

So for those reasons, Mr. President, I do hope the Senate will approve the amendment that I have offered.

Mr. President, I ask unanimous consent to add the name of the Senator from Delaware (Mr. ROTH) as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I send to the desk an amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair is informed that until the time expires on this amendment, no further amendments are in order.

Mr. CHURCH. Mr. President, I ask unanimous consent that this amendment be considered in connection with the pending amendment.

The PRESIDING OFFICER. Is there objection?

Mr. CASE. Reserving the right to object, and I will not object, I just want to understand what it is before we agree.

Mr. BAYH. If the Senator will yield about 1 or 2 minutes——

Mr. CASE. On my reservation, I yield to the Senator.

Mr. BAYH. The amendment of the Senator from Indiana would add, I believe, a few significant words at the end of the amendment of the Senator from Idaho which would except from the President's discretion to apply the cuts necessary under the amendment of the Senator from Idaho that funding which is presently going to the State of Israel.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none. It is so ordered. The amendment will be stated.

The assistant legislative clerk read as follows:

> At the end of the amendment proposed by Mr. Church add the following:
>
> "This limitation notwithstanding, all funds appropriated for Israel shall be obligated for that purpose."

Mr. BAYH. Mr. President, I appreciate the courtesy of my colleagues, the distinguished Senator from Idaho and the distinguished Senator from New Jersey.

The PRESIDING OFFICER. If the Senator will tell the Chair, is this the amendment on which the Senator requested a half-hour?

Mr. BAYH. No, sir, it is not.

The PRESIDING OFFICER. The Chair thanks the Senator.

Mr. CHURCH. Mr. President, I yield to the Senator, if that is necessary, such part of my time as he may require.

Mr. BAYH. Is the Senator operating on his own time, the 15 minutes, the 7½ minutes? It shall not take that long.

Very frankly, the Senator from Indiana finds a great deal of merit in the proposal of the distinguished Senator from Idaho. One of the reservations I have about it is the discretion which is permitted the President as to where the cuts mandated by the Senator from Idaho should be made.

I understand the great sensitivity that exists in the Middle East area as it applies to this bill. I know there has been a great deal of consideration as to how this measure can be applied without rocking the boat as far as executive negotiations are concerned. But I feel that what we are about to embark upon in this foreign aid bill is to find ourselves involved in significant financing of both sides of a very difficult political and military contest.

As I see it, it is imperative for us to maintain the balance in that part of the world as far as the State of Israel is concerned, because their adversaries are getting such a tremendous investment from the Soviet Union. For that reason I feel that the amount that is in this bill as far as maintaining that balance for the State of Israel is absolutely indispensable to the security of the State of Israel, and I would hate to see the President cut below that figure.

I would like to see us find some way to guarantee that we could deescalate on both sides. But until we get some permanent agreement, which is not likely to be forthcoming in the near future, I do not see how we can permit this kind of open-ended discretion to be given to the President.

Mr. CASE. Mr. President, what is the situation as far as those opposing these amendments is concerned, timewise?

The PRESIDING OFFICER. The Chair is informed that the time for the opposition is controlled by the Senator from Minnesota. Does the Senator from Minnesota yield?

Mr. HUMPHREY. Yes, I yield.

Mr. CASE. Just for an inquiry as to time.

I understand that, but is there 15 minutes on the amendment to the amendment, and then 15 minutes on the amendment, itself, as far as the opposition goes?

Mr. CHURCH. Thirty minutes on the amendment.

The PRESIDING OFFICER. The Chair is informed that the original amendment had one-half hour, of which 11 minutes have been used. This amendment has 15 minutes, of which 3 minutes have been used.

Mr. CASE. Three minutes have been used by the proponents and none by the opponents?

The PRESIDING OFFICER. That is correct.

Mr. CASE. Who is in charge of the time in opposition?

The PRESIDING OFFICER. The Senator from Minnesota controls the time for the opposition.

Mr. CASE. To both amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. CASE. Thank you very much. I ask that the time spent in this interesting colloquy not be taken out of either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the Senator from Indiana has, in a sense, modified the amendment of the Senator from Idaho. I do not have any objection to what the Senator from Indiana is asking. I see no reason to have two votes on these matters.

Mr. CHURCH. I would say to the Senator from Minnesota that I am in full agreement with the object so well stated by the Senator from Indiana. I am willing to accept the amendment that he has offered modifying my amendment. I would hope that this could be done on a voice vote.

However, I will ask for a rollcall vote on the amendment, as modified.

Mr. HUMPHREY. Why do we not just yield back the remaining time on the Bayh amendment, if the Senator from Idaho will yield back the remainder of his time, and we will get that into the full amendment of the Senator from Idaho (Mr. CHURCH). We still have time to debate the remainder of the time on the Church amendment, as modified.

Mr. CHURCH. That is perfectly all right.

Mr. HUMPHREY. I yield back the remainder of my time on the Bayh amendment.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana. [Putting the question.]

The amendment was agreed to.

Mr. HUMPHREY. Now, Mr. President, I understand that what we have here is approximately 4 minutes time that remains on the amendment of the Senator from Idaho, and approximately 14 minutes that we would have in opposition.

The PRESIDING OFFICER. Fifteen minutes.

Mr. HUMPHREY. Mr. President, I have just a comment in reference to the amendment which has been offered by the Senator from Idaho.

A number of us in the Senate committee—Senator GRIFFIN, Senator SPARKMAN, Senator McGEE, Senator CASE, and Senator JAVITS—sent to our colleagues a letter on December 2, pointing out what we thought were some of the harmful reactions which would come from the Church amendment. I just want to call to the attention of the Senate some of those comments.

First of all, the bill that is before us, with the authorizations that are in the bill, is the work of a number of members of the Senate Foreign Relations Committee, in cooperation with the administration, to try to work out a sensible foreign assistance program that would bring in some new controls and restraints upon the foreign aid administration.

This legislation, as proposed and as before us, will slash the President's request by 18 percent. It is over a $600 million reduction in what the administration asked for in foreign assistance for fiscal 1975.

This is the largest percentage cut of any authorization bill considered by Congress this year. We believe that we have acted responsibly. The committee has also reduced military grant assistance activities by $400 million, foreign military credit sales by $150 million, and Indochina postwar reconstruction by $322,800,000.

The total military and economic assistance request for Indochina has been slashed by $1 billion. That is no small amount reduction and saving by the appropriate committee of the Senate.

I might add that the amendment before the Senate, sponsored by the Senator from Idaho, would preempt the role of the authorizing and the appropriating committees. The Committee on Foreign Relations, the Committee on Armed Services, the Committee on Agriculture and Forestry, the Appropriations Committees have all made or will make careful and deliberate decisions as to where and for what purposes and in what amounts U.S. foreign assistance funds are to be spent. Each of these committees has a responsibility to this body. These committees, making their recommendations to the Senate, and the Senate acting on those recommendations, have already made decisions. A ceiling on all these proposals ignores these decisions, decisions made by the Members of the Senate, and compels the President to impound funds for which Congress has already expressed its support.

Mr. CASE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE. I think this is enormously important, and I hope that all Senators who hear this statement will pay great attention to it.

Carrying just one step further the point that the Senator from Minnesota has made, what we are doing is giving the President the authority to write a foreign aid bill.

Mr. HUMPHREY. Exactly. The Senator is correct.

The Senate has been complaining for the past 2 or 3 years that the Executive has taken over all our responsibilities. Honestly, we handed them over to him.

In this amendment, what we are doing is saying this to the President, after we have put authorizations in this bill, after the Committee on Agriculture and Forestry and the Senate in support of that committee has put authorizations on Public Law 480, and after the Armed Services Committee has acted and Congress has supported or modified the Armed Services Committee decision:

> Mr. President, we have gone through this charade. We have shown the folks back home that we are responsible legislators. But we didn't really mean it. You go ahead and cut what you want to cut, except don't cut Israel.

No one in this body has a better standing with respect to support for Israel than the junior Senator from Minnesota. Most of the amendments relating to Israel in the bill before the Senate were either sponsored or cosponsored by me. But now we are going to say that we can have a ceiling but it will not affect Israel.

What is really being said is that the slashes or cuts that are to be made will have to be made out of other programs. What are some of these other programs? Well, Public Law 480 grant programs. That is a program used to alleviate hunger in the world: the food production program in this Foreign Assistance Act, programs designed to increase food production in developing countries, especially those facing major food shortages; drought relief and rehabilitation assistance to countries that are the victims of natural disasters such as we have had in the Sahel and in some of the other countries of the world.

It also means reduced economic assistance to Egypt and Jordan, which would jeopardize U.S. efforts in moderating peace in the Middle East. It will definitely mean that we will have to cut further the U.S. contributions to international organizations. We have already made one cut here today on that.

It would also come out of the disaster relief efforts for other parts of the world, such as Cyprus, Bangladesh, and the Honduras—countries that have been receiving our cooperation.

This would further mean that we would make a cut in population programs. In other words, a ceiling amendment would substantially reduce U.S. efforts directed at alleviating the causes for economic instability in the world.

I think we should understand that this ceiling amendment does not apply only to this particular bill. This is not a way to change the authorizations only in this bill. It would change authorizations in every piece of legislation, with the exception of aid to Israel, of all the foreign assistance law we have. I think this has to be given the most thoughtful consideration, and I hope it will receive firm rejection.

We are saying to the President:

> Mr. President, we didn't quite know what to do. We went up the hill and down the hill. We authorized a certain amount for Indochina. We authorized a certain amount for food assistance. We authorized a certain amount for food assistance. We authorized certain, specific amounts for population and family planning. We authorized a certain amount for education and health. We authorized a certain amount of money for disaster relief. We authorized a certain amount of money for food assistance. After we got all through with it, we said we didn't mean it at all. We just wanted to prove that we knew how to do it; but now we are going to tell you, Mr. President, that after we have done it, you go ahead and make the cuts wherever you want to make them, of $1.3 billion.

I submit that if that is the way we are going to legislate, we are violating what was done in Congress in the Budget Control Act, when we said to the President of the United States, "You have to quit impounding money."

What we are really saying here is that we want the President to do our work for us, that we are willing to give him sort of blanket authority, sort of general authority, to just tamper with and alter the appropriations or the authorizations within the limits we set, and those limits are rather large.

So, Mr. President, I hope that this amendment, which cuts to the heart of our whole foreign assistance program, will be rejected.

Mr. CHURCH. Mr. President, the Senator from Minnesota makes a very beguiling argument. He says that the adoption of this amendment would mean that the Senate would be abdicating its own responsibility by turning the matter of cutting foreign aid spending over to the President to decide and that we should do our job here. I have no argument about that. I thought we had done our job here.

A few weeks ago, we brought a bill to the floor, and the Senate expressed its will overwhelmingly to cut the bill. Then the Foreign Relations Committee got the bill recommitted. Instead of paying the slightest attention to the vote of the Senate, which had indicated a desire to hold down foreign aid, to establish a ceiling that at least conformed with the level of spending in fiscal year 1974, a Senate which had made it evident that it did not want to see the pragram enlarged gets back a bill from the Foreign Relations Committee that ignores the Senate entirely and adds a third of a billion dollars more to the bill than had been originally presented for the consideration of this body.

Is this body sovereign or is it the Senate Foreign Relations Committee? I have the highest regard for its members. I have served on it for many years. But I had thought the Senate, as a whole, exercised the sovereign right to decide how large the foreign aid bill should be. The Senate has been repudiated by the committee, ignored by the committee, within a few weeks of the time it cast its vote so overwhelmingly.

What am I asking? I am not asking that this program be cut. I am asking that it be maintained at its present level, as authorized by the continuing resolution of Congress. Is that such a drastic request?

In view of the fact that Congress is not holding the line on any other form of spending that we are overriding Presidential budgets and adding billions to the overall cost of the Government, where are we going to find the place to cut? Here, I suggest, is at least an appropriate place to hold the line. The adoption of this amendment would hold the line at the present level of spending and thus avoid the additional amounts of money that the committee now recommends we add to this bill.

For these reasons, Mr. President, since it is the only way we can accomplish any limitations on spending, I have no apologies to make for the form this amendment takes. If we were doing our job properly, it would not be necessary to offer this amendment, in my judgment, but, in view of the record, it is necessary. Because I think we need to hold the line on spending, at least prevent this program from growing larger than it presently is, I do hope that the Senate will reaffirm the position it took so emphatically a few weeks ago and adopt the amendment.

Mr. HUMPHREY. Mr. President, may I just say that there is a $700 million difference between this amendment and the one we looked at 6 weeks ago. That was a $5 billion ceiling; this is a $4.3 billion ceiling.

Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I wish to direct my attention to two points. One, we have fought here for years to assert the authority of Congress to determine what shall be the national priorities and what shall be the national dispositions. An amendment like this negates completely that concept. We have it within our power to reduce any and every item specifically, passing on its merits. An across-the-board cut like this simply transfers the very authority for which we have fought so hard to the President.

The other thing I wish to point out, and that is very serious, is that the adoption of Senator BAYH's amendment by Senator CHURCH does not save the matter. Certainly, in extremes, considering the terrible trouble Israel is in, we hope that she will get the aid which Congress intends she should get. But the idea that, well, Israel is bailed out, so let us cut it in this way, is, I hope, not one that should be swallowed by those who have a profound consideration for the total foreign policy of a country. Israel, as well as every other country in the world, will be much better served with an intelligent, balanced, substantively justified foreign aid program, including its own, rather than being saved out as an exception.

Much as I understand and am deeply involved with and sympathetic to the exigency which sought to be met in that regard, I think it would be a great fault on my part if I did not point out that that should not save this amendment. I hope it will not, and that the amendment will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield 3 minutes to the Senator from New Jersey.

Mr. CASE. Mr. President, may I ask how much time remains on our side?

The PRESIDING OFFICER. Four minutes remain.

Mr. CASE. The points have really all been made, I think. I should like to sum them up from a little different viewpoint.

I wish to stress that what we are voting on now may very well determine whether we get an authorization bill or not. As the Senator from Minnesota has pointed out, after the failure of the last bill, those of us who were especially concerned about it in the committee—got together with the administration and worked out legislation which has received the promise of administration approval.

Now, we are not subservient to the administration, but we are practical people here, and we know that a foreign aid bill cannot pass this body unless administration supporters support it. We have to have that. This bill will do it. With the bill that the committee has proposed and such amendments as we have accepted so far, we are going to get a foreign aid bill. If we get something less than that, we shall not get it, because the administration would rather have, in many ways, a continuing resolution, which we do not want.

We want this bill because of its own substance, and because it contains strong provisions for congressional oversight and approval and much in the way of improvement of accounting procedures, which everybody in this country wants, and certainly this Congress should insist upon getting in order to maintain its control, and; indeed, to reestablish its control over this sprawling program.

I hope very much that this amendment will not succeed. The Senator from New York made a point that I should like to underscore. We all support the Bayh amendment as such. We do not need it in the committee bill. We do need it with Senator CHURCH's amendment. Otherwise, aid to Israel will be drastically cut.

This just points out that what we are doing with Senator CHURCH's amendment is to say, across the board, that the President can do anything he pleases in order to cut this bill by a further $1.3 billion, roughly, which is a drastic cut. Its effects have already been underscored by the Senator from Minnesota. I hope very much that this amendment will fail.

Mr. HUMPHREY. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 1 minute remaining.

Mr. HUMPHREY. Mr. President, I believe the case has been made. The Senator from New Jersey stated it very succinctly again. We have worked to perfect a piece of legislation that is better than what we have had; not as good as we would like, but the best we can get with any cooperation on a bipartisan basis and between the Senate and the executive branch. That is no small order, and this has been accomplished.

Mr. President, if this bill is not passed, if, for some reason or another, we amend it to a point where the President feels he has to veto it, we shall go right back to a continuing resolution. Then all the reforms we worked so hard to put in this legislation, where we are phasing out military assistance, where we put on country ceilings, where we prevent the kind of transfer of funds that has been taking place over the years—all of that will go down the drain.

So, in the name of trying to cut an authorization, we literally cut the heart out of the reform that we sought in this legislation.

I regret that we do not have more Senators here to listen to this, because if they were here, there is not any doubt in my mind that they would reject this amendment. I hope and pray that they will, because what we are up against now is whether we want a better foreign assistance bill or whether we want to go back to what it used to be.

Mr. CHURCH. Mr. President, how much time remains?

The PRESIDING OFFICER. There is no time remaining. The question is on agreeing to the amendment as amended.

Mr. HUMPHREY. I believe that we have had the yeas and nays ordered.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. CHURCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. HUMPHREY. Before we vote, may may I ask the indulgence of my colleagues? The distinguished Senator from Arizona (Mr. Fannin) has a message he wishes to call up out of order.

I ask the parliamentarian if we may do that?

The PRESIDING OFFICER. The Senator will have to ask unanimous consent, because the time is under control.

Mr. HUMPHREY. I ask unanimous consent that the Senator from Arizona have no more than 5 minutes, with the time not counted on either side.

I do not think there is any time to count against us.

SAN CARLOS MINERAL STRIP

Mr. FANNIN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7730.

The PRESIDING OFFICER laid befor the Senate the amendment of the House of Representatives to the bill (H.R. 7730) to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip, as follows:

On page 2, line 13 of the Senate engrossed amendment, after *"Provided,"*, insert: That in no event shall any person receive total compensation under this Act in excess of $150,000: *Provided further,*

Mr. FANNIN. Mr. President, in the bill as amended by the House, there appears the language—

Provided, That in no event shall any person receive total compensation under this Act in excess of $150,000.

It is clear from the investigation by the Senate Interior Committee of the facts which gave rise to this bill, that there may be claims which exceed $150,000. Since it is obviously inequitable to compensate those whose claims are less than $150,000 in full while only compensating one whose claim might exceed $150,000 to the extent of that amount, the bill should be amended to provide full compensation for all affected persons. For this reason, I am offering an amendment changing the dollar limitation from $150,000 to $300,000. The amount of any claim of course, must be proven in accordance with the usual governmental practice.

It is my understanding that since the House passed the bill as it is now before the Senate, those interested in the bill in the House have informally agreed to accept the amendment which I now offer.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read the amendment as follows:

Strike "$150,000" and insert in lieu thereof, $300,000".

Mr. FANNIN. Mr. President, I move that the Senate concur in the amendment of the House with the amendment which I have proposed.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. FANNIN. I shall be very pleased to yield.

Mr. ROBERT C. BYRD. Has this amendment been cleared with the appropriate parties on this side of the aisle?

Mr. FANNIN. It has been cleared with the appropriate parties on that side of the aisle, and also with those on this side of the aisle.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. FANNIN. I thank the Senator.

Mr. President, I move that the Senate concur in the amendment of the House with the amendment of the Senate.

The motion was agreed to.

Mr. FANNIN. I thank the Senator from Minnesota and the Senator from New Jersey for yielding to me.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, I believe a rollcall is in order on the amendment as amended.

The PRESIDING OFFICER. The question is on agreeing to the Church amendment as amended. The yeas and nays have been ordered. The clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Colorado (Mr. Haskell), and the Senator from Washington Mr. Magnuson) are necessarily absent.

I also announce that the Senator from Georgia (Mr. Talmadge) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Nebraska (Mr. Hruska) are necessarily absent.

The result was announced—yeas 39, nays 53, as follows:

[No. 519 Leg.]

YEAS—39

Abourezk
Allen
Bayh
Bentsen
Bible
Biden
Brock
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church

Dole
Eagleton
Gravel
Gurney
Hollings
Huddleston
Hughes
Johnston
Long
Mansfield
McClure
Metcalf
Montoya
Nelson

Nunn
Packwood
Pastore
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
  William L.
Symington
Weicker
Young

NAYS—53

Aiken
Baker
Bartlett
Beall
Bennett
Brooke
Buckley
Case
Clark
Cook
Cotton
Cranston

Curtis
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Hansen
Hart
Hatfield
Hathaway

Helms
Humphrey
Inouye
Jackson
Javits
Kennedy
Mathias
McClellan
McGee
McGovern
McIntyre
Metzenbaum

Mondale
Moss
Muskie
Pearson
Pell
Percy

Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson

Taft
Thurmond
Tower
Tunney
Williams

NOT VOTING—8

Bellmon
Ervin
Fulbright

Hartke
Haskell
Hruska

Magnuson
Talmadge

So Mr. Church's amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FONG. Mr. President, I was distressed and dismayed to learn that the Foreign Relations Committee has recommended very minimal ceilings on all military assistance to the Republic of Korea over the 1975 to 1977——

The PRESIDING OFFICER (Mr. Helms). The Senator will suspend. Who yields time?

Mr. HUMPHREY. Mr. President, I do not believe there is any time to be yielded unless an amendment is offered. I believe the time on the bill——

Mr. FONG. Mr. President, I offer an amendment to the bill. I ask that the words "and for other purposes" be stricken.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

Mr. FONG. Mr. President, I move to strike the words "and for other purposes".

The PRESIDING OFFICER. The Chair is advised that pro forma amendments are not in order.

Mr. FONG. Mr. President, I move to strike section 15 on page 25 relating to termination of military assistance to South Korea.

Mr. President, I was distressed and dismayed to learn that the Senate Foreign Relations Committee has recommended very minimal ceilings on all military assistance to the Republic of Korea over the 1975 through 1977 fiscal years, with a complete phaseout after fiscal year 1977.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER (Mr. Domenici). May we have order in the Senate.

The Senator will continue.

Mr. FONG. This would mean that after fiscal year 1977, no military aid in the form of grants and no military aid in the form of credit sales, which the Republic of Korea would pay back in both principal and interest, could be extended by the U.S. Government to that country.

Meantime, the committee bill would fail to permit the Republic of Korea to fulfill its modernization needs to defend itself.

I most vigorously protest this action of the Senate Foreign Relations Committee.

I believe the committee recommendation, if retained in the final version of this bill, would not be conducive to the cause of peace in that area.

I believe it would without a doubt increase the danger of war against the Republic of Korea.

Although the committee report states that the committee took this action to phase out military aid to the Republic of Korea "because of its serious concern about the increasingly repressive measures of the South Korean Government," I point out that the effect of the amendment would be not only to endanger the incumbent administration in South Korea, but it would endanger as well the dissidents in South Korea whom the committee views as being repressed.

For, if war is waged against South Korea, it will be waged not only against the incumbent administration. It will be waged against all the people of South Korea, including the students, the clergy, and the others who disagree with the incumbent administration in the Republic of Korea.

I say this, Mr. President, based on my observations during my visit to South Korea in October. During my visit, which was part of my official Far East journey to look into U.S. defense posture in the Pacific, I conferred with our State Department representatives in the Republic of Korea. I conferred with our U.S. military people stationed in Korea. I met with many different officials of the Republic of Korea, and with many others.

The question of dissent and the dissidents came up in many of these conversations. Without exception, I was told that, although the dissidents disagree on some issues with the incumbent administration of South Korea, the dissidents are equally as adamant in their opposition to conquest by North Korea. They vigorously oppose attempts by the Communist North to take control of government in the South.

I would like to interject here that, when I was in South Korea, I witnessed one of the most democratic practices that can be found anywhere. The South Korean Prime Minister and his Cabinet were undergoing two weeks of intensive, public, face-to-face, sometimes abrasive questioning by members of the opposition in the South Korea Legislation.

To me, this is evidence of considerable democratic progress in a nation which became independent in this century only after the end of World War II, a period of less than 30 years.

I fear what the committee proposal would be, however, is to give a signal to the regime in the North—the People's Republic of Korea—that the United States is abandoning the people of the South, of the Republic of Korea. With such a signal, the People's Republic may well be tempted to wage war against the Republic of Korea.

After all, the North Korean Communist regime directed the recent assassination attempt against the President of South Korea which resulted in the murder of his wife instead. The assassin admitted he was an agent of the North.

In addition, the North Korean regime had a tunnel dug through the demilitarized zone, which was discovered just before President Ford visited South Korea last month. This was patently an effort to infiltrate into South Korea without detection. My colleagues will recall that our U.S. forces under the United Nations command in the demilitarized zone suffered some casualties as did the South Korean forces.

Mr. President, to deny the Republic of Korea the opportunity to modernize its defenses through U.S. military aid would be to renege on the assurances our Government gave the people of South Korea when we withdrew so many of our American troops from South Korea. We told them we would sharply reduce our manpower forces in South Korea but to offset that, we would help them modernize their forces.

This modernization is for the protection of all the people of South Korea—the incumbent administration, the dissidents, the entire population of South Korea—who have fought and struggled so long and so hard to remain outside the yoke of communism.

Mr. President, 15 years ago when I was in Korea it was still a war-devastated land. I was amazed to see the progress that has been made by the people of South Korea in those 15 years. This is now a progressive, modern nation which is making a prodigious effort to become self-reliant and to retain independence for its people.

Let us not now—after all the effort and sacrifice and hardship on the part of the people of South Korea and after all the effort and sacrifice and hardship on the part of the American people to help them—deny the people of South Korea the assistance which we promised so they can modernize their forces and thereby deter war, if possible, or to defend themselves, if necessary.

Mr. President, I realize the difficulty of attempting to alter the provisions of the pending bill under the severe time restraints governing debate on this measure. Therefore, I have made this statement to urge that the conference committee adjust the onerous and ill-advised provisions of this bill when they write the final version to come before both Houses of Congress by adjournment this month.

I have spoken to the distinguished manager of this bill, Senator HUMPHREY, who is expected to lead the Senate conferees. Senator HUMPHREY assured me he would do his best to have the conference committee ameliorate the harshness of the Senate provisions on Korea.

Mr. McGEE. Mr. President, while I fully support the compromise worked out with the administration on S. 3394, I cannot help but share the same concerns expressed by my distinguished colleague, the senior Senator from Hawaii (Mr. FONG).

The Republic of Korea remains vital to our security interests in Asia. Our interests involve maintaining stability and security on the Korean peninsula.

It is important the Republic of Korea maintain its strong defense capability in order to contribute to the movement toward détente in East Asia.

And finally, I believe we must assist the Republic of Korea military forces achieve self-reliant defense capability.

Therefore, I join with my distinguished colleague (Mr. FONG) in expressing my concern over these cuts.

I regret deeply that the Senate of the United States has chosen to cut back funds for Korea. We need to strengthen that beleaguered land as it seeks to hold the line—in truth our line—against aggression in the world.

Mr. FONG. Mr. President, I withdraw my amendment.

Mr. HATFIELD. Mr. President——

Mr. HUMPHREY. Mr. President, I think the Senator from Idaho wishes to be recognized.

The PRESIDING OFFICER (Mr. DOMENICI). The Senator from Idaho.

Mr. CHURCH. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add the following new section:

FOREIGN ASSISTANCE CEILING

SEC. 44. Notwithstanding any other provision of law, the total amount which may be obligated during fiscal year 1975 under the Foreign Assistance Act of 1961, the Foreign Military Sales Act, the Agricultural Trade Development and Assistance Act of 1954, the Peace Corps Act, and section 401 of Public Law 89-367 providing military assistance to South Vietnam, may not exceed $5,000,000,000. This limitation notwithstanding, all funds appropriated for assistance to Israel shall be obligated for that purpose.

Mr. CHURCH. Mr. President, the distinguished Senator from West Virginia has asked me for 1 minute, and I am happy to yield to him.

Mr. ROBERT C. BYRD. I thank the Senator.

UNANIMOUS-CONSENT AGREEMENT—S. 4033

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, this request having been cleared on both sides of the aisle, that at such time as S. 4033, a bill to increase the authorization for appropriations to the AEC, is called up and made the pending business before the Senate, there be a time limitation thereon of 1 hour, with the time to be equally divided between the distinguished majority leader and the distinguished minority leader, or their designees, that there be a time limitation on any amendment thereto of 30 minutes, a time limitation on any debatable motion or appeal of 20 minutes, and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. CHURCH. Mr. President, this amendment is the same amendment that the Senate adopted by a vote of 62 to 21 a few weeks ago.

At that time, the election was looming. Now the election is over. Other than that, I know of no significant change in the situation except a worsening of our own economic conditions at home, a further weakening of the stockmarket which has now fallen below 600 on the Dow readings, and an inflation that grows daily more serious.

Therefore, one would suppose that there is an obligation on this body to try and hold the line on that kind of spending which has inflationary effect, and foreign spending has just such consequences. Even the economists are agreed on this.

The ceiling I now propose is $700 million above the present level of spending for foreign aid. But the committee asks us to approve $1,300,000,000 more than the present level of spending for all forms of bilateral foreign aid.

The Senate has already rejected my argument that we hold the line at the present level of spending. Apparently, the desire here, based on some kind of agreement that has been worked out by certain Members of the Senate and certain spokesmen for the administration, is to increase foreign aid spending.

That decision has been made. But if the Senate would adopt this amendment, we would at least keep the general level of foreign aid spending for our various bilateral programs in line with spending last year.

We would increase it above the present level as authorized by the continuing resolution, but we would at least avoid expanding it beyond the level that obtained during fiscal year 1974. Five billion dollars is enough.

The committee has not only gone above last year's spending level, but it has added an additional third of a billion dollars to this bill since the Senate considered it just a few weeks ago.

I can see no possible justification for this action. It seems to me a clear, if not contemptuous, disregard of the previous vote of the Senate which approved, by 62 to 21 this $5 billion ceiling.

Mr. SYMINGTON. Will the Senator yield?

Mr. CHURCH. I will be happy to yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, to say I was astonished and distressed that the previous amendment of the able Senator from Idaho was defeated is an understatement. I am a delegate to the United Nations. On one vote, out of 138 members, the position of the United States, presented in very able fashion by our able Ambassador, received four votes counting our own.

I just looked at the ticker. General Motors sales last month, in November, were down 34 percent. I would recommend to those apparently interested in the problems of the people of other lands more than they are in the problems of this country that they read the first of two articles in the New Yorker magazine this week, called "Global Reach," an article which explains why jobs are going out of my State.

They mention a country, for example, where the cost over here was $3.50 an hour. In the foreign country to which they moved they make a deal where the price, as I remember, was 30 cents an hour.

When we vote this type and character of money we are voting against the American people, the banks, and the industries of this country, as well as, of course, labor.

Bankers in New York whom I have known for many years tell me they feel nobody in Washington has any real idea how serious the financial situation is in this country today.

If the banks go, the system goes.

Under those conditions, for us to heavily raise foreign aid to these countries is beyond my comprehension.

Senators should read those fine recent articles in the Philadelphia Inquirer, a series written by people who went out to get the facts.

You can see by these articles what is happening with the money we are putting up, year after year, now at the expense of our own people, as our unemployment rate grows by thousands upon thousands, every week.

I thank the Senator for yielding.

Mr. CHURCH. Mr. President, I could not agree more with the Senator from Missouri.

The particular articles to which he refers ought to be official reports of the Senate Foreign Relations Committee, if it were doing a proper oversight job on this aid program.

I ask unanimous consent to have the articles to which I have referred, printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer, Nov. 24, 1974]

Foreign Aid: The Flawed Dream

(By Donald L. Barlett and James B. Steele)

Each year Americans spend $9 billion on foreign aid, on the assumption that it alleviates poverty and extends a helping hand to the suffering peoples of the world.

But does it?

The Inquirer investigative reporting team of Donald L. Barlett and James B. Steele spent seven months seeking an answer to where your foreign aid dollars go. They found aid bypassing the poor in country after country and going instead to subsidize housing for the well-to-do, luxury hotels for the rich, and sweatshop factories owned by the powerful.

They found, in short, that somewhere between promise and reality, the U.S. foreign aid program—the most massive relief effort in the history of man—has gone terribly awry.

This is the first in their six-part report.

The swollen United States foreign aid program—designed and sold to the American public on humanitarian grounds—is causing disillusionment around the world by enriching the rich and impoverishing the poor.

The program, whose costs since World War II have exceeded $172 billion—or more than $800 for each man, woman and child in America—was billed just last spring by Secretary of State Henry A. Kissinger as "a faithful expression of our moral values," rooted in the nation's "most basic beliefs" and reflecting "the humanitarian dimension of the American character."

But a seven-month, round-the-world Inquirer investigation of the nation's foreign aid program shows that it falls far short of those ideals. It is, in fact, punctuated by deception, profiteering, waste and corruption, and it gives every indication of running out of control.

True, American foreign aid has provided food for the hungry and medical assistance for the ill.

It has built highways and power plants, hospitals and schools, dams and factories.

And it has financed college or technical-school educations in the United States for thousands of citizens of less developed countries.

It has done all of that.

But the Inquirer's investigation, which reached from Bogota, Colombia, to Bangkok, Thailand, shows that American foreign aid also has:

Aggravated the world food shortage by discouraging agricultural production in certain less developed countries when it was meant to alleviate hunger.

Subsidized such sweatshop factories as textile mills in South Korea who pay employes from 10 cents to 30 cents an hour and work them seven days a week when it was meant to lift the standards of living.

Entrenched those in power in foreign countries by funneling aid through businesses they own or control widening the gap worldwide between the rich and poor, when it was meant to do the opposite.

Generated continuing windfalls for selected business and the finance industry at home and abroad when it was meant to serve the needy.

Led to the building of such program as a gaming lodge in Kenya and a luxury hotel with $150-a-day rooms in Haiti, a country where the average weekly income is about $1, when it was meant to encourage private investment that would trickle down to the poor.

Come full circle to the point that may be a perpetual-motion machine, foreign recipient countries must continue borrowing from the United States money to pay off past foreign aid loans when coming due.

Swollen to proportions upwards of a billion a year in both military and economic aid, nearly triple the official amount passed out to Congress.

Created a powerful, behind-the-scenes foreign aid lobby that benefits greatly from the dispensing of foreign aid—a lobby that includes financial institutions, colleges and universities, consulting firms, select congressmen and a hard core of giant American corporations.

Resulted in the loss of tens of thousands of jobs in a variety of businesses in the United States—from the textile and wearing apparel industry to the food processing industry.

To keep much of the above secret, the State Department has refused to release documents that are meant to be public and has classified as "secret" other documents that might be embarrassing.

In the years since World War II, the nation has split roughly into two camps on the matter of foreign aid: its vociferous critics contend that the whole concept of providing aid to needy and less developed nations is wrong; its vociferous supporters complain only that not nearly enough is being done.

The findings of The Inquirer's investigation lend little support to either of those partisan views.

Rather, they indicate that somewhere between the stated purposes of the foreign aid program and the realities of that program, something has gone awry; that much aid goes to line the coffers of the comfortable and fails to touch the lives of the suffering; that vast portions of the foreign aid program has been mismanaged by the State Department, and that Congress has failed in its duty to monitor the program.

The Inquirer investigation purposely excluded countries such as South Vietnam and Cambodia, where even the most ardent supporters of the State Department's policies acknowledge—at least privately, if not always publicly—the existence of widespread corruption and waste.

Instead, the newspaper focused its investigation on specific projects and countries most often cited by the State Department as foreign aid success stories.

Sen. J. William Fulbright (D., Ark.), chairman of the Senate Foreign Relations Committee, summarized at least part of the problem with the foreign aid program in the summer of 1973, when he told his Senate colleagues:

"The foreign aid program has promised far more than it could deliver. The prospective benefits of foreign aid have been oversold to Congress, to the public, and, most unfortunate of all, to the people of the recipient countries."

SPRING RITUAL

It is the business of overselling—perhaps more accurately labeled as deception—which has become a kind of annual spring ritual in Washington.

Each year the secretary of state, whether Republican or Democrat, dutifully tells Congress the reasons why his proposed foreign aid program for the coming fiscal year must be enacted intact.

Last spring, it was Secretary of State Kissinger's turn.

"Our people could not be fulfilled by a foreign policy devoid of concern for the survival of the 800 million people who must exist on less than 30 cents a day."

In fact, very little American foreign aid flows to countries where people "must exist on less than 30 cents a day."

Over the years, for example, per capita assistance to the Republic of Mali in Africa—where people do indeed live on less than 30 cents a day—has amounted to $6.

By way of contrast, American foreign aid of several hundred dollars per capita flows to countries far wealthier than Mali—more often for military, economic or diplomatic reasons than for humanitarian purposes.

Another part of the spring ritual is the State Department's formal presentation of its proposed foreign aid program for the coming fiscal year.

It is called the Congressional Presentation, and like the State Department speeches that accompany it, the presentation is riddled with deception.

The presentation contains outlines of planned foreign aid projects for which initial appropriations are needed, reports on continuing projects for which additional funds are requested, and summaries of how foreign aid programs are working in individual countries.

The language in the presentations is strikingly similar from one year to the next.

So, too, is the theme running through those presentations, which might best be described as persistent optimism concerning the successes of ongoing foreign aid projects and assessments for the future.

In discussing American foreign aid goals for India, the State Department told Congress in the spring of 1969:

"The United States is seeking to help India achieve self-sufficiency in food grain production in the early 1970s . . . The Indians' stress on agriculture can bring a sustained rate of growth of agricultural production of 5 percent a year, nearly double the rate of the last decade."

Even before the price of oil tripled last year—creating fertilizer shortages in less developed countries—agricultural production in India was in trouble, and it had little to do with the weather.

Food grain production in India during the three crop years from 1968–69 to 1970–71 averaged 100.6 million metric tons a year.

In the succeeding three crop years beginning in 1971–72—after the State Department issued its rosy prediction for the future—food grain production averaged 101.1 million metric tons a year.

That represents an increase of less than two-tenths of one percent a year—far short of the 5 percent growth figure tossed out by the State Department.

RHETORIC UNREALISTIC

While there may be valid reasons why a particular foreign aid program or project falls short of announced goals, the fact is that in program after program, project after project, State Department rhetoric fails to match reality.

In case after case examined by The Inquirer, the State Department approved or pursued foreign aid projects that it knew—or might reasonably have been expected to know—had no chance of meeting their stated goals.

The following examples are not the most flagrant; they are just typical:

The State Department said in 1968: The objective of aid to a South Korean agricultural project "is to help bring major improvements to one million acres of existing farmland and bring a half-million acres of new land into use to attain self-sufficiency in food grain production by 1971."

The situation today: Korea failed to attain self-sufficiency in food grain production in 1971. In fact, the country is no closer to that goal now than it was a decade ago. Instead of increasing food production—as it has the capability to do—the Korean government has relied on subsidized agricultural imports from the United States.

Statistics maintained by the Korean government's Ministry of Agriculture and Fisheries show that land under cultivation actually declined from 5,576,000 acres in 1965 to 5,541,000 acres in 1972—the period during which the State Department planned a half-million acre increase.

The State Department said in 1968: An aid project dealing with administration of tax and customs laws in Colombia "will continue to emphasize improving administration and enforcement and achieving a rapid increase in public revenue."

The situation today: The increases in tax collections in other Latin American countries—which did not receive the same kind of concentrated foreign aid from the United States—are running far ahead of increases in tax collections in Colombia.

The State Department said in 1973: The Overseas Private Investment Corporation (OPIC), a government-owned company set up to spur private investment abroad, has been "perhaps the keystone in bringing about some private investments in some developing countries which might well not have occurred otherwise."

Those projects, the State Department said, have been "useful to the United States policy . . . useful to the country concerned and . . . satisfactory for the company. Therefore, everybody was reasonably happy. That has been the record with respect to most of the business that OPIC has done."

The situation today: OPIC projects around the world include a luxury hotel in Port-au-Prince, Haiti; a Chase Manhattan Bank (Nelson and David Rockefeller) gaming lodge in Kenya, Africa; a short-term finance company in South Korea run by a descendant of Calvin Coolidge, and actor William Holden's game ranch in Kenya.

The owners of Habitation Leclerc, the Haitian hotel, promote their 15-acre resort as offering "elegant, exotic, erotic privacy within a lush, exciting garden of pleasure." There are 12 swimming pools, 44 villas and eight deluxe suites. Two maids and a butler are assigned to each suite or villa. For entertainment, there is Hippopotamus I, "the original New York discotheque."

The State Department said in 1968: "According to self-help plans developed by the Indian government, India plans to expand fertilizer use from 600,000 nutrient tons in 1964–65 and 1.3 million tons in 1966–67 to four million tons in 1970–71.

"To help meet these targets, AID (State Department's Agency for International Development) plans to make agricultural production loans to finance the import chiefly of fertilizer, but also of pesticides and other agricultural inputs of $110 million in fiscal year 1968 and $220 million in fiscal year 1969."

The situation today: Even before the surge in oil prices, which has affected the production of fertilizer in less developed countries, there was little likelihood that India would use four million tons of fertilizer anytime before the late 1970s, and quite probably the 1980s.

In 1970–71, the crop year India was to use four million tons of fertilizer—according to State Department calculations—usage totaled just 2.2 million tons. In the 1973–74 crop year, the figure was 2.4 million tons. It is expected to be about the same this coming year.

Gaps like those between promise and reality have dismayed the citizens of every country that The Inquirer's reporters visited. From a woman minister in South Korea to householders in Thailand to government officials in Peru, the combination of raised expectations followed by dashed hopes has produced sorrow and bitterness.

But perhaps the most subtle deception of all in the American foreign aid program over the years involves State Department emphasis on rapid growth in the gross national product of less developed countries.

These are the statistics most often cited by State Department officials to show that all is going well with the United States' $172 billion foreign aid program.

The State Department's stress on growth in the gross national product—one of the few statistical indicators it can single out as representing some measureable success of foreign aid—is based on the theory that benefits of swift economic expansion will trickle down to the poor.

DISMAL FAILURE

In fact, after the expenditure of tens of billions of tax dollars to demonstrate that the theory works, it is widely conceded—more often privately than publicly—that the trickle-down concept has been a dismal failure.

Strangely though, the State Department continues to gear foreign aid expenditures to the concept, emphasizing the growth in gross national products.

On Sept. 28, 1966, then Secretary of State Dean Rusk told a Senate Appropriations Committee hearing:

"One of the most encouraging firsthand impressions I gained in the Far East in the past year was of Korea's sustained economic progress and effectiveness use of our aid."

In the spring of 1968, in its program presentation to Congress, the State Department said:

"Overall growth (gross national product) average a solid 8.5 percent a year in real terms over the five year period from 1961 to 1966, with an extraordinary 13.4 percent in 1966 . . . Industrial production nearly doubled from 1961 to 1966. In 1966, it rose 18 percent over the previous year."

And on Feb. 25, 1971, a press release distributed by the State Department's Agency for International Development (AID), which administers the foreign aid program, said:

"Significant economic indicators in the developing countries show rising standards of income, nutrition, health, housing, food production and general well being," assistant administrator Bert Tollefson, Jr. of AID said today.

"The AID assistant administrator, who is in charge of legislative and public affairs, placed Korea at the top of the list, with an annual increase in gross national product of 12.5 percent in recent years."

All those figures appear to be true. But even an AID internal memorandum, dated May 15, 1974, carries an implicit acknowledgement that such figures are deceptive. The memo states in part:

"The problem is that successful efforts to increase gross national product growth are frequently accompanied by a widening of the gap between the affluent and the poor, including small farmers and landless rural workers.

"Past AID assistance to the agricultural sector has often exacerbated the problem since well-to-do farmers tend to gain most of the initial benefits, and the expected 'filter down' of benefits to the less affluent rural population does not often occur."

SOUTH KOREA CITED

South Korea, where most of the population is still waiting for the expected filter down, is the country most often singled out by the State Department as one of the economic growth success stories of foreign aid.

In its 1973 fiscal year program presentation to Congress, the State Department said:

"Korea has made significant economic advances in the past decade. In real terms, per capita gross national product has increased an average of 6.5 percent over the decade. More spectacular has been Korea's performance on increasing its exports. . . .

"Merchandise exports increased at a compounded annual rate of 35 percent from 1967 to 1971."

In terms of growth in gross national product and exports, then, Korea is doing very well—at least on paper. But there is a problem with the raw figures.

A senior staff assistant for a Senate committee dealing with foreign aid programs puts it this way:

"The Korean government, encouraged by the United States, made a conscious decision to turn Korea into a low-wage haven. They must import all the raw materials they use to manufacture goods for export, so they are at the mercy of world markets.

"The only way they can survive now is to be a low-wage haven. They have a permanent development plan which is very unhealthy."

Last year, workers in the Korean textile and clothing industry—which accounted for slightly more than one-quarter of Korea's total exports of $3.225 billion—earned an average of about 20 cents an hour. The average wage for all mining and manufacturing industries was 28 cents an hour.

To complicate matters, the United States and Japan, which helped to build up the textile industry, have since moved to place tight restrictions on the growth of imports of the cheaper Korean textile products and wearing apparel.

The importance of this action may be summed up in a single set of statistics: Of Korea's total exports of $3.225 billion last year, goods valued at $2.263 billion—or 70 percent—were shipped to the United States and Japan.

As a result of the low-wage policy, the financial rewards of rapid economic growth have flowed to a very small group of businesses, government officials and military leaders who control Korea and its economy.

LITTLE MEANING

And since the entire system depends on keeping wages down, the sharp increases in gross national product carry little meaning for the average Korean, a situation reflected, in part, on unemployment statistics.

A senior government minister told the Inquirer that the official, publicly listed, unemployment rate is placed somewhere between seven and eight percent.

But I am not a diplomat," he said."

"I will tell you the figure is far higher than officially stated." How much higher, he declined to say.

Urban affairs educators and labor relations specialists at Korean universities put the unemployment figure around 25 percent, with the unemployment rate running higher among men than women.

But the observations of an American minister in Seoul and the experiences of a 20-year-old farm boy from the Inchon area may describe the state of South Korea's economic progress better than any statistics.

Said the minister, who has lived in the area nearly 20 years:

"There is a relatively small number of businesses and persons here who are raking off fantastic profits and there are high government officials who are putting away large sums of money outside of Korea."

The farm boy, who is crippled, returned to his family's home a few months ago after living and working in Seoul for several years. This is his story:

For three years, he worked in a private home making camera cases. He received room and board, but no pay. When he began his fourth year on the job he was paid $10 a month. Because of his disability, he was fearful of not being able to obtain other employment and was simply grateful for the job.

Yet somehow, the notion persists in America that a sharp rise in the gross national product—spurred on by American foreign aid and American investments guaranteed through foreign programs—will translate into benefits for the average Korean or the average Thai or the average Kenyan.

1974 ASSESSMENT

In a report on the fiscal year 1974 foreign aid program, the State Department's Agency for International Development (AID) gave this assessment of progress in developing countries over the last decade:

The development process gathered pressive momentum. The developed countries achieved an annual increase of 5.6 percent in gross national product. A number of nations experienced growth rates considerably above this average. Growth is taking place."

Three years earlier, AID issued a press release outlining a speech delivered by the agency's administrator, emphasing the need for private American investment to stimulate economic growth in developing countries. The release stated:

"Economic growth at the rate declared by developing countries appears attainable soon only through greater private investment, the head of the United States foreign aid program declared tonight (March 9, 1970).

"Dr. John A. Hannah, administrator of the Agency for International Development, also said that foreign manufacturing investment is actually a good deal cheaper in terms of foreign exchange for less developed countries than even government-to-government foreign aid loans on easy terms."

It was fitting that Dr. Hannah, the former president of Michigan State University who guided the foreign aid program from 1969 to 1973, delivered his address at a dinner honoring United States Sen. Jacob K. Javits (R. N. Y.).

For Javits is a member of a small group of senators who have been Congress' most hearty advocates of using the foreign aid program as a vehicle to encourage American business investment abroad—keystone of the trickle-down theory.

It was Javits who sponsored legislation in 1968 creating the Overseas Private Investment Corporation (OPIC) to insure American business investments abroad and make loans to businesses operating in developing countries.

In defending OPIC's operations—it was OPIC, remember, which is responsible for the luxury hotel in Haiti—Javits told a House Foreign Affairs subcommittee in May 1973:

"We have turned increasingly toward private investment because private foreign investment produces both capital and also a transfer of training and technology as far as the host country is concerned.

"We have given emphasis to the private side because the factor of marrying capital to technology is a resourceful one and one which gives more cost-benefit ratio for the dollar."

Javits, though, simply reflects the sentiments of some of his New York constituents—people like Nelson Rockefeller, the vice president-designate, and his brother, David Rockefeller, chairman of the board of the Chase Manhattan Bank. (See accompanying story.)

FAR FROM ALONE

The Rockefellers are far from alone in their support of a foreign aid program linked to private investment. There is a hard core of multi-national corporations that has made extensive use of the American foreign aid program.

That core includes such companies as International Telephone and Telegraph Co., which was deeply involved in the internal politics of Chile, and Cargill, Inc., the grain dealer involved in the massive 1972 Russian wheat deal.

There are companies like Dow Chemical Co. and E. R. Squibb & Sons, Inc., and Gillette Co. and General Electric Co. and Mobil Oil Corp. and the Bank of America and the Del Monte Corp., the world's largest canner of fruits and vegetables.

In talking about OPIC's interrelationships with the State Department, Philip Birnbaum, assistant administrator for program and policy in the Agency for International Development, told a House Foreign Affairs subcommittee in June 1973:

"In Kenya, a pineapple plantation project by Del Monte (insured by OPIC) is going forward which will employ about 7,000 people. Here is another interrelationship between AID and OPIC.

"The Kenya government has been talking with us about financing some roads that will be necessary and housing, under a United States guaranty program, for the workers."

What Birnbaum failed to tell the House committee, though, is typical of another kind of deception in foreign aid—that is, the effect of the program within the United States.

In its 1973 report to stockholders, Del Monte made this brief, cryptic announcement on Page 21:

"During the year the corporation discontinued packing operations at two of its older plants and announced the phaseout, over a two-and-a-half-year period, of one of its two Hawaiian pineapple plantations."

One year earlier, in its 1972 annual report to stockholders, Castle & Cooke Inc. (Dole Pineapple), announced:

"As reported in the letter to stockholders, pineapple production will be phased out on Molokai (Hawaii) . . . The Wahiawa plantation on Oahu is being reduced in size and will become primarily a source for growing fresh pineapple requirements."

The report went on to mention:

"The new majority-owned Dole Thailand, Ltd., facility is progressing on schedule with its planting program. Thailand government approval has been granted for building of a new cannery at the plantation, and construction is expected to begin shortly."

LOSS OF U.S. JOBS

What Dole did not mention in the report was that its new Thailand pineapple canning facility—the cannery went into operation earlier this year—also was insured under the OPIC program.

The net result, then, is that a foreign aid program did indeed spur business growth in two developing countries—Kenya and Thailand—and at the same time it will result in a loss of several thousand jobs for American workers in Hawaii.

The Castle & Cooke 1972 report phrases it more delicately:

"The company is sensitive to the economic and social impact created by the phasing out of these Hawaiian production areas. We are working with public bodies and others to help them develop new employment bases in these locations."

Officials of the International Longshoremen's and Warehousemen's Union (ILWU), which represents the pineapple workers, say the major pineapple companies have decided to pull all of their canning operations out of Hawaii and move them to low-wage countries such as Thailand, the Philippines and Kenya.

Eventually, the ILWU says, the move will result in the loss of 6,000 jobs in the Hawaiian pineapple industry.

How is it that after all the waste and fraud and deception, after the loss of tens of thousands of jobs, after the expenditure of tens of billions of dollars, the United States foreign aid program continues unchecked?

The reason appears to be that the program has become so complex—with amendment piled on amendment, new programs grafted on to old programs—that Congress is unable to effectively monitor aid projects. In short, foreign aid is running out of control.

One measure of the complexity is the amount of money said to be spent on foreign aid, military as well as economic. On March 1, 1973, in a story on foreign aid appropriations for fiscal year 1973, the New York Times reported:

"The House and Senate passed and sent to the White House today a resolution extending temporary financing until June 30 for foreign aid . . . Under the extension, spending would continue through the end of this fiscal year at an annual rate of $3.6 billion."

A study prepared by the Senate Appropriations Committee late last year placed the actual foreign aid expenditures for fiscal year 1973 at $9.5 billion—or nearly three times the $3.6 billion figure supposedly authorized.

If loans made by the Export-Import Bank of the United States are added to the Senate Committee estimates—Exim Bank loans often are included as part of an overall foreign aid package—then total foreign aid expenditures in 1973 were $13,860 billion, or nearly quadruple the publicly stated figures.

UP TO $200 BILLION

Indeed, if Exim Bank loans are added to overall foreign aid expenditures since World War II, the total foreign aid commitment of the United States runs upwards of $200 billion.

The difference between the Senate and State Department figures is that the State Department's annual foreign aid program presentation largely covers only those expenditures by the Agency for International Development.

The Senate Appropriations Committee study took all foreign aid programs—defining foreign assistance as the transfer of resources from the United States to another country—and came up with an annual figure of $13.860 billion.

It is this playing with numbers that represents another foreign aid deception, for the State Department likes to talk of declining foreign aid expenditures.

And it is true that foreign aid spending by the Agency for International Development (AID) is going down. But spending for other foreign aid projects and the taxpayer's ultimate liability in still other foreign aid programs are going up.

The annual foreign aid bill presented by the State Department does not include such things as contributions to the International Development Association or the Inter-American Development Bank or the Asian Development Bank. Over the years, such contributions have run into billions of dollars.

Nor does the bill the State Department presents to Congress include billions of dollars in private investment abroad that is now guaranteed by the government—or, more properly, the American taxpayer.

Thus it is that the total dollars in American foreign aid that flow out across the world each year are, literally, uncounted.

A key administrative aide on the staff of the Senate Foreign Relations Committee puts it succinctly:

"If Congress had to vote on a foreign aid bill of $9 billion or $13 billion, it wouldn't go through."

[From the Philadelphia Inquirer, Nov. 24, 1974]

Twenty-Nine Years of Aid: $172 Billion for 130 Countries

Since the end of World War II, the United States has allocated about $172 billion in foreign aid money to more than 130 countries around the world.

From July 1, 1945 to June 30, 1973, the latest period for which figures are available, the State Department reported total foreign aid commitments of $163.7 billion, excluding loans made by the United States Export-Import Bank (Exim Bank).

Foreign aid authorizations in fiscal year 1974 were at about the same level at the preceding year, when they amounted to $8.4 billion. This would bring total foreign aid commitments from 1945 to 1974 to about $172 billion.

The $163.7 billion grows to $185.1 billion when adding in miscellaneous foreign assistance loans and the Exim Bank loans, which often are made as part of an overall foreign aid package to a particular country.

Here is a statistical breakdown of the $163.7 billion:

A total of $125.7 billion, or 77 percent, involved outright grants which do not have to be repaid. The remaining $38 billion, or 23 percent, involved loans, usually for extended terms and at nominal interest rates.

Economic assistance accounted for $101.5 billion, or 62 percent of the total. Military assistance amounted to $62.2 billion, or 38 percent.

A total of $118.5 billion, or 72 percent, has been committed to countries classed as less developed. The remaining $45.2 billion, or 28 percent, has gone to developed countries.

Well over half of that $45.2 billion went into four countries in the years following World War II—France, the United Kingdom, Germany and Italy.

A substantial portion of that assistance was distributed under the Marshall Plan, one of the very few genuine American foreign aid success stories.

Of the $118.5 billion that has gone to the less developed countries, $32.5 billion—or 27 percent—has been channeled to just two countries: South Vietnam has received $20.9 billion, South Korea, $11.6 billion.

While the State Department publishes a country-by-country breakdown of American foreign aid commitments, the figures do not reflect the total amount of United States aid that a country receives.

For example, the State Department puts total economic and military aid to India at $8.9 billion through fiscal year 1973.

Yet India also has received $2.8 billion in grants from the International Development Association (IDA), an affiliate of the International Bank for Reconstruction and Development (World Bank).

The United States, in turn, through the foreign aid program is the single largest contributor to the IDA, providing one-third of that organization's funds.

The United States has made multi-billion-dollar contributions to a variety of such organizations, including the Inter-American Development Bank, the Asia Development Bank and the United Nations Development Program.

[From the Philadelphia Inquirer, Nov. 24, 1974]

What's Behind Series?

The American State Department each year commits billions of dollars in tax money to the United States foreign aid program, a program that goes largely unaudited.

From time to time, the General Accouting Office (GAO), a government watchdog agency, looks into specific foreign aid projects in certain countries.

Within the State Department there is an office of Inspector General for Foreign Assistance which monitors, on a limited scale, some foreign aid expenditures.

And occasionally a congressional committee takes a hard look at a particular foreign aid project. By and large though, the overall foreign aid program goes unchecked.

It was against this background that The Inquirer set out last May to assess the United States foreign aid program, to measure how the State Department says the program is working against what is really happening around the world.

The Inquirer's national award-winning investigative reporting team of James B. Steele and Donald L. Barlett began the project by sifting through thousands of pages of State Department reports to Congress and the American public over the last decade, describing the results of ongoing foreign aid projects and forecasting future accomplishments.

With that data in hand, The Inquirer reporting team selected a variety of foreign aid projects, and four countries which have received some of the State Department's most glowing reports, to determine just how State Department rhetoric squared with reality.

In all, Steele and Barlett traveled more than 25,000 miles, interviewing scores of persons, businessmen in Bangkok, Thailand, to government officials in Lima, Peru, and collecting statistics and examining records maintained by government agencies in Seoul, Korea, and Bogota, Colombia.

[From the Philadelphia Inquirer, Nov. 24, 1974]

United States Protects Rockefeller Investments

Each year, when State Department officials trudge up to Capitol Hill in Washington to justify proposed foreign aid spendings before congressional committees, they carry with them the support of a diverse and prestigious lobby.

Trailing along behind the State Department men are professors from the nation's leading universities, officials of the country's large multi-national corporations, labor union representatives, bank presidents and spokesmen for charitable foundations.

All of these people, who either testify before Congress in support of foreign aid expenditures or travel around the country delivering speeches on behalf of the foreign aid program, have one thing in common:

A VESTED INTEREST

They have a vested interest in the United States' $172 billion foreign aid program and they, or the organizations they represent, are benefiting financially, either directly or indirectly, from that program.

Two especially interested supporters are the Rockefeller brothers, David Rockefeller, chairman of the board of the Chase Manhattan Bank, and Nelson Rockefeller, the vice president-designate.

In a speech to the Council on Foreign Relations in Chicago in April 1967, David

Rockefeller, ticking off the accomplishments of foreign aid, observed:

"Not the least of the lessons we have learned in 20 years of dispensing foreign aid is the need for relying more extensively on the private sector—and this is now being done.

"The Agency for International Development (the State Department agency which administers foreign aid) has set up an Office of Private Resources specifically to help United States investors interested in the less developed countries.

"It has also worked out a variety of instruments designed to encourage and support increased private investment."

Indeed it has. So much so that if you look at the foreign aid program in just about any part of the world, you will find a connection with a Rockefeller financial interest. For example:

The Chase International Investment Corp. is a subsidiary of the Chase Manhattan Bank, of which David Rockefeller is chairman of the board and the Rockefeller family is a substantial stockholder.

Chase International has used the foreign aid program to insure investments in a poultry farm and synthetic fiber plant in Costa Rica, gaming lodges in Kenya, an agricultural production and marketing operation in Iran, and a ceramic tile and bath accessory plant in South Korea.

These projects are insured by the Overseas Private Investment Corp. (OPIC), a wholly owned government corporation whose operations are supervised by the State Department.

INSURANCE, TOO

OPIC acts as an insurance company, guaranteeing loans and insuring private investments in foreign countries against expropriation, inconvertibility of local currency, and war, revolution or insurrection. The agency also makes direct loans to spur development in less developed countries.

While businesses pay a premium for the insurance, the OPIC program carries the backing of the United States government. This means that if losses should exceed the corporation's reserves, the American taxpayer will pick up the bill.

In addition, OPIC offers private corporations a more subtle, indirect benefit—the weight and leverage of the United States government in a company's day-to-day business dealings in less developed countries.

The Chase Manhattan Bank has used OPIC to protect its banking or lending operations in the Dominican Republic, South Vietnam, South Korea, India, Guyana and Brazil.

The bank has collected $345,000 in connection with losses suffered by its businesses in the Dominican Republic and South Vietnam.

Arbor Acres Farm, Inc., a poultry breeding and supplying firm, has used OPIC to insure poultry farms in Thailand, the Republic of China, Pakistan and the Philippines.

BASED IN NEW YORK

Arbor Acres is a division of the International Basic Economy Corp. (IBEC), a New York-based development company. Rodman C. Rockefeller, a son of Nelson Rockefeller, is the $75,000-a-year president of the company.

Nelson Rockefeller, Rodman C. Rockefeller and Steven C. Rockefeller, another son, together own directly or as trustees about 37 percent of the stock in IBEC.

According to an annual report of the company, "IBEC was founded in 1947 in the conviction that the American system of private enterprise, working within the framework of the profit motive, had a key role to play in the developing countries."

Through another guaranty plan of the foreign aid program, the housing guaranty program, IBEC was involved in the construction of two housing projects in Peru valued at $3 million. Under this program, the government guarantees a builder or mortgage lender's investment.

Development and Resources Corporation, a New York and Sacramento-based consulting organization, has just completed a $229,000 contract with the State Department to assist the government of Nepal in a management improvement and training project.

Development and Resources Corporation is another subsidiary of the International Basic Economy Corporation and its president is David E. Lilienthal, former chairman of the Tennessee Valley Authority and the Atomic Energy Commission.

Dr. J. George Harrar, retired president of the Rockefeller Foundation and Rodman C. Rockefeller both serve on the board of directors of Development and Resources.

CONTRACT AWARD

In April 1970, about a year before Development and Resources became affiliated with Rockefeller's International Basic Economy Corp., the company was awarded a $2.5 million contract by the State Department.

The terms of the contract provided that the company was to assist the government of South Vietnam in a planning effort directed toward reconstruction and development of Vietnam.

Through another part of the foreign aid program, the Agriculture Trade Development and Assistance Act, the Chase Manhattan Bank was authorized in September 1970 to borrow about $2.2 million in South Korean currency.

Treasury Department records show the purpose of the loan was to promote business development and as of Dec. 31, 1972, the latest period for which figures are available, about $1.6 million of the loan then was outstanding.

Through yet another foreign aid guaranty plan called the Private Export Funding Corporation (PEFCO), Chase Manhattan Bank in 1971 and 1972 arranged two loans totaling $13.1 million for a nuclear power plant project in Italy.

ORGANIZED IN 1970

PEFCO was organized in 1970 to supplement the lending operations of the United States Export-Import Bank (Exim Bank). The Exim Bank has provided a revolving line of credit for PEFCO, and all its loans are fully guaranteed by the government.

While none of these guaranty plans under the foreign aid program involve direct expenditures of American tax money, at least at present, there is both a hidden cost to the taxpayer and a potential liability for the future.

If losses under the plans should exceed the reserves set aside—and claims filed, but not settled, have been running ahead of reserves—then the taxpayer is liable.

In addition, critics of the guaranty plans argue that they unnecessarily involve the United States government in what should be private business dealings by private corporations.

As for hidden costs, a University of Michigan economics professor told a House Foreign Affairs subcommittee last year:

GOES TO PUBLIC

"To the extent that OPIC is supported by present or possible future congressional appropriations—which might well be necessary to pay claim settlements in excess of available reserves—part of the political risk or the cost of insurance that would otherwise have to be borne by private investors is transferred to the United States taxpaying public.

"This transfer of private business costs amounts to a public subsidy of the particular subgroup of United States businesses that have invested or intend to invest in the poor countries.

"All that OPIC can do is transfer some of the costs of the risk from private investors to the public, thereby increasing the profitability of the foreign investment for the private investor, but not for the United States as a whole."

Supporters of the guaranty plans, of course, argue that they are necessary to spur economic expansion in the developing countries.

FIRMLY WEDDED

For his part, Secretary of State Henry A. Kissinger, who served as a foreign affairs adviser to Nelson Rockefeller before joining the Nixon administration in 1969—and who was one of the recipients of a Rockefeller financial gift ($50,000)—remains firmly wedded to the OPIC concept.

When there were unsuccessful attempts in Congress earlier this year to kill the OPIC plan, Kissinger came to the agency's defense, saying that "it would not be in the national interest to terminate OPIC programs at this time."

Kissinger maintained that planned private American investments in less developed countries "might not go forward in the absence of OPIC programs, which provide the kinds of insurance and financing that cannot be undertaken by private insurance and credit markets."

[From the Philadelphia Inquirer, Nov. 25, 1974]

HOW U.S. AID HOUSES THE RICH, NOT THE POOR

(By Donald L. Barlett and James B. Steele)

In a report issued last summer, the State Department's Office of Housing had glowing things to say about its Housing Investment Guaranty program, designed to provide decent housing for slum dwellers around the world.

Curious, an Inquirer reporter in the midst of a seven-month investigation of the U.S. foreign aid program, flew to Bogota, Colombia, to vist La Esmeralda, a housing deveplomont built under the program.

There, not far from Bogota's famed squalid hillside slums, he found a pleasant cluster of brown brick homes behind white stucco walls.

He also found they were owned and inhabited not by the poor, but by Colombian lawyers and doctors, civil servants and professors.

So goes the U. S. foreign aid housing program.

So it has gone since the summer of 1961, when Congress, amid fears that Castro-style revolutions might sweep all of Latin America, enacted the little-known foreign aid program that it called the Housing Investment Guaranty (HIG).

Like dozens of other foreign aid programs, the housing guaranty program was supposed to help the poor. In this case, the idea was to provide decent housing for Latin American slum dwellers through a mortgage guaranty program similar to FHA in the United States.

But the program, which has since expanded to cover projects in Asia and Africa as well, and has grown from a modest $10 million to a nearly $1-billion program, has not worked out the way Congress intended.

It has, in fact, housed the well-to-do abroad and proved lucrative investment for the well-to-do at home.

An Inquirer investigation of the program, part of the newspaper's probe of the nation's foreign aid program, has disclosed that the housing guaranty program has:

Consistently guaranteed housing for middle- and upper-income persons such as doctors, lawyers, army officers and other professionals—families least in need of aid in developing countries—rather than for low-income families for whom the program was intended.

Become a bonanza for the U.S. savings and loan industry, which now supplies most of the program's mortgage money. These housing guaranty mortgages are fully guaranteed by the U.S. government and pay their holders up to 1 percent more interest than do FHA mortgages in this country.

Awarded millions of dollars in technical service contracts to a savings and loan trade association, the same group that lobbies before Congress on banking legislation and whose members profit on housing guaranty mortgages.

Handed out thousands of dollars in expense-paid trips to savings and loan executives for housing-related trips around the world.

Been subjected to political influence from the start as congressmen and senators have steered friends to housing guaranty projects, applied pressure on government officials to cut red tape or sponsored legislation indirectly benefiting family or friends.

Been riddled with conflicts of interest and inter-locking government-industry relationships. One former director of the guaranty program served as president of a private savings and loan association during his tenure as head of the government office. He is now under federal indictment on another matter: embezzling $44,000 from the loan association.

Never been effectively monitored by the federal government, depsite cases of private profiteering and possible fraud in the administration of guaranty projects in Asia.

Continued to build middle- to upper-income housing in developing countries with money supplied by American savings and loan associations at precisely the same time that industry has drastically cut back on the number of mortgages authorized in this country.

Actually hurt America's image in nations where U.S. builders have failed to complete housing developments as planned, to the dissatisfaction of local residents.

Siphoned off money from poor nations that are already short on capital. In addition to repaying the principal, homeowners in developing countries must pay about 10 percent in interest and fees to the U.S. mortgage holders and federal agencies.

Created a Washington bureaucracy financed by homeowners in Africa, Asia and Latin America. In addition to interest, owners must pay a fee to the guaranty program to cover its administrative costs. Last year, fee income amounted to $2.8 million.

SCALE MODEST

Like many federal programs, the housing guaranty program began on a modest scale.

The Foreign Assistance Act of 1961 gave the program authority to guaranty only $10 million in housing loans worldwide. At the same time, Congress gave the State Department's Agency for International Development (AID) authority to administer it.

The act clearly stipulated that the poor were to be the major beneficiaries of this ambitious U.S.-led housing offensive; guarantees were authorized "for housing projects in Latin America for low income families and persons."

There was a good deal of senatorial optimism about the guaranty program's potential for doing good. Former Sen. George Smathers of Florida told fellow senators on Aug. 16, 1961:

"Second to providing food for the impoverished people of the hemisphere, the most direct, the most beneficial, and surely the most-to-be-appreciated form of assistance lies in giving the people of Latin America an opportunity to improve their standard of living by making it possible for them to rid themselves of inadequate housing and to own homes of their own."

Still, Smathers and his Senate colleagues saw advantages to the program beyond just helping the poor.

Smathers said the guaranty program, which he was instrumental in creating, would be a vital tool of American foreign policy by providing an outlet for U.S. private investment in the foreign aid program and by encouraging free enterprise in the Americas.

Sen. Hubert Humphrey (D., Minn.) saw both political and economic advantages. Housing guarantees for the poor would blunt the appeal of Fidel Castro outside of Cuba and open up new markets for American building materials.

Congress envisioned that the vehicle for building much of this housing in the undeveloped world would be the American home builder with his intimate, thorough knowledge of modern home building.

Sure enough, it was not long before the housing guaranty program office in Washington was swamped with applications from American developers proposing suburban-style housing developments from Peru to Thailand.

GRAIN DEALER

One was a millionaire grain dealer from Kansas; another a former FHA insuring office director from Puerto Rico; another a Rockefeller family-controlled company that owned numerous Latin American supermarkets and poultry farms.

Applications for projects and inquiries about others came in at a rate far exceeding the housing guaranty program's congressional authorization as builders sought to avail themselves of the inviting foreign aid program with its loans fully backed by the U.S. government and its interest rate one percent higher than the going FHA rate.

"We consider our guaranty better than FHA," a former director of the program once proudly told a congressional committee.

The housing guaranty program operates much as the FHA does. It does not loan money. It guarantees mortgages made by U.S. investors on foreign housing projects.

What that means is that if there were massive mortgage defaults by homeowners in guaranty projects, the U.S. taxpayer would be liable for paying the bill.

Also like the FHA, the guaranty program charges a fee for its services—in this case it is one-half of one percent a year on the unpaid principal. And, as in FHA loans, investors pass that charge onto the homebuyers.

The homebuyers themselves best illustrate how the program has gone awry.

They are largely middle to upper class.

They are not poor.

MADE A PROFIT

Not only do most of them not need U.S. assistance to buy housing, but many have made a profit as a result of the guaranty program.

The Inquirer investigation disclosed that many families buy through the program, then resell their homes at a tidy profit or rent them to others at monthly rates many times greater than their mortgage payment.

The two Latin American nations which have received the most guaranty money so far are Venezuela and Argentina, the two countries with by far the highest standard of living in Latin America. Per capita income in each country exceeds $1,000. That is double the average for all of Latin America.

Typical of the middle-income development built under the program is La Esmeralda in Bogota, Colombia, one of several in four different countries visited by an Inquirer reporter.

Located adjacent to a major administrative center of the Colombian government and not far from the wretched hillside slums of Bogota, La Esmeralda has been a magnet for government officials, college professors and other professionals.

Most houses have four bedrooms, two baths, living room, dining room, maid's room and front and rear yards. Many families have at least one live-in maid.

Luis and Nelly Duran are typical.

Luis, a geology professor at the National University in Bogota, and his wife have five children, three of whom still live at home. A maid also lives at the home.

They live on a quiet street of well-kept attached houses, faced with light brown brick and secure behind white stucco walls. It looks similar to many American subdivisions except for the walls and the towering presence of the Andes Mountains rising in the background.

Since buying the house seven years ago, the Durans have added a bedroom, bathroom and study. Mrs. Duran said she likes the neighborhood and the house. They pay only 1,450 pesos a month, or about $57, and close by are many friends who also teach at the university.

SIMILAR ONES

At two Lima, Peru, guaranty projects inspected by The Inquirer—the Salamanca and the VIPSE—the occupations of residents were similar to those found at La Esmeralda.

Salamanca was built by a subsidiary of the International Basic Economy Corp. (IBEC), which was founded by Nelson Rockefeller in 1947. Rockefeller still owns outright or in trust 422,150 IBEC shares valued at $950,000.

Carlos Mayorga, an elementary school teacher, bought his Salamanca home eight years ago. He likes it because there is more sun there than in some Lima neighborhoods, and the family is close to shops such as the Rockefeller-owned TODOS market, an American-style supermarket chain that caters to middle-class Peruvians.

At the nearby VIPSE development, the Torrejon family is representative of another trend increasingly found in guaranty developments.

On the surface, they seem much like any other family found in one of these American-sponsored projects.

They are middle income. Mr. Torrejon is a civil engineer who owns his own firm. The family has two live-in maids to help with household chores.

They spend part of the damp, cloudy Lima winter vacationing in the sunny Andean resort of Chosica about 30 miles east of Lima and travel south to the beautiful beaches of the Pacific for their summer vacation.

Unlike some neighbors, the Torrejons rent their VIPSE home. The original owner, who purchased the home under the U.S.-sponsored program, has moved elsewhere and is renting the house for a handsome profit.

That, of course, is contrary to the intent of the housing guaranty legislation, which was to encourage home ownership in Latin America.

But renters are not unusual in these projects. Both VIPSE and Salamanca have sizable rental populations. In Salamanca alone, residents estimated that as much as 25 percent of the houses may be rented.

Even though the program is obviously not benefiting those most in need of help, its supporters consistently defend it as a vital service to poor nations.

On May 4, 1971, for example, Bryce Curry, president of the Federal Home Loan Bank of New York, wrote his uncle, Sen. John Sparkman (D., Ala.), on the success of the guaranty program.

"The amendment which originated in your committee . . . has been . . . most helpful in providing low-cost housing."

Curry added that the program "is the enlightened self-interest of the United States in the conduct of its foreign relations."

And Peter Kimm, the current director of the guaranty program, in a 1971 speech, told savings and loan executives:

IN NO WAY

"My view is that there is no way in which we can refuse to help in the development of the poorer nations," he said, "without the grimmest consequences for all of us, rich and poor alike."

But the guaranty program, by reaching only families that already have a stake in developing countries, fails to make an impact on the squalid living conditions of the poor—conditions that have always been a potent force behind revolution and political instability in poor nations.

Although the guaranty program has operated with remarkable freedom over the years, it came under growing criticism from others in AID and officials of other government agencies.

In December 1971, for example, when the housing office proposed a $3-million guaranty for Thailand, AID's Bureau for Program and Policy Coordination was critical of the plan.

The bureau said such a project would only provide Thailand with "high-cost U.S. capital," would aggravate Thailand's balance of payments problem, and was unnecessary because Thailand had ample money of its own for housing.

The strongest criticism was that low- and middle-income Thais would be unable to purchase any of the proposed houses because prices would be so high that only the upper seven percent of Thai society could afford to buy them.

Similar questions were raised earlier this year by the Treasury Department's International Division over a proposed $20 million guaranty for South Korea. The division called it a "poorly conceived plan." The guaranty office summarized Treasury's objections:

"It is for middle-class housing and this has no priority under normal circumstances . . . Use of foreign exchange for the project . . will place pressure on the Korean economy to generate U.S. dollars. Could make them retrench and this would not be helpful in the development process. Korea does not have a national housing policy . . . even though (having such a policy) is a condition of the authorization of the loan."

Dale Barnes, a former director of the International Affairs Office of the Department of Housing and Urban Development, was even more blunt in criticizing the program.

"I am satisfied, in my own mind," he told a Senate subcommittee in May 1972, "that the HIG program is making money, and that it will probably make more, but I do not think it is an answer to the real housing needs of the developing world.

"I have a feeling that we are sitting here looking for ways to make money rather than helping in meeting a desperate need. I think it is wrong. It is out of balance."

One of the few lawmakers to question the program has been Sen. William Proxmire (D., Wis.), who, in the same Senate subcommittee hearings in 1972, noted:

"The justification for our foreign aid program is not that we are helping people who are as well off as they are in this country, but helping people who are pathetically, miserably, grindingly, cruelly poor, and we cannot reach them in housing."

GROWS LARGER

The housing guaranty program has more than managed to withstand such attacks. It is, in fact, growing larger each fiscal year.

"This program has a constituency unlike a lot of foreign aid," says Peter Kimm, the program director. "It is self-sufficient. It doesn't hit the budget. The savings and loan industry is very proud of its role in the program. When they have to, they call up their congressmen about it."

"It's one of the sacred cows in the State Department," says one high senatorial staff member. "I have heard some AID people say it's not doing much of a job. But no one has been able to touch it."

Consequently, the program has kept right on guaranteeing middle- to upper-income housing. The Banpo project in Seoul, Korea, complete with swimming pools, parks and shops, is an example.

In March 1973, a $10 million housing guaranty was issued to the Korea Housing Corp. (KHC), the government's national housing agency, for the 1,490-unit Banpo development.

Banpo is a huge development of 34 buildings of five stories each. Each unit has three bedrooms, living room, bath, kitchen and a balcony.

The project is served by primary, middle and high schools and has its own swimming pools, green spaces and shopping center.

With a monthly mortgage payment of $51 and an additional $20 required for utilities and maintenance, Banpo would be hard put to attract the poor in a city where average monthly incomes of wage and salary earners range from $100 to $125.

Figures compiled by the housing program's staff showed the monthly income of the following Seoul professionals early this year: architects—$203; civil engineers—$197 and accountants—$139.

Even an internal memo of the guaranty office admitted that Banpo was high-priced housing:

"It is obvious that families earning substantially less than $200 (a month) cannot afford to purchase apartments in the guaranty project."

That, of course, would be upwards of 90 percent of Korea's population. But there's some consolation for the poor. Consider the quality of housing available in the Banpo apartments for the upper-income family that can afford it:

For $9,000, the apartment buyer gets unfinished concrete walls, unfinished concrete floors and unfinished insulation board ceilings.

The apartment buyer must purchase and apply his own wallpaper and floor covering and ceiling. He must also supply his own kitchen sink and cabinets and stove and lighting fixtures.

In short, the $9,000 buys bare walls and floors and ceilings and no fixtures or appliances whatsoever.

The apartments do contain what a Korea Housing Corp. official describes as "a very big thing even in Seoul"—a bathroom.

The apartments also contain what he described as two other innovations in Korean housing—central heating and gas for cooking.

AIMED AT POOR

Still, the impression was conveyed in Seoul that the U.S.-aided project was really aimed at helping the poor. A March 22, 1973 story in the Korea Herald announcing the guaranty, said:

"The project will be completed by September of this year and the apartments will be rented to homeless citizens."

When the Korea Housing Corp. began taking applications, 8,300 persons applied for Banpos 1,490 apartments. Because the response was so great, the KHC decided to hold a lottery on the apartments.

A university professor, who declined to be identified (South Koreans who criticize the government of President Park Chung Hee face prison terms), said the lottery was a fraud because many families obtained more than one lottery ticket:

"One rich person got many tickets. He gets a ticket for brother, wife and mother. Many rich men were involved in this lottery. So poor people didn't go. So they (poor people) don't thank AID."

Of those who applied, 60 percent were members of the armed forces, the backbone of President Park's autocratic rule. Almost all of the remainder were employed by other government agencies.

That means that the Banpo apartments, supposedly an expression of the United States' interest in helping the people of the undeveloped world, were really rewards handed out to the bureaucrats who, in one way or another, enforce Park's anti-democratic rule.

In addition, The Inquirer investigation turned up evidence indicating there has been substantial profiteering in the project.

Even the housing guaranty office in Washington raised questions about the cost estimates submitted by the Korean Housing Corp.

KHC submitted a breakdown of the estimated cost of each $9,000 unit. Included in the cost breakdown per unit were the following figures: $247—"builder's profit"; $578 for "total one-time payment"; $247 for "builder's general overhead."

A March 7, 1972 memo from one baffled housing guaranty control officer declared the figures "unreal and merely a resolution of the $9,000 sales price." He added, "The strangest number is the $578 listed as a one-time payment. This number was apparently picked to make the $9,000 figure."

Over the years, the Korean government's housing program has been riddled with corruption that has produced both inflated construction costs and poorly-built apartments.

Some buildings have collapsed or been torn down because of faulty workmanship. The collapse of one apartment building several years ago killed dozens of Koreans.

CRUDELY FINISHED

At housing guaranty-sponsored projects inspected by an Inquirer reporter in Korea, apartments were often crudely finished. There were gaps between sections of the drywall on the ceiling; and floors were not level and walls were out of line.

University professors, who are familiar with Korean construction industry practices, explained how the industry functions:

Company A receives a government contract to build apartment buildings. Company A then takes a "commission" and assigns the actual work to Company B, which in turn takes a "commission" and assigns the work to yet another company. None of the companies bothers to supervise the construction, the professors said, and that is what leads to faulty work.

One memo from within the housing guaranty office indicates, however, that the Banpo project, extensive subcontracting was supposedly necessary because there was in Seoul no general contractor "capable of undertaking the entire project."

After Banpo was completed, the housing guaranty office of AID approved another $20 million guaranty for housing in Seoul and five other South Korean cities. Now there is talk of yet another multi-million-dollar deal.

Transactions such as those have boosted the guaranty program's annual authorizations to $60 to $70 million a year—with almost all the money now coming from federal savings and loan associations that choose to participate in the program.

There is a final irony.

The American savings and loan industry that is putting up the money to help house President Park's army is the same industry that has reduced the amount of mortgages available to middle-income homebuyers in the United States.

At a time that the guaranty program, with its insured mortgages, its high interest rate and its expense-paid trips for savings executives, is rolling in mortgage money for its projects abroad, the amount of mortgage money available for Americans from the same savings and loan associations has shrunk by $7 billion in two years.

[From the Philadelphia Inquirer, Nov. 25, 1974]

PROGRAM DEVELOPS MANY FRIENDS

(By Donald L. Barlett and James B. Steele)

From the start, the Housing Investment Guaranty program has been supported by a loyal constituency both in and outside of Congress.

The members of this constituency are a varied lot. There is the government official who becomes a financier; the financier who becomes a government official; the relative of a congressman who runs a bank; the indicted banker who ran an aid program; and the elusive developer with a friend in Congress.

And there are the key congressmen and senators who have supported the program consistently over the years.

But perhaps the program's most influential backer has been Sen. John Sparkman (D., Ala.).

As chairman of the powerful Senate Banking, Housing and Urban Affairs Committee, Sparkman has long been in close contact with the leaders of the nation's financial community which has a heavy stake in the U.S. foreign aid program.

When the housing program was enacted in 1961, his nephew, Bryce Curry, was general counsel for the National League of Insured Savings Associations, one of the two national trade associations of the savings and loan industry.

EVEN GOT BETTER

Since the 1950's, the league's members had been the chief recipients of State Department-awarded free trips promoting the formation of savings and loan associations in many Latin American countries.

Things got even better for the league after that.

In 1965, Congress amended the Home Owners Loan Act to permit federal savings and loan associations to invest up to 1 percent of their assets in guaranty projects.

A year later, the industry's role in the program was further expanded.

The State Department awarded the league a contract to do feasibility studies on proposed housing projects. Since then, the league has received more than $4 million in such contracts.

Congress amended the program again in 1968 to further enhance the savings and loan industry's position. The result: the industry obtained almost monopolistic access to housing guaranty mortgages.

One section of the 1968 bill, which was in part a product of Sen. Sparkman's committee, authorized the Federal Home Loan Bank Board to bid against private financial institutions to purchase AID-guaranteed "housing loans and to sell participations to any member bank."

Shortly thereafter, the Federal Home Loan Bank Board designated its two member boards in New York and Boston to represent the entire FHLB system in bidding for the overseas housing loans.

By this time, Bryce Curry, Sparkman's nephew, had moved on from his post with the savings industry league. He was now president of the Federal Home Loan Bank of New York.

REASONS GIVEN

Since then, the Federal Home Loan Banks of New York and Boston have been selected in nearly every case—even in some cases when they were not the low bidder—to sell participating shares in the guaranteed mortgages to savings and loan associations.

Last year, the Korea Housing Corp. (KHC), the government-controlled national housing corporation of South Korea, asked interested U.S. investors to submit offers to finance mortgages for a new $10 million housing project near Seoul. The announcement was made in the Federal Register.

Seven proposals were submitted. The two best offers came from the Federal Home Loan Bank of New York and F. S. Smithers & Co. Inc., New York stockbrokers.

Their proposals were similar, except that Smithers offered an interest rate of 7.45 percent a year compared to 7.50 percent from the New York bank.

In a Feb. 5, 1973, letter to the housing guaranty office, Duncan H. Cameron, a Washington lawyer representing the Korea Housing Corp., said his client had selected the FHLB as investor.

"Because of its need for speed, the Korea Housing Corp. preferred an investor who was experienced in the program," he wrote.

"Since the financial conditions and terms of F. S. Smithers and the Federal Home Loan Bank were nearly identical, the Korea Housing Corp. has selected the Federal Home Loan Bank because of its experience and proven capacity to deliver."

An internal housing office memo from Edward Palash and Stanley Kay to program director Peter Kimm estimated that Korean home buyers would pay an additional $98,000 for the selection of FHLB.

Still, the housing guaranty office, which must approve a host country's choice of an investor, decided to go along with the choice of Bryce Curry's bank in New York. Reasoned Palash and Kay:

"The (FHLB) has negotiated and executed numerous agreements under the Housing Guaranty Program and its standard documents are well-known (to HIG).

"Without attempting to doubt the good faith of Smithers, or the professional capability of the legal counsel retained by Smithers, Korea Housing Corp. chose not to run the risk of negotiating documents with Smithers which could conceivably take longer to finalize and execute in view of their having no prior experience under the Guaranty Program."

In a telephone interview with The Inquirer, Senator Sparkman said periodic reports he receives on the housing program indicate it is working "quite well."

"I believe it is a good program," he said. "We (Congress) have pushed international housing for a good number of years and the savings and loans wanted a piece of it. And we gave them the right to invest just a very small percentage of their assets in it."

As for the Federal Home Loan Bank designating the New York bank headed by his nephew, Bryce Curry, as one of two banks to sell participating shares in housing guaranty mortgages to savings and loan associations, Sparkman said:

"I didn't have anything to do with that. I didn't know the Federal Home Loan Bank Board designated two particular banks to handle it. But I concede that they do it."

The Inquirer investigation also disclosed that Rep. Wayne Hays (D., O.), long an ardent foe of waste in foreign aid programs, has exerted his own pressure on State Department officials in connection with a housing guaranty project in Bogota, Colombia.

The development, called La Esmeralda, a $12 million project of 1,268 townhouses for middle-income families, was proposed in 1964 by a Colombian company headed by Harold Lockheimer, a U.S. citizen with residences in North Bergen, N.J., and San Juan, Puerto Rico.

A former State Department official says Lockheimer, the developer, was once director of the FHA office in San Juan.

The U.S. Department of Housing and Urban Development in Puerto Rico says a Harold Lockheimer was indeed director of the FHA office there in the late 1950s and early 1960s.

Over a period of several months, repeated attempts by Inquirer reporters to interview Lockheimer were unsuccessful. Phone messages left with his answering service in Puerto Rico brought no response. Telephone calls to the family's North Bergen home went unanswered.

Coincidentally, it was the FHA that evaluated Lockheimer's ability to undertake the Bogota project. The FHA determined that his company was "fully capable financially and technically to carry out the proposed project to a successful conclusion."

The FHA also estimated the profit on La Esmeralda at $963,183.

Like other projects studied by The Inquirer, La Esmeralda was plagued by delays before and after construction began in 1966. Often the cause was a dispute between Lockheimer and the guaranty office or Lockheimer and the Colombian government or between U.S. or Colombian agencies.

Once the dispute came over a Lockheimer request to increase the price of the houses. Another time it was over who was responsible for a $10,000 discrepancy in a closing account related to the project.

MANY FILES

Housing guaranty files on La Esmeralda in Bogota and Washington, D.C., filled with correspondence from various U.S. and Colombian government officials trying to resolve all arguments that arose during the project.

One such disagreement was over a proposed escrow agreement that Washington officials wanted Lockheimer to sign regarding maintenance on the housing development.

In a Sept. 17, 1967, letter to Charles N. Goldman, assistant general counsel of the State Department's Agency for International Development (AID), Lockheimer objected to the proposed agreement listing these reasons:

"Latin Americans . . . in all walks of life, are most meticulous about their personal self, but are very neglectful and downright careless about the maintenance of anything from an automobile to an electric iron. There is never any prudent upkeep, everything is let rundown and when it falls apart, they buy a new item."

Lockheimer further said Latins were "wasteful, make claims on anything, and many times in a devious manner, are without a sense of good value except when the other fellow pays the bill" and "are prone to take advantage of the gringo."

RED TAPE CITED

It was on Lockheimer's behalf that Hays, who once predicted that an audit of foreign aid would "reveal shenanigans that will make Ali Baba and his 40 thieves look honest," called high-level officials in AID.

"Everyone around the office always knew when Hays had called," said one former State Department official who used to be close to the program. "He (Hays) would always use the strongest language and no expletives were deleted in demanding that the Lockheimer project get moving."

When the first phase was finally completed in early 1968, Congressman Hays was in Bogota to help dedicate the Lockheimer project.

In a telephone interview, Hays acknowledged that he had indeed called State Department officials numerous times on the Lockheimer project and several others as well.

"I just found the whole thing bogged down in red tape," he said. "It looked like one of the programs in AID that wouldn't cost taxpayers anything, and I got the feeling that the bureaucrats didn't want to do this one because it was an independent thing and they sort of lost control of it."

Hays said Lockheimer was introduced to him by another Congressman from New Jersey, whose name Hays could not recall, but whom Hays said had sought his help in trying to get the Colombia project moving.

A combination of a lack of public scrutiny and general congressional disinterest in the housing program over the years also helped make possible the case of Stanley Baruch.

Baruch, long involved in promoting Latin American housing for various U.S. and international lending agencies, was an evangelistic exponent of the housing guaranty program, and was in no small part responsible for its steady growth.

CLOSE CONTACT

As the State Department's housing director, Baruch was in close contact with the savings and loan industry in discussing proposed investments on handing out expense-paid trips to Africa, Asia or Latin America for savings and loan executives.

At the same time he served in his $36,000-a-year State Department job, Baruch was also the president of a federal savings and loan association in nearby Maryland.

Baruch helped organize the Lincoln Federal Savings & Loan Association of Hyattsville in 1962 and served as its president during the period he was with the State Department.

The department, however, was apparently unconcerned about Baruch's dual position.

"Baruch never tried to conceal the fact he was both a government employee and president of the savings and loan association," one State Department employee told The Inquirer.

"Every administrator of AID (Agency for International Development) knew it, and I know people in the Senate who followed this program knew about it too."

Baruch suddenly resigned from the State Department in January 1973.

In May 1974, Baruch was indicted by a federal grand jury in Baltimore for embezzling more than $44,000 from the Lincoln Federal Savings & Loan Association from 1968 through 1972.

In a 35-count indictment, he was charged with billing his loan association for thousands of dollars in trips around the world which he made as officer of the State Department.

The government also contended that Baruch was part owner of a Maryland medical building that was acquired as a result of a loan by his savings association. Such ownership is barred by federal law.

Baruch has since resigned from Lincoln Federal, which has merged with Vermont Federal Savings & Loan while awaiting trial on federal charges, Dec. 9 in Baltimore.

UNITED STATES AIDED THAI HOMES FLOP: SILENCE, EVASION GREET QUERIES OF PROJECT

(By Donald L. Barlett and James B. Steele)

When Roger Ernst was asked where in Bangkok a $5-million State Department-sponsored housing development called Friendship Village was located, he said: "I do not know. I have not seen any record of it."

Roger Ernest is the director of the State Department's foreign aid program in Thailand.

When William Ackerman was asked to provide the address of Friendship Village, he said he wasn't sure if the files on the project included an address.

William Ackerman is a special assistant for the State Department's foreign aid program in Thailand.

When William E. Miller was asked by an Inquirer reporter to discuss Friendship Village, he said: "I wouldn't be interested in talking to you. Newspaper people are only looking to screw things up."

William E. Miller is the American developer who built Friendship Village.

And when Kobchai Sosothikul was asked about Friendship Village, he answered: "I am very busy. I cannot talk to you."

Kobchai Sosothikul is William E. Miller's Thai partner in the project.

Why are all these people so reluctant to talk about Friendship Village, a cluster of 674 two- and three-bedroom homes on the outskirts of Bangkok that was supposed to be a shining example of the American foreign aid program?

Maybe it is because Thai Rath, a leading Thai language newspaper in Bangkok, called Friendship Village a "swindle."

Maybe it is because residents and the builder are still fighting, after four years, over the way the development was completed.

Or maybe it is because Friendship Village, a collection of concrete and cement-block houses on small lots, is not a shining example of foreign aid, but is instead an uncomfortable, lasting reminder of how aid can do more harm than good.

Whatever the explanation, it is clear from a seven-month Inquirer investigation of the American foreign aid program, that Friendship Village is just one of many sorry chapters in the history of the $172 billion program.

Its middle-class homeowners are unhappy with their State Department-sponsored subdivision. The project itself has been a costly and arduous administrative nightmare. The whole affair has been embarrassing to the United States.

The Inquirer investigation of the nation's $172 billion foreign aid program turned up failures in agricultural projects in Colombia, economic development programs in Korea and urban redevelopment efforts in many poor countries.

The failure of the Friendship Village project in Thailand is not unique. It is just typical. Here is its story:

Friendship Village was financed under a little-known American foreign aid plan called the Housing Investment Guaranty (HIG), which is administered by the State Department's Agency for International Development (AID).

Under the program, which Congress enacted in 1961 to help provide low-income housing around the world, U.S. investors supply the mortgage money to actually build the housing projects in developing countries.

GUARANTEED

In turn, the mortgage is fully guaranteed by the U.S. government and pays interest to the U.S. investor at a rate up to one percent higher than the going FHA rate.

As The Inquirer disclosed Monday, the housing guaranty program has been far more successful in making money for U.S. builders and investors than it has been in building housing for the world's poor.

It has consistently financed housing for middle- to upper-income families in poor countries—the income groups least in need of help from the United States—rather than housing for low-income families as intended by Congress.

The Inquirer also disclosed that in the process the program has become an extremely attractive investment for the American savings and loan industry, which now supplies most of the money for guaranty projects.

The industry also benefits in millions of dollars in technical-service contracts and expense-paid trips that are awarded by the State Department relating to housing projects.

Conceived in the early 1960s, Friendship Village was the product of the first phase of the guaranty program, during which American builders erected housing from Latin America to Asia.

The Friendship Village site, amid a watery remote region of rice fields on the fringe of Bangkok, far from the bustle of the Thai capital, would seem an unlikely catalyst to produce the partnership it did.

MULTIMILLIONAIRE

One partner was Willard Garvey, a multimillionaire grain dealer from Wichita, Kan., whose World Homes, Inc., had previously built housing in Latin America under the Food for Peace program.

Another was William E. Miller, a civil engineer from Kansas City, Mo., who manufactured and sold two-way radio systems throughout Southeast Asia in the early 1960s.

The third partner was Charles W. Hess Sr., a Kansas City attorney who specialized in real estate development and law.

Together, they chartered a Missouri company called Intercontinental Housing, Inc., with Garvey owning 50 percent of the common stock, Miller owning 37½ percent and Hess owning 12½ percent.

When they announced the Bangkok development of 915 houses in August 1964, the developers stressed that Friendship Village would cater to the Thai affluent—"largely merchants, supervisory and technical personnel employed by local industry, civil servants, school teachers, military officers and high-echelon office employes of banking and other commercial institutions."

The company made that statement even as it announced it would seek a State Department housing guaranty under a program originally enacted by Congress to aid the poor.

The company had no doubt it could market the houses with selling prices ranging from $5,610 to $9,400 and emphasized that it planned to promote the U.S. government's involvement in the project to help sell them.

"Proper public relations, identifying the project with the Agency for International Development," Intercontinental announced, "will be available through press releases, news sources, television, billboards and brochures."

Although William Miller was to be the general superintendent of the project, the actual construction would be done by the Southeast Asia Construction Company of Bangkok, owned by Kobchai Sosothikul, a member of an influential, wealthy Bangkok family.

An internal memo of the U.S. embassy in Bangkok dated March 11, 1964, noted that Kobchai had close connections with the Thai government.

The memo said his father, a leader in Bangkok's Chinese community, is a "close friend of Prime Minister Kittikachorn."

Marshal Thanom Kittikachorn ruled Thailand with the backing of the army until last year, when a revolution toppled his government and sent him into exile. He has been living in the United States.

The American Embassy in Bangkok mistakenly thought Friendship Village was to house low-income families.

Another internal memo, this one dated April 20, 1964, said Kobchai and an American firm were about "to undertake a private welfare housing project," in referring to Friendship Village.

When the developers formally applied for the housing guaranty, Intercontinental was joined by a Thai partner—Siam Housing Company, Ltd., of Bangkok.

That company, which was listed in the proposal as owning the land where Friendship Village would be built, had, as its major stockholder, Kobchai Sosothikul.

SCALED DOWN

When the developers submitted their formal proposal to the housing guaranty office in 1966, they had scaled down the plans for Friendship Village slightly from 915 to 817 homes, with two or three bedrooms each, each selling at prices ranging from $5,347 to $7,022.

Their proposal also said that in addition to the houses, "adjoining areas" would be "reserved for commercial purposes, sports, greenbelt and private school." A $4.8 million guaranty was issued in 1966.

But when Friendship Village officially

opened in May 1969, it did not quite turn out the way everyone had planned.

There were 674 houses, not 817 as planned, And the prices did not range from $5,347 to $7,022 as planned, but from $7,293 to $9,782.

"It turned out (to be) for high income people," said Somport Bodhisomphorn, an assistant vice president of the Bangkok Bank.

There is much in what Somport says. In January, for example, the minimum wage in Bangkok will rise to 15 cents an hour.

Intercontinental failed to build public recreation areas, the school and all the shops originally proposed to the State Department.

Access roads were narrower than planned. When two cars meet on the streets of Friendship Village, one must pull off to let the other pass.

On the land where Intercontinental said it intended to build the park and other public facilities to serve all residents of the village, homeowners claim, Miller instead built 85 additional houses—all privately financed, without U.S. assistance.

In the new section, the houses are larger, better constructed, more attractive and more expensive than in the U.S. sponsored section. And the streets are wide enough for two cars. But lastly, Miller declined to turn over to Friendship Village home owners additional shares of stock that he held in their own home owners association.

ANGER ERUPTS

All of this exploded into angry denunciations of both Miller and the United States in the summer of 1970.

In June 1970, a letter signed by 343 Friendship Village homeowners was sent to the Bangkok Bank, which received all homeowners' monthly mortgage payments, charging that the project was improperly carried out.

Then in July, homeowners gathered at the bank and flatly asked officials of the State Department's AID if the United States could help.

But AID pretended that the United States was not directly involved in the dispute, and cabled the following message to Washington:

"(AID's) position was that homeowners and Miller should meet and discuss problems and attempt to determine (a) substance of complaints, (b) legal responsibilities, and (c) how to solve problems."

Interestingly, the State Department adopts an opposite approach in cases where the property or assets of American corporations are involved in a dispute with a foreign government.

When that happens, the Department routinely registers a strong protest to the government involved and tries to exert various forms of international pressure on that nation to resolve the differences.

But The Inquirer found that in cases such as Friendship Village, where there is dissatisfaction with the performance of an American corporation in a foreign nation, the Department adopts a hands-off stance and pretends that it is a matter to be resolved by the company and the host country.

In an Aug. 1 story in the Bangkok Post, an embassy spokesman was quoted as saying the United States' only interest in Friendship Village was "paternal."

"The U.S. does not have any control over Intercontinental Housing since it is a private company," the story quoted the spokesman as saying. "But the U.S.-sponsored the original project and still feels it is a sound idea."

But as an article in Thai Rath, another newspaper, made clear on Aug. 3, many buyers were drawn to the project precisely because of U.S. sponsorship through the housing guaranty program. The article said:

"The homebuyers further complained that most of them interested in this project when they first learned, from the brochure, that the project was supported by AID and the Bangkok Bank."

They also contended that the sewer system was not properly constructed and that Friendship Village's streets were in disrepair.

Owners were particularly irritated about the streets because they had been damaged by Miller's construction trucks during the building of the 85 additional houses on the land they said was once earmarked for their park and recreation area.

In short, Friendship Village was hardly the idyllic American-style suburb that owners had been promised.

Although the State Department's AID office in Bangkok was under great pressure from home owners to take a more active role in settling the dispute, AID steadfastly tried to play the role of a third party.

CONSENSUS CITED

"The consensus here," said one internal memo, "is that primary responsibility for resolution must remain with Miller and the homeowners association."

Indeed, AID complained that the fact the homeowners were looking to the agency for help complicated settling the matter.

"The difficulty which we think emerged with this project," AID wrote to a General Accounting Office (GAO) auditor, "is that the homeowners, rightfully or wrongfully, asserting that since the United States Government was involved in the financing it was the United States Government to whom they should look for follow-up to assume the developer's literal compliance with their understanding of the project."

As old problems remained unsolved, new problems began to rise because of them. A sharp increase in the number of delinquencies began to plague the project in 1970, when it was still less than two years old.

The State Department's AID office in Washington warned the AID office in Bangkok of the gravity of the development:

"We suspect that the increase in delinquencies is not unrelated to the current difficulties between the home owners association and the sponsor . . . We must caution that delinquencies threaten jeopardy to the very institutions we are trying to strengthen."

Still, AID was unwilling or unable to apply the pressure to resolve differences between the developer and Friendship Village homeowners. The builder did repair the streets, but most of the other problems remained.

In the meantime, Friendship Village was costing American taxpayers tens of thousands of dollars a year, although supporters of the program have always contended that it costs taxpayers nothing.

It is true that the housing guaranty program's funds come from fees it charges to institutions which use the program. And it is true the salaries and expenses of the program are paid from the funds—not tax monies of Americans.

WORK FOR UNITED STATES

But in cases such as Friendship Village, where the housing project goes awry, other State Department personnel who are paid from tax funds, find themselves drawn into the process of trying to resolve difficulties that arises under the program.

The files of the Friendship Village project are filled with letters and memos from AID officials who spent countless hours at taxpayers' expense answering letters, writing reports or offering opinions about how to resolve problems.

Now, four years after the problems boiled the surface, they are still mostly unsolved.

Delinquencies continue to be a problem. The Bangkok Bank has instituted foreclosure actions against some homeowners in the last year, evicting some and forcing others to make up their delinquent mortgage payments.

Maintenance in Friendship Village is spotty; some yards are well kept while others are overgrown with bushes or weeds. There is at least one abandoned house in the development.

There was one other potential problem Miller created for homeowners in the way he carried out the project.

When he formed the homeowners association, he used Thailand commercial code bylaws instead of bylaws previously approved by AID.

An AID-financed management review of the project said the association's bylaws, contrary to original guidelines approved by AID, do not require an outside audit of the homeowners associations' accounts.

At the time of the review, the association had $40,000 in its treasury, and the management review pointed out potential areas for abuse:

"Considering the large amount of money involved, not only now, but especially in the future, there is no protection against misuse of funds to the future without this requirement."

How could so many problems arise in the execution of one foreign aid project?

ACTION DENIED

"There is little government intervention or surveillance of this program, Roger Ernst, director of the State Department's foreign aid program of Thailand, told an Inquirer reporter.

As The Inquirer investigation disclosed, the State Department has failed to effectively monitor the foreign aid program around the world, and no where is that failure more evident than in the housing guaranty program.

A General Accounting Office (GAO) audit of Friendship Village in 1973 concluded that the State Department AID office in Thailand had failed to establish even minimal guidelines for overseeing the project.

"No procedures were established to assure that the provisions of the mortgage contract were followed," the auditor wrote in a letter to the AID office. "We also found that adequate controls were not developed to assure the builder's compliance with the project agreement."

The Inquirer attempted to interview Miller about the project recently at Bangkok, but the developer declined, saying:

"Newspaper people are only looking to screw things up. The stuff gets screwed up so much in the press that I don't talk to newspaper people. Why don't you talk to the people at AID?"

But AID's Bangkok office, it should be recalled, did not want to talk about Friendship Village either and even contended that it had no address for the project.

And Ernst, the foreign aid director in Thailand refused to allow an Inquirer reporter to examine the files on the project.

But Garvey Enterprises in Wichita, Kan., whose owner, Willard Garvey, held 50 percent of the stock in Intercontinental Housing, was willing to discuss the project.

"Let's put it this way," said Terence McDonald, president of Garvey International, "our project was successful."

McDonald said there were major delays due to excessive paperwork required by Washington and due to ignorance of Bangkok housing conditions by the FHA, which surveyed the construction site.

"FHA-Washington does't know anything about housing requirements in Bangkok," he explained. "One delay was an FHA requirement that the development be hooked up to the Bangkok sewage system. Well, there ain't such a thing."

Asked in what way he considered Friendship Village a success, McDonald said it was profitable, attractive and "started people thinking in terms of long-term money for housing." He added that the company would like to build more housing overseas if the housing program were streamlined and opened to U.S. builders again.

"Frankly we feel that each person, if he becomes a homeowner, is a responsible citizen," he said. "You might say it's our missionary outlook, if you could call it that. Then we'd like to try, you know, to make a little money out of it."

The History of a Murky Money Deal

(By Donald L. Barlett and James B. Steele)

For three years now, the State Department has been quietly putting together a deal to provide millions of dollars in mortgage money to build a housing development in Bangkok, Thailand.

It is a deal that is entangled in precisely the sort of murky alliances and financial intrigues that have so often diverted the American foreign aid program from its original goal—helping the poor.

It is also a deal in which one arm of the U.S. foreign aid program lends money to a private company that in turn invests the money in a profit-making project arranged by a second arm of the U.S. foreign aid program.

It all began in 1971 when a State Department survey concluded that there was "a substantial housing shortage" in Thailand. Shortly thereafter, an official of a British housing corporation and a friendly State Department official began laying the groundwork to use the U.S. foreign aid program to finance the British company's own profit-making venture.

In three years, the project has mushroomed. Its investors now include two wealthy Thai families and an Asian development company whose stockholders include some of the largest corporations in the United States.

It was in 1971 that Peter M. Kimm, then deputy director of the State Department's Office of Housing—now director—passed a copy of the housing survey on to Jack Burgess, an official of the Commonwealth Housing Corporation in London.

Burgess was delighted.

In a letter dated Nov. 16, 1971, beginning "Dear Peter," Burgess replied to Kimm:

"I have been touring the Caribbean recently so have not been able to write to you.

"I would like to say how much I appreciated your letting me see a draft of the report on Bangkok. This corporation (Commonwealth Housing Corporation) is now sending a mission to Bangkok, and the information contained in your report will be most useful."

PROSPECTS SOUGHT

Burgess then asked Kimm "what prospects would I have," if he formed a mortgage-lending operation in Bangkok, "of persuading you (the State Department's housing office) to invest in such a company?"

The groundwork for the answer to that request had been laid one month earlier when Kimm, in an internal memorandum summing up a meeting with Burgess, wrote:

"We concluded that we should keep each other fully informed about our programs, and that we should look for opportunities for future collaboration, particularly in the form of joint investments. Botswana and Tailand both offer possibilities."

Over the next 12 to 18 months, Burgess' company began mapping plans for the construction of a new town on 1,800 acres of land about 30 miles north of Bangkok, to be called Nava Nakorn. A private company was set up in Thailand called Nava Nakorn Co., Ltd.

According to a June 1974 corporation report, 100,000 shares of stock were issued in the company, with 65,000 shares going to two wealthy Thai families. The rest of the stock was divided this way:

Commonwealth Development Corp., the parent company of Commonwealth Housing Corp., 10,000 shares; Thailand's National Housing Authority, 10,000 shades; Industrial Estates Authority, 5,000 shares, and the Private Investment Co. for Asia, 10,000 shares.

The Private Investment Co. for Asia (PICA) is a Tokyo-based company whose stockholders include nearly four dozen of the United States major corporations—from Exxon Corp. to Time, Inc., to RCA Corp.

PICA has borrowed $2 million from the Overseas Private Investment Corp., an American government-owned corporation that makes loans and insures business investments in less developed countries through the foreign aid program.

In a kind of progress report on their joint Nava Nakorn project, Kimm, the State Department official, wrote to Burgess, the corporation executive, a letter dated Sept. 6, 1973.

He suggested that the best vehicle for possible State Department financing for the Nava Nakorn project would be the Thai National Housing Authority.

Ostensibly at least, one of the requirements of the American foreign aid program is that the country receiving the assistance really wants it. But in this case, Kimm sought out officials of the Thai National Housing Authority, who were not actively pursuing assistance under the State Department's housing guaranty program, and urged them to do so.

Two months after his letter to Burgess, Kimm wrote to Roger Ernest, the director of the State Department's foreign aid program in Thailand, suggesting to Ernst that ". . . it is time to focus your attention on housing matters."

In the following months, there were more meetings and more discussions, and finally last summer the talks centered on a specific amount of American foreign aid.

PROGRESS IS CITED

In a letter dated July 16, 1974, Burgess wrote to Kimm following a meeting with the State Department's Ernst in Thailand:

"We are making considerable progress with the planning of Nava Nakorn New Town and expect to start development works early in January 1975.

"My main concern is the provision of long-term mortgage finance for the middle-income-group house purchasers . . . I think I would need an initial assurance of something in the region of $20 million spread over a period of time."

Ernst wrote to Kimm two weeks later, asking about the availability of funds, and said: "As you are aware, (Burgess) is involved in the Nava Nakorn New Town development and envisions the United States housing guaranty for coverage of the middle-income component of the total project.

"He would like to shepherd through the Thai structure a request from them to AID (Agency for International Development) to bring the housing investment guaranty into play for this project."

What Ernst was saying is this:

Burgess, representing a profit-making British company, would guide the paperwork through which the Thais would request an American foreign any guaranty through the Thai government bureaucracy to the State Department.

Kimm, in a letter dated Sept. 3, 1973 advised Ernst that money would be available for the new town project.

GOOD PROGRAM

Wrote Kimm: "Let me assure you . . . that were we to put together a good program in Thailand, we could carve out a piece of our available authority.

Despite the fact that there was at the time a depressed mortgage market in the United States, Kimm assured Ernst that there would be no trouble raising the money for the Thai project. Actual mortgage money under the housing guaranty program is largely provided by American savings and loan associations, with their investment guaranteed by the government.

"Incidentally," he wrote, "the availability of investment funds in the United States has no bearing on a 'reservation' of funds for Thailand.

"Actually, funds have always been available. The question is, at what interest rate.

"We would like to pursue the possibility of further discussions with you on possible participation in the Nava Nakorn project."

If the State Department ultimately issues the guaranty—which all the department's correspondence indicates it plans to do—it will mean simply this:

At a time when millions of Americans cannot get mortgage loans, money from the American savings and loan industry, insured by American taxpayers, will provide cash for a British corporation to build housing at a profit for middle- and upper-income families in a Thai new town.

[From the Philadelphia Inquirer, Nov. 27, 1974]

Woman Preacher Is Jailed—She Dared Challenge U.S.-Aided Industry

(By Donald L. Barlett and James B. Steele)

This is a story about the U.S. foreign aid program and a woman minister in South Korea who was arrested and held in solitary confinement nearly three months for delivering a sermon.

It was after she preached on the importance of seeking "the kingdom of God and his righteousness' (Matthew 6:33), that the Rev. Cho Wha Soon, a 40-year-old Methodist minister in Inchon, South Korea, was arrested by agents of the Korean Central Intelligence Agency (KCIA).

That was last May 15. The slight, soft-spoken Rev. Cho, who stands about 5 feet, 4 inches and weighs little more than 100 pounds, was whisked away from her home at 6 A.M. by KCIA agents. She was questioned for six days and then taken to West Gate Prison, where she spent the next 76 days in solitary confinement before her release. No formal charges were lodged against her.

As is the case with most all persons arrested in South Korea—touted by the U.S. State Department as a shining example of this country's successful foreign aid program—Rev. Cho was not permitted to contact her family, friends or a lawyer.

It was shortly after her release from prison that an Inquirer reporter interviewed Rev. Cho in Seoul in connection with the newspaper's investigation into the administration of the $172 billion U.S. foreign aid program.

What does Rev. Cho have to do with American foreign aid?

Rev. Cho's arrest grew out of a sermon she delivered to workers of a textile plant whose operations—like those of many other Korean textile mills—have been subsidized through the United States foreign aid program.

For several years, Rev. Cho has been attempting to improve the lot of workers at factories and textile mills described by one American labor union official as having "some of the worst working conditions in all of Asia." Those same plants have received American foreign aid both directly and indirectly.

For its part, the State Department remains blissfully stoic about such things. As far as the State Department is concerned, the Korean people are doing very nicely, at least statistically.

As Arthur W. Hummel Jr., then deputy assistant secretary of state for East Asian and Pacific affairs, told a Senate Appropriations Committee hearing in May 1972:

"Korea is an excellent example of increased strength and self-reliance. Its record of economic growth in the last decade is nothing short of remarkable."

What Hummel and other State Department officials neglect to mention are the oppressive working conditions and an industrial base heavily dependent on cheap female labor and private profiteering and corruption that are so pervasive in Korea that businesses budget for their bribery payments.

Nor do they talk about the major beneficiaries of American foreign aid: A select group of government officials; private businesses controlled by wealthy Korean families; companies run by onetime government leaders or ex-Army generals, and joint enterprises managed by Koreans in partnership with Japanese and American companies.

Nor do they talk about the major conditions in those plants where the starting wage often is less than 15 cents an hour—sometimes less than 10 cents; where the traditional work week is seven days; where management dictates to employes whom they may, or may not, associate with, and whom they should vote for in elections.

NO MINIMUM WAGE

Nor do they talk about the fact that the unions are controlled by the Korean Central Intelligence Agency; that there is no minimum wage; that there is no collective bargaining; that if a company fails to pay its employes, they must continue working because there is an absolute ban against strikes.

Nor do they talk about the autocratic administration of President Park Chung Hee, who has junked Korea's democratic constitution, eliminated personal freedoms, made criticism of his government a capital offense, outlawed strikes and maintained an economic policy based on what one Korean educator calls a "minimum, minimum wage."

None of this seems to bother the State Department much. It continues to pour foreign aid money into Korea seemingly on the basis that the only really important thing is a steadily rising gross national product.

Since the end of World War II, the State Department has pumped nearly $12 billion into South Korea through the foreign aid program.

That figure does not include hundreds of millions of dollars spent to maintain American armed forces in the country, or loans from the United States Export-Import Bank, or guaranties on American private investments or assistance furnished by international organizations to which the United States is the major contributor.

There is no sign that the flow of foreign aid money to South Korea will stop. An official in the American Embassy in Seoul ticks off a list of ongoing and upcoming projects financed with foreign aid development loans.

AGRICULTURAL PROJECT

There is a $5 million agricultural project and a $2.5 million elementary and middle school project and a $10.7 million power company project and a $2 million feasibility study relating to future foreign aid projects.

Officials of the Korean government have their own list for the future. They want more housing projects and more military hardware and more agricultural products, all to be financed through the foreign aid program.

Much of American foreign aid to Korean businesses involves raw materials and manufacturing equipment purchased from the United States through long-term, low-interest loans.

The loans often run for 40 years, with a 10-year grace period, meaning that no payments on the principal are made during the first 10 years. Interest rates generally are a nominal two to three percent.

These kinds of loans and American foreign aid investments generally in private businesses are not unique to South Korea. Neither are the results of those investments.

The State Department has made the same kinds of grants and loans and loan guaranties in everything from the electronics industry to the food-processing business in less developed countries around the world.

As The Inquirer reported Sunday, the State Department has funneled billions of dollars into these foreign aid projects to spur growth in gross national products in the belief that the benefits would trickle down to the poor.

Instead of aiding the poor, the foreign aid money has helped the rich to become richer, further entrenched those already in power and subsidized low-wage industries from the Philippines to Botswana and Jamaica.

Since the mid-1960s, the State Department has invested about $400 million in the Korean textile industry, with the bulk of the money going to supply American cotton for the mills.

Here is the story of one such mill, the Dong-Il Textile Company. It is better than some Korean textile plants, worse than others:

Dong-Il Textile manufacturers and exports cotton and man-made fabrics, yarns and threads. The company has two plants, one at the port city of Inchon, another at Anyang.

Bahk Zhin Woong, an official in the companys export section, says that Dong-Il employs about 100 persons at its corporate offices in Seoul and another 2,500 workers at its two plants.

Bahk said the company imports much of its cotton from the United States and, in turn, exports the finished products back to the United States.

During the last five years, Dong-Il's sales have soared 211 percent, climbing to $33.6 million last year from $10.8 million in 1969.

In that same period, the company's exports jumped 680 percent, going from $3.0 million in 1969 to $23.4 million last year, with a large share of that volume coming to the United States.

At Dong-Il's main factory complex at Inchon, there are 919 looms and 62,496 spindles turning out a variety of products, including cotton fabrics, cotton poplin, cotton yarn and blended yarn.

Of the 1,400 workers at the plant, Woo Young Yoon, a plant manager, estimates that 1,200 are women, mostly in their teens and early 20s.

About 830 of the woman live in a dormitory provided by the company. Woo said there is no charge for living in the dormitory. He said that the company provides one free meal each day for all workers and that girls living in the dormitory must pay for two of their meals.

SEVEN-DAY WORK WEEK

Generally, the girls work an eight-hour day, seven days a week, with one day off—called a "holiday"—each month. The plant operates round the clock, and each week the girls rotate shifts.

Because of the slowdown in the economy, however, the plant now is on a six-day week.

Throughout the factory there are signs suspended from the ceiling and stenciled on steel girders imploring the girls to work harder. Roughly translated, they read:

"Whether you are diligent or lazy shows clearly at the work place."

"Increase production."

"I won't put off my work for today. I will complete all of it."

And outside the plant, the company motto: "Do your work well, think well, cooperate with one another."

It was near the end of last April when about 40 girls from the Dong-Il plant attended a picnic outside of Suwon, a town 20 miles south of Seoul. There were some 60 girls there, too, from another textile mill.

Rev. Cho, the Methodist minister, remembers the day well.

"I was speaking on Matthew 6:33," she recalls. "It says, 'Seek ye first the kingdom of God and his righteousness; and all these things shall be added unto you.'

"To explain righteousness, I was talking about the present situation in Korea. I said in today's society, if you try to live a righteous life, you are liable to go to prison for 10 years.

"I used as an example two Christian professors arrested a few days earlier and I said it may be even that I will have to spend 15 years in prison for talking about such things, but that's the price a righteous person will have to pay."

It was a little more than two weeks after the picnic that Rev. Cho was arrested by agents of the Korean Central Intelligence Agency, an organization whose functions are about the same as those of the Gestapo in Germany during the 1930s.

One of the things that most upsets the KCIA and the Park government is the industrial mission program being carried out in Korean textile mills and other factories by Protestant clergy like Rev. Cho, and more recently their Catholic counterparts.

Through the industrial missions, the church leaders meet with factory workers to hold religious services, visit them if they are sick or injured, conduct labor education programs and assist the workers if they want to organize or improve an existing union.

TOLD HOW TO VOTE

Rev. Cho first began working in the industrial mission in 1966, the year she was ordained a Methodist minister. And for a time, she even worked at the Dong-Il plant.

The company carries on its own educational programs, Rev. Cho says, telling the girls what is best for them and the company. There are anti-Communist indoctrination programs and at election time, the company tells the girls whom to vote for. She continued:

"The whole factory is regimented tightly. It's regulated so that everybody works at their maximum at all times. For example, if you go to the bathroom, you must go and come back in a two-minute period or you're liable for a demerit.

"There is a very strict system of demerits. If someone breaks a rule, they have to write a letter admitting they have done such a thing. If they write three of these letters, they are automatically dismissed.

"There is also a letter of apology. If you've done something like a trespass of etiquette or not followed the company policy, you must write a letter apologizing."

Among those employes required to write such letters are girls who associate with Rev. Cho.

The starting wage at the Dong-Il plant, where girls work two to three years and then quit, Rev. Cho said, is about 10 cents an hour—before deductions.

The average wage, again according to Rev. Cho, is around 16 cents an hour. A Dong-Il executive maintains that the average wage is close to 30 cents an hour. The government says the average for the textile industry is 23 cents.

Whatever the case, it is agreed that there are many other manufacturing plants and textile mills in South Korea that pay 10 cents an hour or less.

For some measure of what that 10 cents, or even 30 cents, an hour will buy:

One pound of beef costs $1.60; a black and white 19-inch television set sells for $254, an apartment-size refrigerator sells for $594.

The best measure of all perhaps, is the price of sport shirts in a downtown Seoul department store, which ranges from $6.25 to $20.

LOW WAGES EMPHASIZED

Thus, the textile plant employes who produce the cloth to make the shirts, even if they earn 30 cents an hour, must work 21 to 67 hours to earn enough to buy one shirt.

Obviously, the average Korean worker cannot afford to buy his clothing in a Seoul department store. He cannot afford to buy a television set, or a refrigerator, or a pound of beef.

It is precisely the low wages that President Park emphasizes in his effort to attract new industry to South Korea, along with a guarantee to employers that there will be no strikes.

The 1974 "Guide to Investment in Korea," published by the government's Economic Planning Board, phrases the no-strike law more delicately:

"Foreign investors are given special protection from unwanted labor disputes."

Even before President Park's emergency decree outlawing strikes, says an American professor at a Seoul university, "one of the things the Korean government promised an investor was there would be no strikes.

"One of the ways they did this was to make sure they controlled who ran the unions. So the Korean government has become highly incensed that religious figures are meddling in labor affairs."

So it is, then, that except for the work being done by church leaders, there is no effective union movement in South Korea.

This is especially curious, for since 1968 the U.S. State Department has awarded $5.4 million in contracts to the Asian-American Free Labor Institute, Inc., in Washington, ostensibly to develop a trade-union movement in South Korea and other Asian countries.

Listen to the descriptions of some of those contracts contained in State Department files:

Feb. 8, 1968—Provide advice and assistance in the development and administration of trade union programs and labor related endeavors.

April 7, 1970—Develop programs and training projects in trade union organization, leadership and administrative training for selected participants from Asian and Near East areas.

March 31, 1974—Feasibility study to determine labor needs and personnel capabilities in the less developed countries of Asia.

How are the institute's programs—which are financed by the American taxpayer—coming along in a country where strikes are banned, collective bargaining is non-existent and wages are deliberately held down by government policy, while corporate profits go unchecked?

A profesor at a Seoul university who specializes in labor relations offers this assessment:

"The Asian-American Free Labor Institute . . . doesn't deal with the basic rights of workers, and nothing is said about social goals and policies of labor.

"What they are doing is teaching the workers to be passive and supporting the present government and the Korean Central Intelligence Agency."

The institute, the professor explained, carries out its program under a contract with the Federation of Korean Trade Unions (FKTU), which supposedly is the AFL-CIO of Korea.

"In fact," he said, "it is an organization controlled 100 percent by the Korean government and more particularly by the Korean Central Intelligence Agency."

There are a couple of final ironies to the United States foreign aid program in South Korea—a program that calls for the development of a free trade-union movement in a country that will not tolerate free trade unions and that at the same time provides long-term, low-interest loans to improve the profitability of sweatshop factories.

The same American foreign aid program that has provided textile mill jobs for Koreans at 10 cents to 30 cents an hour has resulted in the loss of jobs for textile workers in this country.

"We know our industry has been hurt," says Howard D. Samuel, an official of the Amalgamated Clothing Workers of America. "They have the lowest wages scales, and conditions in Korean textile plants are horrendous."

Since the late 1960's, the Korean companies have flooded the United States with their cheaper textile products and wearing apparel.

IMPORTS RESTRICTED

Indeed, the volume of textile products and wearing apparel flowing to America climbed so rapidly that the U.S. government placed restrictions on the annual growth in imports.

From 1969 to 1973, according to Department of Commerce figures, imports of Korean textiles and wearing apparel rose from $101 million to $250 million—a jump of 148 percent.

The Korean government reported total textile and wearing apparel exports last year of $837 million, indicating that nearly one-third of all Korean textile exports came to the United States.

In interviews with an Inquirer reporter, officials of Korean textile companies, trade associations and the government expressed their dismay over the import controls clamped on by the United States.

Kim Hyun, managing director of the Korea Chamber of Commerce and Industry, termed the U.S. import controls "quite unfair." Said he:

"Like a golf game, there should be a handicap for developing nations like Korea. Give us a handicap, that's what we are calling for."

Said an official in the government's Ministry of Commerce and Industry:

"At the time (of the quota negotiations), I blamed the United States government for forcing us to limit our exports. It was unfair and incorrect."

A representative of a Korean business and industry trade association, though, is optimistic about the future, saying he believes the import restrictions will be lifted as soon as the overall economic situation improves in the United States.

"We are anxiously looking forward to recovery of United States business boom," he said.

Even exports of American cotton to Korea were halted temporarily this year to allow the money previously allocated for cotton shipments under the foreign aid program to be used for food distribution in famine-stricken areas of Africa.

With Korean textile workers earning 10 cents to 30 cents an hour, and United States textile workers losing their jobs because of the flood of cheap products into this country, who, exactly, is benefiting from the American foreign aid program?

In Washington, an official of the American Textile Manufacturing Institute, the textile industry's trade organization, offers this answer:

The owners of Korean textile mills.

He says: "The labor cost is so low that the Koreans could have bought the cotton on the open market (without the subsidy paid by the American taxpayer) and still have undersold our mills.

"That might have affected the profits of whoever is getting those profits in Korea. But to find out who, you would have to visit the back alleys of Seoul."

There is yet one final irony.

Rev. Cho, the Methodist minister, may very well be arrested shortly after you read this story.

In agreeing to be interviewed and quoted by name—talking about a company that has benefited from the United States foreign aid program, a program sold on the basis of humanitarianism—Rev. Cho has violated any number of the arbitrary decrees handed down by President Park.

Observes an American minister who is a long-time friend of Rev. Cho:

"The Korean church leaders have made a commitment to this country and if it means going to jail, then they are willing to go to jail."

Maze Masks Beneficiary—Private Money-Lender Uses U.S. Funds

(By Donald L. Barlett and
James B. Steele)

U.S. foreign aid money is parceled out through so many different programs, and so many different organizations that it is difficult to determine where the money really is going or who benefits from it.

This is a case study of one such foreign aid maze:

The Korea Investment and Finance Corp. (KIFC) opened its doors in downtown Seoul on March 10, 1972, the first short-term finance company in South Korea.

On the surface, there is no connection whatsoever between the U.S. foreign aid program and KIFC, the private money-lender.

EARNED $734,000

In its first full year of operations last year, the company did very nicely, earning $734,000 on total revenue of $4.1 million. Net income per share was $5.84.

The company's financial fortunes were aided by two seemingly fortuitous events in South Korea, a country then and now ruled arbitrarily through decrees by President Park Chung Hee.

Five months after KIFC went into business, the National Assembly—which is controlled by President Park—enacted legislation regulating short-term finance companies.

Coincidentally, KIFC was the only company that met all the requirements.

About the same time that the National Assembly passed Law No. 2339 on short-term financing, President Park issued a decree outlawing the long-term private money market, which had been the traditional source of short-term loans.

The practical effect of the two actions was that potential borrowers, who for one reason or another did not want to deal with commercial banks, had only one source of money: KIFC.

Of the outstanding stock in the Korea Investment and Finance Corp., 60 percent is held by Korean business and individuals, 40 percent by foreigners. The foreign-owned stocks break down this way:

The International Finance Corp. (IFC), an affiliate of the International Bank for Reconstruction and Development (World Bank) set up to encourage private enterprise through direct investments, holds 20 percent of the stock.

Four companies each own 5 percent of the stock: Goldman Sachs & Company, the New York brokerage house; Nomura Securities Company, Ltd., of Tokyo, a Japanese brokerage house; Bankers International Corp., a subsidiary of Bankers Trust Co. of New York, and the Private Investment Co. of Asia, a Tokyo-based investment concern.

The Korean Development Finance Corp. is the single largest stockholder, with 22 percent. The remaining 38 percent of the stock is owned by a variety of banks, businesses and individuals in Korea.

There is, in short, no sign of American foreign aid. But consider the following.

Korea Investment and Finance Corp. was set up by the Korea Development Finance Corp., a development institution that invests in, and makes loans to, Korean businesses and industries.

SUPPORT OF AID

Both companies were organized with the assistance and support of the State Department's Agency for International Development (AID).

As of Dec. 31, 1973, the Korea Development Finance Corp. had received a $2.9 million loan through the United States foreign aid program, to be repaid over 40 years, with a 10-year grace period and an annual interest rate of 2.5 percent.

The World Bank has made loans totaling $41.1 million to the Korea Development Finance Corp., and has authorized additional loans of $53.6 million.

Through the foreign aid program, the United States accounts for 26 percent of the paid-in capital of the World Bank.

The Korea Development Bank, another institution which makes loans to, and invests in, Korean businesses and industries, has lent $5.1 million to the Korea Development and Finance Corp.

The Korea Development Bank, in turn, has received $27.4 million in three long-term low-interest loans through the United States foreign aid program.

$15.3 MILLION LOAN

The Korea Development Bank also has outstanding a $15.3 million loan from the Asian Development Bank. Through the foreign aid program, the United States accounts for 16 percent of the paid-in capital of the Asian Development Bank.

The International Finance Corp., which has invested $1 million in the Korea Investment and Finance Corp., also has loaned $1.1 million to the Korea Development Finance Corp., the company that, you may recall, organized KIFC.

Through the foreign aid program, the United States accounts for 33 percent of the total subscriptions to the International Finance Corp.

In addition, the International Finance Corp. relies largely on the World Bank as a principal source of funds, and through the foreign aid program, the United States is the single largest contributor to the World Bank Group.

Finally, the Private Investment Co. of Asia, which has a 5 percent interest (a $163,000 investment) in Korea Investment and Finance Corporation, is operating with a $2 million loan from the Overseas Private Investment Corporation (OPIC).

The Overseas Private Investment Corporation is a semi-autonomous organization that insures American business investments in developing countries through the foreign aid program.

Billions Spent To Ease Hunger—And the Effort Backfires

(By Donald L. Barlett and James B. Steele)

The United States foreign aid program has spent 30 years and billions and billions of dollars on agricultural programs designed to alleviate hunger in poor countries around the world.

That effort has largely failed.

In many instances, it has worse than failed; it has backfired, actually holding down food production in foreign countries and increasing their reliance on shiploads of U.S. food and dollars.

Consequently, many of those same countries are now faced with mass starvation, the prospect of certain and recurring food shortages for the foreseeable future and a continuing inability to grow enough food to feed themselves.

U.S. agricultural aid, like the entire $172 billion foreign aid program, has been undertaken with the best of intentions. And, also like the entire foreign aid program, it is an example of funds misspent, misdirected and, ultimately, wasted.

Poor, hungry people in developing countries are still poor and hungry and more dependent than ever on the outside world for food to stay alive.

The Inquirer's probe of agricultural assistance—part of a seven-month investigation of the flawed U.S. foreign aid program—found that:

The United States has mistakenly tried to transplant primitive societies farming techniques perfected in this country, on the assumption that what works in Iowa and Indiana will work in India and Indonesia. It won't, and for the subsistence farmers in far away places, the results have been catastrophic.

Programs such as Food for Peace, motivated by humanitarian impulses, have actually caused many poor countries to fail to even try to increase their own agricultural production—because it is cheaper and easier for them to obtain food from the United States than to grow it at home.

All too often, aid is spent on expensive, show-case projects that benefit only a handful of farmers and make no contribution to the country's overall agricultural needs.

Even in established projects, aid, instead of flowing to needy small farmers, often benefits large farmers or pays the salaries of educated, elite bureaucracies in the developing countries that have grown up to administer aid programs.

Agricultural assistance has also had the ironic effect of postponing or delaying indefinitely necessary, painful reforms in many nations that, if taken, would substantially increase food production and relieve misery.

In country after country, The Inquirer investigation established, if there is one lesson to be learned after the expenditure of more than $172 billion in American foreign aid, it is this:

Unless the government receiving the assistance has enacted sound policies of its own, no amount of foreign aid will do the least bit of good.

This is especially true in less developed countries, where corruption is systematic and in countries where governments have failed to institute even the most basic self-help measures.

Says a senior staff assistant for the Senate Foreign Relations Committee:

"External assistance is of minimal value unless the internal society is straightened out. India is a good example of an internal society that has not been straightened out."

Says a State Department official, privately echoing the same sentiments after years of overseas duty:

'There are some countries where assistance is a complete waste. India is a good example. Every dollar we put into India is a dollar down the drain.''

Their observations relate to foreign aid in general. But in no other facet of the foreign aid program are their assessments more painfully applicable than in the area of agricultural assistance.

Over the years, the United States foreign aid program has provided a staggering amount of agricultural assistance to the rest of the world in the form of direct food aid or assistance in agricultural planning.

Since the food for peace program was enacted by Congress in 1954, the nation has shipped agricultural products valued at $22.4 billion to more than 100 countries.

NEW METHODS TAUGHT

Agricultural experts from American colleges and universities have studied exotic tropical diseases and worked closely with poor farmers to teach them new farming methods.

Billions of dollars have been poured into large-scale projects in irrigation, colonization, farm resettlement and tropical agricultural research.

It is true that the United States' foreign aid program has done all of that. Yet whether the vehicle of the aid program has been direct non-repayable U.S. grants, or insurance guarantees to private companies engaged in farming, or agricultural loans from international organizations such as the World Bank, there has also been one failure after another.

In South Korea, the government has implemented a patchwork agricultural policy over the last decade, with the backing of the State Department, which has adversely affected food supplies. Korean farmers explained to The Inquirer what has happened:

Several years ago, the government told farmers to raise chickens. Everyone built chicken coops. Then, the price of chicken feed went up 500 percent due to soaring demand and the price of eggs went up only 20 percent.

Everyone stopped raising chickens.

Then they were told to raise pigs. Then, it was tobacco. Another year, it was angora rabbits (for the fur). Another year, it was cows. All these enterprises had the same predictable result: A farmer would buy a calf for $150, feed it for six months and then be able to sell it for only $125.

This year, the Korean government is pushing sunflowers.

In West Africa, a $1.4 million State Department project to raise chickens for domestic consumption in the three food-short nations of Mali, Mauritania and Senegal failed because U.S. planners did not take into account the fact that those nations did not have enough grain to feed both their populations and support a poultry industry.

In Thailand, the State Department enthusiastically supported a private American company's plan to increase corn production by guaranteeing the project 100 percent.

The idea, according to a State Department release, was to transplant to rural Thailand "the familiar county-agent concept of U.S. agriculture in providing farmers advice on the use of fertilizers, seed selection, cultivation and other aspects of successful farming."

But the project failed because it was undercapitalized from the start by the American company. It ended up costing the American foreign aid program $6.7 million to cover staggering operating losses.

In India, the United States poured in more than 42 million metric tons of wheat during the 1960s under the foreign aid program.

"By giving her so much food, we gave India a crutch," says a senior aide to the Senate Foreign Relations Committee. "As a result she had postponed all the hard, tough political and economic decisions that must be made."

Those decisions include whether India will continue to pour millions of dollars into her growing military program or divert some of that money to provide food for her hungry masses.

Now, as starvation marches across vast reaches of Africa and Asia, many undeveloped countries have sought to blame their plight on developed nations, especially the United States, and are demanding more help.

But during all of the discussion about famine and its causes and its possible cures, there is one subject that goes unmentioned: The failure of developing countries to institute necessary self-help measures to increase agricultural production—a failure that no amount of American foreign aid can ever overcome.

There is, in short, great potential for increasing agricultural production in many undeveloped countries.

But for one reason or another—all related to the failure of internal government policies or an inability to face certain hard political realities these governments have refused to come to grips with their problems, and agricultural production has suffered.

Take the case of Colombia, one of the nations visited and studied in detail by Inquirer reporters as part of the newspaper's foreign aid investigation.

Long a focal point for American aid in Latin America, Colombia has received $1.4

billion in loans and grants directly from the United States since 1946.

In addition, Colombia has received loans of $1.1 billion from the World Bank and $619 million from the Inter-American Development Bank. Both lending agencies depend heavily on the United States for financial support.

MANY-FACETED PLAN

Of the total aid amount, several hundred million dollars have gone into agricultural programs, ranging from the colonizing of Colombia's vast, sparsely populated eastern plains to the upgrading of national agricultural planning.

It has been poured into a variety of different agencies administering a variety of different programs—all aimed at making Colombia's 23 million inhabitants less dependent on the outside world for certain foods.

But perhaps the story of just one agency which has been a leading recipient of American aid—the Colombia agrarian reform institute (INCORA)—explains why per capita agricultural production in Colombia is just barely keeping pace with population growth.

INCORA, a government agency, was created in 1962 to carry out the provisions of a newly-passed agrarian reform law. The purpose was ostensibly to change the maldistribution of land in Colombia.

As in many developing nations, Colombia's good agricultural land is held by only a few families. They are wealthy aristocrats, for the most part, who can trace their lineage well into the nation's Spanish past.

Colombia is a mountainous country dominated by three separate ranges of the Andes. The best land is in the level, fertile valleys between the ranges. It is there that Colombia's elite have held sway for centuries.

With all the good land taken, small farmers settled for smaller holdings on the sides of the mountains where farming conditions are more difficult and soils are poorer than in the valleys below.

The 1960 census showed the extent of this pattern. Large farms of 247 acres or more made up only 3.5 percent of Colombia's total farms. But small farms of 12.4 or fewer acres comprised 62.5 percent of the nation's farms.

Even though Colombia is rich in soils and climates, and capable of producing a wide variety of crops, productivity has always been low.

One reason is that land taxes are very low, thus encouraging underuse of the good land, and the Colombian government has never applied pressure on large landholders to force them to use their land more efficiently.

Thus in Colombia, the problems of agriculture are largely political and a World Bank study of 1970 summed it up this way:

"The soil and climate endowment of much of this land is good . . . What is needed is well-directed pressure to bring the land into greater productivity."

In its own way, INCORA was supposed to exert "well-directed pressure," but the agency was probably doomed to fail from the start.

There never has been broad-based support for true agrarian reform from either of Colombia's two major political parties which have governed the country in recent years.

Both the liberal and conservative parties contain members who are large, wealthy landowners and whose interests would be directly affected by any ambitious program of radical reform.

NO MAJOR CHANGES

Consequently, in the 13 years since the agrarian reform act was passed, there has been no fundamental change in the way land is owned in Colombia.

At the same time, there has also been a genuine difference of opinion in Colombia, as elsewhere, over whether radical redistribution of land by expropriation or other forceful means would help or hurt agricultural production.

Whatever one believes, the problem is that Colombia has been unable to decide on whether to institute true agrarian reform or drop the program altogether.

"If anything, agrarian reform has been an impediment to agricultural production in Colombia," believes one U.S. official who spent years observing Colombian agriculture. "It has created uncertainty."

On one hand, INCORA has been unable to make any fundamental change in the country's maldistribution of land.

But on the other, every Colombian government usually pays at least lip service to the agrarian reform idea, which in turn creates some unwillingness on the part of major farmers to invest heavily in agriculture for fear their land might one day be expropriated.

None of Colombia's indecision, however, has deterred the United States foreign aid program from consistently pouring money into INCORA, even when it was obvious that the agency was making no strides toward land reform at all.

Even when INCORA's performance is criticized by other U.S. agencies, such as the General Accounting Office (GAO), the State Department speedily rushes to INCORA's defense.

A 1967 GAO audit, for example, concluded that INCORA, even with heavy U.S. support, had been unable to achieve "any appreciable success in effectively transforming the maldistribution of land in Colombia."

The State Department's AID office in Bogota prepared a seven-page answer to the GAO criticism that was, in short, an endorsement of INCORA policies, saying the agency's main objective "was to continue its steady progress" in solving Colombia's old-age rural problems.

"Even more significant," read the AID memo, "is INCORA's recognition both of the magnitude of the problems which face overall agrarian reform in Colombia, and the fact that it is adopting what we consider to be reasonable solutions to these problems. . ."

Seven years later, INCORA is no closer to achieving agrarian reform than it was in 1967.

INCORA has been such an obvious flop that now even AID's Bogota office is saying, at least privately, what critics of INCORA have been saying for years.

"I don't think the performance of INCORA has been very effective," one high AID official told The Inquirer.

Colombia's National Planning Department was unable to provide The Inquirer with up-to-date statistics showing current land ownership patterns, but one high department official said there has been virtually no change.

"Big interests stood in the way of land reform," he said, "so there has been little change at all. And it is not a high priority with this government either."

Although Colombia has achieved some success in producing more export commodities such as cotton and beef, per capita food production has just kept pace with population growth the last decade.

LITTLE CREDIT GIVEN

An American agriculturist who has spent years observing Colombian agriculture told The Inquirer that U.S. aid to Colombian agriculture has played little, if any, role in the increase.

"The crops that show the increase are exports such as coffee, cotton or beef," he said. "And these are produced mostly by commercial farmers using modern technology."

The aid money has not helped the small, subsistence farmers who comprise the backbone of Colombia's rural society, as evidenced in part by the continuing exodus of the rural poor to Colombia's big cities.

Bogota, the capital, was a city of 664,000 in 1951. By 1964, the population was 1.5 million. Today, the population is estimated at 2.7 million.

In fact, it may be much higher. No one has any scientific way of counting the thousands of poor farmers who yearly stream into Bogota and other large cities to escape the desperate poverty of the countryside.

"We have just operated an international social welfare program in agriculture," says one disillusioned American of the Colombian program. "The money that has gone to INCORA has not prepared anyone for the future or to become a productive member of Colombian society."

Colombians are still debating over who benefited from the millions that INCORA has spent since 1962—since there are so few visible signs of agricultural progress.

There have been repeated charges in the Colombian legislature of corruption in INCORA. Lawmakers have charged that in cases where INCORA has actually purchased land from wealthy owners for redistribution to needy peasants, the agency paid excessive prices.

INEPT PLANNING

But in most projects examined by The Inquirer in Colombia, there was another possible explanation for INCORA's poor performance—politics and inept planning.

In 1968, for example, the Inter-American Development Bank (IDB) loaned INCORA $35.9 million for a major colonization project on Colombia's vast, largely unpopulated eastern plains.

The bank, which is largely supported by the United States, put up the funds to build access roads, schools, hospitals and other community facilities to encourage the colonization of potentially productive agrarian land.

For its part, INCORA was to provide teachers, hospital beds, educational facilities and other assistance as part of the total development package.

The schools, hospitals and roads were built largely with U.S.-supplied funds. But the Colombian government then failed to provide the teachers or the other facilities because the national government decided to de-emphasize agrarian reform in 1970.

"We built the hospitals, but they did not provide the beds," said Nestor Sanchez, assistant director of the IDB in Bogota. "You go into some of those areas today and you find empty schools.

"The idea was to aid the spontaneous settlement of those areas that was already underway. People have been going there, but conditions are bad and getting worse all the time."

While Colombia has been unable to make tough political decisions that conceivably might greatly spur food production, South Korea has aggressively adopted policies in the last decade that have actually retarded agricultural production.

A few statistics on imports and prices perhaps best underscore the dismal failure of President Park Chung Hee's autocratic administration in dealing with the problem of food.

Rice has long been the staple of the Korean diet. In the years following the Korean War, the United States exported rice to Korea, but by 1960 those exports were no longer needed.

In 1961, then-Gen. Park came to power in a military coup. Shortly thereafter he launched what was called a "New Life Campaign," dispatching his army troops to the countryside to fight poverty.

News accounts at the time reported that troops explained to the rural folk that Korean farmers were "lazy and suffer from feudalistic thinking" and only through a massive reconstruction effort would there be "jobs and rice for all."

By 1970—after nine years and millions of dollars in American foreign aid money plowed into Korea's agricultural sector to increase production and organize 4-H Clubs—the Korean government had managed to:

Drive tens of thousands of farmers from their land; hold down the living conditions of those farmers who remained behind; and make Korea dependent on American rice and other food products once again. Indeed, Korea's increases in rice production have failed to keep pace with the country's population growth.

From 1970 to 1973, the United States had to export 1,553 million metric tons of rice to Korea—or nearly four times as much rice as was shipped during the 10-year period from 1950 to 1959, when the country was in the midst of, and recovering from, the war.

LOW-INTEREST LOANS

Much of the rice, along with a substantial volume of wheat, that was shipped to Korea the last few years, was sold through low-interest, long-term loans, running up to 40 years, under the American foreign aid program.

At the same time President Park has been increasing rice imports from the United States, he has been urging Koreans to eat less rice. Restaurants are not permitted to serve rice two days a week and barley is blended in with the rice that is served, a combination many Koreans find distasteful.

For the Park administration, the rice imports have served several purposes.

They have enabled the government to avoid dealing seriously with the agricultural economy, so that all its energies could be focused on building an industrial base and increasing exports.

As The Inquirer disclosed earlier this week, that industrial base is built on low wages and poor working conditions and is heavily dependent on cheap female labor.

The government also has used the cheap American rice to hold down the price of rice in Seoul, undercutting the price of rice grown by Korean farmers.

Last July, the retail price of a bag of rice sold in Seoul was $3.51. In the provincial city of Kwangju, the price was $3.76. In the port city of Inchon, it was $4.26. Red beans that sold for $3.38 in Seoul went for $3.51 in Kwangju and $4.01 in Inchon.

By keeping food prices down in Seoul, long-time American residents in Korea say, President Park has reduced the chances for large-scale demonstrations against his other policies and decrees which curtail individual freedoms and liberties.

SEOUL MIGRATION

With the government's disastrous agricultural policies and the emphasis in non-farm jobs and cheap food, rural folk, as might be expected, have flocked to Seoul. The city now holds nearly one-fifth of Korea's entire 32 million population, and is one of the world's most densely populated cities.

The resulting urban sprawal has aggravated the country's food problem in another way:

Apartment complexes, factories, squatters' huts, houses and expressways continue to push out from Seoul, taking more and more of what once was some of Korea's best rice growing land.

As for the farmers, the more things change, the more they remain the same. Like the government's experimental agricultural policies and the government's agricultural cooperatives, all backed and often financially supported by the American State Department.

The names of the farmers are not important, only what they have to say. They remain anonymous because Koreans who speak with an American reporter are risking arrest. And Koreans who speak critically of their government are risking long prison sentences.

It is sufficient to say that their ages range from the 30s to the 60s and that they live on Yong Jong Island, located a slow, 20 minute boat ride from Inchon.

There are, on the island, about 14,000 Koreans a Catholic church that has been there some 70 years, an American priest who has been in residence since the mid-1960s, one doctor who has treated more than 7,800 patients in the last eight years, and hundreds of mud-brick and concrete block houses with thatched roofs that do not have amenities like floors or running water or electricity.

CO-OPS CRITICIZED

One farmer is talking about the agricultural cooperative.

"You have to belong to the co-op to buy fertilizer so there is no real love for it. The orders to join come from above (the government). If you don't belong to the co-op, you can't get any fertilizer. It is a threat they hold over the farmer's head."

As a requirement for membership in the co-op, the farmer says he must donate about 65 pounds of rice each year to the organization.

In return, he can buy co-op fertilizer at the same price he could buy it on the open market and he can shop in the co-op store, a kind of general store where prices are higher than in Inchon. So, he says, "there is no use to co-op."

What happens to the rice the farmer turns over to the co-op?

"The co-op sells the rice to the government. The money they get from the government goes to pay the salaries of the co-op people. There are no benefits to the farmer," he says.

The farmers say they have gone through all this before, with other cooperatives. Each time the cooperatives failed for the same reason—corruption.

GAMBLING PHILOSOPHY

The farmers complain, too, about the low price for rice—which is deliberately held down by the government—and a variety of other government policies that allow some prices to rise while others are controlled.

In other countries, observes a longtime American resident of Korea who has worked closely with the rural people, the farmers say "the weather is a gamble. Here they say tomorrow's government decision is a gamble.

Curiously, the American State Department—undaunted by the Park government's 13-year string of agricultural failures—continues to pour money into the agricultural sector, pretending that modern technology somehow can overcome disastrous government policies.

A State Department official says, talking of plans for the future:

"We're going to bring in United States scientists to work on research breakthroughs in all grains—rice, wheat and barley."

WORLD BANK HAILS PROJECT BUT LACKS SUPPORTING DATA

"As far as the bank is concerned, the project is successful," said Carlos N. Quijano, the World Bank's representative in Bogota, Colombia.

Quijano was talking about the multimillion-dollar Atlantico irrigation, flood control and farm settlement project largely financed by the World Bank near the port of Barranquilla in northern Colombia.

Pressed to pinpoint Atlantico's successes, Quijano referred an Inquirer reporter to the bank's public relations department in Washington.

But the bank's public relations department was unwilling to give The Inquirer a 1972 bank study evaluating Atlantico.

"That paper was produced for internal use," said Jorge Bravo, a bank official. "It is not a public paper. When we do an evaluation, it is for the information of some people in the bank."

Although the World Bank is generally reluctant to provide information evaluating specific projects, The Inquirer investigation found that there may be special reasons why the Atlantico project is one that bank officials are not particularly eager to discuss.

Named for the northern Colombia state where the project is located, Atlantico called for extensive irrigation and flood-control projects to open up more than 20,000 acres for small farmers and farm workers.

Two World Bank loans in 1967 and 1972 totaling $14 million have provided most of the financing for the project, which is administered by the Colombian agrarian reform institute (INCORA), an agency of the national government.

The bank had high hopes for Atlantico. A June 28, 1967, press release said the project would "create employment and provide valuable experience in the production and export of fruit and vegetables."

The release went on to say, "The irrigated area will be extensively cultivated mainly with high value crops for export . . . oranges, pineapples, tomatoes, guavas, papaya, tobacco, peanuts, beans and grain sorghum."

To do all this, the bank said, "modern agricultural methods" would be introduced in Atlantico to help improve crop yields. About 1,800 farmers and workers would be resettled.

In short, Atlantico's goal was to grow crops for export, presumably to the United States. That in turn would earn valuable foreign exchange earnings for Colombia and raise the living standards of Atlantico's poor farmers.

There was one major flaw.

"The whole project was based on a false assumption," says one U.S. official who has observed Colombian agriculture but asked not to be quoted by name.

"The marketing was the largest failure. There was no way to market the products they wanted to produce. The idea was to export the citrus to the States. But they could never come into the U.S. market because of regulations on insects and diseases.

"Then they switched to tomatoes and vegetables. But what are they going to do with tomatoes? They can't export them to the States, either. And the nearest major markets in Colombia are very far away."

Another American officials of an international lending agency who was familiar with Atlantico added:

"Some very fundamental things that you would have thought would have been covered in the feasibility study were not covered at all by anyone. You would think an institution such as the World Bank would have been more cognizant of this, but it wasn't."

Since Atlantico was a sophisticated project from the start, using modern machinery and methods, including intricate irrigation systems, the farmers quickly found themselves heavily dependent on INCORA to run their farms.

The official of the international agency explained what happened;

"They took people who used to harvest rice by hand and put them down on land where the rice is now harvested by huge self-propelled machines like you would see harvesting wheat in Kansas.

"But the worst thing is the psychological impact it's having on the campesinos. They don't associate the production on their farms with their own effort.

"INCORA makes all the decisions—when to plant, when to harvest, when to fumigate the fields. The farmers are totally dependent on INCORA, and it's hard to see the day when INCORA will ever be able to turn this over to them.

"The farmers don't feel like they are working their own land. They feel like they are workers for INCORA, and that the whole area is just one big INCORA plantation."

The Atlantico project has also run up extraordinarily high unit costs.

In an interview in Barranquilla with an Inquirer reporter, Jose Vicente Llinas regional INCORA director, said that so far 1,300 farmers had been settled in the project, which had cost about 500 million pesos ($20 million).

That works out to roughly $15,000 per farmer, in a nation where per capita gross domestic product is about $375 a year.

UNITED STATES PAYS FOR BUNGLING THAI PAPER COMPANY

(By Donald L. Barlett and James B. Steele)

The man speaking is an executive of the Siam Kraft Paper Company Ltd. of Bangkok, Thailand, a company that was organized under the auspices of the American State Department.

He is explaining why hundreds of Thai citizens today find themselves holding stock in Siam Kraft—stock that is worth little more than the paper it is printed on:

"It looked like IBM on the local stock market. A big United States firm with offices all over the world was going to handle all the technical work.

"A former assistant secretary in the United States Department of Commerce was promoting it. The State Department and the United States Export-Import Bank (Exim Bank) were supporing it. Hell, I would have bought stock myself."

Now, the former assistant commerce secretary has long since bailed out, the Exim Bank has had to reschedule loans to Siam Kraft because the company was unable to meet its payments and the big United States company which provide the technical assistance has been sued for fraud.

And Siam Kraft, a company that employs about 800 Thais in the manufacture of industrial grade paper—its chief product is used for making corrugated boxes—is operating from month to month, its long-term future at best uncertain.

An American businessman in Bangkok, who has been involved in Exim Bank and Foreign aid projects for a number of years, and who has made a study of the Siam Kraft Paper Co.'s operations, told The Inquirer:

"I have never seen the agency for International Development (the State Department agency which administers the foreign aid program) and the Exim Bank so eager to give away money as they were in this project.

"On the basis of the available information, this project never should have been undertaken."

But it was, and so were dozens of other projects like it—all undertaken with the backing of the American State Department in less-developed countries around the world and all with similar or equally disastrous consequences.

The State Department's involvement in these international business deals was documented during a seven-month Inquirer investigation into the administration of the nation's $172 billion foreign aid program.

For years, the State Department has been encouraging American business development abroad, supposedly to help the needy in less-developed countries, arguing that such investments are essential in order to raise living standards.

But as The Inquirer disclosed earlier this week, the foreign aid program often has had the opposite effect—providing subsidies to sweatshop textile mills, holding wages down to subsistence levels in poor countries and resulting in the loss of tens of thousands of jobs in the United States.

That same State Department foreign aid program, though, has proved to be a source of very profitable deals for a select group of businessmen, government officials and wealthy families in less-developed countries, as well as a select group of businessmen and investors in the United States.

In the background of many of these deals is the politically well-connected American businessman who often uses the foreign aid program while moving easily between jobs in private industry and jobs in the federal government.

COURT RECORDS

This is the story of one such deal and the interlocking business arrangements behind it. The story was pieced together by The Inquirer from court records in Washington and New York, and from legal documents and interviews in Bangkok. It involves:

Henry Kearns, the former president of the Exim Bank who received a half-million dollars in a stock deal that involved one company he helped start under the foreign aid program and a second company that benefited from multi-million-dollar loans guaranteed by the Exim Bank while he was its president.

Parsons and Whittemore, Inc., a New York-based construction company that has been involved in several controversial foreign aid projects. The company says it "could not have achieved success without the support" of such institutions as the State Department and the Exim Bank.

The State Department, which has awarded millions of dollars in contracts to Parsons and Whittemore for a variety of services under the foreign aid program, but now claims it really is unable to say just how many such contracts there were, or the total value of those contracts.

The Exim Bank, an arm of the U.S. government, which has subsidized the sale of everything from equipment for low-wage factories in South Korea to airplanes for Saudi Arabia, a country that tripled its oil prices last year. The bank makes loans at interest rates below the prevailing market rate and also guarantees loans made by commercial banks.

Siam Kraft Paper Co., a paper mill in Bangkok that charges, in lawsuits filed in Washington, New York and Bangkok, that it was defrauded by Parsons and Whittemore and by Henry Kearns. The company now is operating almost entirely on borrowed capital.

It all started in 1962 when, Kearns says, got the idea for a paper mill after talks with officials of the Thai government's Board of Investment.

At the time, Kearns—a onetime Los Angeles car dealer and assistant secretary of commerce for international affairs during the Eisenhower Administration—was president of Kearns International Business Development Corp., a private company engaged in promoting business investments in less-developed countries.

IDEA PROMOTED

Kearns then approached Parsons and Whittemore with his idea, and both he and the construction company proceeded to sell the proposal to the State Department's Agency for International Development (AID).

AID agreed to guarantee loans that would be necessary if a feasibility study determined that a paper mill would be a successful venture, or to pay 50 percent of the cost of the feasibility study if it showed that such a mill would not be practical.

In the months that followed, officials of Parsons and Whittemore and Kearns prepared and revised feasibility studies and lined up financial support for the planned project from the State Department and the Exim Bank.

Throughout 1963 and 1964, Kearns said the Bangkok offices of two of his companies, Kearns International and American Capital Corp. "maintained regular contacts with officials of the Thai government, the (Thai) Board of Investment . . . the American Embassy and potential investors . . . in an effort to keep their interest in the Kraft paper project alive, to obtain favorable decisions from all who might have an effect upon the success of the project, and to achieve understanding and support for the project."

He said that he "persuaded five leading Thai banks to make a general offer (of Siam Kraft stock) to their depositors" and that this resulted in about 1,200 Thai individuals and companies "investing sums of $50 or more" in Siam Kraft.

He stated that he "also played a large part in securing commitments from the Exam Bank, AID (the State Department's Agency for International Development), and a number of private United States banks to provide adidtional loan financing which was necessary."

But Parsons and Whittemore was no stranger, itself, to the State Department.

The privately owned company, which reported gross revenue of $230 million in its last fiscal year, has been involved in several controversial foreign aid projects.

There were disputes over a pulp and paper mill the company built in Ethiopia, and extended litigation over a pulp mill in Chile.

Court records show that Parsons and Whittemore has entered into at least 11 agreements with the State Department, which guaranteed the company's investments abroad, and that nine of those agreements were still in effect this year.

In addition, court records show that since Jan. 1, 1970, Parsons and Whittemore has submitted 21 applications to the State Department to sell equipment to mills in various developing countries under the foreign aid program.

NOT LOCATED

Curiously, the State Department told The Inquirer that it was unable to locate any of the contracts or agreements with Parsons and Whittemore, or to determine the total value of the contracts.

In July 1965, Kearns, operating through his American Capital Corp.—a company he incorporated in Panama—formally organized the Siam Kraft Paper Co. in Thailand.

In a contract entered into that same month between Siam Kraft and subsidiaries of Parsons and Whittemore, the New York construction company agreed to build and manage the paper mill.

Of the project's estimated $28 million cost, the Exim Bank agreed to provide half, or $14 million. Loans of $4 million from other sources were guaranteed under another foreign aid program.

The other major investment groups in the project were Thai individuals and companies, who put up $4.5 million, and Parsons and Whittemore and other investors in the United States, who put up $1.5 million.

By late 1966, a revised feasibility study prepared by a consultant retained by Kearns concluded that:

"This project appears to be technically and economically feasible . . . Earnings forecasts indicate that by 1969 the company will have an indicated operating profit of 35 percent on sales."

Those profits never materialized, though. And by the end of 1970, little more than a year after Siam Kraft had started operations, the interest in the struggling firm previously held by Parsons and Whittemore had been sold to Thai investors, who recruited a new management team from the United States to replace the Parsons and Whittemore executives who had been runing the mill.

Then in 1973, Siam Kraft halted payments on loans from Parsons and Whittemore. The New York construction company filed a lawsuit against the paper mill in Bangkok.

The new management of Siam Kraft promptly filed a counter-claim in Bangkok and brought legal actions against both Kearns and Parsons and Whittemore in the U.S. district courts in Washington and New York. The lawsuits allege, among other things, that:

The new management of Siam Kraft also charged that the project proposals for the mill were false, citing a number of examples such as the following:

Expensive and unnecessary equipment was installed by Parsons and Whittemore at the paper mill, although it was not called for in the original contract; other equipment that was listed in the contract was not provided; cost overruns were concealed, and the mill was accepted "even though (it) was incomplete and, in several respects, inoperative."

"The revised project proposal projected sales of wrapping paper during the first 15 months of approximately 11,500 tons, with revenues of approximately $4 million; sales of multi-wall bags of approximately 3,800 tons, with revenues of $1,300,000, and sales of grocery bags of 1,500 tons with revenues of approximately $600,000.

"In fact, no wrapping paper, multi-wall bags, or grocery bags were sold. The fact that there was almost no market for said products was undisclosed and misrepresented in the revised project proposal."

By 1970, when it was clear that all was not going well at Siam Kraft, Henry Kearns already had moved on to become president and chairman of the Exim Bank, taking with him the 100,000 shares of stock in Siam Kraft that he had received for his efforts in setting up the company.

When worried senators had asked Kearns about his stockholdings at Senate confirmation hearings in 1969, the former president of the national Junior Chamber of Commerce pledged that he would place all his stock in trust.

Here is in fact what Kearns had done prior to 1969 and what he did thereafter:

From 1963 until he became president of the Exim Bank in 1969, Kearns worked closely with officials of Mitsui & Co. Ltd., a leading Japanese trading company, on a number of projects and discussed Siam Kraft with those officials.

During his Senate confirmation hearings in 1969, Kearns balked at suggestions he sell his Siam Kraft stock—it was virtually worthless at the time—although he agreed to place the stock in a blind trust to be administered by the Bank of America.

At the same time, Kearns did sell his stock interest in another Thai business venture, a Firestone Tire and Rubber Co. project. The buyer of the stock was Mitsui & Co. Ltd.

Early in the summer of 1970, when Kearns was president of the Exim Bank, the State Department and the bank jointly sent a consultant to Thailand to determine what had gone wrong with Siam Kraft operations.

Later in 1970, the Exim Bank, with Kearns as president, rescheduled Siam Kraft's $14 million loan. Under the terms of the original agreement, the company was to repay the loan in 12 equal semiannual installments beginning Dec. 1, 1970.

The new loan agreement postponed the first payment until Dec. 1, 1973, and extended from 12 to 40 the number of semiannual installments, with the final payment not falling due until June 1, 1993.

At the same time, the State Department arranged a similar rescheduling of $4 million in private loans to Siam Kraft that had been guaranteed under the foreign aid program.

After the debt reschedulings, the Exim Bank guaranteed a variety of loans, running into the millions of dollars, which benefited Mitsui & Co. Ltd., the Japanese trading company that Kearns did business with before becoming president of the Exim Bank.

In about June 1972, representatives of Mitsui & Co. Ltd. expressed an interest in Kearns' stock in Siam Kraft. Kearns referred them to the Bank of America.

In December 1972, Mitsui & Co. Ltd. purchased Kearns' 100,000 shares of stock in Siam Kraft for $5 a share—or a half-million dollars—when the stock was selling in Thailand for a reported $1.75 a share.

For his part, Kearns maintains that he was unaware that Mitsui & Co. Ltd. had bought his Siam Kraft stock until five months after the transaction was completed.

He also maintains that he played no part in the Exim Bank's rescheduling of the $14 million Siam Kraft loan, that those negotiations were carried out by another Exim Bank executive specially named by the bank's board of directors.

Indeed, Walter C. Sauer, first vice president and vice chairman of the Exim Bank, told the Senate Appropriations committee last year that he had handled all the Exim Bank dealings with Siam Kraft.

Interestingly, though, court records show there are a number of transactions and dealings involving Siam Kraft and the Exim Bank which Kearns prefers not to discuss.

He objected to, and did not answer, a series of questions posed by attorneys for Siam Kraft during pre-trial proceedings. For example, he declined to answer:

"Identify any individuals whom you recommended be employed by the Export-Import Bank. State in each case whether such individual was ultimately employed by the Export-Import Bank. State whether each of these individuals played any role whatsoever in the (Siam Kraft) project either before or after his employment by the Export-Import Bank, describing the said role and stating the time period in which it took place."

PART OF ANSWER

Here is a part of answer to those queries:

One of Kearns' business associates, Don Bostwick, who was a vice president of Kearns International from 1961 to 1965, became executive vice president of the Exim Bank after Kearns was named president of the bank.

During the mid-1960s, when Siam Kraft was being organized, Bostwick assisted in preparing a prospectus in the new company—for potential Thai investors.

Kearns also objected to answering specific questions about Bostwick. He refused to respond to:

"State when Mr. Bostwick became employed by the Export-Import Bank and give each position he held with the said bank and the dates applicable to his tenure in each position.

"State whether Mr. Bostwick's access to files of the Export-Import Bank related to the (Siam Kraft) project were restricted in any way and, if so, describe the applicable restrictions."

Kearns did say, however, that he never discussed the Siam Kraft project with Bostwick while he was employed at the bank.

While Kearns insists that he played no part in the Exim Bank and State Department decisions to reschedule the $18 million in Siam Kraft loans, the results of those decisions clearly benefitted Kearns financially.

For it is generally agreed in Bangkok that without the loan reschedulings, Siam Kraft would have gone into bankruptcy. Now there is even cautious optimism over the company's future.

"The last two years we made a small profit," says a Siam Kraft official who asked not to be identified. "We're having difficulty now because of a general sales decline.

"We're operating a company 100 percent on borrowed money. When the market declines, as it has been, we have no strength at all.

"The balance sheet is a complete disaster. The entire equity of the company was lost in its first year of operation. Back in college they used to talk about debt ratios, but I don't think they had in mind a debt ratio of 100 percent."

Both Kearns and Parsons and Whittemore have denied the charges in the Siam Kraft lawsuit, which is not expected to go to trial for some months.

In fact, Kearns has filed a counterclaim seeking $500,000 from Siam Kraft, contending that if the paper mill "had been capable of operating efficiently and in accordance with the performance specifications of the contract," his stock would have been worth $10 a share instead of the $5 a share he received from Mitsui & Co. Ltd.

It is worth noting that the State Department, Kearns and the Exim Bank all were involved in another business venture in Thailand.

That one ended early this year with the scrapping of plans for a $100 million-plus airport after Kearns stepped down as president of the Exim Bank to return to his Kearns International offices in San Francisco.

The project began with a proposal in 1971 by the Northrop Corp., the California aerospace company, to build and operate a new airport in Thailand under a long-term franchise agreement.

SERIES CITED

A year later, the Exim Bank's Kearns was in Bangkok endorsing the project, saying that the bank would provide much of the financing.

And shortly thereafter, Thailand's then ruling military government gave its approval to plans to build the airport in a swamp on the outskirts of Bangkok.

To help guide the project through its formative stages, Northrop hired Jack P. Bailhe, who had worked as the private enterprise officer in the Bangkok office of the State Department Agency for International Development.

Bangkok businessmen interviewed by The Inquirer said it was generally understood that the Exim Bank had made a firm commitment to finance the airport.

But in 1973, that firm commitment became shaky when Kearns began insisting that the Thai government would have to make certain guarantees assuring the financial success of the project.

On March 11, 1973, the Bangkok World quoted Kearns as saying that Northrop also "must convince the bank that there are sufficient safeguards to prevent loss in case the government changes its attitude toward the project."

In the months that followed, there was a series of inter-related events all of which contributed to the cancellation of the airport project.

Opposition began to grow among some Thai government officials and citizens groups, who argued that profit from an international airport in Bangkok should go to the Thai government rather than a multinational American corporation.

In August 1973, Kearns confirmed that he intended to resign from the Exim Bank. In October, Thailand's ruling military regime headed by Field Marshal Thanom Kittikachorn, which had given the go-ahead to the airport—was forced from power.

That same month, a Far East economics magazine published a detailed account of the proposed airport, labeling it "Bangkok's Watergate."

During its planning stages, the airport project had received the approval of the State Department.

By the end of last year, however, with Thailand's military government ousted, and sensing that the airport could become a public embarrassment to the United States, the State Department applied pressure on the Exim Bank to withdraw its loan offer.

Commenting last January on the decision to drop the project, a Northrop Corp. executive was quoted by a Thai newspaper as saying:

"The reason we could not carry out the deal was because of the present political situation here and also because we couldn't get enough financial support from the Exim Bank."

“Exim’ Bank May Be Going Overboard on Its Loans

(By Donald L. Bartlett and James B. Steele)

Like the steadily growing $172 billion American foreign aid program that it helps support the United States Export-Import Bank (Exim Bank) appears to be running out of control.

In the five fiscal years in which Henry Kearns served as president and chairman of the Exim Bank, the bank's authorizations—loans, guarantees and insurance—exceeded its total authorizations for the previous 36 years.

From 1970 to 1974, Exim Bank authorizations amounted to $34.2 billion—or $3.3 billion more than the $30.9 billion in authorizations dating from the day the bank went into business in 1934 until Kearns took over in 1969.

The figure includes direct loans as well as Exim Bank guarantees and insurance covering loans by other institutions.

Long an enthusiastic supporter of foreign trade subsidies, Kearns, addressing a World Trade Week luncheon in San Francisco back in 1960, recommended the creation of:

“More favorable and responsive credit terms (for export loans) preferably by the financial community, but if not forthcoming from this source, by the federal government.”

Nine years after delivering that speech—he was assistant secretary of commerce for international affairs at the time—Kearns assumed the top post at the Exim Bank. The bank's authorizations soared.

Lending money at interest rates below the prevailing market rate, Kearns' Exim Bank:

Subsidized the sale of American aircraft to airlines around the world—from the Dutch KLM to Germany's Lufthansa to Japan Air Lines—at the expense of competing U.S. airlines.

Subsidized the sale of equipment for the enlargement of oil refineries in Iran and Indonesia and the expansion of oil fields in Nigeria—three countries that tripled the price of their oil exports to the United States last year.

Subsidized the sale of machinery and equipment to a variety of low-wage plants in countries like South Korea, the Philippines, Thailand and the Republic of China—including textile plants that in turn have exported finished products back to the United States, undercutting the prices of American manufactured products.

While Exim Bank officials traditionally have maintained that the bank's chief purpose is to support the sale and export of American manufactured goods, the fact is that bank loans quite often are included as part of an overall foreign aid package to a particular country.

Thus, when the State Department was arranging foreign assistance funds for the National Police force in Colombia, the Exim Bank agreed to provide the money for the purchase of police vehicles and spare parts.

And when Henry Kearns helped set up the Siam Kraft Paper Company Ltd. in Thailand—again with the support of the State Department's foreign aid program—it was the Exim Bank that provided half the money for the project.

The close working relation between the Exim Bank and State Department—which passed on bank loans—was attested to last year by Sidney Weintraub, deputy assistant secretary for the international finance and development.

Weintraub told a subcommittee of the Senate Committee on Banking, Housing and Urban Affairs:

“Since the Export-Import Bank supports transactions in a variety of countries and in constantly changing political and economic conditions, mechanisms have been established to insure that there is appropriate coordination between the bank and the Department of State.

“State has provided the bank with detailed analyses of country conditions when the bank was considering new programs or when problems seemed to be developing.”

While Exim Bank officials and its supporters say the bank is necessary to support American exports, there's a growing belief that the bank's loans in many cases have harmed businesses in the United States and resulted in a loss of jobs.

And as expenditures by the banks continue to spiral, there also is mounting skepticism as to whether the government should subsidize exporting industries at the expense of non-exporting industries.

William H. Branson, professor of economics and international affairs at Princeton University, put it this way when he testified before the Senate banking subcommittee last year:

“Exports aren't a good in themselves. Exports are national output that U.S. consumers don't get to consume.”

Mr. CHURCH. Mr. President, two of the best reporters from the Philadelphia Inquirer who wrote these articles reached the conclusion that, as presently constituted, the foreign aid program has become a subsidy for the rich and the powerful in foreign countries, and a gravy train for the American companies which have learned how to use its diverse opportunities.

Foreign aid money subsidizes luxury housing, builds luxury hotels, puts machines in sweatshops owned by the powerful. The money has come in increasing amounts through a series of backdoor guarantees and loan programs holding the bag when the debts go bad.

Because the programs cut across the committee jurisdictions in Congress, and appeal to diverse constituencies, few people appreciate the full scope of the commitment which has been made in the name of the American people.

Mr. President, if the beneficiaries were the poor and the hungry of the world, I would be less concerned with what we have done. But when scarce American resources are taken to finance luxury hotels and to supply airlines competing with American companies with cheaper interest rates, I must protest.

This program no longer serves the interests of the United States. It ought to be scrapped. We cannot even get it cut. We have already increased it $700 million above the present level, despite the worsening economic conditions in our own country.

For those who say, “But here and there it has enlarged the gross national product” of some foreign countries, let me point out that in those few cases careful analysis has shown that it has simply increased the gap between the rich and the poor.

It is not a reform program. It is not designed for the people who really need help. At least, we should hold to the level of spending of last year, which was approximately $5 billion, which the Senate approved, by a vote of 62 to 21, just a few weeks ago.

I hope the Senate will reaffirm that position.

Mr. BAYH. Mr. President, may I pose a unanimous-consent request?

For the sake of clarity in debate, may I ask unanimous consent that the Senate accept a similar amendment——

Mr. CHURCH. Mr. President, in response to the statement that the distinguished Senator from Indiana is about to make, may I say that the amendment to which he refers has already been incorporated in this amendment, holding safe the amount of money that has been stipulated for Israel.

Mr. BAYH. Mr. President, will the Senator yield for 1 minute so that I might thank him for that courtesy? I think I expressed when discussing the earlier amendment, and will not repeat it now, why the special problem in the Middle East requires us to balance the forces there. I think the amount in the bill is the bare minimum to balance the kind of resources that are being brought into that area by the Soviet Union. Thus, if the Senator succeeds, as I hope he will, this will deny the President the opportunity otherwise available to cut below the balance necessary.

Mr. CHURCH. Mr. President, I ask unanimous consent that, at the request of the distinguished Senator from Delaware (Mr. Roth), his name be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, did I understand that the Senator from Indiana to ask unanimous consent that his amendment be added to this one?

Mr. CHURCH. It was already added. I had already put it in.

Mr. HUMPHREY. How much time remains on the amendment?

The PRESIDING OFFICER. The Senator from Minnesota has 15 minutes. The Senator from Idaho has 5 minutes.

Mr. HUMPHREY. Mr. President, we are arguing pretty much the same thing as we did on the previous amendment.

There is a difference, of course, in the amounts. The actual foreign aid level for programs last year was $5,161,000,000, exclusive of Israel. That is for all kinds, including the Peace Corps and contributions to the United Nations. That includes Public Law 480 food assistance programs. It includes military assistance, economic assistance, and humanitarian assistance.

The simple fact is that if we authorize the President in this amendment to cut, I believe it is, approximately $700 million, I think we have a right to ask, “Where do you think that cut will be made?”

I do not think it will be made in the Indochina program, which we have outlined in this bill, in which we have already cut $600 million, and $1 billion in military assistance. They are very substantial cuts below the administration's request in this foreign assistance bill.

There is an 18-percent reduction in the authorization request, exclusive of military assistance to Vietnam.

I believe the committee report indicates that there was something like a $1 billion reduction in that military assistance.

This bill has reduced the administration's request for military assistance to Indochina by over $300 million.

It has reduced the military assistance in other parts of the world by about 45 percent.

There is an overall reduction in Indochina of 35 percent.

What we are really saying here is that we want to have the ceiling levels of all programs for the coming fiscal year at $5 billion, even though last year it was $5,161,000,000.

On top of that you would have to have what we all know in this country is a very serious rate of inflation.

Mr. President, last year we did not have funds in here for Egypt. I want to say that while I have not been very happy with those funds, I think Secretary Kissinger has done more to ease tensions in the Middle East than all the Senate put together.

I believe if he comes here and suggests that that is necessary, in light of the fact that it is substantially less than 1 day of war in the Middle East, possibly we ought to give him the benefit of the doubt.

If there are cuts to be made by the President under the Church amendment, those cuts will most likely have to be made in food assistance, in disaster relief, in the United Nations programs such as UNICEF, and the United Nations development programs.

You know and I know that the President is not going to further reduce military aid. This is what our struggle has been about.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Why does the Senator say that?

Mr. HUMPHREY. Why do I say that?

Mr. SYMINGTON. Yes.

Mr. HUMPHREY. Because every bit of argument we have had with the administration is for them to get the military assistance up.

Mr. SYMINGTON. Does the able Senator have inside information the President does not plan to reduce military aid?

Mr. HUMPHREY. I know that the President supports the bill we have here and that after weeks of tough negotiating, this is the best we could do. In fact, the administration wants substantially more military assistance than is in this bill.

I do not believe that anybody who has had anything to do with the State Department or the military establishment is of the mind that the President is going to reduce the military aid under the Church amendment.

What is going to happen is that food aid will be reduced. There will be a reduction in the economic aid to certain parts of the world—family planning, education, health, and that will be turned over to the President. If Senators want to do that, amendments will be offered here which will enable the authorizations to be cut individually.

I do not know any reason why we should give a blanket authority, after all the up-the-hill and down-the-hill problems we have had with the executive branch as to whether the Senate had anything to say about foreign policy.

I recognize that the amendment that has been offered by the distinguished Senator from Idaho has a great deal of sex appeal. There is no joy in standing here trying to defend foreign aid. Many times we have to make investments and expenditures which at the moment do not seem to be desirable, but were they not to be made, the results might be very difficult for us to take.

We could stand here today and say, "Let's not give assistance to Korea, no assistance to Vietnam." We could wash our hands of the whole thing and not give any assistance to anybody, and then see what happens. We would have nothing but chaos.

We are a part of a world. I would like to have less funds authorized in this bill in many areas, but I would rather have a bill that has a little more authorization in it with some tight controls than to have a continuing resolution.

I warn the Senate that it is not a choice between whether we have a foreign assistance bill, as before us, or no bill, because the Senate will authorize a continuing resolution. We have done it ever year, and we are going to do it; and in authorizing the continuing resolution, we had nowhere near the controls on foreign aid that are in the measure now before the Senate. This measure has a phaseout on military aid. This measure has no drawdown authority in the Department of Defense. This measure puts severe restrictions upon transfer of funds. There is much in this bill that is a decided improvement over any bill we have ever had.

We are apt to throw it all down the river in an argument over $700 million of authorization on ceilings, which does not affect this bill particularly.

As a matter of fact, under the Church amendment, this foreign aid bill could be left intact, without one dollar being hit, and that all could be taken out of Public Law 480, all of it. The Peace Corps could be abolished under the Church amendment. I do not think it would be, but it could be done. You could take a half-billion dollars out of Public Law 480. There are other things that you can reach in and grab and do away with and leave everything intact in this foreign aid bill, because this is a blanket amendment, an overall reduction on all forms of assistance—assistance that is authorized under the jurisdiction of the Armed Services Committee, assistance authorized under the jurisdiction of the Committee on Agriculture and Forestry. Anyone who wants to change Public Law 480 should come and testify before the Committee on Agriculture and Forestry. We have some jurisdiction in this matter.

I will venture to say that Congress does not have the guts to cut it, in the face of the public outrage about famine in the world. But we are perfectly willing to shove it over to the President and say, "Mr. President, you cut it," so that we can go home and appear before the Methodist Church and say, "In the name of the Lord, I voted for food aid." Then we say, "President Ford, that pennypincher in the White House, cut it out."

When the President cuts out some food stamp money, we raise Cain around here. We say, "Look what he did." We authorized all this money for food stamps, and right away Senator McGovern and Senator Humphrey issue a statement blasting him when he cuts out $300 million.

Mr. CASE. And Senator Case joined.

Mr. HUMPHREY. And Senator Case joined. [Laughter.]

What are we going to do? We are going to say, "You know what we did around here? We voted all kinds of money to save the poor starving folks in the Sahel. We voted all kinds of money to save the poor folks in India. We voted all kinds of money for the suffering folks in Pakistan." We go home to the church folks and the PTA and stand up there and say, "Look at us, what we did. But look at that President, that mean, nasty man." We put a ceiling on, and when he cuts, we are going to say we did not expect him to cut that; we expected him to cut it out of Indochina.

Wake up. He is not going to cut it out of Indochina, and we know it. The only way he will reduce money for Indochina is if we authorize it. In this bill we cut more out of Indochina, in this one foreign assistance act, than all the Indochina cuts put together prior to this.

I think we have a pretty good case. I grant that it does not make me very happy to say that we ought to help other people while there are many people at home to help. I think this country is big enough to do a little better at home and a reasonable amount abroad.

I say to the Senator from Missouri that I am concerned about what the multinational corporation does. We have a trade bill coming up, and we will deal with that. I do not think foreign aid has been a phenomenal success, but with the exception of Coca-Cola, much has not been a success. There have been many failures. I guarantee that without some foreign aid, the world would have been a whole lot different from the way it is today. We have made mistakes in foreign aid. We have made mistakes in wars. We have made some mistakes in our country. We have made mistakes in taking care of our environment. But I am not about ready to say, "Get off the world," because we are in it.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will have to withhold on my time.

Mr. SYMINGTON. Mr. President, will the Senator from Idaho yield me 2 minutes?

Mr. CHURCH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. Abourezk). The Senator from Idaho has 5 minutes remaining.

Mr. CHURCH. I yield 1 minute to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I have known my able and beloved friend, the Senator from Minnesota, for 30 years, and have been hearing the same speech every year. [Laughter]. I heard it when this country had all the gold and the bomb and nobody else had them; and when there were a lot of countries in deep trouble.

As a delegate from this body to the United Nations, I can say there are few countries today in worse shape economically than we are.

For many years, I voted for foreign aid. For many years I have voted against it.

Under present conditions, with this economy approaching a depression—a recession is when your friends lose their jobs, and a depression is when you lose your own—with thousands of Americans a week losing their jobs, we would now be voting to spend billions upon billions of dollars abroad in support of these other countries. I just cannot see it.

Mr. McGEE. Mr. President, the series of articles written by Bartlett and Steele, alluded to by the distinguished senior Senator from Missouri (Mr. SYMINGTON), are filled with many myths and misstatements of fact.

Their first assertion is that worldwide disillusionment has set in about foreign aid. However, most people would agree that the aided countries—and the world—are better off than they would have been without foreign assistance.

Current and recent events have dramatically illustrated the interdependence of nations has underlined the need for international cooperation among all countries.

Every President and every Congress since World War II has supported foreign aid. A recent public opinion poll showed 68 percent of the people think the United States should help the poor nations. In 1971, when the Senate rejected and then revived a foreign aid bill, 83 percent of newspaper editorials supported restoration of the program.

The 24 developed nations making up the Organization for Economic Cooperation and Development say of the poor nations that "all of their governments recognize that without aid they would have reduced prospects for achieving even moderate rates of improvement in their situation."

Barlett and Steele say the U.S. program is "swollen." In fact, it is growing leaner, and has been for several years.

In 1949, at the beginning of the Marshall Plan, foreign economic assistance took 11.5 percent of the Federal budget.

In 1949, economic aid represented 2.78 percent of our gross national product, and has moved downward ever since.

By 1973, the figure had fallen to 0.23 percent.

It is morally right that the world's richest nation should share some of its know-how and some of its wealth with those less fortunate. Barlett and Steele seem to deplore the cost of our economic and military assistance to other nations since 1946.

About everything we have done in the field of foreign policy since World War II has been to prevent World War III, and so far it has been successful.

Barlett and Steele say economic and military aid comes to $9 billion a year, which is nearly true, having been $8.6 billion in 1974. This figure includes the Peace Corps, the Food for Peace program, and the international financial institutions.

Then, amazingly, they say this is "nearly triple the official stated amount passed out to Congress, the news media, and the American people." This is unadulterated falsehood, for these figures are regularly published by AID and are available to all. We made them available to Barlett and Steele.

For most projects, AID does not send money overseas. It sends paid for, American-made tools to do a development job; that is, trucks, tractors, pipes, pumps, electric motors, tin plate, and steel rods. American manufacturers make a normal profit on these sales. This is not "profiteering"—it is profitmaking—fortunately, still legal in this country.

Let me deal with a few of the misleading accusations made by the Messrs. Barlett and Steele.

Barlett and Steele score Indian food production for increasing only two-tenths of 1 percent, far below the increase projected in the spring of 1969. They illustrate this point by selectively choosing two periods of 3 years each.

If instead the period of 3 years before the spring of 1969 were compared with the 3 following years the record shows an average production of 87.7 million tons of food grains before and 104.2 million tons afterward, an increase of 18.8 percent, or 6.2 percent a year, not 0.2 percent.

The article states that the change in production had "little to do with weather." This is flatly wrong. That fact, and the danger of wrong conclusions from selecting certain statistics only is confirmed by looking at a longer series of years as follows:

India Food Grain Production

[In million tons]

Year:	
1965	85
1966	72
1967	74
1968	95
1969	94
1970	99
1971	108
1972	104
1973	95
1974	107

The truly bad years—bad weather years——and the moderately bad years are clearly shown but the overall trend is solidly upward.

India still has a food problem because population growth continues and places a constant pressure on the rising food supply.

The article also faults AID's projections of expanded fertilizer use by India. Fertilizer use has not risen as high as projected, partly for the very reason given in the article—global shortage of fertilizer, and partly for a reason not given—a trebling of world fertilizer prices. Despite these problems, fertilizer use in India has risen from 1.8 million tons in 1969 to 2.6 million tons in 1974.

These facts are a more accurate assessment of the situation.

Again, on the Korean economy, all the facts tell a more accurate story. Barlett and Steele says a decision by the Korean government and U.S. Government turned Korea into a "low-wage haven."

Wages are low in Korea, but so are wage scales in all developing countries when compared to those paid in the United States.

Because the technology involved in the textile industry is relatively simple, and the industry is labor-intensive, Korea had and still has a comparative advantage. But Korean wages are rising—particularly in the textile industry, and Korea is slowly losing that comparative advantage.

MONTHLY WAGES—KOREA

	Average		Textile		Manufacturing	
	Amount	Percent	Amount	Percent	Amount	Percent
1971	$46.26		$35.59		$57.28	
1972	50.26	8.6	40.97	15.1	62.64	9.3
1973	55.82	11.0	47.85	16.8	68.74	9.7

From the above table it can be seen that although textile wages are still below the average, the rate of increase in the textile industry is greater than the rate of increase in other sectors. Therefore, the statement that "the entire system depends on keeping wages down" is fallacious, since wages have kept pace with increases in the gross national product.

In regard to unemployment, the following table shows the percentages of Koreans unemployed among the economically active population:

Year	Active population (thousands)	Unemployment	Percentage
1969	9.888	474	4.79
1970	10.199	454	4.45
1971	10.542	476	4.51
1972	11.058	499	4.51
1973	11.600	461	3.97
1974 (3 mo)	11.835	636	5.37

Since Korea is still a developing country, with a per capita GNP of $375, it is fallacious to compare U.S. standards with Korean standards, particularly since U.S. per capita GNP is over $4,000, or more than 10 times the Korean GNP.

It is true that the United States and Japan "have since moved to place tight restrictions on the growth of imports of the cheaper Korean textile products and wearing apparel."

As a result of bilateral negotiations in the 1960's and in 1971, the Government of Korea agreed to limit exports of textiles and textile products to the United States. However, the level of permitted exports increases each year by a mutually agreed-upon percentage.

Korea has not been singled out in this case, as the United States has similar bilateral agreements with 28 other nations such as Japan, Hong Kong, Singapore, Taiwan, the Philippines, and Mexico.

Barlett and Steele wind up with the rhetorical question:

> How is it that after all the waste and fraud and deception, after the loss of tens of thousands of jobs, after the expenditure of tens of billions of dollars, the United States foreign aid program continues unchecked?

The answer, of course, is that if the foreign aid program were in fact responsible for such calamities, there would be no foreign aid program.

The Congress, which is far more diligent in its annual scrutiny of AID than Barlett and Steele give them credit for, would see to that.

By any standards of accountability, and despite the problems of operating in foreign environments, AID's stewardship of these large amounts of public funds has been highly creditable. It is inevitable that some mistakes have been made over the years, in both project planning and execution. In most cases it is AID's own audits that have discovered these deficiencies and AID has been rigorous in correcting them.

As further assurance of sound business management, there are few programs of the U.S. Government under closer and more continuous scrutiny. From initial planning through final completion, AID programs are under constant review by AID's own professional audit staffs, as well as by other U.S. Government oversight and audit groups. Through on-site inspections, AID supervisors stationed abroad make sure that AID-financed goods and services are used as intended.

In addition to these internal controls, AID operations are again reviewed by the Inspector General of Foreign Assistance and by the auditors of the General Accounting Office, the audit agency of the U.S. Congress.

The Congress also maintains close surveillance of AID programs through frequent investigations and studies conducted by the several congressional oversight and substantive committees of jurisdiction.

In the last 2 years AID's programing emphasis has been more and more on "people-to-people" help. But the suggestion that change-producing assistance can be provided outside a country's institutional framework, and the idea that it can somehow be delivered directly to the poor, like a sack of groceries, and still make any lasting improvement in their lives, is not realistic.

The ancient saying is, "give a man a fish and he can eat for a day; teach him how to fish and he can eat for the rest of his life."

The fact is, nations must grow economically if they are to provide for their poor. Jobs must be created, education advanced, effective demand mobilized, and so on. On a national scale this is a complex process, and early perceptions of the time required for it were badly underestimated.

The solution is not an easy one. The development process that worked with such success in the United States and Europe must accommodate to new realities—inordinate rates of population growth, for example, greater sensitivities to social justice, and widening participation by the middle and lower economic classes in political decision.

The challenge of development, and it is one recognized by donors and recipients alike, is to make the benefits flow faster and deeper. The AID program helps the poor countries meet this challenge by focusing on structural and institutional changes and technical breakthroughs that facilitate a more equitable distribution of the benefits of economic growth. To this end, it gives priority emphasis to such people-oriented problems as income distribution, food production, land reform, education, family planning, and health.

Mr. HUMPHREY. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from Minnesota has 3 minutes remaining, and the Senator from Idaho has 3 minutes remaining.

Mr. CHURCH. Mr. President, I listened to the apocalyptic remarks of my good friend from Minnesota. I was struck by the fact that, although his eloquence was overwhelming, its relevance to my amendment was minimal. He spoke of the terrible things that might happen if we gave to the President the discretion to make a few cuts. He said whole programs might be swept away: The Peace Corps might go down the drain; Public Law 480 might be devastated, depriving millions of people of food in famine-stricken areas of the world. One would have thought that I was proposing to gut this bill in the most unconscionable manner and that chaos would ensue if this amendment were to be passed.

What am I proposing? I am almost ashamed to admit the modesty of this amendment. I am proposing an overall ceiling of $5 billion. Last year, for the same programs, the Government spent $5,160,000,000.

I am proposing a cut of $160 million, while leaving the Government authority to spend another $5 billion.

Now, do we really think that this can be done, even if it is left to the discretion of the President, without such catastrophic and devastating impact upon all the established programs to which the Senator from Minnesota has referred? Of course, it can be done. It could be squeezed out of miscellaneous cash and no one would know the difference.

Somewhere, somehow, this Senate has to take a stand against the further expansion of spending in view of the fiscal conditions in our own country, and in view of the whole new era that has been ushered in by the decision of the OPEC governments to increase the price of crude oil by 500 percent.

The Senator from Minnesota talks about a world that no longer exists. It is the same speech that I heard when I first came to the Senate in 1957. But the world has changed. Unless we change with it, the last failure of all of those failures to which the Senator referred will be the failure of the economy of this country and the devastating consequences that will inflict upon the American people and those beyond our shores.

In the name of commonsense, let us reassert the position we took a few weeks ago, by a vote of 62 to 21, and simply assert that we shall not spend more than $5 billion this year on bilateral aid programs, which is approximately what we spent last year. I assure you the Republic will not crumble; the foundations will not collapse beneath this Capitol.

Mr. JAVITS. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield 1 minute to the Senator from New York.

Mr. JAVITS. Mr. President, the argument made by Senator CHURCH runs exactly on itself. If all we are saving is $160 million—and we know that the Committee on Appropriations is going to be after this authorization, too—and we are giving up the prerogatives of Congress to give the priorities on where this money goes and how it goes, the answer must be decidedly no.

We lawyers have a doctrine called de minimis. If there was ever anything called de minimis, this is it. I think this is precisely the reason for rejecting this amendment.

Mr. HUMPHREY. Mr. President, this is not the same old speech. This is not the same old bill. When I was here in earlier days, we were talking about $5 billion for foreign assistance alone in one bill, exclusive of Public Law 480, exclusive of all of these other things. We are talking today about foreign assistance at 30 percent of the level we used to talk about it, despite—may I say, Mr. President, the value of the dollar. That dollar does not buy what it used to buy, No. 1.

No. 2, this bill has cut $1 billion from the administration's request for Indochina, for economic and military assistance in Indochina alone. It is not as if we have not been careful of the public's money.

Third, may I say that there are reforms in this bill that are vital. I have the feeling that if we tamper with it too much, we are going to have a veto, and if we have a veto, we shall have a continuing resolution. If we have a continuing resolution, we shall have the continuation of what the distinguished Senator from Idaho has talked about for a long time.

Mr. President, I just remind my colleagues of a couple of things. There is in this bill food assistance. There are in this bill funds for the Middle East, over and beyond Israel, that are necessary for the peace that we hope to get there.

There is in this bill some additional funding for some of the valuable work of the United Nations agencies—not the United Nations Assembly. I do not think that Members of this body are ready to get up and condemn the children's fund. I do not think that they are ready to condemn the World Health Organization.

I am not saying, Mr. President, that President Ford will eliminate a program. I simply say it is within the realm of possibility.

I see the gentleman here who is the chairman of our Committee on the Budget, the Senator from Maine (Mr. MUSKIE). We have tried to get hold of this budget, and we have tried to get hold of authorizations. One of the things we have tried to do is deny the President the impoundment power, and here we are legislating impoundment.

The PRESIDING OFFICER. The time of the Senator has expired. All time has expired.

Mr. HUMPHREY. The yeas and nays have been ordered.

The PRESIDING OFFICER. All time has expired. The yeas and nays have been ordered. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the amendment of the Senator from Idaho. The clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina

(Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Colorado (Mr. Haskell), and the Senator from Washington (Mr. Magnuson) are necessarily absent.

I also announce that the Senator from Georgia (Mr. Talmadge) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from New York (Mr. Buckley), and the Senator from Nebraska (Mr. Hruska) are necessarily absent.

The result was announced—yeas 43, nays 48, as follows:

[No. 520 Leg.]

YEAS—43

Abourezk
Allen
Bayh
Bentsen
Bible
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Dole
Eagleton
Gravel
Gurney
Hollings
Huddleston
Hughes
Jackson
Johnston
Long
Mansfield
McClellan
McClure
McGovern
McIntyre
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Symington
Weicker

NAYS—48

Aiken
Baker
Bartlett
Beall
Bennett
Brooke
Case
Clark
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Hansen
Hart
Hatfield
Hathaway
Helms
Humphrey
Inouye
Javits
Kennedy
Mathias
McGee
Metcalf
Metzenbaum
Mondale
Moss
Pearson
Percy
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Williams
Young

NOT VOTING—9

Bellmon
Buckley
Ervin
Fulbright
Hartke
Haskell
Hruska
Magnuson
Talmadge

So Mr. Church's amendment was rejected.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHURCH. Mr. President, I send an amendment to the desk, which will take very little time because the distinguished floor manager is acquainted with it.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. CHURCH. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, between lines 2 and 3, insert the following new section:

DISPOSITION OF LOAN RECEIPTS

Sec. 5. Section 203 of the Foreign Assistance Act of 1961 is amended to read as follows:

"Sec. 203. Fiscal Provisions.—On and after July 1, 1975, none of the dollar receipts scheduled to be paid during any fiscal year from loans made pursuant to this part or from loans made under predecessor foreign assistance legislation are authorized to be made available during any fiscal year for use for purposes of making loans under chapter 1 of this part. All such receipts shall be deposited in the Treasury as miscellaneous receipts."

On page 12, line 4, strike out "Sec. 5." and insert in lieu thereof "Sec. 6.".

On page 12, line 11, strike out "Sec. 6." and insert in lieu thereof "Sec. 7.".

On page 16, line 7, strike out "Sec. 7." and insert in lieu thereof "Sec. 8.".

On page 16, line 12, strike out "Sec. 8." and insert in lieu thereof "Sec. 9.".

On page 16, line 17, strike out "Sec. 9." and insert in lieu thereof "Sec. 10.".

On page 16, line 21, strike out "Sec. 10." and insert in lieu thereof "Sec. 11.".

On page 17, line 9, strike out "Sec. 11." and insert in lieu thereof "Sec. 12.".

On page 19, line 10, strike out "Sec. 12." and insert in lieu thereof "Sec. 13.".

On page 20, line 21, strike out "Sec. 13." and insert in lieu thereof "Sec. 14.".

On page 21, line 14, strike out "Sec. 14." and insert in lieu thereof "Sec. 15.".

On page 25, line 6, strike out "Sec. 15." and insert in lieu thereof "Sec. 16.".

On page 26, line 11, strike out "Sec. 16." and insert in lieu thereof "Sec. 17.".

On page 26, line 17, strike out "Sec. 17." and insert in lieu thereof "Sec. 18.".

On page 27, line 10, strike out "Sec. 18." and insert in lieu thereof "Sec. 19.".

On page 27, line 13, strike out "Sec. 19." and insert in lieu thereof "Sec. 20.".

On page 27, line 23, strike out "Sec. 20." and insert in lieu thereof "Sec. 21.".

On page 30, line 4, strike out "Sec. 21." and insert in lieu thereof "Sec. 22.".

On page 30, line 25, strike out "Sec. 22." and insert in lieu thereof "Sec. 23.".

On page 32, line 6, strike out "Sec. 23." and insert in lieu thereof "Sec. 24."

On page 33, line 10, strike out "Sec. 24." and insert in lieu thereof "Sec. 25.".

On page 33, line 24, strike out "Sec. 25" and insert in lieu thereof "Sec. 26".

On page 36, line 4, strike out "Sec. 26" and insert in lieu thereof "Sec. 27".

On page 38, line 2, strike out "Sec. 27" and insert in lieu thereof "Sec. 28".

On page 39, line 6, strike out "Sec. 28" and insert in lieu thereof "Sec. 29".

On page 39, line 18, strike out "Sec. 29" and insert in lieu thereof "Sec. 30".

On page 45, line 19, strike out "Sec. 30" and insert in lieu thereof "Sec. 31".

On page 45, line 20, strike out "section 29" and insert in lieu thereof "section 30".

On page 49, line 20, strike out "Sec. 31" and insert in lieu thereof "Sec. 32".

On page 49, line 21, strike out "sections 29 and 30 (a)" and insert in lieu thereof "sections 30 and 31 (a)".

On page 52, line 16, strike out "Sec. 32" and insert in lieu thereof "Sec. 33".

On page 52, line 17, strike out "sections 29, 30(a), and 31" and insert in lieu thereof "sections 30, 31(a), and 32".

On page 53, line 5, strike out "Sec. 33" and insert in lieu thereof "Sec. 34".

On page 53, line 6, strike out "sections 29, 30(a), 31, and 32" and insert in lieu thereof "sections 30, 31(a), 32, and 33".

On page 53, line 19, strike out "Sec. 34" and insert in lieu thereof "Sec. 35".

On page 59, line 10, strike out "Sec. 35" and insert in lieu thereof "Sec. 36".

On page 63, line 11, strike out "Sec. 36" and insert in lieu thereof "Sec. 37".

On page 63, line 19, strike out "Sec. 37" and insert in lieu thereof "Sec. 38".

On page 64, line 3, strike out "Sec. 38" and insert in lieu thereof "Sec. 39".

On page 64, line 25, strike out "Sec. 39" and insert in lieu thereof "Sec. 40".

On page 65, line 22, strike out "Sec. 40" and insert in lieu thereof "Sec. 41".

On page 68, line 16, strike out "Sec. 41" and insert in lieu thereof "Sec. 42".

On page 69, line 16, strike out "Sec. 42" and insert in lieu thereof "Sec. 43".

On page 70, line 13, strike out "Sec. 43" and insert in lieu thereof "Sec. 44".

On page 19, line 11, strike out "section 11" and insert in lieu thereof "section 12".

On page 20, line 22, strike out "sections 11 (a) and 12" and insert in lieu thereof "sections 12(a) and 13".

On page 21, line 14, strike out "sections 11, 12, and 13" and insert in lieu thereof "sections 12, 13, and 14".

On page 25, lines 7 and 8, strike out "sections 11(a), 12, 13, and 14(a)" and insert in lieu thereof "sections 12(a), 13, 14, and 15(a)".

Mr. CHURCH. Mr. President, I will explain its purpose very briefly.

Mr. HUMPHREY. Mr. President, this is a very important amendment and may we have the attention of the Senators. By the way, the amendment is one we have agreed to.

The PRESIDING OFFICER. I will ask the Senate Chamber to come to order before anyone proceeds. The Senate will come to order.

Mr. CHURCH. Mr. President, last year——

The PRESIDING OFFICER. Will the Senators suspend until the Senate comes to order, please. Will the Senate come to order. Would those Members and staff members conversing please remove those conversations from the floor of the Senate.

The Senator may proceed.

Mr. CHURCH. Mr. President, last year, through an amendment which I proposed, the Congress added a new provision to the Foreign Assistance Act concerning the use of loan repayments. Theretofore, repayments from past loans had been available to AID for use in funding new programs every year without any new authorization by the Congress. Averaging over $200 million a year, these repayments had constituted a kind of revolving fund, allowing AID a significantly higher program level than was apparent in the annual authorization bill.

The provision enacted last year was directed toward bringing this practice to an end. By the terms of that provision, only one-half of the loan reflows in fiscal years 1974 and 1975 would be available for use as new loans. This was intended as a phaseout period after which all loan reflows every year would revert to the Treasury.

In order to make this policy explicit in the law, I now propose an amendment which states in unambiguous language that beginning in fiscal year 1976 no reflows from past loans will be available for use as loans or grants—in other words, that all such reflows will revert to the Treasury.

This amendment simply states what was implicit in last year's bill, and what was declared expressly in the statement of managers after the House-Senate conference on last year's bill: that fiscal year 1975 will be the final year in which any loan reflows will be available for expenditure. Beginning in fiscal year 1976 all program money will have to be provided explicitly through the annual authorization bill.

Mr. President, this is a simple and, I believe, uncontroversial amendment which will serve the cause of clear legislative procedure and improved congressional budgetary oversight. I urge its adoption.

Mr. HUMPHREY. This is an extremely important amendment and a distinct contribution to this legislation. I do believe that Congress should have control over the recycling of the funds, and I believe that the Committee on Appropriations should have the authority and the power to decide the amount of the funds to be appropriated. It ought not to be just backdoor financing.

Therefore, as the manager of the bill, and having consulted with our colleagues here on the other side of the aisle, we are more than pleased to accept it, and I want to thank the Senator from Idaho for his amendment.

Mr. CHURCH. I thank the Senator very much.

Mr. STENNIS. Mr. President, just one question. Give us the definition of what recycling is. What is the recycling of the funds illustrated.

Mr. HUMPHREY. What happens is, let us say, for example, a country had development loans made to it, a country in Latin America, for example. Under its repayment schedule it pays back after the grace period a certain amount each year in interest and principal that, under present law, has gone right back into the Administration without any control by the Committee on Appropriations or the legislative committee.

This would put an end to it, and is what the Senator from Idaho is seeking.

I yield back my time.

Mr. STENNIS. I thank the Senator.

Mr. CHURCH. I yield back my time.

The **PRESIDING OFFICER.** All time having been yielded back, the question is on agreeing to the amendment of the Senator from Idaho (putting the question).

The amendment was agreed to.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from South Dakota.

Mr. BAYH. Mr. President, a parliamentary inquiry, please.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. BAYH. Mr. President, I would like to know what disposition will be made of some of our amendments that are at the desk. Some of us have been sitting here all afternoon trying to permit other Senators to work their will when the hour of 6 o'clock comes, and the Senator from Indiana has been here. I intended to call up my amendment prior to that of the Senator from Idaho. I waited until afterward, and now I find I am somewhere down on the pecking order.

The **PRESIDING OFFICER.** The agreement is that the vote on final passage shall occur no later than 6 o'clock, which means that any amendments offered cannot have any debate on them after 6 o'clock.

Mr. BAYH. A further parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. BAYH. What about some of us who, after discussing them with the floor manager of the bill, thought that the national interest might be better served if we did not pursue to a rollcall vote the amendment which we had previously intended to pursue to a rollcall vote, but felt that a record should be made so that certain action on appropriation bills, on the concurrent resolution under one of the sections, might be taken advantage of by some of us at a later date?

Mr. HUMPHREY. I wonder if the senior Senator from South Dakota would yield to the Senator from Indiana, who has waited so long.

Mr. McGOVERN. Under the circumstances, I will yield. I wonder how much time the Senator wished.

Mr. BAYH. Under the circumstances, let the Senator have 4 or 5 minutes. I will call up my amendment to get the time. I understand that is required.

Will the Senator yield just for a moment?

Mr. McGOVERN. Mr. President, I think we have 15 minutes.

Mr. HUMPHREY. We only have 7½ minutes on each side, so might I suggest if I might yield to the Senator from Indiana to call up his amendment and make a quick presentation of what he has in mind, and then we will go back to the regular order.

Mr. McGOVERN. Perhaps the Senator will yield equal time.

Mr. HUMPHREY. Yes, I will be happy to yield when the Senator calls up his amendment.

Let us do it this way: I would be happy to yield 2½ minutes of my time.

The **PRESIDING OFFICER.** Does the Senator from South Dakota wish to call up any amendment?

Mr. McGOVERN. I wish to call up my amendment.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. McGOVERN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 16, line 14, strike out "$550,000,-" and insert in lieu thereof "$500,000,-".

On page 38, line 10, strike out "$617,000,-000" and insert in lieu thereof "$567,000,-000".

On page 38, line 12, strike out "$449,900,-000" and insert in lieu thereof "$411,900,-000".

On page 38, line 15, strike out "$100,000,-000" and insert in lieu thereof "$94,000,-000".

On page 38, line 18, strike out "$40,000,-000" and insert in lieu thereof "$34,000,-000".

Mr. McGOVERN. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second?

The yeas and nays were ordered.

Mr. McGOVERN. Now I will yield 2 minutes to the Senator from Indiana, with the understanding that the manager of the bill will also yield.

Mr. HUMPHREY. I will also yield whatever time the Senator needs.

Mr. BAYH. I appreciate the courtesy of my colleagues. I hate to bring this up at this time. I think it is important to have on the record the concern that I have and, I think, shared by others, relative to section 903, the special requirements fund, which is sort of a catchall $100 million provision in this bill.

It seems to me that this is most unfortunate. We do not specify how this money is going to be used and, thus, we really are, I think, derogating our responsibility as Members of the Senate.

Second, I am concerned with the reference in this measure, there is indication in this bill that some or all of this $100 million may be used to benefit Syria. In light of all funds that have gone into that area, specifically to Syria from the Soviet Union, as one Member of this body I see no reason for the United States to be prepared to ladle out $100 million.

I think Syria needs to be rebuilt. It seems to me some other Syrian neighbors, because of the oil situation, are in a much better position.

I just wanted to make a record here to suggest that I am going to be watching this very carefully. I will not put it to a vote here tonight. We are about to run out of time. We do not have sufficient time to debate it adequately, but when that matter comes before the Appropriations Committee, that is something all of us should look at.

Plus, in my judgment, speaking as one Senator, if there are efforts made to use some of this $100 million, provide that assistance to Syria, I intend to take advantage of the provision in the bill to introduce a concurrent resolution to try to move Congress in the opposite direction.

Mr. HUMPHREY. Will the Senator yield and may I take a moment to respond?

The Senator has touched on a subject I brought up in the committee. I have not been at all happy with this so-called special fund. That is why there is language in the bill that required, before there can be any funds obligated in excess of $1 million, the President has to submit a written report to the Foreign Affairs Committee of the House, Foreign Relations Committee of the Senate, and the President must make such obligation 30 days after the problem has been transmitted.

Let me say this further, in going before the Appropriations Committee I am sure the Appropriations Committee is going to demand specific detail as to how this money is going to be used.

We also, by the way, have a veto over the funds, as the Senator knows, by concurrent resolution, which is not too easy, as the Senator recognizes.

Mr. BAYH. As I discussed with my colleague, I think the Senator would be in a position to take advantage of that. I can look at this more closely in the Appropriations Committee.

Mr. HUMPHREY. Right.

Mr. BAYH. I think much development is needed, but we are in the process now of developing both sides of the controversy. At the same time, we have to face reality.

There are other neighbors and areas in much better financial position today to provide that assistance to Syria and some other nations.

Mr. HUMPHREY. I assure the Senator, he will have my help on this item, I am as unhappy as the Senator is.

Mr. BAYH. I thank my colleague.

Mr. HUMPHREY. Mr. President, if the Senator from South Dakota will let me yield 2 minutes of my time on his amendment to the Senator from Oregon, we can clear up another matter here, but we will not use any more time.

Mr. CASE. Except for Senator PERCY.

Mr. HATFIELD. Mr. President, I thank the Senator from Minnesota.

Mr. President, I address myself to the Public Law 480 section of the bill and I would like to call up my amendment, I ask it be in order to call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 39 lines 24 and 25 and page 42 line 19 delete "$1,274,900,000" and insert in lieu thereof "$1,189,900,000.";

On page 40 line 8 delete "$125,000,000" and insert in lieu thereof "$40,000,000."

Mr. HATFIELD. Mr. President, my amendment would reduce the level of $125 million presently in the bill of the Public Law 480 program for South Vietnam to a $40 million level.

Basically, for the purpose of recognizing that we have this time projected only $19.5 million for the first 6 months of the fiscal year, that would then be followed through for the $40 million level for the full year.

This last August and September, the production of rice was up 100,000 metric tons over the last year in South Vietnam and, therefore, is the basic reason why the level has been reduced.

This would also free the $85 million for other use of foodstuffs for the 32 countries listed by the United Nations as the most seriously affected by the global economic condition.

This would not affect the economic aid level in the bill, which is $50 million over last year.

Mr. President, during recent months the Congress has become increasingly aware of the prostitution and politicalization of the "food-for-peace" program. Specifically, almost half of the modest and shrinking surplus commodities under this program were diverted last fiscal year to support the war economies of South Vietnam and Cambodia, in heartless insensitivity to the threat of famine which grips much of the world. Further, those actions constituted a blatant attempt by the executive branch to nullify congressional action which placed limits on appropriations to the governments of those countries.

Last year, the Congress appropriated $450 million for "Indochina reconstruction assistance." The administration had requested $632 million; the Senate, following the recommendation of the Foreign Operations Subcommittee of the Appropriations Committee, appropriated $400 million, and the House appropriated $500 million, $450 million was the conference figure. Food-for-peace funds are appropriated separately, through the agriculture budget, and were not subject to this limitaticn on the Foreign Operations Appropriation bill.

There has been nearly total flexibility on the part of the administration to change and divert theses funds to different countries as they see fit. Thus, while the administration proposed in fiscal year 1974 that $176 million would be made available in agricultural commodities for South Vietnam, and $30 million for Cambodia, by the year's end, they had allocated $235 million in loans to South Vietnam for the purchase of Public Law 480 commodities, and $168 million to Cambodia. Thus, those two countries actually received $197 million more than was originally projected. So while it was the intent of Congress to cut appropriations for Indochina reconstruction by $182 million, from a proposed $632 million to $450 million, the executive branch more than recompensated that reduction by this $197 million increase in "Food for Peace."

As a member of the Foreign Operations Subcommittee of the Senate Appropriations Committee, this is particularly distressing to me, for we struggled diligently to set certain limits to Indochina reconstruction assistance, only to see them totally nullified by this action of the administration.

This action becomes particularly tragic when we realize how the countries of Indochina came to nearly monopolize our food for peace program. Title I food peace funds were diverted in such added massive amounts to Indochina not primarily to meet the needs of its hungry people, but rather to generate an added source of revenue for the South Vietnamese Government to pay for its budget. The same holds true for Cambodia.

Consider these facts. While more than $400 million in food-for-peace funds was allocated to Indochina in fiscal year 1974, the Sahel region of Africa, where a quarter of a million have died of starvation and millions more suffer from severe malnutrition and are struggling to live, received only about $61.5 million under the food-for-peace program. Pakistan received only $37.5 million. Bangladesh received a mere $20.1 million, despite the severe malnutrition that continues to afflict millions of its young. And India, which alone has 20 times the population of South Vietnam and Cambodia, and which is faced with the threat of famine, received only $67.1 million.

In fact, the two continents of Africa and Latin America together, with a population of 550 million people, received an estimated total of $190.5 million under food-for-peace allocations, almost the same as that given to the one country of Cambodia, with a population of 7 million.

The priorities governing the food-for-peace program are clear: They are to support economies geared to war, rather than relieve famine and starvation. Almost half of last year's food-for-peace allocations turned out, in fact, to be food for war.

The budget presentation for fiscal year 1975 showed the same criteria at work. Of the original world program of $891.7 million the following projected allocations are clearly political and strategic in nature: Cambodia, $77 million; Vietnam, $160.6 million; Indonesia, $120.9 million; Korea, $155 million; Philippines, $26 million; and Chile, $37.1 million. These countries account for more than 60 percent of the total program.

When we examine the quantities under title I of Public Law 480 approved for programing through December 31 of this year, as opposed to the original budget projections, we continue to see how the political motivations overwhelm humanitarian ones in the allocation of our food aid. For instance, $78.8 million has been approved for Cambodia, $27.1 million for Chile, $60.6 million for Egypt, $21.6 million for Korea, $22.5 million for Syria, $19.5 million for Vietnam, $3.3 million for Jordan, $900,000 for Thailand, $5.8 million for Indonesia, $200,000 for the Philippines, and $1.5 million for Jamaica.

By contrast, $75.5 million has been approved for programing to Bangladesh for the first half of this fiscal year, but only $200,000 to Pakistan, and $800,000 to the Sudan. About $50 million has been approved for India, although this figure is not yet certain.

It will be argued as to when food aid is political and when it is humanitarian. However, the United Nations, acting in response to a resolution adopted by the General Assembly last May 1, has adopted a list of the nations most seriously affected by the global economic crisis. This list was set forth on September 24 of this year, and done in cooperation with the World Bank, the FAO, and other international organizations. I ask unanimous consent that this list appear in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Bangladesh.
Central African Republic.
Chad.
Dahomey.
Democratic Yemen.
El Salvador.
Ethiopia.
Ghana.
Guinea.
Guyana.
Haiti.
Honduras.
India.
Ivory Coast.
Khmer Republic.
Kenya.
Laos.
Lesotho.
Madagascar.
Mali.
Mauritania.
Niger.
Pakistan.
Senegal.
Sierra Leone.
Somalia.
Sri Lanka.
Sudan.
United Republic of Cameroon.
United Republic of Tanzania.
Upper Volta.
Yemen.

Mr. HATFIELD. Mr. President, if we examine the trends in our title I Public Law 480 program for the first half of this fiscal year in light of this list of most serious affected nations, it is clearly seen how political objectives continue to play a large part in the allocation of our food aid. Of those nations I previously cited as receiving major portions of our title I food aid this fiscal year for political purposes, only Cambodia appears on the list of most serious affected nations prepared by the U.N.

There is one very encouraging note in this picture, however. Title I food for peace to South Vietnam projected through the first half of this fiscal year equals only $19.5 million. Only $7.2 million has actually been sent so far this fiscal year. Thus, we have substantially reduced the amount of our overall limited food for peace commodities which are going to South Vietnam. This trend is most encouraging, and I applaud the administration for it. It should be noted that last year, when South Vietnam was receiving major amounts of our food for peace program, it rendered a 50,000-ton "loan" of rice to Cambodia. Further, several times that amount was privately smuggled out of South Vietnam. There have been reports of peasants in central South Vietnam who died of starvation. But that was due not to the lack of foodstuffs in the country, but rather because of amounts smuggled out of the country as well as speculators who created deliberate shortages for personal gain.

This year, the harvest in South Vietnam has increased over last year substantially. Vietnam Economic Data for July through September, published by the Agency for International Development, showed that the end month stock of rice for August and September of this year were 263,000 metric tons and 243,000 metric tons, respectively. This compared with 123,000 metric tons for August of last year, and 159,000 metric tons of stocks last September. Thus, the harvest in South Vietnam has substantially improved this year, lessening the need for our imports, and especially our food aid. This is particularly true in light of the dire needs of nations throughout the world whose citizens face starvation, and who are in desperate need of immediate food relief—relief which may not be forthcoming.

This bill puts a ceiling on food-for-peace funds to South Vietnam of $125,000,000. But in light of their improved harvest, and reduced levels being sent for this first half of fiscal year 1975, there is no likelihood that this limit will be reached. Further, in light of dire world need, it would be utterly unconscionable to send such a vast amount of our limited food aid to the one country of South Vietnam—a country not even listed as being one of the 32 nations most seriously affected by global economic conditions.

My amendment reduces this limit from $125 million to $40 million. That allows the present rate of food aid to South Vietnam for the first half of this fiscal year to continue. It will allow for $20 million more food aid to go to this nation for political purposes during the second half of this fiscal year. Moreover, it will insure that the commendable trend during the first half of this fiscal year in reducing food aid to South Vietnam will continue through the rest of fiscal year 1975.

Let me be candid in conclusion. There is no problem faced by this world more likely to breed instability and conflict, and increase the magnitude of mankind's suffering in the years directly ahead of us, than the shortage of food.

International politics, relationships between the "superpowers" and the poor countries, the durability of political regimes, and the political character of nations, including our own, will be shaped by the growing scarcity of the world's basic resources, and especially food, more than by any of the other factors that have monopolized our attention.

The people of America have demonstrated that they will give out of their generosity to those who are in need. But what has disillusioned the Nation about our foreign aid program are the instances of compromise and manipulation which can eventually destroy the original ideals and purposes of these efforts. The history of our food for peace programs, and its domination by political motives, is a prime cause of why Americans have been losing their belief in foreign aid.

In addition, there are thousands of people, both working for our Government and with voluntary agencies throughout the world, who have a sincere and total commitment to meeting human need. But the policies and decisions made at levels totally beyond their control can undermine and erode the equality of such individual humanitarianism. Corrupting the purposes of the food for peace program has its costs both in human lives throughout the world and in the equally incalculable cost of mocking and destroying the force of humanitarianism and love.

This amendment is one small step in trying to restore integrity and humanitarianism to our food for peace program.

Mr. President, I ask the manager of the bill to respond to the proposal of reducing this level as I have indicated in my amendment.

Mr. HUMPHREY. May I say to the distinguished Senator that I agree with him that the level of $125 million is excessive, as I see it, and in light of all I have heard from the AID administration, it is more ceiling than we need, and in the conference with our Members from the other body, I am sure we can make a very substantial reduction in that and still not in any way cripple the program.

I understand what the Senator is driving at. I spoke about it, I talked to the AID administration people about it. I see no reason that we cannot handle this in a manner to the satisfaction of the administration and the Senator from Oregon and myself.

Mr. HATFIELD. Mr. President, on the pledge from the leader of the bill that he has just made, I withdraw my amendment and I express my appreciation for his understanding and look to his good leadership for reducing this level in the conference committee.

Mr. HUMPHREY. I thank the Senator very much.

Now, Mr. President, if the Senator from South Dakota will permit it, I believe I still have a little time left, do I not?

The PRESIDING OFFICER. Three minutes.

Mr. HUMPHREY. I yield a minute to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, with the understanding that the distinguished Senator from South Dakota will not lose his right to the floor, I ask unanimous consent to set aside the amendment of the Senator from South Dakota (Mr. McGovern), to take up an amendment I am introducing for myself, Mr. Humphrey, Mr. Mathias, Mr. Pell, Mr. McGee, Mr. Mondale, Mr. Hart, and Mr. Javits. I call the amendment up.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

Sec. 44. Part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

Chapter X. ASSISTANCE TO PORTUGAL AND PORTUGUESE COLONIES IN AFRICA GAINING INDEPENDENCE

Sec. 496. (a) There are authorized to be appropriated to the President for the fiscal year 1975, in addition to funds otherwise available for such purposes, not to exceed—

(1) $5,000,000 to make grants; and

(2) $50,000,000 to make loans;

to remain available until expended, for use by the President in providing economic assistance, on such terms and conditions as he may determine, for Portugal and the countries and colonies in Africa which were, prior to April 25, 1974, colonies of Portugal. Of such assistance, not more than 50 per centum shall be furnished to Portugal.

(b) It is the sense of the Congress that the new government in Portugal should be commended for its commitment to independence for Portuguese African colonies. The Congress declares it to be the policy of the United States to support the democratic experiment in Portugal, and the independent development of the nations emerging in Africa.

Mr. KENNEDY. Mr. President, I have had a chance to talk with the floor manager of the bill, as well as the distinguished minority manager. The State Department and the administration also support this amendment.

Mr. President, 2 weeks ago, I visited Portugal, as part of a trip to nine European countries and the Middle East. I went at the invitation of the Portuguese Foreign Minister, on behalf of the Government, and met with a number of leading Portuguese officials, journalists, and ordinary citizens.

I have been deeply impressed by two things: first, the actions taken by the Armed Forces Movement last April 25, in overturning without bloodshed the repressive government that had ruled Portugal for 48 years; second, the decision of the Portuguese Government to end 500 years of colonial rule in Africa. Guinea-Bissau is now independent and a member of the United Nations. Mozambique will be independent next summer; agreement has been reached on the independence of Sao Tomé. A referendum on independence for the Cape Verde Islands has been proposed. Only in Angola, where opposition to Portuguese rule has been divided among three contending liberation organizations, is there as yet no clear means for bringing about independence.

What Portugal has done in the past 7 months accords with the hopes expressed over many years by many Members of the Senate. We opposed the tyranny in Lisbon; we opposed continuing colonialism. For this reason alone—that Portugal has now taken actions we long supported—I believe that it deserves our support.

But there is a more immediate reason for our concern. At the moment, Portugal is struggling to create democratic institutions that will lead it out of nearly five decades of repressive government. This will be a difficult process for a country without a tradition of a free press, free unions, free universities, and free elections.

Yet I am encouraged that there are democratic forces at work in Portugal, seeking to bring their country into the mainstream of West European political democracy, while rejecting political extremes of either the right or the left. Whether or not they will succeed will be largely determined during the next few months—in particular, between now and elections for a constituent assembly now scheduled for March 1975. Thus it is important that we act now, while the issue hangs in the balance.

Mr. President, I believe that the United States should support efforts by Portuguese democrats to forge popular institutions in their country. Let it not be said that this experiment was jeopardized because we turned a blind eye to what is happening in Portugal; because we failed to demonstrate our concern for what these people are trying to do.

At the same time, there are critical needs in each of the new nations emerging in Africa. Only Angola, among the five, has important economic resources. For the rest, progress towards independence is complicated by poverty, illiteracy, and disease. And the Cape Verde Islands face a particularly difficult time, because of a 7-year drought that has also laid waste to their near neighbors in the Sahelian region of the African continent.

Finally, I believe that showing our concern for Portugal now—at this critical time in its history—will also increase the chances that Portugal will continue its close association with the Western Alliance. In particular, I believe that a positive demonstration of concern for Portugal's democratic experiment—and for its economic development—will help in negotiations on the Azores base, which has new value because of the situation in the Middle East.

Mr. President, for all these reasons—and especially because of the democratic experiment in Portugal—I am today proposing a special authorization of economic assistance to Portugal and to those new nations now emerging in Africa. The authorization is for $50 million in economic loans and $5 million in technical assistance grants. Half would go to Portugal; half would go to the African States that were colonies when the Caetano regime was overthrown.

I appreciate that the United States has not provided aid to Portugal before, and that Portugal has actually been a member of the Development Assistance Committee of the OECD. Yet those facts must be set against a recognition that the previous regime brought Portugal to the point of being the poorest country in Europe. Indeed, the Government in Lisbon has now dropped out of the Development Assistance Committee, and is actively seeking economic support from abroad. Furthermore, I believe that real and tangible economic support from the United States today will give encouragement to those people in Portugal who are seeking to develop their country and decolonize—and do so firmly within a democratic framework.

There are other things that the United States could do to support Portuguese democracy, particularly in the field of education. There are 15,000 university students without adequate classrooms; and there is a great lack of books and libraries after three generations in which liberal education was discouraged.

We could provide portable classrooms for student use;

We could expand teacher training opportunities here in the United States for Portuguese teachers;

We could increase the number of Fulbright students and lecturers at Portuguese universities;

We could insure that language training for State Department and other officials would emphasize continental as well as Brazilian Portuguese.

We would urge American publishers to make available American books—especially paperback books—to a country and people for so long starved of these important tools of education;

And we could support the establishment and operation of an American bookstore in Lisbon, and emphasize the translation of books from one language to the other.

These are modest steps. But they illustrate both the practical details of helping to build the institutions of a democratic society, and the wide range of ways in which we in the United States can express our concern.

At the same time, I believe we can begin providing vitally needed assistance to the people in Portugal's African territories now gaining independence.

We could bring African students to America for training in our colleges and universities.

We would provide aid to the families that have suffered from the ravages of the wars of liberation.

And we could determine the need for food and health assistance throughout those African countries, and particularly in the Cape Verde Islands.

These are some of the measures that I believe would be useful in responding directly to the problems of transition for the citizens of Angola, Mozambique, Guinea-Bissau, Cape Verde, and Sao Tomé.

Finally, I believe it is important that the United States refrain from interfering in Portugal's political process. As members of the Senate will be aware, there have been widespread charges in Portugal that the CIA is actively interfering in politics, there.

In part, these fears are a natural outgrowth of the CIA's tragic involvement in Chile; and I was repeatedly questioned on this subject both in Portugal and in some other countries I visited on my recent trip to Europe and the Middle East.

I therefore welcome the statement by the new U.S. Ambassador, Mr. Frank Carlucci, that the CIA is not interfering in Portuguese politics. I sincerely hope that this is so.

Mr. President, I urge the Senate to support our amendment to the Foreign Assistance Act, providing economic assistance for Portugal and the African states emerging from Portuguese rule.

Mr. HUMPHREY. Mr. President, I feel we ought to accept that. There is no objection on this side.

Mr. CASE. There is no objection. The Senator from Massachusetts is correct that the State Department supports this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY).

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, how much time remains?

The PRESIDING OFFICER. Seven-and-a-half minutes.

Mr. HUMPHREY. I think there was 5.

The PRESIDING OFFICER. Five-and-a-half minutes and the Senator from Minnesota has 1 minute.

Mr. McGOVERN. Mr. President, this amendment is a very simple one and each Senator has a synopsis of it on his desk.

The amendment makes two modest reductions in the bill now before us.

There was considerable objection raised to the ceiling reduction offered by the senior Senator from Idaho (Mr. CHURCH) and I think there was some logic in that objection.

The objection was that it would deny Congress the right to decide where these reductions should occur and would give the administration complete freedom to make cuts wherever it saw fit without regard to the wishes of Congress.

That is the great strength in the amendment I now offer in that it pinpoints where the reductions should be made.

It reduces, first of all, by $50 million the worldwide military assistance program and, secondly, it reduces, again by $50 million, the so-called Indochina postwar reconstruction program.

I would like to emphasize, Mr. President, that even with these reductions, the bill would still allow more money in both of those categories than was allowed in the original bill as reported by the Foreign Relations Committee after many days of study and hearings and evaluation.

Mr. President, I regret that I cannot comply with the request of the distinguished floor manager to refrain from proposing amendments to this bill. I was prepared to support the bill as it was previously reported by the Foreign Relations Committee, but I regret to say that, in this new version, I believe the committee has conceded too much to the executive branch and its continuing incantations that the United States can buy foreign allegiances and international tranquility with huge expenditures on military aid.

I could support the original version of this bill, Mr. President, because the committee had provided generous funding in areas of legitimate and pressing need, while at the same time making justifiable cuts in program areas which represented simply the fruitless perpetuation of obsolete activities. Specifically, the committee had granted essentially the full administration request for worldwide development assistance and for Middle East assistance—two areas in which a clear and compelling case can be made for American aid. But the committee had made cuts in worldwide military aid and in the deceptively labeled "Indochina Postwar Reconstruction" program—two areas in which expenditures would be made simply to continue misguided and wasteful programs that should in fact be brought quickly to a close.

The bill now before the Senate, Mr. President, contains considerably more money than the bill previously reported by the Foreign Relations Committee, I ask unanimous consent that there appear in the RECORD at this point a table which shows where these increases have been made.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Increases in S. 3394 made in committee after recommittal

(*In thousands*)

I. Changes in Authorizations:	
Economic aid to Indochina	+$67,000
Food and nutrition	+39,000
Middle East (Israel)	+89,500
Total Additions	195,500
Military Credit sales	−50,000
Net addition	+145,500
II. Other additions:	
Use of loan reflows for disaster aid	+110,000
Additional military aid funds as a result of delay in effective date for charging costs of military missions	+57,000
Additional military aid from changes in excess defense articles provision (estimate)	+35,000
Total additional foreign aid in revised version of S. 3394	+347,000

Mr. McGOVERN. These increases, Mr. President, total approximately $350 million. In addition, if the discussion in the committee is any indication, there seem to be some plans afoot to recede in conference to the House on the question of the $150 million drawdown authority. If so, that would mean that the committee has now given us a bill allowing $500 million more than the bill previously reported.

To use an automotive analogy, Mr. President, what we originally had before us was the "compact car" version of S. 3394. It had the essentials, but was economical and tightly structured. It contained few ornaments and allowed little waste. What the committee has now given us, in an attempt to appease a gluttonous bureaucracy pursuing outdated policies, is the "Fishtail-8" version of S. 3394. It is large, extravagant, heavy with excess and unnecessary expense, altogether too costly at a time when budget austerity is a necessity. Beyond this it is a glaring example of misguided priorities.

I am therefore now offering an amendment, Mr. President, which would help to bring this bill back in the direction of the tightly structured version originally reported by the Foreign Relations Committee. My amendment makes two modest reductions: a. It reduces by $50 million the worldwide military assistance program, and b. it reduces by $50 million the so-called Indochina Postwar Reconstruction program. I should emphasize, Mr. President, that even with these reductions the bill would still allow more money in both categories than was allowed in S. 3394 when it was previously reported by the Foreign Relations Committee, In the new version of S. 3394, an additional $57 million has been made available for the military assistance program by the removal of a provision contained in the original bill which charged all military mission costs against military aid funds. And $67 million has been added to the Indochina program. My amendment would simply reduce those increases. Even with my amendment, there would still be $7 million more available for the military assistance program than the committee originally allowed, and $17 million more in the Indochina program than the committee originally allowed. Thus we would have made some small move in the direction of the executive branch's desires—but without giving the whole game away.

In the new version of the bill which is now before us, an additional $57 million has been made available to the military assistance program, and $600 million more has been added to the Indochina program. This amendment would simply reduce those increases.

Even with this amendment, there would still be $7 million more available for the military assistance program than the committee originally allowed, and $17 million more in the Indochina program than the committee originally allowed.

Even if the amendment is adopted, we are still moving in a modest direction toward the executive branch's desire without giving away the whole game.

Mr. President, I supported the original version of the bill because the committee had provided adequate funding in the areas of most pressing and legitimate need, while at the same time making modest cutbacks in areas that I think do not serve the national interest.

Specifically, the committee had granted essentially the full administration request for worldwide development assistance and the Middle East assistance, to areas in which we have a clear and compelling case for American assistance. But the committee had made prudent cuts in worldwide military assistance, and in what I believe is erroneously labeled as the Indochina postwar construction program. Those are two programs that have contained a great deal of waste, that have been misguided and should, in fact, be reduced.

Mr. STENNIS. Will the Senator yield?

Mr. McGOVERN. I yield to the Senator from Mississippi.

Mr. STENNIS. Will the Senator review briefly just what items with reference to the military program he would reduce? I did not have an opportunity to hear his remarks.

Mr. McGOVERN. I will say to the Senator from Mississippi that in the bill now before us there is some $550 million for military assistance purposes worldwide, except for Vietnam for which military assistance is provided through the Defense Department budget.

Mr. STENNIS. I know the time of the Senator is short. May I direct his attention to South Vietnam? I am concerned because there is evidence of new pressure on them in the last few days.

Mr. McGOVERN. I will say to the Senator that it would result in a $38 million cut in the so-called Vietnam postwar reconstruction program.

Mr. STENNIS. Is that the military part or the economic part?

Mr. McGOVERN. That is the economic part.

Mr. STENNIS. But this would not reduce anything that is in Vietnam involved in the current fiscal year?

Mr. McGOVERN. Not in the military program.

Mr. STENNIS. I thank the Senator.

Mr McGOVERN. Mr. President, this amendment does what the Congress ought to do. That is to concentrate its attention, its concern, on those areas where we can make prudent reductions without hurting development assistance, without in any way reducing our commitment to fostering a Middle East peace. I hope that these modest reductions will be accepted.

We turned down the Senator from Idaho on the ceiling that he attempted to put on foreign assistance spending, largely on the ground that his amendment did not earmark where those cuts should be made. Here is an amendment that gives us a chance now to show our concern about priorities, our concern about waste. I hope very much the amendment will be adopted.

Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute, and the Senator from South Carolina has no time remaining.

Mr. HUMPHREY. In the 1 minute, Mr. President, I want my colleagues to know that in this bill we now have an agreement between the administration and a majority bipartisan group in the

Senate Foreign Relations Committee on the levels in this bill. We have cut Indochina grant aid from $985 million to $555 million, a reduction of 45 percent from the administration's request.

We have cut economic aid to Indochina from $939,800,000 to $617 million, a reduction of 34 percent.

We have cut military assistance funds for Indochina from $1,450,000,000 to $700 million in the Armed Services Committee.

So you have had reductions of 45 percent, 34 percent, and 50 percent. I think that is a pretty good record.

Obviously, you can always get up and say we should reduce it some more. But I think once we have tried to tie something down, we should stick with it.

The PRESIDING OFFICER. The Senator's time has expired. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senator from Illinois be recognized for not to exceed 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PERCY. Mr. President, I ask further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

INTEGRATION OF WOMEN

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 305. INTEGRATION OF WOMEN.—The President is requested to instruct each representative of the United States to each international organization of which the United States is a member (including but not limited to the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, the International Monetary Funds, the United Nations, and the Organization for Economic Cooperation and Development) to carry out their duties with respect to such organizations in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organizations, thereby improving the status of women."

Mr. PERCY. Mr. President, this amendment would direct our representatives in those international organizations of which we are a member to carry out their duties so as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policymaking positions within those organizations.

Mr. President, last year during consideration of the foreign aid bill the Senate passed an unpretentious piece of legislation, now known as the Percy amendment. In one sentence the amendment directed the Agency for International Development to administer our foreign aid effort in such a way as to promote the integration of women into the national economies of recipient countries, thus improving the status of women and assisting the total development effort.

This amendment, although simple, has reaped highly significant results. In September of this year AID issued the Percy amendment policy implementation plan directing all agency development assistance plans to contain clear statements as to how women in developing countries will be involved in the development process and how the plan or proposal will benefit women and use their capabilities. More important, in the approval of all development plans and projects, strong preference will be given to those which provide for the effective utilization of women. International and voluntary organizations working with AID will also be encouraged to give specific attention to the role of women in development. Moreover, AID Washington bureaus and missions overseas have been instructed to collect information pertinent to the understanding of the role, status, and contribution of women in developing countries. Finally, our missions overseas will be required to report on the general progress of integrating women in the development process, highlighting effective projects.

The Percy amendment, however, is incomplete as it stands, for it affects only our bilateral aid programs. The United States also participates in and makes substantial contributions to multilateral aid programs such as those supported by organizations like the World Bank, the International Monetary Fund, and the United Nations, to name but a few. I am, therefore, introducing an amendment today to reinforce the Percy amendment and make U.S. policy where women's equality is concerned consistent regardless of whether we are dealing with bilateral or multilateral aid programs. As I stated earlier, this amendment would direct our representatives in those international organizations of which we are a member to carry out their duties so as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policymaking positions within those organizations.

Mr. President, I offer the amendment for the consideration of my colleagues. The integration of women into the national economies of countries around the world deserves serious consideration. Equity and equal opportunity should be basic to the economic and social development process of all countries.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a tabulation showing the number of women on the staff of the United Nations and related agencies.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 19.—NUMBER OF WOMEN ON THE STAFF OF THE UNITED NATIONS AND RELATED AGENCIES

Organization	ASG	D–2	D–1	P–5	P–4	P–3	P–2	P–1	Total	Total staff	Percentage of female staff
United Nations	1	2	6	36	105	213	188	48	599	3,015	19.87
UNICEF				2	2	8	15	2	30	227	13.22
UNDP		1	1	7	9	17	30	3	68	594	11.45
UNHCR				1	3	4	8	1	17	105	16.19
ILO			2	3	19	39	25	31	119	735	16.19
FAO				6	48	52	61	33	200	3,508	5.70
UNESCO			3	13	44	51	60	17	188	794	23.68
WHO			3	9	75	207	94	21	409	1,885	21.70
IBRD [1] [2]									165	1,652	9.99
IMF [2]									127	743	17.09
ICAO					2	8	9	1	20	237	8.44
UPU						2		4	6	54	11.11
ITU					1	6	11	2	20	172	11.63
WMO					1	3	3	5	12	100	12.00
IMCO						2	2	4	8	124	6.45
GATT					3	6	9	3	21	96	21.88
IAEA				1	6	12	15	10	44	332	13.25
Total	1	3	15	78	318	630	531	185	2,053	14,373	14.28

[1] Includes IDA and IFC.

[2] As the grades of IBRD and IMF differ from those of the United Nations common system, only the total figure is given.

Mr. PERCY. Mr. President, I have discussed this amendment with both managers of the bill, and I understand it is acceptable.

Mr. HUMPHREY. Mr. President, I am pleased that the Senator has brought up this amendment. I agree with the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois. (Putting the question.)

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I have an amendment that I want to submit, if I may, out of order. I ask for 1 minute to do so.

The **PRESIDING OFFICER**. It will require unanimous consent to do so.

Mr. **HUMPHREY**. I ask unanimous consent that I be permitted to offer the amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section:

POLICY WITH RESPECT TO COUNTRIES MOST SERIOUSLY AFFECTED BY FOOD SHORTAGES

"SEC. **44**. (a) The Congress finds that tight food availabilities throughout the world threatens the citizens of many countries with serious hunger and malnutrition. While in the past foreign policy considerations have represented a significant factor in the allocation of available food and fertilizer assistance, the current food emergency requires an immediate reordering of priorities under which such assistance is distributed worldwide. The United Nations has designated 32 countries as "most seriously affected" by the current economic crisis. These are countries without the internal food production capability nor the foreign exchange availability to secure food to meet their immediate food requirements. The Congress calls upon the President and Secretary of State to take immediately the following actions designed to mobilize all appropriate resources to meet the food emergency.

(1) Immediately review and make appropriate adjustments in the level of programming of our food and fertilizer assistance programs to make the maximum feasible volume of food and fertilizer available to those countries most seriously affected by current food shortages.

(2) Call upon all traditional and potential new donors of food, fertilizer, or the means of financing these commodities to immediately increase their participation in efforts to address the emergency food needs of the developing world.

(3) Make available to these most seriously affected countries the maximum feasible volume of food commodities, within appropriate regard to the current domestic price and supply situations.

(4) Maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation on steps which are being taken to meet this food emergency. In accordance with this provision, the President shall report to the Congress on the following:

(A) a global assessment by country of food needs for Fiscal Year 1975, specifying expected food grain deficits by country and current arrangements for meeting such deficits, (B) currently planned programming of commodities under Public Law 480 by country and within such country, by volume and commodity and, (C) steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance. Such report should reach the Congress within 30 days of enactment of this Act and should be supplemented quarterly for the remainder of Fiscal Year 1975.

(6) The Congress calls upon the President to proceed immediately with the implementation of resolutions and recommendations adopted by the World Food Conference. The Congress firmly believes that it is incumbent upon the United States to take a leading role in assisting in the development of a viable and coherent world food policy which would begin the task of alleviating widespread hunger and suffering prevalent in famine-stricken nations. The President shall report to the Congress within ninety days of enactment of this Act on the implementation of the resolutions and the extent to which the United States is participating in the implementation of resolutions adopted at the World Food Conference.

(5) Not withstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $250 million during the fiscal year ending June 30, 1975, for the purpose of providing concessional food aid assistance, or in excess of $90 million for the purpose of providing fertilizer under our foreign assistance programs, unless such funds are used to purchase commodities for countries "Most Seriously Affected" by the economic crisis as designated by the United Nations, or unless the President demonstrates to the appropriate Committees of the Congress that the use of such funds to purchase food assistance is solely for humanitarian food purposes.

Mr. **HUMPHREY**. Mr. President, Mr. S. A. Marei, secretary general of the World Food Conference, stated at its conclusion:

> Despite our resolutions, a large number of people face starvation.

Just how large that number is and will be depends directly on what actions the food-rich nations, and especially the United States, take in the weeks ahead. Unfortunately, the callous indecisiveness to date of our Government in responding to the scourge of hunger offers little solace to the world's starving millions.

Bangladesh's former food minister told the conferees at Rome that 1 million people will die in the next 6 weeks in his country if additional food assistance is not received. India is confronting a famine which many predict will be the worst in a quarter century. And experts in Rome estimated that in the next 8 months half a billion people throughout the world are faced with starvation or malnutrition unless additional relief reaches them.

Last week the major grain exporting and importing nations met in Rome to consider the food emergency and what might be done to deal with it. This group, which included the United States, agreed that 7.5 million tons must be provided by next July and that such amount could be made available in light of current supplies.

Presently, the United States is providing or planning to provide about 1 million tons of the 7.5 million ton total. At the same time, we are planning to commit more than twice that amount for political uses.

Of the nearly $1 billion in food aid projected in fiscal year 1975, between $250 to $300 million will go to Cambodia and South Vietnam.

Roughly between $120 to $140 million is projected to go for political purposes to nations in the Middle East, and Chile has already received $35 million worth of food aid, with more likely to come. By comparison, even under the highest option for food aid before the President, India and Bangladesh combined would receive less than $150 million, and Pakistan would receive less than $50 million. Those three nations, all faced with mass starvation, will together receive less food from the United States than the total which we will send direct to Southeast Asia. The extent of the present crisis requires all nations to take whatever steps necessary to mobilize food and funds to purchase food in order to meet immediate humanitarian needs.

Is it morally defensible that, in view of the current food emergency, such a large proportion of our food assistance goes not to where the most people are starving, but where we want to support a friendly political regime or exert our diplomatic leverage?

A decision to allocate more of our surplus food according to the needs of the world's hungry could result in hundreds of thousands more tons available to prevent famine.

It is time that the Congress demonstrate our humanitarian concern through positive legislative action. We are therefore offering specific amendments to do the following:

Call for an immediate review and adjustment of our food and fertilizer assistance priorities to make food available to those who need it the most;

Request that the United States take steps to secure greater participation of other countries in meeting the emergency food and fertilizer needs of the developing world;

Request that the administration reconsider the current domestic supply and price situation to see if any new food resources might be made available to countries most seriously affected by food shortages;

Provide for regular reports to the Congress on the current food situation and actions which are being taken to deal with it;

Limit to $250 million funds which can be used to purchase food and $90 million to purchase fertilizer under our assistance programs for other than humanitarian purposes for fiscal year 1975 only; and

Call upon the President to take immediate steps to implement the resolutions and recommendations of the World Food Conference and to report to the Congress on such initiatives.

As the world watches starvation take its toll this fall and winter, many will ask whether there is food, somewhere, for those who are dying. There is. The United States can still decide to combat global famine; fortunately, the issue is not yet whether we have the food, but whether we have the humanitarian will. The prospects for freedom from the scourge of hunger in years and decades ahead depend upon scores of actions which the poor nations, as well as the rich, must undertake. The agenda for these actions was identified, at least in part, by the World Food Conference. But without a resolute commitment to eliminate the immediate prospect of starvation for millions, words and plans about long-term actions have a hollow ring, and are mocked by the deaths of thousands each day who have no food.

This is a policy statement with respect to food assistance which results from the resolutions adopted with the support of the U.S. delegation at the Rome Food Conference. It is a policy statement, and I hope that it would be readily accepted. I have cleared it with the distinguished leadership of the Republican Party (Mr. AIKEN) and with Senator CASE, of New Jersey, and others.

Mr. PASTORE. Mr. President, can we have a short explanation of the policy?

Mr. HUMPHREY. The resolutions which were supported and adopted by the U.S. delegation to the World Food Conference.

Mr. PASTORE. Relating to what?

Mr. HUMPHREY. Relating to the assistance by food on the international scene. There is no new money in it at all. It does not commit money.

Mr. PASTORE. I am talking about policy.

Mr. HUMPHREY. It is what our Government supported at the World Food Conference.

Mr. PASTORE. Now I know what I am voting on.

Mr. KENNEDY. Mr. President, I am pleased to join the distinguished Senator from Minnesota (Mr. HUMPHREY), in sponsoring this amendment to the pending Foreign Assistance Act relating to the role which the United States will play in meeting humanitarian food needs abroad.

Just over 3 weeks ago—at the World Food Conference in Rome—Secretary of State Kissinger committed the maximum available resources of the United States toward an international effort aimed at alleviating hunger and malnutrition in famine-stricken nations. Our active participation at the World Food Conference hopefully marked the beginning of a new era of international food assistance cooperation.

Now that the speeches have come to an end in Rome, we must encourage through deed what had been recommended in word. The American pledge in Rome not only promised greater participation in international efforts to end world-wide hunger—it also committed the United States to a new policy in the shipment of humanitarian American food abroad.

Since the passage of Public Law 480—the food for peace program—nearly 20 years ago, it has been the intention of Congress that this program have a humanitarian dimension—to provide food assistance to nations in need. The legacy of America's generous contributions under the food-for-peace program can be seen in the millions of lives saved from the ravages of hunger and famine around the world.

Unfortunately, for those Americans who travel abroad today—particularly to Africa and Asia—one can only find widespread hunger, deprivation, and disease, afflicting millions of people who simply cannot find enough food.

Thousands have already perished from starvation, and millions more have little hope left as famine casts its dark shadow over the globe. While no one can expect the United States to arrest world hunger alone, we can do more to help minimize the suffering so prevalent in hungry nations today.

All too often nations no longer have the resources to grow their own food, nor purchase humanitarian food abroad. The world-wide cost of food grains is not only growing prohibitively high—but in order to meet this burden, foreign exchange reserves are being diverted from essential development programs to purchase food. If we are to stop this drift toward greater international famine, steps will have to be taken now to minimize the suffering abroad.

For food is the most fundamental commodity needed to sustain human life—more so than oil, or gas, or other energy commodities that so occupy our attention today. Obviously, the threat of world shortages of food is menacing, not only to the physical and mental health of the people involved, but also to the social and economic order of individual countries including our own. We have the choice today of uncontrolled competition for scarce resources, or cooperating in new ways for their more equitable distribution.

Over the past few years, the humanitarian dimension of Public Law 480 has been neglected in favor of security objectives. We have seen food for peace become "food for cash", and in too many instances that cash has been used for military, rather than peaceful purposes. Despite the assumption of the American people and the intent of Congress that the Public Law 480 program should reflect the humanitarian concern of the American people, in recent years our Government has distorted this objective and tilted the program toward defense purposes—to the neglect of starving millions around the globe.

That is why we can no longer export the bulk of commodities purchased under Public Law 480 for purposes other than those of vital humanitarian concern. We have given our pledge to increase America's international food commitment—this amendment provides our Government with the means to do it.

Our amendment imposes a $350 million ceiling upon Public Law 480 food exports and a $90 million ceiling on fertilizer exports under title I which do not meet the criteria established by the United Nations as set out in the amendment or which have not been designated by the President solely for humanitarian food needs. The administration has claimed that it is impossible to increase America's humanitarian food exports under Public Law 480. The fact is that such humanitarian food exports are possible, so long as the bulk of our shipments abroad are not to nations which do not meet the humanitarian criteria established by this amendment.

Also, the amendment calls upon our Government to review and undertake appropriate adjustments in the level of programing of American food and fertilizer programs so as to make the maximum feasible volume of food and fertilizer available to those countries most seriously affected by current economic problems and food shortages.

Second, our amendment calls upon the international community to actively contribute toward this humanitarian goal of arresting world hunger. While it cannot be expected that all food exporting nations will be able to match our food contributions abroad, what is available to starving nations should become the primary objective of international food export policies. Additionally, many oil-producing nations have the available funds to help finance this international rescue effort, and I am hopeful that the Secretary of State will do whatever he can to promote greater participation of these nations in this effort.

Third, this amendment calls upon the President and appropriate officials of the executive branch to keep Congress informed of our efforts to meet this growing food emergency. The amendment calls upon the President to provide Congress with a global assessment of food needs for this coming fiscal year, and the progress of commodity export programs under Public Law 480.

Mr. President, I urge adoption of this amendment to reassert the humanitarian purposes of the Public Law 480 program, and to establish the precedent that greater fiscal controls and limitations on the use of Public Law 480 food must be tied to humanitarian criteria of need.

The overriding objective of the food-for-peace program must be to provide food to those who need it the most. We must begin to establish the point that food food the "commond defense" is, and must be, food for those who face starvation and pervasive poverty. We must begin to understand that threats to the peace require more than military assistance. Famine can be a threat to the peace. Poverty, and the widening gap between the rich nations and hungry nations, spawn conflict and instability. Uncontrolled competition for food and other resources threatens peaceful relations around the world. And disaster, such as the drought in the Sahel, and hunger in Asia, have produced human tragedy as great as any war.

Our food must no longer be used to feed armies or support military programs It is too scarce a commodity for such purposes. Our foreign assistance program—especially the food-for-peace program—can no longer be blind to the real and growing threat to the peace and security of the world—which is famine, poverty, disease, and dwindling resources.

Mr. CLARK. Mr. President, the time that we have left to address the emergency food needs of those countries currently afflicted with famine and hunger is drawing to a close.

The major grain exporting and importing countries agreed that we must immediately find 7.5 million tons of foodgrains to meet the emergency between now and next July.

We have recently returned from the World Food Conference where the need was extensively elaborated upon.

The problem, then, has been recognized. Now comes the time for action.

The United States has the capability of making substantial increases in our contribution to the immediate needs without even raising the question of availability. We have already plans to program millions of tons of food for political purposes under our food assistance programs during the second half of this fiscal year.

Simply by altering our priorities under the food for peace program we can make a substantial contribution to meeting these emergency food needs.

We can no longer delay action on food aid to those most seriously affected countries.

I call upon my colleagues to join with us today on this amendment which represents positive action to deal with the food crisis.

What we are calling for is a review and reallocation of the food assistance resources we have already provided for. No additional expenditures are entailed. There still would be flexibility in the allocation of food assistance resources for political purposes. In fact, more than a third of our food for peace program could be used to augment our foreign policy objectives. We are only saying in this amendment that in view of the food emergency facing the poorest countries of the world that all appropriate resources should be mobilized to meet this need.

I believe the American people possess a basic humanitarian spirit to help if they could be assured that the food made available through our food assistance programs was going to feed hungry people. I ask my colleagues to join us in a meaningful effort to help those most severely affected by the food crisis.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the two managers of the bill may have the remaining time before the vote occurs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. May we have a vote on my amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota. (Putting the question.)

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. Mr. President, first, I want to express the most extraordinary admiration for the job the Senator from Minnesota did in handling this bill. This applies not only to the work on the floor, which was superb, but includes his magnificent remarks in regard to many, many important matters.

The PRESIDING OFFICER. Will the Senator suspend until the Chamber comes to order. The Chair cannot hear the speaker. Will the Senators and staff members who are conversing either stop conversing or go to the cloakroom, please?

Mr. CASE. In addition to expressing my appreciation to the Senator from Minnesota, I want to express appreciation to the members of the committee who worked so hard to make this a good bill, and to the people in the State Department, AID, and the Defense Department, who worked with us to that end.

This is quite an accomplishment, Mr. President, and I think it is going to cause a very great improvement in the handling of foreign aid from now on.

I am thoroughly in sympathy with the objectives of the Senator from Hawaii (Mr. Inouye).

Mr. President, we will accomplish a great deal when we pass this bill.

I want to call attention to one amendment which the committee accepted that I had offered. It applies, of course, to the funds for UNESCO.

The bill, as the committee approved it, as the Senate will vote on it, provides that no funds authorized to be appropriated under this or any other law may be available to UNESCO until the Secretary of State certifies that each resolution passed by such organization, not of an educational, scientific, or cultural character, has been repealed. The purpose of that is to prevent the misuse of the agencies of the United Nations.

The PRESIDING OFFICER. The hour of o'clock having arrived, there can be no further debate.

The question now is on agreeing to the amendment of the Senator from South Dakota.

Mr. CASE. Mr. President, I ask unanimous consent that we have 1 additional minute, so that I can finish a sentence.

Mr. HUMPHREY. And 1 minute for Senator McGovern to state his case.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. I think that this action by this body and by Congress as a whole will be a very wise and salutary warning to stop, look, and listen before we get too far down the path of misusing the organizations of the United Nations for political purposes. There is one United Nations organization, the General Assembly, which is a political organization. The others are not supposed to be that. I hope that people there will come to their senses before these useful and valuable agencies, having been misused, are destroyed.

Mr. ABOUREZK. The Senator from South Dakota has 1 minute.

Mr. McGOVERN. Mr. President, I will conclude by saying that this is a very prudent and modest amendment, involving two programs on which we should be scaling back. One is the worldwide military assistance program, which the amendment would reduce by $50 million. It still would leave a half billion dollars for that program. The other is a reduction of an equal sum, $50 million, in the so-called Indochina postwar reconstruction effort.

Even if the amendment is adopted, it would still leave both these programs with more money than the Committee on Foreign Relations originally allowed in the bill that was reported to the floor shortly before recess.

So I am hopeful that the amendment will be overwhelmingly adopted and then accepted in the House-Senate conference.

The PRESIDING OFFICER. The time for debate has expired.

Mr. ROBERT C. BYRD. Mr. President, I should like to ask this question: Will any other amendments be offered?

Mr. HUMPHREY. I believe they all have been called up.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the second rollcall vote, which will be on passage of the bill, be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Washington (Mr. Magnuson), the Senator from Colorado (Mr. Haskell), and the Senator from Indiana (Mr. Hartke) are necessarily absent.

I also announce that the Senator from Georgia (Mr. Talmadge) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from New York (Mr. Buckley), and the Senator from Nebraska (Mr. Hruska) are necessarily absent.

The result was announced—yeas 44, nays 47, as follows:

[No. 521 Leg.]

YEAS—44

Abourezk
Allen
Bayh
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Eagleton
Hart
Hatfield
Huddleston
Hughes
Jackson
Kennedy
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stevenson
Symington
Tunney
Weicker

NAYS—47

Aiken
Baker
Bartlett
Beall
Bennett
Bentsen
Brock
Brooke
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hathaway
Helms
Hollings
Humphrey
Inouye
Javits
Johnston
Long
McGee
Moss
Nunn
Pearson
Percy
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Williams
Young

NOT VOTING—9

Bellmon
Buckley
Ervin
Fulbright
Hartke
Haskell
Hruska
Magnuson
Talmadge

So the amendment was rejected.

Mr. CASE. Mr. President, I move to reconsider the vote by which that amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Huddleston). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. BROCK. Mr. President, I rise to support the amendment of the distinguished Senator from New Jersey (Mr. Case) which was accepted by the Committee on Foreign Relations during its consideration of this legislation.

The Senator has, with the support of

other members of the Committee on Foreign Relations, had the courage to take the first step to put a halt to the immoral act of the new gangsters of world politics, by requiring that no funds be paid to UNESCO under this authorization until resolutions not of an educational, scientific, or cultural nature have been repealed.

Not since the gangland terror tactics of the early rise of Hitler has truth been so distorted, reports so maliciously slanted, and human rights so wantonly trampled. The action taken by UNESCO in adopting a resolution "inviting the Director General of UNESCO" to withhold assistance from Israel is deplorable.

The joining of the Arab-Communist bloc to vote to exclude Israel from further participation in UNESCO affairs should be rebuffed by refusal of the American public to pay the bill to these new shakedown artists.

The report of the so-called Special Committee on which UNESCO members based their passage of these distortions of the truth is replete with distortions and fabrications. A recent article in the magazine Times of Israel reports that every neutral nation approached to serve on the Special Committee had refused. The reason why is not hard to find. The very resolution, No. 2443, passed to bring the Special Committee into existence had already judged the results before the evidence had been collected or introduced.

Further, during the life of the Special Committee, testimony was consistently ignored, including that of its own Director General, which acknowledged the care taken by Israel in preserving historic sites. Rabbi Arthur Hertzberg, president of the American Jewish Congress, conveyed the truth of Israel's contribution to protecting holy sites when he contrasted Arab and Israel stewardship in saying:

> When Jordan, during its occupation of Jerusalem from 1948 to 1967 used the headstones of ancient Jewish cemeteries for paving blocks, desecrated Jewish holy places and barred Jews from worshipping there, UNESCO was silent. Now that Israel has been meticulous in restoring and protecting all religious places, UNESCO suddenly manifests an exquisite concern for the archeological character of the city.

I find myself in complete agreement with Rabbi Hertzberg that the UNESCO resolution is nothing more than an act of naked political reprisal imposed on that body by the Arab countries that have clearly intimidated other member states by their Arab oil blackmail. It is without a doubt an expression of fear, not of reason.

The statement of our Ambassador to UNESCO, Mr. William B. Jones, confirms this act of political reprisal can only be answered by our country's show of strength and resolve. This can be done by denying further misuse of U.S. tax dollars in this tragically abused organization until the wrong is corrected.

Soon this Congress must accept its own responsibility to lay bare the true nature of some states, how they live to terrorize Jewish minorities, how they have herded them together and imprisoned Jews in Arab lands, holding them hostage to the fate of Israel, to die if Israel lives, to die if Israel dies. This should have been the investigation of the U.N. It truly reveals an attempt at religious and cultural genocide.

I wish once more to commend the distinguished Senator from New Jersey on this act of statesmanship.

I ask unanimous consent to have printed in the RECORD the text of the full Times of Israel article, Ambassador Jones' speech, and Rabbi Hertzberg's remarks be appended to my own, as well as an article on this subject published in the Memphis Hebrew Watchman.

There being no objection, the material is ordered to be printed in the RECORD, as follows:

[From the Hebrew Watchman, Nov. 28, 1974]

UNESCO VOTES TO BAR ISRAEL FROM ITS EUROPEAN GROUPING

PARIS.—The United Nations Educational, Scientific and Cultural Organization, in its second anti-Israel action this week, voted to reject Israel's bid for membership in UNESCO's European regional group, one of five regional groupings in the UNESCO structure. Israel is not a member of the other four groupings.

The vote, engineered by the same Arab-Communist bloc which voted the previous day to condemn Israel and withhold UNESCO aid on the ground that Israel "persisted in altering the historical features" of Jerusalem by excavations, was 48 against Israel and 33 for, including the United States, Canada, 14 West European countries and 12 Latin American nations. France was one of the 31 delegations which abstained.

The UNESCO General Conference meeting in Paris also adopted a resolution by a vote of 61-27 with 26 absentions calling on the UNESCO Director General to withhold aid from Israel in the fields of culture, science and education, and to stop cooperating with Israel.

The Arab-Communist bloc inspired resolution, which had earlier been approved in commission, said such aid would be stopped until Israel abides by UNESCO resolution calling for a halt to archaeological diggings in Jerusalem.

The resolution charged that Israel's "persistence in altering the historical features" of Jerusalem constitutes a "danger to its monuments."

The resolution had been approved November 7 in UNESCO's cultural committee by a vote of 54–21 with 25 abstentions. In the vote this week the U.S. and all nine European Common Market countries, including France, Italy and Ireland, were among those nations voting against the resolution. (In Washington, D.C., the U.S. government regretted the adoption of the resolution because it puts one of the United Nations' principal bodies in a dangerous path.)

The former director general of UNESCO, Rene Maheu, condemned the organization's anti-Israel decisions "as inappropriate" and called for a continued UNESCO presence in Israel and the occupied territories.

[From Times of Israel]

UN ATROCIOUS ATROCITY REPORT

To Algeria, it has done its work seriously and conscientiously.

To Kuwait, it has acted with integrity and impartiality.

To Egypt, it produces excellent reports.

To Israel, it is "a body tainted with political bias and procedural irregularity" that "since its inception . . . has merely served as a tool of Arab propaganda."

"It" is the United Nations General Assembly's Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories.

The unit was spawned by Assembly Resolution 2443 of December 19th, 1968, which declared the organization's desire for data about Israeli activities in the areas captured in the 1967 war, asked the Assembly President to appoint members to a Special Committee, and asked Israel to "receive the Special Committee, cooperate with it and facilitate its work." The measure was passed on the strength of Arab and pro-Arab votes that fell short of 50 per cent of the membership.

Nine months later, on September 12th, 1969, Ceylon, Somalia and Yugoslavia were named to the unit. Every neutral nation approached to serve had refused. None of the three who agreed maintains diplomatic relations with Israel, and all have taken pro-Arab stances on Mideast issues. (Yugoslavia has 7,000 Jews in a population of 20.8 million; Ceylon, now Sri Lanka, has a handful of Jewish women of European origin in a population of 13 million; Somalia has about as many Jews as the Knights of Columbus).

The Special Committee defined "Israeli practices" in the Territories as "those actions which, irrespective of whether or not they are in implementation of a policy, reflect a pattern of behavior on the part of the Israeli authorities towards the Arab population" of the Golan Heights, the West Bank (including Jerusalem), the Gaza Strip and the Sinai Peninsula. Lebanon pledged "fullest cooperation," Egypt and Jordan "full cooperation" and Syria "all necessary cooperation."

Israel, in a letter dated January 6th, 1970, rejected the Special Committee's appeal. Resolution 2443, Jerusalem asserted, had "attempted blatantly to prejudge the very allegations, the Special Committee was supposed to investigate and . . . evaded altogether the genuine humanitarian plight of the Jewish communities in certain Arab countries . . . whose human rights were being viciously trampled upon." It was "clear," Israel said, that the resolution "lacked all moral validity, was a purely propaganda exercise and did not represent the views of the responsible and impartial majority."

GUARANTEED BIAS

Furthermore, Israel protested, the Special Committee appointments were not made, as required, by an Assembly president—the incumbent had died—but by a representative chosen at a meeting of former Assembly vice presidents convened by then Secretary General U Thant—a move "wholly without precedent (and) without any legal basis whatsoever." The meeting's choice, a Peruvian, had proceeded, in Israel's view, to appoint "a committee whose composition automatically guaranteed its anti-Israel bias." Israel concluded tersely that she was "not prepared to extend cooperation or facilities to the Special Committee."

This did not stop the Special Committee. It proceeded to gather evidence in the form of in-person testimony, articles, published statements by "responsive representatives of the occupying Power," various reports and surveys, and "graphic evidence in the form of films." Although barred from Israel proper and the Territories and denied Israel Government cooperation, the Committee derived what it called "sufficient evidence . . . from outside (the occupied) territories to justify certain clear findings and conclusions."

Some witnesses praised Israel's administration of the territories, but the bulk of what the Committee heard made Golda Meir look like Pancho Villa. The Israeli authorities allegedly:

Compromised the inhabitants' rights;

Deported some inhabitants, including community leaders, or forced them to move from one territory to another;

Pressured other inhabitants to leave through use of harassment and intimidation tactics ranging from unnecessarily repressive security measures to indiscriminate collective punishment;

Manipulated the Territories' economy to goad inhabitants into fleeing;

Intended to annex the Golan Heights;

Carried out summary executions and other killings; bulldozed, dynamited, looted, confiscated and expropriated private property, and infringed on the legal rights of detainees;

Subjected detainees to cruel and inhuman treatment—torturing for up to 42 days, beating, subjecting to dogs, blinding, driving to insanity, hanging by the feet and one arm, burning with cigarettes, using as targets for thrown garbage, forcing homosexual acts, extracting fingernails, subjecting obscenely to a serpent, subjecting to dripping water on the head, eye-gouging, burying up to the neck, and forcing the drinking of urine 48 hours after forcing the eating of salted fish without water.

CHARGE OF DISTORTION

In the Special Committee's debate on the report of its investigative committee, Israeli Ambassador Netanel Lorch charged the latter with compiling dated and refuted Arab propaganda allegations, ignoring evidence favorable to Israel, disdaining the genuine plight of Jews in certain Arab lands, stressing Israeli withdrawal while disregarding secure and recognized borders and a just and permanent peace, and otherwise distorting and falsifying. Citing testimony that one Israeli officer was declared insane and a second freed in the shooting death of two young Arabs, Lorch stated that in fact, a month after the shooting, both Israelis were sentenced to life imprisonment for premeditated murder.

The investigative committee, he continued, had failed to acknowledge that Ahmed Khalifa, a witness whose objectivity it had praised, had been a political officer of the terrorist Popular Front for the Liberation of Palestine. Furthermore, he said, all damage to property in The Territories was compensated for, there was strict punishment of Israelis in the rare cases of looting or rape and every detainee had the right to a local Israeli lawyer. At the height of King Hussein's suppression of the terrorists in Amman, Lorch noted, the wife of a leader of the Palestine Liberation Organization had found it safer to cross into the Israeli-held West Bank with two children than to remain in Jordan.

On November 13th, 1970, permanent Israeli representative Yosef Tekoah maintained in a letter to U Thant that most of the investigative committee's witnesses had been "supplied by the Arab governments and organizations" and that "the long list of preselected, coached and rehearsed witnesses . . . produced lurid and often pathological tales of alleged ill-treatment and atrocity."

Israel had documented proof, he added, that a man who claimed to have been forcibly castrated by an Israeli doctor in Haifa after the 1967 war had actually undergone medically necessary operations by Arab surgeons in the Gaza Strip in 1965 and 1966. This, the ambassador said, "clearly demonstrates how human misfortune is exploited for cheap propaganda" and how the Special Committee lacked the competence "to evaluate any evidence, to expose fabrications or to punish perjury."

JUDGMENTS AND ALLEGATIONS

An independent study of the reports makes this obvious. They are filled with such careful judgments as "the allegations . . . lead the Special Committee to believe that the occupying Power is pursuing a conscious and deliberate policy calculated to depopulate . . ." or "the Special Committee has little reason to doubt that the Government of Israel hoped to enervate the community . . ." or "Mr. Ahmed Khalifa's evidence was particularly impressive because . . . he seemed to have retained his objectivity."

Such "objectivity" can become ludicrous. A Beersheva tailor testified he had been assaulted by an Israeli soldier with a meat axe, losing his left eye. The Special Committee, in a remarkable display of evenhandedness, noted that the witness was minus his *right* eye and cautioned that "the evidence is circumstantial and the allegations can be substantiated only by reference to hospital records and other witnesses." Yet, while admitting that it was "not in a position to verify . . . allegations," it agreed that "he had been assaulted by the Israeli soldier with the meat axe."

The Committee also put its foot into its mouth in claiming that an investigation by Amnesty International "corroborates in detail the accounts of ill-treatment described" by witnesses. In Amnesty International's own conclusion, handily quoted in the Special Committee report, the former said it had received "very extensive material to support the *assumption* that torture does in fact occur" but had "never claimed that the *allegations* about torture had been proved" (emphasis added).

Nearly a year later, on October 5th, 1971, the Committee advised the Secretary General "with regret" in Report A/8389 that Israel "continues to ignore" appeals for cooperation. That report charged that Israeli policy was "designed to effect radical changes in the physical character and demographic composition of several areas . . . by the progressive and systematic elimination of every vestige of Palestinian presence in these areas . . . obliterating Arab culture and the Arab way of life in the area and, contrary to international law . . . transforming it into a Jewish state . . ." The "most effective way" to safeguard the inhabitants' human rights, the Committee reiterated, was to "end the occupation of these territories."

On October 26th, 1970, in Report A/8089, the Committee concluded that Israel "is pursuing in the occupied territories policies and practices which are in violation of the human rights of the population of those territories." It said the ideal way to end these alleged violations was by termination of "the occupation itself," but that until then, Israel had "both a legal and a moral obligation" to implement the Geneva Conventions. This, the report commented, included restoration of Jerusalem and its judicial system to pre-Six-Day War status.

VIOLATIONS—REAL AND IMAGINARY

Israeli Ambassador Shamai Cahana said the report played on humanitarian concerns to promote—in the UN's name—the Arab campaign of agitation and hostility. The real violations, he said, were the murder and maiming of innocents by Arab terrorists backed by Arab governments.

In Report A/8828, on October 9, 1972, the Special Committee advised the Secretary General "with regret again this year" that Israel "continues to ignore this appeal." It concluded that "there is a deliberate policy of annexation and settlement of the occupied territories" and that this policy "is in contravention of the human rights of the population . . ." It added that although it had not been able to conduct "a free investigation," this was "not an indispensable requirement for the substantiation of other types of allegations," and therefore it would rely on the "compelling" evidence and conclude that "general prison conditions . . . still leave much to be desired (and) interrogation procedures very frequently involve physical violence."

Israeli Ambassador Jacob Doron replied that the facts were that the inhabitants' human rights were fully respected and protected and that they enjoyed a free, open, tranquil society with constantly improving housing, educational facilities, public health and other social services.

In October 1973 the committee submitted its most recent report, A/9148, sighing that it "must again observe, with regret, that the Government of Israel has persisted in its refusal to cooperate . . ." In so doing, it continued, Israel "continues to keep the inhabitants of the occupied territories . . . from returning to their homes." Such measures, it concluded, "are not only a grave infringement of the(ir) rights . . . but present the most formidable obstacle to peaceful negotiation and to a just settlement of the Middle East problem."

UNBALANCED VIEWS

Doron objected that the report had relied on the conjectures of Dr. Israel Shahak, whom he called a man of strange and unbalanced views. He said the Israeli League for Human and Civil Rights had been suspended from the International League for the Rights of Man after members protested Shahak's unilateral assumption of the chairmanship of that organization.

Doron also contended that the Territories were being populated by Israelis for defensive, not annexationist reasons, and that as of November 1973, Israelis totaled 3,150 of the Territories' million-plus population.

Barring the unforeseen—such as the sudden disappearance of Sri Lanka, Somalia and Yugoslavia—the Special Committee will produce another, similar report at the end of this year. It should provide sufficient controversy and opportunity for headline-making, but will perform no more of a constructive service than its predecessors until the Mideast territorial deadlock is broken—at which time there will be no need for additional reports. Call it Catch-2443.

Appendix A

Statement by U.S. Permanent Representative to UNESCO, William B. Jones, on November 7, 1974

The United States has consistently supported, and indeed has provided substantial material assistance to, the goals of preserving and restoring cultural monuments throughout the world.

However, Mr. Chairman, the United States voted against this Resolution and opposes it totally because, in our firm view, the essential objective of this Resolution is not—I repeat: is not—the preservation or protection of historical sites and monuments, whatever the claimed intentions of those who sponsored it might be. The Resolution in fact imposes a completely unjustified sanction upon a member State of this Organization for reasons that seem to us to be largely motivated by political considerations.

As such, ths Resolution marks a fateful—and possibly, for this Organization, a tragic—departure in the direction of turning UNESCO into a purely political arena and away from its intended function as a forum for exchange of ideas and knowledge, as well as a medium of assistance in the fields of education, culture, science and other disciplines to member States. In a word, Mr. Chairman, this resolution severely damages UNESCO as a place of dialogue and debate and the beginning of UNESCO's transformation into a place of bitter and vindictive confrontation.

We therefore wholly deplore the passage of this unjust Resolution and oppose entirely its implementation. This Resolution will not contribute constructively either to the protection of cultural property in Jerusalem or to the very fragile negotiation process among the parties involved in the Middle Eastern dispute.

[From the American Jewish Congress, Nov. 27, 1974]

News Release

The American Jewish Congress called on the Vatican today (Friday, Nov. 22) to "reconsider" and "withhold" the granting of its annual Pope John XXIII International Peace Prize to the United Nations Educational, Scientific and Cultural Organization.

Citing the UNESCO vote on Friday excluding Israel from its European regional group, Rabbi Arthur Hertzberg, president of the Congress, declared:

"Nothing could be more incongruous or incompatible with the memory of Pope John XXIII than the announcement of the Vatican of an award in his name to UNESCO. It is astonishing that a prize for international peace activities should be given to a specialized agency of the UN which has gone out of its way to abandon its concerns with education, science and culture in order to engage in extraneous acts of political coercion and duress.

"The General Conference of UNESCO has voted to withhold assistance to Israel and bar her from membership in its European regional group because Israel has allegedly imperiled monumental and historical sites in Jerusalem.

"This action, fomented by the Arab states, was taken despite the fact that personal representatives of UNESCO's own Director-General, including Prof. Lemaire of the (Catholic) University of Louvain, have favorably reported on the painstaking steps taken by Israeli authorities to insure against disturbing historical places while opening the city to modernization; and despite the fact that every study commission that has ever looked into the matter has verified that within past centuries no prior custodian of that sacred city has ever exercised such scrupulous concern in preserving the religious and historical features of Jerusalem, in safeguarding the integrity of sacred places and in opening access to worshippers of all faiths.

"When Jordan, during its occupation of Jerusalem from 1948 to 1967, used the headstones of ancient Jewish cemeteries for paving blocks, desecrated Jewish holy places and barred Jews from worshipping there, UNESCO was silent. Now that Israel has been meticulous in restoring and protecting all religious places and in protecting the rights of all worshippers, UNESCO suddenly manifests an exquisite concern for the archeological character of the city.

"The UNESCO resolution is an act of naked political reprisal imposed on that body by the Arab countries that have clearly intimidated other member states by their oil blackmail. It is an expression of fear, not of reason. It is a deplorable intrusion of political considerations into the deliberations of an agency mandated to restrict itself to educational, scientific and cultural concerns. It demeans and corrupts the work of UNESCO.

"For this very UNESCO to be the recipient of a major international peace prize awarded by the Vatican is simply incredible. The spirit of Pope John connotes an eagerness for peace and reconciliation. The actions of UNESCO militate in precisely the opposite direction.

"We therefore respectfully urge the appropriate authorities in the Vatican to reconsider their decision and to withhold the granting of this award until UNESCO demonstrably reestablishes itself as an agency divorced from political power plays and genuinely dedicated to the advancement of science, culture and education.

"The award to UNESCO is a travesty of the memory of a religious figure whom men of all traditions claim and cherish as an exemplar of generosity, peace and compassion."

UNITED STATES OPPOSED UNESCO VOTE

The action Friday followed by one day a vote by the UNESCO general conference of 64 to 27, with 26 abstentions, to deny assistance to Israel because of what it called her "persistence in altering the historical features" of Jerusalem "by undertaking excavations which constitute a danger to its monuments."

The United States and most Western European countries, including France, voted against the UNESCO resolution condemning Israel and in support of a motion by Israel to be part of the European regional group.

The Arab nations, the Communist bloc and a number of third-world countries voted against Israel.

The award of the Pope John XXIII International Peace Prize to UNESCO was announced on Nov. 14 by the Vatican. It is a money award, but Vatican officials would not immediately reveal how much had been granted to UNESCO.

The award was established by the Vatican using funds provided by the Balzan Peace Prize, which had been awarded to Pope John XXIII shortly before his death in 1963.

Mr. CASE. I want to thank the Senator from Tennessee for supporting the UNESCO cutoff amendment I introduced. Senator BROCK quite rightly calls attention to a problem that has received less than adequate notice, the plight of Jewish people living in Arab countries. I thank the Senator both for his support and for the service he is performing on behalf of oppressed people.

Mr. THURMOND. Mr. President, it is unfortunate that the foreign assistance bill in its present form eliminates all forms of military assistance to Chile.

It is worth noting that U.S. military relations with Chile span many decades and many governments. These relations have been built around a great deal more than the mere providing of material. They have entailed the physical presence of a small but dedicated body of American military attachés and advisers, exchange visits, and limited U.S. military training for selected Chilean officers.

Through the course of face-to-face contacts between American and Chilean military men, personal friendships have developed and an inestimable amount of influence—some of it too subtle to be readily appreciated—has accrued to the benefit of our political relations. It is therefore a precipitous and potentially unwise act to sever military relations through overreaction to an alleged set of events which may be of a transitory nature. Once severed, our hard-won good will among various echelons of the Chilean Armed Forces will be difficult to maintain. No one can predict the future of the present government. However, it is reasonable to assume that some junior or middle-level officers who today have developed respect and admiration for the United States through our cooperative military assistance programs and sincere interest in their country's welfare may someday rise to positions of influence within the Chilean Government. Even under President Allende, an admitted Communist, we continued modest military and economic aid.

Mr. President, I also would like to make a second point: the precipitous cutting off of Chilean military aid will not necessarily deprive the present regime of weapons, training, or military advice. While there has been some adverse reaction to the present Chilean Government in Europe and in the United States, there is no reason to assume that one or more European governments would not seek to fill the vacuum created by the abdication of our role as traditional supplier to the Chilean Armed Forces. As I have already indicated, the supplier role goes hand in hand with an advisory one, and the latter produces invaluable influence with an influential stratum of Chilean society. If the present government is able to obtain the arms and training that it needs elsewhere, the severing of U.S. military relations will go almost unnoticed, and the only long-term loser will be the United States.

Whatever differences some may have with the present regime, we do not wish to see Chile weakened by further dislocations. Neither do we wish to see its defenses weakened to the point that further domestic chaos will result.

It would seem that the best course for the United States is to continue a selective assistance program in both the development and military spheres.

CHILE MILITARY AID CUTOFF

Mr. KENNEDY. Mr. President, I rise to discuss the provisions of the foreign aid bill as they affect the current authoritarian regime in Chile.

I want to commend the floor manager and the committee for having retained in this bill the amendment I offered to halt all military aid to Chile. That amendment was adopted by the Senate on October 2 of this year. An identical amendment I had introduced to the continuing resolution on October 1 also was adopted by the Senate by a vote of 47 to 41. Unfortunately, that provision was deleted in conference. I want to emphasize my belief that I fully expect this amendment to be adopted by the conference committee.

The committee's action should confirm to the administration and to the Government of Chile that the American people will not support a government that engages in the gross violation of the human rights of its people or of American citizens.

Since the coup, two American citizens have been killed in Chile after being arrested by the junta. Both of these deaths occurred in the aftermath of the coup itself.

But only a few weeks ago, another U.S. citizen, Amy Conger, who was teaching art history at the University of Chile, was arrested, kept handcuffed for 6 hours, kept blindfolded for long periods, held incommunicado for 13 days, threatened with death, subjected to obscene interrogations, deprived of water for lengthy periods, forced to remain blindfolded, and handcuffed for several hours and once pushed down a flight of stairs.

For my colleagues' information, this young lady has a master's degree from the University of Iowa at Iowa City. She has completed her course work for a Ph. D. at Washington University in St. Louis and has won a Fulbright Fellowship, a Woodrow Wilson Fellowship and a grant from the American Association of University Women.

She describes her ordeal in a statement which I shall ask unanimous consent to place in the RECORD along with a copy of the summary column by Jack Anderson and Les Whitten. (See exhibit 1.) I also want to note that I have asked the State Department for a full explanation of what action has been taken in response to this incident and the reason why there exists a 29-hour period from the time they found out of her imprisonment until her release. I shall ask unanimous consent that the State Department message to the Government of Chile be printed in the Record. (See exhibit 2.)

Her story, however disturbing, still is far from less gruesome than others—most of them Chilean citizens—who have been detained by the Chilean junta.

Today, in Chile, as it has since it came to power in a bloody coup on September 11, 1973, the military junta continues to countenance arbitrary arrest and prolonged detention, the total violation of due process, torture of political prisoners, and the heavy handed repression of every democratic political freedom.

Within the past week, the former president of the Christian Democratic Party and a former Senator, Renan Fuentealba, was expelled from the country with barely the clothes on his back. When the leadership of the Christian Democratic Party, including former President Eduardo Frei, protested, the following statement was made by the Chilean Interior Under Secretary, Major Enrique Montero:

> This is an authoritarian government which will impose its authority even if it has to be harsh and ruthless.

I shall ask unanimous consent that these reports be printed in the Record. (See exhibit 3.)

The junta has been harsh. It has been ruthless. It has violated its pledges to abide by the Inter-American Declaration of Human Rights and its pledges to abide by the Universal Declaration of Human Rights.

There have been a series of international investigations which I will detail for the record which have confirmed the continued disregard for human life and values of the junta.

This week, I obtained a report on Chile by the Inter-American Commission on Human Rights which is being distributed to all of the members of the Permanent Council of the Organization of American States. That report of the Commission, after considering numerous complaints and documents and following its own investigation in Chile, concludes that the current regime in Chile has engaged in "repeated violations of the rights set forth in articles I, II, IV, VIII, XVII, XXV, and XXVI of the American Declaration of the Rights and Duties of Man."

The Commission found that the right to life was violated by the junta's actions, that torture, inhuman pressure and treatment including the application of electric shock, threats to relatives, sexual attacks, blindfolding prisoners for weeks, have occurred. They found the violation of due process of law, the nonexistence of freedom of expression, thought or information, suspension of the right to meet, denial of the freedom of association, absence of equal treatment before the law and the abolition of all political rights.

These were the findings of the duly constituted Commission of the OAS. I ask unanimous consent that they be printed in the Record. (See annex 4.)

Two weeks earlier, on November 14, the General Assembly of the United Nations, following findings of its own Commission of Human Rights, voted 83 to 9, to request "the President of the General Assembly and the Secretary General to assist in any way they may deem appropriate in the reestablishment of basic human rights and fundamental freedoms in Chile."

The resolution "urges the Chilean authorities to respect fully the principles of the Universal Declaration of Human Rights and to take all necessary steps to restore and safeguard basic human rights and fundamental freedoms, particularly those involving a threat to human life and liberty, to release all persons who have been detained without charge or imprisoned solely for political reasons and to continue to grant safe conduct to those who desire it." I shall ask unanimous consent that it be printed in the Record. (See exhibit 5.)

The withholding of all military assistance—and I want to emphasize that this amendment prohibits all forms of military assistance including but not limited to those enumerated in the amendment—is the minimal action that we must take. I ask unanimous consent that section 19 of the bill be printed in the Record at this point.

There being no objection, the section was ordered to be printed in the Record, as follows:

LIMITATION UPON ASSISTANCE TO OR FOR CHILE

Sec. 19. Notwithstanding any other provision of law, the total amount of assistance that may be made available for Chile under this or any other law during fiscal year 1975 may not exceed $55,000,000, none of which may be made available for the purpose of providing military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense).

Mr. KENNEDY. Mr. President, there is no justification for military aid to the junta unless we want to be identified with a government that has been condemned internationally for its continued violations of human rights.

I want to add that the Latin American Studies Association, whose members are professors of Latin American affairs, have urged an end to military aid to Chile in a resolution adopted 2 weeks ago. I shall ask unanimous consent to have their letter printed in full in the Record. (See exhibit 6.)

The resolution states in part:

> We strongly support congressional proposals to cut off all military aid to Chile. Such aid to a government which has systematically been found to be in violation of the fundamental civil and human rights of its own citizens is incompatible with the basic tenets of a humane and democratic foreign policy.

The administration requested a near doubling of its fiscal year 1974 budget proposal for military assistance to Chile. Originally, a $10 million military credit sales program for fiscal year 1974 was recommended. Following the coup, that figure was increased to $15 million, a 50-percent hike. In its budget request for fiscal year 1975, the administration recommended another substantial increase, to $20.5 million, for credit sales and another $800,000 to support the training of Chilean military officers.

With a virtually unchallenged verdict of respected international organizations and respected jurists and scholars of a continuing pattern of gross violations of human rights in Chile, I believe the proposal for military aid to Chile to be unjustifiable and unacceptable. It contrasts with the announcements of Britain and France to withhold military equipment and it signifies a disturbing lack of commitment to basic human rights on the part of the administration.

For these reasons, I submitted the amendment, to halt all military aid to Chile. I once again commend the committee for ratifying the previous action of the Senate in approving this amendment.

I want to add that if there is no substantial and compelling evidence of change toward the protection of human rights and some progress away from a dictatorship, then I shall seek in subsequent legislation to curtail economic assistance other than humanitarian assistance. I want to emphasize that I do not believe it appropriate that the administration has requested the highest total of economic assistance for Chile of any nation in Latin America. It is more than double the request for any other country. Although the committee reduced this somewhat, I believe it should be reduced further in view of the current character of the present government.

I want to emphasize to my colleagues that there still remain several thousand political prisoners in Chile today, many of them never tried, many of them never charged. Others have been condemned at military trials for acts which occurred before the junta took office on the basis of confessions obtained through torture and without all but the merest facade of due process. Among those still detained are 16 former congressmen and senators, whose names I shall ask unanimous consent to place in the Record. (See exhibit 7.) All of these individuals were elected to office.

Recently we have seen advertisements paid for by the junta proclaiming their innocence of any violation of human rights.

Those proclamations conflict with the findings not only of the international organizations I already have mentioned, but others as well, including Amnesty International, the International Commission of Jurists and a special study team of the Senate Refugee Subcommittee.

Instead of self-serving advertisements, I would be far more impressed by the release of all political prisoners, including those condemned by military war councils, an end to the state of seige and a return to a system of constitutional law and the re-establishment of a democratic system of government in keeping with the traditions of the Chilean people.

For the record, I will recount some of the details of the findings of international groups over the past year, of the violation of human rights in Chile.

Shortly after the coup, the Senate Subcommittee on Refugees held a public hearing into the condition of refugees and of human rights in Chile. Testimony at that hearing and subsequent reports of respected international groups disclosed the existence in Chile of summary executions, of torture, of mass arrests, of the deaths of two American citizens, and of continued threats to foreign nationals. Those reports prompted me to introduce an amendment to halt all military aid to Chile. That amendment to the fiscal year 1974 Foreign Aid Appropriations bill was adopted by the Senate on December 17, 1973. However, it was deleted in conference.

Unfortunately, in the months since that action, the situation in Chile has not seen a return to the traditional Chilean respect for and protection of human rights. In fact, a series of reports from respected international organizations such as the International Commission of Jurists and Amnesty International as well as private contacts that I have had with both Chilean and third country individuals and agencies convince me that a systematic disregard for human rights continues today in Chile.

Amnesty International, in a letter to General Pinochet, stated:

> Contrary to some statements issued by Chilean governmental officials abroad, there is substantial evidence of a persistent and gross violation of the most fundamental human rights.

The report went on to charge continuation of summary executions and torture, not only during their November visit, but up to the time of their letter of December 31, 1973.

In February, an ad hoc group of U.S. union officials, professors, lawyers, and church officials traveled to Chile. Their report was presented on February 28 at a congressional conference on the situation in Chile. It, too, disclosed thousands of "politically motivated detentions," the absence of effective legal process, the continued use of torture, the use of economic sanctions against those suspected of being in sympathy with the previous government and other violations of human rights.

In March, following a lengthy debate by the Commission on Human Rights of the United Nations, a telegram was issued by the United Nations. It stated:

> The Commission on Human Rights, while considering the obligation of all states under the Charter of the United Nations to promote universal respect and observance of human rights and fundamental freedoms, has considered with deep concern numerous reports from a wide variety of sources relating to gross and massive violations of human rights in Chile in contradiction with the universal declaration of human rights, and other relevant international instruments ratified by a great number of countries including Chile.
>
> The Commission on Human Rights, which has consistently deplored all violations of human rights, calls upon your government for the immediate cessation of any kind of violations of human rights, committed contrary to the principles of the United Nations Charter and other international instruments including the international covenants on human rights.

In April, the International Commission of Jurists sent a delegation to Chile to inquire into the legal situation with regard to human rights. Its three-man delegation included Covey T. Oliver, former U.S. Ambassador to Colombia and former U.S. Assistant Secretary of State for Inter-American Affairs.

In May, the preliminary report of the delegation was released, expressing the "view that present judicial procedures and safeguards do not meet the minimum standards which Chile is bound to observe under article 3 of the Geneva Conventions, 1949." The report also stated:

> We received most convincing evidence to support the declaration of the Catholic bishops on April 24, 1974, that there are interrogations with physical and moral pressure. We believe that the various forms of ill-treatment, sometimes amounting to severe torture, are carried out systematically by some of those responsible for interrogation and not, as many people sought to persuade us, in isolated instances at the time of arrest.

A study mission of the Senate Refugee Subcommittee traveled in Chile in April as well. It included former U.S. Ambassador to Chile Ralph A. Dungan, former State Department Latin American expert John N. Plank, and Mark L. Schneider of my staff.

They concluded—contrary to the continued assurances of the Chilean Government and its representatives—that there existed a systematic, flagrant, and continuing disregard for human rights in Chile. They found arbitrary arrest and indeterminate detention without charge. Some 6,000 persons, according to junta statistics, were under detention at the time of their trip. Other sources cited additional persons under detention at less permanent detention sites throughout the country. It is now estimated that several thousand persons are detained, encarcerated or condemned after only the most illusory show of trial.

The study mission also noted that the Chilean habeas corpus protection had been suspended. Torture and mistreatment of prisoners continued. Some prisoners were held incommunicado for months. Others were permitted to see their families on a somewhat regular basis, but briefly. Most never had a chance to see a lawyer. Due process appeared limited in all instances: Totally absent in some. Schools and colleges were under military control. Freedom of the press did not exist. Many thousands of individuals were fired arbitrarily for their political beliefs from public and private employment. Labor unions were barred from striking and restricted in their normal activities.

The study mission also noted that the Congress had been closed; the Constitution abridged; political parties abolished or suspended; and the number of Chilean refugees in neighboring countries was rising.

In May, the Inter-American Commission on Human Rights of the Organization of American States sent a telegram to the junta in which it stated:

> During this session, the study of the present situation of human rights in Chile has taken a great part of our time. On the one hand, we have examined those individual cases, clearly determinable, in which the violation of certain fundamental rights of one or several specified persons has been denounced. But, in addition, it has been necessary to analyze separately that which we might call a "general case," that is, the aggregation of charges from different sources according to which there is a policy in Chile which would imply, according to the claimants, the systematic disregard of fundamental human rights.

After some delay, the Commission was granted permission to visit Chile. Its interim recommendations were made public. The final report and recommendations, I have previously discussed.

In June, other observers, including the former Attorney General of the United States Ramsey Clark and New York City Criminal Court Judge William Booth, traveled to Chile. They visited the trials, now concluded, of former Air Force officers and several civilians who had held posts in the previous government of Salvadore Allende. The sentences included four death sentences which were later commuted to long prison terms. Even that action is inadequate, since the former Attorney General and Judge Booth described the proceedings as "show trials." They cited, along with other observers, the lack of due process in the military court martial proceedings which operate for military and civilian alike.

One attorney was thrown out of court for speaking "too warmly" of Allende. Another was reprimanded for reporting that his clients had been tortured. Virtually all defendants were prosecuted on the basis of "statements" given by others who were themselves under indictment or under detention. And many of these defendants had told their families and their visitors of the systematic torture used during interrogations to obtain those "statements."

More recently, on August 30, the Catholic Archibishop of Chile, the Lutheran Bishop of Chile, the Methodist Bishop of Chile, and the Grand Rabbi of the Chilean Jewish community appealed for an end to the continuing torture and human rights violations.

On September 7, Amnesty International issued its final report on Chile stating:

> Repeated assurances from the government that human rights would be respected have proven to be totally unfounded. Torture is still being practiced, while military tribunals continue to try persons charged with the retroactive offense of cooperating with President Allende's constitutional government prior to the coup.

Despite this unrefuted testimony from numerous respected international organizations and knowledgeable individuals, the attitude of the U.S. Government has been one of "business as usual." Last fall, an amendment I introduced was passed and signed into law. It stated the sense of Congress that:

> The President should request the Government of Chile to protect the human rights of all individuals, Chilean and foreign, as provided in the universal declaration of human rights, the convention and protocol relating the status of refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners.

There is little evidence of forceful U.S. Government action in support of those human rights.

Nor has the administration chosen to adopt a low profile policy in its relations with the current Chilean regime.

In international agencies, particularly the Inter-American Development Bank—IDB—pressure from the United States in support of the Chilean regime has been evident. It was widely reported that intervention of U.S. Government officals produced an unusual speedup in the IDB process in order to assure a loan announcement in Santiago at the opening of the IDB meeting last spring.

The administration also has proposed for fiscal year 1975 the first new development loans to Chile since 1967, some $25 million, and an increase in grant assistance to more than $1 million, compared to $330,000 in fiscal year 1974. While in the last full year of the Allende government, fiscal year 1973, the administration felt the food needs of the country required only $2.5 million in food-for-peace assistance, it now proposes food-for-peace grants and loans of $37 million. In addition, a month after the coup, a commodity credit loan of $24 million was extended and a month later, an additional commodity loan of $28 million was extended.

Some of these programs are clearly humanitarian in nature. But it is difficult to understand why the humanitarian rationale that the administration is putting forward today, was not equally relevant prior to the overthrow of the previous government, when Chile was denied similar programs.

Adoption of my amendment to halt all military aid to Chile will represent the first glimmerings or an American foreign policy that gives concrete support for the protection of human rights. It is a step which has been delayed for far too long.

Mr. President, I ask unanimous consent to have printed in the RECORD all of the exhibits to which I have referred during my remarks.

There being no objection, the exhibit were ordered to be printed in the RECORD, as follows:

EXHIBIT 1

STATEMENT BY AMY CONGER

I lived in Chile from April 19, 1972 until October 28, 1974. I was contracted by the University of Chile to teach History of Art in the Departments of Fine Arts and Architecture in Santiago.[1] I taught in the University for more than a year before the coup of September 11, 1973 and for exactly 13 months afterwards. The History of Art and Art Education Department was purged after the coup and 64 of the 72 professors were dismissed. I was one of the 8 that remained.

From October 11th to October 24th I was imprisoned in the Academia de Guerra, a concentration camp run by the Air Force for political prisoners, for people who had already been condemned and others who were suspected of having at sometime participated in subversive activities. The latter were considered guilty until they could prove their innocence. Everyone was incomunicado, in isolation. I was aware of about 60 prisoners but I knew there were more in other parts of the building.

I was brutally arrested October 11th about 7 p.m. by four men in street clothes with submachine guns. I was tightly handcuffed, repeatedly threatened and literally thrown in a car. I was never shown either identification or a detention order, contrary to the declarations which General Pinochet had made to the Chilean and international press. One of the men tried to pull off my sweater but it was impossible because I was handcuffed; needless to say I felt conspicuous passing through the city bare-breasted. They blindfolded me and drove me to an unknown place. Although I asked several times, they would never let me speak to the U.S. Consul. Later they categorically denied that I had asked. While I was blindfolded, they repeatedly interrogated and harassed me—frequently in English. Several of these Air Force officers had studied in the United States. Some of them were intensely anti-American: "I hate Americans—they are egotistical, stupid and selfish!" Two of them told me that, at the expense of the U.S. Air Force they had toured the U.S. (Las Vegas, San Francisco, Disneyland, etc.) and had trained there (Florida, Colorado) for several months. I was impressed by the fact that two of the officers that were interrogating me were smoking U.S. cigarettes, one of them Kools, a brand not available even in the black market in Chile.

They threatened me with rape[2] and the DINA (Direccion de Intelligencia Nacional: a military group specialized in brute physical torture, particularly electric shock, the rack, choking or drowning in excrement and pentothal). They "let me" fall down the stairs while I was blindfolded. They tortured people at my side while I was blindfolded. I heard horrible, prolonged screams in the night. I stood for hours and hours against a wall. They gave me two cups of water each day to drink, 900 calories of food, a perfect starvation diet. I underwent it for only 13 days. Others have been there for more than 8 months.

The bathroom had running water for only about 15 mintues a day to serve the needs of about 60 prisoners. The unflushable toilets were teeming with flies (it is Spring in Santiago) and brimming with great quantities of blood and excrement. The three stalls were calf high with newspaper which had served as toilet paper. There were no windows in the part occupied by the prisoners, 24 hours of artificial light, constant noise; 1 officer, 1 sub-officer and 6 guards—nervously playing and experimenting with their submachine guns, cocking them, changing to automatic, etc. And a casette player that repeated Joan Baez's "Happy Birthday".

I learned to peek around my blindfold. I saw two officers slugging and kicking Juan an 18 year old, ex-seminary student whose only crime was to have been with me when they arrested me. I heard his sharp quick screams of No and afterwards, long cries of No, like a dying animal. Finally he confessed to anything they suggested. He invented charges against his sister who is a very close friend of mine and who had never had anything to do with politics, against his mother who had just been cleared and freed after 13 months of imprisonment. (In the actual moment when they went to arrest the two, the daughter had gone to the Women's Prison to finally accompany her mother home. Upon arriving and being told about their "visitors" by the neighbors, they beat it.) Juan also invented a story about a doctor, a neighbor, whom consequently they arrested. The MD was still jailed during my last week there. They couldn't find the weapons that he was supposed to have but they came across three bottles of tranquilizers and assumed that he had a clandestine clinic. They questioned me about the doctor twice.

They left Juan standing up against the wall for entire days without food and water, handcuffed, blindfolded. Finally one day he fainted. They grabbed him by his handcuffs, dragged him along the floor, stood him up and leaned him against the wall. Since he had not regained consciousness, he fell again. So they repeated the same treatment three more times until they realized that it was hopeless and they threw him in a chair for two hours.

Finally they sent Juan to the DINA. When he returned his chest was covered with black and blue marks and with inflamed red points. His face was totally without color, as white as plaster—it seems, anemic because of blood loss. He had a deep cut about five inches long, open and unbandaged on the inside of his left arm. I never knew if this wound was the result of torture or if he had tried to commit suicide. At this point, it's the same thing.

Another young man returned from his trip to the DINA with disks broken in his spinal cord, and another in a wheel chair with a broken leg.

Frequently they would seat prisoners at a table next to me to write their "confessions." They would scream and plead for water; often they fell asleep. I remember one that cried "Give me water! I haven't had water in 7 days. I haven't eaten, I haven't slept. Give me some water!" They answered him firmly "No. Later. We'll only give you water if you write a confession that we like." It seems that they have found this to be an effective technique for extracting confessions; however, it seems that they are almost always largely false.

As I witnessed all of this I remembered that only a week before General Avgosto Pinochet Ugarta had repeated his declarations about torture in Chile: that in the first few days after the *coup* possibly there had been a few, isolated, accidental cases of torture, but now, it positively did not exist. And he promised adamantly to courtmartial anyone involved in torture.

I was extremely fortunate. For them, I was a foreigner, a woman and a blond. I was offered two possibilities: signing a "confession" and being expelled from the country or being sent to the DINA and afterwards to a military court where I would receive a sentence of about 30 years. The officers knew perfectly well that my only transgression was to have known people whom they considered to be undesirable. For a Chilean this could have been worth a sentence of several years, or decades, but it is ticklish with a foreigner since it is commonly known that in March 1973, 44% of the country voted for the left, and consequently, today 44% of the country is undesirable.

On the 13th day I "confessed." I remember that the "confession" said something about extremist friends, a press for subversive literature and being a "front" for someone. The US Consul arrived at the same time. He had been notified the day (30 hours) before that I was being held by the Air Force. On October 12th, the day after my arrest, my teaching assistant had gone to my house, had been arrested, humiliated, witnessed the wanton and sadistic mass destruction of my apartment and had been threatened with possible death, sure torture and imprisonment if he told anyone what he had seen. He told friends. He refused to call the US Consulate because he knew that he was the only one that knew, and having heard about the connections between the US Consulate

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[1] I received a M.A. in History of Art from the University of Iowa in August 1966. In 1966–7 I taught at the University of Southern Illinois at Edwardsville and in February 1968 I passed my doctoral examinations at Washington University in St. Louis. Between 1968 and 1972 I studied and did research in Europe on 15th century fresco painting thanks to a Woodrow Wilson Pre-Doctoral Fellowship, a Fulbright Women Grant and an American Association of University Women Fellowship.

[2] Ej., while they had me lying on a bed one said: "You know it's impossible to rape a woman if she doesn't want it".

and the CIA, he assumed that the Consul was working with the miltiary. Finally friends in Buenos Aires found out, called my father in Chicago and he called the Consul in Santiago.

I was freed after 13 days, the most fortunate person in Chile. The nerve in my left thumb is still disabled (due to the tightness of the handcuffs on the first day and that they couldn't find a key for six hours), I had acquired an impressive vaginal discharge, I was somewhat black and blue, incredibly filthy and smelling not having changed my clothes or really washed in 13 days, badly dehydrated, 9 pounds lighter and with protein and chloresterol levels abnormally low. All totally insignificant. I cannot and do not want to forget the suffering of the Chilean political prisoners and the newfound misery of the Chilean people, all in the name of law, order and democracy.

[From the Washington Post, Nov. 27, 1974]

U.S. WOMAN DETAILS CHILE TORTURE

(By Jack Anderson)

Without a murmur of formal protest from the United States government, an attractive, 31-year-old American art teacher was brutally tortured last month by Chilean air force officers in an insect-infested prison.

The young university instructor was threatened with death, forced to ride with breasts bared through the streets and thrown on a bed where she was menaced with rape. She was subjected to obscene questioning, catapulted down stairs while blindfolded, deprived of water, denied sleep and forced to stand until she almost collapsed.

When 13 days of this treatment failed to draw a false confession from her, the "officers and gentlemen" of Chile's air force told her she was being taken to an infamous torture center where prisoners were known to have been given electrode shocks on the most sensitive parts of their bodies, stretched on racks and immersed in human excrement.

Faced with a journey from which she might not return, she finally broke and signed a prepared pack of lies on Oct. 24.

The Chilean junta leader, Gen. Augusto Pinochet, has assured the world that torture no longer exists in Chile. Yet this incredible story of torture by a regime now seeking $85 million a year in U.S. aid, has been sworn to by Amy Conger, now in Chicago.

Except for a partially paralyzed thumb, the art history teacher, whose specialty is the gentle 15th Century painting school of Fra Angelico, appears to be recovering.

In long talks with my associate, Les Whitten, and in extensive affidavits, she has spoken eloquently of her agony.

"I was brutally arrested Oct. 11 about 7 p.m. by four men in street clothes with submachine guns," one affidavit states. She was told she might be killed, then was "tightly handcuffed and literally thrown in a car."

During the ride, one of the officers pulled her sweater over her head. "Needless to say I felt conspicuous passing through the city bare-breasted," she said.

Although she was blindfolded throughout much of her 13-day interrogation, she was able to learn that "several of these air force officers had studied in the United States." She identified two of them as a "Lt. Col. Ceballos" and a "Col. Horacio Ibaiza." Ceballos spoke excellent colloquial English, she said.

Her relentless questioners sought to wrench from her a confession that she knew "undesirable" Chileans. This, she said, could refer to almost any of the 44 per cent of Chileans who had supported the late Chilean Marxist president, Salvador Allende.

"They threatened me with rape and to send me to th Direccion de Inteligencia Nacional, a military group specializing in brute physical torture, particularly electric shock, the rack, choking or drowning in excrement."

At one point, she was led blindfolded to the head of a stairs. She plunged down 10 steps and thereafter was in fear whenever she was being led blindfolded through the corridors of the Academia de Guerra prison.

"I stood for hours and hours against a wall," she attested. "They gave me two cups of water each day to drink, 900 calories of food, a perfect starvation diet.

"The bathroom had running water for only about 15 minutes a day to serve the needs of about 60 prisoners. The unflushed toilets were teeming with flies and brimming with great quantities of blood and excrement.

"The three stalls were calf high with newspaper which had served as toilet papers," she swore. All around her, guards were "nervously playing and experimenting with submachine guns, cocking them, changing to automatic," and, ironically, "a cassette player (constantly) repeated Joan Baez's "Happy Birthday.' "

Other prisoners were tortured while she was blindfolded, she said. "I heard horrible, prolonged screams in the night . . . I learned to peek around my blindfold . . .

"I saw two officers slugging and kicking an 18-year-old . . . I heard his sharp, quick screams of 'No!' and afterwards, long cries of 'No', like a dying animal. Finally, he confessed to anything they suggested." Afterwards, he was dragged off to the dreaded Direccion de Inteligencia Nacional for still more torture.

She saw the youth when he returned, "his chest covered with black and blue marks and with inflamed red points. His face was totally without color, white as plaster—it seems, anemic because of blood loss. He had a deep cut about five inches long, open and unbandaged on the inside of his left arm," she said in her affidavit.

Finally, she said, she "confessed" falsely to knowing "subversives." At about the same time, she said, word of her arrest reached the American consul in Santiago, Fred Purdy. He began working for her freedom right away, but it took him 30 hours before the Chileans were willing to release her.

By that time, "the nerve in my left thumb (was) disabled due to the tightness of handcuffs . . . I had acquired an impressive vaginal discharge, I was somewhat black and blue, incredibly filthy . . . badly dehydrated, nine pounds lighter and with protein and chloresterol levels abnormally low."

Shortly thereafter, she left Chile. The United States has yet to make a formal protest, as was made in the case of American citizen Fred Morris, who was tortured at about the same time in Brazil.

EXHIBIT 2

NOTE TO GOVERNMENT OF CHILE

Note submitted by the Department of State on November 27, 1974 to the Government of Chile (dictated to the Office of Senator Kennedy by a State Department Chile desk officer).

"The Embassy of the United States of America presents its compliments to the Ministry of Foreign Relations of the Republic of Chile and has the honor to transmit the text of an article which appeared in the press in the United States today.

"This article is based upon statements made by Mrs. Amy Congers O'Flaherty, an American citizen, who was detained by authorities of the Chilean Air Force on October 11, 1974, and released into the custody of this Embassy on October 24, 1974.

"The Embassy reiterates previous expressions of concern that counselor officers of this Embassy were not informed of the detention of an American citizen pursuant to paragraph 1B of Article 36 of the Vienna Convention on Counselor relations of April 24, 1963.

"The Embassy requests that the Ministry of Foreign Relations institute an urgent investigation of Mrs. O'Flaherty's treatment while under detention in Chile and provide this Embassy with a report of the results of that investigation.

"The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Relations the assurances of its highest considerations."

EXHIBIT 3

STATE DEPARTMENT TRANSCRIPT OF RADIO BROADCASTS

CHILEAN PDC LEADER EXPELLED BY GOVERNMENT

SANTIAGO, CHILE, November 26.—Renan Fuentealba, former president of the Christian Democratic Party (PDC) and former senator, has been expelled from the country. This decision was announced in a communique issued by the newly-established Interior Ministry Department of Public Order.

APPEAL FOR HUMAN RIGHTS

SANTIAGO, CHILE, November 26.—Former president of the Christian Democratic Party (PDC) Renan Fuentealba launched an appeal here today demanding respect for human rights in Chile.

"We want full respect for human rights in Chile as soon as possible," he told AFP. "In this respect we are highly concerned over the fact that former PDC Deputy Claudio Huepe has been deprived of his freedom without any charges being lodged against him," he said.

Fuentealba made it clear that there was "no similarity" between the military junta's economic policy and his party's program. "At this moment it is important to implement a policy for development, against inflation, and for economic independence, and to redistribute income with justice and respect for men," said Fuentealba, who was Chile's ambassador to the United Nations during the Frei government. "The poorest should not be asked to make the biggest sacrifice, nor the middle class dragged to the lower ranks of poverty," he added.

"We are moving from the concentration of power in the hands of the state to the concentration of economic and social power in the hands of small sectors which are acting with a spirit of revenge and without a sense of patriotism," Fuentealba said. Fuentealba was PDC president six times, and he was again elected to that position in May 1973, 5 months before President Salvador Allende was overthrown by the armed forces. The governing military junta suspended the PDC and all the other opposition political organizations during the Popular Unity regime.

Fuentealba stated the majority of Chileans presently support the PDC. "I am sure that the majority of Chileans feel that our solution is the best for building a new democracy and for moving toward a new society based on justice and freedom," he asserted.

Fuentealba said that his party did not support the military movement that overthrew President Salvador Allende in September 1973. The blindness, uncontrolled passion, and the tremendous confusion that existed among many political sectors led to the results with which we are all familiar," he said, while he pointed out that the relationship between his party and the military junta is one of mutual independence.

On human rights Fuentealba said: "We are basically democrats; we believe in man, his dignity and his rights. We do not want to build an atheist socialist society. Instead we want to build a society based on the basic principles of Christianity, democracy, participation and pluralism."

When asked by AFP if his party was willing to form a united front with some Marxist parties in case of an election, Fuentealba said: "True democrats of the vanguard who want to build a new democratic society must unite when it is necessary."

"Partisan and personal selfishness must be set aside, as well as the hatred and intransigency which led the political system to a crisis when the activities of the democratic system were suspended," he concluded.

SANTIAGO, CHILE, November 29.—Interior Under Secretary Maj. Enrique Montero reiterated last night over national radio and television the government's decision "to enforce the political recess at all costs." Montero also gave the reasons for the deportation of former senator and president of the Christian Democratic Party [PDC] Renan Fuentealba. Montero said: "Master Fuentealba has shown an unthinkable lack of patriotism by making declarations to a foreign press agency which echo the false accusation that human rights are not being respected in our country."

Montero added: "Mister Fuentealba's attitude is not surprising if one recalls that on 13 September 1973 he signed a declaration—together with other PDC leaders, among condemning the ousting" of what it termed the "constitutional government" [passage indistinct] indirectly to the declaration of solidarity with Fuentealba that 66 PDC leaders headed by former President Eduardo Frei issued yesterday, Montero said: "It is appropriate to make it clear that those politicians who use every opportunity to make news under the belief that by creating conflict situations they will create an atmosphere favorable to political negotiations are absolutely wrong. This is an authoritarian government which will impose its authority even if it has to be harsh and ruthless."

Moreover, Chief of State Gen. Augusto Pinochet said in regard to the deportation of former Senator Fuentealba: "[Words indistinct] was forced to deport him because he was sowing discord."

EXHIBIT 4

REPORT ON THE STATUS OF HUMAN RIGHTS IN CHILE

Note dated October 31, 1974, addressed to the Chairman of the Permanent Council by the Chairman of the Inter-American Commission of Human Rights transmitting the "Report on the Status of Human Rights in "Chile" prepared by the Commission.

CHAPTER XVI—CONCLUSIONS

After a careful analysis of background information, and particularly after having made on-the-spot observations during a brief but very intensive mission, the Commission has collected information, which, after rational analysis, it feels is sufficient to assert that, under the regime instituted in Chile beginning September 11, 1973, extremely serious violations of human rights occurred.

The Commission realizes the exceptional circumstances which resulted in the advent of that regime, with the employment of force and bitter confrontation. It does not count as violations of human rights, the losses of life that occurred on both sides in the first few days of this process, so that it may entirely avoid the consideration, which otherwise would be essential, the legality or illegality and the justice or injustice, of the actions of the previous regime, a topic which is outside its competence.

But, after having examined the events subsequent to the consolidation of the new Government, determined the content of the measures issued by the Junta, visited the jails and detention camps for political prisoners, had access to mass communication media, interrogated hundreds of persons of all social levels and political affiliation, reviewed judicial files, attended War Councils, contacted various national and international agencies aiding many people during those months, and after having traveled in the performance of its duties, to widely separate places in the territory of Chile, the Commission has arrived at the firm conviction that on some occasions by action of the Government of Chile through its official measures, and on other occasions by action of its agents (in the latter cases it is not possible to determine whether the actions of such agents are in response to orders received from their superiors) very serious violations have been committed in Chile—by acts of commission or omission of the present Government—against the following human rights, which are set forth in international documents signed by that country:

1. *Right to life.* While executions by shooting without prior trial in the application of the so-called "law of fight", had ceased, the right to life could not be considered adequately protected in the proceedings of War Councils, which had handed down and repeatedly were handing down, death penalties in circumstances that do not satisfy the requirements of due process. The fact that the sentences had been commuted in most cases did not eliminate the certain risk to the right to life implied by such proceedings, nor was it enough to erase the tremendous harm caused to the accused and his family during the period of uncertainty as to what would finally occur. (See Art. 1 of the American Declaration of the Rights and Duties of Man).

2. *Right to personal safety.* This right had been and was directly and seriously violated by the practice of psychological and physical abuse in the form of cruel and inhuman treatment. This is the conclusion from coinciding statements and testimony from persons of the most varied social condition, of very varied cultural levels and opposing political convictions, who were detained or were residing in widely separated places. The Commission has seen and heard persons affected as a result of such abuses and has collected convincing statements and testimony regarding cases of violation of the right of personal safety, consisting in torture, abuse and inhuman treatment which, because of their intensity and probable consequences, also involve on occasion actual threats to the right to life. The use of electric shock, the threat of harm to close relatives, sexual attacks, covering the person with a hood, blindfolding the person for weeks, etc., are reasonably proven facts. (See Arts. I and XVII of the above-mentioned American Declaration). The Commission does not assert that a "policy of torture" was practiced or might have been practiced, but it is in a position to assert that no effective "policy against torture" had been carried out.

It should be noted that in the Commission's interviews with the Ministers of the Interior and of Defense, they stated their concern regarding this subject and indicated it was the firm intent of the Chilean Government to eliminate torture, and if any cases were found, to punish those responsible. To that end, they requested any assistance that the Commission might provide.

3. *Right to personal liberty.* Ten months after the events of September, around 5,500 persons remained deprived of their liberty, according to figures supplied by some of the ministers. Many of these persons had been arrested without any charges brought against them, and they continued in detention without being brought before the courts, by virtue of the authority granted by the Constitution to the President of the Republic under the supervision of the Congress. The situation was even more serious due to the fact that there were also many persons regarding whom it was not known whether they were free or imprisoned, or even whether they were living or dead. (See Arts. VIII and XV of the American Declaration).

4. *Remedy of amparo and habeas corpus.* The remedy of *amparo* had been rendered absolutely ineffective, since the Magistrates of the Judiciary were satisfied with replies from the Ministries, that such and such a person was detained "by virtue of the powers authorized under a state of siege", or that he was not detained, without investigating the evidence provided by the petitioner. The Magistrates did not require that the prisoner be brought before them to verify that he was alive, or to determine where he was detained, or to determine whether the constitutional provision prohibiting keeping him prisoner in jails or together with common criminals, etc., were being complied with. (See Art. XVIII of the American Declaration).

5. *Guarantees of due process.* These guarantees were found to be seriously affected. In many cases, the right to be tried by a court established by law prior to the alleged offense, and in general the right to a regular trial had been violated and was being violated. Retroactive application of the "state of war" has constituted a flagrant violation of basic rights. Statements made by the accused, under the pressure of psychological or physical torture, to the arresting official rather than to the trial judge, have been taken as "confessions". The proceedings of War Councils have constituted a massive violation of the guarantees of due process. (See Art. XXVI of the American Declaration).

6. *Freedom of expression and communication of thought and of information.* None of the mass communication media are free to disseminate thought or inform the public. These media operate between the extremes of censorship and self-censorship. Official pressure was being exerted also on publishing houses. As a general rule, those media could only publish news and ideas approved by the authorities. (See Art. IV of the American Declaration).

7. *Right of assembly.* The right was virtually suspended (See Article XXI of the American Declaration).

8. *Freedom of association.* Political parties, agencies, organizations and movements have been dissolved or declared "in recess", which means the prohibition of any kind of political activity in the broad sense. Other organizations, like labor unions for example, are prevented from any effective action. (See Art. XXII of the American Declaration).

9. *Freedom of opinion and equality before the law.* The Commission found that, as a result of Decree-Law 77, Marxism is generally considered as a felony. The term "Marxism" is used as though it were a label for a crime. Consequently, any individual professing Marxist ideology is considered as a criminal, regardless of whether he can be shown to have actually committed acts defined as crimes under criminal law. He can therefore be punished for "what he is" or for "what he thinks" regardless of "what he does". The commission of the same act in the same circumstances can give rise to different legal consequences depending on the persons who committed the act and their political ideology, without any rule of justice or reasonableness to justify such disparity of treatment. (See Arts. IV, II and XVII of the American Declaration).

10. *Political rights.* Such rights have been abolished. Since the suppression of representative bodies has been accompanied by the destruction of the voters' register, which, according to the Government, it will take years to reconstruct, no possibility is seen of a fairly rapid return to normalcy in these institutions. (See Arts. XX and XVIII of the American Declaration).

It can be asserted in conclusion that the Commission's on-the-spot findings show that under the regime instituted on September 11, 1973, in Chile, repeated violations have occurred of the rights set forth in Articles I, II, IV, VIII, XXVII, XXVIII, XX, XXI, XXII, XXV, and XXVI of the American Declaration of the Rights and Duties of Man.

CHAPTER XVII—RECOMMENDATIONS

1. On July 29, the Commission sent to the Government of Chile the preliminary recommendations resulting from the note transcribed in Chapter XV of this report.

2. After reaching the conclusions summarized in the previous chapter, the Commission feels it is its duty to make the following recommendations to that Government:

1. In order to safeguard the rights referred to in Article 1 of the American Declaration of the Rights and Duties of Man, and with the pomptness required by these circumstances, an exhaustive, detailed, speedy, and impartial investigation of the following acts should be ordered:

(a) The imposition of cruel conditions of living, punishment and forced labor on certain prisoners, as occurred for example in the case of those who were confined on Dawson Island.

(b) The use of psychological and physical torture in the following establishments: 38 Londres Street in Santiago; Air Force War School in Santiago; a section of the Santiago Military Hospital; Central Bureau of Investigations in Santiago (a place known as "La Patilla"); Tejas Verdes; and the Navy ship "Esmeralda";

(c) The reception of persons arriving at Tres Alamos, the Santiago Central Jail and Capuchinos, Tejas Verdes and Buen Pastor detention centers with visible signs of having been subjected to torture or maltreatment, without the officials of those establishments having denounced such facts to their superiors;

(d) The conduct of the officials who directly or indirectly have been indicated in this report as performing, participating, instigating or covering up the acts indicated in the above points.

The Commission feels that such an investigation should be carried out so that: a) unity of viewpoint may be ensured in establishing and evaluating the facts, for which purposes the persons performing this task should be able to take action throughout the territory of the country, and b) any reasonable possibility of suspicion that those responsible for the investigation do not have the essential independence and resources to properly carry out their mission may be excluded *a priori*.

The Commission considers, finally, that this mission must comprise the exact identification of those responsible for the facts indicated in this recommendation, for their subsequent trial by regular judicial officials of Chile in accordance with the relevant provisions of Chilean law.

2. That, in order to safeguard the rights referred to in Article XXV of the American Declaration a rapid survey should be made of the status of all persons who are still deprived of their liberty without any charges being brought against them, in order to release all those who do not constitute a serious and certain danger for the maintenance of public peace.

3. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, and pursuant to the authority exercised by the Chilean Government Junta, precise rules should be enacted to ensure that even in "time or state of war,", when, during the state of siege, the President of the Republic, in exercise of the exceptional authority granted to him by Article 72.17 of the Constitution, orders the arrest of a person, petitions of *amparo* and *habeas corpus* on behalf of the prisoner before a civil judge, and the intervention of that judge, shall require administrative officials to bring the prisoner before the judge, to provide him with a complete copy of the decree under which the detention was ordered, to inform him exactly where the prisoner is being detained, and to inform him immediately of any subsequent transfer to another place of detention.

4. That, in order to safeguard the rights referred to in Article XVI of the American Declaration, and pursuant to the authority exercised by the Government junta, a remedy of review should be established to make possible a full examination of all of the verdicts handed down by the Councils of War, in order to verify the regularity of the proceedings and to decide on their validity, appropriateness and, as the case may be, the possibility of reducing the penalties imposed, with particular reference to those verdicts in which by whatever route, or by resorting to whatever argument, there has been retroactive application of the "state of war" or more severe rules than those in force at the time the allegedly unlawful acts began, or penalties have been imposed only because of the ideas or convictions of the accused.

5. That, in order to safeguard the rights referred to in Articles I and XIV of the American Declaration, the means available to the office responsible for locating persons detained or whose whereabouts are unknown should be expanded by requiring all officials in charge of establishments of any kind where persons are detained to submit, within the brief period that may be set for the purpose and under the strictest responsibility a detailed list of such persons, indicating the name they claim and the name on the identification document, if the two are not the same; date of birth; complete address at their last residence or that of their family. It would also be desirable to enclose a photograph of the prisoner, in view of the fact that, as the Government stated, there are often serious difficulties in identifying persons because of the fact that there are persons who have several identification documents under different names. The Central Information Office should process all such data, in order to be able to provide reports requested from them by those who claim to be parents of persons presumed to be imprisoned, or by any lawyer so requesting. The Director of the establishments to which we have referred should be required to report by telegram, within 24 hours, on any release or new admission that occurs.

6. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, independent labor courts should be speedily reestablished and the special provisions contained in Decree-Law 32 should be eliminated.

7. That, in order to safeguard the rights referred to in Article XX of the American Declaration, steps to effect the most rapid reconstruction of the voters register with the assistance of modern techniques should be immediately adopted so that the citizens of Chile will be able to exercise their political rights without unnecessary delay.

8. That, in order to safeguard the rights referred to in Article IV of the American Declaration, steps should be adopted to progressively restore freedom of expression of thought, both by individuals and through the mass communication media, without prejudice to holding responsible those who might abuse the exercise of that freedom, pursuant to the provisions of ordinary law on the subject.

9. That, in order to safeguard the rights referred to in Articles I, VIII, and XV of the American Declaration, consideration should be given in the future reform of the Constitution to lessening the President's authority during a state of siege, by granting to prisoners who are not charged with a crime the right to leave the territory of the country.

EXHIBIT 5

PROTECTION OF HUMAN RIGHTS IN CHILE

Resolution adopted by the General Assembly [on the report of the Third Committee].

The General Assembly,

Convinced of its responsibility under the Charter of the United Nations to promote and encourage respect for human rights and fundamental freedoms for all,

Recalling that, in accordance with the Universal Declaration of Human Rights, everyone has the right to life, liberty and security of person and the right not to be subjected to arbitrary arrest, detention or exile or to torture or cruel, inhuman or degrading treatment or punishment,

Recalling also its resolution 3059 (XXVIII) of 2 November 1973,

Taking into account the deep concern expressed by the Commission on Human Rights about reports from a wide variety of sources relating to gross and massive violations of human rights in Chile, particularly those involving a threat to human life and liberty,

Taking note of the appeal made by the Economic and Social Council, in its resolution of 1873 (LVI) of 17 May 1974, to the Chilean authorities to take all necessary steps to restore and safeguard basic human rights and fundamental freedoms in that country, particularly in those cases involving a threat to human life and liberty,

Noting that the Sub-Commission on Prevention of Discrimination and Protection of Minorities, in its resolution 8 (XXVII) of 21 August 1974,[1] made an urgent appeal to the Chilean authorities to respect the Universal Declaraiton of Human Rights and to comply with the International Convenants on Human Rights[2] signed and ratified by the Government of Chile,

Noting also that the International Labour Conference, in its resolution X of 24 June 1974,[3] urged the Chilean authorities, inter alia, to cease violations of human rights and trade union rights, to guarantee the life and freedom of arrested, deported or imprisoned workers, militant workers and trade union leaders and members of any political party, to put an end to the practice of torture, to close down the concentration camps and to abolish the special tribunals, and decided to urge the speedy expedition to Chile of the Fact-Finding and Conciliation Commission on Freedom of Association as well as the setting up of a commission of inquiry,

Considering that, notwithstanding all the appeals made by various organs of the United Nations system, gross and massive violations of human rights, such as arbitrary arrest, torture and cruel, inhuman and degarding treatment of political prisoners and detainees, including former members of the Chilean Government and Parliament, continue to be reported,

1. Expresses its deepest concern that constant flagrant violations of basic human rights and fundamental freedoms in Chile continue to be reported;

2. Reiterates its repudiation of all forms of torture and other cruel, inhuman or degrading treatment or punishment;

3. Urges the Chilean authorities to respect fully the principles of the Universal Declaration of Human Rights and to take all necessary steps to restore and safeguard basic human rights and fundamental freedoms, particularly those involving a threat to human life and liberty, to release all persons who have been detained without charge or imprisoned solely for political reasons and to continue to grant safe conduct to those who desire it;

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[1] A/9767, annex II.

[2] General Assembly resolution 2200 A (XXI), annex. 74-31304

[3] International Labour Office, *Official Bulletin*, vol. LVII, No. 1, 1974, p. 40.

4. Endorses the recommendation made by the Sub-Commission on Prevention of Discrimination and Protection of Minorities, in its resolution 8 (XXVII), that the Commission on Human Rights at its thirty-first session study the reported violations of human rights in Chile, with particular reference to torture and cruel, inhuman or degrading treatment or punishment;

5. Requests the President of the twenty-ninth session of the General Assembly and the Secretary-General to assist in any way they may deem appropriate in the re-establishment of basic human rights and fundamental freedoms in Chile in the light of paragraph 3 above;

6. Requests the Secretary-General to submit a report to the General Assembly at its thirtieth session on the action taken and progress achieved under paragraphs 3 to 5 above.

Exhibit 6

Latin American Studies Association,
Gainesville, Fla., November 25, 1974.

Senator Edward Kennedy,
Senate Office Building,
Washington, D.C.

Dear Senator Kennedy: I am writing to you in your twin capacities as Chairman of the Senate Subcommittee to Investigate Problems Connected with Refugees and Escapees, and as sponsor of an amendment to cut all military aid to the Chilean government.

Acting under resolutions passed by the general membership of the Latin American Studies Association, the Executive Council and officers of the Association decided at their last meeting to send the following message to you:

We strongly support Congressional proposals to cut off all military aid to Chile. Such aid to a government which has systematically been found to be in violation of the fundamental civil and human rights of its own citizens is incompatible with the basic tenets of a humane and democratic foreign policy.

We also urge that entry into the United States be facilitated for those Chileans and other Latin Americans who have had to, or will have to, leave Chile because of the actions of the military government. Eased entry to the United States has been granted in the past to Hungarians and Cubans, among others. We believe that the same logic applied then should now be applied to the Chilean situation.

The officers and Executive Council of the Latin American Studies Association stand ready to assist you and other Senators and Representatives in whatever way possible on these and related matters of mutual concern.

Very truly yours,

Richard R. Fagen,
Vice President and President Elect.

Exhibit 7

Chilean Parliamentarians Detained

Senators: Hugo Miranda, Luis Corvalan, Ernesto Aranada, Anoelomo Jule, Jorge Montes, Erich Schnacke.

Deputies: Laura Allende, Amenda Altamirano, Claudio Huepe, Alexandro Jiliberto, Andres Sepulveda, Ivan Quintana, Alexandro Perez, Camilo Salvo.

Deputy Gaston Lobos was alleged to have been killed.

IS THERE AN ECONOMICS FOR SUSTAINING HUMANITY?

Mr. HUGHES. Mr. President, at the James H. Oliphant Forum in New York City on November 12, Senator Hatfield delivered an address on international food and development policies that most certainly deserves our close attention, particularly as we again consider the Foreign Assistance Act. While willing to sharply increase funding for traditional programs in order to meet present emergency needs, Senator Hatfield is not content to stick with "more of the same" indefinitely, and suggests how our present policies might be changed so that those who have the greatest need can receive the most aid.

John Kenneth Galbraith, another participant in the forum, remarked that this was the best speech he had heard any Senator give on the subject. Given Mr. Galbraith's knowledge of the subject, that is an enviable commendation. I recommend the Senator's speech to my colleagues' reading, and I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Is There an Economics for Sustaining Humanity?

(By Senator Mark O. Hatfield)

It is a pleasure to be with you today and participate in this year's Oliphant Forum, devoted to an exploration of the topic, "The Search for a New Equilibrium—Political-Economic Meaning in the Seventies."

Searching for a new equilibrium is by no means an original undertaking, and all too often it has been little more than an academic exercise. At this time it is particularly urgent, however, that the search be genuine, penetrating, and imaginative, and that whatever meaning we derive from our efforts by humane and refreshing, and not simply another rehash of the same perceptions and philosophies that make these endeavors continually necessary.

This is not a time when mere tinkering will do. The world is very near the brink, in part by virtue of the political-economic "equilibrium" we have made for ourselves in the last 400 years. We are in an interregnum, between the ages of affluence and scarcity; confused and uncertain about the past, we have hardly begun the attempt to grasp the future. Our political and economic institutions have lost the confidence of the people, and for good reason. Despite a most interesting and promising history of two hundred years, the bicentennial we will celebrate in this country two years from now will not cap our success in eliminating poverty, hatred, ignorance or war and substituting peace, justice, freedom and dignity for our citizens. Rather, as Wendell Berry has put it, "as a nation we no longer have a future that we can imagine and desire . . . We have become the worshippers and evangelists of a technology and wealth and power which surpass the comprehension of most of us, and for which the wisest of us have failed to conceive an aim. And we have become as a consequence, more dangerous to ourselves and to the world than we are yet able to know."

Our confusion and uncertainty have driven us into the retreat of cynicism and apocalypse, both of which paralyze our imaginations. Cynicism mocks all meaning, whether it be the truth or deception, and becomes self-fulfilling in its low estimate of man. Talk of apocalypse is provocative, but, as Richard Falk has noted, insofar as it persuades it also immobilizes. Rekindling our imaginations and our hopes will certainly not be easy, and it may be that in the end we will go only part way with Faulkner, settling for the belief that man will simply endure. But that would be a great failure, and a living death for millions.

Today I am asking, "is there an economics to sustain humanity?" because I have just returned from the World Food Conference and am convinced that there can be no new "equilibrium," no political and economic meaning for the seventies, if we are not able to solve the intricate problems of world food. I want to speak of those problems, suggest some solutions and discard others, and finally issue a challenge to "re-vision" our culture.

The present world food crisis emerged suddenly in 1972 with global bad weather, the disappearance of the unassuming Peruvian anchovy, and a variety of other factors that caused the first decline in world food production in 20 years as the demands of population and affluence continued unabated. World production of cereals fell by 33 million tons at a time when it should have been growing at 25 million tons a year to meet world demand. There was a substantial increase in output in 1973—about 4%—but production still declined in certain areas, such as Africa and the Far East. The 1970-71 period marked the highest level of food production per capita in the developing nations since World War II. Since that time per capita production has declined, and not even the 1973 increase matched the per-capita production levels of the 1970–71 period.

The result: import demand climbed steeply, reserve stocks evaporated, and prices soared. World trade in wheat increased from 52 million tons in 71–72 to 68 million tons in 72–73. Wheat stocks of the main exporting countries fell 40% from 49 million tons in 71–72 to 29 million tons in 72–73. By February 1974, U.S. wheat for export cost nearly four times as much as in 1972.

The high-income countries as a whole, with about 30% of the world's population, accounted for 51% of the total consumption of cereals for all uses in 1969–71. The 370 million tons of grain used annually in these countries for livestock feed alone in 1969–71 was greater than the total human consumption of cereals in China and India combined. We in the United States consume nearly a ton of grain per capita each year, but only about 160 pounds of it directly. Most of the remainder is fed to animals; some of it is used to make beer and liquor. On the other hand, the poor people of the world have an *average* of only 400 pounds of cereal grain to eat each year, nearly all of it consumed directly. These consumption levels have strained production capacity to the point that we have reserves sufficient for only 27 days of annual food consumption, down from 95 days in 1961. World food supplies of basic foodstuffs and food grains are perilously dependent on the harvest of a single season, and a widespread crop failure in any major producing area in 1974–75 could well mean catastrophe.

The prospects for increased production, at least those based on "more of the same," are not bright. The long-term average increase in world food production has exceeded population growth since the end of World War II. However, the rate of increase has been slowing in most major areas. While total food production has increased at about the same *rate* in the developed and developing nations, the *per capita* production increase in the developing nations has been much less than that in the rich countries. In 1961–63, per capita production in the developing countries was about one-third that in the developed countries. Food production per capita in the developing countries was little more than one quarter of that in the developed countries in 1971–73. Obviously, the gap between rich and poor is widening. Some individual developing nations have not done even this well; in about 40% of the developing countries, food production failed to keep pace with population growth in the period 1962–72.

Ambitious development plans are not being fulfilled. The United Nations reports that of 66 national development plans for

47 countries, production targets have been met in only 17 cases. Similarly, the 4% annual rate of increase in agricultural production in developing countries proposed for the second U.N. Development Decade has so far not been met in any region. On the other hand, the annual increase in the rate of extension of arable land has exceeded the 0.7% annual rate proposed by the FAO (Food and Agriculture Organization) for the period 1961–63 to 1985. In other words, yield improvements have been disappointing. The FAO has laid great stress on yield improvement, to be accomplished primarily through more irrigation, better seeds, and increased use of fertilizer and pesticides. Yet irrigation has not increased as hoped, and the shortage of power for pumping has further reduced the effectiveness of already limited facilities.

World fertilizer consumption has exceeded production in the past few years, and while consumption by the developing countries is increasing faster than in the developed countries, it is still only 15% of the world's total consumption. Most of their fertilizer must be imported. The energy shortage, lack of production capacity, and, soaring prices all helped create a shortfall of about 1.5 million tons of fertilizer, about 15% of the developing countries' total supply. The loss could mean a reduction of 12 million tons in cereal production. In the United States alone, we use 2 million tons of fertilizer on our lawns, gardens, golf courses, and football fields. Thus countries like India, for lack of a pound of fertilizer costing 15 cents, fail to grow 10 pounds of wheat that they must buy on the world market for at least $1.

The "Green Revolution" is far short of an unqualified success: the high-yield varieties of grain require heavy inputs of water and fertilizer, both scarce and costly; and strains developed in one area are not necessarily suited to another. In addition, the financial benefits have been enjoyed primarily by the already established, while the poor remain poor.

And finally, improvement in the rural institutions and government services regarded as a major stumbling block to increased food production in the developing countries, has been agonizingly slow and, to date, inadequate. Agrarian reform to eliminate the distortions and handicaps of a "dual economy" of a few large landowners and many poor peasants has not been accomplished to any significant extent. Those services that have been provided, like the green revolution, are largely directed to large-scale producing units and not to the rural poor, who remain marginal at best.

It is a testimony to the amorality and inhumanity of our economics that these figures do not ordinarily move us; that we see these things in terms of bushels, not shattered human lives. The U.N. estimates that one half of all child deaths are in some way attributable to malnutrition; the percentage of the population in the developing countries who must try to exist with food deficiences ranges up to 30% or higher in some areas, and amounts to over 434 million people in total, probably more. Elie Shneour, author of *The Malnourished Mind,* believes that at least half of the world's population has endured a period of severe nutritional deprivation during childhood. This is a serious business, for malnourishment in the early years of life causes irremedial brain damage. A study conducted in Mexico a few years ago showed that children severely undernourished before the age of five averaged 13 points lower in I.Q. than those receiving sufficient nutrition.

The urban poor, particularly those who have recently been driven off the land or fled to the city in search of a future, are most vulnerable to malnutrition. For example, the U.N. reports that 22% of the urban households in northeast Brazil are in the lowest-income group and have a per-capita intake of 1200–1500 calories a day. Thirty-two percent of the rural poor in the same area fall into the lowest-income group, but average a per-capita intake of 1500–1800 calories a day.

The immediate effect of malnutrition is obvious and appalling. Its long-term impact on our world cannot be fully known yet. But it is apparent that "we have not yet reaped the whirlwind of the famines that have pinched the brains of millions of people on several of our continents in the past 10 years." (Dr. Richard Selzer, *Harper's*, June 1974.)

The foregoing is a capsule assessment of the present situation only. Briefly, the future world demand for food looks like this:

Between 1970 and 1985, food demand in developed countries is expected to rise at an annual rate of 1.5%; that means a 26% increase in demand in that 15 years. For the same period, food demand is projected at an annual growth rate of 3.6% in the developing countries; an increase in total food volume of about 70% between 1970 and 1985. Higher than expected income growth rates could raise that figure even more, since greater affluence means greater food demand. To satisfy these increases in world demand, world agriculture in 1985 will have to provide additional annual outputs of nearly 230 million tons more of cereals for direct human consumption than in 1970; nearly 40 million more tons of sugar; 110 million tons more of vegetables; 60 million tons more of meat; and 140 million more tons of milk. The total requirements in terms of cereals for all purposes in 1985 will be 520 million tons more than in 1970; an increase of 43% in 15 years. The demand increase in developing countries will be about 63% of the total; the demand increase in the developed countries will be about 29% of the total.

Extrapolating these production/demand figures, it is possible to project a net cereal deficit in the developing countries in 1985 of almost 85 million tons. In Africa, for example, between 1970 and 1985 food demand will rise by 76%, but her production by only 45%. It should also be remembered that food demand in poor countries may often be less than that necessary for adequate nutrition.

To meet the world food crisis, most proposals advanced by national and international agencies and private aid organizations have been based on the following concepts:

(1) An increase in government services and support for rural development, with particular emphasis on productive investments in the agricultural sector and technical assistance for the farmer. This would include irrigation, flood control, an increase in arable land, improved storage and transportation facilities, etc., all involving the transfer of modern technology from rich to poor countries.

(2) Reliance on the high-yield varieties of grain and the technologies needed to support their production—i.e., the "Green Revolution."

(3) Another idea, although one offered with substantially less enthusiasm because of its necessarily political nature, is the suggestion of income redistribution; land reform; and improved marketing procedures which serve the farmer not the middleman.

(4) Increasing attention is being paid of the other half of the Malthusian equation, population. There is growing insistence that no response to the world food crisis can be at all adequate if it does not propose an effective means of controlling population.

(5) Finally, as a defense against emergency situations created by natural disasters or war, leading authorities have urged the creation of a world food bank controlled by an international agency, and drawn upon in time of need.

These proposals form the core of plans to deal with the world food crisis that have been offered in recent years. Yet none of them offers anything new; they are all traditional concepts of the conventional wisdom, which has done nothing to help the poor, and has in fact worsened their plight as the gap between rich and poor continues to widen. The traditional propositions fail to address the complex relationships of a society's internal institutions, class structure, international intentions, and industrial progress; over which the traditionalists would simply impose their plans for agricultural improvement, however, ill-fitting. A recent study has identified a constellation of 64 different factors which, singly and in combination, can affect food production and demand. Any effort that addresses only one of these factors and ignores the others will fail. For example, why extend arable land under irrigation if the available technology is not appropriate for maximizing output attainable through irrigation? What advantages are there to greatly increasing the land under cultivation if the means of getting the fruits of this new cultivation are inadequate? Most importantly, what advantages are there to significantly improving yields if the benefits of these improvements do not accrue to the growers, who need them to pay for the necessary technological improvements? And what if the potential consumers of these products lack the funds necessary to purchase them? It is this plight of the desperately poor both in town and country that best illustrates the failure of traditional development proposals.

The basis of wealth in a non-industrialized society is primarily land; thus in a goodly number of developing nations the majority of land is held by relatively few owners. These owners have relatively easy access to the financial and technological systems that are available to boost production in accordance with traditional development proposals. In turn, the financiers, technologists, and bureaucrats whose continued prosperity depends on the success of techniques requiring their expertise, are only too quick to lend their aid to the large landholders and ignore the poor who are in greatest need of assistance, for the sake of a better "profit." In short, technical improvements such as those of the "Green Revolution" devoted exclusively to increases in production with no attention to social reality, exacerbate inequality by serving those already well-established at the expense of the poor worker. This is true not only within the developing countries themselves, but also in the relationship of the developed, industrialized nations to the developing countries.

Because of the political-economic philosophies undergirding the technetronic culture of the developed countries, their involvement in the food programs of the developing nations is limited to those types of agriculture which serve their own interests, commercial or otherwise. Multinational agri-business corporations operating in the Sahel of Africa devote their efforts to the production of vegetables, cotton, and cattle for foreign markets, depriving the indigent population of land for the production of essential cereal grains. Direct colonialism has virtually ended, but it has been replaced by this more subtle and insidious form of exploitation, which primarily rests on the monopolization of capital by the multinational enterprises of the rich, developed countries, be they market economies or centrally planned.

The exploitation of the poor by the rich is not solely accomplished by the captains of industry, however. As Lester Brown, among others, has shown us, our personal consumption patterns can have a direct impact on the quality of life in a poor country. The aggregate of the rich countries (capitalist and socialist) with 30% of the world's population consumed 51% of the world's total grain production during the period 1969–71. Of the more than 600 million tons of grain consumed by those countries, 370 million tons were used for animal feed. Obviously, the rich countries' increasing tendency to use vegetable protein for the production of animal protein, a very inefficient conversion process that raids the world's grain supplies for the sake of our luxurious lifestyle, has direct impact on the amount of food available for the poor.

Finally, this much must be said about the efficacy of population control as a means of reducing world food demand. There is no doubt that an all-out, concerted effort must be made by all nations to curb their population growth, and not only to reduce food consumption. A city of tens of millions of people is not an inviting prospect, no matter how well fed the citizens might be. But population control alone will not suffice. First, no population control program short of wholesale destruction of human beings will have any short-term effect on food consumption or resource depletion. More importantly, population control policies historically have been most effective when they involve populations or portions of populations that are relatively prosperous and have achieved minimum levels of education, nutrition, and health maintenance. Unless such minimum standards are achieved through development programs designed to benefit the rural poor directly rather than through the ineffective "trickle down" programs enjoyed primarily by a majority of bureaucrats and large landholders, the population of the world's poor will continue to swell, and the poor will be pushed farther into the abject poverty which renders them incapable of improving their food production or consumption.

Having dismissed as insufficient the traditional development proposals advanced as the way out of the world food crisis, I want to suggest what I see to be the fundamental approach that must be taken, and what implications this will have for finding a political-economic meaning for the seventies, and an economics for sustaining humanity. It is hard to envision successful development in the poor nations of the world if comprehensive land reform and income redistribution are not made the first tasks. This reform should be aimed at eliminating sharecropping and farm operations too small to accommodate the single family living on them. The new units created should be large enough to allow optimum use of "intermediate" technology; yet small enough that the land can be worked without the substantial inputs and expense of technology and energy required by American methods of agriculture. Heavy capital investments would be financed by cooperatives serving these small landholders, rather than by urban bureaucrats or foreign corporations. Outside assistance in the form of technical aid or education, loans, credits, or grants, should all be directed toward facilitating the operation and production of these small units and their cooperative organizations, as much as possible by-passing profiteering bureaucrats and middlemen.

This emphasis on relatively small operations replacing the present mix of landholding elite and a poor majority of peasants would accomplish several development goals at once: First, it would help stop the flight from rural areas to the even worse conditions of the urban slums prompted by the acquisition of small holdings by the elite and the replacement of the small farmer by technology he cannot afford. In turn, rural development in this fashion would foster rural employment by the maximum use of labor-intensive methods as much as possible. Rural employment would begin to create for the rural poor the small measure of prosperity that so enhances population control efforts. Finally, marketing procedures would be simplified, and distribution costs reduced, through the operation of cooperatives, to the benefit of rural producer and urban consumer alike.

This last is most important, for as the U.N. "Assessment of the World Food Situation" puts it, "the causes of inadequate nutrition are many and closely interrelated; including ecological, sanitary and cultural constraints, *but the principal cause is poverty.*" To break the grip of that poverty, we must discard traditional development policies which in poor countries have been characterized by a high degree of concentration of power, wealth, and income in the hand of relatively small elites of national or foreign individuals or groups. We cannot rely on any program which, like our P.L. 480 program in recent years, is devoted to a "national security" interest that may have little or nothing to do with hunger or, for that matter, national security.

Nor can we expect the multinational agribusiness corporations, in their present form, to aid in a development process based on the well-being of millions of Lilliputs rather than a handful of Gullivers. The business of the multinationals is to maximize profits. In the developing nations, that is best done through appropriation of the best land, use of technology beyond the reach of the indigenous population, and whatever use of cheap local labor seems necessary. After all, the world's poor and starving are virtually non-existent to the "food industry", for the poor cannot afford to purchase the food produced, and only the consumer counts.

Nor can we bring "marginal men" into full participation in the world community unless the rich of the world, and particularly those of us in the United States, abandon their rapacious lifestyles. The resources necessary to accomplish the elimination of poverty in what has now become known as the "Fourth World" will not be available if we continue to regard our planet as a quarry for exploitation. Kenneth Boulding said years ago that anyone who believes that man can go on forever plundering the resources of a finite earth must be either a madman or an economist. "Forever" is the key word of that statement, for time is what the growth/no-growth debate is all about. But whatever the specific time frame, it is apparent now that the size of the pie is limited, and the amount of it we consume, and the way in which we consume it, is going to affect our ability to transfer resources to the poor. If we share the goal of eliminating hunger in the world (and there are those who do not—the callous "triage" theory has its proponents), then we would be wise to begin the transfer now, before we regard them as exclusively "ours" and the transfer becomes "expropriation."

What will be required is what has always been most difficult to accomplish without violence: A redistribution of power, and the wealth that brings power; an end to pre-emption of resources by the rich; and a replacement for the kind of economics which divides the world into potential consumers and expendable workers for the sake of acquiring more money. Developing that sort of political economic meaning will be a tremendous task, for it requires grasping a new reality through experience, understanding, and no small amount of sacrifice. It will take, as Claude Levi-Strauss has said, "a spiritual revolution as great as that which led to the advent of Christianity. It would require that man, who since the Renaissance has been brought up to adore himself, acquire modesty, and that we learn the lesson of all the atrocities we have experienced for thirty or forty years."

In the United States, the task will be particularly difficult, for we have not really known war in our own land, or want, or disease. In their stead we have created the most massive aggregation of wealth in the history of man, the comforts of which blind us to its destructiveness and insulate us from the pain it inflicts in its exploitation of the world's poor. Meanwhile, our policies for the agricultural development of the poor countries, insofar as we have any policies at all, tend to be copies of the American experience, driving people off the land to make way for tractors, chemicals, and "efficiency" without a thought of where the people should go from there—much less what they might do when they arrive.

Underpinning this wanton disregard for human consequences is an economics for which no better synopsis is available than that of Lord Keynes, who observed in 1930 that there might come a day when we would "value ends above means and prefer the good to the useful." But, he continued, "the time for all this is not yet. For at least another hundred years we must pretend to ourselves and to everyone else that fair is foul and foul is fair; for foul is useful and fair is not. Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight." We still have 60 years to go on the Keynesian timetable, and already his philosophy has put us in the preposterous situation of using an extremely advanced technology to maintain nearly 4 billion people at a low average level of living while stripping the world of its resources, contaminating its water, soil, and air, and driving most other species into extinction, parasitism, or domestication. It is time we replaced that philosophy, that political-economic meaning, with one that could sustain humanity. Perhaps something like Gandi's dictum that "earth provides enough to satisfy every man's need, but not for every man's greed" can give us a start.

For the old bromides will not work. Our consumption patterns, our view of the world as a quarry for exploitation, our plans to save the poor by creating them in our own image, must change. These plans do not work well in the present. They are totally inadequate for the future. Even to speak about the prospects for this particular revolution may be foolishness. One disillusioned gentleman recently observed, "anyone who has passed through the slum districts of Washington (and New York, for that matter) must entertain fears for the effectiveness of those officials a few miles away who prescribe for the infinitely greater ills of Bogota for Calcutta." But I also recall William Blake's observation that "if the fool would only persist, he would become wise." And I find hope in words from an older source: "Man does not live by bread alone, but by every word of God."

THE PROSPECTS FOR FOOD FOR THE STARVING

Mr. HATFIELD. Mr. President, it is my understanding that this Thursday, there will be a meeting at the highest levels of the administration to determine the amount of U.S. food aid for the second half of fiscal year 1975. Literally, the fate of millions of persons faced with starvation throughout the globe will be determined by the decisions reached at this meeting.

In this regard, let me share some of my observations about the World Food Conference, where I served as a delegate, and the prospects and steps our Nation can take, if it has the humanitarian will, to alleviate the suffering of those without sufficient food.

Mr. S. A. Marei, Secretary-General of the World Food Conference, stated at its conclusion: "Despite our resolution, a large number of people face starvation."

Just how large that number is and will be depends directly on what actions the food-rich nations, and especially the United States, take in the week ahead.

Unfortunately, the callous indecisiveness to date of our Government in responding to the scourge of hunger offers little solace to the world's starving millions.

Bangladesh's former Food Minister told the conference at Rome that 1 million people will die in the next 6 weeks in his country if additional food assistance is not received. India is confronting a famine which many predict will be the worst in a quarter century. And experts in Rome estimated that in the next 8 months half a billion people throughout the world are faced with starvation or malnutrition unless additional relief reaches them.

When I first brought up the question of immediate food aid to Secretary Earl Butz at the initial meetings of the U.S. delegation to the World Food Conference, I was totally stunned by his response. The Secretary attempted to dismiss the issue by stating that when the Conference was planned last spring, its purpose was to deal with longrange questions. But the grim, desperate plight faced by the world's starving multitudes this November was not foreseen last spring. The fact that the World Food Conference occurred when the stark proportions of current famine had suddenly become more evident should have been seized as a providential opportunity to mobilize global resources for halting the rampage of starvation. Contending that the World Food Conference should not have focused unduly on those who are now dying from hunger is like urging firemen to ignore blazing cities in favor of discussions about future fire prevention.

Nero fiddled while Rome burned; at the Food Conference, our Government fiddled while the world starved. Our eventual decision not to modestly increase our food aid to the world's hungry deepened the pangs of conscience among millions of Americans while worsening the pangs of hunger across the globe.

It is true that we are the world's most generous giver of humanitarian relief. Yet, this generosity must be understood in perspective, rather than used as another reason for refusing to render needed assistance to the starving.

Under Public Law 480, commonly but often mistakenly called "food for peace," the United States ships excess foods to supposedly needy countries. The idea is to take what we neither consume at home nor trade commercially abroad, and give it to relieve the immediate needs of hunger throughout the word. This is accomplished either through granting highly concessional and generous loans to countries for the value of the food, title I of Public Law 480, or through the outright gift of such food, title II of Public Law 480, which is usually the far smaller part of the program.

Between 1968 and 1972 the United States sent on the average 9 million tons of foodstuffs abroad as such aid. But by fiscal year 1974 our diminishing grain surplus had reduced our Public Law 480 program to only 3.3 million tons.

When President Ford went to address the U.N. last September, he was expected to make some statement concerning the U.S. commitment to meeting growing world hunger. An option paper prepared for him set forth our Nation's choices. We could send the same level of food aid as last year—3.3 million tons—at a cost of $891 million, or that could be increased to about 4 million tons, costing $950 million. The third and higher option was to send 5.5 million tons of food aid, at the cost of about $1.4 billion. The President apparently made no decision other than to review the matter each quarter. At the U.N. he merely said that the U.S. effort in food aid would be increased over last fiscal year. Yet, that was later interpreted to mean only a certain increase in the dollars spent for food aid, which, because of inflation, did not necessarily mean an increase in tons actually sent.

As Secretary Kissinger prepared his speech to the World Food Conference, he sent a draft to the White House including the pledge that the United States would increase its food aid this fiscal year both in tonnage and dollars. But the weekend before his Tuesday appearance, that proposed pledge was rejected in a round of bureaucratic infighting that went all the way to the President.

At Rome I joined with other congressional advisers in urging a modest increase in our food aid commitment. Eventually, the entire delegation telegramed back to Washington requesting a food aid commitment of 4.3 million tons for fiscal year 1975, a million-ton increase over last fiscal year, although food aid commitments undertaken during this fiscal year are already running somewhat above last year's low level. Thus, the figure was exceptionally modest, in the middle range of options before the White House, and lower than 5.5 million tons apparently favored in many quarters of the State Department. Yet even that modest request was turned down, despite specific pledges by Canada and Australia at the World Food Conference to increase their contributions of food aid to the world's hungry.

As the world watches the proportions of starvation take its toll this fall and winter, many will ask whether there is food, somewhere, for those who are dying.

There is. The United States can still decide to give leadership in combating global famine; fortunately the issue is not yet whether we can find the food, but whether we have the humanitarian will.

The United Nations estimates that the starving nations of the world need 8 to 12 million more tons of grain in the next 8 months to avert disaster. Some of that need is being met, but a large deficit, which is literally the difference between life and death for millions, remains. More than any other nation, we are in a crucial position to fill this famine-threatening gap; and can do so through the following actions:

First. Increase U.S. food aid this fiscal year to fully utilize all existing surpluses.

Secretary Butz stated to the U.S. delegation in Rome that we had available surpluses for a food aid budget of around $1.4 to $1.5 billion. That would provide as much as 5.5 million tons of food to the starving, and is the "high option" for food aid that has been before the President for consideration. Currently in this fiscal year, we are budgeting slightly under $1 billion in food aid, equaling a little more than 4 million tons. This amount could be significantly increased to fully utilize available grain and other foodstuffs, especially wheat and rice, without any action by the Congress.

Second. Depoliticize the allocation of our food aid.

The food our Nation gives as assistance abroad goes first not to where the most people are starving, but where we wish to support a friendly political regime or exert our diplomatic leverage. Our food is used as a political weapon; "food for peace" has frequently become food for war.

Of the nearly $1 billion in food aid projected in fiscal year 1975, between $250 to $300 million will go to Cambodia and South Vietnam, whose national economies have become parasitic on U.S. largesse. Roughly between $120 to $140 million is projected to go for political purposes to nations in the Middle East, and Chile has already received $35 million worth of food aid, with more likely to come. By comparison, even under the highest option for food aid before the President, India and Bangladesh would each receive less than $100 million, and Pakistan would receive less than $50 million. Those three nations, all faced with mass starvation, will together receive less food from the United States than the total which we will send direct to Southeast Asia. Preserving puppet regimes is more important in our food aid policy than preserving the lives of millions of people.

A simple decision to allocate our surplus food according to the needs of the world's hungry would result in hundreds of thousands more tons available to prevent famine.

Third. Establishing a policy of domestic food conservation.

Our meat heavy diet is enormously wasteful of the grains needed by the world's starving. Changes in our patterns and our rate of food consumption can eventually free more foodstuffs for the hungry. A reduction in meat consumption of just 5 percent would free 6 million tons of grain, for instance.

It is true that changes in consumption patterns may not immediately create more grain for aid. But reducing our consumption would prevent higher domestic food prices that some argue would be the result of increasing our food aid. And over time, the altered patterns of consumption will produce a greater surplus for those in need.

Despite the threat of famine, our Government has yet to utter the first word of any food conservation program. Such insensitivity indicts us before millions of our hungry neighbors.

In the aftermath of World War I, Herbert Hoover, under the authority of President Woodrow Wilson, met the threat of impending world famine with a food relief program made possible in large measure by voluntary American "self-denial." In just 14 months 5.4 million tons of foodstuffs were shipped to the hungry through these efforts stemming from changes in domestic food consumption.

As in the past, millions of Americans today will make individual sacrifices to help save the starving of the world, if given national leadership.

Fourth. Redirect grain from trade with the rich to aid for the poor.

We are presently expecting to ship about 5.6 million tons more of corn and wheat to Western Europe than was originally targetted by the U.S. Department of Agriculture for the 1974–75 crop. Contracts for such grain trade are presently monitored by USDA. If the will existed to find more grain for the needy nations of the world, the amount going to the well-fed nations of Europe could be quickly and quietly reduced, without resorting to export controls. Finding the 8 to 12 million tons of grain to meet immediate world need is not our sole responsibility, but must be done in cooperation with those other rich nations which have the money to buy our grain. Jointly reexamining needs and consumption patterns in view of a starving world can result in diverting some grain from those nations who have money to those who have only hunger.

We need not consign portions of humanity to starvation and death in the months ahead under the naive belief that there is nothing we can do. It is within the capacity of the world's food-rich nations to avert the famine which presently stalks millions throughout the globe. The steps outlined above would free the grain and foodstuffs necessary to eliminate the deficit of need in the food-poor nations. But to date, the United States has chosen not to make an undaunted commitment of its resources and leadership to this end.

The prospects for freedom from the scourge of hunger in years and decades ahead depend upon scores of actions which the poor nations, as well as the rich, must undertake. The agenda for these actions was identified, at least in part, by the World Food Conference. But without a resolute commitment to eliminate the immediate prospect of starvation for millions, words and plans about long term actions have a hollow ring, and are mocked by the deaths of thousands each day who have no food.

Mr. HUGH SCOTT. Mr. President, I would be remiss if I did not express my serious concern over elimination of section 506 drawdown authority from the present bill. As my distinguished colleagues are fully aware, this authority enables the President, if he determines it is in the security interests of the United States, to order defense articles from the stocks of the Department of Defense and defense services for military assistance, subject to reimbursement from subsequent congressional appropriations available for military assistance. It has existed as a valuable, integral part of our foreign assistance legislation since 1961. Since that time, section 506 has been available to three Presidents, all of whom have faced serious challenges in the international arena and have had necessary reassurance that this emergency resource could be utilized. The Congress not only has been consistent in renewing the authority from year to year, but also in its view that $250 million constituted a reasonable amount for unforeseen emergency situations.

Section 506 has been an especially valuable resource for unforeseen contingencies because the authority for Presidential use of Defense Department stocks does not exist elsewhere in any other legislation. It should be noted also that section 506 does not allow the commitment of American troops; it only permits the President to help our friends and allies meet emergency situations which threaten not only themselves but also important security interests of the United States itself.

I would remind my colleagues that the emergency drawdown authority has only been used three times since its inception. Each of these cases involved situations in which clearly definable emergency situations could not be addressed through normal program funding. There is no evidence whatsoever that the authority has been misused; indeed, legislative safeguards have existed to deter any possible abuses. Under previous legislation, each use of section 506 has required advance notification and justification to the Congress. Clearly, it has never posed any threat to congressional authority over the shape and direction of foreign assistance programs, since reimbursement from any drawdown must come from subsequent congressional appropriations for military assistance.

Mr. President, much of my concern over deletion of this legislative feature relates to the direct, adverse impact that it is likely to have over the flexibility of action which any President must have if he is to discharge competently his enormous responsibilities as Chief Executive and Commander in Chief. I do not believe that any Member of this Congress would disagree with the proposition that unanticipated emergency situations can arise anywhere in the world. Indeed, the history of America's emergence as a global power illustrates that we can expect the unexpected. No matter how quickly the Congress might attempt to enact special legislation to backstop the President in his response to such emergency situations, we cannot move our legislative machinery with sufficient speed to match that with which modern crises develop. Neither can we anticipate in each annual debate of foreign assistance legislation where the next crisis is likely to arise and what specific assistance will be needed.

We have created a multibillion-dollar Defense Establishment to insure that our national security requirements will be met. Part of our defense rests with our friends and allies, since we clearly cannot, and should not, act as policeman for the world. Since national defense and mutual security are inseparable, it therefore makes sense to utilize a modest portion of our own defense stocks if an emergency threatens the security of our allies—and thus our own security as well. In my view, it is unnecessary as well as unduly risky to abolish the single legislative device by which this transfer of defense materiel can take place, if required. I say unnecessary because there is no evidence that the authority ever has been abused, and risky because tying the President's hands and building a legislative wall around our defense stocks could allow some future, unforeseen international event to escalate into a direct threat to our national security.

Mr. THURMOND. Mr. President, the new foreign assistance bill would result in phasing out the military assistance program within 3 years. The eventual demise of pure grant aid is indeed a commendable goal, especially now that our defense partners increasingly are able to obtain needed materiel and services through credit programs. However, I seriously question whether the imposition of this relatively early deadline is equally commendable.

It is my understanding that the Departments of State and Defense have been sympathetic to the eventual phaseout of MAP for a number of years. Their efforts to implement this goal deserve mention. Since fiscal year 1952, grants have been reduced from $5.7 billion to a little more than half a billion dollars in fiscal year 1973. Ten years ago, 52 countries received MAP materiel; today, only 20 countries receive such assistance, and, among these, 11 have only token programs of less than $3½ million each.

The Western European NATO countries, commensurate with their increasing prosperity, have shifted from MAP to credit or cash purchases. The same thing is true in the case of Japan, Greece, Taiwan, and many African nations. In Latin America, MAP aid has dropped approximately 75 percent in the past 10 years. At the present time, our Latin American programs involve mainly training.

This is of comparatively greater benefit to the United States than to the recipient nations in view of the resultant influence and good will we are able to maintain in their respective armed forces.

Barring unforeseen circumstances, it is unlikely that MAP requirements will run more than $200 million during each of the next few years. However, to force this process by setting an arbitrary time limit will merely necessitate requests for special legislation and impede planning for a more normal phasedown process.

Mr. President, we must remind ourselves that the rationale for MAP assistance is not to engage in meaningless give-away programs. Its purpose is to provide needed materiel and training for friends and allies whose security and defense posture impacts directly on our own.

Obviously, we desire to accomplish this assistance in the most economical fashion, but we have to deal with the reality of who can afford to pay for what. Fortunately, the trend is toward increasing credit and cash sales, but legislating an arbitrary phaseout cannot alter the reality of whether certain defense partners can assume the entire financial burden without some outside help.

The present burden falls most heavily in the area of Southeast Asia, where we are disengaging from more than a decade of military involvement entailing vast expenditures and precious American lives. We have extricated ourselves to a remarkable extent, and there is still hope for negotiated final settlements on acceptable terms.

It would be folly to jeopardize this difficult process with a rigid timetable for eliminating vital assistance. The same logic applies to the Middle East, where grant assistance to Israel and Jordan is playing an important role in sustaining these hard-pressed friends.

The grant MAP mechanism has proved to be a valuable one over the years. Its continued existence within annual foreign assistance legislation does not mean an automatically greater foreign aid burden. It is the Congress, after all, which determines through the authorization and appropriation processes what—if any—programs shall exist. This is all the more reason to avoid unnecessary tampering with the mechanism until we are convinced that it has outlived its usefulness.

It is impossible at this moment to predice whether MAP will become outmoded in fiscal year 1977, or sooner, or later. It is my sincere belief, however, that we should not attempt an impossible task of prediction by setting an arbitrary date. When MAP needs to be dismantled, we can perceive the need and act accordingly.

The **PRESIDING OFFICER**. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), and the Senator from Washington (Mr. MAGNUSON) are necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. **GRIFFIN**. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New York (Mr. BUCKLEY), and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

The result was announced—yeas 46, nays 45, as follows:

[No. 522 Leg.]

YEAS—46

Aiken
Baker
Beall
Bennett
Bentsen
Brooke
Case
Clark
Cook
Cotton
Cranston
Domenici
Dominick
Fong
Gravel
Griffin
Hart
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Mathias
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Pearson
Percy
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Williams

NAYS—45

Abourezk
Allen
Bartlett
Bayh
Bible
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Curtis
Dole
Eagleton
Eastland
Fannin
Goldwater
Gurney
Hansen
Hatfield
Helms
Hollings
Hughes
Johnston
Long
Mansfield
McClellan
McClure
McGovern
Montoya
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Roth
Scott, William L.
Stennis
Symington
Weicker
Young

NOT VOTING—9

Bellmon
Buckley
Ervin
Fulbright
Hartke
Haskell
Hruska
Magnuson
Talmadge

So the bill (S. 3394) was passed, as follows:

S. 3394

An act to amend the Foreign Assistance Act of 1961, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Assistance Act of 1974".

FOOD AND NUTRITION

SEC. 2. Section 103 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting the subsection designation "(a)" immediately before "In";

(2) by striking out "$291,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$291,000,000 for the fiscal year 1974, and $530,000,000 for the fiscal year 1975"; and

(3) by adding at the end thereof the following:

"(b) The Congress finds that, due to rising world food, fertilizer, and petroleum costs, human suffering and deprivation are growing in the poorest and most slowly developing countries. The greatest potential for significantly expanding world food production at relatively low cost lies in increasing the productivity of small farmers who constitute a majority of the nearly one billion people living in those countries. Increasing the emphasis on rural development and expanded food production in the poorest nations of the developing world is a matter of social justice as well as an important factor in slowing the rate of inflation in the industrialized countries. In the allocation of funds under this section, special attention should be given to increasing agricultural production in the countries with per capita incomes under $300 a year and which are the most severely affected by sharp increases in worldwide commodity prices.

"(c) Of the total amount obligated under this Act during any fiscal year after fiscal year 1975 to procure fertilizers for, and to provide such fertilizers to, foreign countries, not more than one-third of such amount may be obligated with respect to South Vietnam."

POPULATION PLANNING

SEC. 3. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 104, strike out "$145,000,000 for each of the fiscal years 1974 and 1975" and insert in lieu thereof "$145,000,000 for the fiscal year 1974, and $165,000,000 for the fiscal year 1975".

(2) In section 292, strike out "$130,000,000" and insert in lieu thereof "$150,000,000".

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

SEC. 4. Section 105 of the Foreign Assistance Act of 1961 is amended by striking out "$90,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$90,000,000 for the fiscal year 1974, and $92,000,000 for the fiscal year 1975".

DISPOSITION OF LOAN RECEIPTS

SEC. 5. Section 203 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 203. FISCAL PROVISIONS.—On and after July 1, 1975, none of the dollar receipts scheduled to be paid during any fiscal year from loans made pursuant to this part or from loans made under predecessor foreign assistance legislation are authorized to be made available during any fiscal year for use for purposes of making loans under chapter 1 of this part. All such receipts shall be deposited in the Treasury as miscellaneous receipts."

HOUSING GUARANTIES

SEC. 6. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, strike out "$305,000-000" and insert in lieu thereof "$405,000-000".

(2) In section 223(i), strike out "June 30, 1975" and insert in lieu thereof "June 30, 1976".

AGRICULTURAL CREDIT PROGRAMS

SEC. 7. (a) Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended—

(1) by striking out the title heading and inserting in lieu thereof the following:

"TITLE III—HOUSING AND OTHER CREDIT GUARANTY PROGRAMS";

(2) by inserting immediately after section 222 the following new section:

"SEC. 222A. AGRICULTURAL AND PRODUCTIVE CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROGRAMS.—(a) It is the sense of the Congress that in order to stimulate the participation of the private sector in the economic development of less-developed countries in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

"(b) To carry out the purposes of subsection (a), the agency primarily responsible for administering part I is authorized to issue guaranties, on such terms and conditions as it shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 50 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

"(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed $15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

"(d) The Inter-American Foundation shall be consulted in developing criteria for making loans eligible for guaranty coverage in Latin America under this section.

"(e) Not to exceed $3,000,000 of the guaranty reserve established under section 223 (b) shall be available to make such payments as may be necessary to discharge liabilities under guaranties issued under this section or any guaranties previously issued under section 240 of this Act.

"(f) Funds held by the Overseas Private Investment Corporation pursuant to section 236 may be available for meeting necessary administrative and operating expenses for carrying out the provisions of this section through June 30, 1976.

"(g) The Overseas Private Investment Corporation shall, upon enactment of this subsection, transfer to the agency primarily responsible for administering part I all obligations, assets, and related rights and responsibilities arising out of, or related to the predecessor program provided for in section 240 of this Act.

"(h) The authority of this section shall continue until December 31, 1977.

"(i) Notwithstanding the limitation in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities under this subsection. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

"(j) The President shall, on or before January 15, 1976, make a detailed report to the Congress on the results of the program established under this section, together with such recommendations as he may deem appropriate.";

(3) by striking out "section 221 or section 222" in section 223(a) and inserting "section 221, 222, or 222A" in lieu thereof;

(4) by striking out "this title" in section 223(b) and inserting "section 221 and section 222" in lieu thereof; and

(5) by striking out "section 221 or section 222" in section 223(d) and inserting "section 221, 222, 222A, or previously under section 240 of this Act" in lieu thereof.

(b) Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by striking out section 240.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 8. Section 302(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1975, $150,000,000" and inserting in lieu thereof "for the fiscal year 1975, $186,900,000".

MILITARY ASSISTANCE AUTHORIZATIONS

SEC. 9. Section 504(a) of the Foreign Assistance Act of 1961 is amended by striking out "$512,500,000 for the fiscal year 1974" and inserting in lieu thereof "$550,000,000 for the fiscal year 1975".

SPECIAL AUTHORITY

SEC. 10. Section 506 of the Foreign Assistance Act of 1961 is repealed.

MILITARY ASSISTANCE AUTHORIZATIONS FOR SOUTH VIETNAM

SEC. 11. Section 513 of the Foreign Assistance Act of 1961 is amended as follows:

(1) Strike out "Thailand and Laos" in the caption and insert in lieu thereof "Thailand, Laos, and South Vietnam".

(2) At the end thereof add the following new subsection:

"(c) After June 30, 1976, no military assistance shall be furnished by the United States to South Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act."

EXCESS DEFENSE ARTICLES

SEC. 12. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 514. LIMITATION ON THE GRANT OF EXCESS DEFENSE ARTICLES.—(a) The aggregate original acquisition cost of excess defense articles ordered during the fiscal year 1975 under this chapter for foreign countries and international organizations shall not exceed $150,000,000.

"(b) The value of any excess defense article furnished under this chapter to a foreign country or international organization by any agency of the United States Government shall be considered to be an expenditure made from funds appropriated under section 504 of this Act. Unless such agency certifies to the Comptroller General of the United States that the excess defense article it is ordering is not to be transferred by any means to a foreign country or international organization, when an order is placed for a defense article whose stock status is excess at the time ordered, a sum equal to the value thereof (less amounts to be transferred under section 632(d) of this Act) shall (1) be reserved and transferred to a suspense account, (2) remain in the suspense account until the excess defense article is either delivered to a foreign country or international organization or the order therefor is canceled, and (3) be transferred from the suspense account to (A) the general fund of the Treasury upon delivery of such article, or (B) the appropriation made under section 504 of this Act for the current fiscal year upon cancellation of the order. Such sum shall be transferred to the appropriation made under section 504 of this Act for the current fiscal year, upon delivery of such article, if at the time of delivery the stock status of the article is determined in accordance with section 644(g) or (m) of this Act to be nonexcess.

"(c) The President shall promptly and fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons system was not included in the presentation material previously submitted to the Congress. Additionally, the President shall also submit a quarterly report to the Congress listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery."

(b) Sections 8 and 11 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (84 Stat. 2053), as amended, are repealed.

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 13. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by section 12 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 515. STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.—(a) Notwithstanding any other provision of law, no funds, other than funds made available under this chapter or section 401(a) of Public Law 89-367 (80 Stat. 37), or any subsequent corresponding legislation, may be obligated for the purpose of stockpiling any defense article or war reserve material, including the acquisition, storage, or maintenance of any war reserve equipment, secondary items, or munitions, if such article or material is set aside, reserved, or in any way earmarked or intended for future use by any foreign country under this Act or such section.

"(b) The cost of any such article or material set aside, reserved, or in any way earmarked or intended by the Department of Defense for future use by, for, or on behalf of the country referred to in section 401 (a)(1) of Public Law 89-367 (80 Stat. 37) shall be charged against the limitation specified in such section or any subsequent corresponding legislation, for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked or intended; and the cost of any such article or material set aside, reserved, or in any way earmarked or intended for future use by, for, or on behalf of any other foreign country shall be charged against funds authorized under this chapter for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked. No such article or material may be made available to or for use by any foreign country unless such article or material has been charged against the limitation specified in such section, or any subsequent corresponding legislation, or against funds authorized under this chapter, as appropriate."

MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS

SEC. 14. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 12(a) and 13 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 516. MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS.—Effective July 1, 1975, an amount equal to each sum expended under any provision of law, other than section 504 of this Act, with respect to any military assistance advisory group, military mission, or other organization of the United States performing activities similar to such group or mission, shall be deducted from the funds made available under such section 504, and (1) if reimbursement of such amount is requested by the agency of the United States Government making the expenditure, reimbursed to that agency, or (2) if no such reimbursement is requested, deposited in the Treasury as miscellaneous receipts."

TERMINATION OF AUTHORITY

SEC. 15. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 12, 13, and 14 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 517. TERMINATION OF AUTHORITY.—(a)(1) The President shall gradually reduce assistance (other than military training) provided under this chapter so that, not later than September 30, 1977, no assistance (other than military training) shall be provided under this chapter.

"(2) Paragraph (1) of this subsection shall not apply to funds obligated prior to October 1, 1977.

"(b) For each of the fiscal years 1975, 1976, and 1977, the President is authorized to finance procurements of defense articles and defense services (other than military training) by any foreign country receiving defense articles or defense services during fiscal year 1974 under this chapter on terms providing for payment to the United States Government in United States dollars (1) of the value of such articles and services which value shall not exceed during each such fiscal year the value of such articles and services (other than military training) furnished that country in fiscal year 1974 under this chapter, (2) at a rate of interest of not less than four per centum a year, and (3) within ten years after delivery of the defense articles or rendering of the defense services.

"(c)(1) By not later than September 30, 1977, all the functions of a military assistance advisory group, a military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be transferred to the Chief of the United States Diplomatic Mission to that country. Upon the transfer of such functions, that group, mission, or organization, as the case may be, shall cease to exist.

"(2) On and after October 1, 1977, the total number of military attachés assigned or detailed to the United States Diplomatic Mission of a foreign country shall not exceed by more than twenty-five per centum the total number of military attachés authorized to be assigned or detailed to that mission on June 30, 1974.

"(3) On and after October 1, 1977, no military assistance advisory group, military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be established or continued unless such group, mission, or organization is authorized by law specifically for that country."

(b) Effective October 1, 1977—

(1) the heading of chapter 1 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 1—Providing Military Training";

(2) sections 501, 502A, 514, and 516, and subsection (g) of section 644 of the Foreign Assistance Act of 1961 are repealed;

(3) section 502 of the Foreign Assistance Act of 1961 is amended by striking out the caption "Utilization of Defense Articles and Services" and inserting in lieu thereof "Providing Military Training", by striking out of the text "Defense articles and defense services" and inserting in lieu thereof "Military training", and by striking out the last sentence;

(4) the heading of chapter 2 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 2—Military Training";

(5) chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by striking out section 503 through 505 and inserting in lieu thereof the following:

"Sec. 503. General Authority.—The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine, military training to any foreign country or international organization. Funds for such training shall be appropriated for each fiscal year pursuant to authorization for that fiscal year. After September 30, 1977, no such training shall be conducted outside the United States except by specific authorization of law.";

(6) section 511 of the Foreign Assistance Act of 1961 is amended by striking out of the section caption "Assistance" and inserting in lieu thereof "Training", and by striking out of the text "military assistance" and "such assistance" and inserting in lieu thereof "military training" and "such training", respectively;

(7) section 636(g)(1) of the Foreign Assistance Act of 1961 is amended by striking out "defense articles and defense services on a grant or sales basis" and inserting in lieu thereof "military training"; and

(8) section 644(m) of the Foreign Assistance Act of 1961 is amended by striking out subparagraph (1) and by striking out of subparagraphs (2) and (3) "nonexcess" wherever it appears.

TERMINATION OF MILITARY ASSISTANCE TO SOUTH KOREA

Sec. 16. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 12(a), 13, 14, and 15(a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 518. Termination of Military Assistance to South Korea.—(a) The total of (1) the amount of funds obligated under this chapter to furnish assistance to South Korea, and (2) the value of excess defense articles furnished to South Korea under this chapter, shall not exceed—

"(A) $91,500,000 during the fiscal year 1975;

"(B) $61,000,000 during the fiscal year 1976; and

"(C) $30,500,000 during fiscal year 1977.

"(b) The aggregate total of credits extended, including participations in credits, and the principal amount of loans guaranteed, under the Foreign Military Sales Act with respect to South Korea shall not exceed—

"(1) $42,450,000 during the fiscal year 1975;

"(2) $28,300,000 during the fiscal year 1976; and

"(3) $14,150,000 during the fiscal year 1977.

"(c) On and after October 1, 1977, no assistance shall be furnished South Korea under this chapter, and no credits, including participations in credits, shall be extended, and no loans shall be guaranteed, under the Foreign Military Sales Act with respect to South Korea. The preceding sentence shall not apply with respect to funds obligated prior to such date."

SECURITY SUPPORTING ASSISTANCE

Sec. 17. Section 532 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1974 not to exceed $125,000,000, of which not less than $50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1975 not to exceed $675,000,000".

TRANSFER BETWEEN ACCOUNTS

Sec. 18. (a) Section 610 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), immediately after "any other provision of this Act", insert "(except funds made available under chapter 2 of part II of this Act)".

(2) Add at the end thereof the following new subsection:

"(c) Any funds which the President has notified Congress pursuant to section 653 that he intends to provide in military assistance to any country may be transferred to, and consolidated with, any other funds he has notified Congress pursuant to such section that he intends to provide to that country for development assistance purposes."

(b) Section 614 of such Act is amended by adding at the end of subsection (a) the following: "The authority of this section shall not be used to waive the limitations on transfers contained in section 610(a) of this Act.".

SUSPENSION OF MILITARY ASSISTANCE TO TURKEY

Sec. 19. Section 620 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(x) All military assistance, all sales of defense articles and services (whether for cash or by credit, guarantee, or any other means), and all licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data relating thereto) to the Government of Turkey shall be suspended on the date of enactment of this subsection unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus.":

Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until thirty days after the convening of the ninety-fourth Congress, and only if, during that time, Turkey shall observe the cease-fire and shall neither increase its forces on Cyprus nor transfer to Cyprus any United States supplied implements of war.

ASSISTANCE TO GREECE

Sec. 20. Section 620(v) of the Foreign Assistance Act of 1961 is repealed.

LIMITATION UPON ASSISTANCE TO OR FOR CHILE

Sec. 21. Notwithstanding any other provision of law, the total amount of assistance that may be made available for Chile under this or any other law during fiscal year 1975 may not exceed $55,000,000, none of which may be made available for the purpose of providing military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense).

RECONSTRUCTION, RELIEF, AND REHABILITATION

Sec. 22. (a) Section 639B of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following: "Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance on such terms and conditions as he may determine, for reconstruction and economic development programs in the drought-stricken nations of Africa."

(b) The Foreign Assistance Act of 1961 is amended by adding after section 639B a new section 639C as follows:

"Sec. 639C. Relief and Rehabilitation in Bangladesh and Cyprus.—(a) The Congress finds that the recent flooding in the People's Republic of Bangladesh, and the civil and international strife in the Republic of Cyprus, have caused great suffering and hardship for the peoples of the two Republics which cannot be alleviated with their internal resources. The President shall make every effort to develop and implement programs of relief and rehabilitation, in conjunction with other nations providing assistance, the United Nations, and other concerned international and regional organizations and voluntary agencies, to alleviate the hardships caused in these two nations.

"(b) Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance on such terms and conditions as he may determine, for disaster relief, rehabilitation, and related programs in the People's Republic of Bangladesh and the Republic of Cyprus."

(c) The Foreign Assistance Act of 1961 is amended by adding after section 639C, as added by subsection (b) of this section, the following new section:

"Sec. 639D. Disaster Relief and Rehabilitation.—Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance, on such terms and conditions as he may determine for disaster relief, rehabilitation, and related programs in the case of disasters that require large-scale relief and rehabilitation efforts which cannot be met adequately with the funds available for obligation under section 451 of this Act."

(d) The Foreign Assistance Act of 1961 is amended by adding after section 639D, as added by subsection (c) of this section, the following new section:

"Sec. 639E. Internationalization of Assistance.—Assistance for the purposes set forth in sections 639A, 639B, 639C, and 639D shall be distributed wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies."

ACCESS TO CERTAIN MILITARY BASES ABROAD

Sec. 23. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 659. Access to Certain Military Bases Abroad.—None of the funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guaranties) under any law may be used to provide any kind of assistance to any foreign country in which a military base is located if—

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base;

unless and until the President has determined that the government of such country has, consistent with security authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

(b) Section 29 of the Foreign Assistance Act of 1973 is repealed.

PROHIBITING POLICE TRAINING

Sec. 24. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by section (a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 660. Prohibiting Police Training.—(a) None of the funds made available to carry out this Act, and none of the local currencies generated under this Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other law enforcement forces for any foreign government or any program of internal intelligence on surveillance on behalf of any foreign government within the United States or abroad.

'(b) Subsection (a) of this section shall not apply—

"(1) with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation which related to crimes of the nature which are unlawful under the laws of the United States; or

"(2) to any contract entered into prior to the date of enactment of this section with any person, organization, or agency of the United States Government to provide personnel to conduct, or assist in conducting, any such program.

Notwithstanding clause (2), subsection (a) shall apply to any renewal or extension of any contract referred to in such paragraph entered into on or after such date of enactment."

(b) Section 112 of such Act is repealed.

LIMITING INTELLIGENCE ACTIVITIES

Sec. 25. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 23(a) and 24 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 661. Limitations Upon Intelligence Activities.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency or any other agency of the United States Government for the conduct of operations in foreign countries pursuant to section 102(d)(5) of the National Security Act of 1947 (50 U.S.C. 403), other than operations intended solely for obtaining necessary intelligence. Notwithstanding the foregoing limitation, the President may authorize and direct that any operation in a foreign country be resumed, or that any other operation in a foreign country be initiated, and funds may be expended therefor, if, but not before, he (1) finds that such operation is important to the national security, and (2) transmits an appropriate report of his finding, together with an appropriate description of the nature and scope of such operation, to the committees of the Congress having jurisdiction to monitor and review the intelligence activities of the United States Government.

"(b) The provisions of subsection (a) of this section shall not apply during military operations by the United States under a declaration of war approved by the Congress or an exercise of powers by the President under the War Powers Resolution."

WAIVER OF PROHIBITION AGAINST ASSISTANCE TO COUNTRIES ENGAGING IN CERTAIN TRADE

Sec. 26. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 24 and 25 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 662. Waiver of Prohibition Against Assistance to Countries Engaging in Certain Trade.—Any provision of this Act or the Agricultural Trade Development and Assistance Act of 1954 which prohibits assistance to a country because that country is engaging in trade with a designated country may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress."

POLICY WITH RESPECT TO INDOCHINA

Sec. 27. (a) The Congress finds that the cease-fire provided for in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any of the Vietnamese parties to the conflict. Military operations of an offensive and defensive nature continue throughout South Vietnam. In Cambodia, the civil war between insurgent forces and the Lon Nol government has intensified, resulting in widespread human suffering and the virtual destruction of the Cambodian economy.

(b) The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia are not in the interest of the parties directly engaged in the conflicts, the people of Indochina, or world peace. In order to lessen the human suffering in Indochina and to bring about a genuine peace there, the Congress urges and requests the President and the Secretary of State to undertake immediately the following measures:

(1) to initiate negotiations with representatives of the Soviet Union and the People's Republic of China to arrange a mutually agreed-upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict;

(2) to urge by all available means that the Government of the Khmer Republic enter into negotiations with representatives of the Khmer Government of National Union for the purpose of arranging an immediate ceasefire and political settlement of the conflict; and to use all available means to establish contact with the Khmer Government of National Union and to urge them to participate in such negotiations. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement;

(3) to utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government, and the Republic of Vietnam to seek a new ceasefire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, including a full accounting for Americans missing in Indochina;

(4) to reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict; and

(5) to maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA

Sec. 28. (a) Congress finds that, after expending over a billion dollars in funds for economic purposes in Indochina last year, and vast amounts in previous years, little in lasting economic benefit remains. A large proportion of the funds expended have been used for consumable items related to the war effort. Very litle of our money has found its way into capital investments of a lasting productive benefit to the people. Congress calls upon the President and Secretary of State to take immediately the following actions designed to maximize the benefit of United States economic assistance:

(1) to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources;

(2) to develop, in coordination with the recipient governments, other donors, and the multilateral financial institutions, a comprehensive plan for Indochina reconstruction and economic development;

(3) to develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct United States resources into areas of maximum benefits;

(4) to shift the emphasis of United States aid programs from consumption-oriented expenditures to economic development;

(5) to identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations and corruption, which should be undertaken if Indochinese economic development is to progress;

(6) to include in Indochina economic planning programing specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipients' efforts and to determine whether, and what amounts of, continued United States funding is justified; and

(7) to provide humanitarian assistance to Indochina wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel.

(b) This section shall not be construed to imply continuation of a United States financial commitment beyond the authorization provided for in this Act or amendments made by this Act.

INDOCHINA POSTWAR RECONSTRUCTION

Sec. 29 Section 802 of the Foreign Assistance Act of 1961 is amended to read as follows:

"Sec. 802. Authorization.—There are authorized to be appropriated to the President to furnish assistance for the relief and reconstruction of South Vietnam, Cambodia, and Laos as authorized by this part, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $504,000,000, and for the fiscal year 1975 not to exceed $617,000,000. Of the amount appropriated for fiscal year 1975—

"(1) $449,900,000 shall be available only for the relief and reconstruction of South Vietnam in accordance with section 806 of this Act;

"(2) $100,000,000 shall be available only for the relief and reconstruction of Cambodia in accordance with section 807 of this Act;

"(3) $40,000,000 shall be available only for the relief and reconstruction of Laos in accordance with section 808 of this Act;

"(4) $4,100,000 shall be available only for the regional development program;

"(5) $16,000,000 shall be available only for support costs for the agency primarily responsible for carrying out this part; and

"(6) $7,000,000 shall be available only for humanitarian assistance through international organizations. Such amounts are authorized to remain available until expended."

ASSISTANCE TO SOUTH VIETNAMESE CHILDREN

SEC. 30. Section 803 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), strike out "rights, particularly children fathered by United States citizens" and insert in lieu thereof "rights".

(2) In subsection (b), immediately after the second sentence, insert the following: "Of the sums made available for South Vietnam under section 802(1) of this Act for fiscal year 1975, $10,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section."

LIMITATIONS WITH RESPECT TO SOUTH VIETNAM

SEC. 31. Part V of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 806. LIMITATIONS WITH RESPECT TO SOUTH VIETNAM.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $1,274,900,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of South Vietnam. Of that amount, there shall be available during such fiscal year—

"(1) $700,000,000 for military assistance;

"(2) $125,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $449,900,000 only for economic assistance, of which there shall be available—

"(A) $90,000,000 for humanitarian assistance, of which there shall be available—

"(i) $70,000,000 for refugee relief;

"(ii) $10,000,000 for child care; and

"(iii) $10,000,000 for health care;

"(B) $154,500,000 for agricultural assistance, of which there shall be available—

"(i) $85,000,000 for fertilizer;

"(ii) $12,000,000 for POL (for agriculture);

"(iii) $6,000,000 for insecticides and pesticides;

"(iv) $10,000,000 for agricultural machinery and equipment (including spare parts);

"(v) $3,500,000 for agricultural advisory services;

"(vi) $20,000,000 for rural credit;

"(vii) $10,000,000 for canal dredging;

"(viii) $4,000,000 for low-lift pumps; and

"(ix) $4,000,0000 for fish farm development;

"(C) $139,800,000 for industrial development assistance, of which there shall be available—

"(i) $124,000,000 for commodities;

"(ii) $10,000,000 for industrial credit; and

"(iii) $5,800,000 for industrial advisory services (including feasibility studies);

"(D) $65,600,000 for miscellaneous assistance, of which there shall be available—

"(i) $47,900,000 for the service sector (including POL, machinery, equipment and spare parts); and

"(ii) $17,700,000 for technical services and operating expenses.

"(b)(1) No funds made available under paragraph (2) or (3) of subsection (a) may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may more than 20 per centum of the funds made available under subparagraph (A), (B), (C), or (D) of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(2) Whenever the President determines it to be necessary in carrying out this part, any funds made available under any clause of subparagraph (A), (B), (C), or (D) of subsection (a) of this section may be transferred to, and consolidated with, the funds made available under any other clause of that same subparagraph.

"(3) The President shall fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of each transfer he intends to make under paragraph (1) or (2) of this subsection prior to making such transfer.

"(c) In computing the $1,274,900,000 limitation on obligational authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of South Vietnam in such fiscal year by gift, donation, loan, lease, or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of South Vietnam but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of South Vietnam in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of South Vietnam for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of South Vietnam during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g)(1) Effective six months after the date of enactment of this section, the total number of civilian officers and employees, including contract employees, of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States present in South Vietnam shall not at any one time exceed four thousand, not more than two thousand five hundred of whom shall be members of such armed forces and direct hire an contract employees of the Department of Defense. Effective one year after the date of enactment of this section, such total number shall not exceed at any one time three thousand, not more than one thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense.

"(2) Effective six months after the date of enactment of this section, the United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eight hundred individuals in South Vietnam who are citizens of countries other than South Vietnam or the United States. Effective one year after the date of enactment of this section, the total number of individuals whose compensation or allowance is so paid shall not exceed at any one time five hundred.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(4) This subsection shall not be construed to apply with respect to any individual in South Vietnam who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in South Vietnam.

"(h) This section shall not be construed as a commitment by the United States to South Vietnam for its defense."

LIMITATIONS WITH RESPECT TO CAMBODIA

SEC. 32. (a) Part V of the Foreign Assistance Act of 1961, as amended by section 31 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 807. LIMITATIONS WITH RESPECT TO CAMBODIA.—(a) Notwithstanding any other provisions of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $377,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Cambodia. Of that amount there shall be available—

"(1) $200,000,000 for military assistance;

"(2) $77,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $100,000,000 only for economic assistance, of which there shall be available—

"(A) $20,000,000 for humanitarian assistance;

"(B) $63,000,000 for commodity import assistance;

"(C) $15,000,000 for multilateral stabilization assistance; and

"(D) $2,000,000 for technical support and participant training.

"(b) No funds made available under paragraph (2) or (3) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may more than 20 per centum of the funds made available under any subparagraph of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the $377,000,000 limitation on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of Cambodia in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Cambodia but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Cambodia in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Cambodia for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Cambodia during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g)(1) The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred.

"(2) The United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(4) This subsection shall not be construed to apply with respect to any individual in Cambodia who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in Cambodia.

"(h) This section shall not be construed as a commitment by the United States to Cambodia for its defense."

(b) Sections 655 and 656 of such Act are repealed.

LIMITATIONS WITH RESPECT TO LAOS

SEC. 33. Part V of the Foreign Assistance Act of 1961, as amended by sections 31 and 32(a) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 808. LIMITATIONS WITH RESPECT TO LAOS.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $70,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Laos. Of that amount, there shall be available—

"(1) $30,000,000 for military assistance; and

"(2) $40,000,000 only for economic assistance, of which there shall be available—

"(A) $11,000,000 for humanitarian assistance;

"(B) $6,500,000 for reconstruction and development assistance;

"(C) $16,100,000 for stabilization assistance; and

"(D) $6,400,000 for technical support.

"(b) No funds made available under paragraph (2) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under paragraph (1) of such subsection, nor may more than 20 per centum of the funds made available under any subparagraph of paragraph (2) be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the limitations on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided, to, for, or on behalf of Laos in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or an behalf of Laos but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Laos in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Laos, for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Laos during the preceding quarter by the United States Government and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g) This section shall not be construed as a commitment by the United States to Laos for its defense."

POPULATION, NARCOTICS, INTERNATIONAL HUMANITARIAN AND REGIONAL PROGRAMS

SEC. 34. Part V of the Foreign Assistance Act of 1961, as amended by sections 31, 32(a), and 33 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 809. POPULATION, NARCOTICS, INTERNATIONAL HUMANITARIAN AND REGIONAL PROGRAMS.—The provisions of sections 806, 807, and 808 shall not apply to: (1) funds obligated for purposes of title X of chapter 2 of part I (programs relating to population growth); (2) funds made available under section 482 (programs relating to narcotics control); (3) funds made available under section 802 (6) (humanitarian assistance through international organizations); or (4) funds obligated for regional programs."

TRANSFER OF FUNDS

SEC. 35. Part V of the Foreign Assistance Act of 1961, as amended by sections 31, 32(a), 33, and 34 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 810. TRANSFER OF FUNDS.—(a) The authority of section 610 of this Act shall not apply with respect to any funds made available to South Vietnam, Cambodia, or Laos.

"(b) Any funds made available under any provision of this or any other law for the purpose of providing military assistance for South Vietnam, Laos, or Cambodia may be transferred to, and consolidated with, any funds made available to that country for war relief, reconstruction, or general economic development."

MIDDLE EAST ASSISTANCE

SEC. 36. (a) The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART VI

"SEC. 901. GENERAL AUTHORITY FOR ASSISTANCE TO THE MIDDLE EAST.—The President is authorized to furnish assistance authorized by this Act, and to provide credits and guaranties authorized by the Foreign Military Sales Act. Any such assistance, credits, and guaranties shall be provided in accordance with all the provisions applicable to that type of assistance under this Act and applicable to credits and guaranties under the Foreign Military Sales Act.

"SEC. 902. ALLOCATIONS.—(a) Of the funds appropriated to carry out chapter 2 of part II of this Act during the fiscal year 1975, not to exceed $100,000,000 may be made available for military assistance in the Middle East.

"(b) Of the funds appropriated to carry out chapter 4 of part II of this Act during the fiscal year 1975, not to exceed $667,500,000 may be made available for security supporting assistance in the Middle East.

"(c) Of the aggregate ceiling on credits and guaranties established by section 31(b) of the Foreign Military Sales Act during the fiscal year 1975, not to exceed $330,000,000 shall be available for countries in the Middle East.

"SEC. 903. SPECIAL REQUIREMENTS FUND.—(a) There are authorized to be appropriated to the President for the fiscal year 1975 not to exceed $100,000,000 to meet special requirements arising from time to time in the Middle East for the purpose of providing any type of assistance authorized by part I of this Act, in addition to funds otherwise available for such purpose. The funds authorized to be appropriated by this section shall be available for use by the President for assistance authorized by this Act in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.

"(b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programing and obligation of funds under subsection (a).

"(c)(1) Prior to obligating any amount for a project in excess of $1,000,000 from funds made available under this section, the

President shall transmit a written report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day giving a complete explanation with respect to such proposed obligation. Each report shall include an explanation relating to only one project.

"(2) The President may make such obligation thirty days after the report has been so transmitted unless, before the end of the first period of thirty calendar days after the date on which the report is transmitted, a resolution is adopted disapproving the proposed obligation with respect to which the report is made.

"(3) Paragraphs (4) through (11) of this subsection are enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this subsection; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(4) For purposes of paragraphs (2) through (12) of this subsection, 'resolution' means only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress does not approve the obligation for ———— and explained in the report transmitted to Congress by the President on ————, 19—.', the first blank space therein being filled with the name of the foreign country or organization on whose behalf the obligation is to be incurred, and the other blank spaces therein being appropriately filled with the date of the transmittal of the report; but does not include a resolution specifying obligations for more than one proposed project.

"(5) If the committee, to which has been referred a resolution disapproving a proposed obligation, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same obligation which has been referred to the committee.

"(6) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed obligation), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(7) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same obligation.

"(8) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an obligation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(9) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(10) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to an obligation, and motions to proceed to the consideration of other business, are decided without debate.

"(11) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an obligation are decided without debate.

"(12) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"(A) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"(B) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted." (b) Section 620(p) of such Act is repealed.

FOREIGN MILITARY SALES ACT AMENDMENTS

SEC. 37. (a) the Foreign Military Sales Act is amended as follows:

(1) Section 3(d) is amended to read as follows:

"(d) A country shall remain ineligible in accordance with subsection (c) of this section until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not recur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(2) Section 22 is amended by adding at the end thereof the following new subsection:

"(c) No sales of defense articles shall be made to the government of any economically developed country under the provisions of this section if such articles are generally available for purchase by such country from commercial sources in the United States."

(3) Section 23 is amended to read as follows:

"SEC. 23. CREDIT SALES.—The President is authorized to finance procurements of defense articles and defense services by friendly foreign countries and international organizations on terms requiring the payment to the United States Government in United States dollars of—

"(1) the value of such articles or services within a period not to exceed ten years after the delivery of such articles or the rendering of such services; and

"(2) interest on the unpaid balance of that obligation for payment of the value of such articles or services, at a rate equivalent to the current average interest rate, as of the last day of the month preceding the financing of such procurement, that the United States Government pays on outstanding marketable obligations of comparable maturity, unless the President certifies to Congress that the national interest requires a lesser rate of interest and states in the certification the lesser rate so required and the justification therefor."

(4) In subsection (a) and (b) of section 24, the parenthetical phrase in each is amended to read as follows: "(excluding United States Government agencies other than the Federal Financing Bank)".

(5) Section 24(c) is amended to read as follows:

"(c) Funds made available to carry out this Act shall be obligated in an amount equal to 25 per centum of the principal amount of contractual liability related to any guaranty issued prior to July 1, 1974, under this section. Funds made available to carry out this Act shall be obligated in an amount equal to 10 per centum of the principal amount of contractual liability related to any guaranty issued after June 30, 1974, under this section. All the funds so obligated shall constitute a single reserve for the payment of claims under such guaranties, and only such of the funds in the reserve as may be in excess from time to time of the total principal amount of contractual liability related to all outstanding guaranties under this section shall be deobligated and transferred to the general fund of the Treasury. Any guaranties issued hereunder shall be backed by the full faith and credit of the United States."

(6) Section 24 is amended by adding at the end thereof the following:

"(d) The President may guarantee under this section only those payments for any defense article or defense service which are due within ten years after that defense article is delivered or that defense service is rendered, except that such guaranty may be made for not more than twenty years if the President certifies to Congress that the national interest requires that the period of guaranty be longer than ten years, and states in the certification the country or international organization on whose behalf the guaranty is to be made, the period of the guaranty, and the justification for the longer period."

(7)(A) At the end of chapter 1 add the following new section:

"SEC. 25. QUARTERLY REPORTS; CONGRESSIONAL APPROVAL.—(a) Not later than fifteen days after the end of each quarter, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a report setting forth the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23 of this Act and guaranties under section 24 of this Act made during the preceding quarter, and the country or international organization to which such sale, credit sale, or guaranty is made or expected to be made.

"(b)(1) The President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a written statement giving a complete explanation with respect to any agreement or contract to sell or to extend credit or guaranties if—

"(A) the amount of such sale, credit sale, or guaranty exceeds $25,000,000; or

"(B) the amount of such sale, credit sale, or guaranty, when added to the amount of all the sales, credit sales, and guaranties made to that country or international organization in that fiscal year (including the amount of any sale, credit sale, and guaranty made to that country or international organization under statement of waiver in accordance with subsection (c) of this section), causes the total amount of sales, credit sales, and guaranties made to that country in that year to exceed $50,000,000 for the first time.

Each such statement shall include an explanation relating to only one agreement or contract to sell or to extend credit or guaranties, and shall be set forth—

"(i) the country or international organization to which the sale, credit sale, or guaranty is made;

"(ii) the amount of the sale, credit sale, or guaranty;

"(iii) in the case of a sale, a description of the defense article or service provided;

"(iv) the department, agency, or branch of the United States Armed Forces entering into such contract or agreement; and

"(v) the date of such agreement or contract.

"(2)(A) No sale, credit sale, or guaranty may be made under such agreement or contract until the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted.

"(B) The President may make such sale, credit sale, or guaranty thirty days after the statement has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted, Congress adopts a concurrent resolution disapproving the sale, credit sale, or guaranty with respect to which the statement is made.

"(3) For purposes of paragraph (2) of this subsection—

"(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"(C) The provisions of paragraph (2) of subsection (b) of this section shall not apply if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of waiver in which he certifies that an emergency exists which requires such waiver in the national security interests of the United States.

"(d) Subsections (e) through (m) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(e) For purposes of subsections (d) through (m) of this section, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress does not approve the (agreement, contract) for and explained in the statement transmitted to Congress by the President on , 19 .", the appropriate word within the parentheses being selected, the first blank space therein filled with the name of the foreign country on whose behalf the sale, credit sale, or guaranty is made, and the other blank space therein being appropriately filled with the date of the transmittal of the statement; but does not include a resolution specifying more than one sale, credit sale, or guaranty.

"(f) If the committee, to which has been referred a resolution disapproving a sale, credit sale, or guaranty, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same sale, credit sale, or guaranty which has been referred to the committee.

"(g) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same sale, credit sale, or guaranty), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(h) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same sale, credit sale, or guaranty.

"(i) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a sale, credit sale, or guaranty, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(j) Debate on the resolution is limited to not more than two hours, to be divided between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(k) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a sale, credit sale, or guaranty, and motions to proceed to the consideration of other business, are decided without debate.

"(l) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a sale, credit sale, or guaranty are decided without debate.

"(m) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"(1) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"(2) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted."

(B) Section 35(b) of such Act is repealed.

(8) In section 31.—

(A) in subsection (a), strike out "$325,000,000 for the fiscal year 1974" and insert in lieu thereof "$405,000,000 for the fiscal year 1975"; and

(B) in subsection (b)—

(i) strike out "$730,000,000 for the fiscal year 1974" and insert in lieu thereof "$872,500,000 for the fiscal year 1975"; and

(ii) add at the end thereof the following new sentence: "Of the funds made available under subsection (a) of this section, $100,000,000 shall first be obligated with respect to financing the procurement of defense articles and defense services by Israel under section 23 of this Act, except that Israel shall be released from contractual liability to repay the United States Government for the defense articles and defense services so financed."

(b) Obligations initially charged against appropriations made available for purposes authorized by section 31(a) of the Foreign Military Sales Act after June 30, 1974, and prior to the enactment of the amendment of that Act by paragraph (5) of subsection (a) of this section in an amount equal to 25 per centum of the principal amount of contractual liability related to guaranties issued pursuant to section 24(a) of that Act shall be adjusted to reflect such amendment with proper credit to the appropriations made available in the fiscal year 1975 to carry out that Act.

POLITICAL PRISONERS

SEC. 38. Section 32 of the Foreign Assistance Act of 1973 is amended by adding at the end thereof the following new sentence: "Commencing with respect to 1974, the President shall submit annually to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a written report setting forth fully the steps he has taken to carry out this section."

GORGAS MEMORIAL INSTITUTE

SEC. 39. The first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, as amended (22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION IN VIETNAM

SEC. 40. (a) There are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed $16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Vietnam. Funds appropriated under this subsection are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

(b) There are authorized to be appropriated to the Department of State not to exceed $11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

(c) Reimbursements received by the Agency for International Development under this section may be credited to applicable appropriations of the Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

POLICY ON ASSISTANCE TO AFRICA

SEC. 41. The President is requested to review the regional allocation of economic development assistance and to increase Africa's share of the Agency for International Development loans and grants. Per capita official development assistance to the developing countries of Africa, including both United States bilateral assistance and United States contributions to multilateral lending institutions, should be raised to a level at least equal to those for Asia and Latin America. A special effort should be made to provide more assistance to the sixteen of the world's twenty-five least developed countries that are in Africa and to the fourteen African nations that are judged to be most seriously affected by rising costs of food and fuel. The President is requested to make a report to Congress on action taken to provide the developing countries of Africa with an equitable share of United States economic assistance at the time that the Agency for International Development's operational year budget for fiscal year 1975 is submitted to Congress and again with the submission to Congress of the proposed Agency for International Development budget for fiscal year 1976.

POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE, AND GUINEA-BISSAU

SEC. 42. (a)(1) Congress finds that the Government of Portugal's recognition of the right to independence of the African territories of Angola, Mozambique, and Guinea-Bissau marks a significant advance toward the goal of self-determination for all the peoples of Africa, without which peace on the continent is not secure.

(2) Congress finds that progress toward independence for the Portuguese Government and African leaders on the timing and nature of progress toward independence are being conducted with the aim of bringing permanent peace and stability to these countries and of guaranteeing the human rights of all their citizens.

(3) Congress finds that progress toward independence for the Portuguese African territories will have a significant impact on the international organizations and the community of nations.

(4) Congress commends the Portuguese Government's initiatives on these fronts as evidence of a reaffirmation of that Government's support for her obligations under both the United Nations Charter and the North Atlantic Treaty Organization,

(b) Therefore, Congress calls upon the President and the Secretary of State to take the following actions designed to make clear United States support for a peaceful and orderly transition to independence in the Portuguese African territories;

(1) An official statement should be issued of United States support for the independence of Angola, Mozambique, and Guinea-Bissau, and of our desire to have good relations with the future governments of the countries.

(2) It should be made clear to the Government of Portugal that we view the efforts toward a peaceful and just settlement of the conflict in the African territories as consistent with Portugal's obligations under the North Atlantic Treaty Organization partnership.

(3) The United States should encourage United Nations support for a peaceful transition to independence, negotiated settlement of all differences, and the protection of human rights of all citizens of the three territories.

(4) The United States should open a dialog with potential leaders of Angola, Mozambique, and Guinea-Bissau and assure them of our commitment to their genuine political and economic independence.

(5) The economic development needs of the three territories will be immense when independence is achieved. Therefore, it is urged that the United States Agency for International Development devote immediate attention to assessing the economic situation in Angola, Mozambique, and Guinea-Bissau and be ready to cooperate with the future governments in providing the kind of assistance that will help make their independence viable. In addition, the United States Government should take the initiative among other donors, both bilateral and multilateral, in seeking significant contribution of development assistance for the three territories.

(6) In light of the need of Angola, Mozambique, and Guinea-Bissau for skilled and educated manpower, a priority consideration should be given to expanding immediately current United States programs of educational assistance to the territories as a timely and substantive contribution to their independence.

(c) Reports should be submitted to the Congress on the implementation of the proposals set forth in subsection (b) and Congress should be kept fully informed on developments in United States policy toward the independence of the Portuguese African territories.

(d) Since it is in the national interest of the United States to maintain and strengthen close relations with the independent nations of Africa, the Congress believes the positive initiatives should be undertaken without delay.

CONVENTIONAL ARMS TRADE

Sec. 43. (a) It is the sense of the Congress that the recent growth in international transfers of conventional arms to developing nations—

(1) is a cause for grave concern for the United States and other nations in that in particular areas of the world it increases the danger of potential violence among nations, and diverts scarce world resources from more peaceful uses; and

(2) could be controlled progressively through negotiations and agreements among supplier and recipient nations.

(b) Therefore, the President is urged to propose to the Geneva Conference of the Committee on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of—

(1) agreeing to workable limitations on conventional arms transfers; and

(2) establishing a mechanism through which such limitations could be effectively monitored.

(c) The President shall transmit to the Congress not later than six months after the enactment of this Act a report setting forth the steps he has taken to carry out this section.

CARIBBEAN DEVELOPMENT BANK

Sec. 44. (a) The President is authorized to transmit to the Caribbean Development Bank an instrument stating that the Commonwealth of Puerto Rico has the authority to conclude an agreement of accession with such bank and to assume rights and obligations pursuant to such agreement. However, such agreement shall be subject to the prior approval of the President.

(b) The instrument transmitted by the President to the Caribbean Development Bank under subsection (a) shall state that the United States shall not assume any financial or other responsibility for the performance of any obligation incurred by the Commonwealth of Puerto Rico pursuant to such agreement of accession or pursuant to any other aspect of its membership or participation in such bank.

(c) Such agreement of accession shall provide that the Commonwealth of Puerto Rico may not receive from the Caribbean Development Bank any funds provided to the bank by the United States.

EXPENSES OF UNITED STATES MEMBERSHIP IN UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Sec. 45. No funds authorized to be appropriated under this or any other law may be made available to the United Nations Educational, Scientific, and Cultural Organization until the Secretary of State certifies that each resolution passed by such Organization not of an educational, scientific, or cultural character has been repealed.

LIMITATION ON CONTRIBUTIONS TO THE UNITED NATIONS

Sec. 46. Notwithstanding any other provisions of this Act, total contributions authorized herein to the United Nations or to any segment or subdivision of this world organization shall not exceed $165,000,000.

ASSISTANCE TO PORTUGAL AND PORTUGUESE COLONIES IN AFRICA GAINING INDEPENDENCE

Sec. 47. Part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

"CHAPTER X—ASSISTANCE TO PORTUGAL AND PORTUGUESE COLONIES IN AFRICA GAINING INDEPENDENCE

"Sec. 496. Assistance to Portugal and Portuguese Colonies in Africa Gaining Independence.—(a) There are authorized to be appropriated to the President for the fiscal year 1975, in addition to funds otherwise available for such purposes, not to exceed—

"(1) $5,000,000 to make grants; and

"(2) $50,000,000 to make loans;

to remain available until expended, for use by the President in providing economic assistance, on such terms and conditions as he may determine, for Portugal and the countries and colonies in Africa which were, prior to April 25, 1974, colonies of Portugal. Of such assistance, not more than 50 per centum shall be furnished to Portugal.

"(b) It is the sense of the Congress that the new government in portugal should be commended for its commitment to independence for Portuguese African colonies. The Congress declares it to be the policy of the United States to support the democratic experiment in Portugal, and the independent development of the nations emerging in Africa."

INTEGRATION OF WOMEN

Sec. 48. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 305. Integration of Women.—The President is requested to instruct each representative of the United States to each international organization of which the United States is a member (including but not limited to the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, and the Organization for Economic Cooperation and Development) to carry out their duties with respect to such organizations in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organizations, thereby improving the status of women."

POLICY WITH RESPECT TO COUNTRIES MOST SERIOUSLY AFFECTED BY FOOD SHORTAGES

Sec. 49. (a) The Congress finds that tight food availabilities throughout the world threatens the citizens of many countries with serious hunger and malnutrition. While in the past foreign policy considerations have represented a significant factor in the allocation of available food and fertilizer assistance, the current food emergency requires an immediate reordering of priorities under which such assistance is distributed worldwide. The United Nations has designated thirty-two countries as "Most Seriously Affected" by the current economic crisis. These are countries without the internal food production capability nor the foreign exchange availability to secure food to meet their immediate food requirements. The Congress calls upon the President and Secretary of State to take immediately the following actions designed to mobilize all appropriate resources to meet the food emergency:

(1) Immediately review and make appropriate adjustments in the level of programming of our food and fertilizer assistance programs to make the maximum feasible volume of food and fertilizer available to those countries most seriously affected by current food shortages.

(2) Call upon all traditional and potential new donors of food, fertilizer, or the means of financing these commodities to immediately increase their participation in efforts to address the emergency food needs of the developing world.

(3) Make available to these most seriously affected countries the maximum feasible volume of food commodities, within appropriate regard to the current domestic price and supply situations.

(4) Maintain regular and full consultation with the appropriate committees of the Con-

gress and report to the Congress and the Nation on steps which are being taken to meet this food emergency. In accordance with this provision, the President shall report to the Congress on the following: (A) a global assessment by country of food needs for fiscal year 1975, specifying expected food grain deficits by country and current arrangements for meeting such deficits; (B) currently planned programing of commodities under Public Law 480 by country and within such country, by volume and commodity and; (C) steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance. Such report should reach the Congress within thirty days of enactment of this Act and should be supplemented quarterly for the remainder of fiscal year 1975.

(5) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $250,000,000 during the fiscal year ending June 30, 1975, for the purpose of providing concessional food aid assistance, or in excess of $90,000,000 for the purpose of providing fertilizer under our foreign assistance programs, unless such funds are used to purchase commodities for countries "Most Seriously Affected" by the economic crisis as designated by the United Nations, or unless the President demonstrates to the appropriate committees of the Congress that the use of such funds to purchase food assistance is solely for humanitarian food purposes.

(6) The Congress calls upon the President to proceed immediately with the implementation of resolutions and recommendations adopted by the World Food Conference. The Congress firmly believes that it is incumbent upon the United States to take a leading role in assisting in the development of a viable and coherent world food policy which would begin the task of alleviating widespread hunger and suffering prevalent in famine-stricken nations. The President shall report to the Congress within ninety days of enactment of this Act on the implementation of the resolutions and the extent to which the United States is participating in the implementation of resolutions adopted at the World Food Conference.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of S. 3394, the bill as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

NOMINATION OF ROBERT A. SEAMANS, JR., TO BE ADMINISTRATOR OF ERDA, AND NOMINATION OF DEPUTY ADMINISTRATOR—REQUEST FOR JOINT REFERRAL TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND THE JOINT COMMITTEE ON ATOMIC ENERGY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination of Mr. Seamans to be Administrator of ERDA, and the Deputy Administrator, be referred jointly to the Interior Committee and the Joint Committee on Atomic Energy, with the understanding that all Members of the Senate from other committees having jurisdictional claims over at least a part of the responsibilities to be administered by the Administrator of ERDA—namely the Public Works Committee, the Commerce Committee and the Space Committee—will be invited to participate in those hearings; further, that the hearings be conducted under the chairmanship of the distinguished Senator from Washington (Mr. JACKSON).

Mr. GRIFFIN. Mr. President, reserving the right to object—and I will not object——

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum briefly.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I withdraw the request, but I would point out that these are nominations sent down.

TENNESSEE VALLEY AUTHORITY POLLUTION PREVENTION FACILITIES—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 11929, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The Legislative Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and I have no intention of objecting—has this matter been cleared with the appropriate Senator on this side of the aisle?

Mr. BAKER. Yes; it has been cleared with Senator RANDOLPH, chairman of the Committee on Public Works and others interested therein.

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 3, 1974, at p. 37952.

Mr. BAKER. Mr. President, the conference report presently before the Senate contains the unanimous agreement of the Senate and House conferees resolving the differences in H.R. 11929 as it passed in the House of Representatives last March and in the Senate on November 19. While the agreement contains much of the language of the Senate-passed bill, I feel it reflects the position adopted in both Houses that immediate relief must be provided to the TVA to relieve some of the pressure of heavy capital costs upon spiraling rates. In that regard I would note that TVA announced after its quarterly rate review yesterday an increase in rates averaging 12 percent for residential power users. That brings rate increases in the valley announced in 1974 to 26 percent with a fuel escalation increase of about 6 percent on top of it. And this year's increase follows on the heels of increases totaling 73 percent in rates between 1967 and 1973.

Mr. President, as I have stated in earlier consideration of this legislation, the TVA power consumer is the only electrical customer in the Nation who bears the entire cost of capital improvements upon his electrical system. Customers of private power systems have been afforded relief from the burdens of capacity expansion and environmental control construction programs through increasingly generous tax writeoffs. Yet all of TVA's capital requirements must be generated either directly or indirectly through charges for electricity.

There have been virtually no Federal moneys invested in the TVA power program over the last decade and a half. But it has been over that same period that most of TVA's power program has been constructed.

The Federal Government owns TVA—is the sole owner. Yet the Federal investment in power assets has shrunk from over $1.2 billion in 1960 to about $1 billion in 1974 while the total investment in power assets has increased from $1.8 billion to almost $5 billion.

Only the TVA of all power companies is faced with an obligation to virtually eliminate "equity investment" during this time of heavy capital needs and tight capital.

The conference report on H.R. 11929 will not permanently solve these problems, but it will provide TVA power consumers temporary relief from a portion of the burden of environmental control investment during a period when that investment will be particularly heavy and the measure will afford Congress time to review the TVA financing picture.

HISTORY OF H.R. 11929

Mr. President, the bill passed by the Senate on November 19 had originally carried the designation S. 3057. When introduced it was identical to H.R. 11929 which passed the House in March of this year.

Under that bill, the TVA would have received full and direct credits for its expenditures on pollution control equipment against the annual repayments and return payments required under the TVA Bond Financing Act of 1959. The bill went further to allow expenditures on such facilities in excess of the annual repayment obligation to be credited against the basic obligation. Thus, under the House-passed bill, TVA would have rapidly retired the entire obligation created by the 1959 act.

While there is substantial justification for review and modification of the financial burdens which have been placed upon TVA, it was the wisdom of the Senate Public Works Committee that a broader and more incisive analysis of TVA's financial picture is needed before such fundamental changes are undertaken. Thus the bill was modified in committee to provide temporary assistance to TVA's ratepayers while this review is undertaken.

S. 3057, as reported from the Senate Public Works Committee and subsequently adopted in the Senate, provided that TVA could defer the repayment or any of fiscal years 1976 through 1980, in which expenditures for pollution control equipment exceed the $20 million required annual repayment. The bill further provided that TVA could credit additional expenditures for such equipment against the required return payment during any year in which the repayment was deferred.

Under the Senate-passed bill, the amount of any return so credited would have been added to the appropriation's investment.

This latter provision, section 2 of the Senate bill, became the most substantial issue in conference on the measure. The House conferees receded and accepted both the Senate position with regard to limiting the bill to a temporary period, thus preserving the basic repayment obligation, and the Senate redefinition of certified pollution control facilities, which was significantly more restrictive than the House provision. In turn, the Senate receded from their position on section 2 of the bill.

The conference agreement constitutes then a 5-year suspension of the obligations created by the 1959 act, provided that expenditures for certifiable pollution control equipment meet projections. At the end of the 5-year period—in fiscal year 1981—the repayment and return payment obligation of TVA will, barring further congressional action, again go into full effect.

Mr. President, it has been asserted during the course of congressional consideration of this measure that it represents "special interest" legislation. I would like to conclude with a brief observation regarding that assertion.

The TVA is a public corporation whose basic powers, authorities and obligations are specified by Congress. It is the responsibility of Congress to remain aware of the problems of the TVA and to take steps to see that it remains a viable institution capable of fulfilling the mandate which Congress has imposed upon the corporation.

The approval of S. 3057 by the Senate of this conference report on that measure will only partially acquit the Senate of that responsibility with regard to TVA's financial picture. Many of the issues before Congress during debate on S. 3057—H.R. 11929 will come up again during further action in the next several sessions. If Congress is compelled, and I am sure that it will not be, to abdicate this responsibility on the basis that assistance to TVA is "special interest" legislation, then TVA's ability to keep pace with the electric generation industry will be hampered.

Mr. President, many persons believe that the TVA is a regional concern, but the entire Nation has received benefits from TVA since its establishment in 1933. And, indeed, national benefits were anticipated by those who supported the authorizing legislation.

One national benefit of TVA which may not have been anticipated by its creators, but which is of great significance today is that the fuel selection decisions of TVA in the past reflected sound public policy decisions.

Because of the greater utilization of electric power as an energy source within the Tennessee Valley Authority's service area, the per capita consumption of petroleum products, such as fuel oil and natural gas, items of short supply, is considerably less in the valley than in other sections of the Nation. An unexpected benefit was realized during the winter of 1973–74 when the TVA area's fuel use patterns made it possible for homes in every part of the Nation to be a little warmer.

The use of alternative fuels, primarily coal, as a source of steam for generation of electricity means more of the scarce fuel oil and natural gas is available to other parts of the Nation than would be the case if normal usage patterns were followed in the TVA area.

Mr. President, I am pleased that the Senate has accepted and passed the conference report on H.R. 11929. This action will greatly ease inflationary pressures in the Tennessee Valley and will provide an opportunity to undertake badly needed review of the TVA financial picture.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today that it stand in adjournment until the hour of 10 o'clock tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HELMS, SENATOR GRIFFIN, AND SENATOR MANSFIELD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after recognition of the two leaders or their designees under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. HELMS, Mr. GRIFFIN, and Mr. MANSFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of Senators have been consummated on tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR METZENBAUM ON TUESDAY, DECEMBER 10, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, Mr. METZENBAUM be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SESSIONS OF THE SENATE TO COMMENCE AT 9 A.M. AFTER MONDAY, DECEMBER 9, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Monday next, the Senate meet daily at 9 a.m. throughout next week, including Saturday, and the following week, including Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ISSUES IN THE ROCKEFELLER NOMINATION—PART I

Mr. HELMS. Mr. President, for nearly 4 months now, the Senate has been considering the nomination of Mr. Nelson Rockefeller to be Vice President of the United States. This nomination is an historic event because, for the first time, the Nation will have both a President and a Vice President, neither of whom will have been approved by the voters through the electoral process. Perhaps the framers of the 25th amendment foresaw such a possibility. Certainly it is a logical consequence of the processes laid down in that amendment. But the theory of the amendment is one thing, and the practical working out of the theory is another. It is only now that we understand the practical significance of selecting our Vice Presidents under its terms.

The strength of the American Presidency is that the President and Vice President are selected by the mandate of the people through the electoral system. The 25th amendment was passed to fill a vacancy in the office of Vice President in case of death, resignation, or succession to the Presidency. I think that in the minds of most people the latter case was uppermost; the elected Vice President could succeed to the Presidency leaving a vacancy behind. The chances of a Vice President selected under the 25th amendment becoming

President were thought to be slim. Little attention was paid to the political consequences of having neither President nor Vice President elected by the people; it was an academic question.

QUALIFICATIONS UNDER THE 25TH AMENDMENT

The question is no longer academic. It lies at the heart of the present nomination. The issue I wish to raise is this: Are there some men who might be qualified to be elected as Vice President, but whom it would be imprudent to have confirmed as Vice President under the 25th amendment? There has been much discussion of qualifications, but there has been little discussion of the particular circumstances surrounding this present nomination. In other words, the nominee might be qualified, but still might not be the man who should be selected as Vice President at this particular time and under these particular circumstances.

I think that Nelson Rockefeller is such a man. He is a man who is qualified to present himself to the electorate for the collective judgment of the voters, but he is not a man who should be selected under the processes of the 25th amendment. The reason is that he is a man of controversy, of lights and shadows, and of ambiguous power. The people may or may not choose him if he is a candidate in an election; it is significant that he has not been able to surmount the obstacles of even winning his party's nomination in three past Presidential elections. But the processes of the 25th amendment are remote from the people, and open to the charge of political manipulation. A doubtful candidate can win in an open election and be accepted by the citizenry at large; but a doubtful nominee under the 25th amendment must never be confirmed or governmental institutions themselves will be cast into doubt.

I had doubts about Mr. Rockefeller when he was first nominated—not about his capability, which is large, or about his talents, which are many. Rather, my doubts were about the propriety of conferring significant political power upon a man so intimately associated with a dynasty of private power. His personal integrity was not the issue; the issue was whether it was wise that significant power sectors in our society should be conjoined. I am not referring simply to his wealth, for neither poverty nor wealth should be a bar to elective office. Rather, it was the interconnecting relationships of his family, past and present, with key private decisionmaking circles in areas of finance, philanthropy, foreign policy, and government. As long as those circles remained essentially in private hands, the Federal Government and opposing groups could form a countervailing force. As it was these circles had a powerful influence in Government already, and it did not seem to me to be wise to bring their representative into the direct succession to the Executive office.

CHECKS AND BALANCES

I might add that my misgivings were without reference to the direct ideological content of the decisions made by the group Mr. Rockefeller represents. When I testified before the Senate Rules Committee on September 26, I asked whether he could disassociate himself from the attitudes and goals of this group should there be a conflict between the national interest and their private interests. It has been interesting to note that since then it is a theme which has been repeated by many men and women of varying philosophical convictions. The common heritage that all political philosophies in the United States share is the fear of unchecked power, whether political, financial, or ideological. The image of the Rockefeller family dynasty evokes this subliminal doubt even in those who prefer not to express it. Many of the charges made against the Rockefeller family dynasty are unfair, untrue, exaggerated, and tendentious; some border on the realm of fantasy. Yet the fact remains that Mr. Rockefeller's paternal and maternal grandfathers were directly responsible for the alteration of our antitrust, monopoly, central banking, and income taxation systems. The whole shape of our economy, for better or for worse, is different because of Mr. Rockefeller's grandfathers.

Our Founding Fathers constructed a system of checks and balances in the U.S. Constitution. It was based upon a theory of countervailing power balances. It did not take into consideration that private interests would ever accumulate enough power to challenge the Government itself. Prudence dictates that the power sectors in our society should be kept separate, whether we agree with the decisions those sectors are taking or not. It is extremely shortsighted to give absolute combinations of power to anyone, even if you like what they are doing at present. Mr. Rockefeller's personal fortune does not disqualify him from public office. I do not suspect him of meanly attempting to aggrandize more wealth. But the leverage which his wealth gives him in ways which go far beyond mere financial gain is so impressive that it cannot be properly denied. The nomination of Mr. Rockefeller may well raise questions that could apply to no other man.

PERSONAL CHARM

I did not have the opportunity to meet Mr. Rockefeller until after his nomination. I was impressed with his vitality and charm, and the fact that he went out of his way to be gracious even to a freshman Senator near the bottom of the seniority list. But personal affability cannot be the test.

The truth is that the image of the Rockefeller power, whether Mr. Rockefeller actually wields such power or not, may be enough to disqualify him in this case. We are at a point in our Nation's history when the validity of our political institutions has been called into question. In 1972, President Nixon and Vice President Spiro Agnew were reelected by an overwhelming mandate; within 2 years both had resigned under circumstances which reflected upon their character and probity. These events took place in an atmosphere of divisive hysteria which brought Government policy to a standstill and weakened the faith of the people in the institutions of the Republic. The 25th amendment received its first test and worked well.

SUCCESSION: OLD AND NEW

However, it worked well because, in practical fact, there was very little departure from tradition. Under the old system, of course, there would have been no Vice President named. But the next in line of succession would have been the Speaker of the House. Without the 25th amendment, the Constitution would have elevated a congressional leader by the impartial verdict of fate. Although some might argue with the qualifications of any particular man selected in that manner, no man could argue with the impartiality of the process, and no charge could have been made that the system was manipulated by forces behind the scenes. The 25th amendment, however, substitutes the judgment of the President and the Congress for the judgment of the people in elections, or for the judgment of fate.

In point of fact, the 25th amendment worked well because of the wisdom of the sitting President. In making his choice, he made only one slight deviation from the traditional system, even though the 25th amendment allowed his unlimited choice. He chose as Vice President the minority leader of the House; that is, the man who would have been Speaker and in the line of succession if his party had been strong enough to organize the House.

This was no grievous wrench from the past. The new Vice President was a national figure, with many years of experience as an elected official in a national forum, and a recognized congressional leader of high caliber. It was exactly the sort of choice one might have expected under the old system. The fact that the end result was the same helped to gloss over the profound difference in the method of selection, and the legitimacy of his ascent to the succession when he became President was never challenged.

At this point, President Ford nominated Mr. Rockefeller as his Vice President. The differences between the President and his nominee are highly instructive.

VICE PRESIDENT FORD VERSUS VICE PRESIDENT ROCKEFELLER

Whereas Mr. Ford had been a congressional leader at the top of the alternative line of succession, Mr. Rockefeller is a former Governor who has never held elective office on the national level.

Where Mr. Ford had been a national spokesman for his party and widely known for his genuine interests in reconciliation of differing views in the party, Mr. Rockefeller was the symbol of division and mistrust in his party.

Whereas Mr. Ford was the personal choice of a man who had received an overwhelming mandate from the people, Mr. Rockefeller was a man who had been unable to achieve even nomination through the regular mechanism of party discipline.

Whereas Mr. Ford's principal identification was as a U.S. Congressman, the national elective office which is perhaps closest to the people, Mr. Rockefeller's principal identification was with a wealthy family dynasty whose remoteness from the people's interests has always stirred mixed emotions with the American people.

Whereas Mr. Ford came from a midwestern State not known for partiality or antipathy to other sections of the country, Mr. Rockefeller came from the State, indeed the city, whose attitudes stood in obvious contrast to other sections, and whose most powerful intellectual, business, and financial leaders often gave the impression that the rest of the world was more important to their interests than the rest of the country.

In short, if President Ford had hoped to heal the Nation, reinvigorate the Republican Party, restore confidence in the Government of the Republic, and confirm the legitimacy of Presidential authority in a time of crisis, there are countless Americans who could say that he committed a blunder of unimaginable magnitude in the nomination of Nelson Rockefeller as Vice President.

POPULAR OPPOSITION

I say this with all due respect for the President's judgment, and knowing full well that there are those in this Senate who will disagree with me. Yet even those who disagree with me will admit—many of them have already admitted—that the mail from their constituents is overwhelmingly in opposition to this nomination. My own mail, and it includes mail from all over the country, is at least 99 percent in opposition.

The national public opinion polls show that popular support for the Rockefeller nomination has been receding with every passing week, a phenomenon perhaps related to growing understanding of the Rockefeller case.

First. Just after President Ford sent Mr. Rockefeller's name up to the Hill for confirmation, polls showed support to be 55 percent in favor of confirmation; and 31 percent against. That was in early September, in a Harris poll.

In a Harris poll conducted September 23–27, during the first Senate hearings on Rockefeller, and released to the press on October 27, Mr. Rockefeller's approval had fallen to 47 percent; and his disapproval rating had risen to 40 percent.

Third. A Gallup poll conducted by telephone during the last week in October showed Mr. Rockefeller's approval rating at 44 percent; and his disapproval rating was 38 percent.

Fourth. In the most recent poll, conducted by Harris during the period November 1 through November 5, and released on November 14, Mr. Rockefeller's support had eroded to 39 percent in favor of confirmation; to 43 opposed. More people oppose his confirmation than support it.

Also interesting in the latest Harris poll are some other statistics.

First, a majority of the American people, 54 percent to 28 percent, felt that it was "not all right for him to give $2 million as gifts and loans to people he appointed to high office."

Second, an even larger majority, 58 percent to 15 percent, felt that Mr. Rockefeller was "wrong to have his brother finance a negative book about his 1970 opponent for governor of New York, Arthur Goldberg."

Third, and a 47 to 34 percent plurality of the public feels that "there would be a conflict of interest if he were confirmed as Vice President because of his family's financial holdings and investments."

DIFFERING JUDGMENTS

The most significant thing about the mail I have received is the lack of a stereotyped response to the nomination. Every group, every shade of opinion has some different reason to be opposed to him. Mr. Rockefeller portrays his family's rise to wealth as the result of hard work and free enterprise; others see it as the result of exploitation and monopoly enterprise.

Mr. Rockefeller portrays his family philanthropy as an extension of Christian benevolence and humanitarianism; others see it as an exercise in social manipulation and an anti-Christian disregard for the value of individual human life. Mr. Rockefeller portrays his family's international activities as enlightened self-interest; others see it as a rejection of the national interest for private profit, and the enmeshing of U.S. independence into a network of multilateral organizations in which we will no longer control our own destiny.

Who is right, Mr. President?

In the larger view it may not matter who is right. The point is that this divisiveness exists, and will continue to fester even if the question is never decided.

It is inevitable that Mr. Rockefeller will put a different gloss upon his own and his family's activities. But it is exactly this inability to get outside of his own skin, so to speak, that generates the pervasive distrust and suspicion that is the common denominator of the popular opinion opposing him. Distrust and suspicion are ugly phenomena. They indicate a sickness in the body politic. But when someone is sick, you do not ignore a fever. You remove the source of contagion.

And there has been voiced—and with increasng frequency, Mr. President—an even darker suspicion that somehow Mr. Rockefeller, with the vast power of his personal wealth, his family's wealth, his support of prominent politicians, and the leverage of his influence in the financial community has somehow exploited the 25th amendment to give him that which the grassroots of his party has thrice denied him—a steppingstone to the Presidency. I do not for one moment subscribe to this theory; I only comment upon it as illustrative of the national divisions to which Mr. Rockefeller is, even unwittingly, a cause. There are many who cannot forget that his name was synonymous with the rule-or-ruin, play tough, use-dirty-tricks tactics that emerged at the 1964 Republican Convention, so much so that the delegates were moved to boo him before a national television audience. It was a pre-Watergate era, but today many apply new standards of judgment.

COMMISSION ON CRITICAL CHOICES

Moreover, there are many who have doubts that his endowment of the National Commission on Critical Choices for America with over $2 million of his and his brother's money was made with the detachment that is characteristic of true philanthropy. Indeed, to many it appears to be more characteristic of his desire to seek the Presidency. It is ironic that the offices of the NCCCA are on the same premises in New York City where, in 1959, he set up a similar operation designed to propel him into the Presidency. A cast of characters was assembled then whose names are better known today: Henry Kissinger, Hugh Morrow, L. Judson Morhouse, Emmet John Hughes, and many others. These names now have a greater significance to us. Many thought it extraordinary that any man would set up an organization to secure the Presidential nomination so soon after he began his first term in elective office. The New York Times recorded it all in an article published on December 24, 1959.

Mr. President, I ask unanimous consent that this article be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

MR. FORD AND MR. ROCKEFELLER—DECEMBER 1973

Mr. HELMS. Mr. President, in December 1973, Mr. Rockefeller, after 15 years as Governor of New York decided to resign in mid-term to devote himself to national policy issues as head of the NCCCA. It was an illustration of what one man's wealth can do in enhancing his own prestige by giving himself a national platform that had been denied to him by the electoral process. Nevertheless, he was able to enlist the support of prominent Americans. On December 3, 1973, a few days before he resigned, he held a private organizational dinner for the top echelon of NCCCA. Those invited included the Vice President-designate of the United States, Mr. Gerald R. Ford; Mr. Ford was not sworn in as Vice President of the United States until 3 days later. The group also included the Secretary of the Treasury, Mr. George Shultz; the Secretary of State, Dr. Henry Kissinger; the distinguished Senate minority leader, Mr. Scott, and Mr. Henry Diamond, who was shortly to become the Director of the Commission.

The network of relationships is quite interesting. Mr. Diamond, as we more recently found out, was about to be given $100,000 as a token of the Governor's affection. Secretary Kissinger, who had been given $50,000 by the Governor in 1969, was, in a few months, about to marry Nancy Maginnes, who was in charge of distributing $340,000 of the Commission's money for foreign affairs studies. As Mr. Ford left the gathering, he was quoted in the New York Times as saying that no partisan politics was discussed. Mr. Ford said:

> Nelson and I are very good friends and he knows that I have no interest in running for anything in 1976.

Mr. President, I ask unanimous consent that the account of this dinner meeting which appeared in the New York Times on December 4, 1973, and an account of the NCCCA from the same newspaper on October 21, 1974, be printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibits 2 and 3.)

AMBIGUITIES

Mr. **HELMS**. Mr. President, this incident, innocuous as it may be, distills in itself so many of the ambiguities with which the Rockefeller nomination presents us. Do we have here the picture of a man of tireless public service, who has given a lifetime of patronage and dedication, once more giving of his own means to present the Nation with the best of talent and creativity to solve its problems? Many would have it so. Or, on the other hand, do we have a picture of a rejected man, grasping for his last opportunity for national leadership, using his personal economic resources to swing a deal with the political power brokers? There are many who are equally convinced that this is the case. Do his twin proteges, the Kissingers, represent the best of talent nurtured by disinterested generosity? Or are they well-paid servants of the Rockefeller family interests promoting détente because it is profitable for the international operations of the Chase Manhattan Bank, and seeking Middle East settlements to stabilize the investments of the Rockefeller oil companies?

These contrasting judgments are open to argument. But what we do not need in this country at this point in our history is another argument. I think it would be wrong to put a man into the direct succession to the Presidency whose every action and every decision would engender distrust first in one part of the American people, and then in another. It is no reflection on his personal integrity to say that he is not the man for this season; or to say that, on the whole, it would be better for the United States not to avail itself of his talents and experience.

There is no way in which he can perform the duties of Vice President, or President, without laying himself open to the charge that his actions are tainted by the outlook or interests of the Rockefeller family dynasty. If the people had an opportunity to judge him in an election, the people could decide whether such a consideration should be decisive. But there is no way that he can take office under the 25th amendment without that event appearing to confirm the hypothesis that the Rockefeller interests control the Nation, including the Congress. It is not fair to Mr. Rockefeller to put him in such an untenable position.

THE RECORD TODAY

Mr. President, I must say in honesty that this decision is not far removed from my tentative reaction when the nomination was first announced. I raised many of these same questions in my testimony before the Rules Committee on September 26. Yet I was determined to keep an open mind because it would not be proper to make such a decision simply on mere hypothesis. Would it be fair to deny confirmation to Mr. Rockefeller simply because of hostile rumors among the people? In my testimony, I said that I felt that there were many areas which had not at that time been explored, and I proposed several lines of questioning which would tend to confirm whether or not Mr. Rockefeller, in his conduct of his gubernatorial office, had acted so as to dispell apprehensions about his family power.

It is my impression that very few of my questions were indeed submitted to Mr. Rockefeller by the Rules Committee. I may be in error, and I hope I am. In any case, even if the questions were submitted, scant responses have been received. And I find it significant that almost immediately news articles began tc appear which raised further apprehensions in a specific way. The Rules Committee performed a substantial service to the Nation in recalling Mr. Rockefeller and his associates and putting many new facts about the Governor's conduct on public record. Therefore, in some areas of concern, we no longer have to act upon rumor. Still, Mr. President, I feel that more information, more answers, are needed.

It is now plain that Mr. Rockefeller conducted a governorship in which the restraints of law and custom were subordinated to his personal style of governing. It is for New Yorkers to decide whether his policies were wise; it is for the rest of us to decide whether his style ought to be transferred to the Federal executive offices. From a close study of the hearings, and my own investigation in public sources, it is my conclusion that the general public has ample justification for apprehension with regard to the nominee. There may be some in this body who have not yet decided whether Mr. Rockefeller is a risk which we ought to accept. Over the next few days I intend to examine some of the key issues of ethics and public policy which were illuminated by the hearings, and the nominee's lack of candor in facing up to them. Tomorrow I will begin with the case of Mr. L. Judson Morhouse.

EXHIBIT 1

[From the New York Times, Dec. 24, 1959]

BIG STAFF ROCKEFELLER DRIVE

(By Leo Egan)

Fabulous and fantastic are the words most often used to describe the organization now in readiness to advance Governor Rockefeller as a candidate for the Republican nomination for President by those who encounter it.

In size, complexity, cost and separation of functions, it compares favorably with national Democratic and Republican campaign organizations set up after nominations are made.

The nerve center of the Governor's organization is located in two converted residences, one five stories high and the other six, at 20 and 22 West Fifty-fifth Street.

The residences are in the vicinity of the site of John D. Rockefeller Sr.'s first private residence in New York City, which he acquired when the Standard Oil Trust was reaching the height of its financial power. John D. Sr.'s home was at 4 West Fifty-fourth.

BUILDINGS JOINED

Since Mr. Rockefeller became Governor the buildings at 20 and 22 West Fifty-fifth have been joined to form a single office building. Together they furnish comfortable accommodations for a staff of seventy, some of whom are concerned with Mr. Rockefeller's duties as Governor of New York and the others with his pursuit of national convention delegates.

Most of the rooms and suites in the two buildings are tastefully furnished in modern furniture, which Mr. Rockefeller favors. Nearly all have wall-to-wall carpeting. Besides the offices themselves, there are reception rooms, a press room wired for television, a dark room, a mimeograph room and conference rooms.

* * * They were bought to house research and philanthropic activities financed by the Governor, which, at that time, were becoming cramped in the offices of the Rockefeller family enterprises at 30 Rockefeller Plaza.

SIX DIVISIONS SET UP

Space is provided at 20 and 22 for the top figures in six of the divisions into which Mr. Rockefeller's nomination campaign is divided. These divisions are the political, position, speech writing, logistics and transportation, image and publicity.

The political division is concerned with obtaining information as to Republican sentiment in various states and areas, with keeping in touch with important Republicans, with advising the Governor on where he should go, whom he should see and the subjects he should talk about.

The political division has four co-chairmen, whose jurisdiction is divided on geographical lines. Roswell P. Parkins, a young lawyer who was Assistant Secretary of Health, Education and Welfare and later Counsel to the Governor, is responsible for New England. R. Birdell Bixby, a law partner of former Gov. Thomas E. Dewey and who was secretary to the Governor during Mr. Dewey's term; is in charge of the south.

UPSTATER HANDLES COAST

George Hinman, an upstate lawyer who is Republican National committeeman for New York and a former member of the Board of Regents, is responsible for the Far West. Lyle W. Hornbeck, another upstate lawyer who is Secretary of the Republican State Committee, is responsible for the Midwest.

In making its plans and devising its recommendations to Mr. Rockefeller, the co-chairmen engage in frequent consultations with J. Russel Sprague, a former national committeeman, L. Judson Morhouse, the Republican State chairman, and many others.

Members of the division often call on Walter E. Bligh, formerly Secretary of the Republican State Committee, and State Commerce Commissioner Keith McHugh for advice and help.

Commissioner McHugh is a former president of the New York Telephone Company. He has an extensive acquaintanceship with business and industrial leaders throughout the country. In many instances his friends are able to furnish him with accurate reports on political conditions in their areas and on the background and standing of key political figures.

Besides his responsibilities for New England political activities, Mr. Perkins, a tall, lanky man who has been close to the Governor for years, is the unofficial head of the "position" unit. Its function is to advise Mr. Rockefeller on the positions he should take on major public questions.

RESEARCH CONTROL UNIT

In discharging its functions, the unit exercises general control over research activities, which are scattered in various places.

In making his report to Mr. Rockefeller, Mr. Perkins is in frequent consultation with Frank Jamieson, a long-time public relations adviser of the Rockefeller family, Stacy May, who has been keeping the Governor informed on economic developments for many years, and with Henry A. Kissinger, associate director of the Center for International Studies at Harvard International Seminar.

The unit is also in touch with academic and business authorities in various fields who provide it with background material and who want Mr. Rockefeller to take one side or the other on various issues.

Besides collecting and sifting information, Mr. Rockefeller should consider in deciding what positions to take on specific issues, the unit tries to obtain advance information on the reaction of various segments of the public to particular stands the Governor is considering.

There is a strong reason to believe, for instance, that leaders in various farm organizations and in the Federal Department of Agriculture were sounded out in advance on their reaction to the farm program Mr. Rockefeller proposed on his recent Midwest trip.

Similarly there is reason to believe that labor union officials and management experts were consulted in advance on Mr. Rockefeller's proposal to retain the present workweek in an effort to stimulate national production.

Rarely does Mr. Rockefeller take a stand on any question until this unit has prepared a "position paper." In summary form, this paper outlines the problems involved, the reasons for and against various measures for dealing with the situation and concludes by making specific recommendations.

TURNED OVER TO SPEECH WRITERS

The "position paper," after its acceptance or modification by the Governor, becomes raw material for the speech writing division.

In this division are Hugh Morrow, who wrote campaign speeches for Senator Kenneth B. Keating in 1958; John Franklin Carter, who helped both the late President Franklin D. Roosevelt and Mr. Dewey with their speeches; Horace (Pete) Craig, who was associated with Mr. Rockefeller when the Governor was in Federal service; Enno Hobbing, a magazine writer and Emmet Hughes, formerly a speech writer for President Eisenhower and author of a recent book on foreign policy.

What is known as the "image" unit operates in close collaboration with the political and position units. Its function is to suggest means whereby a particular concept of Mr. Rockefeller can be built up in the public mind. Right now the "image" being sought is that of a forceful executive ready and willing to meet troublesome problems head-on rather than temporizing with them.

The principal figures in the image division are Thomas Losee, a vice president of the McCann-Erickson advertising agency; Mr. Jamieson and Harry J. O'Connell, who was Mr. Dewey's press secretary and later public relations director for the Republican State Committee.

Oren Root, who directed the Associated Willkie Clubs in the 1940 Presidential campaign, and Carl Spad, a former president of the New York Young Republican Clubs, are responsible for the logistics and transportation unit.

Mr. Root also functions as Mr. Rockefeller's appointment secretary, making sure the Governor sees the politically important people who want to talk with him.

This unit is responsible for scheduling Mr. Rockefeller's trips. It works in close cooperation with Robert T. McManus, the Governor's assistant press secretary, and Jack Vanderwort, secretary of the State Young Republican Clubs. These two are the advance men for the Rockefeller trips. They arrange for press conferences, public appearances, hotel rooms and other details.

Richard Amper, the Governor's press secretary and a former New York Times political writer, heads the publicity unit. This arranges for distribution of Mr. Rockefeller's speeches to newspapers and radio and television stations, for press conferences, and otherwise tries to keep Mr. Rockefeller's name before the public.

Attached to the publicity unit is a subunit known as the letters division. It is headed by Henry Wheately. Its function is to answer a great deal of the Governor's mail. It has a large supply of form letters containing quotations from Rockefeller speeches, interviews, letters and statements on a wide variety of topics.

In some fashion that those associated with Mr. Rockefeller do not attempt to explain, the names and addresses of most of the people who write the Governor asking for his position on various questions get into the hands of the Citizens for Rockefeller a political organization that Mr. Rockefeller professes to know next to nothing about.

CITIZENS GROUP

This group is headed by Alexander Halpern and has Mrs. Russell W. Davenport and Mrs. John L. Loeb as co-chairman and vice chairman. It prints and distributes pamphlets containing Mr. Rockefeller's major addresses, biographies of the Governor and statements by various civic and social leaders commending his leadership and vision.

Besides the activities centering at 20 and 22 West Fifty-fifth, there are several others related to the Governor's potential candidacy going on at the Rockefeller offices at 30 Rockefeller Plaza.

These include the preparation of an authorized biography which should be ready for distribution about the time the preconvention campaign is reaching its height, and a history and appraisal of Mr. Rockefeller's services as Coordinator of Inter-American Affairs during World War II and later as Assistant Secretary of State and Special Assistant to President Eisenhower.

About the only unit usually associated with a full-fledged political campaign that has not yet been organized for Mr. Rockefeller is a finance division.

Normally it is the function of such a division to raise the money to meet the expenses of running such an operation as is now under way on behalf of the Governor.

A few of those engaged in the Rockefeller political operation have state jobs. Mr. Bixby and Mr. Morhouse are both members of the Thruway Authority at $17,000 a year each. Mr. Amper and Mr. McManus are on the state payroll. Mr. O'Donnell is an employe of the Republican State Committee.

Most of the others are volunteers who are involved either directly in politics or on the fringes or who would like to be. The headquarters rent, operating costs, including telephones, and most of the clerical salaries involved are paid by Mr. Rockefeller.

EXHIBIT 2

[From the New York Times, Dec. 4, 1974]

GOVERNOR HOLDS PREVIEW TALK WITH PANEL ON CHOICES FOR UNITED STATES

(By Francis X. Clines)

On the eve of the first meeting of his National Commission on Critical Choices for America, Governor Rockefeller was host last night at a private dinner for Vice President-designate Gerald R. Ford and other members of the commission.

Those invited included Secretary of State Kissinger, a friend and former aide of the Governor, and Secretary of the Treasury George P. Shultz, who, like Representative Ford, is an ex-officio member of the commission.

The commission, formed by the Governor as a state study panel, then elevated at President Nixon's request into a national commission, will hold its first working meeting today to begin its task of analyzing potential problems and solutions of the nation's third century.

While the dinner last night was private, the Governor's office invited photo coverage of guests as they arrived outside the Governor's apartment at 812 Fifth Avenue, opposite Central Park at 62d Street.

Some politicians contend the 36-member commission is a grand vehicle designed by the Governor to propel him toward the White House by guaranteeing him national exposure, Mr. Rockefeller has denied this. In raising the possibility of not running for a fifth term as Governor next year, he has said it might be difficult to serve as both Governor and chairman of the commission.

Mr. Ford, arriving late from Washington, said he viewed the commission not as a political vehicle but as a "very honest and very constructive effort" by the Governor to help the nation. The Representative repeated that he himself had no plans to seek elective office.

He expressed optimism that he would soon be confirmed by the House, but added, "I have seen ballgames lost in the last quarter."

At 11 p.m., Mr. Ford strode out of the apartment building and termed the evening a "wonderful, very wholesome meeting" that did not, he said, contain any discussion of partisan politics. "Nelson and I are very good friends, and he knows I have no interest in running for anything in 1976," he added.

Earlier, Secretary of State Kissinger, Secretary of the Treasury George P. Shultz and the Senate Republican leader, Hugh Scott of Pennsylvania emerged together but declined to comment to newsmen. The State Environmental Conservation Commissioner, Henry L. Diamond, rumored to be in line for an executive role with the commission, also declined comment, "I'm here for dinner, that's all," he said.

Inside, the members of the commission dined on lobster and cornish hen at two large tables set up in the dining room and foyer, surrounded by the modern sculpture and paintings that Governor Rockefeller collects.

NO POLITICS, EITHER

They heard brief remarks from Mr. Kissinger, Mr. Schultz, Mr. Ford and Governor Rockefeller, but no formal business was conducted, according to those at the gathering. No politics was discussed either, according to Bess Myerson, former Consumer Affairs Commissioner here.

"I was there all through it and I heard none," Miss Myerson said. "And I was listening very closely."

In seeking to draw the line between Presidential politics and the work of the commission, the Governor's office said that a press conference Mr. Rockefeller was to hold this afternoon following the commission meeting would entertain only questions related to the Governor's role as chairman. The meeting is to be held at the St. Moritz Hotel.

The commission's membership includes the majority and minority leaders of Congress and an array of bankers, business leaders, government officials, scientists and educators.

Wide-ranging polls and studies are planned by the commission, which will have a budget financed by public and private sources ranging as high as $20-million, according to one early estimate. Mr. Rockefeller and his brother, Laurance, the businessman and environmentalist, each have contributed $1-million to start the commission's work.

According to the Governor, the commission will "address itself systematically to the nature and direction of events, seek a new perspective on the emerging problems and forces at work in the world, develop new concepts within which we can cope with them, and thus help to chart the future for America."

The commission is forming a new corporation, The Third Century Corporation, to finance the study, and tax-exempt status is being sought. The members of the commission are unsalaried, and their expenses are paid by the corporation.

Mr. Rockefeller yesterday added three more persons to the national commission. They were Dr. Paul McCracken, former chairman of the Council of Economic Advisers and now professor of business administration at the University of Michigan; Dr. Ernest L. Boyer, chancellor of the State University of New York, and Edward J. Logue, president and chief executive officer of the State Urban Development Corporation.

Exhibit 3

[From the New York Times, Oct. 21, 1974]

ROCKEFELLER UNIT ENLISTS 139 AIDES—CRITICAL CHOICES PANEL PAY $975,000 TO CONSULTANTS

(By Peter Kihss)

Vice President-designate Nelson A. Rockefeller has enlisted 139 university and other intellectual leaders coast to coast and overseas as consultants at a first-year cost of $975,000 in contracts for his Commission on Critical Choices for Americans.

They include such personalities as Walt W. Rostow, former special assistant to the late President Lyndon B. Johnson and now professor of economics at the University of Texas, on a year's contract started last April for $25,000. Prof. John Dunlop of Harvard, former director of the Cost of Living Council, is to get $15,000.

The ongoing effort, in which the first studies may start being published next January, includes still other experts who receive such fees as $150 a day for reading and evaluating a single paper.

FIFTY-FOUR STAFF MEMBERS

The commission has 41 members named by Mr. Rockefeller, as its chairman, and 10 special members of study panels, both categories being paid only actual expenses in their membership or panel capacities. Consultants are recruited by the staff, which now has 54 full-time members.

Of the commissioners, Prof. Davis S. Landes of Harvard, is to receive $5,000 a quarter for directing studies of Western Europe, to be made by eight contributors under contract.

Another commissioner, Daniel P. Moynihan, Ambassador to India, as a $5,000 consultant, is to produce a paper on "Social Policy from the Utilitarian Ethic to the Therapeutic Ethic."

So far the commission has raised $2,743,284 in paid contributions and has pledges for $680,000—a total of $3,423,284 toward its projected $6.5-million budget for the two years ending Dec. 31, 1975.

BROTHERS GIVE $2 MILLION

The financing is being carried out by a specially created Third Century Corporation, of which Mr. Rockefeller is chairman, and Peter J. Wallison, commission counsel, is treasurer.

Of the contributions, Mr. Rockefeller and his brother, Laurance, have given $2,040,573—on Saturday, the Vice President-designate, reported his share as $1,034,047.

The other sources are as follows:

	Paid so far	*Additional pledges*
Thomas J. Walson Foundation, Providence, R.I.	$250,000	$250,000
Reader's Digest Foundation, Pleasantville, N.Y.	25,000	25,000
Andreas Foundation, Minneapolis	45,000	5,000
William S. Paley, Charitable Trusts, New York City	25,000	25,000
Mr. and Mrs. Frank K. K. Greenwall, New York City (he has been a chemical manufacturer)	$25,000	$25,000
Brown Foundation, Houston	50,000	50,000
Vincent Astor Foundation, New York City	250,000	250,000
21 individuals and foundations, under $15,000 each	32,711	--------
John Hay Whitney, chairman International Herald Tribune	-------	50,000

Mr. Wallison projected expenditures through December as follows:

Geographic studies directed by Mrs. Nancy Maginnes Kissinger, commission staff member and wife of the Secretary of State	$340,000
Overseas polling, directed by Lloyd A. Free, president, Institute for International Social Research, Johns Hopkins University	160,000
Study of "Man's Nature and His Institutions," directed by Irving Kristol, professor of urban values at New York University and a founder of The Public Interest magazine	100,000
Other consultants' fees and expenses	375,000
Salaries and benefits for staff	960,000
Headquarters expenses at 22 West 55th Street (no rent being paid for Rockefeller town house), telephones, publications, etc	375,000
Travel for staff, commission, panels	140,000

AFFILIATIONS VARY

President Ford had been an ex-officio member of the commission while Vice President. Current ex-officio members are:

Secretary of State Kissinger.
Mike Mansfield of Montana, Senate Majority leader.
Hugh Scott of Pennsylvania, Senate minority leader.
Representative Thomas P. O'Neill Jr. of Massachusetts, House majority leader.
John J. Rhodes of Arizona, House minority leader.

At least 17 of the other 36 members have present or past governmental backgrounds. The special panelists have such affiliations, Chase Manhattan Development, Lehman Brothers, Overseas Development Council, Population Council and Rockefeller Foundation.

Consultants come from not only American institutions, but the London School of Economics, American Universities at Cairo and Beirut, Tel Aviv Shiloah Institute and College de France.

Leading staff members include the following:

Henry L. Diamond, executive director, former State Commissioner of Environmental Conservation.
Wilson K. Talley, study director, formerly University of California.
Carl R. Gerber, deputy study director, formerly Brookings Institution.
Sandra Archibald, director of planning analysis, formerly University of California.
Roger W. Hooker Jr., director of domestic studies, former director of New York State's office in Washington.
Antoinette Joseph, panel coordinator, on loan from the United States Atomic Energy Commission.
Ronald P. Erickson, panel coordinator, formerly Office of Economic Opportunity.
Richard Kaufman, panel coordinator, of the Chase Manhattan Bank.
Bruce L. R. Smith, panel coordinator, of Columbia University.
Walter D. Littell, director of communications, formerly National Broadcasting Company.

NOMINATION OF ROBERT A. SEAMANS, JR., TO BE ADMINISTRATOR OF ERDA, AND NOMINATION OF DEPUTY ADMINISTRATOR—REFERRED JOINTLY TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND THE JOINT COMMITTEE ON ATOMIC ENERGY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination of Mr. Seamans to be Administrator of ERDA, and the Deputy Administrator, be referred jointly to the Interior Committee and the Joint Committee on Atomic Energy, with the understanding that all Members of the Senate from other committees having jurisdictional claims over at least a part of the responsibilities to be administered by the Administrator of ERDA—namely the Public Works Committee, the Commerce Committee, and the Space Committee—will be invited to participate in those hearings; further, that the hearings be conducted under the chairmanship of the distinguished Senator from Washington (Mr. JACKSON).

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I want to thank the distinguished majority leader for his tolerance and patience with the minority whip.

This is a very difficult, somewhat controversial jurisdictional problem and I want to indicate that the Senator from Arizona (Mr. GOLDWATER) is not altogether happy with it, but I have had a chance to check with him and he has indicated to me that he will reluctantly go along with this arrangement.

Mr. MANSFIELD. If the Senator will yield, I say that the chairman of the Committee on Aeronautical and Space Science, the Senator from Utah (Mr. MOSS), feels exactly the same way.

Mr. GRIFFIN. I thank the Senator.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL MONDAY, DECEMBER 9, 1974, AT 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow it stand in adjournment until the hour of 10:30 a.m. on Monday.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES TO OCCUR TOMORROW BEFORE THE HOUR OF 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes tomorrow after the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar Orders numbered 1235 and 1237.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR ROBERT L. RAUSCH TO ACCEPT A POSITION IN CANADA

The bill (S. 2931) to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with clause 8, section 9, article I of the Constitution, the Congress consents to Robert L. Rausch accepting an office or position in a university maintained by the Government of Canada, or any political subdivision thereof, and accepting compensation for services performed in such an office or position, except that consent is not given to his performing services in such an office or position during any period during which is performing active service as an officer of the Public Health Service.

MINTING OF DOLLARS, HALF-DOLLARS AND QUARTER-DOLLARS

The bill (S. 4204) to authorize the Secretary of the Treasury to continue the minting of dollars, half-dollars, and quarter-dollars bearing the current design and coinage date during calendar year 1975, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 93-127 is amended by adding at the end thereof the following new section:

"SEC. 6. Nothing in this Act prohibits the Secretary of the Treasury, when he deems it necessary to assure an adequate supply of coins to meet the national needs, from continuing the minting for issuance during calendar year 1975 of dollar, half-dollar, and quarter-dollar coins bearing the design and coinage date provided for in section 3517 of the Revised Statutes, as amended (31 U.S.C. 324).".

SEC. 2. The first sentence of section 4 of Public Law 93-127 is amended by striking out "July 4, 1975" and inserting in lieu thereof "July 4, 1976".

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will meet at the hour of 10 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. HELMS will be recognized for not to exceed 15 minutes, after which Mr. GRIFFIN will be recognized for not to exceed 15 minutes, after which Mr. MANSFIELD will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each.

At the present time, I know of no rollcall votes that will occur tomorrow; however, such votes could occur. In the event any votes are ordered tomorrow, they will occur no later than 12:30 p.m.

I am at the moment not knowledgeable as to what measure will be called up tomorrow. I, therefore, let the program stand as is.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and at 6:47 p.m. the Senate adjourned until tomorrow, Thursday, December 5, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate December 4, 1974:

DEPARTMENT OF STATE

Dixy Lee Ray, of Washington, to be an Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. (New position.)

NUCLEAR REGULATORY COMMISSION

William A. Anders, of Virginia, to be a Member of the Nuclear Regulatory Commission for a term of 1 year. (New position.)

IN THE COAST GUARD

The following Regular officers of the U.S. Coast Guard for promotion to the grade of commander:

Earl D. Johnson
Robert E. Phelps
Thomas C. Schafer
Robert F. Stoeltje
Michael R. Johnson
Merrill C. Louks
Donald A. Naples
David F. Cunningham
Leon F. Bobeck
James H. Parent
William E. Ecker, Jr.
Carl M. Brothers
Alan F. Miller
Robert S. Bates
Alexander E. Tanos
Charles F. Reid
Gerald F. Hotchkiss
William E. Neal
John N. Faigle
John H. Hill
Richard W. Long
Richard O. Buttrick
James E. Margeson, Jr.
George F. Ireland
Gary F. Crosby
Walter T. Leland
William C. Park III
Ronald C. Pickup
David L. Parr
Kyle A. Shaw
David E. Ciancaglini
Thomas Y. Lawrence, Jr.
William J. Ecker
Gregory A. Penington
Keith P. Pensom
Leo N. Schowengerdt, Jr.
George H. Moritz III
Arthur C. Foster
Robert W. Talley
George E. Jackman
Loren D. Gordon
Allen R. Turner
Ralph W. Lawrence
Robert L. Phelps
Kenneth R. Gard
Bradley L. Wood
George J. Seney
Karl E. Stansell, Sr.
Dale R. Schmidt
Joseph A. Underwood
James F. Ronan
Richard H. Graham
Richard E. Ahrens
Charles B. Pitcock
Kenneth F. Bishop, Jr
Walter R. Glenning
Clayton D. Morrison
Glen M. Larsen
Keith C. Edgecomb
Aylmer R. Trivers
Robert E. Ettle
Kenneth H. Cary, Jr.
John L. Linnon, Jr.
Leonard F. Alcantara
Lloyd C. Burger
James F. Meade
Robert M. Wehr
John D. Vitkauskas
Byron H. Romine
Richard A. McBride
Richard A. Appelbaum
David A. Hough
David L. Folsom
John R. Wallace
Guy P. Clark
Stephen P. Leane
Dennis C. Hilliard
Robert C. Eddy
James L. Shanower
Donald G. Langrock
Joseph C. Amaral
Robert H. Cassis, Jr.
Brent C. Mills
Peter A. Joseph
Douglas C. O'Donovan
Macon T. Jordan
Donald H. Ramsden
Joseph L. Crowe, Jr.
Billy D. Lovern

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the Regular Coast Guard in the grades indicated:

Commander

Dean A. Frankenhauser

Lieutenant commander

Donald A. Anderson
Hugh Huleatt
Charles R. Havnen

Lieutenant

Richard J. Dein
William J. Smith, Jr
Francis J. Aube
Duane R. Jefts
Donald A. Jensen
Alan J. Cross
Frank V. Olszewski
Stephen A. Scully
James M. McKernan, Jr.
James N. Skelton
Carl Lowry, Jr.
Thomas E. Frasher
Paul J. Bibeau
Kenneth W. Stallings
Lawrence M. Jasmann
Elizabeth M. Karr
William M. Dozier
David L. Olsen
Christopher L. Gregory
Milton S. Dillon III
Louis Machado
Stephen J. Wehner

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the Regular Coast Guard in the grade of lieutenant (junior grade) and for promotion to the grade of lieutenant:

Robert D. Arnett
Jeffrey T. Peck
Thomas C. Booth III
Michael M. Jackson
Gary L. Gregory
Kenneth D. Palmer
Brian W. Ross
Steven M. Bergeron
Charles O. Burch
William R. Schleich
Bernard J. Lambert
Richard F. Carlson
Robert B. Ellard
James D. Fernie
Anthony Regalbuto
Albert C. Muccilli

CONFIRMATION

Executive nomination confirmed by the Senate December 4, 1974:

OFFICE OF MANAGEMENT AND BUDGET

Paul H. O'Neill, of Virginia, to be Deputy Director of the Office of Management and Budget.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

WITHDRAWAL

Executive nomination withdrawn from the Senate December 4, 1974.

William A. Anders, of Virginia, to be a Member of the Nuclear Regulatory Commission, which was sent to the Senate on December 2, 1974.

HOUSE OF REPRESENTATIVES—*Wednesday, December 4, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let Thy mercy, O Lord, be upon us, according as we hope in Thee.—Psalms 33: 22.

O God and Father of us all, who art the source of light and life and the companion of our pilgrim way, we invoke Thy blessing upon this House of Representatives and upon this Nation of ours they are endeavoring to lead in right and just and true ways.

Grant that all our leaders in government, business, and labor may be filled with Thy spirit—the spirit of wisdom, understanding, and good will. So prosper the industries and the commerce of our people that there may be no want, no hunger anywhere. May our free institutions always be free that in deed and in truth we may be the home of liberty.

We pray that good will may dwell in the hearts of our citizens, that right may prevail in all our doings, and that peace may abide in our world.

In Thy holy name we pray. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate having proceeded to reconsider the bill (H.R. 12628) entitled "An act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam-era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes," returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was resolved, that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1296) entitled "An act to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. BIBLE, Mr. CHURCH, Mr. FANNIN, and Mr. HANSEN to be the conferees on the part of the Senate.

The message also announced that Mr. STEVENS was appointed to replace Mr. BAKER as a conferee on H.R. 15223, strengthening the laws governing the transportation of hazardous materials.

LEGISLATIVE PROGRAM

(Mr. **O'NEILL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **O'NEILL**. Mr. Speaker, I take this time to announce the program for today. The program for today will be as follows:

First of all, there will be consideration of a resolution offered to suspend the rules in order that we may bring up, starting on Monday next, under suspension of the rules, any items which the Speaker so desires. This is the customary type of resolution for this purpose.

We will then follow with consideration of the conference report on H.R. 16900, supplemental appropriations;

Then we will consider H.R. 17505, budget rescissions;

H.R. 16204, health policy, planning and resources development, under an open rule, with 1 hour of debate;

H.R. 5385, surface transportation, under an open rule, with 1 hour of debate; and

H.R. 14266, international air transportation fair competitive practices, under an open rule, with 1 hour of debate.

I am sure the Members will appreciate the fact that the Democrats are still caucusing, and under an agreement that was made previously, we will have the use of the Chamber, subject to the approval of the leadership on both sides, this evening. This was agreed to last week. Consequently, we intend to make a motion to adjourn the House sometime around 5 p.m., and the Democratic caucus will meet in this Chamber at 6 o'clock this evening. That is the plan at the present time.

Mr. **MICHEL**. Mr. Speaker, will the distinguished majority leader yield?

Mr. **O'NEILL**. I yield to the gentleman from Illinois.

Mr. **MICHEL**. Mr. Speaker, in view of suspensions being in order beginning next Monday, is it anticipated that there will be a full schedule on the Monday following?

Mr. **O'NEILL**. Yes, very definitely. We will follow from item No. 6 on the agenda. I believe we finished consideration of seven items yesterday on the list of suspensions. We will follow with consideration of the items on that list, and no doubt there will be other suspensions.

Mr. **MICHEL**. Mr. Speaker, if the gentleman will yield further, what is the prospect for tomorrow?

Mr. **O'NEILL**. Mr. Speaker, that is a matter which has not been decided. We are waiting for the minority leader, the gentleman from Arizona (Mr. RHODES), and the leadership on the other side of the aisle, and it is expected that they will discuss this with the Speaker and with myself.

Mr. **MICHEL**. Mr. Speaker, I thank the gentleman.

THE RICE ACT OF 1974

(Mr. **ALEXANDER** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **ALEXANDER**. Mr. Speaker, yesterday the House Committee on Rules granted a rule on H.R. 15263, the Rice Act of 1974. This action responds to an emergency in the world today, which is the critical international shortage of food that this planet is experiencing for the first time in modern history.

Mr. Speaker, all reports confirm the fact that the world population is increasing at a much faster pace than food production.

With this emergency at hand, Mr. Speaker, it would appear that the Rice Act should be scheduled for floor action next week.

THE RICE ACT OF 1974

(Mr. **BURLISON** of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BURLISON** of Missouri. Mr. Speaker, I wish to associate myself with the remarks of my friend, the gentleman from Arkansas (Mr. ALEXANDER), and the gentleman from Puerto Rico (Mr. BENITEZ), in commending the Committee on Rules for reporting out a rule on the rice bill.

I know that the enactment of this legislation will mean more food for a hungry world. It will mean more rice for a hungry world. It will mean more income for our farmers. It will mean less red ink in our trade deficits in this country.

I am sure that I join many Members of this House in urging the Speaker, now that a rule has been granted, to move this legislation with rapidity to the floor of the House.

THE ENERGY EMERGENCY AUTHORITIES ACT

(Mr. **ECKHARDT** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **ECKHARDT**. Mr. Speaker, way back on April 29, 1974, the Committee on Interstate and Foreign Commerce reported out the Standby Energy Emergency Authorities Act, H.R. 13834, which is the only meaningful address of major importance, of which I am aware, to the question of inflation that has been passed out of a committee of this House in this session.

On May 21, 1974, the bill, placed on suspension, failed to get a sufficient number of votes, as one might have expected when a bill of that importance was so treated.

Mr. Speaker, I would urge strongly that this important, crucial piece of legislation, that affects the price of oil, which in turn causes approximately 30 percent of the inflationary trend, be acted upon in this session. I do not think that we can wait until another session to deal with the basic problems of inflation.

CALLING UP THE RICE ACT OF 1974

(Mr. **PEYSER** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **PEYSER**. Mr. Speaker, in our prayer today at the opening of the House, we prayed to relieve hunger in the world.

Mr. Speaker, I heard this morning—and I trust it is not true—that with respect to the rice bill that has been passed by the Committee on Rules, a decision had been reached by the Speaker not to have that bill reach the floor.

I do not want to believe that rumor. I certainly hope it is not true, because it is vital that this rice bill reach the floor, if it does this country could produce 30 percent more rice to feed the world and also our own people at more reasonable prices.

The White House called me a half hour ago and asked me to take the floor to particularly ask the Members of the House to use all their influence and all of their good will to see that this bill reaches the floor so that we can gain the kind of rice production we need.

APPOINTMENT OF CONFEREES ON H.R. 16901, MAKING APPROPRIATIONS FOR AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION PROGRAMS FOR FISCAL YEAR ENDING JUNE 30, 1975

Mr. **WHITTEN**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 16901) making appropriations for the Agriculture-Environmental and Consumer Protection Programs for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The **SPEAKER**. Is there objection to the request of the gentleman from Mississippi? The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, SHIPLEY, EVANS of Colorado, BURLISON of Missouri, NATCHER, SMITH of Iowa, CASEY of Texas, MAHON, ANDREWS of North Dakota, MICHEL, SCHERLE, ROBINSON of Virginia, and CEDERBERG.

AUTHORIZING SPEAKER TO RECOGNIZE FOR MOTION TO SUSPEND RULES ON MONDAY, DECEMBER 9, 1974, AND AT ANY SUBSEQUENT TIME DURING REMAINDER OF 2D SESSION, 93D CONGRESS

Mr. **MADDEN**. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1483 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1483

Resolved, That it shall be in order for the Speaker at any time on Monday, December 9, 1974, and at any subsequent time during the remainder of the second session of the Ninety-third Congress, to entertain motions to suspend the rules, notwithstanding the provisions of clause 1, rule XXVII.

The **SPEAKER**. The gentleman from Indiana is recognized for 1 hour.

Mr. **MADDEN**. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution, House Resolution 1483, has been reported to the floor by the Rules Committee to help expedite the business of the House during the waning days of the 93d Congress.

The rules of the House permit the suspension of the rules during the last 6 days of the session. That leaves only about a week for this resolution to be operative—assuming the Congress adjourns before Christmas.

The resolution provides that the Speaker may entertain motions to suspend the rules on Monday, December 9, 1974, and thereafter during the remainder of the 93d Congress, so we can finish the Nation's business in an expeditious manner.

Mr. Speaker, I urge the adoption of the resolution.

Mr. Speaker, I now yield to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1483 provides authority for the Speaker to entertain motions to suspend the rules at any time, beginning on Monday, December 9 through the remainder of the 93d Congress.

In previous years, resolutions similar to this have been adopted permitting suspensions to be considered during the last week of the session, but the effect of this resolution will be to allow suspensions to be considered during approximately the last 2 weeks of the session.

Mr. Speaker, I am opposed to this resolution because I believe too much ill-considered legislation may be passed during the last days of this Congress. Legislation considered under suspension may not be amended and I feel this is a poor way to legislate. All Republican members of the Rules Committee voted against the resolution.

Mr. Speaker, I urge defeat of this resolution.

Mr. FREY. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I will be happy to yield to the gentleman from Florida.

Mr. FREY. I thank the gentleman for yielding.

Is it not true that there would be a time, the 16th or 17th or so, where we could consider a number of these bills under suspension with proper notice and a proper chance to look at and review the legislation in question?

Mr. DEL CLAWSON. There certainly could be. There is no reason at all for providing 2 weeks at this point. We can have a calendar, and they can be placed on the schedule so we can know what is scheduled.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the distinguished majority leader.

Mr. O'NEILL. I thank the gentleman for yielding.

I am sure the gentleman is aware of the fact that it has been the intention of the leadership on this side in that particular week—I believe it starts with the 16th—to bring up the Rockefeller confirmation before the House. That is the present plan of the Committee on the Judiciary. Then we could have the vote on either Thursday or Friday of that week and then adjourn sine die to come back to the new session. I am sure the gentleman is aware of that.

We have had innumerable calls from the White House to see if the Committee on the Judiciary and the leadership could possibly get this on the floor. We need this suspension resolution to enable us to consider important bills and make way for the Rockefeller confirmation. If the gentleman is not interested in the fact that this Rockefeller matter should then be on the floor, then we perhaps should suspend the recommendation and forgo the legislation. That is the argument the gentleman is using.

I should surely hope that the gentleman would go along with what, in my opinion, is a normal request.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Iowa.

Mr. GROSS. I thank my friend from California for yielding, and commend him for his opposition to this resolution.

Is the distinguished majority leader saying that we are going to consider the confirmation or rejection of the nomination of Mr. Rockefeller under suspension of the rules?

Mr. O'NEILL. If the gentleman will yield further; no, of course not. The gentleman appreciates it is not under suspension. But the gentleman made mention of the fact that normally we would come up under suspension in the last week of the session. In the last week of the session, I anticipate that the Committee on the Judiciary will have reported, and this grave matter which so concerns the President of the United States will be in full discussion before this House. Consequently, we would not have time for the suspension.

Mr. GROSS. If the gentleman will yield further, if this resolution is adopted, the Rockefeller proposition could be called up under suspension of the rules.

Mr. O'NEILL. If the gentleman will yield, that is not anticipated.

Mr. GROSS. I thank the gentleman very much. I felt certain I could get a qualified answer.

May I ask the gentleman from California if we have not already perverted rule XXVII by extending it to 2 days on each call of the Suspension Calendar?

Mr. DEL CLAWSON. That is what I understand.

Mr. GROSS. Why do we not then do the decent thing and repeal rule XXVII? Why keep it on the books if it is going to be perverted to fit almost any occasion?

Mr. DEL CLAWSON. If it is meaningless and we never use it, it probably should be repealed.

Mr. GROSS. That is exactly right. Suspension of the rules is a brutal procedure in the disposition of important legislation. No amendments may be offered by individual Members and debate is limited to only 40 minutes, no matter how important the legislation. Use of suspension of the rules procedure as is here proposed for the remainder of the session beginning next Monday is wrong and the resolution should be defeated.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I have no further requests for time.

I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DEL CLAWSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 210, nays 164, answered "present" 1, not voting 59, as follows:

[Roll No. 651]

YEAS—210

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bennett
Bergland
Bevill
Biaggi
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Casey, Tex.
Chappell
Clay
Collins, Ill.
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Denholm
Donohue
Downing
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Fountain
Fulton
Fuqua
Gaydos
Giaimo
Ginn
Green, Oreg.
Green, Pa.
Grover
Gubser
Gunter
Haley
Hamilton
Hanley
Harrington
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holtzman
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Landrum
Leggett
Lehman
Long, La.
Long, Md.
Luken
McCormack
McFall
McKay
Madden
Mahon
Mann
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Randall
Rangel
Rees
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Taylor, N.C.
Teague
Thornton
Towell, Nev.
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waldie
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zion

NAYS—164

Abdnor
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Biester
Blackburn
Bray
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Butler
Camp
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conlan
Coughlin
Cronin
Daniel, Robert W., Jr.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
du Pont
Edwards, Ala.
Findley
Fish
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gross
Gude
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Heinz
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
Madigan
Mallary
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moorhead, Calif.
Myers
Nelsen
O'Brien
Parris
Pettis
Powell, Ohio
Price, Tex.
Pritchard
Quillen
Railsback
Regula
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Rousselot
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Treen
Vander Jagt
Veysey
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Young, Fla.
Zwach

ANSWERED "PRESENT"—1

Young, S.C.

NOT VOTING—59

Anderson, Ill.
Blatnik
Brasco
Brotzman
Brown, Calif.
Carey, N.Y.
Chisholm
Clark
Conable
Crane
Davis, Wis.
Dellums
Dent
Diggs
Dingell
Erlenborn
Esch
Eshleman
Ford
Fraser
Gettys
Grasso
Gray
Griffiths
Hanna
Hansen, Wash.
Hawkins
Holifield
Howard
Huber
Jones, N.C.
Jones, Tenn.
Kyros
Landgrebe
Litton
McSpadden
Macdonald
Maraziti
Mathias, Calif.
Mills
Mosher
Obey
Passman
Podell
Quie
Rarick
Reid
Roncalio, N.Y.
Rooney, N.Y.
Steiger, Wis.
Symington
Thompson, N.J.
Tiernan
Ullman
Wiggins
Wyman
Young, Alaska
Young, Ga.
Young, Ill.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CONTINUED USE OF LANDS WITHIN THE SEQUOIA NATIONAL PARK

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 444) to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment as follows:

Strike out all after the resolving clause and insert: That the Secretary of the Interior is hereby authorized to issue a permit to occupy and use lands of the United States within Sequoia National Park necessary for the continued operation, maintenance, and use of the hydroelectric project known as the Keweah Number 3 project of Southern California Edison Company.

SEC. 2. The term of such permit shall expire not later than the expiration of existing or future licenses granted by the Federal Power Commission to Southern California Edison Company for said Kaweah Number 3 project (Federal Power Commission project numbered 298), but in no event shall the term of such permit extend for any period in excess of ten years following the date of its issuance, unless specifically authorized by law. Such permit shall contain such other terms and conditions as the Secretary of the Interior shall deem necessary for the protection and utilization of Sequoia National Park.

SEC. 3. Such permit shall specifically recite that the privileges granted thereby are to be exercised in accordance with the Federal Power Act (16 U.S.C. 791(a)–825(u)), and the rules and regulations thereunder which the Secretary of the Interior, after consultation with the Federal Power Commission, determines to be applicable.

SEC. 4. The National Park Service shall, not less than one hundred and eighty days prior to the termination date of such permit, report to the Congress, in writing, with respect to the impact of the operations of the hydroelectric project (known as the Kaweah numbered 3 project of Southern California Edison Company) on the Sequoia National Park.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, if I may have the attention of the gentleman from North Carolina, I could not hear the text of the Senate amendment as read. Is it germane to the bill?

Mr. TAYLOR of North Carolina. The gentleman is correct. It is germane.

Mr. GROSS. Does it call for the expenditure of any additional funds?

Mr. TAYLOR of North Carolina. It does not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 16900, SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 26, 1974.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, the conference report before us represents an appropriation of $8,659,352,078 in new budget authority. This is an increase of $380,710,900 over the budget request.

It is $223 million above the House bill and $144 million below the Senate bill, which means that in conference, while we were already tens of millions of dollars above the budget, the other body was over the budget by a greater amount. It should be kept in mind, however, that the Senate considered some $150 million in budget estimates which were not considered by the House.

In the conference, the Senate figure was reduced by $144 million-plus. There were 85 amendments in the supplemental appropriations bill which were attached by the Senate.

Mr. Speaker, many people are inclined to talk about how we are not providing sufficient funds for our social programs. If any rebuttal is needed in that respect, this bill provides the information. This bill shows that the Congress, if it adopts this conference agreement, is going far above the President's proposals in its efforts to expand and improve social programs. My needs have not been met but in view of the fiscal situation this is fully understandable.

We are providing these vast sums at great fiscal risk, because we will have a unified budget deficit this year of more than $10 billion, and we will go in debt this fiscal year by more than $20 billion.

The Members may ask why, if we are only exceeding the present budget figure by $10 billion, we will go in debt by some $20 million. The answer to that question is very simple. In submitting the budget, under the present laws and regulations, the President does not consider, in computing the deficit, the surpluses which are being borrowed from the social security fund and from the highway trust fund, and other trust funds, upon which interest must be paid, and the fact that these amounts must be paid back to the highway trust fund and the social security fund and the other funds involved.

So it is a rather dismal fiscal situation which confronts the country. The situation apparently is going to get worse before it gets better. It has been bad for a long time.

Mr. Speaker, this bill is large—$8 billion-plus—mainly because it provides appropriations for housing and community development programs and for the Elementary and Secondary Education Act, both items for which appropriations were deferred in the regular bill because of a lack of legislative authorization at the time the regular bills were passed.

The major changes over the House bill consist of $93,650,000 in 1975 and $4,181,000 in 1976 for elementary and secondary education, $34,650,000 for the Atomic Energy Commission, $11,250,000 for the Economic Development Administration, $25,000,000 for airport development, $9,000,000 for Eisenhower College, $10,000,000 for veterans' health manpower training institutions, and $16,322,000 for construction of an extension to the New Senate Office Building.

Mr. Speaker, we continue to support airports, and we continue to reduce the amount which the local people need to contribute toward airport programs, despite the fact that under our revenue sharing legislation many of the States and communities are in excellent fiscal shape. I believe my own State is estimating a surplus this year of $1.5 billion.

The enactment of this conference report will provide to former President Nixon $100,000 under the Presidential Transition Act and $100,000 under the Former Presidents Act. These are amounts that were agreed to by both the House and Senate. These amounts were not in conference but are part of the bill. However, the conference agreement contains an amendment which limits to $70,000 the aggregate salaries of all employees retained by the former President on a nonreimburseable basis beginning with the enactment of this act and ending February 9, 1975.

Let me say to the Members of the House that eight subcommittees of the Committee on Appropriations worked diligently on this bill, holding hearings, marking up, and handling the bill otherwise.

Much has been said about subcommittee chairmen, as to how important subcommittee chairmen are. I think they are vitally important in performing the work of the House. Certainly, they are and have been an indispensable element in the operation of the Committee on Appropriations.

Therefore, the Members, the chairman and ranking minority members of the Committee on Appropriations dealing with these matters and other members of the Committee on Appropriations on the floor—all of us, as a matter of fact—are familiar with the legislation which is before us. As the discussion continues, some of them will be able to comment, on the issues which any Member may wish to inquire about.

STATUS OF 1975 APPROPRIATION BILLS

Under leave to revise and extend, I thought it might be useful to the Members to discuss at this time the status of the 1975 appropriation bills. Nine of the thirteen regular appropriation bills have been enacted into law plus the special energy research and development appropriation bill. Awaiting the President's signature is the Labor-HEW bill.

The new agriculture-environmental and consumer protection bill which was previously vetoed is pending conference between the House and Senate. The military construction bill passed the House November 26 and is pending before the Senate.

This leaves the foreign aid appropriation bill, the outlook for which is uncertain. Because of the uncertainty of an authorization bill, no decision has yet been made about how to proceed on the appropriation bill for foreign aid.

Mr. Speaker, under leave to revise and extend my remarks and include extraneous material, I insert at this time a table which shows the conference action compared with the House and Senate amounts:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN BILL—SUMMARY

Chapter No.		Budget estimates	House bill	Senate bill	Conference action	Conference action compared with— Budget estimates	Conference action compared with— House bill	Conference action compared with— Senate bill
I	Housing and Urban Development, Space, Science, and Veterans: New budget (obligational) authority (NOA)	2,179,625,000	2,179,625,000	2,195,000,000	2,185,000,000	+5,375,000	+5,375,000	−10,000,000
II	Labor and Health, Education, and Welfare: NOA:							
	1975	3,097,932,000	3,409,263,000	3,498,324,000	3,462,824,000	+364,892,000	+53,561,000	−35,500,000
	1976	2,323,537,000	2,373,537,000	2,357,718,000	2,377,718,000	+54,181,000	+4,181,000	+20,000,000
	Total	5,421,469,000	5,782,800,000	5,856,042,000	5,840,542,000	+419,073,000	+57,742,000	−15,500,000
	(Transfer)	(7,400,000)		(5,900,000)	(7,400,000)		(+7,400,000)	(+1,500,000)
III	Legislative: NOA	18,686,805	347,400	18,700,205	18,700,205	+13,400	+18,352,805	
IV	Public Works—AEC: NOA	73,000,000		78,000,000	34,650,000	−38,350,000	−34,650,000	−43,350,000
V	State, Justice, Commerce, and Judiciary: NOA	64,389,500	57,033,500	87,594,500	72,136,500	+7,747,000	+15,103,000	−15,458,000
	(Transfer)	(20,000,000)		(20,000,000)	(20,00,0000)		(+20,000,000)	
VI	Transportation: NOA	93,245,000	4,170,000	133,170,000	77,170,000	−16,075,000	+73,000,000	−56,000,000
VII	Treasury, Postal Service and General Govt: NOA	360,753,000	356,092,000	367,466,500	365,966,500	+5,213,500	+9,874,500	−1,500,000
VIII	Claims and Judgments: NOA	51,472,873	50,569,662	51,472,873	51,472,873		+903,211	
IX	Interior and related agencies:							
	NOA	16,000,000	5,114,000	16,294,000	13,714,000	−1,286,000	+8,600,000	−2,580,000
	(Appropriation to liquidate contract authority)		(500,000)	(500,000)	(500,000)			
	(Transfer)	(15,000,000)		(15,000,000)	(15,000,000)		(+15,000,000)	
	Total New Budget Authority:							
	1975	5,954,104,178	6,062,214,562	6,446,022,078	6,281,634,078	+372,529,900	+219,419,516	−164,388,000
	1976	2,323,537,000	2,373,537,000	2,357,718,000	2,377,718,000	+54,181,000	+4,181,000	+20,000,000
	Grand total: NOA	8,278,641,178	8,435,751,562	8,803,740,078	8,659,352,078	+380,710,900	+223,600,516	−144,388,000
	(Appropriation to liquidate contract authority)		(500,000)	(500,000)	(500,000)	(+500,000)		
	(Transfer)	(42,400,000)		(40,900,000)	(42,400,000)		(+42,400,000)	(+1,500.000)

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Does this supplemental appropriation conference report provide any money whatsoever for the foreign aid handout program?

Mr. MAHON. I would say to my friend, I am sure there is nothing in this bill for the foreign assistance program.

Mr. GROSS. The gentleman does not agree with me that it is a handout program.

Mr. MAHON. There are many elements of handouts which the gentleman from Iowa and the gentleman from Texas have sought to do something about for years; but each President, Democrat and Republican, in his time has such an emotional attachment to foreign aid that it seems almost impossible to pare the budget requests sufficiently to please the critics of the program, and there is ample basis for criticism of the program. Without doubt our Presidents have felt that foreign aid is an important element in the effort to promote world peace and the security of the United States.

Mr. Speaker, I reserve the balance of my time.

Mr. CEDERBERG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and members of the committee, it is my intention to be very brief in my remarks, because there are other Members who handled the various subcommittees involved in this particular supplemental bill, and who will go into more detail.

I think it appropriate to remind the Members of the House that just before we adjourned for the election, we overwhelmingly passed a sense of the Congress resolution to set a target spending of $300 billion in this fiscal year, a reduction from $305-plus billion to $300 billion.

The President, in compliance with that request and in accordance with the Budget Control Act that we passed in the House, has already sent to the Congress certain deferrals and certain rescissions that are going to be required to be acted upon in the coming weeks.

Even then, they were only able to bring outlays down in the area of $302 billion.

This gives us an indication of the difficulty in trying to bring about the kind of fiscal restraint that of course is essential and very necessary.

This bill that is before the House today is some $380 million over the money requested in the budget. I recognize and I understand, having been a member of the conference, how difficult it is when you try to resolve the differences between the two bodies in this legislation that are so deeply involved in our own districts and in our own States. However, I think we do have a responsibility to point out the fact that of this additional $380 million, the overwhelming portion is mandated spending.

I have received word from the White House that they have very serious reservations about the mandated spending in this legislation, and there is some question as to what will happen to it after it is enacted by the House and sent over there for their consideration. The President has been assuming his responsibility in trying to keep the fiscal affairs of the country in order. Now I think it is time for the Congress to assume its responsibility. Frankly, I am not sure we have been doing this the way we should, but we are here today with this bill.

As I said, it represents things that are of interest to all of us. Much of it is needed. I think we could probably have done just as well if the amount over the budget was substantially less than it is, but that is the situation that we are faced with here at the present time.

I know that we all went back to our districts during the October recess prior to the election, and I dare say that there were probably very few of us in this body who did not campaign on a balanced budget. I think also that the new Members who will be assuming their seats here in January after the new Congress convenes, probably all or most all of them, as they went along the campaign trail, spread the gospel of fiscal responsibility and the need for a balanced budget. How that was to be accomplished, of course, is a different story. But the time has come when we are going to have to do some belt-tightening. Whether we like it or not, it is going to be required of us to tell our constituents that we cannot continue to go forward year after year with substantial deficits amounting into the billions of dollars, financed in the private money market in competition with others who are trying to finance their needs, whether they be private individuals or businesses that have capital requirements, I think it behooves us for the long term to try to do all that we can do to keep to a minimum the amount of money we have to go out and finance, because of the massive deficits we have been running.

When we look at the budget that the President will have to bring to us this coming fiscal year, I think we are all going to be rather amazed that the size is going to be so substantial because there are built-in increases over which the President and the Bureau of the Budget have no control. It is my understanding that the new budget, instead of being about $302 billion, will have to come in, in the order of $325 or $330 billion. So you can see what we are looking ahead at down the road.

Mr. Speaker, I will take no further time on this. As I said, we have members of our subcommittees who have a major responsibility for this bill, and they will discuss the details of it further.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Speaker, chapter II of the bill before us today (H.R. 16900) contains appropriations for the Departments of Labor and Health, Education, and Welfare. The amounts recommended by the Committee of Conference for chapter II add up to a total of $5,840,542,000, of which $3,462,824,000 is for fiscal year 1975, and $2,377,718,000 is for fiscal year 1976. The 1975 appropriations recommended by the conferees are $365,610,000 more than the budget request, $53,561,000 more than the amount provided in the bill as it passed the House, and $35,500,000 less than the amount provided in the Senate bill. I shall insert in the RECORD at the conclusion of my remarks a detailed table which will show the amounts in the bill as agreed upon in conference for each program, with appropriate comparisons to the 1974 appropriations, the budget, and the House and Senate bills.

DEPARTMENT OF LABOR

The conference agreement includes $7,130,000 in supplemental appropriations and $7,400,000 in transfers for the Department of Labor for a total of $14,530,000. None of these amounts were included in the House bill. The Senate considered $17,050,000 in supplemental budget requests which were submitted to the Senate after the House committee had completed its consideration of the supplemental appropriation bill, of which $7,400,000 was to be derived by transfer from appropriations in the regular Labor-HEW appropriation bill for 1975. The Senate bill provided $11,030,000, including $5,900,000 to be derived by transfer.

The supplemental appropriation bill, together with the regular Labor-HEW appropriation bill, provides a total of $3,363,187,000 for fiscal year 1975 for Department of Labor programs. The conference agreement on H.R. 16900 includes $8,150,000 for the Labor-Management Services Administration, $1,500,000 less than the budget request, to carry out the Department of Labor's very considerable new responsibilities under the Employee Retirement Income Security Act of 1974 (P.L. 93-406); and $6,080,000 for the Employment Standards Administration, $720,000 less than the budget request, to carry out activities under the 1972 amendments to the Longshoremen's and Harbor Workers' Compensation Act, the 1974 amendments to the Fair Labor Standards Act, and the Rehabilitation Act of 1973, and to process backlogs in workmen's compensation cases. The $6,080,000 for the Employment Standards Administration includes the following: $3,455,000 for research studies related to the 1974 amendment to the Fair Labor Standards Act, a reduction of $1,700,000 from the budget request; $817,000 and 75 positions for enforcement of handicapped employment provisions of the Rehabilitation Act, an increase of $500,000 and 50 positions over the budget request; $745,000 and 74 positions, the amount of the budget request, for enforcement of minimum wage and overtime laws for newly covered workers; $330,000 and 30 positions, the amount of the budget request for enforcement of equal pay and age discrimination legislation; $253,000 and 6 permanent and 15 temporary positions for the Longshoremen's and Harbor Workers' Compensation Act; and $480,000 and 74 temporary employees to process backlog in workmen's compensation cases.

Of the total amount for the Employment Standards Administration, $5,600,000 would be derived by transfer from appropriations in the regular bill for "comprehensive manpower assistance."

The conferees have also agreed to the $300,000 provided in the Senate bill for the Bureau of Labor Statistics for the development of a broader consumer price index for urban households.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The HEW items in the supplemental appropriation bill were, for the most part, considered in the House as well as the Senate. It is somewhat misleading to refer to "supplemental appropriations" in this connection, since what we have here are full-year appropriations for programs for which no funds were included in the regular Labor-HEW appropriations bill for fiscal year 1975, due to late enactment of authorizing legislation. Another unusual feature of the HEW portion of H.R. 16900 is that it contains appropriations for both fiscal years 1975 and 1976. Advance appropriations for Federal aid to education in fiscal year 1976 were requested by the President, and were included in both the House and the Senate versions of the bill.

The conference agreement includes $5,833,412,000 for programs of the Department of Health, Education, and Welfare, of which $3,455,694,000 is for fiscal year 1975, and $2,377,718,000 is for fiscal year 1976.

The 1975 appropriations for HEW are $206,744,000 more than the comparable appropriations for fiscal year 1974, $368,130,000 more than the budget request, $46,431,000 over the amounts included in the House bill, and $37,500,000 less than the amounts in the Senate bill.

The 1976 appropriations for HEW are $56,893,000 more than the comparable appropriations for fiscal year 1975, $54,181,000 more than the budget request, $4,181,000 over the amounts included in the House bill, and $20 million more than the amounts included in the Senate bill.

The conference agreement for HEW programs is quite close to the amounts in the House bill for both 1975 and 1976.

HEALTH PROGRAMS

For "Health services," the Senate conferees agreed to restore $1 million of the $2 million reduction which the Senate made in appropriations for technical assistance contracts for community health centers.

For "Health resources" the House conferees agreed to the distribution of the total proposed by the Senate, which involves reductions from the amounts in the House bill for health services research and evaluation and program direction, and increases for health professions and nursing student loans and National Health Service Corps Scholarships. They also agreed to the overall reduction of $1,200,000 made by the Senate.

EDUCATION PROGRAMS

The conference agreement includes $5,545,568,000 for education programs, of which $3,168,250,000 is for fiscal year 1975, and $2,377,718,000 is for fiscal year 1976. The 1975 appropriations for education will be $175,264,000 more than the comparable appropriations for 1974, $347,054,000 more than the budget request, $38,631,000 over the House bill and $38,500,000 less than the Senate bill. The 1976 appropriations are $56,893,000 more than the comparable appropriations for 1975, $54,181,000 over the budget request, $4,181,000 over the House bill, and $20 million above the Senate bill.

A major difference between the House and Senate bills with respect to elementary and secondary education was in the amounts provided for parts A, B, and C of title I of the Elementary and Secondary Education Act. The conference agreement is essentially a compromise between the amounts in the House and Senate bills for these three parts of title I. For supplementary services under title III of the Elementary and Secondary Education Act, the House provided $125,000,000, the Senate provided $120,000,000, and the House receded. For bilingual education programs under title VII of the Elementary and Secondary Education Act, the House provided $70,000,000, the Senate provided $90,000,000, and the conferees agreed to $85,000,000. For equipment and minor remodeling under title III of the National Defense Education Act, the House provided $15,000,000, the Senate provided $28,500,000, and the conferees agreed to $21,750,000. For nutrition and health programs, the House provided no funds, the Senate provided $1,900,000, and the conferees agreed to $900,000. For fiscal year 1976, the budget and the House bill provided $172,888,000 for a new program of support and innovation grants which consolidates four existing separate grant programs. The Senate cut this to $152,888,000. The House conferees argued that the House figure was the minimum amount required by the basic law in order for the consolidation to go into effect, and the Senate receded.

The conferees also agreed to make the funds available for studies of the title I program which are authorized in basic law, and were permitted by the House bill, but not by the Senate bill. The conferees agreed to Senate language guaranteeing that Puerto Rico will receive the same amount in fiscal year 1975 grants under title I for handicapped, neglected, and delinquent children as it received in fiscal year 1974, and to Senate language authorizing the use of bilingual education funds for bilingual vocational training.

The Senate deleted the language in the House bill which prohibited the use of funds to compel a school system to classify, assign, or maintain records by the sex, race, religion, or national origin of teachers or students. This language was inserted in the House bill by an amendment offered by the gentlelady from Maryland (Mrs. Holt) which was adopted by a record vote of 221 to 168. I opposed the amendment in the floor debate, and I voted against it. The conferees agreed to restore a portion of the provision, leaving out the portion which prohibited HEW from requiring school systems to prepare or maintain any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students. On Monday, I received a letter from the Secretary of Health, Education and Welfare stating, in essence, that the provision agreed to by the conferees will stop HEW from enforcing title VI of the Civil Rights Act and title IX of the Education Amendments of 1972. Mr. Speaker, this is the first communications on this subject which I have received from the Secretary or anyone else in HEW. I certainly wish he had made his views known before the conference rather than after it. I shall insert the Secretary's letter in the record at this point:

Department of Health,
Education, and Welfare,
December 2, 1974.

Hon. Daniel J. Flood,
Chairman, Subcommittee on Labor and Health, Education, and Welfare, Committee on Appropriations, House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Supplemental Appropriations bill for fiscal year 1975 (H.R. 16900) as reported out of the Conference Committee contains the following proviso relating to the classification and assignment of teachers and students for reasons of race, religion, sex, or national origin: "*Provided further*—That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin."

Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

Although the Conference deleted language from the original Holt Amendment that would have prohibited the Department from requiring school systems to prepare or maintain "any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students," the prohibition relating to the classification of students and teachers was left intact. That provision would prohibit the Department from requiring grantees to collect and report certain statistical information relating to the treatment of minorities. Without such information the Department would be unable to make the key decisions as to where to direct our investigative resources under titles VI and IX. Nor would we be able to investigate the numerous complaints of discrimination against minorities and women without access to data classifying students and teachers.

In addition to those problems, however, the above proviso would prohibit the Department from compelling any school system, as a condition to the receipt of Federal funds, to "assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin." Although this language is somewhat ambiguous, in our view it would restrict the Department from enforcing the requirements of titles VI and IX in those cases where a reassignment of teachers or students might be necessary to eliminate discriminatory assignment practices.

This is a highly complex legal issue and one that is certain to be presented to the courts. If the courts give full effect to the proviso, the Department could not carry out its responsibilities under titles VI and IX. Doubtless there are various interpretations courts could adopt; but it might take two to three years to get a final interpretation. In the meantime we could not violate the Holt Amendment and therefore we would not be able to enforce titles VI and IX to the extent indicated.

Sincerely,

Caspar Weinberger,
Secretary.

For school assistance in federally affected areas, better known as "impacted area aid," both the House and Senate bills contained the same amount, $656,016,000, and, of course, that is the amount agreed upon in conference.

For State grants for education of the handicapped, the House bill contained $85,000,000, the Senate bill contained $125,000,000, and the conferees agreed on $100,000,000.

The House receded on the changes made by the Senate in the appropriation for "Occupational, vocational, and adult education," including increases of $1,800,000 for ethnic heritage studies and $4,181,000 for 1975 and 1976 for State grants for adult education, language permitting the use of funds for a clearing house on adult education, and language making funds appropriated in the regular Labor-HEW Appropriation Act for 1975 for "career education" available under the specific authority of section 406 of the Education Amendments of 1974, rather than under the general authority of the Cooperative Research Act. The Senate conferees agreed to drop $750,000 included in the Senate bill but not in the budget or the House bill for an education in the arts program.

As I have noted earlier, the conference agreement for education programs exceeds the budget request by $401,235,000. We should keep in mind that $358,423,000 of this excess over the budget was provided in the House bill, and of that amount, $198,600,000 was inserted in the bill by floor amendments which were adopted by votes of 280 to 114 and 280 to 120.

YOUTH DEVELOPMENT

The House conferees agreed to the Senate appropriation of $10,000,000 for youth development programs authorized by the Juvenile Justice and Delinquency Prevention Act which became law on September 7. A budget request of $12,000,000 for these programs was sent to the Senate, and was not considered in the House.

The amount provided in this supplemental for HEW, added to the amount in the regular bill, provides a total of $32,879,864,000 for HEW programs for fiscal year 1975.

This does not include $1,376,305,000 in 1975 budget estimates which have not yet been considered, because authorizing legislation which expired at the end of fiscal year 1974 still has not been extended by the Congress.

That concludes my remarks on chapter II, Mr. Speaker, and I ask that the detailed table to which I referred earlier be inserted in the Record at this point:

LABOR-HEW CHAPTER OF SUPPLEMENTAL APPROPRIATION BILL, 1975 (H.R. 16900) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY

Agency and item	1974 amount available	Budget estimate, 1975	House bill	Senate bill	Conference agreement
CHAPTER II					
DEPARTMENT OF LABOR					
Manpower Administration					
Program administration	$71,762,000			−$1,500,000	
Comprehensive manpower assistance (by transfer)	2,265,584,000			(−5,600,000)	
Labor-Management Services Administration					
Salaries and expenses	24,398,000	$9,650,000	Not considered	6,150,000	$6,650,000
(By transfer)	( )	( )		( )	(1,500,000)
Employment Standards Administration					
Salaries and expenses	54,628,000			480,000	480,000
(By transfer)	(2,800,000)	(6,800,000)	Not considered	(5,600,000)	(5,600,000)

Footnotes at end of table.

Agency and item	1974 amount available	Budget estimate, 1975	House bill	Senate bill	Conference agreement
CHAPTER II—Continued					
DEPARTMENT OF LABOR—Continued					
Bureau of Labor Statistics					
Salaries and expenses	$48,635,000				
(By transfer)	(...)	($600,000)	Not considered	($300,000)	($300,000)
Departmental Management					
Salaries and expenses	24,571,000				
(By transfer)	(...)			(−300,000)	(...)
Total, Department of Labor	2,489,578,000	9,650,000		5,130,000	7,130,000
(By transfer)	(2,800,000)	(7,400,000)		(5,900,000)	(7,400,000)
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Health Services Administration					
Health services:					
Technical assistance (HMO) contracts	500,000	2,000,000	$500,000	500,000	500,000
Community health center technical assistance contracts	5,068,000	3,722,000	3,222,000	1,222,000	2,222,000
Total, Health Services Administration	**5,568,000**	**5,722,000**	**3,722,000**	**1,722,000**	**2,722,000**
Alcohol, Drug Abuse, and Mental Health Administration					
Saint Elizabeths Hospital		1,789,000	1,789,000	1,789,000	1,789,000
Health Resources Administration					
Health resources:					
National health statistics	21,075,000	24,000,000	21,511,000	21,511,000	21,511,000
Health services research and evaluation:					
(a) Grants and contracts	39,705,000	40,800,000	39,705,000	34,705,000	34,705,000
(b) Research training	3,400,000	1,200,000	1,200,000	1,200,000	1,200,000
Subtotal	43,105,000	42,000,000	40,905,000	35,905,000	35,905,000
Health manpower:					
(a) Health professions student loans	36,000,000	30,000,000	33,200,000	36,000,000	36,000,000
(b) National health service scholarships	3,000,000	22,500,000	21,500,000	22,500,000	22,500,000
(c) Nursing student loans	22,800,000	18,000,000	21,800,000	22,800,000	22,800,000
(d) Program management	13,816,000	10,757,000	10,217,000	9,217,000	9,217,000
Subtotal	75,616,000	81,257,000	86,717,000	90,517,000	90,517,000
Total, Health Resources Administration	139,796,000	147,257,000	149,133,000	147,933,000	147,933,000
Office of Education					
Elementary and secondary education:					
Aid to disadvantaged children (ESEA I):					
Part A—Basic grants for 1975	1,653,760,000	[1] 1,805,550,000	[1] 1,844,550,000	1,799,800,000	[1] 1,820,550,000
Advance appropriation for 1976		1,865,673,000	1,898,750,000	1,866,923,000	1,882,212,000
Part B—Incentive grants for 1975	17,855,000	28,000,000		28,000,000	14,000,000
Advance appropriation for 1976		33,077,000		33,077,000	16,538,000
Part C—Urban-Rural grants	47,700,000	48,000,000	28,000,000	48,000,000	38,000,000
Studies and surveys for 1975		3,450,000	3,450,000	200,000	3,450,000
Advance appropriation for 1976		1,250,000	1,250,000		1,250,000
Bilingual education	58,350,000	70,000,000	70,000,000	90,000,000	85,000,000
Civil rights advisory services		5,000,000	5,000,000	5,000,000	5,000,000
Supplementary services	146,393,000	146,393,000	125,000,000	120,000,000	120,000,000
Strengthening State departments of education	39,425,000	39,425,000	39,425,000	39,425,000	39,425,000
Equipment and minor remodeling	28,500,000	28,500,000	15,000,000	28,500,000	21,750,000
Nutrition and health	1,900,000	1,900,000		1,900,000	900,000
Dropout prevention	4,000,000	4,000,000			
Support and innovation grants (1976)		172,888,000	172,888,000	152,888,000	172,888,000
Libraries and instructional resources (1976)		137,330,000	137,330,000	137,330,000	137,330,000
Total, ESEA for 1975	**1,997,883,000**	2,180,218,000	2,130,425,000	2,160,825,000	2,148,075,000
Advance appropriation for 1976		2,210,218,000	2,210,218,000	2,190,218,000	2,210,218,000
School assistance in federally affected areas:					
Maintenance and operations:					
A children	200,100,000	223,900,000	223,900,000	223,900,000	223,900,000
B children	312,566,000	38,900,000	354,616,000	354,616,000	354,616,000
Special provisions	22,200,000	14,500,000	14,500,000	14,500,000	14,500,000
Payment to other Federal agencies	39,550,000	43,000,000	43,000,000	43,000,000	43,000,000
Subtotal	**574,416,000**	320,300,000	636,016,000	636,016,000	636,016,000
Construction	**19,000,000**	20,000,000	20,000,000	20,000,000	20,000,000
Total, SAFA	**593,416,000**	340,300,000	656,016,000	656,016,000	656,016,000
Education for the handicapped:					
State grant program for 1975	$47,500,000	$47,500,000	$85,000,000	$125,000,000	$100,000,000
Advance appropriation for 1976		50,000,000	100,000,000	100,000,000	100,000,000
Special target programs:					
Deaf-blind centers	14,055,000	12,000,000	12,000,000	12,000,000	12,000,000
Early childhood projects	12,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Specific learning disabilities	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
Regional resource centers	7,243,000	9,243,000	9,243,000	9,243,000	9,243,000
Subtotal	36,548,000	38,493,000	38,493,000	38,493,000	38,493,000
Innovation and development	9,916,000	9,916,000	9,916,000	9,916,000	9,916,000
Technology and communications:					
Media services and captioned films	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
Recruitment and information	500,000	500,000	500,000	500,000	500,000
Special education and manpower development	39,615,000	37,700,000	37,700,000	37,700,000	37,700,000
Total, Education for the handicapped for 1975	147,079,000	147,109,000	184,609,000	224,609,000	199,609,000
Advance appropriation for 1976		50,000,000	100,000,000	100,000,000	100,000,000
Adult education for 1975	63,485,000	63,319,000	63,319,000	67,500,000	67,500,000
Advance appropriation for 1976		63,319,000	63,319,000	67,500,000	67,500,000
Ethnic heritage studies	2,500,000			1,800,000	1,800,000
Library resources	90,250,000	90,250,000	95,250,000	95,250,000	95,250,000
Salaries and expenses	98,373,000	(2)		750,000	
Total, Office of Education for 1975	**2,992,986,000**	2,821,196,000	3,129,619,000	3,206,750,000	3,168,250,000
Advance appropriation for 1976		2,323,537,000	2,373,537,000	2,357,718,000	2,377,718,000

LABOR-HEW CHAPTER OF SUPPLEMENTAL APPROPRIATION BILL, 1975 (H.R. 16900) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY—Continued

Agency and item	1974 amount available	Budget estimate, 1975	House bill	Senate bill	Conference agreement
Assistant Secretary for Human Development					
Human development:					
(a) Youth development	10,000,000	12,000,000	Not considered	10,000,000	10,000,000
(b) Nutrition for the elderly	99,600,000	99,600,000	125,000,000	125,000,000	125,000,000
Total, Human development	109,600,000	111,600,000	125,000,000	135,000,000	135,000,000
Total, HEW for 1975	3,247,950,000	3,087,564,000	3,409,263,000	3,493,194,000	3,455,694,000
Advance appropriation for 1976		2,323,537,000	2,373,537,000	2,357,718,000	2,377,718,000
Total, Ch. II:					
New budget (obligational) authority	5,737,528,000	5,420,751,000	5,782,800,000	5,856,042,000	5,840,542,000
Consisting of:					
1975 appropriations		3,097,214,000	3,409,263,000	3,498,324,000	3,462,824,000
1976 appropriations		2,323,537,000	2,373,537,000	2,357,718,000	2,377,718,000

[1] Includes up to $5,000,000 for a comprehensive study by the National Institute of Education.

[2] Excludes $718,000 which relates to items carried in the regular bill for 1975.

Mr. CEDERBERG. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, most of this $8.7 billion supplemental is in the Labor-HEW chapter—more than $5.8 billion of it. The reason for this, as already explained by my chairman, is that the education part of our chapter is not a true supplemental, but is, in fact, the first time around on the fiscal 1975 budgets of many items that we were not able to include in the regular Labor-HEW Appropriation bill. And, as the chairman also pointed out, there is some $2.3 billion in this bill in advance appropriations for fiscal 1976.

My chairman has gone into considerable detail on the items and amounts in our chapter, so I will just hit some of the highlights and points I think my colleagues ought to keep in mind.

First, we ought to look at the bottom line on the whole bill. We are more than $372 million over the budget estimates, on an $8.7 billion bill. But, in our Labor-HEW chapter, we are nearly $420 million over the budget requests for fiscal 1975 and 1976 combined.

The big problem, of course, was impact aid. The budget request came up at $253 million below the fiscal 1974 level. So, if we had kept everything at the budget request level, and did nothing but bring impact aid up to the 1974 level, we would have been 5 percent over the budget without even blinking an eye. As it was, money was added on the House floor to bring it well above the 1974 level, so we are nearly $316 million over the budget on that one item alone.

We are also over the budget on these items:

Student assistance loans for health professions. We are $6 million over the budget, but maintaining the fiscal 1974 program level;

Nursing loans. We are $4.8 million over the budget, but maintaining the fiscal 1974 program level;

Bilingual Education. We are $15 million over the budget request, and $26.6 million over the fiscal 1974 program level;

State Grant Program for Education for the Handicapped. We are $52.5 million over the budget for fiscal 1975, and $50 million over for 1976;

Adult Education. We are over the budget nearly $4.2 million for fiscal 1975 and the same for fiscal 1976. The Senate added this as well as an additional $1.8 million for Ethnic Heritage studies for fiscal 1975.

Nutrition for the Elderly. We are $25.4 million over the budget.

Library Resources. We are $5 million over the budget.

We did go below the budget on several items, including HMO contracts and community health center contracts, health services research and evaluation grants and contracts, health manpower program management, supplementary services in education, and some other items, but these come nowhere near offsetting the increases.

The chairman is placing in the RECORD a table listing all the items in our chapter of this bill, and I would recommend that my colleagues take a look at it.

I would further just remind them of two things. First, again, we should keep in mind that this is the first consideration of budget items for most of elementary and secondary education and other education items.

Second, Members should be aware that the President's budget request came up with several important changes beyond the reduction in funds for Impact Aid. Among these are:

An $18.5 million increase for National Health Service Scholarships;

A $145 million increase for ESEA title I funds for State and local education agencies;

An $11.7 million increase for bilingual education and an additional $5 million related to bilingual in Civil Rights Advisory Services; and

Forward funding of the title I ESEA program and the consolidated categorical programs.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished chairman of the committee.

Mr. MAHON. I thank the gentleman for yielding.

This is a good time to discuss the overall actions of the Congress on appropriations. The gentleman has just pointed out and I pointed out earlier, that in this bill we are $380 million above the budget. I must say that this gives me considerable concern, and, of course, I realize, as the gentleman from Illinois does, that there could very well be a veto on this measure. Of course it is up to us to use our best judgment in legislative matters and it is up to the President to use his best judgment. I would point out that in appropriation bills thus far in new obligational authority, that is, the bills which we have handled and will handle, we will be probably $6 billion below the President's budget. That is not in spending but in new budget authority.

Mr. MICHEL. That is important.

Mr. MAHON. I wish the gentleman would engage in colloquy as to what the situation is with respect to overall spending, and I am talking now of the spending that is mandated by action of the various legislative committees and approved by the Congress in which the Appropriations Committee as such does not have a voice.

Mr. MICHEL. There is no question but what we find ourselves locked in during the course of our deliberations in many of these items. I am not altogether sure now what the total figure might be, particularly in the HEW chapter on mandated spending over which we have no control. Take public assistance where this year the regular bill was $13 billion, and a matching of 45 percent to 50 percent for the States and Federal Government. We have no control whatsoever.

We had a difference in judgment between the administration and the Congress ranging from $800 million to $1.2 billion as to what were the appropriate estimates for public assistance. When we get into disagreements of over a billion dollars in estimates for one program, we are not talking about small change here, and that is part of our problem.

Mr. MAHON. If the gentleman will yield further, I think it is fair to say that probably in overall spending by the Congress through all its committees, and I am not talking about appropriations but overall spending, we will probably be about even with the President's budget. This does not consider the President's latest message on budget reductions, over which there is, of course, considerable controversy.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, the gentleman from Texas is not quite correct in that. This is a theory we have been spreading about for a long time. It is true as far as the Appropriations Committee, we have been reducing obligational requests. How much did we do last year in reducing in the Appropriations Committee?

Mr. MAHON. We reduced appropriations around $5 billion.

Mr. CEDERBERG. But what was the result at the end of the year on spending after all congressional actions?

Mr. MAHON. After all other congressional actions we were above the budget requested by $2.4 billion.

Mr. CEDERBERG. The present situation is the outlay request was $305 billion and it is between $306 billion and $307 billion now. That is one of the reasons the President, when he sent up his recisions and deferrals, could not get back to $300 billion. We are about $1.5 billion over what the President originally requested in the budget spending. So we should be talking about spending and not new obligational authority, because it creates a euphoria around the country that somehow the Congress is more responsible than it is.

Mr. MAHON. If the gentleman will yield further, the Congress did pass a resolution setting a target of $300 billion in spending for this year as contrasted with the President's original budget estimate of $305 billion. The President has transmitted some proposed rescissions and deferrals. Later in the afternoon we are going to propose certain rescissions. The President last week transmitted a budget reduction package of over $4 billion which contains a variety of recommendations about reducing spending. Whether we will get to it in this session or not seems to me to be somewhat doubtful, but I think it is important that we keep ever before us the fact that while we do reasonably well at times in reducing funds requested in appropriation bills, we have done a very inadequate job through the years in terms of raising enough revenue to pay for what overall we spend in the Federal Government. I believe the people of this country should have the Federal programs and services they require, but we have not done an adequate job of balancing budgets for a number of years.

I restate that in appropriations bills, the Congress, while to some extent reordering priorities, has for years been under the President's budget. On numerous occasions, however, we have exceeded the budget in legislative bills other than appropriations bills. The distinguished and able ranking minority member of the committee made reference to reestimate of some $306 billion in outlays for the fiscal year. He is correct but I should add that some of the increase is attributable to uncontrolables. These has been a whopping increase in interest of the Federal debt since the budget was submitted.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Iowa.

Mr. GROSS. What was the total for the Departments of Labor-Education-Health and Welfare in the regular appropriations bill?

Mr. CEDERBERG. The regular bill was $32 or $33 billion, I think.

Mr. GROSS. $33 billion, was it not?

Mr. CEDERBERG. $33 billion, yes.

Mr. GROSS. This takes spending on these agencies to what figure?

Mr. CEDERBERG. We have almost $6 billion in this bill for Labor-HEW, $3.4 billion for the fiscal year 1975 and $2.3 billion for the fiscal year 1976.

Mr. GROSS. And with the replenishment of the trust funds, it will reach, as the gentleman from Pennsylvania (Mr. FLOOD) told us in his presentation of the regular Labor-Health-Education and Welfare appropriation bill, it will run to $126 billion, or somewhere in that neighborhood.

Mr. CEDERBERG. That is correct.

Mr. GROSS. For the fiscal year 1975?

Mr. CEDERBERG. Well, I think we have to bear in mind that inflation increases some of these items. Inflation is running at about 10 percent, and they say we ought to pile on that much more, whether it is a research grant, contract or whatnot. It really presents a pretty dismal picture of the future, if we are trying to think in serious terms of bringing this whole thing under control, because there is this mounting pressure, "Let's do more and more," with no thought given to where we will raise the money.

Mr. GROSS. So there is no thought whatever of balancing the budget, much less any kind of a payment on the Federal debt and a reduction of the carrying charges on that debt. It makes me sick to contemplate this kind of spending and I must vote against this supplemental appropriation bill of more than $8½ billion.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Speaker, I thank the chairman for yielding this time to me.

I take this time to advise the House of the fact that after the adoption of the conference report and at the time that amendments in disagreement are being considered by the House, it will be my intention and many other Members of the House to oppose the adoption of that particular amendment. That amendment is known as amendment No. 17. It has reference to what became known as the Holt amendment at the time this supplemental bill was considered by the House. The Holt amendment provides as follows:

> *Provided further*, that none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes or courses for reasons of race, religion, sex, or national origin.

Since this conference report has come out of the conference committee, the distinguished chairman of the subcommittee that brings this particular report in has been advised by Secretary Weinberger of HEW, and I refer partially to that letter in which he advised as to contained in this report.

Secretary Weinberger says:

> Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

In the event that we are able to vote down the adoption of that particular amendment, amendment No. 17, it will then be my intention to offer for the consideration of this body an amendment in which the House will be asked to recede and to concur with an amendment, the effect of which would be to put back into the bill the exact language contained in the original House report, but which basically excludes the Holt amendment language.

I hope at that time that the Members of the House will do what the Senate has done, which was to defeat both in committee and on the floor of the House the same, identical amendment which was offered in that body. I therefore urge you to defeat the amendment in disagreement in order that I may be able to offer my motion that the House recede and concur with an amendment.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FLOOD), chairman of the subcommittee.

Mr. BELL. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. Mr. Speaker, I yield to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Speaker, I would like to ask the distinguished chairman of the subcommittee on Labor-HEW a question. Neither this bill nor the Labor-HEW appropriations bill which has already been sent to the President contain any funds for the emergency school aid program, which has been in operation since 1972 providing much needed aid for school districts engaged in the process of desegregating their schools. I understand that you did not include funds for the program in the regular bill since the authorization for the program had expired. However, since that time the authorization was extended through fiscal year 1976, and yet no funds were contained in the supplemental for the program even though the supplemental contains funds to continue virtually all other education programs.

My question is: What is going to happen to the program after both the regular bill and the supplemental are enacted and the authority of the continuing resolution expires? Will the program have the right to spend money? If so, at what rate and under what legal authority?

Mr. FLOOD. The committee deferred consideration of the 1975 budget request on the emergency school item because the administration had proposed new legislation which has not been enacted. The 1975 budget request is for $75 million based on this proposed new legislation. The committee plans this: To consider the funding of these programs in the next supplemental appropriation bill when we would be, of course, in a much better position to assess the outlook for this proposed new legislation by the administration.

If it appears that the new legislation

will not be enacted in this fiscal year, then we will consider appropriating funds based under the present law. In the meanwhile—in the meanwhile—funding for the existing program is authorized by the continuing resolution at the annual rate of $236 million, so that funds are available to continue the projects until an appropriation can be made. I would expect that the present continuing resolution will be extended as long as necessary until the matter is settled.

Another point is that this is essentially what we call forward funding.

The SPEAKER pro tempore (Mr. McFall). The time of the gentleman from Pennsylvania has expired.

Mr. MAHON. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, we will need to remember that phrase, "forwarding funding" from now on. It means that the current year appropriation is used to finance projects by the local school districts in the following year.

Mr. BELL. Mr. Speaker, I thank the gentleman for his response.

Mr. CEDERBERG. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. Derwinski).

Mr. DERWINSKI. Mr. Speaker, will the gentleman from Oklahoma (Mr. Steed) answer a question, please?

Mr. STEED. I will be glad to.

Mr. DERWINSKI. With respect to the appropriation for the postal service, the amount recommended applies exclusively to the payment to be made by the postal service to the Civil Service Retirement and Disability Fund. Is that correct?

Mr. STEED. That is correct.

Mr. DERWINSKI. Are there any funds provided for additional revenue foregone as the result of the extension of the phasing periods for certain classes of mail as provided by S. 411, which was enacted as public law 93-328?

Mr. STEED. There are no funds in this bill for revenue because of that act. We did consider it, but since it adds some $44 million-plus estimated that the revenue foregone would add to their cost, which had not cleared the Bureau of the Budget, we put it in abeyance.

It is our understanding that sometime early in the next fiscal year we will receive some information from the administration as to what amount of funds they consider needed to cover this reasonable cost factor of the extension of the time on phasing out on some of these classes of mail that the action the gentleman is referring to covers.

Mr. DERWINSKI. Mr. Speaker, I thank the gentleman for his replies.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. TALCOTT. I thank the gentleman for yielding. I want to urge the adoption of this conference report. I remind my colleagues that this contains the whole appropriation of the new Housing and Urban Development Act, $2.25 billion, which is urgently needed and which is under the budget.

Mr. Speaker, it is a pleasure for me to join with my distinguished chairman, the gentleman from Texas, and with my friend, the able gentleman from Massachusetts, to urge the adoption of this conference report. The conferees worked with great vigor to maintain the House position on most of the crucial issues in this bill, and the end result is one of which we can all be proud.

I am pleased with our success in title I of the bill. The title will provide the funding to get the new block grant programs underway which we in the Congress established under the Housing and Urban Development Act of 1974. These programs, which are scheduled to commence in less than a month, will replace the older, ineffective, categorical grant programs such as Model Cities. Under the new block grant approach the communities will be able to determine their own needs, and to allocate available financial resources in line with their own priorities.

In the past, far too much emphasis was placed on the results of certain of the categorical programs so that many cities were renewed, and then re-renewed. Communities were all but forced to apply for unnecessary or low priority projects just to share in Federal grant money. Huge projects of dubious value were commenced just to obtain a share of available funds. It is my hope, as well as that of many others in this Chamber, that the new programs will end the wasteful practices of the past.

It is truly unfortunate that the tardiness of the House and Senate action on this supplemental request has left the Department of Housing and Urban Development in the difficult position of having only a matter of days from the approval of their budget for these massive new programs until the date on which they are to be implemented, the First of next month. As many Members are aware, many of the allocations are made in compliance with complex formulas contained in the authorizing legislation. Because levels of program funding could not be determined until we in the Congress completed action on this supplemental appropriation, the planning process at all levels within the Department was impeded. I regret that this has happened, and hope that Members from either this House or the other body will refrain from attempting to blame the Department for any hitches in implementing the new programs, because much of the blame could surely be laid exactly where it belongs, right here on Capitol Hill.

Along with the new block grants for community development this bill contains funds for the new housing program which will replace many of the old subsidized programs which have proven themselves to be costly, ineffective, and been scandal ridden, practically from their inception. The passing of these programs will certainly not be mourned by the American taxpayer.

The new housing program is designed to meet the many needs of Americans from a broad cross section of our Nation. The new program is expected to meet the housing needs of the urban poor and of rural Americans. It can also meet the housing needs of our elderly and of our colleges and universities. The Department has assured us that this program blends strength and flexibility and will be instrumental in helping this Nation meet the goal of decent and safe housing for every American.

I am also pleased to say that we were able to retain the full $10 million for the Veterans' Administration program of grants to health manpower training institutions. This program is aimed at helping produce more and better qualified people to aid veterans in the health field.

One of the most important issues contained in this bill is the funding for aid to impacted schools. As many of our colleagues are aware, there was a strong effort this year to cut the impact aid to levels which would have caused financial disasters in many school districts. The planning and budgeting process for schools must begin long in advance if it is to be effective. When the Congress indicates to school officials that we will provide impact aid at certain levels, and then cut it substantially half-way through both their fiscal and school years, it would seem to me that we are simply not keeping the faith with the school administrators.

The level of impact aid in the final bill is the same as that passed by the House with the amendment of the gentlemen from California (Mr. Veysey and Mr. Roybal) at the time we passed the original bill.

One final provision in this bill deserves some attention. That is the provision which will bar the use of any funds provided in the bill, or any other act, during the remainder of the current fiscal year for either travel expenses of subsistence allowances of Government officers or employees above the rate of 90 percent of the budget estimates. This action is intended to save the taxpayer a substantial sum by reducing unnecessary travel in the last half of fiscal year 1975, and I can assure my colleagues that we on the Committee on Appropriations are certain that we will be able to make further reductions in the coming year by carefully examining the travel budgets of the various departments and agencies during the hearings next year.

All things considered, Mr. Speaker, this is a good bill. It represents what the conferees saw as the very best of both versions of the legislation. We fought for the House position. We were able to recede on some items without weakening the basic bill. Mr. Speaker, I urge the adoption of the conference report.

Mr. CEDERBERG. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. McDade).

Mr. HECHLER of West Virginia. Mr. Speaker, will my good friend, the gentleman from Pennsylvania yield?

Mr. McDADE. Mr. Speaker, I yield to my friend from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Speaker, I think this conference report is a fine conference report. I believe the House position, however, on the Office of Coal Research of the Department of the Interior is far superior to that of the

Senate. I was rather disturbed to see two items on pages 15 and 16 of the conference report indicating that large amounts of money are being transferred out by action of the Senate from the Office of Coal Research to the Bureau of Land Management and Geological Survey. What I cannot understand is, No. 1, why the House has yielded to the Senate and, No. 2, at a time when the development of coal through the Office of Coal Research is so essential to the future resources of the Nation in meeting our energy crisis.

Can the gentleman from Pennsylvania explain that?

Mr. McDADE. Mr. Speaker, I yield to the gentleman from West Virginia for the purpose of his asking this question. I am delighted to respond.

This is not just a Senate addition. This is an addition that represents the viewpoint of the Department of the Interior, as well as Members of the House side of the Appropriation Committee. We appropriated a significant amount of money to the Office of Coal Research for what was called Project Pioneer.

That was an effort to give the Office of Coal Research, which is the lead research agency in the fossil fuel area, or one of them, flexibility to try to do something about the energy crisis in the short term.

Two things have happened. First, they have not been able to figure out how best to obligate this money in the immediate future and this money will lapse if it were not otherwise spent.

Second, it has been decided the best thing we could do in the short term was to conduct the kind of baseline study and get answers to the kind of environmental questions which we will need if we are to keep in front of us the option of additional leasing of Outer Continental Shelf land. So we are fully in accord, and I think the gentleman from West Virginia would agree, that before we ever exercise any option to engage in leasing of new areas in the Outer Continental Shelf, we want to have baseline studies done, we want to know what the environmental questions are, and we concurred that this $15 million should be transferred to that purpose from out of the Office of Coal Research.

Mr. HECHLER of West Virginia. I understand $15 million is involved here for the development of the synthetic fuels program of the pioneer project of the Office of Coal Research.

Mr. McDADE. May I say to my colleague and friend from West Virginia that there is roughly $425 million that we have appropriated for that purpose. This money is not part of it. In addition to this roughly $15 million which you are pointing to, which we appropriated, we also appropriated roughly $428 million of research funds to get on with the question of how we gasify coal, how we liquify coal, what we do about MHD. How we increase the safety of our mines, in short, how do we develop our fossil fuel resources. That is a completely independent and separate appropriation above this roughly $15 million that has now been requested to be transferred to the environmental studies, and that we concurred in, in order that we could have, in the short term, the option of leasing, additional areas in the Outer Continental Shelf.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield for a question?

Mr. McDADE. I will be happy to yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I certainly hope that the gentleman's committee will spur the Department of the Interior to spend those funds which the Congress has in its wisdom seen fit to appropriate.

Mr. McDADE. Mr. Speaker, we, of course, have always done so, and I can assure my colleague, the gentleman from West Virginia, that the Department of the Interior will work with the committee. I see my colleague, the gentleman from Illinois, on the other side of the aisle, and I believe he will agree with me.

We will, of course, continue, as we have in the past, to try to bring these matters to the attention of the Department of the Interior.

Mr. BADILLO. Mr. Speaker, I am gratified to vote today for the more than $4.3 billion for elementary and secondary education programs in the fiscal 1975 supplemental appropriation. The $1.8 billion for title I is urgently needed by school districts around the country, as are funds for the handicapped, for adult and vocational education, and for the other programs for which Federal support is crucial.

One of the most important appropriations in H.R. 16900 is the $85 million for bilingual education. This is a considerable advance over the $7.5 million initial appropriation for the Bilingual Education Act in 1968 and the $50 million funding level of the past fiscal year. But it is important to note that the Federal support for this program has never come close to meeting the nationwide need. The U.S. Office of Education estimates that there are as many as 5 million youngsters who have problems in school because they come from homes where English is not the native language.

Yet the most recent survey indicated that only 110,000 students were enrolled in bilingual classes throughout the country, and that the goals of the program are not being met because of the woefully insufficient level of funding. The U.S. Civil Rights Commission found that in the Southwest, for example, less than 4 percent of the children from Spanish-speaking backgrounds had bilingual instruction available to enable them to develop competency in English in order to successfully complete their schooling. The story is similar throughout the country, particularly in the urban centers to which recent immigrants gravitate.

I have consistently advocated expanded State and local appropriations for bilingual programs, since education is not solely a Federal responsibility. But it is equally important that we keep pushing for higher Federal funding to set the pace for local officials and to get the program going in as many schools as possible.

The U.S. Supreme Court has decreed that bilingual instruction is a necessary component of equal educational opportunity when children's learning is impeded by limited command of English. And in a landmark decision that needs to be emulated throughout the country, the New York City Board of Education has recently responded to a citizen suit by agreeing to provide bilingual classes by next September for all Hispanic children in the city who need them.

Several State legislatures have begun programs in recent years as well, and though the progress is encouraging, the need is clearly still too great to allow any relaxation in our effort to expand the program to every school in America where there are children with problems in English. The $85 million in this supplemental is an advance over previous Federal support. It will bring the benefits of bilingual education to greater numbers of youngsters than ever before.

With the importance of the education of every American child in mind, we need to approve this allocation today and begin immediately to focus on plans for an even greater expansion of the program in the months ahead. Equal educational opportunity will never be a reality in this country until every individual is helped over obstacles that prevent his completing his schooling and thereby block his success in the larger society. Our support for bilingual education is a signal of the extent of our commitment to this goal.

Mr. CEDERBERG. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 292, nays 89, not voting 53, as follows:

[Roll No. 652]

YEAS—292

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Casey, Tex.
Cederberg

Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Denholm
Diggs
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holifield
Holt

Holtzman
Horton
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
King
Koch
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Luken
McClory
McCollister
McCormack
McDade
McFall
McKay
McKinney
Madden
Madigan
Mahon
Maraziti
Martin, Nebr.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Morgan
Moss
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Reuss
Riegle

Rinaldo
Roberts
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—89

Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Blackburn
Bray
Brown, Mich.
Broyhill, N.C.
Butler
Camp
Carter
Clancy
Clawson, Del
Cochran

Collins, Tex.
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Dellenback
Dennis
Derwinski
Devine
Duncan
Findley
Fountain
Frenzel
Frey
Goldwater
Goodling
Gross
Hillis
Hinshaw

Hosmer
Hutchinson
Jarman
Johnson, Colo.
Kemp
Ketchum
Lagomarsino
Landgrebe
Latta
Lott
Lujan
McCloskey
McEwen
Mallary
Mann
Martin, N.C.
Mathis, Ga.
Miller
Mizell

Moorhead, Calif.
Myers
Nelsen
Parris
Powell, Ohio
Price, Tex.
Quillen
Regula
Rhodes
Robinson, Va.
Rogers

Rousselot
Ruth
Satterfield
Schneebeli
Shoup
Shuster
Smith, N.Y.
Snyder
Steiger, Ariz.
Symms
Taylor, Mo.
Taylor, N.C.

Treen
Ware
Wiggins
Williams
Wydler
Wylie
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—53

Anderson, Ill.
Brasco
Brown, Calif.
Carey, N.Y.
Conable
Crane
Davis, Wis.
Dellums
Dent
Dickinson
Dingell
Eshleman
Evins, Tenn.
Ford
Fraser
Frelinghuysen
Grasso
Gray

Griffiths
Grover
Gubser
Hansen, Wash.
Hawkins
Howard
Huber
Jones, N.C.
Jones, Tenn.
Kluczynski
Kuykendall
McSpadden
Macdonald
Mathias, Calif.
Mills
Moorhead, Pa.
Mosher
Murphy, Ill.

Owens
Passman
Podell
Rarick
Reid
Robison, N.Y.
Roncallo, N.Y.
Rooney, N.Y.
Sandman
Spence
Steiger, Wis.
Symington
Teague
Udall
Wyman
Young, Alaska
Young, Ill.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Dent with Mr. Passman.

Mr. Hawkins with Mr. Anderson of Illinois.

Mr. Rooney of New York with Mr. Davis of Wisconsin.

Mr. Kluczynski with Mr. Grover.

Mr. Murphy of Illinois with Mr. Eshleman.

Mr. Evins of Tennessee with Mr. Frelinghuysen.

Mr. Dellums with Mrs. Hansen of Washington.

Mr. Jones of Tennessee with Mr. Mathias of California.

Mr. Symington with Mr. Conable.

Mr. Teague with Mr. McSpadden.

Mr. Jones of North Carolina with Mr. Dickinson.

Mr. Udall with Mr. Gubser.

Mr. Macdonald with Mr. Huber.

Mr. Moorhead of Pennsylvania with Mr. Crane.

Mr. Carey of New York with Mr. Kuykendall.

Mr. Dingell with Mr. Mills.

Mr. Ford with Mr. Owens.

Mr. Fraser with Mr. Rarick.

Mr. Howard with Mrs. Griffiths.

Mr. Brown of California with Mr. Mosher.

Mr. Gray with Mr. Robison of New York.

Mrs. Grasso with Mr. Roncallo of New York.

Mr. Reid with Mr. Young of Illinois.

Mr. Sandman with Mr. Spence.

Mr. Young of Alaska with Mr. Steiger of Wisconsin.

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 5, line 17, insert:

"LABOR-MANAGEMENT SERVICES ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for the Labor-Management Services Administration, Salaries and Expenses, $6,150,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amndment of the Senate numbered 11 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"LABOR-MANAGEMENT SERVICES ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for the Labor-Management Services Administration, Salaries and expenses, $8,150,000, including $1,500,000 to be derived by transfer from Manpower Administration, Program Administration."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 5, line 21, insert:

"EMPLOYMENT STANDARDS ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for Employment Standards Administration, Salaries and Expenses, $6,080,000, including $5,600,000 to be derived by transfer from Comprehensive Manpower Assistance."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 6, line 3, insert:

"BUREAU OF LABOR STATISTICS

"SALARIES AND EXPENSES

"For additional expenses for the Bureau of Labor Statistics, $300,000, to be derived by a transfer from the Departmental Management, Salaries and Expenses appropriation, of which the entire amount shall be for the expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive Civil Service requirements."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: On page 8, beginning on line 8, strike down through line 23 on page 10 and insert:

"ELEMENTARY AND SECONDARY EDUCATION

"For carrying out, to the extent not otherwise provided, Parts A and B of title I ($3,723,300,000), Part C of title I ($48,000,000) title III ($120,000,000), title IV, Parts B ($137,330,000) and C ($152,888,000), title V, Parts A and C ($39,425,000), Part J of the Vocational Education Act of 1963, and title VII of the Elementary and Secondary Education Act; section 823 ($200,000) of Public Law 93–380; title IV of the Civil Rights Act of 1964 and title III–A ($28,500,000) of the National Defense Education Act of 1958, $4,351,043,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Parts A and B ($1,900,000,000) and title IV, Part B ($137,330,000) and Part C ($152,888,000): *Provided further*, That none of the funds contained herein shall be used to carry out section 821 of Public Law 93–380: *Provided further*, That the Commonwealth of Puerto Rico shall receive grants for the current fiscal year pursuant to sections 121, 122, and 123 of the Elementary and Secondary Education Act of 1965 (as such Act exists on the date of enactment of this Act) in amounts equal to not less than the amounts received by the Commonwealth of Puerto Rico for the fiscal year ending June 30, 1974, pursuant to sections 103 (a)(5), 103(a)(6), and 103(a)(7), respectively of the Elementary and Secondary Education Act of 1965 (as such Act existed immediately before the effective date of the amendments made to title I of such Act by the Education Amendments of 1974)."

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the reading of the remainder of the Senate amendment be dispensed with and that it be printed in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:
>
> "ELEMENTARY AND SECONDARY EDUCATION
>
> "For carrying out, to the extent not otherwise provided, title I Part A ($3,702,762,000) Part B ($30,538,000) and Part C ($38,000,000), title III ($120,000,000), title IV, Part B ($137,330,000) and Part C ($172,888,000), title V, Parts A and C ($39,425,000), title VII and sec. 808 of the Elementary and Secondary Education Act; Part J of the Vocational Education Act of 1963; section 822 and section 823 ($200,000) of Public Law 93–380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III–A ($21,750,000) of the National Defense Education Act of 1958, $4,358,293,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Part A ($1,882,212,000) Part B ($16,538,000) and title IV, Part B ($137,330,000) and Part C ($172,888,000) of the Elementary and Secondary Education Act, and section 417(a)(2) of the General Education Provisions Act ($1,250,000): *Provided further*, That the Commonwealth of Puerto Rico shall receive grants for the current fiscal year pursuant to sections 121, 122, and 123 of the Elementary and Secondary Education Act of 1965 (as such Act exists on the date of enactment of this Act) in amounts equal to not less than the amounts received by the Commonwealth of Puerto Rico for the fiscal year ending June 30, 1974, pursuant to sections 103(a)(5), 103(a)(6), and 103(a)(7), respectively of the Elementary and Secondary Education Act of 1965 (as such Act existed immediately before the effective date of the amendments made to title I of such Act by the Education Amendments of 1974): *Provided further*, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin."

The **SPEAKER**. The gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes and the gentleman from Illinois (Mr. MICHEL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I thank the chairman for yielding to me.

We are dealing once again with the Holt amendment, an amendment I protested against when it was first before this House. I have only 3 minutes in which to state my case and it will be difficult to develop my position fully within that limit.

I sat in our House Democratic Caucus for the past 2 or 3 days and I saw a black Member of the Congress nominate the new chairman of the Democratic Caucus.

I saw a black Member of Congress second the nomination of the Speaker of the House.

I saw two Members of the minority, two women, elected as secretaries to our Democratic Caucus. When I saw all of these things, I said, "This is America as it should be. This is America at its finest and at its best."

Now, right on the heels of that, we come with this destructive Holt amendment, which in my mind represents America at its worst. The whole intent of the Holt amendment, whether by deliberate design or not, is to destroy title VI of the Civil Rights Act and equally destroy title IX.

There is a very simple thing that we need to do here. This House needs to make up its mind what kind of message it is going to send to America. Vote for the Holt amendment as a part of the conference report and we are saying that as national policy, the House of Representatives is abandoning the concept of desegregation of schools. Vote to retain this Holt amendment, with all its evil implications, and we are saying to America that the national policy will be a system of apartheid, South African style, in our public schools. That is what we will be doing if we vote to retain the language of the Holt amendment.

I do not think that the Members of this House want to articulate that as our national policy. I think we have come too far, too well, with good intentions, to now turn the clock back to the time when we deliberately through national policy separated out by race, creed, and color.

All that I want to do is have us make up our minds as to what kind of message we are going to send to black Americans and to other Americans of color. Will the policy be apartheid South African style, or will this House act in a responsible manner as it has in the past, that is, to reaffirm that school desegregation is a desirable national goal and is indeed national policy?

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Speaker, it will be difficult to fully discuss this issue in 2 minutes. I opposed the Holt amendment when it was first considered by the House. I am pleased that the other body had the good sense to eliminate it.

This amendment does not belong here. It is legislation on an appropriation bill. In the debate on this amendment in the other body, the chairman of the subcommittee that considered this amendment said:

> The committee felt very strongly about this because here, again, we are getting into legislative matters that do not belong in an appropriation bill. It should be thrashed out . . . in committee.

We should recognize what the editorial in today's Washington Post said:

> As is almost invariably the case in these matters, the language employed to eliminate anti-discrimination measures now in the law is itself disarmingly and disingenuously noble-sounding, appearing only to prevent the federal government in general and the Department of Health, Education and Welfare in particular from compelling school systems to deal in race, religion, sex or national origin.

The editorial went on to say:

> HEW Secretary Caspar Weinberger is among those who have seen this deceptive language for what it is—an attempt to terminate the federal government's pursuit of its duty to enforce the Civil Rights Act of 1964 and related laws. Conceding that some of the proposed language is 'ambiguous,' Secretary Weinberger nonetheless observed . . . that enactment of this provision would cripple the Department's capacity to investigate charges of discrimination in federally funded programs and to enforce the requirements of the law where discriminatory practices were found.

The Holt amendment will have a disastrous effect on title IX. Title IX says, quite simply and directly:

> No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education or activity receiving federal financial assistance.

But if the Holt amendment is accepted today the agency would be precluded from seeking to impose by means of the fund termination sanction prescribed in title IX, which by the way is a last resort to be used only if negotiation and compromise have not worked, any affirmative remedy utilizing sex-based criteria to combat discrimination. As under title VI, the agency would have to rely exclusively on negotiation and conciliation, with no enforcement authority, to insure compliance. And most importantly, HEW would be precluded from securing the information it needs to determine whether sex discrimination exists.

There will be those that argue that HEW is interfering with the local school process by requiring the completion of reports and questionnaires. But let it be said clearly, if you cannot assign, if you cannot classify, you cannot have compliance with antidiscrimination laws.

The fact is discrimination against women and young girls exists in our educational institutions. It exists in programs and promotion and advancement decisions and in the allocation of resources within the grade schools, junior highs, high schools, and colleges and universities of this Nation. Does this body know that although women comprise 67.8 percent of all elementary and secondary schoolteachers, relatively few hold administrative positions. For example, 78 percent of elementary school principals and 96 percent of high school principals are men.

If this amendment passes we will be back in the days of slow and laborious "head counts." The information will be less reliable, less compete and will negate enforcement of title IX and the Civil Rights Act.

This amendment is an abomination. It strikes at the heart of the work of this Congress for the last 20 years in the field of civil rights for women and minorities. All the people who are concerned about the denial of civil rights on the basis of sex should be worried about this amendment; all those who are concerned about the denial of civil rights on the basis of national origin should be worried about this amendment; all those who are concerned about the denial of civil rights on the basis of religion should be worried about this amendment; and all those who are concerned about the denial of civil rights on the basis of race should be worried about this amendment.

There are some who may argue they are worried about the integration of physical education classes or have some concerns that certain groups like the Girl Scouts or Boy Scouts, forced to commingle the sexes, will be disadvantaged if we do not accept the Holt amendment, but I say to them: You are using a B-52 to kill a flea. The other problems can be worked out with HEW and the local agencies; or even with HEW and the Congress but they should not be worked out with this blunderbuss, mindless amendment.

I would also point out to this body that the Holt amendment is unconstitutional. It can, and I predict, will be construed to be an unlawful limitation on HEW's authority to insure that Federal assistance programs are administered in accordance with the Constitution. This body might want to repeal title IX and the entire Civil Rights Act but it cannot repeal the Constitution.

In essence, all this proviso will accomplish is further confusion, further burdening of Federal courts, and a further delay in granting equal opportunity to all, regardless of race, religion, sex, or national origin.

The Holt amendment could effectively defeat all efforts at ending discrimination by making compliance with and enforcement of such Federal requirements virtually impossible.

The educational systems in this bill are receiving Federal funds. These systems therefore have no right to violate the Constitution. These systems, more than any other, have a responsibility to open their doors and to eliminate discrimination on the grounds of race, sex, religion, or national origin.

I urge the House to defeat this amendment.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. STOKES), a member of the committee.

Mr. STOKES. Mr. Speaker, I rise in opposition to the amendment. I oppose this amendment for the reason that it is one of the most dangerous, unconstitutional, and unconscionable amendments ever attached to a piece of legislation in this Congress.

It seems to me, Mr. Speaker, that we have come too far in this country in terms of providing legislation which insures equal opportunity to permit an amendment, hastily and unthoughtfully attached to a supplemental appropriations bill, to nullify administrative remedies provided to a Federal agency under law.

The Holt amendment, which is now contained in this conference report, reads as follows:

> *Provided further*, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin.

Since this report has come out of conference, the Secretary of HEW, Mr. Caspar Weinberger, has issued their interpretation of the effect of this amendment. In a letter dated December 2, 1974, to the distinguished chairman of the subcommittee, Mr. FLOOD, Mr. Weinberger says:

> In our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

In the conference a part of the Holt amendment was deleted, however, the deletion of a part of this amendment did not in any manner cure the deleterious effect of this amendment. The letter from Secretary Weinberger further states:

> Although the conference deleted language from the original Holt amendment that would have prohibited the Department from requiring school systems to prepare or maintain "any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students,", the prohibition relating to the classification of students and teachers was left intact. That provision would prohibit the Department from requiring grantees to collect and report certain statistical information relating to the treatment of minorities. Without such information the Department would be unable to make the key decisions as to where to direct our investigative resources under titles VI and IX. Nor would we be able to investigate the numerous complaints of discrimination against minorities and women without access to data classifying students and teachers.

Secretary Weinberger's letter to Chairman FLOOD recognizes this. Further in his letter Secretary Weinberger states:

> In addition to those problems, however, the above proviso would prohibit the Department from compelling any school system, as a condition to the receipt of Federal funds, to "assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin." Although this language is somewhat ambiguous, in our view it would restrict the Department from enforcing the requirements of titles VI and IX in those cases where a reassignment of teachers or students might be necessary to eliminate discriminatory assignment practices.

It is obvious, Mr. Speaker, that we are dealing with a highly complex legal issue in an area of the law which has been litigated for over 20 years. Probabilities are that this amendment would precipitate court action in which a final determination would take 2, 3, or more years. We are, therefore, told by the Secretary in his letter to Chairman FLOOD that:

> In the meantime we could not violate the Holt amendment and, therefore, we would not be able to enforce titles VI and IX to the extent indicated.

Mr. Speaker, the intent of title VI as enacted by Congress was to provide an administrative remedy for the right to a nonsegregated education. While the Holt amendment does not specifically mention title VI, it has the effect of administratively effecting a partial repeal of that provision of the Civil Rights Act of 1964. This would apply with equal force to title IX of the Higher Education Act.

Mr. Speaker, this same amendment was offered in committee in the other body and was defeated there. It was offered on the floor and was defeated there. I do not know under these circumstances how it comes back to us as a part of the conference report. I hope that the House will defeat this clearly unconstitutional amendment by voting down the amendment in disagreement.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Speaker, I rise in opposition to the Holt amendment.

Mr. Speaker, I would like, first of all, to express my appreciation for the efforts made by the conferees to carry out the intent of my earlier amendment in adequate funding support for education. I am particularly pleased with the funding commitment to title I, ESEA programs, education of the handicapped and bilingual education.

However, I find myself in strong opposition to the agreement reached by the conferees to retain the major thrust of the Holt amendment. As provided in the conference report, the Holt amendment would prohibit the use of funds appropriated by H.R. 16900 to "compel" school districts "as a condition" to receiving these funds to "classify" or "assign" teachers or students by "race, religion, sex, or national origin." Omitted from the report is the prohibition dealing with recordkeeping.

When Mrs. HOLT offered this language during debate on the supplemental appropriations, she expressed concerns about the problem of what some have described as "reverse discrimination." She described her amendment as—and I quote—"simply an attempt to clarify our law to give direction" to HEW's Office of Civil Rights. I submit that this amendment does more than simply clarify—that it does more than give direction. It, in fact, nullifies our civil rights laws relative to equal educational opportunity.

In a December 2 letter to the House Appropriations Subcommittee on Labor-HEW, Secretary Weinberger clearly states that "in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws." This conclusion is particularly true of title VI of the Civil Rights Act of 1964, which prohibits the use of Federal funds for programs that discriminate on the basis of race, color, or national origin and title IX of the Educational Amendments of 1972, which carries a similar prohibition against sex discrimination in educational programs.

As proposed, the Holt language would have a pernicious effect on the enforcement of this country's civil rights laws and commitment to equal education. Further, it raises grave constitutional problems involving 5th and 14th amendment rights. Lastly, it undermines the regular legislative process of committee hearings and testimony and full House and Senate debate on a question of such critical and historic importance in the area of civil rights.

You may remember that the amendment was offered under the 5-minute rule late in the afternoon and after 2 days of debate on the supplemental. These circumstances left very little time to seriously consider the consequences of this language and probe its legal ambiguities. Now under the conference report we are again confronted with this amendment under a highly restricted parliamentarian situation which requires that we vote down conference amendment No. 17 in order to offer a new version—one that omits the agreement to partially restore the Holt language.

Quite frankly, this is simply not the way to conduct a thoughtful and reasoned debate on such a substantial question.

Any amendment which would substantially weaken or worse, render unenforceable our civil rights laws must be scrutinized through our regular legislative process. I am strongly opposed to any effort that would derail the legislative public process of debate and committee deliberations. There is no place for this amendment on an appropriations bill. The sweep of the language, its consequences and effect on civil rights enforcement are too enormous to be properly considered, particularly in a supplemental appropriation which is already weighted down by funding provisions for some 30 separate Federal agencies and bureaus, not to mention various legislative and judicial offices.

This language has a legislative effect that seriously jeopardizes the intent and purpose of title VI of the Civil Rights Act and title IX of the 1972 Educational Amendments. For this reason, it should properly be reviewed by our House Judiciary Committee and House Committee on Education and Labor. We should not use the appropriations process to circumvent proper legislative scrutiny and debate of this vital issue, nor should we abrogate substantive laws through appropriations bills.

In understanding the scope of this amendment, it is important to examine HEW's enforcement responsibilities. The principal Federal sanction is title VI of the 1964 Civil Rights Act which provides that—

> No persons in the United States shall, on the basis of race, color, or national origin, be denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance.

Agencies granting Federal assistance, such as HEW, are directed to secure compliance first by voluntary means, negotiation and the like, if at all possible. As a final resort, the agencies are authorized to initiate enforcement proceedings which may lead, after notice, hearing and an administrative finding of noncompliance, to termination of program benefits. A similar administrative procedure was incorporated into the Education Amendments of 1972 to combat sex discrimination.

The Office of Education issued guidelines beginning in 1965 for desegregating schools in compliance with title VI. These regulations place on the recipients of Federal financial assistance the "affirmative duty" to operate a system in which schools are free of discrimination on the basis of race, color, or national origin, and to correct the effects of past discrimination. Thus, each school system must act affirmatively to eliminate segregation and other such discrimination. Further, the regulations impose on the school system "which has maintained a system of separate school facilities" the obligation to eradicate that discriminatory system.

The HEW guidelines are consistent with the constitutional principles enunciated by the Supreme Court in various school desegregation cases. The Court has consistently recognized that "affirmative" desegregation will almost invariably require that race be taken into account in formulating effective remedies. Thus, in McDaniel against Barresi (1971) the Court ruled that "school boards that operated dual school systems are clearly charged with the affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated root and branch."

Under current departmental regulations and related judicial authority, HEW may, and generally does, employ race or national origin related desegregation techniques to meet its enforcement responsibilities under title VI of the 1964 act.

The continued validity of such policies and court rulings would be endangered by the Holt amendment. And while the language of the amendment does not bar school districts from adopting voluntary affirmative action measures, it would seriously deprive HEW of its primary enforcement under title VI, that is, its authority to cut off Federal assistance.

The Holt amendment would restrict HEW from enforcing title VI and IX requirements in cases where reassignment of teachers or students are necessary to end discriminatory practices. Further, it would hamper the monitoring and enforcement functions of HEW under title VI in the school desegregation area.

The amendment would also affect HEW's authority to insure that school districts provide bilingual services, where needed, for their national origin minority students. This phase of HEW's administrative responsibilities under the 1964 act was recently brought to national attention by the Supreme Court decision in Lau against Nichols (1974). In that decision, the Court held that, for elementary and secondary schools receiving Federal assistance, title VI bars discrimination which has the "effect" of denying non-English-speaking students, such as children of Chinese or Spanish-speaking ancestry, a "meaningful" opportunity to participate fully in educational programs.

The Lau Court, however, expressed no view on specific remedial measures required in such cases other than to suggest that the question of appropriate relief is an open one. As a minimum, relief would, by its very nature, involve classification and assignment of students on the basis of national origin, and that certainly would be prohibited under the Holt amendment.

Finally, as pointed out in the HEW's December 2 letter, it is likely that the Holt amendment with its legal ambiguities and emasculation of Federal civil rights, would undergo court scrutiny. Since this process of review might take 2 or 3 years, HEW woud be obliged during that time to comply with the Holt amendment. The result would be a denial of equal educational opportunity for many American children. And, further, it would be a step backward into an era characterized by governmental indifference to the realities of race, ethnic, and sex discrimination.

I, therefore, urge my colleagues to oppose the conference amendment incorporating the Holt language.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, I urge the defeat of the amendment and adoption of the substitute to be offered by the gentleman from Ohio (Mr. STOKES).

Mr. Speaker, the amendment which is now up for consideration by this body is one which would, if passed, promote a system of federally funded education is this country which would deny to every American child—black, white, and brown—the opportunity to receive the superior education to which they are entitled.

That amendment could effectively hamstring the Department of Health, Education, and Welfare in terms of its ability to now withhold Federal funds from those school districts which are not in compliance with its equal educational opportunity mandates. To not allow that Department to rigorously enforce the civil rights laws of this country would be to perpetrate a crime upon our children and for that reason, I strongly urge that the motion now before this body not be passed.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Speaker, the effect of the Holt amendment would be to nullify the effect of this entire Civil Rights Act. I think this would be going backwards in a step looking toward progress in the area of equality and justice for all.

Mr. Speaker, I am compelled to strongly register my alarm and disagreement relative to this motion now before the House, which proposes to totally nullify title VI of the Civil Rights Act of 1964 in the area of elementary and secondary education. Under that title, it has been through the power of the Federal purse that Congress has been able to insure educational opportunities to all of this country's youth. And now, to adopt the amendment now being proposed, we would in effect be withdrawing our support for those ideals of equality and justice for all.

Every American child must be accorded his or her fair share and this of course can only be achieved if we are able to insure each such child the best education possible. That Federal dollars may be spent to support public educational facilities which fail to provide quality education to all is unthinkable and I sincerely hope that this body will not vote to pass a motion which will unquestionably lead to such a result.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, I join the gentleman from Ohio in support of this amendment at the appropriate time.

Mr. Speaker, I urge that the amendment originally offered by the lady from Maryland be deleted from this conference report. To retain the provision which is now in the report will effectively gut the ability of the Federal Government to fight racial, as well as sex, discrimination in the Nation's schools.

The Civil Rights Act of 1964 has proven to be one of the most important laws enacted during our lifetimes. Title VI of that act has provided an essential means to provide every American child with access to equal educational opportunity. Although we are still far from achieving that goal, our failures should impel us to greater efforts and certainly not to abandon the attempt altogether. And this is precisely what the House would be doing if we approve this conference report in its current form. The seeming innocuous language we are considering will nullify the Government's antidiscrimination efforts in education, and open the door to a reversal of whatever progress has been made.

Do not be misled; this is not a minor matter. We are being asked to confirm or reject our commitment to racial equality and the rights of all Americans. If this provision is not removed, this House will have betrayed those among 24 million blacks who want to believe that, however haltingly and reluctantly, they will eventually be able to enjoy the rights and opportunities which are their birthright.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I would like to state for the RECORD that I urge the defeat of this amendment. I do not question the intent of the gentlewoman from Maryland (Mrs. HOLT) in this regard, but it certainly seems to me that, as tensions build up in this Nation, the children should not be made to suffer because we do not provide the tools to provide equal opportunity for all.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, in addition to constituting a substantial backward step in the entire field of school desegregation and civil rights, I would like to point out to my colleagues that this amendment has a very serious and far-reaching consequence in the field of Indian education. The counting and identification of Indian children is essential under the Johnson-O'Malley Act, under which millions of dollars are made available to the Indian children and the Indian Education Act which this House passed almost unanimously 2 years ago. It would very seriously jeopardize both of those acts and others also.

I strongly urge your vote against this amendment.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Speaker, I urge the House to stick with the conference position on this amendment. I certainly have had my motives impugned here today. It is not my intention to set this country back in the civil rights movement in any way. It is time for Congress to assert in the clearest possible language our commitment to the privacy of the individual in a free society.

It is really sad that this has become necessary, for we have declared over and over again our commitment to legislation against race and sex discrimination. But now the Federal bureaucracies have misinterpreted the civil rights laws, the ones we have enacted over the years. They have wrongly construed our acts, and they say that we have got to classify people by race.

Mr. Speaker, I think this is wrong. I believe that is a new racism that is taking hold throughout our land.

Mr. LONG of Maryland. Mr. Speaker, will the gentlewoman yield?

Mrs. HOLT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, we have had before this body dozens of antibusing provisions, and I have voted for practically all of them.

Can the gentlewoman clarify for us the need for this amendment at this time, in view of all these antibusing measures we have passed?

Mrs. HOLT. Mr. Speaker, this is an effort to correct the excesses of the Department of Health, Education, and Welfare. They are coming in now and discriminating by forcing and imposing race and sex discrimination on our schools.

In my district we have all of our children sorted out in proper numbers. They are all receiving a good education, but now the bureaucrats of HEW are coming in there and saying, "We want to have a pilot program here to demonstrate that there is still some second-generation discrimination."

The teachers are afraid to raise their voices to the children. They are afraid to take any steps to discipline the children. Our teachers' association recently issued guidelines to the teachers about their rights, informing them that they were entitled to have an attorney if they were questioned by an HEW investigator.

How in the world can they educate children if they are preoccupied by this obsession to make sure the numbers are right? It has really become ludicrous.

Mr. Speaker, I have a letter here from a superintendent of education, which says as follows:

> It is my conviction as I talk with Superintendents from other parts of the country, that what you have done will turn out to be an extremely important service to the educational systems in this Nation and as a result of your positive actions in the Congress, I am convinced that we are going to develop better relations with HEW that school boards and school systems throughout the Nation can live with equitably.

This is what is happening in this country. We are becoming so obsessed with this numbers game that we are not teaching our children, we are not educating them.

I went into my district during the recent campaign. I talked with children in the schools. I try to go to the high schools as often as I can. It is like a jungle. The teachers are afraid to say, "Johnny, don't misbehave any more." They are afraid HEW is going to take their money away from them.

Do the statistics show we are discriminating against boys because boys are punished more frequently than girls? This is what they are trying to manufacture—statistical evidence that there is discrimination.

Mr. Speaker, I would like to set just one thing straight for the record. I think Mr. Weinberger has certainly misinterpreted this amendment. Ever since it was agreed to on October 1, there have been these wild misinterpretations of the intent and of the impact. Some have even suggested that the amendment is going to end enforcement of the Civil Rights Act of 1964 and title IX of the Education Amendments of 1972. It is not. They are wrong. It is not going to stop that. The Office of Civil Rights could continue to investigate any and all specific complaints of discrimination based on race or sex.

They can certainly go in and investigate and enforce the laws against discrimination at any time. What the Office of Civil Rights cannot do is use these statistical reports to manufacture cases of discrimination.

And believe me, this is what I am trying to stop, by means of this amendment. I urge support of the conference position.

Mr. LONG of Maryland. Mr. Speaker, will the gentlewoman yield further?

Mrs. HOLT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I am still puzzled. I gather that we have passed all these antibusing measures and they are still busing. I get the impression that what Congress has done has no real power to force an end to court-ordered busing.

What I want to know is this: If all that we have done in the past has not been able to stop busing, why does the gentlewoman think that her particular measure would be helpful?

Mrs. HOLT. Mr. Speaker, I feel strongly that we must send the voice of the public, the voices of 220 Members of this Congress voting for this amendment, because we are concerned about the conditions of our school systems throughout this land.

If we continue as we have been, we are going to destroy them. We will find that we have nothing there when the blacks and the women do get there.

Mr. MICHEL. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Speaker, in response to the gentleman from Maryland (Mr. LONG), I might say that I have joined with him in voting for the antibusing provisions. However, I will say that the reason why we have not had much luck is that this is only one body of this Congress, and the other body has not gone along.

In this instance now, we are considering a conference report, where we have to assume that the conference report will now be adopted by both bodies, and hopefully it will be signed into law.

Here we could get law, whereas in most other cases we have only had a vote of the House which does not have the force and effect of law. The only one I know that actually is in the law today is the Whitten amendment, which is somewhat nebulous.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I think this is a good time to put the question to rest. I am delighted that the gentleman from Maryland (Mr. LONG) raised the point.

I have been the author of numerous amendments. The gentleman from Maryland is correct. Those amendments passed. When they come back from conference, they either are out of the measure or are watered down to such an extent that they are next to nothing. Therefore, it is incorrect to say that this House has passed an antibusing amendment in the sense that it has been enacted into law.

We have passed amendments, but they have never stood up through the conference process.

Mr. SNYDER. The gentleman is absolutely correct.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentlewoman from Oregon (Mrs. GREEN).

Mrs. GREEN of Oregon. Mr. Speaker, I do not consider the Holt amendment as either destructive or evil or an abomination as previous speakers have suggested; and I am in agreement with those who just spoke, that we have passed in this House innumerable antibusing amendments; on one occasion we even instructed the House conferees three times not to abandon the House position on antibusing; in spite of the instructions on those three different occasions, the conference report came back watered down so that the antibusing amendment was absolutely meaningless and there were loopholes that anyone could drive 1,000 schoolbuses through.

What is the Holt amendment? First, the Holt amendment is an effective antibusing amendment.

We have already heard discussion on this, and we have debated busing or no forced busing for years. But may I ask the Members to turn their attention to another part of the Holt amendment which I consider equally important; I think we ought to give it careful consideration. We now have in this the addition of the word "sex," because the House passed title IX in the 1972 Higher Education Act.

First of all, may I say to some of those who have spoken that I have participated in the historic fights for years in this House to end discrimination on the basis of race and to end discrimination on the basis of sex. I am committed to that policy. The Holt amendment is not in conflict with that commitment.

We had the fiscal year 1975 Labor-HEW appropriations bill before this House about a month ago; there was a colloquy with the gentleman from Ohio (Mr. WYLIE) and with other Members in the House about the interpretation which HEW was placing on title IX in regard to Campfire Girls, in regard to Boy Scouts, Girl Scouts, the Girls' Club, the Boys' Club, the YMCA, the YWCA, sororities and fraternities.

HEW, in their proposed regulations, said that they intend to impose all of the provisions of title IX upon these organizations. In the Labor-HEW conference report we had language directing the Secretary of HEW not to do that, that it was contrary to the congressional intent.

Within the last 2 hours, I talked with Secretary Weinberger, and I wish the Members would listen to this carefully, because Secretary Weinberger said to me 2 hours ago that he did not consider the report language as binding upon HEW; the statute, that is, title IX would be followed if HEW believed the conference report in conflict with their interpretation of title IX. In other words, Boy Scouts, Girl Scouts, Campfire Girls, YMCA, YWCA, the Boys' Club, the Girls' Club, sororities and fraternities would still be subject to title IX provisions—even though in the fiscal year 1975 appropriations bill, Congress said this clearly was never the congressional intent.

I have been asked to go on the National Board of Campfire Girls. They tell me that if the provisions of title IX to end discrimination on the basis of sex, are imposed upon them it may cost them $4.5 million.

Besides that, I ask the Members to give some thought to what good will be accomplished? Are we improving the programs of any one of the organizations by this kind of regulation by HEW?

Ms. ABZUG. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. As soon as I finish my statement I will be glad to yield.

Mr. Speaker, let me turn to one other matter. If the Members will recall the Labor-HEW appropriation bill, there was a provision which came about as the result of a proposed regulation, and the gentleman from Texas (Mr. CASEY), a member of the committee, first brought it to my attention.

The SPEAKER. The time of the gentlewoman has expired.

Mr. MAHON. Mr. Speaker, I yield 2 additional minutes to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, in the language in the proposed regulations, HEW had said to the schools in Texas: You must integrate your physical education classes on the basis of sex.

I argued with some of the people who were in the enforcement division of HEW. They said they were interpreting title IX the same as title VI, and they were enforcing the provisions of title IX the same as title VI. I suggested that there was a flaw in their logic. I myself would be unalterably opposed to a physical education class being segregated on the basis of the pigmentation of the skin, but to suggest that you are going to follow the same kind of a policy in enforcing title IX and have the classes integrated on the basis of sex, simply ignores the fact that is that basic difference between segregating on the basis of pigmentation of skin and basic biological differences between boys and girls.

Ms. ABZUG. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I will yield as soon as I finish my statement.

I do not see any good that can possibly result from continuing to give HEW the authority to say to the local school districts: You are no longer going to have local control by your local principals and local teachers; they cannot assign classes based on the maturity, the physical strength of the children, their personalities, their needs—which students should be placed in which classes.

Some classes might be better if there were boys and girls in them. Some classes would be better if they were all-boy classes, some all-girl classes. But let it be a local decision—not one dictated from Washington.

Let me give you another example: I used it before, and forgive me for the repetition, but when we debated this in the general bill I said that I have a grandson who is in his freshman year at high school; he is taking home economics. He likes to cook.

When I was home 2 weeks ago I said to my grandson:

> How many boys and how many girls are in this cooking class?

He said to me:

> Oh, it is an all-boy class.

I said:

> Well, if it were a boys and girls class, would you take cooking?

The SPEAKER. The time of the gentlewoman has again expired.

Mr. MICHEL. Mr. Speaker, I yield 5 more minutes to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I said to my grandson:

> If this class were a boys and girls class, would you take cooking?

And he looked at me, and he said:

> Well, I don't know. I am afraid they might make fun of me.

Are we going to say to the people down at HEW that they are best qualified to make the determination of the makeup of a class in a local school district, where the principal and the teachers know the maturation level, they know the personality of the kids, they know what is best for them? Are we going to abandon all local decisionmaking and say that, here, on the banks of the Potomac, that, by gosh, we are going to compel every school district in the country to integrate all classes by race, by sex, by national origin, and by religion?

I was here in 1964 in the debate on the Civil Rights Act and I supported it. I received one of the pens used to sign that Civil Rights Act. I think the record shows that I was strongly in favor of it. But the Members can search that record in 1964, and they will not find anybody in the House nor the Senate who argued for the kind of nonsense that school districts are experiencing these days to dictate to every school and every school district in the country on how they were going to run their schools. I think this is nonsense.

As you know, I believe forced busing has accelerated the deterioration of quality education in many schools. As I said, this is an antibusing amendment. The overwhelming majority of the American people are opposed to busing because it has not accomplished anything. Now HEW claims to have authority to say that we are going to integrate classes on the basis of sex. For heaven's sake, let us have some commonsense in the administration of the legislation that we enact. I would hope that we would overwhelmingly support the Holt amendment.

Ms. ABZUG. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentlewoman from New York.

Ms. ABZUG. I thank the gentlewoman for yielding.

I am sorry to hear the story about the gentlewoman's grandson. There are obviously differences between boys and boys and girls and girls, just as there are differences between the gentlewoman and me. But we both have a common objective and goal. We worry a great deal about whether or not women, who compose 67.6 percent of the elementary and secondary school teachers, are ever going to get a chance to break into administrative positions. For example, 78 percent of elementary school principals are men and 96 percent of high school principals are men. These statistics illustrate the extent of sex discrimination in our elementary and secondary schools. But these may be the last statistics we will ever have on sex or on any other category of individuals suffering discrimination.

Under the Holt amendment we cannot classify. I suggest to the gentlewoman that, although she may be concerned about her grandchild's cooking in a boys' cooking class—and it may be that he should be in a boys' cooking class, and there may be some boys who should be in a girls' cooking class, and there may be some girls who should be in a boys' shop where they can learn a vocational trade. I say to the gentlewoman that under the Holt amendment it will be impossible for us ever to deal with the basic objectives that the gentlewoman has been committed to and that I have been committed to. Without reliable data, it will be virtually impossible to determine whether discrimination does exist or to what extent. It will be virtually impossible to establish whether schools or school systems are, in fact, complying with the provisions of title IX of the Education Amendments of 1972. It will be virtually impossible to enforce these provisions or to accomplish any of the goals that the gentlewoman and I have worked for together.

Mrs. GREEN of Oregon. Mr. Speaker, I yield no further.

The SPEAKER. The gentlewoman from Oregon declines to yield any further.

Mrs. GREEN of Oregon. I am in agreement. I use my grandson simply as an example, because there are thousands and thousands like him. I am in complete agreement that in some classes they ought to be all boys and in some classes they ought to be all girls, and in some classes they ought to be integrated. But, for heaven's sake, let us let the local school district decide and not dictate from Washington.

In regard to the other point the gentlewoman from New York brings up about teachers not becoming principals; surely, there are very few. I think 8 out of 10 teachers in the country are women, and 1 principal out of 10 is a woman. I think it is wrong. I should like to see it changed, but we are not going to do that by defeating the Holt amendment. It has nothing to do with it. Anybody who has two eyes can go into a building and see whether a principal is a man or a woman. We do not have to order every school district in the country to provide statistics for us.

Mr. PATTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from New Jersey.

Mr. PATTEN. I thank the gentlewoman for yielding.

Will not the gentlewoman's amendment on the HEW bill which has now been sent to the White House correct the faults that the gentlewoman is worried about the Girls Scouts and the Campfire Girls?

Mrs. GREEN of Oregon. May I say to my friend, the gentleman from New Jersey, and I think he was not here when I explained a moment ago, if he will recall in that conference report I had argued to put amendment in the bill itself and I was outvoted; it was put into the language of the report. The Secretary of HEW told me 2 hours ago that he will not be bound by any language in the report if they interpret it as in conflict with title IX. If it were in the bill, yes, we would not need the Holt amendment, but it is not in the bill and we do need the Holt amendment, and it is a good amendment to have.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentlewomen from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Speaker, it is very difficult to put into 3 minutes what is really on my mind but I would like to say this.

The conference report for the supplemental appropriations bill which is before this House today contains language that, if adopted, would call a halt to the basic authority of HEW to enforce title VI of the Civil Rights Act and title IX of the Higher Education Act.

I think it is important for us to recognize that HEW requirements that school districts must collect and report statistical data by race, religion, sex, and national origin would be unenforceable. Neither could HEW enforce teacher or student assignments by race, sex, or national origin. Many of us are forgetting the ramifications of the Holt amendment. The effect would be to prevent the enforcement of school desegregation orders and to prevent identification of Spanish-speaking students for enforcement of the Supreme Court's Lau decision, to prevent any attack on discriminatory suspensions and expulsions of students from our public schools, and to continue the persistent tracking of female students into so-called girls' courses. According to the Nevada Inter-Tribal Council, the present language would completely obviate title VI controls for the Johnson-O'Mally Act which provides funds for American Indian children.

I am appalled at this outrageous attempt to take the civil rights movement and the drive for equal rights for women back into the early 1950's.

The Holt amendment was really created to stop a civil rights investigation in one particular school district in Maryland and I question whether or not its author really intended to suspend all of HEW's actions in the areas I have mentioned.

I consider this amendment to be more pernicious than the ubiquitous anti-busing amendments that hang over this Congress like an angry cloud.

I am also appalled to think that my colleagues would allow this devastating amendment to slip through Congress in this fashion. If the Members of the House believe that this country should reestablish or allow the existence of dual school systems, or that this country should discriminate against female students and teachers, then let the appropriate committees hold hearings on the repeal of title VI and title IX, so that the Congress and the rest of the world can see the effect that their repeal would have on those persons and groups they were enacted to protect.

I have sat in meetings and discussions for many hours listening to the debates over how the money for our social welfare programs should be refocused, how the programs designed for the poor should be cut and those funds redistributed among larger segments of the American people, and how new formulas should be devised so that those who are not poor can share the benefits. In this time of deep economic stress, it is more understandable to me that such discussions are heard. But the Holt amendment is not a money issue. It is a moral issue. I call on my colleagues in this Congress to demonstrate their concern for the moral rights of all American people by removing the Holt amendment from this conference report.

The words of the Declaration of Independence and the U.S. Constitution are not yet equitably applicable to all the people who make up our society.

As this country approaches its 200th anniversary it has not yet given all segments of the population equality of opportunity. So, I say to the gentlewoman from Maryland (Mrs. HOLT) no matter how much it pains us, we must create the instruments to redress these inequities

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Speaker, this is a most serious matter which we are considering. It is not the usual debate which this House has been accustomed to hear with regard to our views on busing. This is a much more important and significant amendment that we are discussing at the moment. Its net effect will be, in my estimation, to completely repeal the Civil Rights Act. That is the measure of seriousness of the issue.

It is not simply a question of whether we are for or against busing, but whether we believe we are a nation dedicated to the concepts of equality. There is no way that we are going to be able to implement all the policies, all the directions and laws that we have enacted heretofore with regard to civil rights if we prohibit the Federal Government from seeking the statistics which are necessary in order to make sure that the agencies and the departments and the schools are complying with the law.

There are many among us who opposed the court orders, who opposed busing, but who, nevertheless, were strong advocates for additional funding of the billions of dollars that the Government provided under the Emergency School Act and did so because they believed in law and order and felt it was necessary for the school district to have this money in order to comply and the Congress has been very generous.

In order to qualify for that funding, there is a specific provision in that act that says that schools that apply for this money must have at least 20 percent of the racial minority that they seek to assist, but not more than 50 percent. There is no way on Earth that the Federal Government is going to be able to determine whether the school districts qualify for this funding if they are not allowed to insist upon a head count on the basis of race. The Holt amendment would prohibit the Federal Government from implementing the provisions of the Emergency School Act and down the line from this to all the other provisions of the law which contain these implicit requirements.

Now, I stand here before the House as a member of a minority race, as a member of a minority group in this country, really that should be the majority; the women of this country who have not ever been given their rightful entitlement to establish policies, to hold positions of responsibility, to compete for promotions, to hold professional positions in government and in institutions within our society. Of late, within the last few years, the Congress has responded to the cries of discrimination by women all across our society. We have enacted laws whose effectiveness depends upon these statistics being available to enforce the law.

So I urge a vote against the Holt amendment.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House conferees worked diligently in an effort to resolve the differences over the 85 amendments which were added by the other body. There were 16 members of the conference from the House and 17 members of the conference from the Senate. These issues were well debated and discussed. Compromises were made, decisions were made, and finally we have the bill before us.

I realize that there is some misunderstanding about this amendment, and I realize that since the conferees signed the conference agreement, the Secretary of HEW has made some decisions which to some considerable extent complicate the matter.

I do know that many of us feel that forced busing has in many cases been very detrimental to the school systems of the country and to the homes and families of those involved with busing. I stand firm in my resolve against busing as a means of achieving racial balance. On the other hand, we all believe in fairness and equality and good sense in the administration of the various education programs. We do not want to do any injustice. We do not want to be discriminatory against any race or any sex or any American citizen.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, it seems as though busing has been used as a code word to find out which side we are on. The gentleman does not see anything in this amendment, I hope, that would add or not facilitate busing, does he? I mean, he does not see where it would help or hurt busing?

Mr. MAHON. The amendment, of course, deals with other matters, as another Member has pointed out. I yielded to the gentleman for the purpose of making a comment which he wished to make, not for the purpose of interrogation.

Mr. RANGEL. Mr. Speaker, it seems to me that certainly many words have been used in order for us to get on the record to decide which side we are on, but I do not care what they are trying to remedy, if we are trying to determine the ratio between Democrats and Republicans on committees, it seems to me that somebody has the obligation to count how many Republicans we have and how many Democrats we have.

If we are going to say that everyone should have an equal opportunity for fair education regardless of race, regardless of religion, regardless of sex, then I hope that we would see fit not to include this new busing philosophy, but to include it as a bill that would allow us at least to get a fair count to see who needs the help the Congress wants to give them.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MAHON. Mr. Speaker, I thank the gentleman.

Mr. MICHEL. Mr. Speaker, if I might yield myself 1 minute just to clarify the situation so that all the Members might know what they are voting upon, as I understand it, the chairman of the committee, the gentleman from Texas (Mr. MAHON) has a motion before the House here.

Those Members of this body who are in agreement with the language which is in the conference report, which is the first paragraph in the original Holt amendment, the vote is aye. If they happen to be in disagreement with what the conferees have come to agreement upon, the vote would be no.

Mr. FLOOD. Mr. Speaker, I opposed the so-called Holt amendment when it was offered in the House floor debate on the supplemental appropriation bill on October 1. Nevertheless, it was adopted by a record vote of 221 to 168. The Senate dropped the provision from the bill. The conferees restored a portion of the House provision, leaving out that portion which prohibited HEW from requiring school systems to prepare or maintain any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students.

I believe the conferees were under the distinct impression that the provision they adopted was innocuous, and that it would not really affect HEW's enforcement of the Civil Rights Act one way or the other. Therefore, I was amazed on Monday to receive a letter from the Secretary of Health, Education, and Welfare, quoting this provision, and stating:

> Although the effect of the above language is somewhat ambiguous, in our view most courts would hold that the amendment ends our basic authority to enforce civil rights laws, particularly title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds for programs that discriminate as to race, color, or national origin, and title IX of Educational Amendments of 1972, which carries a similar prohibition with regard to sex discrimination in education programs.

This is the first communication on this subject which I have received from the Secretary or anyone else in HEW. Why he waited until after the conferees had acted, I do not know. As I said, I was not in favor of the amendment in the first place, and I voted against it. However, it was adopted in this House by a record vote of 221 to 168, and under those circumstances, the House conferees were understandably reluctant to yield entirely to the Senate on this matter.

Mr. DORN. Mr. Speaker, the Holt amendment is yet another persistent attempt to enact into some of many laws passed by Congress, the old antibusing amendment. It is time to let the Congress rest from these efforts to turn back the clock and to exempt some of the urban areas such as Boston and Detroit from compliance with the law.

Mr. Speaker, the Civil Rights Act of 1964 and the other civil rights legislation on the books should be administered uniformly throughout the Nation, fairly, and equitably. We should never have one law for one section and exempt the other section from provisions of the same law. In my area of the country dual busing, one for blacks and one for whites, has been eliminated. Our schools are operating fairly for all nationalities, religions, races, and sexes.

We have made fantastic progress, and it is a tribute to my people. It is a tribute to our school administrators at the local and State level, to our trustees, to all those who are serving with dedication to bring about compliance with the law and to provide quality education for all our people.

The Holt amendment would simply penalize those of us in public education who have worked faithfully and diligently to uphold the law and advance the cause of public education for the children of all citizens. It would be a mockery of justice to pass special legislation, and that is what this amendment amounts to, in behalf of certain areas of the country where there has been defiance of law, riots, and disorderly conduct.

Mr. Speaker, further, this amendment would circumvent and weaken the Civil Rights Act sections that prohibit discrimination against women.

I might point out that that act for the first time included language which prohibited discrimination against women in employment. This is a great issue throughout the Nation today, as our women feel that they are still being discriminated against. Many women are unaware of this landmark provision. It is already in the law, and I would oppose today any weakening of this section of the Civil Rights Act prohibiting discrimination against women.

The Secondary and Elementary Education Act has been an outstanding and farsighted measure in helping local school districts and State governments finance public education. This act has, with its special programs for the disadvantaged, been a great step toward quality education. Anything that would thwart this progress would be a tragedy.

Mr. Speaker, let us recognize this old, wornout, rejected, so-called antibusing amendment for what it really is. It is simply an old, antibusing amendment dressed up in fancy language which could be deceiving and which could lead to discrimination and a return to segregated schools. The great progress that has been made, particularly in rural and small urban areas, would be jeopardized.

We must have busing to reach better equipped, superior consolidated schools. Rather than increasing State and local taxes in the local community to continue essential busing we need more Federal aid to local school districts and the States for busing to quality schools with better facilities and superior faculties. From personal acquaintance with busing I see the need for a truly modern school bus system, with safer buses, with seat belts and perhaps air-conditioning.

Busing is an integral and important part of education today. You could visit any high school in rural and small town America and see approximately 100 school buses on any single day. These buses touch the lives of virtually every American family. Mr. Speaker, I voted against the Holt amendment and urge the Congress to reject this amendment which could thwart the great progress being made in public education, in understanding and true brotherhood among all our people. Mr. Speaker, I commend to the attention of my colleagues an editorial which appeared in the Washington Post of December 4, 1974:

CRIPPLING THE CIVIL RIGHTS ACT

In 1964 the landmark Civil Rights Act became law, and in the period immediately following, much of Lyndon Johnson's "Great Society" legislation was passed. Taken together the two kinds of statutes did much to provide the impetus for the racial desegregation that got under way in the late 1960s. A principal reason was that such "Great Society" legislation as, for instance, the Elementary and Secondary Education Act provided federal funds for local school systems, making such money available in large quantities for the first time. The availability of this federal assistance, however, was conditioned by those provisions of the Civil Rights Act that forbade the expenditure of federal funds on state and local programs that discriminated against citizens on the basis of race, color or national origin.

Consequently, a great deal of progress was made in desegregating schools, hospitals and other institutions by states and localities that did not wish to forego the newly available federal funds. It was Title VI of the Civil Rights Act that provided this incentive for compliance with the law, via its "cut-off" provision. And it is Title VI that now is threatened by a pernicious amendment to an appropriations bill. The amendment would have the same undermining effect on other federal statutes, including that which prohibits sex discrimination in education programs.

The genesis of this amendment was some legislation introduced by Rep. Marjorie Holt (R-Md.) and passed by the House a while back. On the Senate side, Sen. Jesse Helms (R-N.C.) was its patron. Although it was defeated narrowly in the Senate, a slightly altered version of Mrs. Holt's measure survived a Senate-House conference—and that is the proposal before Congress now. As is almost invariably the case in these matters, the language employed to eliminate anti-discrimination measures now in the law is itself disarmingly and disingenuously noble-sounding, appearing only to prevent the federal government in general and the Department of Health, Education and Welfare in particular from compelling school systems to deal in race, religion, sex or national origin. Thus: ". . . none of these funds shall be used to compel any school system as a condition for receiving grants . . . from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students . . . for reasons of race, religion, sex, or national origin."

HEW Secretary Caspar Weinberger is among those who have seen this deceptive language for what it is—an attempt to terminate the federal government's pursuit of its duty to enforce the Civil Rights Act of 1964 and related laws. Conceding that some of the proposed language is "ambiguous," Secretary Weinberger nonetheless observed in a recent letter to Sen. Warren G. Magnuson (D-Wash.), who is chairman of the Senate subcommittee dealing with the proposal, that enactment of this provision would cripple the Department's capacity to investigate charges of discrimination in federally funded programs and to enforce the requirements of the law where discriminatory practices were found.

There has been an almost haphazard, not to say irresponsible, note to the way the legislators in both bodies of Congress have let this momentous bit of legislation come so near to passage. And now, to stop it, will require a complicated parliamentary procedure when the conference bill reaches the floor. Probably it will be up to the Senate to eliminate the provision, if it is to be done. We think the Senate can do no less if it is to be even remotely faithful to the letter and spirit of the great Civil Rights Act of 1964.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. STOKES. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 176, not voting 46, as follows:

[Roll No. 653]

AYES—212

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conlan
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
de la Garza
Delaney
Denholm
Dennis
Derwinski
Devine
Dickinson
Dingell
Downing
Dulski
Duncan
Edwards, Ala.
Fisher
Flowers
Flynt
Forsythe
Fountain
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Hébert
Henderson
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kazen
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McCollister
McEwen
McKay
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Milford
Miller
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Brien
O'Hara
Parris
Pettis
Poage
Powell, Ohio
Price, Tex.
Quillen
Randall
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rogers
Rousselot
Roy
Runnels
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Sikes
Sisk
Skubitz
Slack
Snyder
Spence
Steed
Steiger, Ariz.
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Towell, Nev.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOES—176

Abzug
Adams
Addabbo
Anderson, Calif.
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Breckinridge
Brown, Mich.
Burke, Calif.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Culver
Danielson
Davis, S.C.
Dellenback
Dellums
Diggs
Dorn
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Flood
Foley
Ford
Frelinghuysen
Frenzel
Gilman
Gonzalez
Green, Pa.
Griffiths
Gude
Hamilton
Hanna
Hansen, Idaho
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holifield
Holtzman
Horton
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Kemp
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
Luken
McClory
McCloskey
McCormack
McDade
McFall
McKinney
Madden
Madigan
Mallary
Maraziti
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Morgan
Mosher
Moss
Murphy, N.Y.
Nix
Obey
O'Neill
Owens
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Riegle
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Stokes
Stratton
Studds
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Ware
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Yates
Young, Ga.
Zwach

NOT VOTING—46

Anderson, Ill.
Brasco
Brotzman
Brown, Calif.
Carey, N.Y.
Clark
Conable
Crane
Davis, Ga.
Davis, Wis.
Dent
Donohue
Eshleman
Evins, Tenn.
Fish
Fraser
Gibbons
Grasso
Gray
Hansen, Wash.
Howard
Jones, N.C.
Jones, Tenn.
Kluczynski
McSpadden
Macdonald
Mathias, Calif.
Mills
Minshall, Ohio
Moorhead, Pa.
Murphy, Ill.
Passman
Patman
Podell
Rarick
Reid
Robison, N.Y.
Roncallo, N.Y.
Rooney, N.Y.
Steiger, Wis.
Stephens
Symington
Ullman
Wyman
Young, Alaska
Young, Ill.

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Passman for, with Mr. Dent against.

Mr. Rarick for, with Mr. Kluczynski against.

Mr. Jones of North Carolina for, with Mr. Moorhead of Pennsylvania against.

Mr. Jones of Tennessee for, with Mr. Murphy of Illinois against.

Mr. Gibbons for, with Mr. Macdonald against.

Mr. Stephens for, with Mr. Symington against.

Mr. Brotzman for, with Mr. Carey of New York against.

Mr. Conable for, with Mr. Ullman against.

Mr. Crane for, with Mr. Brown of California against.

Mr. Eshleman for, with Mr. Howard against.

Mr. Mathias of California for, with Mr. Gray against.

Mr. Roncallo of New York for, with Mr. Fraser against.

Mr. Wyman for, with Mr. Young of Alaska against.

Mr. Young of Illinois for, with Mr. Steiger of Wisconsin against.

Until further notice:

Mr. Rooney of New York with Mr. Anderson of Illinois.

Mr. Donohue with Mr. Fish.

Mr. Clark with Mrs. Grasso.

Mr. Patman with Mr. Reid.

Mrs. Hansen of Washington with Mr. McSpadden.

Mr. Mills with Mr. Davis of Georgia.

Mr. Evins of Tennessee with Mr. Robison of New York.

Mr. Davis of Wisconsin with Mr. Minshall of Ohio.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of the secretaries.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: On page 12, line 7, insert:

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $656,016,000, of which $636,016,000, including $43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 70 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number, of children in such schools: *Provided further*, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: On page 14, line 5, insert:

"Funds appropriated under 'Occupational, Vocational, and Adult Education' in the Departments of Labor and Health, Education, and Welfare Appropriations Act, 1975 for carrying out career education under the Cooperative Research Act shall be available only to carry out the provisions of section 406 of Public Law 93-380."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

Mr. **MAHON**. Mr. Speaker, inasmuch as amendments Nos. 26 through 34 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments Nos. 26 through 34 be considered as read, printed in the Record, and that they be considered en bloc.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendments in disagreement referred to are as follows:

Senate amendments Nos. 26 through 34: Beginning on page 15, line 3, through line 8 on page 17, insert:

"SENATE

"Salaries, Officers and Employees

"OFFICE OF THE SECRETARY

"For an additional amount for 'Office of the Secretary', $75,525: *Provided*, That effective October 1, 1974, the Secretary may appoint and fix the compensation of a technical advisor at not to exceed $28,690 per annum; a chief elections investigator at not to exceed $28,690 per annum, and the Secretary may fix the per annum compensation of the enrolling clerk at not to exceed $26,878 per annum in lieu of $20,235 per annum: *Provided further*, That effective October 1, 1974, the allowance for clerical assistance and readjustment of salaries in the Disbursing Office is increased by $41,040.

"COMMITTEE EMPLOYEES

"For an additional amount for 'Committee Employees', $349,980.

"Contingent Expenses of the Senate

"INQUIRIES AND INVESTIGATIONS

"For an additional amount for 'Inquiries and Investigations', $5,000.

"For an additional amount for 'Inquiries and Investigation', fiscal year 1974, $250,000.

"MISCELLANEOUS ITEMS

"For an additional amount for 'Miscellaneous Items', fiscal year 1974, $1,050,000.

"STATIONERY (REVOLVING FUND)

"For an additional amount for 'Stationery (Revolving Fund),' $300.

"ADMINISTRATIVE PROVISION

"Effective January 1, 1975—

"(1) that portion of the paragraph relating to contingent funds under the heading 'UNDER LEGISLATIVE' in the Act of October 2, 1888 (25 Stat. 546; 2 U.S.C. 68, 95), beginning with 'And hereafter' and ending with 'Government', is amended to read as follows: 'Payments made upon vouchers approved by the Committee on House Administration of the House of Representatives, and payments made upon vouchers or abstracts of disbursements of salaries approved by the Committee on Rules and Administration of the Senate, shall be deemed, held, and taken, and are declared to be conclusive upon all the departments and officers of the Government';

"(2) section 204 of the Atomic Energy Act of 1954 (42 U.S.C. 2254) is amended by inserting immediately after 'upon vouchers approved by the Chairman', a comma and the following: 'except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate'; and

"(3) section 5(e) of the Employment Act of 1946 (15 U.S.C. 1024(e)) is amended by inserting immediately before the period at the end thereof a comma and the following: 'except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate'."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendments of the Senate numbered 26 through 34 inclusive and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: On page 18, line 14, insert:

"Administration Provisions

"Effective on January 2, 1975, the provisions of title II of House Resolution 988, Ninety-third Congress, relating to: Sec. 202. Early Organization of the House; Sec. 203. Legislative Classification Office; Sec. 204. The House Commission on Information and Facilities; Sec. 205. Office of the Law Revision Counsel; Sec. 206. Review of Committee Jurisdiction; Sec. 207 (c) and (d) Technical and Conforming Provisions; and Sec. 208. Compilation of the Precedents, shall be the permanent law with respect thereto.

"The provisions of House Resolution 1299, Ninety-third Congress, relating to an additional expert transcriber to official committee reporters of the House of Representatives, and House Resolution 1309, Ninety-third Congress, relating to the United States Capitol Police force, shall be the permanent law with respect thereto."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: on page 20, line 1, insert:

"Notwithstanding any other provision of law, effective January 1, 1975, none of the funds appropriated to the Architect of the Capitol shall thereafter be available for any nursing position unless the position is occupied by a Registered Nurse: *Provided*, That such provision shall not be applicable to the present incumbents of such positions."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: On page 20, line 7, insert:

"CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING

"For an additional amount for "Construction of an Extension to the New Senate Office Building", $16,322,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: On page 20, line 12, insert:

"Administration Provision

"Hereafter, with the approval of the Joint Committee on the Library, the Architect of the Capitol may utilize personnel paid from appropriations under his control for performance of administrative and clerical duties in connection with the maintenance and operation of the United States Botanic Garden, to such extent as he may deem feasible."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"Administrative Provision

"Hereafter, with the approval of the Joint Committee on the Library, the Architect of the Capitol may utilize personnel paid from appropriations under his control for performance of administrative and clerical duties in connection with the maintenance and operation of the United States Botanic Garden, to such extent as he may deem feasible."

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: On page 20, line 19, insert:

"GOVERNMENT PRINTING OFFICE

"Environmental Impact Study on the Relocation of the Government Printing Office

"For expenses necessary to prepare a detailed environmental impact statement for the Government Printing Office, $300,000, to remain available until expended, and to be available for transfer to the General Services Administration."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: On page 21, line 3, insert:

"OPERATING EXPENSES

"For an additional amount for 'Operating expenses', $59,700,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert the following: "$25,500,000."

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: On page 21, line 8, insert:

"PLANT AND CAPITAL EQUIPMENT

"For an additional amount for 'plant and capital equipment', $18,300,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the sum in said amendment insert the following: "$9,150,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: On page 21, line 13, insert:

"DEPARTMENT OF THE INTERIOR

"Bureau of Reclamation

"OPERATION AND MAINTENANCE

"Notwithstanding the last proviso under this head in the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act, 1975 (Public Law 93–393), the Secretary of the Interior, following the entry of a final order by the United States District Court for the District of Nevada in the case designated as "Truckee-Carson Irrigation District v. Secretary of the Interior", Civil Action No. R–74–34, BRT, filed March 18, 1974, now pending in said court, determining that the Secretary may assume control of the Newlands Reclamation Project, Nevada, may utilize not to exceed $1,000,000 of the funds appropriated under such head for the operation of the Newlands Reclamation Project, Nevada."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: On page 23, line 14, insert:

"RELATED AGENCIES

"Small Business Administration

"SURETY BOND GUARANTEES FUND

"For additional capital for the 'Surety Bond Guarantees Fund', authorized by the Small Business Investment Act, as amended, to remain available without fiscal year limitation: $20,000,000 to be derived by transfer from the 'Business Loan and Investment Fund'."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: On page 24, line 2, insert:

"Federal Aviation Administration

"GRANTS-IN-AID FOR AIRPORTS

"Notwithstanding the limitation on Grants-in-Aid for Airport Development contained in section 302 of Public Law 93–391, the $50,000,000 appropriated by Public Law 91–168 for such grants and subsequently transferred to the Airport and Airway Development Trust Fund by Public Law 91–258 shall be available for obligation through June 30, 1975."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the sum inserted by said amendment, insert: "$25,000,000"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 59: On page 25; line 22, insert:

"General Provision

"Motor vehicles for police-type use by the Treasury Department may be purchased without regard to the general purchase price limitation for the current fiscal year."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 59 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 61: On page 26, line 14, insert: "including compensation for the Deputy Director at a rate not to exceed the rate for level V of the Executive Schedule.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 61 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 62: On page 27, line 7, insert:

National Commission on Supplies and Shortages

"SALARIES AND EXPENSES

"For necessary expenses to carry out the provisions of the National Commission on Supplies and Shortages Act (Public Law 93–426), including personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, $287,500."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 65: On page 28, line 7, insert:

"REAL PROPERTY OPERATIONS

"FEDERAL BUILDINGS FUND

"Limitation on Availability of Revenue

"In addition to the aggregate amount made available for real property management and related expenses under this heading in the "Treasury, Postal Service, and General Government Appropriations Act, 1975", $1,000,000 shall be available for such purposes and the limitation on the amount made available for rental of space is increased to $364,000,000, and the limitation on the amount made available for purchase contract payments is reduced to $16,244,000, and the limitation on the amount made available for real property operations is reduced to $351,000,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 65 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: On page 28, line 24, insert: "*Provided*, That the aggregate salaries of all employees detailed on a nonreimbursable basis under the authority of the Presidential Transition Act of 1963, during the period beginning August 9, 1974, and ending February 9, 1975, shall not exceed $220,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "*: Provided*, That the aggregate salaries of all employees detailed on a nonreimbursable basis under the authority of the Presidential Transition Act of 1963, during the period beginning with the enactment of this Act, and ending February 9, 1975, shall not exceed $70,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 71: On Page 30, line 8, insert:

"BUREAU OF LAND MANAGEMENT

"MANAGEMENT OF LAND AND RESOURCES

"For additional amount for 'Management of Lands and Resources', $12,400,000, to be derived by transfer from the appropriation for 'Salaries and Expenses', Office of Coal Research, fiscal year 1975."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 73: On page 30, line 18, insert:

"GEOLOGICAL SURVEY

"SURVEYS, INVESTIGATIONS AND RESEARCH

"For an additional amount for 'Surveys, Investigations and Research', $2,600,000, to be derived by transfer from the appropriation for 'Salaries and Expenses', Office of Coal Research, fiscal year 1975."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 73 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 79: On page 31, line 14, insert:

"Of the funds appropriated under this head in the Department of the Interior and Related Agencies Appropriation Act, 1975, $425,000 shall be available to assist the Tuba City High School Public School District, Arizona, in the construction of facilities for joint use with the Grey Hills Indian High School."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 82: On page 32, line 23, insert: "or any other Act".

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 83: On page 33, line 5, strike out "ownership" and insert in lieu thereof "disposition".

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 83 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 84: On page 33, line 12, insert:

"SEC. 204. Notwithstanding any other provision of law, appropriations provided in this or any other Act which would otherwise expire on June 30 of the calendar year 1976, or on such date of any subsequent calendar year, shall remain available until September 30 of each such calendar year."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 84 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 85: On page 33, line 17, insert:

"SEC. 205. None of the funds appropriated by this or any other Act which are available during the fiscal year 1975 for travel expenses, including subsistence allowances, of Government officers and employees may be obligated, after the date of the enactment of this Act, at a rate which exceeds 75 percent of the rate at which amounts for such expenses were obligated during the fiscal year 1974."

MOTION OFFERED BY MR. MAHON

Mr. **MAHON**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 205. None of the funds appropriated by this or any other Act which are available during the fiscal year 1975 for travel expenses, including subsistence allowances, of Government officers and employees may be obligated after the date of the enactment of this Act, at a rate for the balance of the fiscal year which exceeds 90 percent of the budget estimates for fiscal year 1975 for such expenses which were submitted for appropriations or otherwise provided by law: *Provided*, That none of the limitations on travel included in the regular appropriations for fiscal year 1975 shall be exceeded."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. **MAHON**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the conference report and the amendments in disagreement just agreed to.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

BUDGET RESCISSION BILL

Mr. **MAHON**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17505) to rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. No. 93–361), October 4, 1974 (H. Doc. No. 93–365) and November 13, 1974 (H. Doc. No. 93–3887), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour and that the time be divided equally between the gentleman from Massachusetts (Mr. Conte) and myself.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

The **SPEAKER**. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17505, with Mr. Bolling in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the unanimous-consent agreement, the gentleman from Texas (Mr. Mahon) will be recognized for 30 minutes, and the gentleman from Massachusetts (Mr. Conte) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. **MAHON**. Mr. Chairman, the House in the consideration of this measure is breaking new ground. This is the first bill to be reported to the House as a result of the passage by the Congress of the Congressional Budget and Impoundment Control Act of 1974. We will remember that over a period of months there was considerable controversy between the legislative branch and the executive branch over the withholding of funds to carry out various programs that had been approved by Congress and had been appropriated for by the Congress.

This new act provides a process for rescission in a special way which has not heretofore existed.

The bill reflects the recommendations of the Appropriations Committee on the seven budget rescissions proposed by the

President through November 13. The seven rescissions were proposed in Presidential messages dated September 20, 1974, and October 4, 1974.

The bill does not include any items contained in the latest Presidential message of November 26, which proposed budget reductions in the amount of $4.6 billion.

The estimated total of the budget authority recommended to be rescinded in this bill is a small sum compared to the amount which was recommended by the President on November 26, but it is significant. The estimated total of the authority recommended to be rescinded is $116 million. This is $540 million less than the amount proposed for rescission by the President.

I would like to remind Members that, generally speaking, in the handling of matters before the Appropriations Committee, the various subcommittees conduct the hearings, conduct the markup, and then the proposals are presented to the full committee for approval or disapproval. So, the appropriation subcommittees have conducted hearings, had markups and deliberations in connection with this bill, and the full committee has reported the bill to the House. Members of the subcommittees of the House have a considerable impact with respect to the content of the legislation.

SUMMARY OF H.R. 17505

Mr. Chairman, in considering the proposals of the President associated with this bill, the committee is recommending certain rescissions and is not recommending others. The following rescission actions are recommended:

Housing and Urban Development Department—college housing, language.

Interior Department—roads and trails, $4,891,000.

Interior Department—road construction, $10,461,000.

Agriculture Department—Forest Service roads and trails, $61,611,000.

Appalachian regional development programs—airport development, $40,000,000.

The committee is not recommending agreement to the following rescissions:

Department of Agriculture—Rural Electrification Administration, $455,635,000.

Department of Agriculture—agricultural conservation program, $85,000,000.

EXPLANATION OF IMPOUNDMENT CONTROL ACT OF 1974

Mr. Chairman, for the benefit of Members and others, I will ask permission to insert at this point in the RECORD an explanation of the Impoundment Control Act which is title X of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344). It is brief and simple but, in my judgment, useful:

SUMMARY OF RESCISSION AND DEFERRAL PROVISIONS OF THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

Title X of this Act provides two ways for the President to terminate or defer spending that the Congress has provided—either through a budget rescission or a budget deferral. In each case, Congress has the opportunity to overturn the President and to require that the funds it originally provided be made available for obligation.

RESCISSION OF BUDGET AUTHORITY

When the President decides not to use all or part of the money which the Congress has provided for a program, he must send a rescission message to the Congress. The House and Senate then have 45 days in which to approve the President's proposal through a rescission bill canceling the budget authority previously made available. *This bill must be passed by the House and Senate and signed by the President.* If this is not done within 45 days of the date of the Presidential message containing the proposed rescission, the money must then be made available for obligation.

DEFERRAL OF BUDGET AUTHORITY

When the President proposes to delay spending for some project or program for some period of time not beyond the end of the fiscal year, he must send a budget deferral message to the Congress.

The President may then defer spending according to his proposal unless and until *either the House or Senate passes* an impoundment resolution disapproving the proposed deferral. As opposed to the rescission process, this requires action by only one House.

CUMULATIVE REPORTS

The act requires the President to submit to Congress by the 10th day of each month a cumulative report of rescissions and deferrals. These reports are published as House documents. Reports submitted thus far are contained in H. Doc. 93-392 and H. Doc. 93-393.

RESPONSIBILITIES OF THE COMPTROLLER GENERAL

The Comptroller General has the responsibility to report to Congress if he finds that deferrals or rescissions have not been transmitted to Congress, but are in fact being made. He must also report to Congress if he determines that an action has been improperly classified as a deferral or a rescission. If amounts are made available for obligation under the act by Congressional action or inaction, the Comptroller General is authorized to bring court action to require that such amounts are made available for expenditure if the President fails to do so.

These reports are also published as House documents. Reports submitted thus far are contained in H. Docs. 93-390, 93-391, and 93-394.

DISCHARGE OF COMMITTEE—25 DAYS TO ACT

The Act provides that if a committee to which a rescission bill or a disapproval resolution has been referred has not acted in 25 days, it is subject to discharge on a motion of an individual Member if supported by one-fifth of the Members of the House involved. If discharged, it shall be immediately in order to consider the measure in the House.

APPROPRIATIONS COMMITTEE PROCEDURE

When a Presidential message on rescissions and deferrals or a rescission bill or deferral resolution is referred to the Appropriations Committee, the Committee will utilize its existing Subcommittee structure to hold hearings and deal with the items as they deem appropriate. The Full Committee will then consider and may report these measures to the House, in much the same manner and fashion as Supplemental Appropriations Bills are now handled.

The Committee is well along in the process of developing a computer process to provide information on all the rescissions and deferrals in a timely and useful manner. This is necessary for the work of the Committee but will also provide useful information to all Members and others.

PENDING RESCISSIONS AND DEFERRALS

The President has proposed a total of nearly $24 billion in existing budget authority to be either rescinded or deferred in the five messages that he has transmitted to the Congress through November 13.

Rescissions. The President has transmitted to Congress seven proposed rescissions of budget authority through November 13. In addition, the Comptroller General has classified one proposed deferral of housing funds by the President to a rescission, acting under the authority provided him in P.L. 93-344. The item deals with Housing Production and Mortgage Assistance, Homeownership Assistance (the so-called Section 235 program). A hearing on this matter has been held by the Subcommittee on HUD-Space-Science-Veterans and further consideration and disposition of it is pending before the Committee.

With the action recommended in this bill, no other rescissions are pending at this time.

Deferrals. Through November 13, the President has proposed 88 deferrals of budget authority. The Appropriations Committee has undertaken to examine these deferrals and many of them appear to be routine in nature and not contrary to Congressional intent.

One deferral—that of $9 billion in waste treatment grants—has aroused considerable interest and concern. This item is discussed in the report to this bill in the chapter on Agriculture-Environmental and Consumer Protection.

SUMMARY OF NOV. 6 BUDGET REDUCTION PACKAGES

Mr. Chairman, under leave to extend I shall also place in the RECORD at this point a summary of the proposals of the President submitted to Congress on November 26 which, if approved, would result in budget reduction of about $4.6 billion.

The additional workload associated with the implementation of the new impoundment control procedure is both considerable and complicated. The committee has developed a computer system to track the various actions under this section of the new law which I think will provide a useful source of information for Members and their offices and others. I should also mention that the House Information Systems, the Appropriation Committee, and others are actively working on other systems to help the House respond to other requirements of the new budget control legislation.

Mr. Chairman, the summary of the latest Presidential message on this subject follows:

SUMMARY ANALYSIS OF THE PRESIDENT'S PROPOSAL TO REDUCE THE 1975 BUDGET BY $4.6 BILLION AS PROPOSED IN H. DOC. 93-398

The Presidential budget reduction message received November 26 (H. Doc. 93-398) includes seven different types of action which, if approved by the Congress, the President states would reduce outlays in FY 1975 by $4,583,000,000 and in FY 1976 by $6,678,000,000. No reductions beyond 1976 are identified although some would follow as a result of these actions. The type of action, the number of items involved, outlays, and where available, budget authority, follow:

[Dollars in millions]

	Number of items	1975 budget authority	Outlays	
			1975	1976
1. New legislation	6	(1)	−$1,783.0	−$3,250
2. Prompt action on pending legislation	8	(1)	−896.0	−1,798
3. Reductions in 3 pending appropriation bills	27	−$622.0	−337.0	−281
4. 1975 budget amendments	3	−36.9	−47.0	−30
5. Executive actions under current authority	11	(1)	−979.0	−1,110
6. Additional rescissions of budget authority	39	863.6	−224.0	−227
7. Additional deferrals of obligations	41	393.0	−317.0	+18
Total	135	(1)	−4,586.3	−6,687

[1] Not available.

The message also includes a reestimate of receipts and outlays. Without the above actions, outlays are estimated at $306.8 billion—an excess of $13.8 billion over estimated receipts of $293.0 billion. In the unlikely event that all the proposed actions are accepted, outlays will drop to $302.2 billion—a deficit on the unified basis of $9.2 billion in fiscal 1975.

A brief summary follows:

Legislative proposals (parts 1 and 2): These parts include $2.7 billion in reductions of which $1,178 million is in H.E.W. and $1,103 million is in Veterans Administration.

Changes in pending appropriation bills and budget amendments (parts 3 and 4): The message proposes changes and amendments to the Labor-HEW bill (H.R. 15580), the 1975 Supplemental (H.R. 16900), and the Agriculture bill (H.R. 16901). The House and Senate have adopted the conference report on the Labor-HEW bill, the supplemental conference report has been filed, and conference on the Agriculture bill is scheduled. The 30 actions identified in these parts could be resubmitted by the President as rescissions, deferrals, or supplementals. These actions total $384 million in outlay reductions.

Executive actions under current authority (part 5): This section includes "administrative" actions which the President maintains do not require congressional approval at this time. At a later date however budget rescission or deferrals messages may be required because of these actions.

Rescissions (part 6): This part contains 39 rescissions which total $863.6 million in budget authority and $224 million in outlays. Of this amount, $248 million in budget authority and $33.6 in outlays are related to non procurement of aircraft—24 A-7D's and 12 F-111's. An additional $120.6 million budget authority and $100.2 in outlays are related to various operation and maintenance accounts in the Defense and military agencies. This would provide a reduction of 10% in the level of real property maintenance for one year.

The budget authority identified for rescission was appropriated in the following fiscal years:

1972	$12,000,000
1973	187,832,353
1974	195,846,520
1975	467,966,900
Total	863,645,773

Deferrals (part 7): This part includes 41 deferrals which total $393 million in budget authority and $317 million in 1975 outlays. These are widely distributed across many agencies. The largest single item is $50,000,000 in budget authority in HUD 701 planning grants. There is $10,000,000 outlay associated with this amount.

The deferrals are broken by part and full year as follows:

	Number of items	Amount
Part year	14	$117,592,500
Full year	28	275,497,729
	[1] 42	393,090,224

[1] Item includes both a part year and full year deferral.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. KAZEN. Mr. Chairman, I am very disturbed about the deferral of $9 billion for construction claims for waste treatment facilities presently being withheld. In reading the report, the committee seems to think that this money should be spent and that there is a need for it to be spent, but the gentleman is recommending, along with the administration, that this item be deferred because, "An allotment of a substantial portion of the funds will be made to the States on or prior to February 1, 1975."

This quotation is from the message that has been received by the committee I spoke of.

Further in the report it says—

> However, based on assurances from the agency that a substantial portion of these funds will be released in January 1975, and thereafter as they can be fully utilized, the committee does not propose to introduce a resolution to reject the deferral at this time.

My question to the chairman is this: What do they mean by "a substantial amount"?

Mr. MAHON. I think it is fairly obvious that the total of $9 billion could not be readily expended. I am going to ask the gentleman from Mississippi, the chairman of the subcommittee which has funding responsibilities for this program, to reply and respond in detail to the request of the gentleman from Texas.

Mr. WHITTEN. I can appreciate the concern of my colleague from Texas about this matter. This entire matter came before the committee rather quickly, but we took the time to have public hearings. The Agriculture-Environmental and Consumer Protection Subcommittee, of which I have the honor of being chairman, in going into the matter learned that a resolution had been introduced and referred to the Committee on Public Works. There could be a question of jurisdiction; however, after this year, because of the provisions of the Budget Control Act, matters involving contract authority will be referred to the Committee on Appropriations. On the other hand it was properly before us on the Committee on Appropriations because it was a part of the Presidential deferral and rescission message, all of which was referred to our committee.

We had a hearing with the Environmental Protection Agency regarding the proposed deferral of the $9 billion. We were told that as of this time there is almost $6 billion in unobligated funds available at the local level. We were assured in the hearings by Mr. Train, that when the local people were ready to move ahead with more funds, a substantial part of the $9 billion would be released. We tried to pin him down to a dollars and cents figure. He was unable to give us a specific figure. He did, however, give us the assurance they would release the funds as fast as they could be utilized efficiently. He did tell us that he recommended to the Office of Management and Budget the release of $7 billion in January 1975, just 1 month from now.

It was my belief, as chairman—and the committee followed my advice on this matter—that it was better to take his commitment and assurance that funds would be made available, as much more as could be used, as against merely differing with him and saying the entire $9 billion had to be released immediately.

So we settled it in what looked to us to be the best way in order to get the funds properly and efficiently used. We worded it as I have indicated. We did not approve his proposal; we accepted it. I give the gentleman my assurance we did the best we could.

Mr. KAZEN. Mr. Chairman, if the gentleman from Texas will yield further, every time the Congress appropriates this money they have to take the agencies to court and the court forces them to release this money.

EPA has set some very high standards for sewer disposal. Yet they have withheld the money we have appropriated for these communities in order to bring their plants up to standard, to meet the standards set by EPA. They have further, by regulations, made it a criminal offense not to have these standards by the time they are ready, and our communities just do not have the money to build these plants.

Mr. WHITTEN. Mr. Chairman, if the gentleman from Texas will yield further, I repeat again that we are in thorough accord with what the gentleman has said.

We thought it better to accept the Environmental Protection Agency's assurances in public hearings that they would implement it and carry it out rather than just tell the Office of Management and Budget to release the money.

Mr. KAZEN. Mr. Chairman, I appreciate receiving the assurances of the gentleman, and I understand what the chairman of the subcommittee is saying, that there was a firm commitment on their part to release a substantial part of these funds by February.

Mr. WHITTEN. Mr. Chairman, we did everything we thought possible in order to bring that about.

Mr. KAZEN. Mr. Chairman, I thank the gentleman.

Mr. MAHON. Mr. Chairman, I reserve the balance of my time.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in June of this year the Congress enacted the Budget and Impoundment Control Act of 1974. I supported that legislation as a major step toward fiscal responsibility for the Federal Government, and as an assertion by the Congress of its rightful powers of the purse. That bill was signed into law on July 12, and since that day we have waited for the Congress to squarely face its new responsibilities.

The bill before us today is the first specific legislative product of the budget control procedures established by the Budget and Impoundment Control Act. It is a rescission bill, in which the Congress must approve, or disapprove, proposals by the President to rescind budget authority previously enacted by the Congress.

I oppose this bill because, in my opinion, it does not measure up to the high expectations of budget reform. As reported by the committee, the bill could increase Federal spending by over $500 million. And I believe it established the wrong priorities among the seven rescissions considered by the committee.

The bill does not recommend the approval of two rescissions, which, in my opinion, are justified: $455.6 million for REA loans, and $85 million for the agricultural conservation program, better known to most of us as REAP. Failure to enact these rescissions could increase Federal spending by up to $540.6 million, a dismal beginning for this momentous exercise in fiscal discipline.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be happy to yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, may I say that as chairman of the subcommittee responsible for these items, it is my opinion that the saving of money or the expenditure of money is not immediately involved.

With regard to the REA loan authorization, we are dealing with a ceiling on that loan authority. The administrator of the REA advises us that they have no intention of using those funds. The value of keeping that authority available—and I say again there is no indication the money would be spent at all—is that in regard to the bargaining between the REA distribution cooperatives and the private power companies, the fact that the money is available if released by the administration to generate their own power helps them to bargain for reasonable rates.

So what I am trying to tell the gentleman is that while it will be useful to continue this loan authority, I have every reason to believe it will not need to be used and no funds will actually be expended.

With regard to the REAP program, if I may continue, we have a similar situation.

The reason is that this $85 million is contract authority which does not include actual expenditure of funds until agreements are consummated. It is only when those earning this money by contributing their share of the total cost, plus their labor, that the Government would then in turn pay out these funds to them.

Now, because the Department of Agriculture, instead of following the directions of Congress and the orders of the court, did not implement this program, the people have not earned it.

Since the administration has impeded the program to this extent, so to speak, I do not feel that Congress should take the responsibility for the reduction in program activity by approving the proposed rescission. Therefore, I say that in neither case will the money be expended, but in both cases, had we followed the rescission recommendation, we would not have reduced expenditures. But we would have impaired the effectiveness of the REA program and our action could have been construed as approval of the limitations placed on the Agricultural Conservation program.

Mr. CONTE. I ask the gentleman from Mississippi on the question on the REA loans: What is the interest rate on those loans?

Mr. WHITTEN. Five percent on insured loans, as the gentleman knows, at the present time the REA is going on the open market and getting much of its money through guaranteed loans and I presume it will continue to do so. The Administrator said that he did not see any reason at this time to keep this authority available, but I think it is wise to have this authority available. If released by the REA and by the administration, since they have that authority, they can be in a better bargaining position if necessary.

Mr. CONTE. Mr. Chairman, I appreciate the concern of the gentleman from Mississippi.

I am concerned about this: If REA is not releasing this money and REAP is not releasing this money, then we should set the example by rescinding the money that they will not need. Also, in regard to REA, they are getting 5 percent interest, while it is costing the Government 7, 8, or 9 percent interest.

Mr. WHITTEN. They are now getting much of their money on the open market, as I understand it.

Mr. CONTE. If that is so, it is something new; is that right?

Mr. WHITTEN. Actually, the interest rates are established under the law. Congress passed that legislation in May 1973.

Mr. CONTE. Mr. Chairman, the gentleman from New Jersey (Mr. PATTEN) is very disturbed—and I think rightfully so—because the bill contains a rescission of $14.5 million in debt service grants for college housing, an action which I strongly oppose.

In contrast to REA and REAP, special interest program rescissions which the Committee did not approve, an investment in college housing is a truly national investment in a truly national objective, higher education.

In conclusion, Mr. Chairman, I reluctantly oppose my committee, and this bill, because it does not exercise sufficient total fiscal restraint, and because I disagree with the priorities placed on individual programs. I will address these individual programs when the bill is being read for amendment.

I will say, Mr. Chairman, that budget control must begin at a specific time and place. While I cannot agree with several of the individual recommendations of my committee, I congratulate the chairman of the committee, the gentleman from Texas, for his initiative and hard work in bringing the bill before the House at this time.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, with regard to this matter of rescission and deferrals, this is a new territory in which we move. It offers many, many opportunities to bring about an improvement in congressional control over the budget.

As the Members know, I had the honor of serving with my friend, the gentleman from Oregon (Mr. ULLMAN), as cochairman of the original committee which made the study on regaining control of the budget by the Congress.

We are very proud of the fact that of the 32 Senators and Congressmen, on that committee, all 32 signed that report. All 32 joined in introducing a bill.

I was not as struck with this phase of it, the impoundment bill, as were many of my colleagues.

The bill that was finally reported out, under the supervision of the chairman, by the Committee on Rules is one that I hope will do great service for the future.

Under this new bill the executive branch is required to submit to the Congress any requests to withhold money. These may be requested either as recessions or deferrals, depending upon the circumstances. Our Subcommittee on Agriculture-Environmental and Consumer Protection had to consider both types of requests.

We held public hearings with the Department of Agriculture, the Environmental Protection Agency, and the Department of Housing and Urban Development, as to why funds had been held up. These hearings were a precedent which I think it is well for us to continue to follow. Not only that, but we found, and I have found, that frequently where we learn that funds are being withheld they are being withheld by the Office of Management and Budget rather than by a department or agency.

So I hope on future recommendations each subcommittee will have hearings to see who is holding the money up and who is proposing to rescind it—whether it is the Office of Management and Budget, or the Department. Only in that way can we pass judgment on the soundness of the proposal. I am glad our subcommittee had the public hearings so we could know the reasons these funds were held up. We intend to follow this procedure in the future, and I hope the other subcommittees will do the same.

Mr. Chairman, we held extensive hearings and considered each and every proposal individually. In each instance, we tried to determine why the deferral was being proposed, the conditions under which funds would be released, and any other pertinent facts.

In several cases, the committee had serious reservations about the desirability of proposed deferrals. However, on the basis of testimony by agency officials that funds would be released if needed, and with the clear understanding that if these commitments are not honored the committee will not hesitate to introduce resolutions of disapproval making the funds available, it was decided to go along with the deferrals at this time. I repeat again, if it becomes apparent that needed funds are not being released, the committee will take the necessary action to insure that they are released.

At this point in the Record I would like to insert a table showing the various deferrals which have been accepted by the committee at this time:

Department of Agriculture:	
Agricultural Research Service	$770,000
Foreign Agricultural Service (special foreign currency)	2,516,000
Agricultural Marketing Service	1,244,000
Agricultural Stabilization and Conservation Service	5,000,000
Environmental Protection Agency:	
Waste treatment grants	[1] 9,000,000,000
Removal of in-place toxic pollutants	2,000,000
Grants to areawide waste treatment management agencies	30,000,000
Department of Housing and Urban Development:	
Grants for basic water and sewer facilities	407,535,992

[1] Committee has been assured of immediate release of such funds as can be effectively utilized to increase employment and protect the environment and accepts the deferral only because of such assurances.

Mr. Chairman, at this time I would ask unanimous consent that I may revise and extend my remarks.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. **FINDLEY**. Mr. Chairman, will the gentleman yield?

Mr. **WHITTEN**. I yield to the gentleman from Illinois.

Mr. **FINDLEY**. Mr. Chairman, as the gentleman from Mississippi knows, I have been a strong advocate of the budget control concept, and I appreciate the fact that we have now placed that in the law.

I am also impressed with the explanation the gentleman has given on the REA, and others. It seems to me that the course of action the gentleman recommends should be approved.

Mr. **WHITTEN**. Mr. Chairman, I thank my friend, the gentleman from Illinois, for his remarks.

Mr. Chairman, I expect to put in the extension of my remarks the pertinent parts of the record as to just how much good has been done by the agriculture conservation program. May I say that we in this country are able to take care of a big part of the world rightly or wrongly, only because we have taken care of our own country. Certainly, now that the farmer is being called upon to continue to do this, we should continue to help the one million people who are willing to put up one-half of the cost plus their labor to help save our country, this is no time to stop the funding for the agriculture conservation program.

At this point I would like to insert in the record a table showing the accomplishments of the agricultural conservation program since its inception:

ACCOMPLISHMENTS OF THE AGRICULTURAL CONSERVATION PROGRAM

Practice	Unit	Total accomplishments 1936-72
Water impoundment reservoirs constructed to reduce erosion, distribute grazing, conserve vegetative cover and wildlife, or provide fire protection and other agricultural uses.	Structures	2,249,000
Terraces constructed to reduce erosion, conserve water, or prevent or abate pollution.	Acres	33,216,000
Stripcropping systems established to reduce wind or water erosion or to prevent or abate pollution.	do	114,229,000
Competitive shrubs controlled on range or pasture to permit growth of adequate cover for erosion control and to conserve water.	do	63,260.000
Green and shrubs planted for forestry purposes, erosion control, or environmental enhancement.	do	5,485,000
Forest tree stands improved for forestry purposes or environmental enhancement.	do	4,564,000
Wildlife conservation	Acres served.	[1] 13,592,000
Animal waste and soil waste pollution-abatement structures (lagoons, storage, diversion, and other).	Number	[1] 10,803.000
Sediment pollution-abatement structures or runoff control measures.	Acres served.	[2] 2,961,000
Other pollution-abatement practices.	do	[2] 367,000

[1] 1962–72, inclusive, with certain data estimated.
[2] 1970, 1971, and 1972 only.

Mr. **PATTEN**. Mr. Chairman, will the gentleman yield?

Mr. **WHITTEN**. I am happy to yield 2 minutes to the gentleman from New Jersey (Mr. Patten) a member of the committee.

Mr. **PATTEN**. Mr. Chairman, I cannot possibly get warmed up in 2 minutes.

Mr. **WHITTEN**. In that case, since I would like to have the gentleman get warmed up, I yield 2 minutes to the gentleman from New Jersey.

Mr. **PATTEN**. Mr. Chairman, I propose to introduce an amendment to the rescision bill in order to preserve the college housing program, because this money is a necessity. I suspect that when the law was passed in 1950 we thought it would do the job; instead in 1972 President Nixon impounded it. We did not get it in 1973, and we did not get it in 1974 under the great reform, because we are going to rescind a little sum of $14 million in an $800 million bill.

I could not agree more with my good friend, the gentleman from Massachusetts (Mr. Conte) as to how effective we are in budget control.

Do the Members know that in 1940 this country had 1 million babies born? In 1955 we had 5 million babies born. In 1956 we had 5.5 million babies born. We had 30 million babies born in 1955, 1956, 1957, and so on, and they are knocking at the college doors, and many of the State universities are going to see them show up next September. We have the buildings put up, but we will have to say "no" to them.

For instance, at Rutgers University, if you live within 15 miles of the college you cannot get in the dormitory.

These colleges were put up for middle-class and the lower economic groups. We are short over 6,000 places for the students to sleep. If they go downtown, they have to pay $40 a week sleeping in some attic or over some drugstore, and the like, and even those areas are being crowded out.

These high school kids today are the best we have ever had. They are the best educated. They are the best physically. They are the smartest. They are wonderful. They are coming at the rate of 6 million to college. Let us send them to college, not put them on the unemployment list. Let us restore this college money. It will save 500,000 from being on the unemployed list. It will be the best investment the country ever made. We will get this back in income tax in no time.

My greatest boast as an American is that we have 8½ million men in college. If we look at the senior classes this year, they are beautiful. They are the best. We are proud of all of them, and we want them to be able to go to college next September. I ask the Members' help to restore this little bit of $14 million out of this big bill so our universities can get some help and build some dormitories as we promised them over the last 20 years. Mr. Chairman, I yield back the remainder of my time.

Mr. **CONTE**. Mr. Chairman, I have no further requests for time.

Mr. **WHITTEN**. Mr. Chairman, I yield 3 minutes to the gentlewoman from Michigan (Mrs. Griffiths).

(By unanimous consent, Mrs. Griffiths was allowed to speak out of order.)

CHILD SUPPORT COLLECTION AMONG WELFARE FAMILIES

Mrs. **GRIFFITHS**. Mr. Chairman, although I am leaving this Congress, I want to make sure that all the rest of the Members have plenty of work to do.

As they are aware, I have been running an investigation of welfare. One of the things I was interested in learning was how many children are we supporting on welfare where the father has abandoned them, is under an order of support, and yet does not support his children. I sent the GAO out into some of the more prosperous communities of our land, and we checked it. These are some of the things that we found.

WHOSE RESPONSIBILITY IS THE SUPPORT OF A CHILD? THE TAXPAYER'S OR THE PARENT'S?

If you are looking for ways to hold down Federal spending, if you believe in enforcing the law, if you care about unfairness to the taxpayer and unfairness to the poor, please listen.

For the past 3 years, the Joint Economic Committee's Subcommittee on Fiscal Policy has been studying the Nation's income maintenance system. Among other things, this study has shown the importance of parents' responsibility for child support. Over 12 million American children—almost one child out of every five—does not live with both parents. Most of these children live with their mothers and of those, about half live in poverty. I suspect that many children in one-parent families are being supported on incomes far below those of their absent parents.

All States require parents to support their children, and all States provide civil and criminal remedies for nonsupport. However, the law on the books is not the law in action. Upon divorce, separation, abandonment, or birth of an illegitimate child, courts do not automatically order child support payments to be made. Even when a support order is issued, chances are that payments will not be sufficient to furnish half of the child's support.

The inadequacies of the Nation's support collection system hurt not only children, but also taxpayers. Aid to families with dependent children is an $8 billion program. Eighty percent of AFDC children have absent parents, and almost one-third of these children are covered by support orders or agreements. However, although these orders represent findings that the parents are able to pay, few are obeyed. The Federal Government has an obligation to enforce these court orders.

The major obstacle to enacting effective child support legislation always has been uncertainty about absent parents' incomes. Congress long has known that parents absent from welfare families pay little toward their children's support. However, Congress never has known how much those absent parents could pay. As chairman of the Subcommittee on Fiscal Policy, I asked the General Accounting Office to find out.

In telling you the results of this investigation, I shall be telling you about absent welfare parents who earn $10,000, $15,000, $20,000 a year and pay almost nothing in child support. I shall also be telling you about absent parents who earn $3,000, $4,000, $5,000 a year and pay as much as they can.

The GAO investigation reveals inefficiency and unfairness in the current support collection system. In the first place, the investigation suggests that welfare and support collection agencies do not obtain enough information about most absent parents to allow their incomes to be checked. In other words, these agencies know too little about most absent parents to be able to find out from which ones they should be trying to collect support.

In spite of this, the GAO succeeded in determining incomes of some parents absent from welfare families. These incomes suggest that many such parents are poor. At the same time, they suggest that a good number have steady, well-paying, middle-class jobs; that some of these middle-income parents are not under order or agreement to pay child support; that those who are, are asked to pay relatively small amounts; and that few pay even these amounts.

In its investigation, the GAO drew two samples of AFDC families. One sample included 500 families with absent parents who were under support order or agreement; the other included 1,000 families with absent parents who were not. Both samples were drawn from seven different States.

Checking all available court, welfare, and support collection records for these families, the GAO searched for clues to support potential. The files contained scant information on absent parents' incomes or the existence of nonwelfare families whose parents might be responsible to support. Nor did the files consistently produce absent parents' social security numbers, the key to using official income records. The GAO found social security numbers for only about 60 percent of the absent parents who were under support order and 30 percent of those who were not. In Texas and Virginia, these percentages were much lower.

To determine incomes, the GAO used 1973 unemployment insurance records of States in which the AFDC families lived. Federal income tax records were not available, and social security records contained only earnings up to the social security wage base. Of absent parents whose social security numbers were known, unemployment insurance records produced income information for slightly more than half. These records do not contain information on workers who are out of State, in the military, self-employed, or working in Government jobs or other noncovered employment.

The incomes obtained do not necessarily represent those of all absent welfare parents. However, to my knowledge these incomes are the only existing sample of absent parents' incomes obtained from official records.

Three- and four-quarter incomes were obtained for 149 absent parents under support order or agreement. Of these parents, 26 percent earned from $6,000 to $9,000; 24 percent earned from $9,000 to $12,000; 13 percent earned from $12,000 to $15,000; and 5 percent earned $15,000 or more. Median earnings were $8,200.

The earnings of those not under support order or agreement tended to be for fewer quarters and at lower amounts per quarter. In each county, however, some who were not under support order or agreement had earnings at or above the median for men in that county.

Perhaps the GAO investigation is most meaningful for what it shows about how the support collection system works, or fails to work. Let me tell you more about our subset of 149 absent parents.

Out of median earnings of $712 a month, these parents had been ordered or had agreed to make a median family monthly child support payment of $95, or $50 per child. Few actually paid the full amount. The financial circumstances of the welfare families these parents left behind were considerably different. Although almost half of the mothers worked outside the home, the families lived on a median monthly cash income of $288, $211 of which came from welfare.

In light of absent parents' incomes, many of the support amounts ordered or agreed upon seemed surprisingly small. For example, of the 28 absent parents from one California county, 4 with incomes between $12,000 and $14,000 had been ordered to pay these monthly amounts: $40 for one child, $45 for 1 child, $80 for 2 children, and $100 for 3. Per child, this is little more than a dollar a day. The families of these four absent parents were receiving monthly welfare checks of $239 to $314. None of the four fathers was known to have a large nonwelfare family to support. Yet only one was paying the amount he owed. Payments from the other three were few and far between.

A fifth absent parent in the same California group had been ordered to pay child support of $50 a month, although he earned $21,000 a year. He also was in arrears.

A sixth, whose wife and three children lived on monthly welfare payments of $295, had agreed to pay monthly child support of $25. That is 27 cents a day per child. He was not paying the full amount. Yet he sent $50 a week to his credit union savings account. He could afford to. Last year he earned almost $17,000.

In addition to being small, support amounts were not clearly related to absent parents' incomes. Among the 149 parents, those earning over $12,000 were almost as likely as those earning under $6,000 to have perchild support amounts less than $50 a month.

Numerous inconsistencies in support amounts appeared in each county. For example, of two Pennsylvania fathers with two welfare children each, one father earned $5,200 a year and was expected to pay monthly child support of $172; the other earned $11,600 but was expected to pay only $69. Of two Washington fathers with two welfare children each, one earned $10,000 and had been ordered to pay monthly child support of $200; the other earned $17,000 but had been ordered to pay only half as much. Inequities of this kind were not hard to find.

Of course, debate about the fairness of support amounts may be largely academic, since relatively few appear to be paid. Only about a quarter of our 149 absent parents were paying 90 percent or more of the amount ordered or agreed upon. Of the rest, about half were making partial payments and half were paying hardly anything at all.

If it is puzzling how support amounts are set, it is even more puzzling which ones are paid. We found no clear, consistent relationship between compliance with support orders and absent parents' incomes. Eighty-one percent of the parents earning less than $6,000 were not substantially complying with their support orders or agreements—but neither were 66 percent of those earning between $6,000 and $12,000, or 70 percent of those earning $12,000 or more.

Let me illustrate the lack of relationship between earnings and compliance. Two Georgia fathers, each with four children on welfare, agreed to pay $173 a month in child support. Last year one earned $17,500; the other earned $3,800. Both paid about 80 percent of the agreed amount.

Two other Georgia fathers, each with one child on welfare, were expected to pay $65 a month in child support. One earned less than $3,000 a year; the other earned $10,000. The low-income father paid his child support in full; the higher income father did not.

The widespread noncompliance with support obligations must be blamed in part on weak enforcement action. Of those of our 149 parents who were not in substantial compliance with their support orders, 30 percent had not been the subject of enforcement action. That is, the enforcement agency had not even tried to contact them. Over time, parents were more than twice as likely to have their support amounts decreased, than increased, and few were ordered to pay arrears.

These are only some of the findings of our investigation. The GAO will issue a complete report at a later date.

In my judgment, the inefficiency and unfairness revealed by this investigation show an overwhelming need for routine determinations of absent parents' incomes; for systematic reviews of the reasonableness of support amounts set; and for greater diligence in enforcing support obligations.

To correct the problem of nonsupport, to date Congress has done little more than ask State welfare agencies to do better in collecting support. Multiple bills to provide Federal participation in enforcement of support obligations are pending before the Judiciary Committee; the committee held hearings on such a proposal as long ago as 1949. Congress must act, and I believe enforcement of court support orders is the place to start. These orders are legal determinations that absent parents can and should contribute to their children's support. There is no excuse for not enforcing them.

What is needed is an effective mechanism for enforcement. I suggest that when a child is on welfare and a court order for that child's support is not being fully obeyed, the State promptly attach the absent parent's wages—even if that parent is a Federal employee. Attachment should also be available to nonwelfare families that cannot afford a private attorney. If State procedures for attachment are unsatisfactory, then effective Federal procedures must be put into operation.

The basic issue is very simple: Whose responsibility is the support of a child—the parents' or the taxpayers'?

Willful nonsupport by financially able absent parents places an unfair burden on their families; when it forces those families onto welfare, it also places an unfair burden on the taxpayer. I believe that mothers heading families have as great an obligation to work outside the home to support their children as do fathers. However, I also believe that when a family breaks up, it is not fair for the father simply to be relieved of his family's support, while that family is plunged into poverty.

Of course, what the taxpayer cares about is the tendency of nonsupport to increase the welfare rolls. Perhaps nothing causes taxpayer hostility toward welfare as much as substituting taxpayer dollars for collectable, but uncollected, child support dollars. Until we clamp down on fathers who can contribute to their children's support but do not while their children live on welfare, we shall have great difficulty helping needy fathers who cannot contribute and needy fathers who do contribute. And it is about time these fathers received some help.

I urge the Judiciary Committee to stop dragging its feet on the matter of enforcing child support obligations. The committee should hold full hearings on the matter. Child support is an issue whose time has come.

Mr. CONTE. Mr. Chairman, I yield to the gentleman from California (Mr. TALCOTT) such time as he may consume.

Mr. TALCOTT. Mr. Chairman, I support the rescission bill and I urge everyone else to support it.

Mr. Chairman, this is a historic occasion. It is the first time this body has been able to act on budget rescissions and deferrals under title X of the Congressional Budget Impoundment Control Act. In the future we will have the opportunity to consider similar measures with some frequency, and I believe that this will prove beneficial to both the executive branch and the legislative branch.

I am in agreement with my distinguished chairman and concur with his remarks on this bill. My only real reservation concerned the rescission of the college housing program in my own subcommittee's area. Many of the witnesses who appeared before our subcommittee pointed out that the trend in colleges is toward a lowered need for on-campus housing. They also testified that on many campuses there are now dormitories which stand half empty. I cannot quarrel with this testimony; I know that in many cases it is the case.

But I am also aware that there are some colleges, in some areas of the country including my own district, which are in real need of additional on-campus housing. Off-campus housing is insufficient to meet the needs of the students at these colleges, and because they cannot find adequate housing for their students they are unable to meet their enrollment capacity. In many cases this denies fully qualified students their opportunity to complete their educations. At Cal Poly in San Luis Obispo some 800 students who had qualified for admission this year were unable to attend because of such a lack of housing. We have heard some testimony that other colleges and universities may suffer similar housing shortages.

However, the committee has received testimony from the Department of Housing and Urban Development that the new section 8 housing program is flexible enough to be adapted to the housing needs of such colleges and universities. We who share a deep concern over the plight of the college community fervently hope that the section 8 program will work in this area. It is the belief of the committee that because of the overall lower priority of college housing, it is proper to rescind this program. I hope that time will prove that this was a wise decision, and that the new section 8 program will fill the needs of colleges and universities which still need new housing. If those hopes are not met, I can assure my colleagues that I, and other members of the committee, will be willing to consider alternate methods or new programs to meet these needs.

Mr. CONTE. Mr. Chairman, I yield to the gentleman from California (Mr. VEYSEY) such time as he may consume.

Mr. VEYSEY. Mr. Chairman, immediately preceding the election, this body overwhelmingly approved a resolution that stated, in effect, that we support the establishment of a $300 billion target outlay for fiscal year 1975. I am sure that we campaigned on that issue, mindful of the voters' grave concern about the dangers of inflation.

The House Appropriations Committee completed hearings and markup on the first group of rescissions and this is before us today. The result, to my mind, is very disappointing.

Of the total proposed rescission amount of $657,598,000, as outlined in Committee Report 93–1501, only $116,963,000 was approved. The committee did not recommend the major rescissions, a total of almost $541 million, for the Rural Electrification Administration and REAP.

It seems to me that the House has a very serious responsibility here if we are going to come anywhere close to our declared goal of $300 billion expenditure limitation.

No agencies, particularly those with programs that are not of a priority nature, should escape the budget cutting process. There should be no "sacred cows."

Every effort should be made to reach that goal. If we must enlarge expenditures to cushion unemployment or to create jobs, we will do that. But all economists tell us we must contain the Federal budget to control inflation.

Congress must take the lead and set an example of fiscal responsibility.

Mr. CONTE. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority contained in the messages of the President of September 20, 1974 (H. Doc. 93–361), October 4, 1974 (H. Doc. 93–365) and November 13, 1974 (H. Doc. 93–387) are made pursuant to section 1012 of the Impoundment Control Act of 1974, namely:

CHAPTER I

DEPARTMENT OF AGRICULTURE

RURAL ELECTRIFICATION ADMINISTRATION

The paragraph providing loan authorizations under the Rural Electrification Administration in the Agriculture Environmental and Consumer Protection Appropriation Act, 1973 (Public Law 92-399) is amended by striking out "$595,000,000" and inserting in lieu thereof "$228,534,000", and by striking out "$145,000,000" and inserting in lieu thereof "$55,831,475".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, strike lines 1 through 10.

Mr. CONTE. Mr. Chairman, I rise in opposition to the committee amendment. As introduced and referred to the Committee on Appropriations, the bill would have approved the rescission of $455.6 million for direct Government loans for rural electrification and telephones. The committee amendment would delete this rescission, which I support.

In early 1973 the Congress amended the Rural Electrification Act by limiting 2 percent loans to electric or telephone borrowers in rural areas who met special standards of need which were established in the legislation. Also, Congress stipulated that borrowers who could afford it should obtain credit and assistance from the private sector.

These were major reforms, enacted by this Congress to improve a program where 2 percent loans had become a relatively indiscriminate subsidy. The committee amendment would disapprove of the rescission, and force the administration to make $455.6 million available to borrowers who would not qualify under the present law. Federal spending could be increased by up to $151.9 million in each of these fiscal years: 1975, 1976, and 1977.

Mr. Chairman, I urge my colleagues to oppose the committee amendment.

Mr. WHITTEN. Mr. Chairman, I hope the Committee will go along with our committee on this amendment. I have explained our position earlier. It is a question of being able to bargain with the private power companies who supply the power.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AGRICULTURAL CONSERVATION PROGRAM

The paragraph providing authority for the Agricultural Conservation Program (REAP) in the Agriculture Environmental and Consumer Protection Appropriation Act, 1974 (Public Law 93-135) is amended by striking out "$160,000,000" and inserting in lieu thereof "$75,000,000".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, strike lines 11 through 16.

Mr. CONTE. Mr. Chairman, I rise in opposition to the committee amendment. As introduced, and referred to the Committee on Appropriations, the bill would have approved the rescission of $35 million for the Agricultural Conservation Program—REAP. The committee amendment would delete this rescission, which I believe is justified. In December, 1972, this program was terminated by administrative action, in an attempt to ensure that Federal dollars would be applied to soil and water conservation practices which would be of long-term benefit to the Nation, and a justifiable investment of tax dollars.

The program was reinitiated in December 1973, and during calender 1974 a total of $300 million was made available for conservation cost-sharing. Since the program level for calendar 1975 will be established shortly, the committee action, which would increase the 1974 program level, would provide few if any real benefits to the taxpayer or to the individual farmer.

Mr. Chairman, this is another example of a special interest program being financed by the taxpayer at the expense of genuine national investments.

I urge the defeat of the committee amendment.

Mr. WHITTEN. Mr. Chairman, I make the same statement. I hope the committee will stay with our committee on this amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COLLEGE HOUSING

The limitation otherwise applicable to the total payments that may be required in any fiscal year by all contracts entered into under title IV of the Housing Act of 1950, as amended (12 U.S.C. 1749 et seq.), is hereby reduced by the uncommitted balances of authorizations heretofore provided for this purpose in appropriation acts.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 17, strike "II" and insert "I".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. PATTEN

Mr. PATTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATTEN: Page 2, strike out lines 17 and all that follows through page 3, line 2, inclusive.

Mr. PATTEN. Mr. Chairman, I offer my amendment to H.R. 17505, a bill reported by the Appropriations Committee to correct what I believe was a mistaken decision made by my colleagues on the committee.

The President's rescission message to the Congress was made for a specific reason: to terminate certain Federal spendings. While I did not, and do not, agree with all of the items requested by the Executive for rescission, I do agree with the basic concept of a reduction of deficit spending particularly on nonessential programs.

The rescission message contained a number of programs marked for termination. With the exception of two Department of Agriculture programs, totaling 80 percent of the request, the amounts involved are relatively small. The college housing program, representing only 2 percent of the entire request, was one of the rescissions recommended by the committee. The $16 million pricetag for this important program is an extremely modest one considering the size of those of the Agriculture Department and its far-reaching benefits to institutions and students. Yet, for some reason not clear to me, the committee chose to retain the REAP and REA programs intact—once again, 80 percent of the rescission request—and allowed the college housing program and the other 18 percent to be offered as the gesture of fiscal responsibility.

The college housing program is the only method by which our Nation's colleges and universities can meet the pressing demands for housing and renovation of housing units and related facilities being felt on many campuses. The program permits an institution to construct housing and related facilities within their modest means and the student's ability to pay through interest subsidy grants and long-term low interest loans.

While it is true that postsecondary institutions have experienced a drop in the rate of enrollment, recent figures indicate a continuing increase in demands for on-campus housing. The president of the Association of College and University Housing Officers reported on November 18, a continuing trend toward increasing interest in on-campus occupancy. The occupancy rate based on surveys of 353 schools is 98 percent—an increase over last year's 96 percent. Reasons for the return of students to on-campus housing include changes in student values and higher costs of food, off-campus housing, and transportation.

The State college of New Jersey, Rutgers, is only one example of the desperate need of institutions to be able to provide expanded facilities. Rutgers University turns away literally thousands of applicants for admission each year despite the fact that they are fully qualified for entrance. The reason is simple: It has not the facilities to place them.

There are schools, both large and small, in Massachusetts, Mississippi, Rhode Island, Wisconsin, Alabama, Montana, Maine, California, and New Jersey who would benefit by the college housing program. I do not speak of surplus housing, but only the schools which definitely need the facilities. In addition, institutions in every State of the country are eligible to take advantage of the program for renovation of existing facilities.

The administration has offered a number of justifications for the termination of this valued program. It has said that title II of the new Housing and Community Development Act provides an alternative to the college housing program. This is erroneous and highly misleading. Title II allows for rent subsidy and not new construction, and then, only married students would be eligible for the assistance. Of course, the greater percentage of students are not married.

The President has stated that the college housing program is an inefficient means of providing higher education assistance for low income students. What the President did not say is that the program was never intended to focus assistance only on the most needy students, but simply to reduce the high cost of college for all students. Actually, the effect of a rescission of the program would be injurious to the low income student for, at Rutgers for example, the cost of construction of housing facilities is directly reflected in the amount the student pays for residence.

There are many reasons for retaining the program. They include: the prevention of increased education costs at a time of high priced higher education; renovation and remodeling of existing facilities for energy savings and renovation and remodeling of existing facilities for reasons of health and safety, including improvements for handicapped students and employees.

Two important considerations must be kept in mind first, the continuation of this program will not encourage unnecessary construction starts. Many schools no longer need additional facilities. Second, additional facilities would reduce the demand on the local community housing. I have been told of many instances in college towns where the students and the low income families of the community are in direct competition for the limited housing units. Invariably, the students successfully obtain the units due to the ability of them to join in groups of three or more and thereby reduce the individual's rent payment.

My amendment will remove the college housing program from the rescission bill. It has received the support of the Building and Construction Trade Unions, the region 9, UAW Housing Corporation of New York, New Jersey, and Pennsylvania, the National Association of State Universities and Land Grant Colleges, the American Association of State Colleges and Universities, and the National Association of College and University Business Officers.

I ask my colleages for their support for this amendment which will be of great benefit to all higher education institutions.

I submit a copy of a letter of support for the amendment made by the region 9, UAW Housing Corp., Inc. for the Members' information:

REGION 9, UAW HOUSING CORP., INC.,
Cranford, N.J., November 22, 1974.

HON. EDWARD JAMES PATTEN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PATTEN: The Region 9, UAW Housing Corporation wishes to congratulate you on your stand against President Ford's proposal to eliminate all authority for Title 4 of the Housing Act of 1950. The Region 9, UAW Housing Corporation Inc., a non-profit corporation, organized for the purpose of erecting low-moderate income housing of all types in the states of New Jersey, New York and Pennsylvania urgently solicits your support in rejecting Section 2 of HR-17204. This section of the proposed legislation deals with subsidies to the College Housing Program. We believe that the elimination of this subsidy which was provided for under Title 4 of the Housing Act of 1950 will impose a severe hardship on both the educational institution and the construction industry in our state. At a time when unemployment in the housing industry has reached a critical stage the elimination of all these jobs will only create a greater crisis.

President Ford proposes that this Article be dealt with in Title 2 of the Housing and Community Development Act of 1974. In reality this is not the case since Title 2 only provides for rent subsidies and not new construction. Therefore, it will not allow for any new construction and rent subsidies are of no value where a housing shortage exists. Furthermore, under Title 2 rent subsidies are available only to married persons; single students (the overwhelming majority on college campuses) are specifically excluded from assistance under Title 2. We are all well aware of the problems created by the critical housing shortage for students and related facilities and skyrocketing construction costs. Therefore, the Region 9, UAW Housing Corporation asks your support in rejection of this proposal.

Thank you kindly for your consideration in this matter.

Very truly yours,
RICHARD DEPALMA,
Co-Director.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it pains me very much to oppose my distinguished, lovable and able friend, the gentleman from New Jersey (Mr. PATTEN), a Member of this Congress and a perfectly wonderful personality.

This rescission recommended by the full Committee on Appropriations and recommended by the subcommittee that I chair comes about, as all of us know, as a result of the Congressional Budget and Impoundment Control Act of 1974 that passed this House 386 to 23.

This is the first rescission bill that the Congress has had since the adoption of that act. I think in a sense it determines whether or not the Members of Congress who voted overwhelmingly for that bill are willing to bite the bullet on some programs that do not enjoy a high priority.

I do not believe anyone could argue with my distinguished friend from New Jersey concerning the fact that this program has met a very serious national need. After the second world war and up through the early 1960's there was an explosion of student enrollments in almost all colleges and universities in the United States. The demand for college housing far exceeded the supply, and to help meet that demand the Congress enacted the College Housing Loan Program in 1950. Almost 4,000 loans have been approved since that time, and this has provided accommodations for almost 1 million students in dormitories costing more than $4.5 billion.

But, as the 1960's drew to a close, the college enrollment picture began to change, and it changed dramatically. Many of the Nation's colleges and universities showed a drop in enrollment, and I think every Member of this Congress recognizes that.

Early statistics covering the 1974 academic year indicate that the college enrollment is less at many institutions with increasing numbers of part-time students. The colleges have witnessed a change in student life style. More and more students are living off campus in apartments and houses. While this trend appears to have slackened, the net result is that today some schools have excess dormitory capacity and many others have adequate capacity to meet current enrollment demands.

Of course, pockets of college housing shortages may develop, but the Congress can then provide for that need. If a change is really necessary and if there is an indication that college dormitories are again needed as they were some years ago, then this committee and the Congress can provide the assistance needed based on the facts at that time.

The only university that appeared in opposition to this rescission proposal was Rutgers University from the State of New Jersey—and it is a great university. The only other college that filed a statement was Georgetown University. We do have a statement from the National Association of College and University Business Officers opposing the rescission of this program, and a few other expressions of interest.

What does this rescission do? What we actually do is rescind $16.1 million in annual contract authority. That is the substance of what we are doing, but—but, that $16.1 million actually represents an expenditure of Federal funds over the next 40 years of $650 million—not $16.1 million, but $650 million.

I have a clipping I cut out of the New York Times on Sunday which indicates that 40 of the 50 States of this Nation are operating with a surplus. New Jersey, I do not think, is one of them. I know Massachusetts is not one of them. But, as my distinguished friend from California knows, his State has the largest surplus. So the States are in a much better position to fund dormitory construction than is the Federal Government.

The fact is that the American college today has not been shortchanged by the Federal Government. The assistance from HEW in the next fiscal year will run about $2.1 billion. Total Federal aid to higher education will reach almost $6.6 billion in 1975. So the issue here is—do we want to rescind a program that no longer has a high priority relative to national needs. We have to make a judgment here; we have to bite the bullet. We really have to put our votes where our mouths are if we are going to make the Congressional Budget and Impoundment Control Act of 1974 work. That is the real issue.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent Mr. BOLAND

was allowed to proceed for 2 additional minutes.)

Mr. BOLAND. Mr. Chairman, if I thought for one moment that this program was needed to build additional dormitories at colleges throughout the Nation, I certainly would not, and I am sure the committee would not recommend rescinding these funds. But, the fact of the matter is that we are now faced at this moment with a program which enjoys a very low priority. As I said, if we are going to implement the provisions of the Congressional Budget and Impoundment Control Act of 1974, which was so expertly managed by the Chairman of this Committee of the Whole today, then I think we have to face up to it. I think perhaps it would be in the best judgment of those who supported that act, and I think probably in the best interest of the Congress itself, to support the recommendation of this committee.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

(On request of Mr. THOMPSON of New Jersey and by unanimous consent Mr. BOLAND was allowed to proceed for 1 additional minute.)

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, this is an extremely rare occasion when I respectfully but strongly disagree with the gentleman from Massachusetts.

I strongly urge the adoption of the Patman amendment. If indeed the surplus is as the gentleman from Massachusetts describes it—and I am certain that it is accurate in most ways—then I do not think that the restoration of these moneys would hurt.

A survey of 353 institutions was done, and the occupancy rate last year was 98 percent, an increase of 2 percent over the previous year.

Rutgers University, a land grant institution, a State university of New Jersey, is a very fast growing institution. We desperately need housing there. Unfortunately, our history is that we ship in excess of 50 percent of our college age population to other States because of an admitted failure over the years, until recently, of the State of New Jersey to look after its own college-age population.

So, we too, very desperately need this, I do not think if the funds were restored, I say to my friend from Massachusetts, that they would be wasted. Rather, they would be used well in the places where they are particularly needed.

Mr. BOLAND. I do not think the funds would be wasted, but the funds are not needed at this time.

Let me read another article with reference to the University of Wisconsin.

"Having overbuilt to accommodate the postwar 'baby boom' "—and that is exactly what the college housing program did, so that we could take care of the baby boom in the postwar years—"most colleges, both public and private, are now struggling to fill their classrooms and dormitories. At stake is the very survival of some institutions, along with the jobs of well-paid administrators and professors."

Mr. THOMPSON of New Jersey. The gentleman is contributing at the moment to that boom.

Mr. BOLAND. New Jersey is a great State. It is one of the finest States in the Union, and I summer there every year. But I do not think New Jersey is among the top 10 States in the Nation in providing adequate funds for education. I would think that if Rutgers needs dormitories, it is a State institution, it ought to provide for them.

The college housing program has served this country well. I have strongly supported this program. However, on today's scale of budget priorities, I must conclude that this program does not rank as high as others. We must begin to make some choice between old and new programs—between what was needed yesterday and what is needed today. Twenty years ago the college housing program was indispensable—today it is not. I urge the House to support the committee's recommendation to rescind the remaining balance of the college housing program.

Mr. TALCOTT. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I want to agree and concur with the gentleman from Massachusetts, who has very ably presented the opposition to this amendment. Obviously, college students are very popular. We all recognize that, and we want to assist them. I know our subcommittee does want to assist college students by providing adequate housing. I think we have done this very consistently over the years. It is our conclusion, after hearing testimony from many groups of people, that the college housing program which was terminated may be replaced by the new section 8 housing program if it is allowed to work.

The House has supported that program very substantially, and this is one program where we can provide the kind of college housing that is needed today.

We have overbuilt tremendously. It is somewhat of a disgrace when we consider the amount of empty, vacant college housing we have at this time. But section 8 of the new legislation can be coordinated with the local communities, and that will provide the kind of college housing that is really needed.

Mr. Chairman, I think it is unfair to say that we have not provided students with assistance. We have HEW, and we have the GI bill. There are dozens of ways by which this Congress and the American taxpayer have tried to provide assistance for college students. There is a provision here, and the Department has said it will work. I think they are sincere in trying to provide the kind of college housing we need on our college campuses today through section 8.

The opportunity for college housing is there. It is under a different program than the one we are talking about. I think that the rescission is in order.

Mr. Chairman, I urge the defeat of this amendment.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment of the gentleman from New Jersey which would delete from the bill the rescission of $14.5 million in debt service grants for college housing, and preserve a minimum level of funding for this needed program.

Time and time again this House has strongly supported a Federal commitment to higher education. I must ask for your support again, and ask that you examine very critically the arguments made by the committee and the administration against the college housing program.

It is argued that college enrollments are down, and that the aggregate demand for college housing does not justify Federal assistance. It is further argued that the present college housing program assists all students, regardless of need, and that Federal priority should be given to low-income students. Finally, and as something of an afterthought, it is contended that college housing assistance will become available through implementation of section 8 of the new Housing Act.

Let me respond to these arguments, point by point.

First, the aggregate supply of college housing hides acute shortages in many areas. Evidence of these shortages is contained in the additional views in the committee report filed by the gentleman from Rhode Island, and the gentleman from New Jersey, and in the testimony of Henry Winkler, vice president of Rutgers University, before our Housing Subcommittee.

Second, while the existing college housing progrm is not specifically or exclusively targeted at low-income students, housing provided under the program is available to low-income students, among others. It seems to me this is better than no assistance at all.

Finally, and I think conclusively, there is no program now in sight, including the new section 8 program, which will provide adequate assistance to those areas of the country where there is a demonstrated shortage of college housing. Section 8 assistance would provide housing only for married students, and therefore would not help the largest group of students in need of college housing.

If a program can be drawn, legislatively or administratively, which would provide more selective college housing assistance, particularly for low-income students, I will support it. Until that day, the present program is all we have.

Higher education is a national resource and a national objective, and adequate student housing is essential to that objective.

Continue your support for the college housing program. Support this amendment, and oppose the rescission recommended by the committee, and the administration.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I support the conference committee on this. I have a great amount of affection and admiration for my colleague, the gentleman from New Jersey. I do not quite know the situation at Rutgers. I do know that all over the country there are dormitories that have been boarded up and closed down because there are not enough students who want to live in them. We have a new life style, and students want to live off campus. They do not want to live in dormitories This has occurred in campus after campus after campus.

In some universities they have turned over their dormitory facilities and have made classrooms out of them or administration facilities.

Mr. Chairman, it seems to me that this is one rescission that is justified. Therefore, I support it and the position of the committee.

Mr. MAHON. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. Yes, I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I just wish, if I may, to join the chairman of the subcommittee and others and the gentlewoman in saying that this amendment should not be adopted.

There are some problems in some areas, but under all of the circumstances, the rescission should be approved, and I urge that the action of the committee be approved by the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. PATTEN).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER III

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Contract authority provided for the fiscal year ending June 30, 1973 by section 105(a) (8) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Public lands development roads and trails" is rescinded in the amount of $4,891,000.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 3, strike out "III" and insert "II."

The committee amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I have a question for the gentleman from Massachusetts (Mr. CONTE). This being, I believe, the maiden voyage of this kind of legislation in the House, I am not fully aware of what rights a common, garden-variety Member of the House has to amend this bill.

I understand that there was some $8 billion in the foreign aid pipeline as of last July 1, the beginning of this fiscal year. Would it be within the prerogative of a Member of the House, just an ordinary Member, to offer an amendment to this bill, to perform a rescission on the money in the pipeline for the foreign giveaway program?

Mr. CONTE. If the gentleman will yield, that is a very good question. It is a piercing question, as are all questions asked by the gentleman from Iowa.

No, it would not be in order because we would be limited here to the subject matters and the maximum amounts that the President sent up for rescission, and since that is not a part of that package, no one can get a crack at it in this bill. Let me further explain.

Let me point out to the gentleman from Iowa that section 1011(3) of the Budget and Impoundment Control Act states that a "rescission bill means a bill or joint resolution which only rescinds, in whole or in part, budget authority proposed to be rescinded in a special message transmitted by the President under section 1012 . . ."

The statement of purpose, and the enacting clause, of H.R. 17505 contain citations to section 1012 of the Impoundment Control Act of 1974, in order to insure that the bill is a rescission bill, within the meaning of Public Law 93-344.

Accordingly, amendments to the bill are limited as follows:

First, the committee amendments, of which two are substantive, striking the rescissions for REA and REAP;

Second, amendments which would strike rescissions in the bill, or change the amount rescinded, provided the amount in the amendment is equal to, or less than, the amount proposed in the Presidential message; and

Third, amendments which would add rescissions, provided the rescission to be added has been proposed by the President in a message cited in the enacting clause of the bill, and the amount is equal to, or less than, the amount proposed by the President.

Mr. GROSS. The President did not recommend a rescission with respect to the billions in the pipeline for foreign aid?

Mr. CONTE. Not as of this time.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL PARK SERVICE

Contract authority provided for the fiscal year ending June 30, 1973 by section 105(a) (10) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Parkways" is rescinded in the amount of $10,461,000.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Contract authority provided for the fiscal year ending June 30, 1973 by section 105 (a)(7) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Forest development roads and trails" is rescinded in the amount of $61,611,000.

CHAPTER IV

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

The authority to incur obligations provided by subsection (f) of section 208 of the Appalachian Regional Development Act of 1965, as amended (85 Stat. 169, 40 App. U.S.C. 208), is rescinded.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 1, strike "IV" and insert "III".

The committee amendment was agreed to.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 17505) to rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. 93-361), October 4, 1974 (H. Doc. 93-365) and November 13, 1974 (H. Doc. 93-387), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill just passed, and that I may be permitted to include in my remarks certain tables and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. WYDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker, I asked unanimous consent to proceed for 1 minute for the purpose of asking the distinguished majority leader concerning the calendar and the program for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I thank the gentleman. As the gentleman is aware, we intend to have no business for tomorrow but just the pro forma session.

ADJOURNMENT FROM DECEMBER 5 TO DECEMBER 9, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns on the morrow, December 5, 1974, it stands adjourned to meet at noon on Monday, December 9, 1974.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, the program for the House of Representatives for the week of December 9, 1974, is as follows:

Monday is District day, and there are no bills.

Suspensions are in order every day, as the Members know, until the end of the session.

The suspensions are:

S. 425, surface mining control and reclamation conference report;

S. 2201, flood damage;

S. 3906, nonpilots commanding flying units;

H.R. 17045, social services amendments;

H.R. 16994, tax treatment of interest on savings;

S. 4040, veterans and survivors pension adjustment;

S. 2363, veterans' and servicemen's automobile and adaptive equipment amendments;

H.R. 17085, nurse training;

H.R. 7077, Cuyahoga Valley National Historical Park; and

H. Res. 1399, world food situation.

Votes on suspensions will be postponed until the end of the suspensions.

Following this we will take up the surface transportation bill under an open rule with 1 hour of debate.

Then we will take up Senate Joint Resolution 40, White House Conference on Libraries, under an open rule, with 1 hour of debate;

H.R. 11666, Asian Development Bank, under an open rule, with 1 hour of debate, the rule previously adopted.

That we anticipate on Monday.

On Tuesday, under Suspensions, there will be:

H.R. 17084, Health Manpower.

That will be followed by:

H.R. 17234, foreign aid authorization, under an open rule, with 2 hours of debate;

H.R. 16204, health policy, planning and resources development, under an open rule, with 1 hour of debate.

On Wednesday and the balance of the week we will have:

H.R. 16596, Emergency Jobs Act, subject to a rule being granted; and

H.R. ———, extended emergency unemployment compensation benefits, subject to a rule being granted. That is the bill that will extend the unemployment compensation from 36 weeks to 52 weeks.

Then we will take up:

H.R. 17488, Energy Tax and Individual Relief Act, subject to a rule being granted;

H.R. 14266, international air transportation fair competitive practices, open rule, 1 hour of debate.

S. 1868, Rhodesian Chrome, under an open rule with 1 hour of debate; and

H.R. 15263, Rice Act, under an open rule, with 1 hour of debate.

Conference reports may be brought up at any time and any further program will be announced later.

Mr. Speaker, as we have not completed the work of today on the schedule, we will have to fit it in on Monday, following the suspensions, the matter that we have not completed today, H.R. 5385, the surface transportation bill, and we will have the health policy planning and resources development bill on Tuesday. So with the schedule we have and the program we have, it is anticipated we will work a full week next week and we will work Monday through Friday.

Let me further say that there is still every hope and expectation that we will be able to adjourn sine die on the 19th or 20th of December.

Mr. WYDLER. I would like to make clear with the majority leader, and I thank him for stating the program, is he going to add the items that were not completed today immediately after the suspensions on Monday? Is that his purpose?

Mr. O'NEILL. The surface transportation bill will follow after the suspensions on Monday.

Mr. WYDLER. Is it the surface transportation bill which is shown on the proposed calendar as being item No. 4 for Wednesday and the balance of the week?

Mr. O'NEILL. The answer is yes, but we intend to change it and to place it first after the suspensions on Monday.

Mr. WYDLER. Then if I might inquire further of the majority leader, I think on Tuesday the gentleman shows the other item uncompleted today, H.R. 16204, health policy, planning, and resources development.

Mr. O'NEILL. We will place that bill on Tuesday.

Mr. WYDLER. If I might just clarify one further thing, does the majority leader intend that the votes on the suspensions on Monday will be delayed votes? Will the gentleman be able to state that at the present time?

Mr. O'NEILL. Yes. The answer is in the affirmative.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TENTH ANNUAL REPORT ON ADDITIONS TO NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-402)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs and ordered to be printed:

To the Congress of the United States:

Ten years ago, acting with great wisdom, the Congress enacted and President Johnson signed into law the historic Wilderness Act of 1964.

That act declared it to be the policy of this Nation to secure for all Americans the benefits of an enduring resource of wilderness. Some 9.1 million acres were officially designated as part of the National Wilderness Preservation System, and the Executive Branch was charged with the responsibility of surveying the rest of the country and proposing additions to that system which seemed appropriate.

In the intervening years, there have been some 40 additions, so that the Wilderness System now covers 12.9 million acres and extends into many different States.

Today we reach another milestone in this unfolding story. The Executive Branch has now completed the initial, decade-long review prescribed by law in 1964, and as a result of this survey, I am hereby proposing 37 new additions to the Wilderness System. If accepted by the Congress, these recommendations would add an additional nine million primeval acres to the system.

Wilderness areas are, of course, well suited for low density recreation use that does not involve motorized vehicles or equipment, such as hiking, backpacking, primitive camping, and canoeing. They also lend themselves to scientific and educational uses which do not alter their pristine character. But beyond these uses, I believe that the Wilderness System serves a basic need of all Americans, even those who may never visit a wilderness area—the preservation of a vital element in our heritage.

As we approach the Nation's two hundredth birthday, it is well to remember that we are a pioneering people. For our ancestors, the ability to live in rugged, undeveloped countryside was often a matter of survival. The influential American historian Frederick Jackson Turner considered the frontier—the invisible but very real barrier between civilization and wilderness—to be the dominant force in shaping the American character. American writers from James Fenimore Cooper to Ernest Hemingway and William Faulkner have recognized and depicted the almost religious regard which Americans have for their wild places and creatures. Throughout our history, we have felt a need for rugged interaction with nature, for the solitude and the self-reliance that a wilderness experience can foster.

We have tamed and developed much of our original wilderness endowment, but a surprisingly large amount of it is left. The preservation of wilderness areas across the country today enables us to recapture a vital part of the national experience: like our forebears, we can journey into primeval, unspoiled land. The Nation as a whole is enriched by the availability of the wilderness experience to those who are able and willing to seek it. Wilderness preservation insures that a central facet of our Nation can still be realized, not just remembered.

Briefly described, the additions to the National Wilderness Preservation System which I am proposing today are:

(1) Mount Rainier Wilderness, Mount Rainier National Park, Washington—210,700 acres. The ice-clad, dormant volcano after which this park is named towers above the landscape. The park serves as a habitat for deer, bear, elk, and mountain goats.

(2) Kenai Wilderness, Kenai National Moose Range, Alaska—829,000 acres. This is a diverse area near Anchorage which contains scenic mountains, glaciers, lowland lakes, forests, muskegs, and rivers. The range's wide variety of wildlife includes black and brown bear and the Kenai moose.

(3) Cloud Peak Wilderness, Bighorn National Forest, Wyoming—150,490 acres. This proposed wilderness stretches some 27 miles along the backbone of the Bighorn Mountain Range and includes the rugged Cloud Peak and Black Tooth Mountain.

(4) Agassiz Wilderness, Agassiz National Wildlife Refuge, Minnesota—4,000 acres. Located on prehistoric Lake Agassiz, this area provides nesting grounds for the Canada goose and several species of ducks, as well as a habitat for moose, white-tailed deer, and elk.

(5) Sheldon Wilderness, Sheldon National Antelope Refuge, Nevada—20,100 acres. This refuge in the high sagebrush desert of the northern Great Basin is devoted primarily to the preservation of antelope but also supports deer, bighorn sheep, coyotes, bobcats, mountain lions and burros.

(6) Monarch Wilderness, Sequoia and Sierra National Forests, California—30,689 acres. This proposed area is located on the west slope of the Sierra Nevada Mountain Range, contiguous to Kings Canyon National Park. The landscape is characterized by steep ridges, deep canyons, and multicolored geological formations.

(7) Santee Wilderness, Santee National Wildlife Refuge, South Carolina—163 acres. This area is composed of coastal plains which protect such threatened species as the wood ibis, bald eagle, peregrine falcon, red-cockaded woodpecker, osprey, and American alligator.

(8) Everglades Wilderness, Everglades National Park, Florida—1,296,500 acres. A remarkable blending of climates makes this proposed area at the southernmost tip of the Florida mainland hospitable to pine trees as well as mangroves, panthers, and alligators.

(9) Salmon River and Idaho Wildernesses, Boise, Challis, Payette, Salmon, Bitteroot, and Nezperce National Forests, Idaho—1,143,487 acres. Bighorn sheep, deer, and elk abound in this region of deep gorges and lofty peaks.

(10) Parker River Wilderness, Parker River National Wildlife Refuge, Massachusetts—3,110 acres. This recommended area on the north shore of the State, about 35 miles from Boston, is one of the few natural barrier beach-dune areas remaining in the Northeastern United States.

(11) Hawaii Volcanoes, Wilderness, Hawaii Volcanoes National Park, Hawaii—123,100 acres. Two major active volcanoes, Kilauea and Mauna Loa, are the focal points of this park. Kilauea erupts frequently and is readily accessible at protected vantage points. Thus, this area is particularly rich in the scientific and educational opportunities envisaged by the Wilderness Act.

(12) Big Lake Wilderness, Big Lake National Wildlife Refuge, Arkansas—1,818 acres. Believed to be the product of an earthquake in the 1800's, the lake supports a peak population of 30,000 waterfowl during the winter. The proposed wilderness is a cypress-timbered area that has remained in its natural state.

(13) Aleutian Islands Wilderness, Aleutian Islands National Wildlife Refuge, Alaska—1,395,357 acres. Located among the islands that stretch from the Alaska mainland along a thousand-mile chain toward the Soviet Union, this area is the principal home of the sea otter and a habitat for large numbers of pelagic birds (those which have the furlike outer coat of a mammal).

(14) Beartooth Wilderness, Custer, and Gallatin National Forests, Montana—542,437 acres. This area is characterized by spectacular river canyons and treeless tundras at elevations of about 10,000 feet. Moose, bighorn sheep, mountain goats, and black and grizzly bears are among the area's wildlife.

(15) Swanquarter Wilderness, Swanquarter National Wildlife Refuge, North Carolina—9,000 acres. In addition to accommodating more than 200 species of birds, this island refuge serves as the northernmost range of the endangered American alligators.

(16) Dinosaur Wilderness, Dinosaur National Monument, Utah and Colorado—165,341 acres. This national monument is the site of the most extensive concentration of dinosaur fossils found anywhere in the world and serves as a habitat for mountain lions and bighorn sheep.

(17) Lacassine Wilderness, Lacassine National Wildlife Refuge, Louisiana—2,854 acres. Among the striking birds and animals which use this refuge, located some 25 miles from the Gulf of Mexico, are ibises, roseate spoonbills, armadillo, otter, white-tailed deer, and alligators.

(18) Popo Agie Wilderness, Shoshone National Forest, Wyoming—81,820 acres. This area consists of deep, narrow valleys and canyons set along a 25-mile stretch of the lofty Southern Wind River Range. Elk, moose, mule deer, bighorn sheep, black bear, and a variety of smaller mammals and birds inhabit the area.

(19) Mattamuskeet Wilderness, Mattamuskeet National Wildlife Refuge, North Carolina—590 acres. Consisting of a lake, islands, and marshy shoreline about 50 miles northwest of Cape Hatteras, this refuge is operated for such birds as the bald eagle, red-cockaded woodpecker, and osprey.

(20) Organ Pipe Cactus Wilderness, Organ Pipe Cactus National Monument, Arizona—299,600 acres. The cactus forests and creosote-bush flats of this rugged, Sonoran desert area support 43 species of mammals, 39 species of birds, and nearly 50 species of reptiles.

(21) J. N. "Ding" Darling Wilderness, J. N. "Ding" Darling National Wildlife Refuge, Florida—2,735 acres. Sanibel, a tropical island in the Gulf of Mexico, is the site of this refuge, which provides habitats for several endangered birds, mammals and reptiles.

(22) Trinity Alps Wilderness, Klamath, Shasta-Trinity, and Six Rivers National Forests, California—267,561 acres. At the highest reaches, permanent snowfields and small glaciers dominate the landscape; at lower elevations dense stands of trees and patches of wild flowers clothe the mountain ridges. Black bear, mountain lions, and black-tail deer are the area's major animals.

(23) Assateague Island Wilderness, Chincoteague National Wildlife Refuge and Assateague Island National Seashore, Maryland and Virginia—1,740 acres. The dunes and marsh lands of this area serve a variety of wildlife, including the endangered Delmarva Peninsula fox squirrel, the white-tail deer, red fox, raccoon, sika deer, and the Chincoteague pony.

(24) Death Valley Wilderness, Death Valley National Monument, California and Nevada—1,908,000 acres. Despite the seeming barrenness of this area, where rainfall averages less than 2 inches a year, life flourishes here in a tribute to nature's adaptability. Even fish have managed to cling to life in the parched valley: two species of pupfish inhabit desert springs.

(25) Cedar Island Wilderness, Cedar Island National Wildlife Refuge, North Carolina—180 acres. The salt marsh and islands here constitute a developing habitat for waterfowl.

(26) Fort Niobrara Wilderness, Fort Niobrara National Wildlife Refuge, Nebraska—4,635 acres. The high grazing lands and rolling plains of this refuge are managed primarily to support herds of American bison, elk and Texas longhorns.

(27) Medicine Lake Wilderness, Medicine Lake National Wildlife Refuge,

Montana—11,366 acres. A large portion of this refuge consists of lakes and ponds; the peak fall population of waterfowl using the area frequently exceeds a quarter of a million birds.

(28) Great Smoky Mountains Wilderness, Great Smoky Mountains National Park, North Carolina and Tennessee—390,500 acres. Beneath the smokelike haze that envelops these mountains and gives them their name lies an impressive array of unspoiled forests. Among the animals found in the park are black bear, white-tailed deer, wild hogs, and 27 different kinds of salamanders.

(29) Big Blue, Courthouse Mountain, Dolores Peak, Mount Sneffels and Mount Wilson Wilderness, San Juan and Uncompaghre National Forests, Colorado—80,130 acres. This area is characterized by high, jagged peaks and deep, narrow canyons interspersed with forested and alpine grassland ridges. The largest wildlife species indigenous to it include elk, mule deer, bighorn sheep, bear and mountain lion.

(30) Lake Woodruff Wilderness, Lake Woodruff National Wildlife Refuge, Florida—1,106 acres. This proposed area is located along the flood plain of the St. Johns River, one of the few large northerly-flowing rivers in the United States. Among the remarkable variety of wildlife found here are threatened species such as the Everglades kite, Southern bald eagle, Florida sandhill crane, manatee, Florida panther, and American alligator.

(31) Anaho Island Wilderness, Anaho Island National Wildlife Refuge, Nevada—747.73 acres. The island is a sanctuary for a multitude of birds, including the largest nesting colony of white pelicans on the continent.

(32) Noxubee Wilderness, Noxubee National Wildlife Refuge, Mississippi—1,200 acres. Consisting of flat and slightly rolling hardwood and pine lands, the refuge provides habitats for the Canada goose, such rare birds as the endangered red-cockaded woodpecker and southern bald eagle, and a good-sized herd of white-tailed deer.

(33) UL Bend Wilderness, UL Bend National Wildlife Refuge, Montana—19,693 acres. Located along the Missouri River's Fort Peck Reservoir, this refuge is primarily a habitat for migratory waterfowl. Among the land birds found here is the unique burrowing owl, which nests in abandoned "dwellings" in prairie dog towns.

(34) Pea Island Wilderness, Pea Island National Wildlife Refuge, North Carolina—180 acres. A part of the Cape Hatteras National Seashore, this refuge is a winter spot for greater snow geese, Canada geese, brant, and many species of duck.

(35) Bombay Hook Wilderness, Bombay Hook National Wildlife Refuge, Delaware—2,000 acres. This salt marsh estuary serves as a habitat for migratory waterfowl and such other birds as the endangered southern bald eagle and peregrine falcon.

(36) Back Bay Wilderness, Back Bay National Wildlife Refuge, Virginia—2,165 acres. A focal point along the Atlantic Flyway, the refuge is the winter home of up to 40,000 Canada geese per year and the rare Ipswich Savannah sparrow.

(37) In addition, the first wilderness area—the Gila Wilderness—in New Mexico, would be enlarged by the addition of 115,648 acres.

Three other areas—Kofa Game Range, Arizona; Charles Sheldon Antelope Range, Nevada and Oregon; and Charles M. Russell National Wildlife Range, Montana—contain surface lands suitable for wilderness designation. However, because the areas are open to mining and may contain minerals vital to the national interest and because they have not been subjected to thorough mineral surveys, I am recommending that action on these proposals be deferred pending the completion of such surveys.

In addition, Lake Mead National Recreation area, contains surface lands suitable for wilderness designation. However, virtually the entire area is subject to withdrawals for power purposes. In view of the potential energy needs of the West, I cannot recommend that any part of the area be designated wilderness at this time. I have directed that the area be given additional study and that a further recommendation be submitted within three years.

Finally, Nunivak National Wildlife Refuge also contains surface lands suitable for wilderness designation. Because of the uncertainties of land ownership and their future management which is peculiar to Nunivak, I cannot recommend that any part be designated wilderness at this time. I have directed that future recommendations be guided by native land uses and native land selections pursuant to the Alaska Native Claims Settlement Act.

After a review of roadless areas of 5,000 acres or more and roadless islands, the Secretary of the Interior has concluded that four areas are not suitable for preservation as part of the National Wilderness Preservation System. These are: Deer Flat National Wildlife Refuge, Oregon and Idaho; Blackwater National Wildlife Refuge, Maryland; Mammoth Cave National Park, Kentucky; and Upper Mississippi River Wildlife and Fish Refuge, Minnesota, Wisconsin, Iowa, and Illinois. As to the latter two areas, however, I am directing that a wilderness reevaluation be conducted at such time as management prerogatives and other prospective uses of the areas are better defined.

In addition to this message, I am transmitting herewith to the Congress letters and reports from the Secretary of the Interior and the Secretary of Agriculture regarding these proposals. I concur with the recommendation of the respective Secretary in each case.

As noted above, the Executive Branch has now carried out the original provisions of the 1964 Wilderness Act. Additional surveys will be undertaken on a case-by-case basis, but the Congress now has before it the major recommendations of the Executive Branch, as compiled over a 10-year period. I urge the Congress to give early and favorable consideration to all of these proposals.

Concurrent with the wilderness proposals, I am also transmitting the Tenth Annual Report on the Status of the National Wilderness Preservation System which covers calendar year 1973.

GERALD R. FORD.

THE WHITE HOUSE, *December 4, 1974.*

A RETURN TO BASIC EDUCATION

(Mr. LANDGREBE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LANDGREBE. Mr. Speaker, welcome news on the education front comes from nearby Prince Georges County where the school board, in a fit of sanity, endorsed the "basic alternative schools" plan developed by school board member Kathleen Barker. The plan includes the establishment of three basic education schools that will be open to student enrollment on a first come, first serve basis. The students enrolled will:

> Be tracked or grouped in classes, according to their ability.
>
> Be subjct to stringent codes of discipline.
>
> Be subject, along with their teachers, to a dress code.
>
> Be taught "respect for high moral standards, courtesy and patriotism . . . at all grade levels."
>
> Mrs. Barker's plan calls for the teaching of the following subjects in the traditionalist schools:
>
> "Reading skills with emphasis on phonics," the method of reading instruction which stresses the sound of letters.
>
> "Arithmetic," as opposed to instruction in the so-called "new math."
>
> "Language Arts Areas—English, grammar, literature, spelling and penmanship."
>
> "Social Studies Areas—geography, history and government."
>
> "Science Studies Areas—basic human physiology, plant physiology and biology;"
>
> "Art, music and physical education."

Mr. Speaker, I am most pleased to see this action; it demonstrates once again what I have been telling this Congress for years, and I congratulate members of the Prince Georges County for taking this bold, affirmative action.

The article follows:

Conservative School Set in Prince Georges

(By B. D. Colen)

> Five of the nine members of the Prince George's County school board yesterday introduced a plan to establish at least three educationally conservative "alternative" public elementary schools in the county by next fall.
>
> This support by a majority of the board virtually assured establishment of the schools. They will be geared to impose "discipline of mind and character through systematic instruction and training in concepts of facts, truth, justice and virtue . . ."
>
> The plan, which was primarily the work of conservative board member Kathleen M. Barker, proposes that students in what Mrs.

Barker has called the "Basic Alternative Schools" will:

Be tracked or grouped in classes, according to their ability.

Be subject to stringent codes of discipline.

Be subject, along with their teachers, to a dress code.

Be taught "respect for high moral standards, courtesy and patriotism . . . at all grade levels."

Conservative board members A. James Golato, Sue V. Mills, Norman H. Saunders and Nicholas R. Eny joined Mrs. Barker in introducing the plan.

Enrollment at the schools will be determined on a first-come, first-served basis, said Mrs. Barker, and would be open to any student whose parents feel that he or she would benefit from such a structured educational environment.

"The Basic Alternative School will operate under a well disciplined environment," a statement accompanying the plan asserted. "We believe in the worth of the individual and his or her responsibility to meet the obligations of citizenship developed and handed down through generations.

"At all times our students must be ready to support and defend his or her priceless heritage and accept their responsibilities for the preservation of the ideals upon which our great nation were founded."

According to the proposal, the primary goal of the Basic Alternative Schools will be the students' "mastery of the basic skill for continued learning."

Mrs. Barker's plan calls for the teaching of the following subjects in the traditionalist schools:

"Reading skills with emphasis on phonics," the method of reading instruction which stresses the sound of letters.

"Arithmetic," as opposed to instruction in the so-called "new math."

"Language Arts Areas—English, grammar, literature, spelling and penmanship."

"Social Studies Areas—geography, history and government."

"Science Studies Areas—basic human physiology, plant physiology and biology;"

"Art, music and physical education."

Under the plan introduced yesterday, "all specialized federal and state assistance programs dealing with educational and/or social experimental activities will be eliminated from the Basic Alternative Schools."

Mrs. Barker has said that she sees the establishment of the alternative, traditional tightly disciplined schools as a "way to rejuvenate the system . . . It would allow us to give those parents who want this an opportunity to have it."

"I don't think it's a radical idea," she said. "We've provided viable alternatives before, we've put in open space schools. It's the parents' tax dollar. Let them choose."

Mrs. Barker's proposal, which has been tested in other areas of the country—most notably in Pasadena, Calif.—represents a radical departure from the trend in educational experimentation of the past decade.

Ever since the influx of federal monies into the schools in the mid-1960s, educators have been experimenting with various new methods of teaching basic educational skills—such as reading and arithmetic.

Most of these programs and experiments, such as the so-called open classroom and the use of textbooks which include "street language" and stories with a realistic theme, have been considered "liberal programs."

Plans such as Mrs. Barker's reflect a mood of discontent among some parents and educators who believe the experimental programs have failed to properly educate children, and who wish to return to more traditional methods of education.

Mrs. Barker's plan calls for the establishment of at least one alternative school in each of three regions of the county. If the plan is a success on the elementary level, it would eventually include at least one junior high-high school program.

Maureen Steinecke, a liberal member of the board, has said she is intrigued by the idea of establishing conservative alternative schools, but has some doubts about the details of the Barker plan.

"It does strike me that we're getting awfully deep into administration," she said yesterday. "I'd like to say to the superintendent, 'we'd like to look at a school like this, bring us back an educational plan.'

"I'm not sure the lay board of education should design an educational program," said Mrs. Steinecke. "I think the superintendent should design the program."

Mrs. Steinecke said she would also like to see the board conduct a survey "to see how many parents really want the program" before the board goes ahead with it. The board is scheduled to act formally on the plan Dec. 18.

NEED FOR GROUND PROXIMITY WARNING SYSTEMS ON PASSENGER-CARRYING AIRCRAFT

(Mr. STAGGERS asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, I wish to draw the attention of the Members to a situation which has concerned me and the members of our investigating subcommittee for some time—the failure of the Federal Aviation Administration to require the installation of ground proximity warning systems on large passenger-carrying aircraft.

Last Sunday a tragic air disaster took place which cost the lives of 92 passengers and crew aboard a jet aircraft approaching Dulles airport. The plane crashed into a foothill of the Blue Ridge mountains. The elevation of this peak is 1,750 feet. Ordinary procedures call for aircraft to maintain an altitude of 3,400 feet in crossing this ridge. But weather conditions were bad and visibility was very limited. There is also the additional fact that the plane was being diverted from its intended landing at National airport because of wind conditions prevailing there.

The plane carried no ground proximity warning system (G.P.W.S.). This disaster is only the latest of a long series which can be traced to the lack of such a system. On September 18 of this year, our subcommittee held a hearing on the question of why the agency of our Federal Government primarily responsible for air safety, the Federal Aviation Administration, had not made the installation of such devices mandatory on large passenger-carrying aircraft. The national transportation safety board has been urging the FAA to take this step for a number of years.

The development of the GPWS has progressed to the point where it is capable of giving a timely warning to the pilot in approximately 90 percent of the instances involving what is known as controlled flight into terrain—CFIT. This term refers to a situation wherein an aircraft is completely airworthy but, through inattention, crew distraction, through poor visibility or preoccupation with weather conditions, a plane is inadvertently flown into the ground. Surprisingly enough, this type of crash accounts for 56 percent of all crashes occurring throughout the world; that is, approximately one such crash every 20 days somewhere in the world.

A device has been available for some time which sets off a flashing red light together with an alarm and a recorded voice warning "pull up. pull up." when such a terrain strike is imminent. The device requires no input from the air crew: In normal flight conditions it will never be heard. Those of us on the subcommittee who have seen this device demonstrated will attest to the fact that the warning is both arresting and unforgetable. It cannot be ignored, nor can it be turned off except by taking immediate remedial flight correction.

Furthermore, although the device is ingenious, it is not expensive. The cost of equipping a large passenger-carrying jet, for example, runs in the neighborhood of $10,000. When we consider that such aircraft commonly carry hundreds of passengers, and cost $15 to $30 million, the cost of this device is trivial.

As I initially noted, Mr. Speaker, the National Transportation Safety Board has, for many years, urged the FAA to require the installation of such devices on commercial aircraft. The FAA's position has been that:

> Present instrumentation and procedures provide for safe and adequate terrain clearance, as long as proper flight crew discipline is maintained and appropriate flight operations procedures are followed.

But there is a flaw—a fatal flaw in this logic. Situations can and do arise wherein distractions, disorientation caused by poor visibility or other adverse weather conditions, can interfere with the flight crew's ability to follow the regular procedures. In such situations—and they frequently occur—a back-up warning system is vital. We have documented case after case wherein experienced and conscientious pilots, when confronted with weather emergencies, or other distracting situations, have lost track of the aircraft's precise altitude, with fatal consequences. This is not an indictment of the flight crews, it is merely a recognition of the fact that they are human like the rest of us.

The only hopeful indication of some activity on the part of FAA—prior to the announcement of our subcommittee hearings last September—was the issuance of an advance notice of proposed rulemaking in April of 1973. Despite the fact that this is a vital matter affecting the safety of the air traveling public, month after month went by with nothing further done by the FAA. At the time that our subcommittee hearing was announced, a year and a half had gone by since the advance notice, without further word from the agency. My staff inquired as to the status of this matter, and were given indefinite responses.

Once the hearing was announced, however, action was forthcoming. On Monday, September 16, 1974, 2 days before our hearing, the FAA placed a notice of proposed rulemaking in the Federal Register calling for comments to be submitted over a 90-day period concerning a proposal to require installation of the G.P.W.S. device on all large passenger-carrying aircraft. The device, according to the proposed rule, would be installed over an 18-month period. Since our hearings, I have tried to influence the agency to speed up its processes. I am including in my statement copies of correspondence I have had with FAA Administrator Butterfield on this subject.

The crash last Sunday was, as I have said, the latest incident in a tragic series. Our staff examined the crash site on Sunday, and has been following this matter closely since that time. The Transportation Safety Board's inquiry is still in progress. Information available to me, however, suggests the following significant factors:

First, the aircraft was completely airworthy, with no indication of any mechanical difficulty.

Second, weather conditions were adverse, visibility was limited, and the landing site, as I mentioned earlier, had been changed from National Airport to Dulles.

Third, the plane was in a controlled descent preparatory to landing at Dulles; there is no indication of any severe downdraft or turbulence which would have forced the plane to crash.

Fourth, the plane was generally in level flight, but approximately 1,700 feet below the appropriate altitude for crossing this peak. The plane's instruments seem to have been working normally.

Fifth, finally, for reasons which perhaps we will never know, the flight crew was apparently unaware of their peril. Our information is that the crew and passengers never knew what hit them.

In short, Mr. Speaker, we have lost 92 lives in this year's worst domestic air tragedy and—it pains me to say this—I believe that that loss was unnecessary. I believe that, had this aircraft carried a ground proximity warning system, a timely warning, and an unmistakable one, would have been sounded in sufficient time to alert the pilot to avoid the peak of this mountain.

This is a strong statement, I know, but it is based on ample evidence. Furthermore, at my request, members of my staff flew over the crash site in a plane equipped with a GPWS devices. The flight path simulated, as closely as possible, the path of the plane which crashed on Sunday. I am advised by my staff that as the plane approached the mountain, retracing the steps of the TWA aircraft, that approximately 14 seconds before the estimated time of impact, the device sounded its alarm. Even half of this warning time, according to our information, would have been more than adequate to avoid this crash.

Mr. Speaker, we have developed a public record at our hearing which, to my mind, should have been sufficient to satisfy all reasonable doubts as to the necessity of installing this device. I am now publicly calling on the FAA to require its installation at the earliest possible moment, and upon the airlines to cooperate fully in this action. We have satisfied ourselves that the existing inventories and production capacity are sufficient to permit rapid deployment throughout our commercial air fleet.

For some time, the device has been used routinely on a number of foreign air carriers. There has been no known instance of a plane equipped with a ground proximity warning device being involved in a CFIT type crash. Pan American Airline, despite its pressing financial difficulties, has announced its intention of equipping its entire fleet with this device; half of the Pan Am planes have already been so equipped. The Boeing Aircraft Co. has now made this device standard on all production-line aircraft.

Congress has equipped the FAA with the regulatory authority necessary to take the action which is so desperately needed here. In the words of St. Paul: "Now is the acceptable time." The means are at hand to save lives. Let us use them.

I include the following:

Congress of the United States,
Washington, D.C., December 2, 1974.

Hon. Alexander P. Butterfield,
Administrator, Federal Aviation Administrator, Department of Transportation, Washington, D.C.

Dear Mr. Butterfield: Following the Subcommittee's hearing on September 18, 1974, inquiring into the feasibility of requiring Ground Proximity Warning Systems (GPWS) on all commercial aircraft, I wrote you asking that every effort be made to expedite the FAA's rulemaking proceeding in this matter. I urged you to shorten the time for public comment, as well as the time for FAA evaluation of such comments, and for a reduction of compliance time should a rule be adopted requiring installation of such a device.

You thereafter advised me by letter on October 1, 1974, that you would reduce the time for public comment on the FAA's Notice of Proposed Rulemaking (NPRM) from 90 days to 60 days, thus ending the comment period on November 16, rather than December 16, 1974. Moreover, you advised that the FAA would complete its review of these comments within three months as opposed to five months originally planned. Finally, you stated that you felt the proposed 18 months installation period could not be reduced and may even be optimistic. You advised that you were informed by your technical staff that a 12-month period for installing the device would not be realistic based on previous experience with regulatory requirements for other warning systems, such as the altitude Alerting System.

Yesterday, 92 persons aboard a TWA Boeing 727 lost their lives in a mountaintop strike during a bad weather approach for landing at Dulles Airport. As you know, the plane had been diverted from its intended destination at National Airport due to the inclement conditions.

While it is too soon to positively know the cause of the crash, early indications strongly suggest that poor visibility and disorientation resulting from the bad weather could have been causative factors. It is noted that the plane crashed into the west side of a mountain with a 1,750 foot elevation approximately 20 miles west of Dulles. It is our understanding that aircraft do not descend to the 1,800 foot level until within six miles west of the airport. Moreover, there were no indications of mechanical difficulty. It would appear from this information that a GPWS may have provided the warning necessary to have avoided this disaster.

You will recall, I am sure, that testimony at the Subcommittee hearing adduced that over 50 percent of all commercial aviation accidents, or one accident every 20 days throughout the world, involve controlled flight into terrain. These are accidents which occur when an otherwise airworthy aircraft is inadvertently flown into the ground and they result from such causes as poor visibility, navigation error, visual misconception, instrument misreading and confusion. One industry study reveals that over 1,200 persons died in 1972 and 1973 alone from this kind of accident.

In light of the foregoing, I must urge you again to shorten even further the FAA's period of comment evaluation. The agency has had more than sufficient time to evaluate the concept as well as "on the shelf" equipment which is available for installation.

Furthermore, I must strongly urge that the FAA consider shortening the 18-month installation period once the rule requiring the device is adopted. In your letter of October 1, 1974, commenting on previous experience with the altitude alerting device, you note that the compliance period had to be extended because of unforeseen problems in the manufacture and distribution of the equipment. The Subcommittee has been advised by Sundstrand Data Control, Inc., the manufacturer of a GPWS presently available, that it is not production limited. It would appear that Sundstrand alone could meet the requirements of 12-month compliance period for the entire domestic carrier fleet. If subsequent circumstances appear to require an extension of the installation period, that is the proper time to consider it. In my view, we cannot afford to take an unnecessarily negative approach when lives are involved and I, therefore, believe that the earliest feasible compliance period based on current industry information should be established.

Please advise me of any further action you intend to take in this matter.

Sincerely,

Harley O. Staggers,
Chairman.

Department of Transportation,
Federal Aviation Administration,
Washington, D.C., October 1, 1974.

Hon. Harley O. Staggers,
Chairman, Special Subcommittee on Investigations of the Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

Dear Mr. Chairman: Thank you for your September 19 letter. I share your belief that the hearings provided a useful review of the present capabilities of the Ground Proximity Warning System (GPWS) and the need for installing it on all commercial passenger aircraft.

I appreciate your concern over inappropriate administrative delay and wish to assure you that final rulemaking action will be taken on Notice of Proposed Rule Making (NPRM) 74–32 as expeditiously as possible. We have reviewed the necessity for requiring the 90-day public comment period contained in the Notice and agree that 60 days should provide an adequate opportunity for interested persons to submit written comments. Consequently, the time period for submitting comments will be reduced to 60 days. In addition, we plan to complete our review of these comments within three months.

As desirable as it may be, my technical staff advises me that a 12-month period for installing the device is not realistic based on previous experience with regulatory requirements for other warning systems, such as the Altitude Alerting System. For example, several manufacturers assured the Federal Aviation Administration that sufficient quantities of a relatively simple altitude alerting device would be available for installation during the 30 months allowed for compliance. The effective date of this rule had to be extended because of unforeseen problems in the manufacture and distribution of the equipment. Accordingly, we believe that the proposal to allow 18 months for installation of the GPWS may be optimistic.

I appreciate your interest in this matter; and if I can be of further service, please let me know.

Sincerely,
ALEXANDER P. BUTTERFIELD,
Administrator.

CONGRESS OF THE UNITED STATES,
Washington, D.C., September 19, 1974.
Hon. ALEXANDER P. BUTTERFIELD,
Administrator, Federal Aviation Administration, Department of Transportation, Washington, D.C.

DEAR MR. BUTTERFIELD: First of all, let me thank you and your staff for your appearance before the Subcommittee yesterday. I believe that the hearings provided a useful review of the present capabilities of the Ground Proximity Warning System, and the compelling need for its expeditious installation on all commercial passenger aircraft. I was pleased to note that you affirmed the FAA's agreement with this proposition, and stated the agency's position in favor of installation.

I would like to reaffirm, however, the very serious concern which I expressed yesterday during the hearing, that an inappropriate administrative delay appears to be in prospect before the air traveling public will be able to benefit from the additional safety which this device provides. Specifically, I question the necessity of allowing ninety days to receive comments on the proposed rule requiring installation of this device. I fully endorse the remarks of my colleague on the Subcommittee, Congressman Pickle, on this score. Having already gone through an advance rulemaking proceeding last year—which consumed ninety days for the submission of comments, a further nine months for FAA analysis of those comments, and a further five month period during which the FAA considered the staff analysis and recommendation for issuance of a proposed rule—it does distress me that we seem on the verge of repeating the whole administrative process all over again. I believe that the estimates provided to us by your staff, whereby the comments would not be required until December 16 with FAA analysis to continue on until April of next year, are inappropriate in view of the exhaustive review of the GPWS question which has already taken place in the industry and within the FAA itself.

I was very pleased and encouraged by your statement to us yesterday that you will review and consider shortening the announced ninety-day period for submission of comments on this question. I agree with Congressman Pickle's suggestion that this period be shortened to no more than sixty days. Frankly, it seems to me that it is unlikely that the comments to be received by the agency in response to its notice of proposed rulemaking will add substantially to the body of knowledge already in hand. On that basis, let me suggest that even thirty days would seem to be adequate under the circumstances.

Secondly, I hope that the estimate given us yesterday, whereby the FAA would take five months to review the comments in this latest proceeding, could be reduced to no more than three months. My reasons for urging this are simply that we are not dealing here with a matter which needs to be the subject of exhaustive research. We have a device presently available which is relatively inexpensive and which can be manufactured in sufficient quantities to allow for rapid deployment within the commercial air fleet.

Finally, I must question the 18-month period which the proposed rule allows for installation of the device. On the basis of our information, it seems to me that 12 months would be an ample period of time. Again, I concur with Mr. Pickle's recommendation to you on this point.

In view of all of these considerations, I urge you to announce through the Federal Register that the period for submission of comments has been reduced—at the least—to sixty days. Since the NPRM appeared only four days ago, this amendment by the FAA could not work a hardship on any interested party desiring to submit comments. Secondly, I urge you to amend the proposed rule itself so as to provide for a 12-month installation, rather than 18 months as presently provided. Finally, I urge that FAA's administrative review of the comments on the proposed rule be held to no longer than three months rather than five months, which was the estimate we had yesterday.

If you concur in these recommendations, it will result in cutting at least nine months from the process. In view of the statistics showing the rate at which CFIT accidents occur, this reduction in time could have a significant effect on air safety.

Please advise me of the action you intend to take in this matter.

Sincerely,
HARLEY O. STAGGERS,
Chairman.

PUERTO RICO, THE LARGEST IMPORTER OF RICE FROM THE UNITED STATES

(Mr. BENITEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENITEZ. Mr. Speaker, I would like to associate myself with the remarks of my distinguished colleague from Arkansas. I commend the action by the Rules Committee yesterday in granting a rule for H.R. 15263, the Rice Act of 1974, which permits action on this project at this time, subject to the decision of the leadership.

I urge the leadership to place this bill on the calendar for House action at the earliest possible date. I sincerely hope that we can, in this Congress, pass this bill facilitating increased production of rice, and hopefully lowering the price consumers must pay for it.

As the representative of the people of Puerto Rico, I am deeply interested in this project and in the speediest possible action relative to it. Puerto Rico is the largest off-shore market for U.S. rice. Puerto Ricans consume per capita on an average of 140 pounds per year, twice as much as any State in the United States, and more than anywhere else in the Western Hemisphere. Prices in Puerto Rico are presently excessively high because of shortages and they create an added burden on our already overburdened society because of the impact of unemployment and of inflation and of recession, and now of strikes. At the beginning of 1973, the rice in Puerto Rico was 13 cents; now it is 35 cents. It is anticipated that unless a bill of this type is approved, the price will rise again significantly.

However, I must add, Mr. Speaker, that in a wider sense I am deeply distressed by the overall problem of scarcity and hunger throughout the world. Millions of people in the world today are suffering from famine. There is a tremendous increase in the demand for food, and we must address ourselves to the responsibility of growing food to meet not only our own increasing needs, but also to help produce for consumers abroad. This Congress, and particularly this House of Representatives, has withstood the most difficult trials in American history. The ability to deal with the gravest crisis of internal revision and governance is now transformed into a new challenge of priorities: Food for mankind. I am persuaded that sooner or later the issue of world scarcity of food will be faced in the United States and by the United States—not by the United States alone, but under the technological leadership and understanding cooperation of the United States.

I trust that it is not too much to hope, Mr. Speaker, that as the labors of this 93d Congress draw to a close, the record of achievements already made will be enhanced by the rapid attention to and resolution of this particular issue dealing with the one commodity that throughout the world, underdeveloped and developing alike, is regarded as the essentail food of the poor: rice.

The acreage allotments set up under the rice program which has been in effect for 20 years, and managed by the Agriculture Department, have become anachronistic. They were instituted during a time of surplus production to protect prices for rice growers in the United States, but as we all know to our cost, the situation has drastically changed from one of surplus to one of great and pressing need. For this reason, the rice program needs desperately the modifications provided in this bill.

WE MUST OPEN THE ELK HILLS PETROLEUM RESERVE

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 1 hour.

Mr. BELL. Mr. Speaker, every day we read in our newspapers about the Arabs and the Shah buying up our industry and land.

They tried recently to buy into Lockheed, our biggest defense contractor.

They are already bankrolling Grumman, another large defense contractor.

They are buying into our oil companies.

They are buying American property.

Why?

Because we are buying billions of dollars of oil from them at their exorbitant prices.

They are using these billions in profits to buy America.

We must reduce our oil imports.

The best way is to conserve our fuel needs and develop our own oil resources.

The biggest untapped reserve in the contiguous United States is at Elk Hills in California.

We can save $1 billion each year—300,000 barrels a day—by developing the Elk Hills field.

But the Navy and the Armed Forces Committee are blocking development.

They are damaging the national interest.

We must immediately open up Elk Hills and plan for developing the Naval Petroleum Reserve No. 4 in Alaska.

Mr. Speaker, we are all familiar with what happened about a year ago when the President of the United States asked for a resolution from Congress to increase the production of Elk Hills. The Senate Armed Services Committee and the Senate itself reacted with dispatch and sent a resolution to this body complying with that request. But the House Armed Services Committee has done nothing in this matter.

More recently, President Ford on November 26 made the same request. The House Armed Services Committee still is not acting.

The Committee on the Interior today has pending before it a bill (H.R. 16800) which provides for the transfer of jurisdiction over the naval oil reserves to the Department of the Interior, which is where it should be.

Why is this necessary? First, because our energy needs are so great today, they are vital, they are so critical that we cannot afford the luxury as a nation of going ahead with our energy pursuits with one part of our Government going one way, and another part of our Government going the other way. We cannot afford a luxury of this kind any longer.

Second, the Interior Department has the expertise. As a matter of fact, traditionally the Interior Department's job has always been to administer the minerals and the resources of this Nation.

The job of the Department of Defense is to have our fighting ships ready, our airplanes ready, our military personnel ready, and our equipment ready to fight wars to protect the United States. Its job is not to handle the energy reserves and resources of this Nation.

Besides the most obvious reasons, why is development of Elk Hills opposed by the Navy? I am going to try to be as fair as I possibly can on this subject, and I will attempt to explain to the Members of this body what I think their rationale is. The House Armed Services Committee and the Navy say, in effect, that we need these reserves for a possible future emergency of a wartime nature. They say we need those reserves under the ground in Elk Hills for possible future military needs.

Now, let me remind you of a most important point: In case of war, the military has first priority to every fuel resource and all the fuel of this Nation's oil, gas, and anything else that they need in the way of ships, airplanes, and equipment. They get first call before the civilians do anyway, so having their own reserves is not a valid argument.

When we analyze that, there is really no more need for the Navy to have an oil reserve than there is for the Army, for the Air Force, or for the Coast Guard to have one, none of which do have their own reserves. If we need to have a reserve, if we have a need to set aside a petroleum reserve, then it should be under the direction of the President and the Interior Department or the Congress. It should not be under the direction of a part of the armed services; that is not their job.

Setting aside a reserve, and determining which part is going to be used by this Nation and which part will not be used, is the job of the President and the Department of the Interior, not the Armed Services Committee or our armed services.

The most important feature of this is, of course, that the military gets a fair shake of the production, if it is needed, and that the civilian sector does also.

I might say right here, parenthetically, that current production in the United States is about 11 million barrels a day. In case of war, the most that the military would need would be 2 million barrels a day, so the Nation has more than adequate production to take care of the needs of the military.

Now, let me just explore for a minute the question of emergency use. The Navy says they must have this field for emergency use. Let me ask the Members this question: Had they needed the field last year, was it ready for emergency use? Elk Hills was not. The most it could produce right now would be 60,000 barrels a day, this from a field where maximum capacity is about 300,000 barrels a day.

Why can no more now be produced? Because the tank fittings are not in shape; the pipelines are not in shape; not enough wells have been drilled; and because the tanks and pipelines are not adequate.

One can fly over Elk Hills, which I have done a number of times, and look down and see the big tanks there with big holes in them. I think it is disgraceful the way in which this field has supposedly been kept for emergency use. It would take the Navy 3 years to get that field up to an MER of 300,000 barrels a day, which it should be and which it is capable of producing.

Now, what is so important about opening Elk Hills right now? This is the crux of this matter. The importance of opening Elk Hills right now is timing. Timing is of the utmost importance, because we have a balance-of-payments deficit, a very substantial balance-of-payments deficit. We could in a year's time at 300,000 barrels a day, multiplying that out at $10 a barrel, come out with a billion dollars per year which could be used to help offset our balance of payments.

Immediate production in the Elk Hills area is the only place in the Nation where we could do this. If the President wants production, which he does, and wants to build up production as rapidly as he can, there is no other single place in the whole United States that could increase our domestic production 300,000 barrels inside of 3 years. There is no other answer to that except to purchase foreign oil. We have no ability to start from scratch today and in 3 years to build 300,000 barrels a day except in Elk Hills.

If we drill offshore in southern California, or anywhere else, it will be 10 years before we get 300,000 barrels per day, before we get that amount of production. If we go to Alaska, it will be at least 7 or 8 years.

We can turn Elk Hills on in 3 years. Just think what that would do for our balance of payments. Just think what that would do for our energy needs.

The time for setting up reserves for future needs is not now. Maybe at a future date, but not now. Now is when we need to bring ourselves up again to where we can compete and where we can gain on our balance of payments, where we can stop buying all of this Arab oil.

In California today, Californians are buying 250,000 barrels a day of Arab oil. Elk Hills produces 300,000 barrels a day, if you develop it to its most efficient level. Elk Hills could completely eliminate Arab production for California.

Secretary Morton, under President Ford's suggestion, has said that we are going to have to cut back on our imports by 1 million barrels a day. Elk Hills could produce 30 percent of that.

I am not trying to tell you this evening that Elk Hills is the total answer to our energy problems. That would be foolish. I can just give you some figures. We have 11 million barrels a day of production in this Nation, approximately. We have a demand of about 17 million barrels a day, so we have a shortfall of about 6 million barrels a day. I do not say that Elk Hills could cure it, by far, but we can certainly make a substantial step toward curing it, which we are not doing right now. Developing Elk Hills would be a real step toward solving the problem, and then we could take the money from that production, a billion dollars a year, perhaps, and use it for finding new oil fields, finding new sources of energy. This would be the more sensible approach, rather than sitting on reserves right when we need them.

Let me speak about the economics of that a bit. The balance of payments, as I have already mentioned, would be favorably effected by nearly a billion dollars a year. Elk Hills would decrease our unfavorable balance by that much.

Let me explain one other fact. We have, according to most estimates, about 3.5 billion barrels of oil underneath the ground at Elk Hills, possibly 5 billion barrels. That is the best estimate.

Mr. Speaker, I noted that a few Congressmen left here not too long ago and went to Fort Knox. Afterwards they were talking about how they were awed at the sight of $13 billion worth of gold setting in Fort Knox. I would like to see those same Congressmen go to Elk Hills and stand on the Elk Hills dome. There they would realize that they were near about $30 billion to $50 billion worth of oil—billions of dollars worth of Black Gold which they would be standing on, oil that is of tremendous value to our Nation.

I will parenthetically say to those who are concerned about the environment, that Elk Hills is the only area in California, or in the Nation, I might say, where an oil derrick would add favorably to the environment.

Mr. Speaker, there have been some arguments made that we can turn our back on this situation. I say we cannot, for the simple reason that we in Congress each represent constituents and taxpayers. Can we say to them that we are protecting the assets of the taxpayers when we know that, at $10 a barrel, we are not acting with any plan or any program and we know we are not properly utilizing $30 billion to $50 billion of the taxpayers' assets by just letting it set there and letting it rot?

When we need oil so badly today, how can we face them and say that we are doing the right thing?

I appreciate that 3 years ago or 4 years ago, with oil at $3 a barrel, it did not make so much difference. But today oil is $10 a barrel. We must begin thinking about a responsible plan to solve this problem.

There have been some arguments that Standard Oil owns some property in the middle of Elk Hills and, therefore, that we should not increase the production at Elk Hills because Standard may make some money. Well, Standard does own 20 percent of the Elk Hills field. However, let me point out that the Navy, meaning the taxpayers, own 80 percent. The American people own 80 percent. If we increase the production of oil at Elk Hills, sure, Standard makes a little, but the taxpayers make 80 percent, as compared to 20 percent for Standard. We would make considerably more money than Standard would, and this money could certainly be used by this Nation right now.

Mr. Speaker, in conclusion, let me cite something that Arthur Burns said recently. He said:

> We cannot afford continuing buying oil from foreign sources at the rate we are going now. If we continue this, this will result in a massive redistribution of the political and economic power of the world. This is a dangerous implication for the United States. Oil exporting countries have taken in $75 billion in oil revenues from the total world. The U.S. contribution to this has ben $23 billion of revenue to the oil exporting countries.

By 1975 they predict that figure will be $100 billion.

I am saying that we can do something about this, and can do something about it right now, which will make a substantial difference to this Nation in the future.

We would see an effect on the balance of payments of $1 billion. This would ease the immediate energy needs. We must remember that we desperately need energy now. Ten years from now, it is not going to make that much difference. We need this oil now, and this is the only place where we can get such a large quantity within 3 years. Obviously this would greatly bolster our economy. With those three factors taken into consideration, I do not think there is any question but that we should go out of this Chamber with enthusiasm, determined to get that bill out of the Committee on Interior and Insular Affairs and get it out on the floor so that we can use this oil right away.

Mr. Speaker, we have no time to wait. This energy crisis is getting worse and worse; our balance of payments is getting worse and worse. We will be in trouble if we do not react now.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker. I thank the distinguished gentleman in the well for yielding.

Certainly I think the time to act is now. I feel, however, that the oil in the Elk Hills reservoir is probably not enough to meet our needs. It is really only one-fifty third, as I figure it, of what we need each day. But it will be that much.

We use 17.7 million barrels a day, and 300,000 barrels would be approximately one-fifty third of the amount. Of course, that would be that much more, as I have stated. However, we must launch an attack immediately, we must start immediately toward conservation of oil in this country.

This year we will spend $24 billion. We will send to Arabian countries that much in money, $24 billion in this year. Of course, as the gentleman in the well says, soon Arabian countries will have all the money there is. It is as simple as that.

Mr. BELL. Let me point out one thing: The gentleman said that it is a small amount.

Mr. CARTER. Yes.

Mr. BELL. But basically, remember, that is $1 billion toward offsetting balance of payments. If we get 300,000 barrels a day of production, one can figure out mathematically that this ends up at $1 billion a year of income for the United States. That affects our balance of payments to the tune of a lot of dollars. That is an improvement.

What this Nation should then do is to use that money to find new production. That money could help uncover new fields that would be capable of producing 30 billion barrels over many years. There is the 30-billion-barrel field which we have in Alaska.

I do not agree with the offshore drilling concept, but there are some people who want to go offshore. The Federal Government itself could finance some of that, could set aside the areas for exploration and geophysical work, and find where those possible oil fields are. They could delineate them. Then they could turn around and talk to the major oil companies about bidding on them, and they could have tremendous royalties, something like 98 percent, from the oil companies.

These are some of the things the Government could do with $1 billion a year, including the studying of further resources and the finding of new sources of oil.

Mr. CARTER. If the gentleman will yield, I will say he is arithmetically correct in that we would save $1 billion a year. Certainly I am all for it.

I feel we should talk about not only that, but we must spur the program of conservation immediately. We are going too slowly about it.

Mr. BELL. Does the gentleman mean conservation of gasoline for cars or conservation in general?

Mr. CARTER. Conservation of gasoline for our cars, and oil all through our country. It must be started at once, and we must develop further sources of energy. I will say to the gentleman today that coal offers a great source of energy.

Mr. BELL. Absolutely.

Mr. CARTER. And we must start immediately to do something about extracting gasoline from coal. We are being lax and slow in developing our potential in this direction.

Mr. BELL. I completely agree with the gentleman with respect to coal. We have to do more for the development of coal, but this gives us the wherewithal to do some additional research. We are chock full of research projects, with all the money coming out of our Treasury. Therefore, $1 billion a year additional revenues would be very helpful.

Mr. CARTER. I am certainly in agreement with the gentleman, and this is a good place at which to start, at which to launch an attack.

Mr. BELL. Mr. Speaker, I yield to the gentleman from California (Mr. KETCHUM), who is doing a tremendously outstanding job in working with us on this project. The district that he represents contains the famous Elk Hills field, and he has been fighting this battle for a good many years and deserves tremendous commendation.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding, and I certainly would like to congratulate him and thank him for taking this opportunity through a special order to discuss this project.

I think for me to speak at length would be repetitious. I have spoken practically every day of last year, not one, but many speeches, concerning this subject during the energy crisis.

Some people think recently that it has passed, but in truth, it has not passed at all.

During that period I introduced a resolution and over 100 Members of this House from both parties cosponsored the resolution, which would have released the oil from Elk Hills.

The argument is perpetually made by some on the Committee on Armed Services and some among our various constituencies that drawing off Elk Hills and putting it into the Department of Interior would seriously jeopardize our defense efforts.

I submit that nothing could be further from the truth. Elk Hills was established on the second of September of 1921. Since that period Elk Hills has been utilized only—and we have, I submit, been through several emergencies—only been utilized once during World War II. During that period we drew something in the neighborhood of 60,000 barrels per day.

Under an act passed in 1950 during the Korean emergency the military had the right, and still has the emergency power to draw a priority on the oil supplies or the energy supplies of the United States. And I submit that that is quite a good thing to do. However, this particular field, which is in my district, could not, through any stretch of the imagination, be utilized in the event of a conventional emergency. If the emergency is not conventional—a nuclear war—what we say here today would be academic. But under a conventional emergency this field could not be brought into any kind of production in time to really do any beneficial good. This field today, if it were open and if the oil wells could flow, we could move only 10,000 barrels a day under the very shaky pipeline system that now exists.

I submit that what the gentleman from California says concerning the balance of payments and concerning the energy crisis as it applies to this field is correct.

This field should be opened, and the proceeds arising to the Treasury of the United States should be utilized to explore, open, and develop the enormous reserves that we have in the great North Slope of Alaska now known as PET–4.

Additionally, although the gentleman from California and I differ slightly, I feel, of course, that we should pursue and continue our offshore drilling all over the United States, not just off the coast of Santa Barbara.

I again congratulate the gentleman for taking this time. I would also indicate to the Speaker and to the Members that I totally support the concept of the bill we are discussing. Certainly if we do not take action in these waning days of the second session of the 93d Congress, then it should be the No. 1 priority for the first session of the 94th Congress—and I do not mean at the end of the 94th Congress—I mean in the first 3 months.

I thank the gentleman for yielding.

Mr. BELL. Mr. Speaker, if the gentleman will permit me, there is one point I would like to emphasize: With the proper approach by the Department of the Interior, or with an aggressive approach, we could put this field in order inside of perhaps 3 years.

Mr. KETCHUM. If the gentleman will yield, I would say yes, by all means. I visited the field just recently, as did the gentleman in the well. We even have a little refinery that has never turned a wheel. I would say very safely that within 3 years this field could be brought into total production.

Mr. BELL. I thank the gentleman.

Mr. MELCHER. Mr. Speaker, will the gentleman yield?

Mr. BELL. I am delighted to yield to the gentleman from Montana (Mr. MELCHER) who is the chairman of the subcommittee in which the bill, H.R. 16800, originated. The gentleman from Montana has been doing a terrific job in trying to get the bill out of the full committee, and is one of the main leaders in the fight to reopen Elk Hills.

Mr. MELCHER. Mr. Speaker, I thank the gentleman for yielding, and I commend the gentleman for his terrific leadership and his diligence in pursuing the need for opening Elk Hills.

The bill, H.R. 16800, has cleared the subcommittee, and has been reported out favorably to the full committee. It does contain a provision permitting or authorizing the Secretary of the Interior, after consultation with the Defense Department, to devise and formulate a plan for opening Elk Hills to full production.

The plan would be submitted to Congress and either body could reject it. If so, that would be the end of that particular proposal by the Secretary of the Interior. But if neither body of Congress rejected the plan, the Secretary then would be authorized to start procedures utilizing that plan for the development of Elk Hills.

This section of the bill H.R. 16800 also authorizes the Secretary of the Interior to develop a plan for studying Naval Petroleum Reserve No. 4 on the North Slope of Alaska. As the section is worded in the bill, the Secretary would not be able to implement that plan but would have to wait, in the case of Naval Petroleum Reserve No. 4 in Alaska, until a later time after Congress had acted upon a specific direction for exploration on that part of the North Slope of Alaska that is in the naval petroleum reserve.

I think it is helpful to think back to the time in this country when these reserves, this concept of military reserves, was turned over to the Navy. The Teapot Dome scandal in the twenties was a reason for striping the jurisdiction of these reserves from the Secretary of the Interior and turning them over to the Navy. However, the results of Navy control over Naval Petroleum Reserves 1, 2, and 3, Teapot Dome, Buena Vista in California, and Elk Hills, is that their record of protection or development, whichever side one wants to look to, has not been outstanding. There is not much oil left in Teapot Dome now. It is hardly worth being reserved, what little bit is left there. There is not much oil left in Buena Vista either. It is not worthy of being called a reserve any more. Neither one is.

In the case of Elk Hills, we have a serious problem. The Navy officials testified at length before the Public Lands Subcommittee early this year. We asked them to explain the reports of migration or drainage from the field. The Navy officials assured us that they had taken steps to stop the migration or drainage of the oil from the field within the naval petroleum reserve to outside that field. Naturally, the companies, principally Standard Oil of California, that have producing wells outside of the reserve, outside of the boundaries of the reserve, are going to continue to pump that oil. It is their oil. If there is migration or drainage that accumulates to their wells, they are by practice and by law going to reap the benefits of that oil.

The urgency that the gentleman in the well, Congressman BELL, has described regarding our balance of payments, our fight against inflation, the need for a balanced Federal budget is patently true. Obviously it is true. There can be no arguments on those points. If the citizens of this country feel that, yes, it is logical to have a reserve, to set aside where we do not touch the oil, this is the wrong place. Elk Hills is the wrong place for that. That migration and drainage is a very real factor. It is there.

It is there. All the assurances of the Navy of controlling it now may or may not be the final word on it. It is disputed. The facts as they present them are disputed. The experts in the engineering field dealing with petroleum tell us there are no stable fields once they have been opened. It does not work that way. Drainage invariably happens.

But for those citizens of this country who believe, yes, we must set aside a reserve and must have something we will not touch and must leave it for the future, I say to all of them very sincerely, forget about Elk Hills. It does not work that way. Look to the North Slope of Alaska, Petroleum Reserve No. 4. During the time now when we so urgently need additional oil, take it from Elk Hills, take it now before we lose it to drainage or migration, and it will supply the 300,000 barrels a day pumped every day on all of the days of the year for quite a few years, and during that time let the country and all the citizens review what we have in Alaska in Navy Petroleum Reserve No. 4 on Alaska's North Slope, review what we have there, review this whole idea, this whole concept of holding oil in reserve for the future, because that vast field there, apart from what is being developed at Valdez which is not in Naval Petroleum Reserve No. 4 and the other points on Alaska's North Slope, that field is stable and it has not been tapped and we can explore and see what we have there and get some idea, some concept of the magnitude of the reserve in that Federal petroleum reserve.

Then we can decide whether we want in the future to keep it locked up there or if it will be in our national interest to develop that also.

Besides all the other urgencies for getting oil now, the hard fact of life is that Canada told us during the past few days that they are cutting very shortly the amount of oil that they will sell to this country. Very shortly they will reduce the oil that they will sell to us by one-third and that just happens to be about 330,000 barrels a day. We cannot even see that during the next few months unless we tap Elk Hills. I think we had better. I really believe it is in our national interest.

I think the plan that is submitted by the Secretary of the Interior, if we adopt H.R. 16800 as it is written now, that plan that is submitted for the development of Elk Hills will contain, I believe, a proposal to put out the production on the basis of competitive bids. And Standard Oil of California which owns part of the unitized field will not be allowed to bid. It will have to be a third group.

Then we can review the competitive bids and see whether it is in the public interest, and we will not have any swindle and we will not have any cheating. The public property will be protected.

Contained with that also I would assume in any prudent plan would be the means of transporting the oil from the field to the refineries. That also would be done in the public interest so that small independent refineries would have the opportunity to bid on that oil, because it is part of the reason we are concerned about the whole setup of oil production and oil supplies for this country, that we maintain the smaller independent oil companies and the smaller independent refineries. California has a fine number of independent companies and independent refineries and we want to keep them in business and we want to know that they would have the opportunity to bid on this oil competitively and to have the opportunity to realize this crude and enhance their staying in business.

Again I want to commend the gentleman in the well for taking this time to acquaint the Membership of the House, to provide this information that is so vitally necessary if we are truly going to respond quickly to satisfy the energy needs of this country.

Mr. BELL. Mr. Speaker, I thank the gentleman for his very cogent and intelligent discussion of this problem and say that I certainly hope that he and others will continue in the effort to bring this bill out onto the House floor. Let me give all Members a chance to hear and debate this matter and then make a determination as a Congress, rather than bottling it up in some committee.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, I want to associate myself with the remarks of the distinguished gentleman from Montana (Mr. MELCHER). He has very cogently and thoroughly made a case to resolve it along the lines so eloquently urged by the gentleman from California (Mr. BELL).

I support him in his discharge petition. I continue to support him in the efforts he is making.

I wonder if the gentleman will yield for a disconnected unanimous-consent request?

Mr. BELL. Yes. I will yield.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the genleman for yielding and I join with the remarks of the gentleman in the well and I commend the gentleman for his leadership in this battle.

I might point out, the first legislative act that I participated in after my election last March was the signing of a discharge petition to get this bill out on the floor so we could debate it and hopefully pass it.

People aften ask me, what can Congress do about inflation, especially in the short time remaining in the 93d Congress?

I have responded that one thing we certainly could do would be a very simple thing. It would take just a few votes in the right committee so we could discuss and debate it; that would be the passage of the Elk Hills legislation, because as the gentleman has pointed out, that would greatly contribute to our economic stability. It would tend to reduce our unfavorable balance of trade and put us well ahead in the fight to secure independence.

I have called for the opening of the Elk Hills Reserve almost from the day I was elected to Congress last March and I have cosponsored legislation to that effect. Both the Secretary of the Navy and the President have urged that production at Elk Hills be increased, and I believe that it is in the country's immediate and long-range interests to open up the reserve to expanded production. Producing the reserve would help to replace the oil being taken from the civilian economy by the military, as it would free 7½ million gallons of fuel a day for domestic use.

While I quite understand the reasons why the Elk Hills Reserve was originally established, the need today for a petroleum reserve is not the same as it was when the reserve was established early in this century. I feel that there are overriding matters of national concern that must be taken into consideration at this particular time in history and, further, any major conflict today would be resolved one way or the other long before the Navy's need for oil became critical. Prompt action is needed on the Elk Hills issue to help alleviate the energy problems that confront the Nation today and I strongly urge that such action be taken.

Mr. BELL. Mr. Speaker, I thank the gentleman for his cogent remarks. He has had a very distinguished record since he has been in Congress of deliberating intelligently on the matters before the House floor.

I wanted to point out one other thing for the interest of those here, that I recently learned that the thickness of the so-called Stevens zone at Elk Hills is 800 feet—800 feet of sand. The big fields, the huge fields in California, have 400 feet of sand. That is an indication that, if anything, the reserve at Elk Hills have been underestimated.

I can tell the Members that there are also other zones in Elk Hills, as sure as we are sitting here, which have already been discovered—parallel structures in which there might be equally substantial quantities of oil. We really do not know how much more we have there. Currently we have a thousand wells, only 50 percent development, so we have a great deal more to go that may supply even larger amounts of energy and give even more help to our balance of payments.

Mr. Speaker, I yield back the balance of my time.

POTATOES CAN HELP SAVE THE WORLD FOOD CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 20 minutes.

Mr. HANSEN of Idaho. Mr. Speaker, Americans are increasingly aware of the tragic drama that is unfolding in many areas of the less-developed world. Drought, spiraling food, energy, and fertilizer prices, and explosive population growth have combined in an insidious equation of famine, misery, and death for millions of people. The grim prophesy of C. P. Snow is being realized—we can turn on our television and watch untold millions starving to death.

This tragedy has produced a moral dilemma in our own country. On the one hand, our basic humanitarianism and American generosity urges us to open our hearts, our pocketbooks and our national food larder to these starving millions. On the other hand, economic and agricultural reverses in our own country have led us to the realization that we cannot possibly feed all the malnourished human beings on earth by ourselves. We cannot even extend short-term conventional food relief without an economic impact on our own consumers.

The collision of these conflicting perceptions has erupted at times into angry exchanges between advocates of the opposing points of view. This is both unfortunate and counterproductive. Exchanges of emotional dialogue will not put food into the mouth of a single hungry child today, nor will grandiose long-range plans for technology transfer to increase agricultural production in the affected nations.

We need to find an immediate answer to the short-term but critical problem of starvation while we develop long-range solutions for future and continuing food challenges. This short-term solution should be able to provide the food relief necessary at an economical cost and without creating additional supply and price stress for the American consumer. Ideally, this short-term solution should also yield some benefits to the farm sector in our own Nation without adding to the inflationary spiral.

We have such a solution at our fingertips: the American potato in dehydrated form.

American potato growers had a good year—the crop is 12 percent higher than last year. Unlike wheat, corn and soybeans, we could easily make our surplus production available as emergency food aid without creating supply and price problems for our consumers. This has been a point of contention throughout the Nation—and one to which we should pay heed. Americans want to help, but they want to help in a way that will not be injurious to their own interests. The dehydrated potato is an ideal solution.

The potato is highly nutritional. The following table outlines the food energy and protein contained in a 100 gram serving of potatos. I invite your attention to the nutritional values of dehydrated potatoes, since 70 percent of the American potato crop is now marketed in a processed form. Thirty one different plants produce dehydrated potatoes in the United States. In the case of potato granules alone, the five production plants could produce 50 million pounds of granules above normal domestic requirements if they were pressed into peak production immediately. This would translate into more than 1.5 billion servings of mashed potatoes for famine victims from potato granules alone. The production of potato flakes could also be increased substantially. Both flakes and granules have special characteristics that make them an ideal food item that can be utilized immediately to prevent starvation. A distinct advantage that both forms of dehydrated potato products have over many other food products is that they are ready to eat without any cooking or other preparation except the simple addition of water. I include the following:

NUTRIENTS IN POTATOES

(Supplement to the Spudlight, United Fresh Fruit & Vegetable Association, Potato Division, May 22, 1964)

The nutritive values of foods have been set forth in a new and authoritative Agriculture Handbook No. 8, "Composition of Foods—raw, processed, prepared" by the Food Economics Research Division of the United States Department of Agriculture. The values in this edition are based on extensive review of information available both before and since the first issue in 1950. We present below the excerpts referring to potatoes, both fresh and processed, as the latest scientific findings from a reliable source. These are taken from Table No. 1 referring to the nutrients in 100 grams, edible portion. There is also another extensive Table No. 2 giving the nutrients in the edible portion of 1 pound of food as purchased.

The data for the "edible portion" of foods are based on chemical analyses of parts of food ordinarily considered edible in this country. If questions arise in this connection, you are referred to the explanatory introduction of the Handbook itself.

TABLE 1.—COMPOSITION OF FOODS, 100 GRAMS, EDIBLE PORTION

[Numbers in parentheses denote values imputed—usually from another form of the food or from a similar food. Zero in parentheses indicates that the amount of a constituent probably is none or is too small to measure. Dashes denote lack of reliable data for a constituent believed to be present in measurable amount. Calculated values, as those based on a recipe, are not in parentheses]

Item No. (A)	Food and description (B)	Water (C)	Food Energy (D)	Protein (E)	Fat (F)	Carbohydrate		Ash (I)	Calcium (J)	Phosphorus (K)	Iron (L)	Sodium (M)	Potassium (N)	Vitamin A value (O)	Thiamine (P)	Riboflavin (Q)	Niacin (R)	Ascorbic acid (S)
						Total (G)	Fiber (H)											
	Potatoes:																	
1785	Raw	79.8	76	2.1	0.1	17.1	0.5	0.9	7	53	0.6	3	407	Trace	0.10	0.04	1.5	[1] 20
	Cooked:																	
1736	Baked in skin	75.1	93	2.6	.1	21.1	.6	1.1	9	65	.7	[2] 4	503	Trace	.10	.04	1.7	20
1787	Boiled in skin	79.8	76	2.1	.1	17.1	.5	.9	7	53	.6	[2] 3	407	Trace	.09	.04	1.5	16
1788	Boiled, pared before cooking	82.8	65	1.9	.1	14.5	.5	.7	6	42	.5	[2] 2	285	Trace	.09	.03	1.2	16
1789	French-fried	44.7	274	4.3	13.2	36.0	1.0	1.8	15	111	1.3	[2] 6	853	Trace	.13	.08	3.1	21
1790	Fried from raw	46.9	268	4.0	14.2	32.6	1.0	2.3	15	101	1.1	223	775	Trace	.12	.07	2.8	19
1791	Hash-browned after holding overnight	54.2	229	3.1	11.7	29.1	.8	1.9	12	79	.9	288	475	Trace	.08	.05	2.1	9
1792	Mashed, milk added	82.8	65	2.1	.7	13.0	.4	1.4	24	49	.4	301	261	20	.08	.05	1.0	10
1793	Mashed, milk and table fat added	79.8	94	2.1	4.3	12.3	.4	1.5	24	48	.4	331	250	170	.08	.05	1.0	9
	Scalloped and au gratin:																	
1794	With cheese	71.1	145	5.3	7.9	13.6	.3	2.1	127	122	.5	447	306	320	.06	.12	.9	11
1795	Without cheese	76.7	104	3.0	3.9	14.7	.3	1.7	54	74	.4	355	327	160	.06	.09	1.0	10
1796	Canned: Solids and liquid	88.5	44	1.1	.2	9.8	.2	.4	[3] (4)	(30)	(.3)	[2] 1	250	Trace	.04	.02	.6	13
	Dehydrated mashed:																	
	Flakes without milk:																	
1797	Dry form	5.2	354	7.2	.6	84.0	(1.6)	3.0	35	(173)	1.7	89	(1,600)	Trace	.23	.06	5.4	[4] 32
1798	Prepared, water, milk, table fat added	79.3	93	1.9	3.2	14.5	.3	1.1	31	47	.3	231	286	130	.04	.04	.9	[4] 5
	Granules without milk:																	
1799	Dry form	7.1	352	8.3	.6	80.4	1.4	3.6	44	203	2 4	84	(1,600)	Trace	.16	.11	4.9	[4] 19
1800	Prepared, water, milk, table fat added	78.6	96	2.0	3.6	14.4	.2	1.4	32	52	.5	256	290	110	.04	.05	.7	[4] 3
	Granules with milk:																	
1801	Dry form	5.3	358	10.9	1.1	77.7	1.5	4.0	142	237	3.5	82	1,848	60	.19	.30	4.2	[4] 16
1802	Prepared, water, table fat added	81.4	79	2.0	2.2	13.1	.3	1.3	31	44	.6	234	335	90	.03	.05	.8	3
	Frozen:																	
	Diced, for hash-browning:																	
1803	Not thawed	81.0	73	1.2	Trace	17.4	.4	.4	10	30	.7	8	170	Trace	.07	.01	.6	9
1804	Cooked, hash-browned	56.1	224	2.0	11.5	29.0	.7	1.4	18	50	1.2	299	283	Trace	.07	.02	1.0	8
	French-fried:																	
1805	Not thawed	63.5	170	2.8	6.5	26.1	.6	1.1	7	67	1.4	[2] 3	506	Trace	.14	.02	2.1	20
1806	Heated	52.9	220	3.6	8.4	33.7	.7	1.4	9	86	1.8	[2] 4	652	Trace	.14	.02	2.6	21
	Mashed:																	
1807	Not thawed	80.4	75	1.7	.1	17 1	.4	.7	16	39	.7	79	229	30	.07	.03	.8	6
1808	Heated	78.3	93	1.8	2.8	15.7	.4	1.4	25	42	.6	359	215	140	.06	.04	.7	4
1809	Potato chips	1.8	568	5.3	39.8	50.0	(1.6)	3.1	40	139	1.8	([5])	1,130	Trace	.21	.07	4.8	16
1810	Potato flour	7.6	351	8.0	.8	79.9	1.6	3.7	33	178	17.2	34	1,588	Trace	.42	.14	3.4	(19)
	Potato salad, from home recipe, made with—																	
1811	Cooked salad dressing, seasonings	76.0	99	2.7	2.8	16.3	.4	2.2	32	64	.6	528	319	140	.08	.07	1.1	11
1812	Mayonnaise and French dressing, hard-cooked eggs, seasonings	72.4	145	3.0	9.2	13.4	.4	2.0	19	63	.8	480	296	180	.07	.06	.9	11
1813	Potato sticks	1.5	544	6.4	36.4	50.8	1.5	4.9	44	139	1.8	([5])	1,130	Trace	.21	.07	4.8	4

[1] Year-round average. Recently dug potatoes contain about 26 mg. ascorbic acid per 100 grams. After 3 months' storage the value is only half as high; after 6 months', about ⅓ as high.

[2] Applies to product without added salt. If salt is added, an estimated average value for sodium is 236 mg. per 100 grams.

[3] Federal standards provide for addition of certain calcium salts as firming agents; if used, these salts may add calcium not to exceed 200 mg. per 100 grams of finished product.

[4] Value varies widely. It is dependent on content of ascorbic acid in raw potatoes, method of processing, and length of storage of dehydrated product. Present values for dehydrated forms range from 10 to 35 mg. per 100 grams.

[5] Sodium content is variable and may be as high as 1,000 mg. per 100 grams.

Dehydrated potatoes compare very favorably with wheat, corn and meat in food energy derived; as illustrated in the following 100 gram serving comparison:

	Moisture (percent)	Calories	Protein (grams)
Dehydrated potatoes	5.2	364	7.2
Wheat	12.0	333	13.3
Corn	72.7	96	3.5
Meat (raw ground beef)	68.3	179	20.7

This relief program based on the dehydrated American potato could be started immediately, and indeed it should, because every day the dehydration industry is not running at peak production on a 24-hour basis, production is lost. More importantly, lives are lost every hour that we delay in implementing this program.

This short-term relief effort could be a joint project of the Departments of State, Agriculture and Defense.

The Agriculture Department would be enlisted for procurement, using industry-wide standard packaging.

The State Department could assist by enlisting the cooperation of the oil-producing states in financing this venture. The OPEC nations have indicated their willingness to extend financial aid in an international humanitarian effort. Their promise of help should now be translated into reality to demonstrate both their good faith in this effort and their recognition of the responsibility they, too, must share as newly-affluent nations. Cooperation in this project could pave the way for further multilateral projects in fuel, fertilizer and technology transfer between the developed and developing world.

Finally, the Department of Defense could provide transportation support through airlift of the dehydrated potato products.

In conclusion, the American potato in easily-transportable dehydrated form could be an effective solution to the tragic problem of famine that is stalking the less-developed world. We must start now on this effort—every day lost means a heavy loss of life. We can fulfill our obligations as an international leader through this effective and available mechanism. If we delay, we then must bear the weight of the moral responsibility for having the means to help but not doing so.

CIA OVERSIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, I am pleased to join my colleague, BILL FRENZEL, in cosponsoring legislation to create within the Congress a Joint Committee on Intelligence Oversight. This bill establishes a 14-member joint House-Senate committee, specifically entrusted with primary oversight and legislative responsibility for the Federal intelligence community.

Already this legislation, introduced by Senator BAKER in the other body, has attracted 33 Senate cosponsors, and surely deserves our support in the House of Representatives. As Senator BAKER outlined on September 19 when he introduced the measure in the Senate, that:

> While a Joint Committee on Intelligence Oversight will provide increased assurance that the various intelligence and law-enforcement agencies are abiding by the Constitution and the Federal statutes by which they were created, . . . the committee also will strengthen our legitimate intelligence gathering capacity through insuring better coordination between the CIA, FBI, Secret Service, DIA, NSA, and other agencies possessing intelligence jurisdiction, and through eliminating much of the current duplication and apparent jealousy and competition in the intelligence community. Moreover, it is hoped that increased congressional oversight would render the intelligence community more responsive to legitimate Presidential and congressional requirements.

The activities of the U.S. intelligence community have been pushed to the fore of public concern by the recent revelations about the Central Intelligence Agency's covert operations. The actions of the Central Intelligence Agency—CIA—in Chile only highlight what many people in our country have come to ask in very emotional terms—who controls and sets limits on what the CIA and our other intelligence bodies do here and abroad? Russell Baker in an October 1, 1974 editorial in the Washington Star outlined the problem in his article entitled, "A Habit Tough To Kick":

A HABIT TO KICK

(By Russell Baker)

> The odd thing is not that we are in the business of overthrowing other peoples' governments, but that we can still be surprised when somebody reminds us of it. In Asia, Latin America, Africa, the Mediterranean and the Middle East we have been propping up and knocking down governments more or less openly for the past 25 years.
>
> It is an established policy. Everybody knows it. It is supposed to be done covertly, which is only sensible if you hope to succeed since publicity in matters of this sort can only make the natives resentful and defeat the project.
>
> We have been so active in the field, however, that a number of our projects have come to light. Iran, Indonesia, South Vietnam, Greece, the Congo, Guatemala, Cuba—all have had their domestic politics secretly interfered with by the Central Intelligence Agency in ways that made headlines.
>
> The difficulty may be that we prefer not to know ourselves. How else can we explain these cries of shock that follow each fresh disclosure that the CIA has done it again? We hear them again about the Chile intervention. In Washington, wise men who are on a first-name basis with Professor Kissinger are shocked—shocked!—to discover that the United States is overthrowing governments.
>
> Professional moralizers of press and television are outraged by the bloodshed induced by the new U.S.-approved dictatorship in Chile, although it has been very slight compared to the mass murders which outraged them in Indonesia with the overthrow of Sukarno.
>
> Where have these people been for the past 25 years? They always seem to be hearing it for the first time. President Ford's public approval of exported subversion—everybody else does it; why shouldn't we? he said—ought to have had a healthy result. It was a candid statement of a national policy in which most of us have tacitly concurred since the Stalin era.
>
> Instead the President is criticized for telling us the truth—despite the demands for presidents who will tell us the truth.
>
> It is not a difficult paradox to explain. We have listened to our own publicity for so long that we believe it. Since 1945 our publicity agents have been telling us we are the good guys, the white hats, the idealists struggling for democracy and freedom along dark streets swarming with the kind of thugs who overthrow other peoples' governments.
>
> This is a very pleasant picture to have of yourself. It is traumatic to have people as authoritative as the President tell you it is the picture of Dorian Gray, and worse to have him pull the curtain away and show you what you have really come to look like after all these years of preening your beauty in the sunlight but taking all those clandestine nocturnal strolls down the back alleys of world power.
>
> Overthrowing other peoples' governments is a habit of great imperial powers. Romans and Britains did it openly, as do the Soviets today, and we differ from them only in insisting that our innocence has not been lost, that we are as pure today as we were when we bedded down with empire 30 years ago. Our publicity proclaims it and when truth threatens to spoil the conceit, we deflect self-recognition by blaming tired old scapegoat CIA, which, goes the self-deception, is out of control and amok.
>
> In fact, CIA has been operating with tacit public consent from the beginning. Everybody knows it has been overthrowing governments, often bloodily, as a principle of American foreign policy for years.
>
> The policy was never publicly adopted as such through the usual processes of debate, congressional vote and publicly reviewed appropriations. To have done it publicly would have been too embarrassing for us. It would have required us to admit that we were not who our publicity said we were.
>
> The government is sensitive about preserving our illusions. It does its best to keep the drearier realities from intruding upon us. Typically, the exposure of the Chilean subversion has resulted not in any congressional demand to do away with the policy, but a move by the House Armed Services Committee to punish Rep. Harrington for telling us what we did down there.
>
> If we are becoming the enemy we set out to thwart, the least Congress can do is punish anybody who threatens to let us know about it.

As the article points out, the CIA has been an ongoing operation since its creation under the National Security Act of 1947, but has never publicly adopted any policy guidelines through usual and constitutional congressional channels. The creation of this Joint Congressional Oversight Committee will fill this policy void while at the same time insure that the CIA or any other of our intelligence agencies does not become a servant without a master. As if to push the Congress into action on this issue and muster public support for this type of legislation, President Harry S. Truman, who was responsible as President for setting up the CIA, has now said in his biography that:

> The CIA just doesn't report on wars . . . they go out and make their own, and there's nobody to keep track of what they're up to. They spend billions of dollars on stirring up trouble so they'll have something to report on . . . it's become a government all of its own and all secret. They don't have to account to anybody. That's a very dangerous thing in a democratic society, and it's got to be put to a stop.

Mr. Speaker, it is indeed very dangerous to have an agency of any type that is accountable to no one, particularly not accountable to the Congress as the people's representative and advocate.

Mr. Speaker, this Joint Congressional Oversight Committee will have seven members from the House and seven members from the Senate whose duties will be to conduct a continuing study and investigation of our intelligence agencies, and in turn, the heads of these groups will be required to keep the joint committeee fully and currently informed of all intelligence and surveillance activities and operations carried out by their respective departments and agencies. It committee fully and currently informed congressional committee that covert operations and clandestine intelligence activities will finally be brought under full congressional control and infused with some policy guidelines.

This latter point is urgently important for without policy and theoretical frameworks in which to couch our strategic intelligence activities, it is not possible to develop criteria for measuring the effectiveness or impact of strategic intelligence in the decisionmaking process. Nor, because of lack of oversight, have we heretofore been able to answer questions about the impact American intelligence activities have had on the world community and the maintenance of world peace. With a complete flow of information into this Joint Congressional Oversight Committee we can answer these questions and insure that our efforts in this area are not jeopardized because of ill-advised actions on the part of the United States.

And, finally, as was pointed out in Princeton University's latest issue of World Politics, the Congress, under this bill, will be able to answer the very practical questions as to the need for these activities, and "whether the world would have been much different without these organizations, and if so, why?"

In summary, Mr. Speaker, I believe this is a needed piece of legislation and will prove a useful and informative forum for assessing, controlling, directing, and curtailing, if need be, the hydra-headed beast that we have had grow up in our midst as the Federal intelligence community.

UNITED STATES NOT A MEMBER OF CENTO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Aspin) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, if you have been reading the Washington Post and the New York Times lately you have been informed that the United States "is a member" of the Central Treaty Organization's—CENTO—military, economic and countersubversion committees or simply that we "belong" to CENTO on an equal basis with Pakistan, Britain, Turkey and Iran. You will have also read that last month we sent a carrier task force into the Indian Ocean for CENTO's annual naval exercise, Midlink.

The acronym CENTO sounds like NATO, and perhaps this explains why the Post and the Times are wrong and why Congress should question why we participated in Midlink. The fact is that the United States is not now nor have we ever been a member of CENTO, and we have no treaty relationship with that organization.

If you are a little more familiar with CENTO than most citizens, you may be deluded into thinking we belong because we pay a good part of the alliance's expenses, and we have two generals at CENTO's Ankara headquarters who absolutely control all of CENTO's military planning. Naturally these two generals, a three-star and a two-star, are living in style. They are supported by three enlisted servants, three officer aides, three local chauffeurs, secretaries, and others to make their lives easier. The U.S. taxpayer is paying $120,000 annually to house them, $74,800 to finance their travel, and $67,000 for what the Pentagon calls "the U.S. share of the International Combined Military Planning Staff operating budget."

The United States also funds one-fifth of the CENTO secretariat's operating costs, the salaries plus allowances of three foreign service officers in Ankara, and the expenses of CIA's activities in countersubversion operations. Naturally we also pay for an intelligence exchange operation, and all the costs of U.S. forces in annual air exercises and other maneuvers in addition to Midlink.

What is wrong with all this is that Congress has never authorized the Pentagon and the State Department to participate in CENTO, much less to control everything CENTO does. Back in the Dulles era the White House made executive agreements with Pakistan, Turkey, and Iran, promising to help each of them out in case the Russians invaded their territories. But even these private agreements between the White House and various foreign potentates say nothing about the United States running and funding CENTO.

There can be little doubt that our participation in CENTO is wrong if not absolutely illegal. Furthermore, it is an archaic and useless alliance we would be better served to leave completely alone. The only purpose it serves in these times is a means for its members to lever military equipment out of the United States. It does not help stability in the Middle East, and it has contributed nothing whatever to easing the Arab-Israel crisis, the oil crisis, the Cyprus crisis, the Iran-Iraq confrontation, Iranian-Saudi Arabian rivalries, or Pakistani-Indian crises.

Quite apart from the more than a million dollars U.S. personnel assigned to CENTO headquarters cost the taxpayer, the other expenses of our involvement with CENTO are not incidental wastes of money. The task force steaming around the Araban Sea did not just happen to be in the area. The whole collection of ships was sent through the Indian Ocean just for the Midlink exercise.

The Times says the task force consists of the aircraft carrier *Constellation*, a command ship, two guided missile destroyers, two destroyer escorts, a fast support ship, and a nuclear submarine. This is a larger collection of ships than any of CENTO's members provided and it may be more than all of them together. I thank the Times for providing me with the ship list because the Pentagon told me the information was classified.

It is time Congress began to question the questionable, and the CENTO mess is one good place to start. It is bad enough to waste billions on alliances to which we belong, but it is ridiculous to pay for useless and probably dangerous activities in organizations to which we have no legitimate connection.

BIGOTRY GIVEN LICENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, the recent ill spoken and prejudicial comments of Gen. George Brown and Secretary of Agriculture Earl Butz, have had the effect that anyone with any insight unto bigotry would have expected. Vile and vicious comments emanate from heretofore silent quarters, while other misguided individuals simply feel they now have license to voice their latent hostilities.

Bigotry is many faceted, Mr. Speaker, and I am setting forth just two samples of the type of correspondence to which I have reference.

Hon. Edward Koch,
House of Representatives,
Washington, D.C.

Dear Sir: You will never get my vote again and I would kill, if it was legal, to keep you from getting another vote from this area.

I am so tired of your pro-Jewish actions and your attempted pro-Jewish legislation that I wonder if I live in NYC or Israel, you people make it the same—and I am American, you Jews think more of being Jewish than American.

The world is sick of American money pouring into a bigoted hater' illegitimate state formed by mis-fits from every society who call being despised by every other race in the world some virtue, you haven't got enough money to buy honesty—or even decency or any respect in any community.

Koch, if I ever see your name on a ballet again I will donate $10,000 to your opponent, why don't you Jews stop trying to run America?

George E. Cummins.

Congress of the United States,
Washington, D.C., November 20, 1974.
Mr. George E. Cummins,
New York, N.Y.

Dear Mr. Cummins: I have your nice telegram. I'm sure you were delighted that I got 77.6% of the vote in the last election. You must have jumped for joy.

Again, thanks for your congratulations. Do give my best to the others living under the rock with you.

All the best.

Sincerely,

Edward I. Koch.

Hon. Edward Koch,
House of Representatives,
Congress of the United States,
Washington, D.C.

Dear Congressman Koch: I received your letter of Nov. 20th in reply to my wire. I must say, much to your displeasure I'm sure, that I was delighted, first, it was the funniest damn piece of mail I've had in months. I actually called two or three people to read it to them. They didn't know you had a sense of humor, if we didn't seem so diametrically opposed, I might even vote for you again sometime. Your sense of humor has certainly elevated you in my estimation probably far beyond the deserved status.

As to your 77.6% plurality in the last election, I am impressed but we all know the basic reason for that, people with any sense, money, or taste started leaving "Fun City" years ago, now please don't use government money to write suggesting I do the same.

All the best,

George E. Cummins.

Dear Congressman: The savings banks of New York are bastions of bigotry in restricting positions in management and supervision to persons of specific ethnic and religious combinations. Many are Scotch Presbyterian, a few are Irish Catholic, and one or two are of other combinations. These banks are under contract with the Treasury Department and under the supervision of the FDIC but continue to violate the laws against employment discrimination. They aren't answerable to stockholders or to depositors but rather are run by self-perpetuating boards.

Won't you help to end this bigotry?

Sincerely,

Joe Cooper.

Mr. Cooper did not receive a response since he did not give his address and it could not be located.

BETTER SAFETY EQUIPMENT NEEDED ON COMMERCIAL AIRCRAFT

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, a few minutes ago the chairman of the House Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. Staggers) addressed remarks to this body pointing out the tragedy that occurred in the Blue Ridge Mountains just west of here, when 92 lives were lost in a TWA crash. That statement was clear and unmistakable in that he felt, based on investigations, the accident might have been prevented had certain equipment been aboard that TWA plane.

There is now a ground proximity warning system being installed on many planes which we believe, if put into force immediately by the FAA, could save countless lives. It is always very difficult to say that a particular crash could have been avoided because of certain circumstances, whether it was instrument or pilot error. It is even more difficult to make those statements at an hour and time of national tragedy.

Nevertheless, a member of our investigations subcommittee staff flew this same area yesterday to test whether or not that particular equipment would have provided a warning. It is an audio-warning signal and it says, "Pull up, pull up," in five different instances if there has been a failure of either pilot error or of instrument. It is a computerized system. In this particular instance, we believe that possibly the instrument would have shown the excessive terrain closure rate in a manner that would have allowed at least a 14-second warning for that pilot to have pulled up.

We cannot be sure of that. We cannot make that as a positive statement, but it does indicate that this accident might have been prevented. Our subcommittee held hearings on this matter 45 days ago with FAA. We attempted to find out why the FAA has not insisted on this in their rulemaking procedures during the last 2 years.

They have agreed, we believe, to definitely require this as a new instrument of safety on all the commercial airplanes. We have asked them to shorten the time of the proposed rulemaking procedure so that both the notice would be shortened and so that the time for decision could be shortened. Certainly, a period of 18 months could be reduced to 12 months or less for the actual installation of this instrument.

The FAA has given cooperation in that they have reduced some of that time, but they still are not insisting that this instrument be put on in the shortest possible time. FAA is not moving fast enough.

I call upon the FAA again to take this action, and to take it quickly. During the hearings we pointed out in three or four instances the slowness with which the FAA implemented safety rules. I would like to insert at this point two or three instances to show that the FAA is very slow in the adoption of reasonable rules.

One of the things which has distressed me about the FAA's approach to some of these safety related matters is the long drawn out timetable involved.

Earlier this year, the subcommittee held a hearing on the DC-10 cargo door situation which caused the Paris crash. There we found that the FAA was put on notice almost 2 years previously by a near miss at Detroit that there was a problem with the door closing mechanism. Yet, the FAA did not issue an airworthiness directive requiring the door to be fixed until a couple of days after the crash.

Again, earlier this year the subcommittee held hearings on the subject of hazardous air cargo being carried on commercial passenger flights. At that hearing, we found out that the FAA had received authorization in August of 1973 to employ 18 individuals full-time at various FAA offices to work exclusively on hazardous materials matters. At our hearing on April 25, 1974, we heard testimony that the FAA still had not filled many of these highly critical positions, even though they were authorized months earlier.

Another matter which has come to the staff's attention involves the problem whereby, on a certain type of aircraft, it was found that pilots were deploying what are known as ground spoilers too early in the landing process. As I understand it, these devices are used to slow and settle the plane once it touched down, but they cause the plane to plummet to Earth if they are accidentally deployed in flight. The indications to me from our staff's inquiry are that the FAA proceeded very slowly to deal with this problem. In fact, after the problem first became known to the FAA in connection with a Montreal crash killing 109 in July 1970, the FAA's first response was simply to post a sign on the switch which said, "Do not deploy spoilers in flight." That was described to our staff by one aircraft safety expert as akin to putting up a sign saying, "Do not crash this airplane." Now, after another accident occurred in June 1973 at JFK Airport, due to the same cause, the matter is being addressed more realistically, but, again, after considerable lost time. Fortunately, no one of the 128 on board were killed; 8 were seriously injured.

It is my feeling that we find again that the FAA and its rules are inordinately slow and cumbersome. They are examined almost until the incident of the need is forgotten. At times, I must say that there are indications that the FAA becomes more industry oriented than they are even in timesaving procedures, and at times, it would appear, even in lives.

That is a harsh statement, but I think it is an indication that this body, this Congress, must say to FAA, "You represent the public, and take quicker action when these problems are brought to your attention."

UNEMPLOYMENT, INFLATION, AND RECESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of New York. Mr. Speaker, the United States is entering the year 1975 aimed in the direction of the worst unemployment, inflation, and recession since the end of World War II. The Nation moreover must regard herself in the worst competitive position with respect to military defense and international trade, relative to the last 30 years.

These may be termed the bitter fruits of the U.S. decade of least achievement. So, too, are these "worsts" an unmistakable warning to change direction.

It is a time for trial and testing. The burdens of proof and performance fall on the backs of the new Congress which uniquely has the historic opportunity to once again get America moving.

Whether to characterize the recent election as a repudiation of the last President or lack of confidence in his successor is secondary to its principal mandate—a desperate demand for leadership—that Congress fill the void.

Reacting to winds of fear, the people are demanding a government capable of solving problems, not ever-shirkingly presiding over the shutdown of industry, the freezing of homes and the stalling-out of automobiles.

Responding to the call for action, Congress must cast aside the White House policy of unproductive delay and endless sacrifice and opt for remedies that hold promise for the future.

In assessing causal blame for the laundry list of "worsts," Congress must terminate the "energy crisis" as it is the most malignant national malady.

Notwithstanding contrary opinion, the best, if not only, means to promote national growth and full employment through our lifetimes is full utilization of atomic power as the base source of electricity supply.

At the present time there are 127 naval reactor and 52 nuclear-electric plants operating superbly, yielding energy more cheaply and more reliably, and, compared to fossil-fueled plants over the last quarter century, an unmatched record for safety.

During the first 10 months of 1974, fuel costs in fossil-fired electric plants have increased by 85 percent and the trend continues upward. Over the same period nuclear fuel costs went down by 10 percent.

Only with greater reliance on atomic electricity can we honestly hold out the promise of rolling back the cost of home heating and electricity. Only with atomic power can we restore the competitive edge for American industry and put our people back to work.

For the sake of our automotive industry and the people whose freedom is tied to owning and driving automobiles, atomic power is the only alternative that will permit redirecting oil and coal from electric generators and into transportation and chemicals for industry.

Greater utilization of nuclear fuel holds the further promise of creating downward price pressure on oil and coal used for fertilizers and industrial chemicals with consequent benefit to the purchasers of foods, fibres and household goods.

The energy crisis exacts a harsh and unremitting ransom from those among all Americans who have already suffered enough, the poor. And for young people entering the workday world, it rears up as a spectre foredooming failure. This is cruel and inhuman punishment that cannot be condoned.

In terms of employment, construction of a nuclear-fueled electric plant creates some 15,000 job/years of work. To fill United States' base power load to the end of the century will require the building of some 200 new plants.

Based on current operating conditions, such a network has the capability to give consumers savings in the range of $15 billion a year when projected against future costs of operating fossil-fueled plants.

Lest the United States be left at the post in the race for tomorrow, the economic advantage must be weighed in the light of commitments of oil-poor France and oil-rich Iran, as examples, both moving rapidly toward 100 percent base-load nuclear.

As for the opponents, for whatever reason, of additional nuclear plants, it is tempting indeed to go along with their wait-and-see approach. But that is totally unacceptable, not only to those thrown out of work, but to a Nation that knows growth is necessary if its freedoms are to be maintained.

Without question, this Nation should vigorously seek solutions relying on geothermal, tides, Sun, fusion, oil shale and even more esoteric sources. But it would be dishonest to promise productivity on a broad scale, if at all until the 21st century.

The next Congress has no choice but to stop listening to White House talk and seize the initiative so long ungrasped. With Soviet Russia already ahead in perfecting the next generation of nuclear technology, Congress must spur on the construction of the breeder reactor so as to assure nuclear fuel availability into the distant future.

Congress could well ponder the words of the conqueror of Mt. Everest, Sir Edmund Hillary:

> As soon as we stop doing things because they're dangerous, we're killing the human race.

Of danger in this world, there is no shortage.

Even the ostriches smell danger in the Middle East from which oil supply/price policies have worked toward the devastation of the American economy. Rightly or wrongly, these policies have bred world inflation and instilled universal fears in the free world, fears that trigger recession.

One has to be naive indeed to discount the likelihood of further oil embargoes and price hikes. Similar striving for the top dollar will continue to be the order of the oil men of Canada and South America. Their product becomes all the more precious as the Middle East nations arm and rearm—Israel versus all the rest.

Blend into this cauldron sophisticated political intrigue or just plain Communist tricks and then the détente double-cross looms over the next hill.

The Israelis believe that following Russia's massive military buildup of Syria, the next step is to force Israel to negotiate with Arafat's PLO rabble.

To put the squeeze on the United States and provenly less-than-resolute Western Europe, further oil curtailments by the Arabs are forecast. Meantime the Communist conspirators will quietly and resolutely infiltrate and seek disruption of Egypt's squalid masses who may want of their neighbor Moslems' wealth.

The Israelis leave no doubt they will continue to resolutely defend their country, their lives, and their heritage with all the force available to them.

The Arabs leave every doubt that they know what the game is all about, a sad manifestation of ignorance that could lead them onto the dance floor with a bear.

Other alternatives for rapidly procuring energy fuels appear limited to further exploitation of America's own resources. All indications are that this thrust may precipitate the States rights battle of the seventies.

When it comes to plundering and ravaging any State for its mineral wealth, the last election gave the public clear and unmistakable opportunity to issue a ringing "No." Every possible pressure is due to be brought to bear to assure that strip mining for coal and oil shale is environmentally acceptable.

To satisfy demands of the people of the mineral States and also the people of the coast States where offshore drilling is contemplated will be expensive and time consuming.

In this dangerous world, can the United States further delay implementing the single proven technology it possesses? The answer is "No." The Nation must get moving.

GLOBAL DEVELOPMENT FOR WORLD PEACE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, on December 4, 1974, I had the privilege of delivering the keynote address at a colloquium on "Global Development for World Peace" at Beloit College, Wis.

I insert the text of my remarks at this point in the Record:

Address of Congressman John Brademas at a Colloquium on Global Development for World Peace, Beloit College, Wis., December 4, 1974

I count it a high honor to have been invited to open this international colloquium on "Global Development for World Peace," and I regard it as a privilege indeed to share the platform with such distinguished leaders as Senator Frank Church of Idaho; the Director General emeritus of UNESCO, Dr. Rene Maheu; Dr. Rosemary Reuther; Professor Melvin Cranzberg and James W. Howe.

I am for several reasons pleased to participate in this conference.

First, I am glad to be back at Beloit College, an outstanding center of learning and a leader in international education in the United States with its World Affairs Center and World Outlook Programs serving as models for other institutions to emulate.

And I am pleased to be in the home territory of my old friend, President Miller Upton, who has added luster to the reputation of Beloit—and his own—by his distinguished service as Chairman of the United States National Commission for UNESCO, the members of which honor us all by their presence here in Wisconsin this week.

But the principal reason I am glad to be here is the opportunity to discuss with you the subject matter of this conference, global development for world peace.

So vast and complex are the dimensions of this crucial topic that I shall not pretend to do other than give some reflections on it from my own perspective as a Member of Congress with a particular concern for education and a fellow Midwesterner.

A TURBULENT TIME

We live in a time of turbulence and trouble, with, in the last year alone, events tumbling down upon us, first one and then another, and then seemingly all together—Watergate; the decline and fall of a Vice President and a President; rampant inflation here at home and across the world; a crisis in energy; the beginnings of a serious economic slump; sharply rising tensions in the Middle East; and famine and starvation afflicting millions of human beings. As James Reston said in the *New York Times* last Sunday:

"Nothing in the American experience has prepared our people for precisely the mixture of monetary inflation and economic recession, fourfold increases in petroleum prices, and worldwide shortages of food now disrupting the life and politics of nations."

And in that same issue of that same journal, writing from Paris, C. L. Sulzberger remarks that although "Europeans are accustomed to living on more of a hand-to-mouth basis . . . Americans are exceedingly discouraged."

I certainly do not intend tonight to give you some pollyannish response to the grave problems that beset us.

I think, however, the wiser course of action—if we pretend to some degree of rationality—is, having wrung our hands to go on to ask ourselves, what can we do about the situation? For as Abraham Lincoln said in his "House divided speech" in 1858, "If we could first know where we are, and whither we are tending we could better judge what to do, and how to do it."

So I want to talk to you tonight about where we are in respect of global development and world peace and then offer some suggestions on whither we might be tending, on what to do, and and how to do it.

I shall certainly not pretend to be exhaustive; I shall, rather, single out only a few of what I think are major aspects of the challenge of development.

SPECTER OF FAMINE

And there seems every reason to begin by talking about food, for nothing illustrates the distance we must travel toward achieving some tolerable justice in the world than, in the year 1974, the prospect of widespread malnutrition and starvation.

And I discuss the problem of food both because of its intrinsic importance and because it is an example of the kinds of problems with which those seriously concerned with the problem of global development must preoccupy themselves.

Consider that the specter of famine haunts 800 million people, living in 100 underdeveloped countries.

Consider that in 1971, the most developed nation in the world, the United States, had an average annual income of $5000 per person, while 2.3 billion people living in the underdeveloped nations had a yearly per capita income of only $212.

Consider that 40% of the total population of all the developing nations of the world continue to exist below minimal levels of nutrition, literacy, and health.

Consider that 20% of the world's population controls 80% of its resources.

And now think of how much more grave are the circumstances of the poor nations today as a result of the economic events of the past two years.

James Howe, from whom you will be hearing later in this conference, makes a forceful summary in his recent and valuable book, *The United States and the Developing World: Agenda for Action, 1974.*

Said Mr. Howe:

"By midsummer of 1973, the world economy was in tumult. Global food scarcity, caused by a combination of rising affluence in the industrial countries, population increases in the poor countries, and drought in Asia and Africa, had become a dominant issue. Grain and soybean prices had doubled and tripled—to the grave detriment of the poorest people in the countries of Asia, Africa, and Latin America, and to the benefit of American farmers and to the U.S. balance of payments. The year ended with the energy shock, as the combination of the oil embargo, production cutbacks, and price increases threatened the world economy more than any other event of the past quarter century."

One result of these developments is that the world today faces the lowest reserves of grain in history, enough on hand right now, we are told, to be measured in days.

And the quadrupled price of oil, the base of synthetic fertilizer, has made that indispensable ingredient of agricultural growth almost impossible in many cases to obtain.

As a consequence of these and other trends, the world is now moving into an era of chronic shortages of basic foodstuffs.

James P. Grant, President of the Overseas Development Council, puts it this way:

"The doubling to quadrupling of food and energy prices dooms millions to premature deaths from increased malnutrition and even outright starvation. The only question, and one Americans can influence, is: how many millions?"

Clearly food is only one of the dimensions of the problem of global development.

POPULATION GROWTH

No one who takes seriously the challenge of development can fail to recognize the impact of population growth, a subject which warranted its own international conference in Warsaw earlier this year.

I here only indicate my agreement with the view of Father Theodore Hesburgh, President of the University of Notre Dame, in his recent lectures at Yale, published as *The Humane Imperative:*

"I believe almost everyone today concedes that rational and moral population control is a desideratum of the highest priority, although there is obviously a great deal of disagreement as to the proper ways and means of control."

PREFERENTIAL TRADE ARRANGEMENTS

Nor is it possible intelligently to discuss development in Third World countries without acknowledging the immense importance to them of trade.

The rich countries must help provide markets on preferential terms for the products of the poor nations or much of our aid effort will come to naught.

ECONOMIC DIFFICULTIES

Finally, I must make an observation about the other side of the question of developmental assistance: the capacity—and willingness—of the advanced societies to provide it. Clearly the economic troubles of the Western world—of which inflation is the most obvious sign—mean that at the very time the poor need help the most, the wealthy may be most reluctant to volunteer it.

EXPLOITATION OF THE THIRD WORLD

Now much of what I have said so far deals with problems that are directly affected by the decisions of governments.

There is, however, another element of immense consequence to the future of the poor nations, an element too little understood.

I refer to the impact on the Third World of the rise in multinational corporations.

And I would call your attention to a brilliant article in last week's (December 2, 1974) issue of the *New Yorker* in which Richard Barnet and Ronald Muller analyze in the most lucid and documented way, the meaning for the poor countries of the fact that "within the last ten years, global corporations have grown so fast that their combined total sales exceed the gross national product of every country except the United States and the Soviet Union."

Barnet and Muller show how:

"The three essential power structures in underdeveloped societies are typically in the hands of global corporations: the control of technology, the control of finance capital, the control of marketing and the dissemination of ideas.

"The result in most underdeveloped countries is the pervasive penetration of the global corporation into every key sector of the economy."

But, this analysis shows, the result has not been the development of these nations but their exploitation, "increasing affluence for the slowly expanding but small minority and increasing misery for a rapidly swelling majority."

Barnet and Muller show how transnational corporations invest not their own capital but the limited capital of the poor nations and how the earnings of subsidiaries located in the poor countries flow overwhelmingly to the developed world.

The result: increased unemployment, stagnation, inadequate services and still further inequity of income in the poor nations.

The authors note, however, that there is another alternative:

OTHER ALTERNATIVES

"If more of the income generated by global concerns could be kept within the various countries, it would be possible to make some needed public investment in schools, tractors and houses, and even to raise the wages somewhat of the poor without disturbing the standard of living of the rich."

I have not here the time to outline for you the logic of the Barnet-Muller thesis or to cite their evidence to support it, but I can only tell you that I find their case compelling and significant—and indeed indispensable reading for anyone concerned with the subject of this conference. Fortunately there is a rising tide of attention here in the United States to the impact both within this country and abroad of the multinationals and fortunately, too, a leader with the intelligence and integrity of Senator Frank Church has been focusing still more attention on this problem.

There are two other points in this *New Yorker* essay of which I feel obliged to tell you.

One is that the elites in the poor countries are under mounting pressure to change the relationships with the global corporations, for "famine, epidemic and certain death for millions of people . . . cease to be merely aesthetic problems and acquire the status of political crises" for both rightist—see Brazil—as well as leftist—see Cuba or Chile—governments.

And the conclusion to which Barnet and Muller come is that "a series of developments in the world economy and in world politics has made it far more feasible than in the past for poor countries to cut into the power of global corporations."

That the Japanese must import national resources, especially energy; the Soviet Union, food; and the United States, manganese, tin and chromium dramatizes the point that the rich countries need the poor ones and that significant shifts in bargaining power are occurring.

I only invite in this context your attention to the relative situations in the world today of Italy and Iran.

I have talked about several facets of the development problem—food, population, and trade.

WHAT WE SHOULD BE DOING

Let me now make some observations about what, in light of some of the problems I have reviewed, the United States should be doing to encourage constructive development in the Third World.

FOOD

First, on food, I think we must give more.

Father Hesburgh only last month, on behalf of leaders of several major religious groups, called for the immediate shipment of two million tons of grain to needy nations followed next summer by another two million contingent on matching commitments by other donor countries.

And surely we must strengthen the Food for Peace Program under Public Law 480. Although the food to be made available under this program in Fiscal 1975 reverses the decline we experienced last year, we can clearly do better.

A glance at the food delivery level under Title I of Public Law 480, which authorizes the sale of foodstuffs, and Title II, which provides for famine relief, shows how far we have to go.

Here are the figures: In Fiscal 1972, Titles I and II provided nine million tons of food aid, but in Fiscal 1974 only 3.3 million.

And I regret to tell you that the Ford Administration has yet to make a commitment of more than 4.5 million tons for the current fiscal year.

Yet the Food and Agricultural Organization of the U.N. estimates that between eight and twelve million tons of food provided between now and October 1975 can spell the difference between widespread famine and life for the peoples of the Third World.

And surely the Arab states have a responsibility to use a fraction of their enormous new wealth to provide food for their brethren in the developing world.

WORLD FOOD CONFERENCE

Indeed, the general parameters of a food policy that makes sense were set by the United Nations World Food Conference last month at Rome with these recommendations:

A World Food Council with a secretariat in Rome reporting to the United Nations;

An agricultural development fund proposed by the newly rich Arab states;

A ten million ton a year food aid program for developing nations;

An internationally coordinated system of national grain reserves with an early warning system of data sharing to help alert the world to climactic threats to food supplies;

A fertilizer aid program for the developing world, and pesticide, irrigation, drainage and flood control help;

Nutrition aid, with special feeding programs for malnourished children.

That these goals were even adopted represents a significant advance.

MORE CONSTRUCTIVE LONG-RANGE POLICIES

Although it is imperative that the United States be generous with help to poor countries particularly hard hit by shortages of food, fertilizer and fuel, we must do more than provide emergency food aid.

As Charles W. Maynes, Jr., Secretary of the Carnegie Endowment for International Peace, wrote in the Washington Post last Sunday:

"(The United States) now provides more emergency food aid to the starving nomads on the Sahel than any other nation, including the ex-colonial power, France.

"But it also accords those same African states the lowest possible priority in long-range U.S. development aid plans."

Clearly we have to frame far more thoughtful and constructive long-run policies with respect to development in the Third World than we have been doing.

For example, beyond the immediate question of distributing more food around the world, the developed nations must encourage greater food production in the developing nations themselves.

We must do so for several reasons.

First, to borrow from the wisdom of Ghandi: "Give me a fish and I will eat today. Teach me to fish and I will eat every day."

If we are to be able to break the cycle of dependence of the Third World on the rich world, it is imperative that the food surplus countries provide the poor nations with the agricultural, scientific, technical and economic resources they need to grow more food themselves.

I have already said that I believe America should supply more food to the poor countries, but the world food problem cannot be solved in the American Midwest.

Barring some new scientific breakthrough, the most promising hope for dramatic increases in agricultural productivity is in increasing the pitiably low yields of the 150 million small farms of the developing world, as, among other authorities, both Edgar Owens, in a recent article in the Washington Post, and Lester R. Brown, in his new book, By Bread Alone, tell us.

OTHER ELEMENTS OF DEVELOPMENT

Let me cite some other elements—most of them obvious—that are essential to development policy beyond the short-run.

We must give more aid for population planning, health, education, and human resources generally.

I am pleased to be able to tell you that Congress last year wrote just those objectives into the Foreign Assistance Act of 1973.

PENDING FOREIGN AID BILL

The Foreign Assistance Bill of 1974, now pending before the House and the Senate, which authorizes $2.64 billion for Fiscal 1975, continues programs for these purposes as well as for food and nutrition.

But even as I applaud these provisions of the aid legislation now before Congress, I must warn you that the bill faces considerable difficulty.

AID TO REPRESSIVE REGIMES

Not only do the traditional opponents of any U.S. foreign aid program plan to oppose the measure, but many of the traditional supporters of aid, like the Congressman who is addressing you, are strongly opposed to the sizeable funds the Administration is seeking for military supplies to governments that repress their own peoples, as, for example, South Korea and Chile.

Another danger to the passage of a foreign aid bill this year is the insistence of the Ford Administration, like the Nixon one before it, that U.S. military aid be continued to countries that, in violation of American law and their agreements with us, use our weapons to attack friendly countries.

The use by Turkey of American guns and tanks and planes and bombs to maim and kill thousands of people on the small island of Cyprus, a republic now occupied by 40,000 Turkish troops equipped with American arms, is the most dramatic instance that I can cite to you.

If President Ford wants Congress to hold down Federal spending, some of us are ready to help him by halting any more United States aid to governments like the ones I have described.

UNESCO'S ACTIONS

And so long as I am reciting the perils through which an aid bill must pass, I cannot fail to note the totally irresponsible action of UNESCO in Paris in excluding Israel from UNESCO's regional groups and barring that country from receiving any UNESCO assistance.

The Senate Foreign Relations Committee has, as you know, already responded to this attempt to politicize what should be a fundamentally humanitarian and cultural organization by approving unanimously an amendment to the Foreign Aid Bill that would cut off a $16 million United States contribution to UNESCO unless the anti-Israel actions are rescinded.

As the United States now provides nearly one-third of the total budget for UNESCO activities, and as the Arab states benefit far more than does Israel from UNESCO programs, the actions in Paris are clearly ludicrously self-defeating.

MULTILATERAL ASSISTANCE

Let me here say too that in addition to strengthening our bilateral aid programs—with the exceptions I have noted—we must seek to strengthen multilateral developmental assistance efforts.

For example, the United States must not pull back from strong support of the International Development Association (IDA), the soft loan window of the World Bank. It was only with considerable effort that we were able this year to reverse a January vote in Congress to kill the funds needed to make good on the U.S. pledge of $380 million annually to IDA.

But not only is assistance important to meeting the development challenge, it is imperative that we provide trade preference for the exports of the poor countries. The trade bill now before Congress would so do.

Of course, you will appreciate from what I have said in citing the arguments of Barnet and Muller, that there is another area where I think the United States must make some changes in policy.

I refer to the influence of global corporations on the countries of the Third World. If we continue to ignore the impact these firms make in these societies we seek to help, much of our effort through governments will be of little avail.

ROLE OF EDUCATION

There is one other counsel I would offer as we consider the challenge of global development and world peace.

I think we need to do a much better job than we have been doing in the field of education.

I have already said that we need to support improved education in the developing countries.

But I think that indispensable to our capacity in the Western world to generate wise policies toward the Third World is an understanding of that world, and this means that we must educate ourselves.

This means we must teach more about the other peoples and cultures of other lands, especially the poor ones, in our grade schools and high schools.

It certainly means greater attention to international studies and research at our colleges and universities, the kind of education offered at Beloit College.

Some of you here may recall my own efforts nearly a decade ago to write into law the International Education Act. That law, unhappily never funded, is all the more justified, in my view, by the events of recent years.

For its purpose is to provide Federal funds to colleges and universities here in the United States—it is not a foreign aid measure—for international studies and research at both the undergraduate and graduate levels.

Indeed, unless we begin to do a better job in international education, we shall soon know more about Jupiter than about the hundreds of millions of peoples who inhabit the other nations of the earth.

Let me say, too, that the churches of America have their own educational responsibility—to provide moral education, education in values, to the people whom they serve. In fact, in large measure the impetus for the foreign aid the United States has given throughout the years has come from the Hebrew-Christian traditions of our society, from a sense of justice and compassion that, I hope and believe, may be reviving in this nation.

And conferences of this kind, bringing together scholars and students, politicians and the public, can also play an important role in this task of educating ourselves about the world and our responsibilities in it.

The presence here of members of the United States National Commission for UNESCO is concrete evidence of their awareness of the contribution such meetings can make.

Indeed, the very premise on which UNESCO was founded a generation ago is education. As the UNESCO constitution reads:

"That since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed . . .

"That ignorance of each other's ways and lives has been a common cause, throughout the history of mankind, of that suspicion and mistrust between the people of the world through which their differences have all too often broken into war . . .

"That the wide diffusion of culture, and the education of humanity for justice and liberty and peace are indispensable to the dignity of man and constitute a sacred duty which all the nations must fulfill in a spirit of mutual assistance and concern. . . ."

It is in that same spirit of education for justice and liberty and peace, of mutual assistance and concern among nations, that this international colloquium for global development meets on the campus of Beloit College.

May your discussions here help move us toward a better world for all mankind, a world to which we all aspire.

EULALIA HOTZ—A PUBLIC SERVANT

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, I am sure that all here would agree that the life of a public servant is in many ways a paradox. Often the conflicting claims of a conscientious electorate can cause considerable frustration. And yet, the satisfied feeling that comes from dedication to the "common weal" surely makes it all worthwhile.

Today, I would like to speak of one who personifies the "public servant," Eulalia Hotz. She has been Madison County clerk since 1942, and in less than 2 weeks, "Uke" Hotz will retire.

For years, Miss Hotz has led the county Democratic party ticket, and has been active in the party's women's organization. She does not consider herself a politician, however, but "a friend of the people." There are many in Madison and St. Clair County who heartily endorse this evaluation. I certainly do.

Mr. Speaker, a country is the sum total of its people. Our country has witnessed considerable progress since the Second World War. Eulalia Hotz deserves some of the credit.

At this time, I insert an article from the Metro-East Journal:

Miss Hotz: A "Public Servant"

(By Kathy O'Dell)

Eulalia Hotz, Madison County Clerk since 1942, is beginning to clean off her office desk and make plans to sort through boxes of papers and other things she has accumulated, in the past 34 years.

Less than two weeks from now, "Uke" Hotz will be retired.

She will be honored at an open house in the clerk's office Dec. 2, the day her chief deputy and long time friend, Evelyn Bowles, is sworn in as the new county clerk.

Friends are planning a formal retirement dinner to honor Miss Hotz Jan. 29.

Miss Hotz' decision to retire was announced almost a year ago. She revealed the decision and her endorsement of Miss Bowles at a new conference, and then called Democratic party leaders to let them know her plans.

That was typical of Miss Hotz, whose performance has resulted in high public praise and landslide victories, but at times has caused dissatisfied mumbles from some politicians.

She doesn't consider herself a politician. She thinks of herself as "a friend of the people." In fact, she doesn't like to be called a politician. "I'd much rather be called a public servant," she said.

For years she has led the county Democratic party ticket. "I just appreciate the confidence people have in me," she said. "The fact I've always led the ticket through the years—I've never taken advantage of it. I've never used it, not any time. I'm more interested in the position. I never hoped to run for any other office."

She has been active in the party's women's organization, but was never consulted by the men on major party matters. "My opinion was never sought by the big wheels."

She helped maintain the aloofness, even when she might have been upset with the party decision makers.

"I felt that my victories would take care of everything I wanted to say, the people would say it for me. I thought that was the best way for them to get the message."

She said her vote-getting ability is the result of "fair play, and I love people."

"I always felt in a general election I wasn't elected only by Democrats. I had to have a good Republican vote too. Really, I always felt, like my father did, treat everyone fairly. Give everyone the best service you have, and don't play favorites with anyone. I think that's what carried on through the years. I don't even think of people as Republican or Democrats when they come in.

"I'm sure that the organization has not always been happy with me, because I have always selected my help for the type of work they could do and the type of work I needed done. I would only hire people who really needed the job, because I learned very quickly that those are the people who would be interested in retaining their pobs.

"They knew the best way to do that was to do a good job for me, so the office would be recognized as a first class service office."

Miss Hotz said she believes she has saved the county thousands of dollars. "Certainly when I'm spending other people's money. I'm very conscientious about that. I'm far more conscientious about that than I am my own money."

She has been working with public funds for many years. She started working in the county clerk's office as a part-time employe for her father, Joseph Hotz, who was clerk in the 1930's.

He was first elected in 1932, but he couldn't assume office until the settlement of a court suit over the election. The Illinois Supreme Court ruled in 1933 that her father was the winner.

When her father died in office, he was replaced by Miss Hotz' brother, Norbert.

"They asked my mother if she cared to be named county clerk," Miss Hotz said. Her mother refused, but suggested Norbert. The appointment was made, with the understanding that Miss Hotz would be named a deputy clerk so that she could pay her mother's living expenses.

Her salary was about $165 per month.

Norbert ran and won twice but decided to retire in 1942 because of ill health and the increasing work load in the office, Miss Holtz said.

"I was looking for someone to come in with petitions to say they were going to run for clerk. Then I would ask them if they would consider keeping me on as a deputy because I had to work and that was the work I knew best."

When no one came in or expressed any interest in running, Miss Hotz, then 33, decided to file for the office herself. When she told her plans to a Democratic party kingpin, he said he didn't think women should even have the right to vote. He later became a strong supporter, Miss Hotz said.

"When I think back on it, I have to laugh to think that I had the courage to say to him, 'Well, you're living in the stone age, and I'm going to file my petitions.' "

She did end up with two men opponents in that primary.

"Needless to say, I just about fell behind the counter when they did that (filed), because both of them I knew very well and liked very well. All three of us shared many of the same friends. Well, I thought, 'This is it. I'm just never going to make it.' But, I decided not to back out. I campaigned most furiously, to the surprise of many in politics at the time."

She said she received a large amount of support from women. "They just seemed to come to the front and offer their services." Also, many people knew her father and her work in the office, she said.

Campaign financing was a problem. "Really, I had no money to run for that office. I remember that I did borrow $100 from my brother, Norbert. And I paid every cent back after I was elected," she said. The payments were $10 per month.

She said she was on the job that primary election day, delivering absentee ballots to various polls so they could be counted after the polls closed.

"We were just barely making it to the last place in Godfrey, and I looked at my watch and said, 'Thank God, it's just 5 o'clock (the polls closed at 5 p.m.) As I said it, I realized and said, 'Oh, my goodness, I forgot to vote.'

"I forgot to vote for myself the first dash out of the box, I did for a fact.

"I've never spoken about it publicly until my last term. I've finally gotten the courage to use it sometimes in speeches, because I think it's funny," she said.

Even though she did not vote for herself, she felt she was going to win. "I know one thing, that the heavens were stormed with prayers, and people were working so hard for me that I didn't see how I could lose.

"You have to have a certain amount of confidence. You've got to think you have a chance, to run for public office on any level."

She won that first general election by only 1,654 votes. In her last election, 1971, she won by 17,127 votes.

Among her Republican opponents have been a woman, a blind man, a man without legs, a man with one arm, and a rich farmer.

Miss Hotz said many of her opponents were fine persons. She recalls one man who drew attention to his candidacy by camping in a tent on the courthouse lawn, just below her office window. She refused to accept the Democratic party suggestion that the man be moved. Miss Hotz figured she could keep track of her opponent easier if he was just below in the tent.

In the regular course of business, she has had lots of fun. She said there was always a laugh or two associated with the county clerk's task of distributing bounty money for foxes and wolves.

As part of that duty, the clerk had to split the ears of the dead animal before paying off. The razor blade cutting would ensure that the county wouldn't pay twice for the same animal. The ear slitting was a Madison County rule, and she often wondered if farmers and hunters went to neighboring counties, got bounty money, and then came to Edwardsville.

She remembers the woman who brought in a jar full of fox ears, explaining that she couldn't get to town sooner, so she had been collecting and storing the ears in her refrigerator.

Then there was a policeman who pulled a fox scalp from each coat pocket. Along with the scalps came "a raft of fleas" that kept county clerk employes scratching for the rest of the day.

And once, a woman who was concerned about the smell of a fox head, brought it to the clerk's office in a corsage box. She had dusted the remains with talcum powder.

Selling marriage licenses has also had its lighter moments. Miss Hotz remembers a couple who started to give her a nickel tip for their license, which cost $1.

The man said the five cents was "to buy yourself a beer." The prospective bride turned to the man and suggested, "Oh, honey, give her a quarter for a high ball."

Miss Hotz sees the duty of being clerk to the county board as the most demanding job. She said the role of clerk to the county court once was equally as demanding, but that job is now done by the circuit courts.

Elections also bring heavy responsibilities, particularly because the laws are constantly changing. She is proud of the good attendance at her election judge seminars held the Saturday before elections. The judges are not paid to attend, but most come, and Miss Hotz believes this has helped elections go smoothly in the county.

She would like to see more people active in politics. "People don't want to run for public office because officials have been mislabeled as politicians or crooks, which is not true.

"The only way we can have good government is for them (the public) to stop criticizing and get active. We have to have both parties. There is no two ways about it."

She would advise persons interested in running "to establish themselves in some other business or profession first. Because holding public office is very costly, and if you do not have the help of the Lord to keep you in the straight and narrow path, people could very easily be misled to doing things that were not on the up and up."

"I'm retiring without a big bankroll or savings because I've spent it as the demands came about. You're asked to contribute to every function throughout the county, and of course you want to help. The first thing you know, you could find yourself without even a roof over your head."

She said one of the smartest things that she had done is jointly with Miss Bowles, buy a house.

Miss Hotz said she never recruited candidates, "but I certainly worked for Evelyn Bowles."

County political observers credit Miss Hotz and her office reputation as key factors in Miss Bowles' trouncing of the candidate backed by the Democratic party organization in the primary. Miss Bowles was unopposed in the November general election, and, like her boss has for so many years, led the Democratic party ticket.

It has been one year since Miss Hotz announced she would retire. Last week she said, "I'm really very happy I made this decision and that I've had a year to think it over and know that I was absolutely right.

"It's very easy for me to leave the title of the office, because I think that Evelyn will continue on in the kind of service I have tried to give through the years."

She said she is retiring because "if I ran again I would be 70 at the end of the term, and I really don't think a person should work that long."

She said she is "not really tired, but a wee bit exasperated at changes that have come along in county government in the last few years."

She declined to name those factors.

Instead, she thinks about cleaning off that office desk. She hates to start because the top is sort of a horizontal filing cabinet with papers stacked high.

Her office is enclosed with glass. It is the first desk seen by the public when they come into the clerk's office.

Generally, the first person at the counter to offer assistance has been Miss Hotz. She's been too busy with people to worry about keeping a tidy desk.

THE CONSCIENTIOUS WARRIOR VERSUS THE CONSCIENTIOUS OBJECTOR

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, I would like to take this opportunity to share with my colleagues two articles by Sister Sharon Burns from the "The Greyhound," the school newspaper of Loyola College, Baltimore, Md.

Sister Burns has written two very provocative commentaries on the question of the conscientious warrior versus the conscientious objector. She has dealt with the topic in a manner which merits the attention of all here present. Her remarks are indeed food for thought.

Mr. Speaker, I am inserting these articles in the RECORD at this point:

[From the Greyhound (Loyola College, Baltimore, Md., Oct. 4 and Nov. 3, 1974]

COMMENTARY

(By Sister Sharon Burns)

Ever since Col. Hobby asked one morning in early May if I would be Loyola's representative for a few days during the summer at Fort Bragg to become acquainted with the advanced ROTC program, I have been thinking about today's young people who choose to serve in the armed forces. I notice that they choose to do so despite sometimes severe negative peer pressure, despite ridicule (particularly in the case of girls in the program), and despite the discontinuance of an escape factor, the draft. Throughout these past few years of demonstrative criticism these students must have conscientiously weighed their motive for persisting in such an unpopular choice. I realize that I have not given them sufficient consideration.

For a number of years I have been an admirer of the Quaker pacifists, a sympathizer of selective conscientious objectors, and, by temperament and tendency, a "dove". But now upon reflection, I realize that I, like most people, are not a total pacifist. The seeds of violence lie dormant within us only when undisturbed by provocation. Let our country be proclaimed in serious danger, let a riot explode in our streets, let a sister be raped, a grandfather, mugged, and something within us gathers strength and is unleashed, something angry and savage, a desire for vengeance and retribution. Suddenly justice and truth begin with capital letters; forgiveness and nonviolence become but minuscule and far-off ideals. These are not excuses for violent reaction, but merely a reminder that seemingly pacifist tendencies are frequently founded on lack of provocation and insufficient soul-searching, and that perhaps most of us are merely objectors without being too conscientious.

The great majority of us, I believe, are relative pacifists—neither militarists nor advocates of total pacifism in the face of oppression or attack. By "militarists" I mean champions of force as the most effective method of settling disputes between nations. Militarism in the U.S. has deep roots in our messianic consciousness. The Puritans came to America convinced that they were the beneficiaries of a new covenant to conduct a divine experiment: in their role as "the elect of God," they sought to subdue the wilderness, separate the spiritual sheep from the goats, and inaugurate a new order. To displace the Indians, humiliate Mexico, and push to the Pacific were all part of our "manifest destiny." To this day, we all need to look more dispassionately at our motives; U.S. expansionism has been too often disguised as a generous sharing of the benefits of democracy, and the national economic policy, too intent on making the world safe for a high standard of living in the U.S. If we want a country which will promote the rights of man we must be conscientious about the task of making the U.S. not only safe, but also safe for the world.

The total pacifist denies the legitimacy of any war or conflict, even when it is a case of resisting outright aggression. Christian pacifists have been labeled impractical perfectionists. How can such an unrealistic stance be maintained in such a sinful world? Is it right to stand by while aggressors attack the defenseless or dictators impose their unjust and evil intentions on the abject? These are the usual, hard questions put to the sensitive conscience which shrinks from any part with the executioner or soldier. Many pacifists would consider this an oversimplified caricature of their position, for there are, in reality, many varieties of pacifism. But in any case those who take the stance of conscientious objection do have the advantage of knowing in specific cases what their moral duty is in regard to any type of conflict. They must say an unqualified "no" to any act which would have them do other than bear their cross or assist nonviolently in resolving tensions.

Since Dachau and Hiroshima, Belfast and My Lai, there are certainly more people than ever before disavowing war. The real possibility of nuclear annihilation and the dismal prospects of continuous conflict keep the conscientious objector before one's eyes as a constant reminder of the irrationality of war and of the Christian ideal of non-violence both as a condition and as a consequence of the love of neighbor and enemy.

And there is the conscientious warrior . . . I myself had not given him sufficient thought—until Col. Hobby invited me to Fort Bragg. I had vaguely considered the majority position that war is to be averted if possible—but not at any price. I had recognized the predominant mood among Americans as being one of relative pacifism, where it is presumed that successful arbitration and negotiation can best proceed from a posture of strength that commands the respect of the enemy. I had studied the long historical tradition which lies behind such a position, the "just war" theory, which today seems obsolete (some say, absurd) in the light of nuclear might and indiscriminate bombings.

I had been aware that even in the course of everyday living we experience the fact that force exercises more influence by being in readiness than by being brought into action. A police force, for example, is far more significant for the crime it deters than for the crime it punishes. A similar line of argument underlies the issue of a standing army with dominance sufficient to restrain aggression. I had considered somewhat all these "facts"—but I had not given consideration to the young men and women who by their choice of military service make these facts take on flesh and blood. My trip to Fort Bragg, my contact and conversations with our six cadets there, and with many officers who are responsible for their training, particularly with the men who teach them at Loyola, have changed brute fact into flesh and spirit. I have become acquainted with a sensitive and admirable kind of person, the conscientious warrior.

Paradoxically, the conscientious warrior and the conscientious objector, by living out their different moral choices, are really quite similar in important respects: both have chosen a way of service to their fellowmen, a way that may lead to suffering and even death. Both stand in almost equal opposition to the soldier-adventurer, intoxicated by war's promise of intense experience, and the ordinary objector not willing to fight nor willing to pay the price that refusal costs. Both of them are the kind of men who will be of great service in the struggle to eliminate war, both make a choice which requires deep regard for one's self, and disregard for one's self in the service of others and for a cause. Both are held in contempt by sectors of the public who do not recognize nor appreciate their respective heroism. The conscientious objector, if he abides by his convictions in a time of national crisis, when emotions are high, is likely to be accused of cowardice or disloyalty. During the past several years, however, there seems to have been more to commend the conscientious objector than ever before and in many instances, it is the conscientious warrior who is put on the defensive. In both cases, particularly today when the pressure toward conformity is almost overwhelming, it is the rare "inner-directed" individual who can remain a steadfast conscientious objector or conscientious warrior. Perhaps only they, the conscientious objector and the conscientious warrior, can really understand one another.

J. Glenn Gray, a conscientious soldier and philosopher, in his "Reflections on Men in Battle." The Warriors, demonstrates a sensitivity and anguish that the conscientious objector can perhaps appreciate most. In his chapter "Image of the Enemy", he remarks:

> The combat soldier who refuses to yield to abstract hatred in forming an image of the enemy is accordingly isolated and lonely on a modern battlefield. Often he will wonder why he did not yield to earlier impulses and declare himself a pacifist and conscientious objector to the senseless cruelties of warfare. Since an absolutist position is overwhelmingly popular in wartime, he is quite certain that, if a choice must be made, he belongs to the absolute pacifists as opposed to the apostles of total destruction. Yet he feels himself opposed to both extremes. Normally, he believes enough in the rightness of his country's cause and the wrongness of the opponent to fight and lose his life if need be for that conviction. . . . It is not the suffering and dying that sickens him so much as it is the brutalization of the emotions and the corruption of the heart which prolonged fighting brings. I could not escape it.

Since my return from the army base I have been assailed by pacifist friends whose arguments seem intent on exposing a certain naivete in my positive appraisal of the ROTC program. They argue that despite the great sensitivity, intelligence, and humanity of the men in the program, the "system" is brutal and leads to organized dehumanization and irrationality. I do realize the danger of the "system", that the military, like any system, becomes somehow greater than all its parts and can be an instrument of organized dehumanization and irrationality despite the fine, intelligent, and moral officers that are teaching and are being trained. But do these facts demand that I give up my faith in the integrity of the individuals who make up such a collectivity, and my hope for a better, more humane, and morally responsible army of defense, which seems to be necessary at this point in our world's sad history? Can the reflective soldier on either side, can any of us, escape political guilt as long as he remains a member of a state? As Lt. Gray points out: "If, in his disillusionment, (the conscientious soldier) is tempted to renounce his nation and pledge his allegiance to the human race alone, this, too, will prove illusory, for mankind collectively is doubtless as predisposed to injustice as nations are."

And Then There is the Conscientious Warrior . . .

(By Sr. Sharon Burns)

Objectors to the military do have solid arguments to offer—arguments which cannot be denied credence. For instance, even in the absence of armed conflict, a soldier must surrender one of his most important prerogatives, that of evaluating orders and deciding freely what must be done. True, in theory, members of the armed forces are allowed to resist orders deemed immoral. But, in practice, no army can tolerate "resistant decisionmaking". The strength of any army is in its unity—many men marching to single orders. Indeed, the very need in an army for unquestioning obedience may represent a dehumanizing effect. However, this is all the more reason why our great concern should be for the quality of young men and women who will be our future commanders. A personal story that Lt. Gray tells of his need to disobey the unreasonable and irresponsible orders of a colonel has helped me to recognize the great need we have for military leaders of superior training and high moral discrimination. The tyrannical colonel was resentful of the superior educational background and independence of mind of his small detachment of intelligence officers, and by his unreasonable command showed what a lesser quality of training and character can produce. Gray and his colleague were threatened with courtmartial and worse for disobeying a direct order. Fortunately, when the colonel called up army headquarters to report the insubordination before taking further action, he reached an intelligent officer who knew Gray and his colleague slightly. This officer asked why they had persisted in disobeying orders. The colonel had never stopped to determine this, but when he did communicate the cause, Army Intelligence found their reasons good and concurred with their decision. In regard to this occurrence Gray reflected later:

As a result of it, I gained no great confidence in my ability to withstand extreme pressures from official authority, yet I had determined that a line could be drawn between personal rights and military demands. . . . More important, the incident cleared my mind on the vexed question of the relation of the individual to his state. Hard as they were to assert, I now felt convinced that the individual had his absolute rights even in the desperate struggle for survival that is modern war. And survival without integrity of conscience is worse than perishing outright, or so it seemed to me.

War is horrible and many wars have been fought for ignoble reasons. The one reason that would justify men taking up arms would be the liberation of people oppressed either by tyrants or by occupying aliens; for although men can stand a great deal of oppression of one sort or another, there comes a time when they can no longer consider their lives worth living without freedom. To be sure, it is one thing to sacrifice one's life and quite another to call down the horrors of war upon whole people. Yet it is a fact that men have not considered such monumental misery too great a price to pay for liberty.

And so there are gentle, sensitive, and reasonable men who train for war. As J. T. Burtchaell (Philomon's Problem) notes such men "go to war, sadly but not grudgingly to gain or regain a freedom which they consider as morally necessary as love." The conscientious warrior chooses armed force because he sees the world still deeply diseased, festering with injustice and cruelty, still in danger of a tyranny that would make people's lives worse than death. The conscientious warrior believes that those who would maintain our freedom and justice must organize and hold in readiness armed forces: police for protection, armies for defense. He also knows that these organizations, as with all systems, must be controlled and used as best they can, for they in turn can oecome instruments of oppression and destruction.

It is so important that we have leaders in the armed forces who are conscientious, upright, intelligent men. Lt. Gray, who was such an officer, (called by a friend "the soldier" concludes his magnificent book with reflections on "the future of war" and the prospects for "eternal peace." Convinced that "peace will never occur as a consequence of weakness, exhaustion, or fear," he hoped that the day will come when the strong and the mighty—"a people distinguished by wars and victories," will, in the words of Nietzche, "break the sword" because they can afford to say "that man ought to choose death twice in preference to being feared and hated," and that "survival wtihout integrity of conscience is worse than perishing outright."

These passages express the inevitable conclusions of the conscientious warrior's basic credo—that life is not the highest good. They also mirror my hope, made more tangible since my contact with many cadets and officers at Fort Bragg; a dreamed of future of peace, and, until the world lays down its arms, an army led by intelligent, conscientious, and peaceloving men.

ENERGY, ENVIRONMENT, AND THE ECONOMY

(Mr. UDALL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, on Monday, December 2, Congressman Mike McCormack, chairman of the Subcommittee on Energy of the Committee on Science and Astronautics, presented an excellent discussion on energy, environment, and the economy before the 67th annual meeting of the American Institute of Chemical Engineers.

This was, in my opinion, an excellent clarification of the relationships among energy, our environment, and the economy.

I am particularly pleased to insert this address in the Record at this time so that all the Members of the House may benefit from the observations of the House's own expert on energy. The text of Congressman McCormack's address is as follows.

Energy, Environment, and the Economy—A Dynamic Equilibrium

(Comments by Congressman Mike McCormack)

I'm certain that any sophisticated scientist or engineer who thinks about the subject recognizes that a three-cornered dynamic equilibrium should exist between energy conversion, transmission, and consumption in one corner, a reasonable and rational program for protecting our environment and conserving our resources in the second corner, and the maintenance of a stable and responsive economic system in the third corner.

If we were to treat this subject in a vacumm, we'd find it comparatively easy to analyze on a two-dimensional diagram, and to provide idealized solutions, assuming we encountered no problems in semantics. However, the overwhelming reality is that we are not in a laboratory or even a primeval Garden of Eden with a virgin world to plan for. Quite the opposite, we are in Washington, D.C. in 1974 in the midst of inflation, recession and an energy crisis.

Nonetheless, there are some assets and some glimmerings of hope. We are beginning to understand our predicament, and meetings such as this one can make a significant contribution to this foundation—understanding for rational action.

The shortages of petroleum products experienced by Americans a year ago accomplished what many years of warnings of scientists could not do. It has made most Americans aware of the fact that the energy resources of this nation are not unlimited, and that this nation can no longer control the policies of weaker nations to the end that they will deliver their resources to us to our advantage and to their disadvantage. It has made Americans aware of how much we depend on a prodigious consumption of energy for our standard of living. It has made us aware of the impact on our economy of the cost of petroleum. When it was cheap, we did not generally appreciate the all-prevading aspect of petroleum in providing not only for transportation and heating, but also for food, shoes, clothing, medicine, and much of which we touch or use in our everyday lives. Now, as our economy runs amuck and we see the wealth of the Western industrialized nations being rapidly transfered to the oil-exporting nations, we understand. Unfortunately, it is apparent that our society is not yet ready to face up to the implications of these new realities.

What may not yet be apparent to the casual observer is that the total energy consumption of our nation must continue to increase even if we establish a successful conservation program, and that we are faced with a frightening spectrum of implications associated with such an increase in total energy consumption on the one hand, and the conservation programs we must institute, on the other.

The recent Ford Foundation Energy Policy Project assumes, as a reasonable scenario for the future, limiting the growth of overall energy consumption to less than 2% per year—a dramtic reduction in contemporary growth rates. There seems to be a consensus that perhaps this is an attainable goal, but it's important to understand that a 2% rate of growth means that we will double our energy consumption within about 35 years. Within this growth rate, however, there will inevitably be a dramatic shift to the production and consumption of electricity. The general consensus assumes a 5% growth rate per year. This means doubling electrical energy generation by about 1990, and the lion's share of this growth will be from nuclear fission.

A concerned citizen may justifiably ask, "What plans and programs do we have to meet these needs? What is our Energy Policy?"

The unfortunate fact is that this nation has no energy policy at all, and that we, the general public and the government, have acted as if all sources of energy were cheap, inexhaustible, and until recently, non-polluting; that is, as if there were no dynamic relationship between energy, the environment, and the economy.

The challenge that we face today is to promptly overcome this confusion and indifference, and to develop now a systems approach to an integrated national energy policy. If we do create such an energy policy, and if we implement the programs to carry it into effect, the people of this country can have adequate energy, environmental protection, and economic stability. If we fail, the inevitable result will be catastrophe.

A national energy policy must itself be a set of dynamic guidelines and criteria which can change and evolve as new knowledge becomes available. Here are some principles which I believe provide some perspective for us at this time.

In the first place, if we really intend to overcome the energy crisis, we must have a systems approach to an integrated national energy policy. To me, it is axiomatic that we must establish within the President's Cabinet a Department of Science, Technology, Energy, and Materials with full authority and responsibility to develop and implement a comprehensive national energy policy. Nothing less will suffice. The authority of such a Department would include the administration of all energy research, development, and demonstration, the assessment and management of all fuels for each region of the country, and policy determination in questions relating to conservation potential, economic impact, and environmental feasibility of any program involving the production and consumption of energy.

Next, our energy policy must be based on the best scientific and engineering facts available. We cannot afford the luxury of basing policies on fantasies (such as assuming that solar or geothermal energy or some suppressed carburetor design will bail us out of our problems) or prejudices (such as anti-nuclear fanaticism) or hopes (such as the hope that we will keep finding enough natural gas to keep us going, or that the people of this country will spontaneously reduce energy consumption and alter their lifestyles enough to close the gap between energy supply and demand).

A national energy policy must require the optimum conservation practices through every step of everything we do, but especially in the conversion, transmission, and consumption of energy. For instance, just as it is obvious today that we should not be burning natural gas to produce electricity, so in the very long run we should not burn fossil fuels at all. I know you all join me in considering fossil hydro-carbons as a resource to be husbanded, remembering our obligation to future generations and their requirements for petrochemicals.

A national energy policy must allow a large segment of our people to continue to aspire to—and strive for—a higher standard of living. This ability to gain a higher standard of living is fundamental in our society, and we cannot expect low and modest income Americans—or average American housewives—to sacrifice this aspiration for dignity and greater freedom, unless they are convinced that it is reasonable and unavoidable, and that everyone is sacrificing equally.

The modest income American housewife stands in the center of the triangle formed by the dynamic relationships between energy, environment, and economy, and she will not gracefully accept an undue emphasis on the protection of an environment she does not see if it means significantly reducing available energy, and inflating the cost of the groceries and other necessities she must buy.

In short, we will do well to remember that there are several "environments" to protect, and one of them is the American kitchen. We should also remember that much of the freedom American women enjoy today is based on a prodigious per capita consumption of energy.

A national energy policy should, I believe, provide energy self-sufficiency for this nation—not by 1980 or 1985—(this is totally unrealistic), but as soon as is reasonably possible, and certainly by the year 2000. Still further, and of great importance, we should plan now to export the technology that we will develop to every nation of this earth so that no nation will be dependent upon any other nation for its energy, or subject to blackmail for its survival. This is one of the most important contributions this country can make to the world in terms of reducing international tensions and bringing true and lasting peace.

Finally, our national energy policy should provide for an ultimate reliance upon inexhaustible supplies of essentially non-polluting sources of energy.

Of course, a comprehensive energy policy will involve far more than the principles I have just enunciated. We must, for instance, devise comprehensive programs to solve our short range problems—for the next ten years—and we must recognize that it is imperative that we do so at once and in detail. To allow an assumption to prevail that the energy crisis is over because we do not presently have lines of cars at gas stations would be to try to live in a fool's paradise—a luxury this nation can no longer afford.

One of the most important facts that the American people must all understand is that this nation has, since 1970, truly passed from one historical era into another. We have passed from an era of cheap, abundant fuels, energy and materials into an era of shortages which will, at best, be with us for several decades. The implications of this transition are far more profound than is generally appreciated.

I think it may have a salutary effect on our perspective to recognize that future historians will probably record that during the 20th Century, western man discovered and burned up as fuel virtually all of the earth's resources of petroluem and natural gas.

This may be a difficult reality to face, but we must assume that this nation has already consumed more than half of all the petroleum and natural gas we ever discovered, or will discover on this continent or off its shores, and that it will all be gone, insofar as a significant supply of fuel is concerned, by about the year 2000. As our supplies of petroleum and natural gas dwindle, this nation will become dependent for almost all of its energy on coal and coal products, and on nuclear fission. But even these sources of energy are really transitional, and as we phase them in we must also make plans for phasing them out in the more distant future, and replacing them with other, still-to-be-developed sources.

Thus we have one generation within which to develop these new sources of energy, and while we are making this conversion we must make the necessary cultural, societal, and economic adjustments that will inevitably result.

One general misconception plaguing policy makers today is the idea that energy research and development, generously funded, can solve this nation's energy problems in the very near future. Nothing could be further from the truth. Even with a crash program, the lead time between the successful research program demonstrating a concept for the conversion of an energy source to a usable form and the actual significant implementation of this technology varies from ten to thirty years. There is no way, for instance, that a tidal wave of federal funds could make solar energy a significant resource for this nation before the year 1990, or nuclear fusion before the year 2000. Thus, while we must develop an aggressive, imaginative, well-funded program for energy research, development, and demonstration, in every area of energy conversion, distribution, storage, consumption and conservation, we must at the same time recognize that the benefits of such a program are long range benefits, and that this nation must proceed for the immediate and short range future with energy sources which are available to us today.

Therefore, we must at once initiate aggressive programs of exploration and drilling for oil and gas, on-shore and off. We must explore the potential of an oil shale program, and press for early application of improved technologies for secondary and tertiary oil recovery.

We must build new refineries, new ports, new pipelines, and new storage facilities for gas, petroleum and petroleum products. Inspite of the fact that we are running out of petroleum & natural gas, this program, along with the most stringent conservation measures, is our best short-range strategy for trying to keep our energy supplies for our existing industrial and societal infrastructure as close as possible to future demands.

Of course coal is our greatest resource of fossil fuel, and we must rely heavily upon it. However, even a superficial glance should warn us against taking it for granted. We will need to expand a new modern coal industry with new mines that meet modern health and safety standards and have a minimum impact on the environment. It will be necessary for us to allow coal to be stripped under realistic regulations, but provide for responsible reclamation of the land. It will be necessary to restore our railway system with new road-beds and new rolling stock.

We will, of course, come to depend more and more upon coal gasification and liquefaction, but here the absolute necessity for a systems approach to an integrated national energy policy becomes overwhelmingly obvious.

For instance, using what we believe to be the most advanced coal gasification technology presently available, our figures show that the capital cost alone, if we were to attempt to close the presently projected gap between supply and demand for natural gas in 1985 using coal gasification, would be $200 billion. Such an operation would require 140% of all the coal mined today and the equivalent of about 10 percent of the flow of the Columbia River for process (not cooling) water.

Even if these figures are off by as much as a factor of two, one can quickly grasp the implications of undertaking even one project of this magnitude in terms of coal, water, dollars, steel, manpower, logistics, and environmental impact. and how each relates to the other and to those of every other energy-related activity such as coal liquefaction, expanded mining, shifting to new transportation modes, installing hundreds of new nuclear power plants, and providing new housing and communities for millions of American citizens. Our systems approach to an integrated national energy policy must plan now for these problems for this year and next, for 1980, 1985, and on to 2000.

The burning of coal to produce electricity provides a dramatic example of the need to maintain a dynamic balance between energy production, environmental protection and the economy. It also demonstrates once again why we need a systems approach to an energy policy; why, for instance, it is illogical to attempt to define air quality standards arbitrarily without adequate scientific data, and enforce them without adequate consideration for the impact such regulations may have in reducing energy production at a critical time, or increasing inflationary pressures. A classic point on this subject was made on 22 November in the "Letters to the Editor" section of Science Magazine by Fred Singer, of the Department of Environmental Sciences of the University of Virginia. Speaking to the question of relaxing air quality standards, Dr. Singer said, ". . . the optimum point of operation is not one at which the dollar benefits are equal to the dollar cost but one at which the marginal . . . benefits are equal to the marginal costs . . ." This obvious truth becomes clear in the diagram presented in Dr. Singer's letter, and leads him to his conclusion that "relaxing the emission standards or reducing their geographic coverage to cities with serious pollution problems, or delaying the implementation of standards would lower the costs drastically without an important reduction in benefits." Dr. Singer's letter emphasizes the importance of attempting to maintain a dynamic balance between energy, environment, and the economy rather than arbitrarily picking emission standards "out of the air" and then defending them at all costs.

During recent months I have attempted to gain support for legislation which would allow the Environmental Protection Agency to require the best desulphurization technology available for any specific coal-burning power plant using a specific fuel. Once approved by EPA, no further requirement would be placed upon the plant for ten years, except a good-faith effort to operate the desulphurization technology in accordance with the agreement. My efforts so far have been unsuccessful, but I am pleased that Administrator Russell Train of the EPA has recently proposed a modest relaxation of air quality standards for certain regions of the country as determined by local air quality commissions. As much as anything, the problem of desulphurization technology should remind us of the magnitude and complexity of the energy, economy, environment problem that faces us.

It may not yet be apparent, but I am certain that one of the greatest strokes of good fortune that this nation has experienced is to have our nuclear industry as well advanced as we find it today, ready now to provide much of the energy this nation will need during the next 50 years.

Nuclear energy is the cleanest significant source of energy available with the least environmental impact of any significant option. If we did not have nuclear energy available to us for the coming decades, the future of this country would indeed be black in more ways than one.

Today there are 50 nuclear power reactors licensed to operate in the United States. They produce about 33,000 megawatts, or about 8% of this nation's electricity. There are 58 more plants under construction or in final testing, and by the mid-1980's we would be producing about one quarter of our electricity from nuclear fission. Recent projections assume that in the year 2000 we will be producing a total of 2 billion kilowatts of electricity, as compared to 440 million today, and 60% of the total electricity produced in that year will be nuclear.

I believe these figures will ultimately prove to be valid in spite of present difficulties experienced by some utilities in obtaining capital for construction.

Nuclear electricity is cheaper than electricity from fossil plants. The costs of both will, of course, inflate; but higher costs will strike harder at coal than at nuclear energy, making the advantage of nuclear energy all the more pronounced.

One of the major frustrations associated with nuclear energy today is the 8 to 10 year lead time involved in getting a plant on line. It should be possible to substantially reduce this time without sacrificing any environmental or safety requirements. France and Japan, for instance, require only 5 to 6 years.

It is my hope that realistic and constructive nuclear power plant siting legislation will be enacted into law early next year, helping reduce lead time in getting plants on the line, providing additional authority for individual state governments, saving money for the utilities and consumers, and providing for the same high standards of safety and environmental protection as at present.

I believe that such legislation should deal exclusively with nuclear plants, and should provide for maximum involvement by state governments in all non-nuclear aspects of siting. Wherever possible, federal and state hearings and other proceedings should be combined, and a "one-stop" system should be established, binding all appropriate government agencies to the findings of a siting council. Every attempt should be made to streamline procedures, and a balanced approach should give a reasoned consideration to the advantages of having a given plant on the line, along with the environmental problems associated with it. The Atomic Energy Act should be rewritten to minimize time required to authorize construction and operation of a plant. Interstate compacts should be recognized as having the same standing as individual states, and we should encourage the creation of a nuclear power park in each reliability region in the country. Physical security for nuclear power parks should be provided by the AEC, and all facilities involved in the nuclear fuel cycle and the storage of wastes should be located within these parks.

Today there are about 160 nuclear power plants under construction, in final testing, or on order. It would require more than 5 million barrels of oil per day to produce the same amount of electricity that these plants will put on line. At $12 per barrel, this is equivalent to about $22 billion in one year. It is easy to appreciate the beneficial impact nuclear power will have on our trade deficit, as well as the colossal amount of fossil fuels which we will save for other purposes.

A rational analysis of the hazards associated with nuclear energy is certainly in order. The nuclear industry, just as any other, has some hazardous aspects, and will undoubtedly have accidents causing property damage, injuries, and deaths. It is crucial, however, to ask how likely these accidents are and how this risk compares to that associated with our other everyday activities. Further, we must distinguish between the financial risk to the industry, the personal risk to the employees of that industry, and the potential risk to the public at large.

Recent studies by Dr. Norman Rasmussen of M.I.T. indicate that with 100 plants on the line (as will be the case about 1980) a major nuclear accident would be 10,000 times less likely to happen than a comparable accident (100 fatalities) in a non-nuclear facility. "In addition, nuclear plants are about 100 to 1000 times less likely to cause comparable large dollar value accidents than other sources."

While it is essential that every conceivable accident be guarded against, and every reasonable precaution taken, there is a point of absurdity beyond which the rational public should not be expected to go in hypothesizing extreme nuclear accidents. We are indebted to Dr. Rasmussen for putting this matter into accurate perspective.

If we assume 1,000 nuclear power reactors on line in the year 2000, the average person in the United States will receive 102 millirem of radiation per year from natural background, 73 millirem per year from medical X-rays and therapeutic radiation, but only 0.425 millirem per year from the operation of all nuclear plants and their supporting activities.

Dr. Ralph Lapp estimates that of the 2 million cumulative cancer deaths in the United States between now and the year 2000, about 314,000 will be radiation-induced. Of those 314,000, Lapp estimates that 200,000 will come from natural background radiation; 100,000 from medical X-rays; about 7,000 from jet airplane travel; about 7,000 from weapons fallout, and 90 from the nuclear power industry.

Today, with the speed limit reduced to 55 mph, we kill 35 to 40 thousand Americans a year, and suffer about 2 million serious injuries from automobile accidents. More than 8,000 persons burn to death. Overdoses of aspirin and aspirin compounds cause more than 200 deaths per year. 1,000 persons die from electrical shock. About 160 are killed by lightning. About 3,000 choke to death on food. No radiation injury or death has resulted from the operation of any licensed nuclear power plants in the U.S., nor has any member of the public been exposed to any radiation in excess of internationally approved standards as the result of the operation of any nuclear power plant or supporting activity in this country.

Recently, public attention has been drawn to the possibility of the theft of nuclear materials and the clandestine fabrication of nuclear weapons. It is undoubtedly true that certain qualified persons could make a nuclear weapon if the essential materials came into their possession, and we must take every precaution to protect against any theft of material from any nuclear plant or other facility. The AEC has long-established security programs, and these have recently been strengthened because of international terrorist activity. One of the benefits of regional nuclear power parks is that facilities involved in the nuclear fuel cycle would be concentrated within a security fence, and that external transportation of nuclear materials which could be converted to weapons would be substantially reduced. It's obvious that we must live with the risk that someone might try to steal nuclear materials. I think this is an acceptable risk, first because it would be incredibly difficult to steal enough of the correct material to mount a meaningful threat; and second because there are so many thousands of easier ways to make serious mischief to our society.

There are literally millions of shipments of hazardous materials in this country every year. Many of these materials, such as explosives, highly flammable liquids and organic poisons, are shipped in tank car lots through every city in the country without anyone being particularly aware of where they are, let alone knowing how to provide protection from them. The real risks to our society are many orders of magnitude greater from such non-nuclear sources than they are from any terrorist activity involving home made nuclear devices.

The complaint has been made that no specific permanent nuclear waste management program has yet been announced by the Atomic Energy Commission. Certainly the storage and management of radioactive wastes is a legacy that we must leave to the future as a price for our having entered the age of nuclear fission. However, this can be approached in the same sound manner which we have used in handling radioactive materials for the last 30 years. Millions of gallons of liquids and thousands of tons of solids containing billions of curies of activity have been handled in an exemplary way, with virtually no harm to anyone. Using the techniques that have been developed during recent years, the safe, permanent storage of radioactive materials is actually a simple matter of good engineering and good management.

In the near future, the ERDA will announce plans for long-range storage of highly concentrated radioactive wastes. One technique which seems attractive to me involves solidifying the wastes from reprocessed fuels immediately after separation, and encapsulating them in cannisters. About ten cannisters, 1 foot in diameter and 10 feet long, holding about 6 cubic feet each, will contain the solidified wastes produced each year by a 1000-megawatt power plant. These cannisters can be enclosed in individual concrete shields, and simply placed on the surface of the ground inside some restricted area such as the Hanford reservation. It would require less than 2 square miles (of the 600 square miles available at Hanford) to store all of the high-level wastes that will be generated by the nuclear energy program between now and the year 2000.

Three future sources of energy which have attracted a great deal of public attention are solar energy, geothermal energy, and nuclear fusion. I am pleased to say that the Congress has taken the initiative in establishing well-organized programs for research, development, and demonstration in these areas. The Solar Heating and Cooling Demonstration Act of 1974 provides a $60 million, five year program to demonstrate the commercial feasibility of using solar energy to heat and air condition residences and other buildings.

In addition, the Solar Energy Research, Development, and Demonstration Act of 1974 sets up a long range comprehensive program for all aspects of solar energy including wind conversion, thermal electric farms, photovoltaics, ocean thermal gradients, bioconversion, and the incineration of wastes for energy, or their conversion to useful fuels.

Solar energy will clearly play an important role in our future, and I am proud of the overall programs we have established. However, we must keep the potential of solar energy in perspective. With well-managed, well-funded, aggressive programs, we may, if we are lucky, be able to provide 1% of our energy by solar heating and cooling, and another 1% from all other forms of solar energy by the year 1990.

The same general perspective applies to geothermal energy. In the Geothermal Research, Development, and Demonstration Act of 1974, our goal is to have from six to ten geothermal demonstration plants on the line by 1980 generating from one to ten megawatts of electricity each, using undeveloped types of geothermal energy such as hot dry rock formations, hot water deposits, and geopressured water. Here again, prudence must govern our optimism. Even with a crash program, it is unlikely that we can produce 1% of our total energy from geothermal sources before 1990.

The past two years have been the most productive in the history of controlled thermonuclear research, and certainly we are now operating on a new plateau—one which we have dreamed of and sought for twenty years. Now, for the first time, we are in a position to move forward with a much more aggressive research and development program; and now we can, with considerable confidence, predict success.

This year Congress increased funding for magnetic confinement studies from $57 million in Fiscal 1974 to $111 million for FY 75. Unfortunately, the Office of Management and Budget has now cut back funding for this program. I believe that we can have a commercially feasible fusion electric demonstration plant on line by the mid-1990's, but this will require massive support, starting now, for materials research and development and for engineering studies. If this program is successful, we may be able to look forward to providing unlimited quantities of clean, cheap energy forever, not only for this country, but for all mankind.

Implicit in this potential is the prospect of using large blocks of cheap energy for mining from the sea or from low-grade ores that have not so far been feasible to exploit, and thus freeing the international community from the threats and tensions that accompany shortages of energy and critical materials. In addition, we may look forward during the first third of the 21st Century to a policy of phasing out all of our fossil and fission-powered conversion systems, and operating from that time forward on clean, inexhaustible sources of energy.

It should be obvious to anyone that we can't reach these goals of the 21st Century without following rational programs for the balance of the 20th Century. This is the challenge that faces us today: how wisely we will conduct ourselves in developing policies which will provide the proper dynamic balance between our need to produce adequate supplies of energy, develop and maintain a stable and balanced economy, conserve resources and protect our environment. Above all else, this is no time for pretending there are simplistic solutions to our complex problems or for policies based on fears fantasies or prejudices. A review of the facts forces us to the realization that the energy options we have available are a dwindling supply of petroleum and natural gas, a massive supply of expensive and polluting coal, and nuclear fission. If we have the wisdom to develop policies using these sources of energy, we may have the chance in the future to convert to more attractive ones.

So I challenge you, who have the advantage of a professional background as scientists and engineers, to accept also your role as citizens with a special obligation to help your neighbors and your non-technical fellow citizens throughout society to understand these truths. I challenge you to help in the political arena, so that responsible policies will be followed. I challenge you to insist that our energy policies are based upon truths rather than on prejudices or fantasies.

This country has faced tough problems before. Many of us here lived through the Depression, and helped to fight the Second World War. We never doubted for a single moment that we would ultimately overcome the difficulties that beset us during those times. I am convinced that if the American people exercise the same resilience, confidence, and good sense that they have demonstrated in the past, we can overcome the problems that face us today, and help build a better world.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. PATMAN (at the request of Mr. MCFALL), for December 4 and 5, 1974, on account of official business.

Mr. YOUNG of Alaska (at the request of Mr. ARENDS), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WYDLER), to revise and extend their remarks, and to include extraneous matter:)

Mr. HANSEN of Idaho, for 20 minutes, today.

Mr. STEIGER of Wisconsin, for 5 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of Oklahoma), to revise and extend their remarks, and to include extraneous matter:)

Mr. FLOOD, for 5 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. KOCH, for 5 minutes, today.

(The following Members (at the request of Mr. MURTHA) to revise and extend their remarks and include extraneous material:)

Mr. MURPHY of New York, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GROSS to revise and extend his remarks on House Resolution 1483.

Mr. UDALL and to include an address by the gentleman from Washington (Mr. MCCORMACK), notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $764.50.

(The following Members (at the request of Mr. WYDLER), and to include extraneous matter:)

Mr. HOGAN.
Mr. HEINZ.
Mr. GOLDWATER.
Mr. ASHBROOK in four instances.
Mr. CRANE in five instances.
Mr. SARASIN in three instances.
Mr. LAGOMARSINO.
Mr. ABDNOR.
Mr. ROUSSELOT.
Mr. BEARD.
Mr. PETTIS.

(The following Members (at the request of Mr. JONES of Oklahoma), and to include extraneous matter:)

Mr. ROYBAL in 10 instances.
Mr. RODINO.
Mr. ASPIN.
Mr. VANIK in three instances.
Mr. ANDERSON of California in three instances.
Mr. RARICK in three instances.
Mr. GONZALEZ in three instances.
Mr. ROUSH.
Mr. MOORHEAD of Pennsylvania.
Mr. CHARLES H. WILSON of California.
Mr. WALDIE in four instances.
Mr. CARNEY of Ohio.
Mr. FLOOD.
Mr. DIGGS.
Mr. BRASCO.
Mr. ROSENTHAL in five instances.
Mr. JAMES V. STANTON in two instances.
Mr. DOWNING.
Mr. WON PAT.
Mr. DINGELL.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1561. An act to provide that Mansfield Lake, Ind., shall be known as "Cecil M. Harden Lake";

S. 3308. An act to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes; and

S. 3546. An act to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

ADJOURNMENT

Mr. MURTHA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p.m.) the House adjourned until tomorrow, Thursday, December 5, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3046. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1975 for the Veterans' Administration (H. Doc. No. 93-401); to the Committee on Appropriations and ordered to be printed.

3047. A letter from the President of the United States, transmitting proposals for 37 additions to the National Wilderness Preservation System and deferral of action on five areas suitable for inclusion in the System, and recommendations against the inclusion of four other areas studied, pursuant to section 3 of the Wilderness Act of 1964 [16 U.S.C. 1132]; to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations. (H. Doc. 93-403).

3048. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on the export expansion facility program during the quarter ended September 30, 1974, pursuant to section 1(c) of Public Law 90-390 [12 U.S.C. 635j(c)]; to the Committee on Banking and Currency.

3049. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92-403; to the Committee on Foreign Affairs.

3050. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254 (c)(1)]; to the Committee on the Judiciary.

3051. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of the order suspending deportation in the case of Yiu Wee Hom, also known as Quock Lem Hom, pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254(c)(1)]; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

3052. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the accountability of the Treasurer of the United States, Department of the Treasury, for fiscal years 1972 and 1973; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONOHUE: Committee on the Judiciary. H.R. 6668. A bill to amend title 18 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries authorized by law and conducted by a State, and for other purposes; with amendment (Rept. No. 93-1517). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONOHUE: Committee on the Judiciary. H.R. 17311. A bill to establish procedures and regulations for certain protective services provided by the U.S. Secret Service; with amendment (Rept. No. 93-1518). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 939. An act to amend the Admission Act for the State of Idaho to permit that State to exchange public lands, and for other purposes (Rept. No. 93-1519). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2343. An act to authorize the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands in Coeur d'Alene, Idaho, in order to eliminate a cloud on the title to such lands (Rept. No. 93-1520). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 11881. A bill to authorize and direct the Secretary of the Interior to sell interests of the United States in certain lands located in the State of Alaska to the Gospel Missionary Union (Rept. No. 93-1521). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 17563. A bill to transfer responsibility for establishing standards and regulations pertaining to the control and abatement of aircraft noise from the Federal Aviation Administration to the Environmental Protection Agency; to the Committee on Interstate and Foreign Commerce.

By Mr. FLYNT (for himself, Mrs. GREEN of Oregon, Mr. BRINKLEY, and Mrs. BOGGS):

H.R. 17564. A bill to establish a Department of Education; to the Committee on Government Operations.

By Mr. MELCHER:

H.R. 17565. A bill to amend title II of the Social Security Act to include Montana among the States which may obtain social security coverage, under State agreement, for State and local policemen as well as firemen; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 17566. A bill to provide for centralized regulation and control of margarine or oleomargarine under the Federal Food, Drug, and Cosmetic Act; to the Committee on Agriculture.

By Mr. STAGGERS:

H.R. 17567. A bill to designate the Wheeling Suspension Bridge as a national historic site, and to provide for the administration and maintenance of the site by the Secretary of the Interior in consultation with an advisory commission; to the Committee on Interior and Insular Affairs.

By Mr. RUPPE:

H.R. 17568. A bill relating to equitable relief in civil actions brought for the purpose of protecting public health; to the Committee on the Judiciary.

By Mr. CRONIN:

H.J. Res. 1173. Joint resolution recognizing the right of the people of Ireland to the ownership of Ireland and to the unfettered control of Irish destinies, to be sovereign and indefeasible; to the Committee on Foreign Affairs.

By Mr. LAGOMARSINO:

H.J. Res. 1174. Joint resolution designating February of each year as American History Month; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BOB WILSON introduced a bill (H.R. 17569) for the relief of Purita and Vicky San Pedro, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

578. By the SPEAKER: Petition of the city council, Kettering, Ohio, relative to the National Mass Transportation Assistance Act of 1974; to the Committee on Banking and Currency.

579. Also, petition of the Multnomah County Democratic Central Committee, Portland, Oreg., relative to wage, price, and profit controls; to the Committee on Banking and Currency.

580. Also, petition of the board of trustees, Republican Associates of Mahoning Valley, Inc., Youngstown, Ohio, relative to Nelson Rockefeller; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

GOOD DEFENSE WINS FOOTBALL GAMES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. PICKLE. Mr. Speaker, since you are from the neighboring State of Oklahoma I do not have to educate you about the quality of high school football that is played in Texas. I am also well aware that my colleagues from the Keystone State, that fine Commonwealth of Pennsylvania, will acknowledge the supremacy of the Lone Star State schoolboys on the gridiron because of the record compiled when all-star teams from those two States have faced each other over the last decade or so.

I am very proud that two teams located in my 10th Congressional District are still in the running for the State championships in their respective classes. Both squads are located in Fayette County which has a population of about 18,000, all of whom are rabid football fans. Fayette County was organized in 1838. It is very food farming land because of its rolling to level contour, and its sandy loam and black waxy soils. The county was named in honor of Marquis de Lafayette. It is bisected by the Colorado River.

La Grange is the county seat and has a population of around 5,000. The La Grange Leopards defeated the Pearsall Mavericks, 20 to 12, last Friday to advance to the quarter-finals in class AA.

This Friday the boys coached by Ben Bloomer will meet Kenedy in Victoria.

The Schulenburg Shorthorns last week upset a heavily favored Brookshire-Royal squad, 7 to 6, to move to the quarter-finals in class A. They will face Falls City this Friday at Luling. Coach Tom Walker's Shorthorns have had a stingy defensive record this year as well as scoring 417 points in 12 games for an average output of almost 35 points per game.

I would like to insert the following into the RECORD a story by Kirk Bohls, a sports writer for the Austin-American Statesman, which discusses the superlative seasons of the young men coached by Mr. Bloomer and Mr. Walker:

[From the Austin American-Statesman, Nov. 28, 1974]

GOOD DEFENSE "WINS FOOTBALL GAMES"

(By Kirk Bohls)

When football-crazed fans stand at the top of their seats and yell at the top of their larynxes, "Defense, defense, defense," they're doing it for a reason.

Three Centex coaches, whose defenses have been found guilty of breaking and entering opposing offenses, rank offense right up there with cleaning out the attic and having mother-in-law over for a two-week stay in their list of favorites.

Although they don't have the tapes to prove it, they do have their teams in the playoffs which makes for overwhelming evidence. La Grange coach Ben Bloomer would take a good defense over a good offense any old day because "that wins football games." You take every winning ball team in the state and they'll all have one thing in common.

"They're geared to one particular defense. They know it inside out, every adjustment, every technique. What works in every game is fundamental defense."

Known more for its explosive offense which has scored 330 points, La Grange has played adequate defense, allowing 119 points. And Bloomer insists it's the "stable, reliable defense" that makes the difference.

"Those 52–48 circuses don't happen very often," Bloomer says. "The 3–2 games win it. Defenses will save you because offenses are up and down.

"The Big Red of Belton has always had good defensive teams. It was always preached to me that if the other team didn't score, they're not going to beat you. Defense is the crux of the whole matter. That's the meat on the table. without it, you can't have the gravy."

On the other side of the table sits Schulenburg coach Tom Walker whose Shorthorns have taken several helpings of 50- and 60-point scores this season. Schulenburg has scored 410 points in 11 games.

"Offhand I'd say I'm more offensive-oriented," Walker says. "I feel you can't win unless you score. We crank up our offense and run it wide open. It's no fun to watch a 0–0 game where the whole game's played between the 35-yard lines. Our games make it more exciting."

Running six plays and going 55 years to score in 32 seconds would definitely come under the classification as "exciting" and Schulenburg did just that against Rogers, whom they beat 49–23 last week.

Nevertheless, Walker never designs his offense around a single player. If he had done so with Myron Hardeman this year, "our season would have been done by the third game. Two years ago, I lost Alvin Carroll, an all-state split end, the second ball game and people said that was the end of our passing attack. But we ended up with 1,800 yards passing for the year.

"We take advantage of our good people but we don't just figure on one. I've had some tremendous backs in six years, like Skip Walker (A&M), Randy Houston and Hardeman."

But Walker's theory of offensive football, decidedly more tantalizing than defensive-oriented football, is in the minority.

REMOTELY PILOTED VEHICLES

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. FISHER. Mr. Speaker, on November 13, 1974, John W. R. Taylor, editor of "Jane's All the World's Aircraft," delivered an address to the AIAA RPV Technology Symposium in Tucson, Ariz., in which he discussed various aspects of remotely piloted vehicles, and their relationship to our defense posture. It appears to be a very comprehensive and authoritative contribution to a better understanding of this important subject.

Under leave to extend my remarks, I include a copy of Mr. Taylor's speech. It follows:

SPEECH BY JOHN W. R. TAYLOR, NOVEMBER 13, 1974

During the past two days, several people have said to me: "Of course we know Jane's All the World's Aircraft; we use it all the time. But why is it called Jane's?" Let me say right away that it has nothing to do with young ladies. The short answer is "Fred T. Jane," son cf a Devonshire minister, who was born just over 100 years ago, in 1870. He launched Jane's Fighting Ships in 1897, and All the World's Aircraft in 1909. So my book is now in its 65th year. Through the years, like many others, more human, Jane's has put on weight and now comes out at 800 pages, a million and one-half words and 1,500 pictures. Thank heavens people seem to love her more than ever!

Fred Jane died in 1916. Six years later, in 1922, the year I was born, another great Englishman named Howard Carter was excavating a tomb in the Valley of the Kings in Egypt. He made a hole in a doorway sealed with the name "Tutankhamun." inserted a candle and peered in. Let me read you his own account of what happened next:

"At first I could see nothing, the hot air escaping from the chamber causing the candle flame to flicker; but, presently as my eyes became accustomed to the light, details of the room within emerged slowly from the mist, strange animals, statues and gold, everywhere the glint of gold. For the moment, an eternity it must have seemed to those standing by, I was struck dumb with amazement. When Lord Carnarvon, unable to stand the suspense any longer, inquired anxiously, 'can you see anything?' it was all I could do to get out the words 'Yes, wonderful things.'"

I tell you that story because, as another Englishman in a distant land, I too have been able to look through some hitherto-sealed doors during the past two weeks at the Pentagon, Edwards Air Force Base and elsewhere. Like Howard Carter, I have seen wonderful things.

Other people in other places are also seeing things nowadays. The 1974–75 edition of *Jane's* will be published on November 26th. Hidden in the foreword is a question to which some of you here this evening should know the answer. It is this: "What, one wonders, would be the public reaction to a suggestion that 'flying saucers' observed over countries like West Germany and Sweden have a connection with never mentioned Soviet RVPs?"

Nearly ten years have gone by since the Chinese first displayed in Peking the remains of a U.S. pilotless reconnaissance aircraft, looking very like products of Teledyne Ryan. The Russians must appreciate the capabilities of such vehicles as much as anyone after what the RPVs achieved subsequently in Vietnam. So my guess, and I want to make it clear that it is a guess, is that the Russians are already beginning to close in on America in the RPV stakes. This could be significant, and I'll have more to say on that later.

Peacetime reconnaissance and electronic intelligence gathering are a facet of everyday life about which the general public knows very little. If so-called spyplanes discover missiles being emplaced in somewhere like Cuba; if a pilot named Gary Powers gets himself shot down over territory where he shouldn't rightly be; if an electronic intelligence aircraft is attacked by enemy fighters near an unfriendly border or coastline; this makes big news for a few days. But such flights are not isolated incidents.

I come from an island that has to keep missile-armed fighter planes at constant readiness to investigate UFOs, and ones that have been identified, but whose purpose must be confirmed.

A recent statement put out by our British Ministry of Defense commented: "The UK Air Defense Region during recent years has received more trade from Soviet long-range aircraft flying around the North Cape of Norway and down towards the British Isles than any other NATO air defense region." Any other NATO air defense region, anywhere. It makes us feel rather important in the UK; it makes us feel mighty uncomfortable, too, at times.

Nobody can hide Tupolev "Bear" and "Badger" multi-engined bombers, packed to the gunwales with men, cameras and electronic sensors. It is much easier to hide a small RPV with a far superior payload-to-weight ratio of sensors mixed in with electronic countermeasures equipment. The people of Britain, or anywhere else, might be alarmed if such vehicles were known to be keeping a "Big Brother" eye on them. Aeroplanes they understand; almost human RPVs are something else; as shudder-provoking as a good horror movie.

The whole picture changes when operations become unhidden and international. Back in the mid-Fifties, your President Eisenhower put forward his "Open Skies" plan as a practical means of removing the fear of another major war from the anxious minds of ordinary folk everywhere. At that period, the vehicles for "Open Skies" had to be manned reconnaissance aircraft.

The President's hope was that Russia might open its airspace to regular unrestricted surveillance by U.S. aircraft like the RB–47 reconnaissance bomber, if the U.S. provided reciprocal freedom over its own territory. Strips of film brought back by the cameras of such aircraft during a long overflight would, it was suggested, reveal any new construction of missile sites, or any buildup of military forces for a sudden attack on a neighboring state.

"Open Skies" provided also for a low-altitude close look at anything suspicious noted on the high altitude photos. I remember that the U.S. Information Service in London put out a booklet at the time, explaining the purpose and practicability of "Open Skies." There was one photo taken over an airfield by a low-flying jet fighter at about 500 mph. You could count the rivets on the wing of an aircraft that it photographed on the ground.

I doubt whether anyone seriously expected the Russians to accept such a proposal at that time of cold war suspicions. Yet today we have a form of "Open Skies," using satellites operating without hindrance and doing the kind of peacekeeping job that manned aircraft were originally intended to undertake.

The Russians have demonstrated on many occasions their ability to destroy one satellite with another in orbit. But the reconnaissance satellites are not only tolerated; they have been made entirely respectable by the SALT agreement. By the same token the nations of East and West appear to tolerate overflights by RPVs without building up an international incident, because there is no man aboard. This is significant, as there are many places in the world where it is vital to keep track of the intentions of the other side.

For an example of what I mean, let us revert to those Soviet bombers which fly so regularly round the North Cape toward British waters. Maintaining a Quick Reaction Alert (QRA) fighter force to intercept and investigate them is expensive. It also has the inherent danger implicit in the old adage that "familiarity breeds contempt." A recent British TV film, taken from a RAF fighter, showed a Soviet air gunner waving to the man sent up to escort his aircraft.

Imagine one day if, instead of cameras and sensors for use over international waters, such a bomber carried a nuclear device to destroy a vital target. It could happen, for any one of several good reasons, as students of NATO defense philosophy will understand. The fighter pilot might be shot down before he realized that this was not the usual kind of intercept/escort mission. Ground controllers might have no immediate clue as to whether he had been shot down or had simply fallen victim to an equipment malfunction. By the time the confusion had been resolved, the bomber, which could be a supersonic swing-wing "Backfire," might have released his weapon and turned for home.

Now let us assume that Britain's QRA fighter force has been replaced by a Compass Cope type of maxi RPV, one of which remained airborne for well over 24 hours on the day that I visited the Pentagon last week. Sensors in this high-flying "truck could do as good a job of identifying the intruder as any piloted interceptor force. If the RPV were attacked, not only would there be no loss of human life, it would also be a simple matter to learn from onboard equipment what had caused the loss of signal. Further, we in Britain feel that there would be considerable merit in arming the RPV with air-to-air missiles of its own, with which to strike first if the incoming flight was clearly bent on more than reconnaissance.

That's one kind of situation that Compass Cope might well be able to take care of one day. It is easy to think of others. In the Indian Ocean, the Soviet presence is great and growing. Reopening the Suez Canal will make life easier for the Soviet fleet. In contrast, Britain might lose yet another base in that area, at Gan, before long. It is not difficult to work out from where Compass Cope might operate to help in keeping track of shipping movements in that ocean, and in other key shipping areas throughout the world. Diagrams showing how much of the world a single Compass Cope can survey in 24 hours reveal a truly staggering potential.

For this reason, I find it disturbing to hear of air force officers who regard such vehicles as a nuisance. Being so large, Compass Cope cannot be air-launched like its predecessors. When it operates on its wheels from a normal airfield runway, it effectively puts that runway out of use by other aircraft for quite long periods. Understandably base commanders don't like this one little bit. Development of new launch techniques, like a catapult, may help eventually; meanwhile, the services must learn to appreciate the tactical rewards offered by RPVs far outweigh any inconvenience they may cause.

Earlier, I referred to this particular maxi RPV as a truck. This reflects one of its major attractions. It is so large that it has never had to be tailored to one particular U.S. payload. It can be thought of almost as a recoverable satellite that can be positioned rapidly over any sensitive area and maintained there, not simply taking a quick look during a largely unproductive orbit, but providing continuous and close surveillance. There may be some here who wonder how a vehicle flying well above normal commercial air traffic can be said to offer a close look at anything. Respecting confidences, I cannot provide a direct indication of what the sensors of an RPV can obtain. However, it has been said that a camera fitted in a certain type of reconnaissance satellite can resolve objects on the surface of the Earth one foot in diameter from an orbital height of more than 100 miles. This gives just a hint of the capability of sensor manufacturers.

The extent to which RPVs can dislodge satellites as routine peacetime reconnaissance devices is something we cannot foretell. They are considered by some policy makers and budget manipulators to be "new toys" about as welcome as a tooth ache at a time when there is not enough money to buy all the proven, established weapons that are needed. Yet in fact, the concept of the RPV goes back well over half a century, to World War I. It is a tribute to the durability of the man in the cockpit and the efficiency of the natural computer that we call a brain, that the man has been able to stay in the cockpit so long.

Back in 1916–1917 a well known British scientist named Professor A. M. Low was building RPVs at Farnborough, the place where the big aerospace industry displays are now held. They were the size of a small single-seat aeroplane, and were called "aerial targets" in order, it was hoped, to put curious observers off the scent. Instead of a pilot they carried radio for control from the ground, and an explosive charge for a kamikaze dive into a preselected enemy target. Stories of demonstrations at which the RPVs ended up chasing beautifully-costumed Allied air Attaches over the Farnborough countryside have no place in this serious talk.

Then, as now, the dividing line between RPVs and guided missiles was narrow and poorly defined. I have always tended to regard Professor Low's so-called targets as pioneer missiles. Your Kettering Bug was in the same category, but smaller, and I see that it is regarded over here as an RPV. So let us claim that the U.K. was at least in the business early. Unfortunately, cost effectiveness, although not then a fashionable term, was familiar as a practice. Men were cheap in World War I; so the Aerial Targets were put on ice until the early Thirties when the Royal Navy, in particular, wanted something at which to shoot. The Navy's gunners were not exactly noted for their accuracy of aim at that period. One oft-quoted story tells of a message radioed down by the pilot of the aeroplane that was towing a banner target for shipboard gunners. After one especially wild burst, he protested that he was pulling the damn thing, not pushing it.

Somebody remembered that Farnborough had continued Low's experiments at low key through the Twenties, and may have been confused by the original "target" tag. This led in due course to a conversion of the de Havilland Tiger Moth biplane trained into what was known as a Queen Bee. The new and genuine aerial target was not too expensive, as the Navy seldom shot one down. Most observers at pre-war fleet exercises have memories of Queen Bees that seemed to fly for hours ahead of black puffballs of smoke from exploding anti-aircraft shells. Perhaps the gunners were just taxpayers trying to be cost-effective.

It took people like Radioplane, and later Teledyne Ryan and Beech to show how the same capability to present a worthwhile target could be offered by a small drone. Since then, it has been less costly for countries like Britain to buy American than to plod on alone particularly when target augmentation systems, jammers and the like began to be carried by all the best targets.

This situation should continue for a few years at least. If you look through the "RPVs and Targets" section of the 1974–75 Jane's, you will see that there are very few targets in production anywhere but in the U.S. Equally apparent is that all the RPVs used so far during a period of actual combat, by the U.S. and Israel, have been adaptations of targets.

A company named Aero Electronics Ltd. (AEL), in England, has a range of grown-up model aeroplanes, reminiscent of film star Reginald Denny's Radioplanes of the mid-Thirties. They are regarded generally as targets, but have other more aggressive possibilities in the mini-RPV field.

The aviation press has published a great deal about minis during the past year, but their full potential is still little understood. If, for example, you read the AEL entry in Jane's, you will find that the primitive looking Heron can carry up to 11 pounds of stores on underwing pylons. Eleven pounds may not sound much in a nuclear age, but it is amazing how much harassment could be caused by such a vehicle dropping individual two pound explosives in a combat area. A large number of simple inexpensive vehicles of this kind could provoke such response from enemy defenses that attention might be diverted from a far more formidable attack force in the air or on the ground, quite apart from the value of causing the enemy to use up precious surface-to-air missiles.

The Israelis have, as many of you will know, already demonstrated the practicability of using RPVs as decoys. During the Yom Kippur War last year, a relatively small number were dispatched to simulated manned aircraft. A high proportion were shot down, much to the dismay of the Israelis who have such a high regard for RPVs that the loss of every one hurt. However, the total cost was small by comparison with the loss of men and machines that might have resulted from launch of those same Arab SAMS against piloted aircraft. Without going into detail, it must also be apparent that there are occasions when the deliberate loss of one RPV is a small price to pay for learning a great deal about a particular SAM and how it functions.

Harassment and decoy are but two of the wide range of duties for which mini-RPVs are well suited, and which will almost certainly lead to their being deployed widely around the world before too long. A mini with a TV sensor could sit over a battle area, reporting in real time what was happening "over the hill." A mini fitted with a laser target designator could provide the sort of precise target marking that artillery men dream of, pointing the way to greater accuracy for laser-guided artillery and air strikes. The same capability at sea will enhance greatly the capability of the fleet's guns and missiles.

Perhaps one day, but no hurry? Don't be too sure!

East and West are engaged in a rough technology race. Often the U.S. feels that a particular idea can be pigeonholed until it is needed. In this case, it may be as well to look on page 513 of the new Jane's when it appears, and read about the 170 ton, four-engined bomber that Russia uses at present to provide targeting data for its missile-launching ships. There is one country, I am sure, which would appreciate the advantages of replacing a costly aeroplane, carrying many men, with a small RPV, weighing perhaps 125 pounds, quick and economical to produce, easy to transport and deploy, and so shaped that it offers a minimal radar cross-section to enemy defense and anti-aircraft systems. How minimal is minimal in this context? That's a good question, but start by thinking in terms of a very, very small bird.

Perfection of the minis offers one of the greatest current challenges to RPV engineers. Even a decoy, built to be expendable at the present time, probably carries a price tag of around $50–70,000. The potential user feels that $10,000 would be the cost at which to aim. More than that, he wants to be able to store and handle the 'bird' like a round of ammunition that can be taken off the shelf after six or seven years, put on its launcher and sent into action without checkout. This is the sort of specification that will confront the RPV engineer who enters the mini business. In return, he is offered an immense potential in terms of revenue from sales, provided he can create the market.

Between the minis and the maxi Compass Cope is the broad band of midis, which may be called the traditional category of RPV's. The term is really quite inaccurate, because there is little traditional about the vehicles now in the inventory or in design, although some still trace their ancestry back to familiar target drones. There is neither time nor the need to go into all the tasks of which these workhorse RPVs are capable. The major job facing their engineers in these inflationary times is to find ways of ensuring that a single vehicle can undertake several tasks. This is the thinking behind projects like the BGM–34C modular multi-mission RPV, with three interchangeable noses for reconnaissance, electronic warfare and strike missions.

Active jammers, chaff dispensers and other devices have already been proved indispensable in a modern combat environment. Preferred weapons for the strike role are laser guided missiles rather than bombs, plus cluster weapons and anti-radiation missiles. The need for further reductions in radar signature will see more and more engines mounted above the fuselage, as in the Compass Copes. Recovery will be simplified by adoption of new techniques like the air cushion landing system, provided current problems like the effect on fuel consumption and range can be overcome. All this should lead to a new generation of custom built strike RPVs by the mid-Eighties. We must hope that by then somebody will also have devised a way of providing sound training in the kind of crowded airspace that we have in the U.K.

RPVs for air superiority and point defense will almost certainly absorb considerable study and experiment in this time scale; but this is the one projected application for which it is difficult so far to see a satisfactory replacement for those few pounds of human brain inside a man in the cockpit.

Basic configurations are certain to change for certain tasks, as we take better advantage of every branch of our aerospace technology. In Europe, there is great interest in wingless or annular wing designs such as the Shorts Skyspy and Dornier Aerodyne to meet Army battlefield surveillance requirements, the application that seems nearest to being met by European manufacturers. There is no general agreement on the performance parameters. Germany wants to survey as far as 150km behind a battle area; the British Army might be content with one-third that penetration distance, and is particularly interested by the idea of a rotating wing configuration.

Special attention is being paid to improving methods of control and data transmission in real time, via relay aircraft and satellites, and to ways of enlarging the narrow field of view that is so often a problem with TV guidance, reducing the chances of successful attacks on targets of opportunity.

Radar signatures of less than .1m^2 are regarded as essential in view of the known capabilities of current Soviet SAMs. In the absence of specific requirements from the U.K. services, one sometimes feels that there may be some lack of liaison between the vehicle and sensor designers. Somebody commented to me just before I left home that, while extremely advanced sensors are already in existence in the U.K., the vehicle designers seemed still to be thinking in terms of what is called 'steam age sensors.'

One factor that must become increasingly apparent is that the world's smaller air forces have a great opportunity of increasing their role capability by means of RPVs. Improved reconnaissance capability is the first, and obvious possibility, and a key one. Overall training costs could be reduced, and the aircrew bill might well be cut considerably.

Nor should civilian applications be ignored. Fish spotting would seems to be a promising task for a mini-RPV. Others include forest fire surveillance and fire fighting, and police work. In one place, the police have already achieved considerable success by using radio controlled model aeroplanes for such tasks as pinpointing the position of a rooftop sniper.

One clear fact which emerges as we discuss such ideas, and progress made to date is that by comparison with what has been achieved in the U.S., the rest of the world is still in the age of the Wright brothers. You people here in Tucson should derive both satisfaction and a warning from that fact. Remember that less than ten years after the Wrights sold their first biplane to the U.S. Army, American airmen were fighting in France at the controls of aeroplanes designed and built in Europe, because the U.S. had been neglectful of its early leadership. This must never happen again. The price of lost leadership today is one that the West could never afford to pay.

Just about the greatest gift we could ever give to our children would be a life free from the kinds of wars and rumors of wars with which we have had to contend. Nearly 2,000 years ago, the greatest man who ever lived commented: "Blessed are the peacemakers, for they shall be called the children of God." My friends, I believe that you, and the RPVs that you produce are among the most effective peacemakers, or peacekeepers, that we have today and shall have tomorrow. May God bless both you and your work!

AS I SEE IT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ABDNOR. Mr. Speaker, the following article by Mr. Pat Goggins, publisher of the Western Livestock Reporter, is food for thought for my colleagues and the interested readers of the Record. We must not forget for a moment the harsh realities which he related. The time for action is truly growing short.

The article follows:

AS I SEE IT

(By Pat Goggins)

Food, and the availability of it are the key factors to a prospering nation. The United States has enjoyed an abundance of food for many, many generations. It has made us strong. It has made us a world power. And our supply-demand economy has been an envy of world powers.

I sincerely hope that President Ford and the administration in the ensuing months will take a real hard look and a real tight stand on our present economic situation here in America.

The Arab nations I fear have a strong hold on the money market of the world and are calling the shots. The only thing that we have left in the United States in our favor is a big food supply. We need to use this as a "weapon" against the money hungry Arab nations. If we don't they will break us just as sure as this is November, 1974.

If the United States and its allies would immediately cut off all food supplies to Arab nations who are absolutely raping the oil consuming countries of the world, we could see a change overnight, and in no more than a week. Do you realize that the Arab and non-Arab nations of the OPEC have increased their revenues from 15 billion in 1972 to 115 billion in mid September, 1974.

Now I don't know how much $100 billion is. It's beyond me. But it sounds like the wealth of the world. Compare this if you will, to America's largest industry, the livestock industry, estimated to be $34½ billion value in 1973; something over $23 billion in 1974. America's ranchers and farmers are producing over 50 percent of all the worlds meat supply; over 80 percent of all the leather used in the world. But that $34 billion sure doesn't sound like much compared to $115 billion that is being drained out of the Free World into the Arab and non-Arab nations.

And what are these folks doing with this money? They are turning right around, coming back and getting involved the United States and other industrialized nations and in a very short time, they could own us. I don't like what I see. And all the while this is going on, our own federal reserve system comes into the scene and in mid 1974, as you are well aware, has begun a sharp slowing of the available money supply going into our own economy. The process is dangerous. It's dynamite, it could be devastating.

I don't believe we can slow our inflation that fast or all the while pour out our real dollars for oil and not run into a solid brick wall. We've got to have some traders that are traders. This man Kissinger in the State Department probably a pretty good negotiator but I'd hate to rely on my outcome on his ability to prosper in the midst of a tough cow trade. There is no way we can give away our wheat, our feed grains, our beef, our natural resources in other words and trade it for oil, which you can't eat and for paper, which you can't drink.

Come Awake America! Get the deck of cards in your hands and the next card game, let's deal the cards and let's play our game.

A TRIBUTE TO BISHOP STEPHEN BILL SPOTTSWOOD

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. RODINO. Mr. Speaker, the front page of yesterday's New York Times carried the sad news that Bishop Stephen Bill Spottswood had passed away. A man who devoted more than a half century of his life to the struggle of all people for equal opportunity, and a spiritual leader whose message was heard and heeded by thousands of America's citizens, Bishop Spottswood leaves behind a powerful legacy.

After four decades of field work, Bishop Spottswood was elected board member and later chairman of the National Association for the Advancement of Colored People. The Times recalled that "he had boomed a gospel of freedom from the pulpit, had walked picket lines, mounted boycotts and raised banners of protest" 50 years before civil rights became a major national issue. His voice was a voice of reason; his approach, one of quiet moral suasion.

It was Bishop Spottswood who, along with Roy Wilkins, met with President Kennedy in 1961 to urge the enactment of civil rights legislation which later became law. It was Bishop Spottswood whose sermons and lectures stressed the importance of economic independence as the basis of freedom and dignity. And, it was Bishop Spottswood whose strength, sensitivity, and leadership reawakened the conscience of the American people to the civil rights of all our citizens.

To Mrs. Viola Spottswood, and each member of the Spottswood family, I wish to express my deepest sympathy.

JAMES BEARDEN: A MAN WHO CARES ABOUT YOUTH

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, the November issue of Ball Corp's. employee magazine, the Ball Line, focuses on the volunteer in our society by saluting the individual efforts of several Ball Corp. employees. I am proud that one of my constituents, James Bearden of Gardena, Calif., was singled out for his work with young people, particularly in scouting and in sports.

James Bearden is a fine example of the kind of person who is willing to give of himself to help others realize their potential. His story shows how important volunteerism is to our society, for James Bearden was inspired as a boy by the adults who took time to help him enjoy the opportunities as well as the responsibilities of youth. I would like to share with my colleagues The Ball Line's salute to James Bearden, a man who cares:

JAMES BEARDEN, GARDENA, CALIF.

James Bearden's experience as a Boy Scout was one of the most important aspects of his childhood. The experience was beneficial to him because adults took their time to make it rewarding and that taught Jim the importance of adult leadership. That's why he is willing to devote his time to lead boys in scouting and football.

Jim is the operations manager for the Gardena, California, laboratory of Ball Brothers Research Corporation, Ball's aerospace subsidiary in Boulder, Colorado.

"Good adult leadership taught me the importance of setting goals and achieving them, taking pride in what you do, and letting me share the fellowship of belonging to a group that is working toward a constructive goal," says Jim. "I try to do these same things with the kids I work with."

Jim was a Webelos leader (Webelos is a Cub Scout program for boys aged ten that prepares them for joining the Boy Scout program) for a year working with his son and several other boys.

"The program is centered around activity areas that help boys break the ties of a den mother and prepare them to move on to more advanced activities," says Jim. "My boy enjoyed the scouting program but decided he would rather spend his time in the junior football league."

Although Jim had a fondness for Scouting he did not try to force his boy into the program.

"All you can do is give a kid exposure to opportunities and let him decide what he wants to pursue," he says.

"Football is good for kids because it teaches them good sportsmanship, the importance of doing a job for a team and it builds sensitivity for other people."

Jim devotes about 30 hours a week to his coaching duties for the Rams in the La Mirada National Football Conference.

"We are interested in good competition and teaching the kids to play football, but there is more to it than that," he says. "We have a league rule that every kid must get to play in the game. Winning the game is not as important as teaching the kids to grow and develop the right attitudes."

Jim Bearden is appreciative that adults took time to help him become a man and he is showing his appreciation by doing the same thing.

ASPIN HITS MILITARY BONUSES FOR MUSICIANS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ASPIN. Mr. Speaker, last spring Congress was asked by the Pentagon to do a rush job on the selective reenlistment bonus bill. We were told the legislation allowing bonuses double those authorized by the old law was absolutely essential to insure success of the all-volunteer concept in the Armed Forces.

Of course, Congress did the requested rush job on the legislation, and many of us who voted for the new bonus thought we were tightening standards of payment and eliminating the abuses possible under the old law.

You will not be surprised to learn that the restrictions to improper bonus payments we wrote into the Pentagon's draft law have proved to be a license for further abuses. We thought that the term "critical military skill" needed no further definition, but it has turned out that it does.

An infantryman does not qualify for a selective reenlistment bonus, but Army and Air Force cooks and chaplains' assistants do. So do Army, Air Force, and Marine Corps French horn, bassoon, oboe, clarinet, and trombone players as well as a few Air Force "steward specialists."

It is not a small amount of money we are talking about; more than $4½ million is involved in these questionable expenditures of public funds. What is more, in many of these so-called critical military skill payments of $5,000 to $6,000 each are being made to enlisted men in career fields in which there is no shortage at all.

For example, the Air Force has 57 more cooks than it needs in this fiscal year, but is spending nearly a half million dollars to pay 130 others a bonus to reenlist. The Army is 115 percent manned in cooks but will pay out almost $4 million this year to 931 of them. The Army is only 4 percent short in chaplains' assistants, but is spending $150,000 to pay a few dozen more to reenlists.

But the least justifiable waste of money is paying bandsmen a reenlistment bonus. Men and women musicians who want to play in military bands are enlisted as E–5's, a higher grade than a civilian Ph. D. gets if he wants to be a soldier, marine, or airman. They also get years of music training, but often not even the basic training given every other enlistee. Because they start at such a high enlisted rank, their bonus payments for reenlisting are $6,000 to $6,500 each. This happens because the bonus is computed by multiplying base pay on the day of reenlistment by years contracted for.

The only bright spot in all these unjustified payments to definitely nonmilitary skills is that the Navy does not pay cooks, chaplains' assistants, bandsmen, nor stewards anything extra to reenlist. Obviously, what is a "critical military skill" in one service does not qualify in another. It proves that the Defense Department is not controlling the selective reenlistment bonus as Pentagon witnesses assured Congress it would.

There is no reason at all why the Pentagon should be allowed to waste public funds, paying millions in bonuses to enlisted personnel in career fields in which there are no shortages and which are not military skills. Congress has to take more interest in overseeing how well the laws it enacts are administered. The taxpayer deserves assurances that his money is not being wasted on nonessentials which do not help national defense and only increase the inflation rate.

I include the following:

ESTIMATED FISCAL YEAR 1975 SRB PAYMENT BY SERVICE FOR SELECTED SPECIALTIES

[Source DOD]

Military specialty, service, code, and title		Estimated payments	Average	
			Payment	Cost
	ARMY			
02D	French horn player	4	$6, 231	$25, 284
01G	Flute or piccolo	2	6, 231	12, 642
02H	Oboe player	2	6, 231	12, 642
02J	Clarinet player	4	6, 231	25, 284
02K	Bassoon player	1	6, 231	6, 231
71M	Chaplain's assistant	24	6, 231	149, 544
94B	Food service specialist	931	4, 154	3, 867, 374
	Total			4, 099, 001
	MARINE CORPS			
5526	Bandsman, oboe/english horn	0	6, 519	0
5528	Bandsman, bassoon	1	6, 519	6, 519
5534	Bandsman, clarinet	3	6, 519	19, 557
5541	Bandsman, cornet/trumpet	3	6, 519	19, 557
5546	Bandsman, trombone	2	6, 519	13, 038
5593	Bandsman, drummer	0	6, 519	0
	Total			58, 671
	AIR FORCE			
622x0	Cook	130	3, 754	488, 020
742x0	Steward specialist	3	5, 658	16, 974
871x0	Instrumentalist	22	5, 658	124, 476
	Total			629, 470
	Total all services			4, 787, 140

JUDGE SPEAKS ON PROPOSED RULES OF ADMISSION TO FEDERAL COURTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. WOLFF. Mr. Speaker, I would like to call to the attention of my colleagues a recent statement made by Hon. Jack B. Weinstein, U.S. district judge for the eastern district of New York. Judge Weinstein discusses recent proposals that would make it more difficult for lawyers to practice before the Federal courts and the judge illuminates many of the problems implementation of these proposals would create.

Judge Weinstein's statement follows:

STATEMENT AT HEARINGS ON PROPOSED RULES OF ADMISSION TO THE FEDERAL DISTRICT COURTS IN THE U.S. SECOND CIRCUIT

(By Jack B. Weinstein, U.S. District Judge, Eastern District of New York Adjunct Professor of Law, Columbia University)

The proposed rules of admission make it more difficult to be admitted to practice in the federal courts by requiring a number of law courses or their practical equivalent. These prerequisites are substantially greater than those required by the state courts in this circuit and by any federal court including the Supreme Court of the United States. I must respectfully oppose their adoption.

As an alternative to this proposal I suggest admission to the federal bar of any one admitted to the state bar, with cooperation by state and federal judges and others to improve state admission standards and discipline practice. Further cooperation of the bench, bar and law schools to improve undergraduate and post-graduate training in litigation is also suggested. I hope, too, that this committee will address itself to what can be done to improve our performance, as judges.

At the outset I should like to express my appreciation and that of the other judges of our district for the dedicated efforts of this committee to improve the federal courts. We recognize that the quality of advocacy in trials is a major factor in the quality of justice in our courts.

Nevertheless, it seems to me—and I say this with deference because of my admiration for the great professional talents of its members and of Chief Judge Kaufman who appointed it—that the committee has proceeded on a number of doubtful premises. These premises are: (1) the quality of representation in the federal courts is poor; (2) deficiencies that exist are caused by lack of training and experience; (3) law schools need to be forced into giving more training in litigation related courses; (4) federal practice and trials in the federal courts require more skill than state trials; and (5) the federal courts should restrict their caseload and those who appear before them to the elite—in short that the phrase "don't make a federal case out of it," is not a cartoon heading but a point of jurisprudence and high policy. I disagree with each of these assumptions.

I. QUALITY OF REPRESENTATION IS GOOD

First, it is assumed that the quality of representation in our federal trial courts is poor. This is contrary to my observations.

I have found the quality of representation in my court to be generally high. The attorneys are serious and they are concerned about their clients. In moving cases promptly to settlement or to a resolution on the merits, the attorneys are usually aware of the applicable procedural rules and substantive law, discovery is used sensibly to develop the facts, and the time of the court and other attorneys is not wasted. Were this not so the calendars in our district would have broken down long ago. Despite this cooperation from lawyers, because of a shortage of judges in our district, due in part to a failure to promptly fill vacancies, the trial of civil cases has almost come to a halt.

II. EXPERIENCE AND TRAINING IS GOOD

Second, it is assumed by the committee that deficiencies in the trial bar are caused by lack of experience or by improper academic legal training. This has not been my experience.

I find little correlation between years at the bar and adequacy of representation in litigation. Some of the best cases that have been tried before me have been tried by neophytes. Some of the poorest representation has been by lawyers who have appeared in hundreds of trials. I am not suggesting, of course, that experience is useless; a good trial attorney tends to get better with age.

To a large extent the problems of the trial attorneys who do not function as effectively as the bench wishes—and there are some few of them—are due to character and temperament rather than defects in training or experience. Economic pressures, poor habits learned in the past in trial courts, and emotional difficulties are at the root of many of our problems.

The younger members of the bar are generally well trained, particularly in federal practice. They are devoted to the administration of justice, and, within the sensible limits of economic possibility, they devote a great deal of time to their cases. The quality of the young lawyers being added to the United States Attorney's office in the Eastern District of New York leads me to believe that this office will soon have the reputation as one of the best in the country.

Assistant United States Attorneys are generally entitled to practice without being admitted under local rule. A rule which makes it so much more difficult for private as opposed to government attorneys to appear in court raises at least a glimmer of an equal protection argument.

Often the high quality of representation is not adequately compensated. For example, I believe that the fees permitted in our criminal cases are too low. The burden on young, struggling practitioners is enormous.

Congress in 1970, by 18 U.S.C. § 3006A(d)(2), provided for a maximum fee of $1,000 in criminal cases, except in unusual cases, with a maximum of $30 an hour being paid for in-court work and $20 an hour for out-of-court work. Out of this must be paid stenographers whose cost, including overhead, may run over $10 per hour. Since 1970 the consumer price index has increased 29.3%, yet allowable fees do not reflect this change. An increase is needed, particularly in habeas cases where the limit is set at $250.00.

We do not, in the federal courts, wish to be put in the position of state courts where 18-B fees are so low that there is pressure on lawyers to cut corners and dispose of criminal litigations without trials, even when trials are called for. We have not yet reached this position in the federal courts.

Fortunately, we have been assisted by an excellent Legal Aid group, many O.E.O. funded offices and volunteers from the bar doing pro bono work. They have granted a subsidy, in effect, to the courts and the poor.

Critical to the effective delivery of legal services is a direct approach to the problem of payment for representation. I leave with you gentlemen a paper of mine dealing with the issue of paying for the delivery of legal services to the poor and middle class. The American Bar Association and our own state and local bar associations are addressing themselves to this important matter. Unless we make it economically possible to represent clients properly, the level of representation will deteriorate.

III. LAW SCHOOL TRAINING IS EXCELLENT

Third, it is suggested that the law schools are somehow not adequately preparing people for practice. The proposed rules seek to rectify this alleged defect by placing indirect pressure on the law schools, through admission requirements, to increase litigation related courses. Yet, in the history of Americal legal education we have never had such a uniformly fine group of law students so well trained for practice.

Part of society's problem is that we have had such an influx of able people into the law schools that some of the other professions are being denuded of talent. There will shortly be 50,000 law school graduates each year in this country. Those taking the Law School Aptitude Tests for Admission will approach 150,000 a year. Yet, the Bureau of Labor Statistics indicates that there will be traditional jobs for about 16,500 new lawyers each year.

The dreadful competition to be admitted to law school has meant that every law school in the state is turning away people who just a few years ago would have been deemed qualified for the best law schools. These are bright, energetic and devoted persons. They will enormously raise the quality of representation at the trial level, if they are given an opportunity to serve.

The law schools have generally revised almost completely their methods of teaching procedure and practice. Clinical programs have burgeoned.

Federal practice is taught in almost every law school in the first year. In fact, I believe there may be too much emphasis on federal practice. One of the reasons that many young lawyers bring cases in the federal courts is that they feel more comfortable with federal than with state practice. The basic casebooks are designed to be used nationally and the federal practice is easier to use for teaching in a national school.

The costs of new clinical programs to the schools have been great. They create very substantial pedagogic problems. I believe that the bar associations and the bench ought to be concerned with getting more fiscal aid to the law schools so that these courses can be expanded—particularly since students seem to want them. But there is a great danger in emphasizing them too greatly at the expense of other areas of the curriculum which are also pressing to expand. No forced feeding as a result of compulsion implied or made explicit by bar admission standards is required. The students want these courses and to a large extent the law schools are responding.

There is, too, the problem of overlapping and inconsistent regulations designed to effect curriculum. The ABA wants to require certain courses on ethics, the New York Court of Appeals has certain requirements, Indiana has detailed standards some have characterized as the *reductio ad absurdum* of curriculum control, and for the federal courts to add standards that require still other undergraduate law training could well produce inconsistent and confusing directives. At this time the law schools are doing a better job than ever, working more closely than before with the courts and the bar, and multiplying their uses of intern and visitation techniques. As the former chairman of a curriculum committee I can only recommend that the federal voice be withheld except as the voice of encouragement and as the offeror of better structured intern opportunities.

The New York Court of Appeals, insofar as it has sought to regulate the law schools through admission requirements, I have been informed by some law teachers, has adversely affected law school curricula; for example, clinical work is limited, but work in special fields is not. Federal judges should lead by extending training opportunity rather than by curricula regulation.

IV. FEDERAL PRACTICE REQUIRES NO SPECIAL SKILLS ABOVE STATE PRACTICE

Fourth, it is assumed that the federal practice and the trial of the cases in the federal courts require an expertise over and above that required in the state courts. This is, I believe, incorrect.

The pleadings and other practices are simpler in the federal courts than in the state courts. Any lawyer who can try a case in the state courts can certainly do it in the federal courts.

V. FEDERAL COURTS SHOULD NOT BE HAVENS FOR THE ELITE

This brings me to the final assumption, which I think is doubtful. That is, that the judges and the practicing bar in the federal courts are somehow, or should be, the elite of the American legal system requiring special treatment. I deny that.

The view of federal practitioners as special is based upon an assumption about the nature of litigation in the federal courts and its relation to judicial administration as a whole that, in my view, the times have overpassed. I know that some of my illustrious brethren on the federal bench differ on this point, but as a recent article by Judge Judd and as our daily practice indicates, the federal courts have been given responsibility for a great many small cases which are of great importance to individual litigants.

We handle social security cases of individuals who have been denied redress by the Department of Health, Education, and Welfare, job discrimination matters, prisoner rights cases and housing and voting rights matters, minor debtor-creditor disputes, and a variety of issues about which people of limited means are concerned. Our small claims work is extensive and socially important, and this is as it should be. The Constitution and federal code are not some theoretical protection in the sky. They furnish practical safeguards for individuals, requiring courts to deal with gritty problems of everyday life.

I see no reason why, for example, if a litigant has a problem with the denial of a disability award under the social security law, he should have to go to some specialist from the federal bar to achieve redress. His local store front lawyer is his necessary and perfectly capable resource.

While the federal courts are only a minor part of the total judicial structure, they provide vital services. I do not agree that consumer and other matters ought to be shifted out of the federal courts or that we ought to be restricted to what were formerly considered the important federal specialties—important in part because they involved large sums and interesting theory. The humane specialties of today, growing out of our acute sense of due process in a society in which the growth of governmental intervention and regulations has become irreversible, are not transferable out of the domain of federal law.

While this is surely not the intention, restricting admission to the federal bar will restrict entry of litigants into the federal courts. Lawyers admitted only to practice in the state courts will tend to overlook the possible federal remedy.

Speaking in another context, the Supreme Court has warned us that "it is fundamental that access . . . to the courts for the purpose of presenting . . . complaints not be denied or obstructed." Just a few months ago that Court again pointed out that "[r]egulations and practices that unjustifiably obstruct the availability of professional representation of other aspects of the right of access to the courts are invalid."

VI. WASTE OF TIME IN PRESENT AND PROPOSED ADMISSION PROCEDURES

It is undesirable to not only continue but to expand the present requirement of affidavits and sponsors to appear before the court in order to have the privilege of representing clients before us. The court, the sponsor and the applicant can ill afford the time. Apart from the pleasure of meeting younger members of the bar I find the admission procedure, requiring personal appearance before the court, an embarrassment and sense that I ought to apologize to the attorneys for requiring their attendance. The court appearance adds nothing to the filed application; no one is ever rejected.

The present requirements that an applicant state that he is familiar with, for example, titles 18 and 28 of the United States Code is hard to defend. No judge or specialist practitioner would make such a claim.

It is negligence almost as a matter of law to take a procedural step without rereading the applicable statutes and rules. There is nothing more dangerous than the contempt that may arise from familiarity.

Is it not an imposition on members of the bar to have to be admitted in each district and each circuit separately? The burden of superadded fees and applications may keep down competition by excluding members of the bar who cannot readily make the time for, and support the inconvenience of, seeking multiple admissions. We recognize this when we automatically grant pro-hac-vice applications in our court.

* * * * *

VIII. POWER TO ADOPT RULES OF ADMISSION

As I have already noted, a parochial district by district or circuit by circuit admission standard seems unwise as a matter of policy and is contrary to the suggestions in the most thoughtful writing in the field. For this reason, I will address myself but briefly to the problem of the power to adopt circuitwide rules of admission for our district courts. There is a question about whether that power exists.

28 U.S.C. § 1654 is explicit in providing the individual courts with authority to regulate admission. It provides:

"In all courts of the United States the parties may plead and conduct their own cases personally or by counsel as, by the rules of such courts, respectively, are permitted to manage and conduct causes therein."

It seems highly doubtful that the authority for the Circuit Council to act rests on section 332(d) of title 28 of the United States Code, reading:

"Each judicial council shall make all necessary orders for the effective and expeditious administration of the business of the courts within the circuit. The district judges shall promptly carry into effect all orders of the judicial council."

An appendix to the report of the Subcommittee on Federal Jurisdiction of the United States Judicial Conference of January 1974 contains a list of all of the legislation dealing with authority of the Circuit Councils. Only section 332 of title 28 is broad enough to possibly encompass the authority as suggested by the proposed rules. In my opinion the statutory language would not support this proposal. Certainly there is nothing in the Circuit Council guidelines suggesting authority to adopt such a rule as this.

My research has revealed that every district court has its own rules. In no instance brought to my attention has a Circuit Council adopted rules for district courts within the circuit.

The United States Judicial Conference, acting on the report of the committee chaired by Circuit Judge Thomas F. McAllister, found no reason to regulate admission to the bar of the federal courts by uniform rules. If some uniform rules are to be considered they should be national, not circuit in scope, and they would probably require statutory authority.

I am pleased, however, to see that this committee followed item 13 of the Circuit Council guidelines suggesting that:

"Before the circuit council adopts any general order affecting the operation of the courts within its circuit, the judges of the District Courts should be afforded an opportunity to comment. In appropriate cases it will also be desirable to afford an opportunity for comment to the bar and public groups known to be concerned."

IX. CONTROL OF THOSE ALREADY ADMITTED

Notwithstanding the generally capable performance of trial attorneys, it is undeniable that there are cases where the performance of counsel is in some measure inadequate. What I am suggesting is that the remedy is not to superimpose another layer of requirements and procedures on top of the state's requirements. I submit that the occasional problem lawyer or case can and should be handled by the normal appellate processes and grievance procedures. No system of prescreening or training should be allowed to divert our attention from the most important measure of the quality of representation—the level of individual performance in specific cases.

In this circuit, the appellate check on performance of counsel may be less effective than it should be because of the circuit's adherence to the "farce and mockery" standard for reversal of a criminal conviction on the grounds of ineffective assistance of counsel. Efforts in this area might be more to the point and more just to litigants aggrieved by inadequate counsel, if consideration were given to a liberalization of the "farce and mockery" standard and adoption of a standard similar to that adopted by the Fifth and Sixth Circuits, i.e., whether counsel rendered "reasonably effective assistance."

Reversal of a conviction on the grounds of ineffective assistance of counsel under any standard ought, in the absence of extraordinary circumstances, to call into play an investigation by an appropriate body. Similarly with respect to civil cases, adequacy of counsel should be closely scrutinized on appeal and reversal of a lower court decision on that basis should suggest grievance or disciplinary proceedings. A procedure for trial courts bringing such inadequacies to the attention of such a group might be appropriate.

The purpose of such a body might be in part disciplinary. It might, for example, report to the appropriate state disciplinary body. Its main function however, should, it seems to me, be to help lawyers. In some cases advice, training programs or even psychiatric or other aid might be needed. Punishment by such means as disbarment or suspension should be a last resort.

There is no effective procedure that my court presently has to deal with discipline problems. Rather than set up a whole new procedure, I would, consistent with my proposals for reliance on state admission machinery, prefer a cooperative venture with the state courts. Presently, the federal courts' power to discipline members of its own bar is theoretically independent of state court power over state bar members, but the practical relationship is close.

In a 1972 survey of all federal district court judges, 226 of 292 who responded had no objection to uniform admission requirements for all federal courts, although 175 would object to admission to practice in one federal district conferring the absolute right to practice in all federal courts. But "only 87 responding judges would maintain their objections if disciplinary powers were strengthened."

X. IMPROVEMENTS IN TRAINING PROGRAMS

These remarks should not suggest that we are doing as much as we might to improve practice in our courts. Further encouragement of legal intern programs by the courts, district attorneys, United States attorneys, law firms, legal aid services and the like would be useful.

In our court, for example, we participate in a number of programs with Brooklyn, Hofstra and Columbia where students act as law clerks. At the present time we are working on a draft of a rule to encourage this practice and to permit the representation by law students, under supervision, of clients as in the Connecticut District Court.

Continuing legal education through the Practising Law Institute, American Law Institute, New York Law Journal and the bar associations and law schools is highly desirable and should be further encouraged.

The economics of practice must be modified to provide adequate payment for lawyers without overburdening litigants. The great inadequacy of representation comes not because of inefficiency of the lawyers, but rather because many people who have substantive rights are not aware of them or cannot afford lawyers who will protect them. Much additional litigation would be brought in the federal court were people aware of their rights and were they able to afford attorneys.

I know that Whitney North Seymour, Jr., the present President of the New York State Bar Association, is well aware of the problem of delivering justice effectively to all our citizens—not just a select few. He has just appointed a Special Committee on Lawyers and the Community of the New York State Bar Association to consider such matters. The American Bar Association also has a Special Committee for a Study of Legal Education and closely allied studies are being proposed by the ABA's Special Committee on Professional Utilization.

CONCLUSION

Keeping lawyers and litigants out of the federal courts by raising further barriers is not an acceptable solution to the problems of effective delivery of legal services. Rules proposing standards for practice higher than those in the state courts should not be adopted. The sole requirement for admission to the bar of all the federal courts should be admission to the bar of any state court. Much more can be done to improve training and discipline. But these improvements should be undertaken in cooperation with the state judges and bar and with the law schools.

VETERANS' EDUCATION BENEFITS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. SARASIN. Mr. Speaker, veterans in Connecticut exceed 462,0000 men and women who have served their country honorably and deserve recognition and a personal "thank you" for their efforts. Some of these veterans are enrolled in colleges and other institutions of higher learning throughout the Nation. They are depending upon the veterans' education benefits contained in H.R. 12628 which passed both the House and the Senate. The bill provides a 23 percent subsistence increase in education benefits, an 18 percent increase in benefits for vocational education, an additional 9-month entitlement, and a direct loan provision limited to $600 a year.

The President vetoed the bill on November 26 stating that the proposed increases provide benefits greater than those granted to World War II and Korea veterans. However, in these days of rampant inflation and escalating prices, we cannot ignore the rising cost of living, coupled with the fact that these men and women have more than earned our help and encouragement. They have placed their lives on the line and given of their time and courage for the preservation of our national ideals.

For this reason, I voted to override the veto of this bill and I endorse the increase in education benefits. I recognize the need for an extended 9-month entitlement for the undergraduate degree. Whereas I could not support the expansion of education benefits for graduate programs at this time, I can understand the pressures that some veterans confront when they are released from the service and must cope with relocating themselves, oftentimes a family, and entering school. I think the 9-month entitlement is a realistic move to provide ample time for a veteran to adjust to civilian life and still acquire the needed credit requirements for graduation.

I am pleased that Congress has continued to realize the very real needs of the American veteran that I have supported and voted into law an increase and extension in veterans education benefits.

AGAINST VETO OF H.R. 12628

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. BEARD. Mr. Speaker, because of a longstanding commitment to spend a day working with the 101st Airborne Division at Fort Campbell, Ky., which, strange as it may seem, is in my district, I was unable to be present yesterday for the crucial vote on the President's veto of H.R. 12628, the veterans' educational and rehabilitation amendments.

While my day was well spent, I deeply regret that I was unable to cast my vote on this issue. Mr. Speaker, I want to take this opportunity to go on record as strongly opposing what I feel to have been an unwise and imprudent decision on the part of the President.

There are few Members who are more reluctant to spend the taxpayers' dollars than I. My voting record clearly shows that I have consistently opposed any measure which I have seen as requiring excessive Government spending and thus causing further inflation.

In this time of inflation, however, we have to look carefully at our priorities. I feel that we would better serve the American people by cutting fat from our defense budget and by limiting the vast Federal giveaway programs than by penalizing our veterans. To do so is simply wrong, Mr. Speaker, and, had I been able to be here, I would have voted with the overwhelming majority of my colleagues to override the President's veto of H.R. 12628.

MR. REUBEN J. IRVIN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity to pay tribute to a remarkable man and dedicated public servant, Mr. Reuben J. Irvin, who has served as president of the Santa Barbara County Board of Education for 19 years. It is not often that one can look back upon a career as distinguished as that of Mr. Irvin.

Before his election to the county board in 1956, Mr. Irvin served 8 years on the Cold Spring School District Governing Board. He also served 4 years as chairman of the County Committee on School District Organization. During these years, Mr. Irvin participated in actions which helped to preserve and improve the quality of the county's educational services and organization. Under his guidance as president of the county board of education, countywide services have become more cohesive and coordinated, achieving a high level of academic professionalism. Mr. Irvin has consistently worked toward advancing the involvement of county schools in expanding fields of education, in programs for mentally and physically handicapped pupils and in early childhood education.

Mr. Irvin was most recently honored by the Paul Harris Fellowship Award, in recognition of his distinguished Rotary Club and community service. In addition to his participation in the Santa Barbara Rotary Club, Mr. Irvin has been an active member of the American Red Cross, UCSB Affiliates, Music Academy of the West, chamber of commerce, and the Montecito Protective and Improvement Association. Mr. Irvin has been honored with a life membership award from the 15th District of the California Council of Parents and Teachers for his participation in that organization. In 1959, he was named Santa Barbara's Man of the Year.

To his colleagues, Mr. Irvin "exemplifies the ideal public servant, one whose efficiency is integrated with warmth and a sense of humor." He has combined a deep sense of civic responsibility with a unique personal vision and dedication to the principles of educational excellence. I would like to thank him in behalf of those whom he has so ably represented and served in his long and distinguished career.

THE 30TH ANNIVERSARY OF THE UKRAINIAN QUARTERLY

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. FLOOD. Mr. Speaker, on December 7, at the Ukrainian Institute of America and in the Commodore Hotel in New York City, the 30th anniversary of the Ukrainian Quarterly will be celebrated by academicians and friends of this world-renowned journal. A truly remarkable feat in itself, the journal was founded in 1944 by its editor, Dr. Nicholas D. Chubaty, a widely respected international scholar on East European history, and grew uninterruptedly down to present date. As an indication of the journal's world prominence, in 1966 the Czecho-Slovak Academy of Science in Prague rated the Ukrainian Quarterly among the 12 top American literary sources on the Soviet Union.

I join with other Members in warmly congratulating the board and supporters of the Ukrainian Quarterly for their solid scholarly contributions to American knowledge and understanding of the Soviet Union and wish them further success in the trying years ahead.

As an example of the journal's politico-economic analyses and commentary, I commend the section "Ucrainica in American and Foreign Periodicals," written by Dr. Lev E. Dobriansky of Georgetown University:

UCRAINICA IN AMERICAN AND FOREIGN PERIODICALS

"Nationalism and the Ukraine," an article by Erik v. Kuehnelt-Leddihn, *National Review*, New York, January 4, 1974

This pungent article on Ukrainian nationalism is exceedingly well done. The writer has grasped its historic significance and portent for the future. He does not hesitate to state, "This situation has no real parallel in Western history. The closest (though rather poor) analogy is to be found in the development of an Austrian national feeling after 1945."

Some of his historical background notes on Ukrainian history are subject to question and critical rejection. For example, to dub the first phase of Russian history as "the Kievan Rus" brings up an old error in East European historiography. But he is correct in saying that the Ukrainians have been called virtually everything under the imperialist political sun—Ruthenians, Little Russians, South Russians etc. Aside from all this, his perception into the problem is keen and sound.

What some in the U.S. have been teaching for a long time, the writer rightly points out that "Nationalism—as this term is used in Eastern Europe—is an internal force of disintegration, and it is becoming more and more active in the Soviet Union." Highest on the list Ukrainian nationalism. A further observation of the writer is striking, "the Ukrainians, regardless of their politics, fervently hope for liberation. Ukrainian nationalism is a paradox for the historian." He concludes, "But it is a reality practical politicians have to reckon with."

"Solzhenitsyn Asks Kremlin To Abandon Communism and Split Up Soviet Union," an article by Theodore Shabad. *The New York Times*, New York, March 3, 1974

On the basic theme of nationalism, both Russian and non-Russian, this article on the recent letter of Russian dissident, Alexander I. Solzhenitsyn, is most revealing. The contents of the letter last fall to the Kremlin reach a zenith of expression on the part of what may truly be represented as Russian nationalist democracy. In Russian history there have been all too few expressions of this.

Solzhenitsyn's call for Moscow's repudiation of Communism is one thing, and at that a very fundamental one. But a Russian Empire could still be maintained without the ideologic front of Communism. So-called Russian democrats like Kerensky and others have taken this position, too. What makes Solzhenitsyn stand out with Sakharov, Amalrik and the like is his genuine stand on the dissolution of this basic, inner empire, known as the Soviet Union.

As the writer points out, the Russian novelist seeks, in effect, the freedom and independence of the non-Russian nations in the USSR. "They are Estonia, Latvia and Lithuania in the Baltic; Armenia, Azerbaijan and Georgia in Transcaucasia; Kazakhstan, Kirghizia, Tadzhikistan, Turkmenia and Uzbekistan in Central Asia; the Ukraine, and two smaller republics not mentioned by Mr. Solzhenitsyn—Byelorussia and Moldavia." Doubtless, the omission was an oversight since the novelist had all 14 non-Russian republics in mind. The essence of this message cannot but have lasting and salutary effect in the politics dealing with the USSR, both there and here.

"The Underground Papers," An Article by Sidney Fields, Daily News, New York, February 18, 1974

In the current rash of writings about the Soviet Union, its sordid past and present, this piece concentrates on *samizdat*, the underground paper. It also centers on Peter Reddaway, a lecturer at the London School of Economics, now on a sabbatical leave at Columbia University. Professor Reddaway is quoted extensively on the many *samizdats* floating about the USSR, including those of the Russian Baptists, Lithuanian Catholics, Crimean Tartars and others.

The writer minces few words when he treats of the Ukrainians. As he puts it, "Among the most persistent dissenters are the irrepressible Ukrainians, who now have widespread conspiratorial groups demanding their rights and the considerable sovereignty guaranteed under the Ukrainian and Soviet constitutions, but never honored." Some 200 Ukrainian dissenters are now in Moscow's prison camps.

Where the Professor is quoted in saying that only about half of the Soviet population in Russian, he's more or less correct. Where he amplifies this to say that "the rest are minorities," he's obviously inaccurate, even from a strict statistical viewpoint.

"Russification of Ukraine," An Article by Jan Krawiec, Dziennik Zwiqzkowy, Chicago, Ill., October 27, 1973

Appearing in this prominent Polish-American daily, this article dwells on some aspects of Russification in the Soviet Union, and particularly in Ukraine. Some background is furnished with references to the genocidal process under the Russian Czars in the Caucasus, the deportations of the Crimean Tartars, the Chechen-Ingush, Kabardinians and others under Stalin, and more recent events.

The greater part of the article centers on Ukraine. It leans on the analysis provided by Bohdan Krawciw in his article on "Progressive Russification of Ukrainian SSR," which appeared in the summer 1973 issue of this journal. As the editor of the Polish-American daily states it, "The figures of Soviet statistical yearbooks speak louder than the slogans and declamations of politicians. If the Russians succeed in Russifying the great cities and even whole counties of Ukraine, which is the largest (after Russia) country of the 'Union,' the situation in small countries, such as Byelorussia, Lithuania, Latvia, Estonia and others, would be really tragic." The editor's outlook is a dim one, but he tends to underestimate resistance of the non-Russian nations who have long experience with this sinister policy.

"Sakharov in Appeal on Detained Russian," a report. *The New York Times*, New York, February 20, 1974

The caption of this report is patently misleading. The "Russian" is a Ukrainian, Leonid Plyushch, who has been incarcerated for his dissent and is near death in the Dnipropetrovsk psychiatric hospital in southeastern Ukraine. Only 34 years of age, Dr. Plyushch is a mathematician who served at the Institute of Cybernetics of the Ukrainian Acadmy of Sciences in Kiev. He was dismissed in 1968, and has been "psychiatrically warded" since.

Another of the heroic Russian democrats of today, Dr. Andrei A. Sakharov offers this plea to save the life of Plyushch. Advanced by the Ukrainian Congress Committee of America, the plea and other data have been presented to Secretary General Waldheim of the U.N. The International League for the Rights of Man, the International Red Cross and other organizations have received copies. Most significant, of course, is Sakharov's interest in the Ukrainian mathematician, a significance that goes beyond just human rights consideration.

"Andrei Sakharov Attacks Unjust, Lack of Freedom in the USSR," an interview by Olle Stenholm. *AFL–CIO Free Trade Union News*, Washington, D. C., August 1973

Sweden's radio correspondent in Moscow managed to obtain this revealing interview with the Russian physicist, Andrei D. Sakharov, and the AFL–CIO, a staunch, anticommunist trade union organization reproduces it in its publication. The interview covers a wide range of human rights issues, but of special interest is the physicist's observations on nationalism in Ukraine and elsewhere.

This important quote is self-explanatory: "We know that natioanlist tendencies are very strong in our country's border areas, but it is quite difficult to determine whether they are positive or not in each particular case. In some cases—the Ukraine, for example—these groups have associated themselves very closely with those struggling for democratization."

"Anti-Soviet Bedmates Who Deserve Each Other," an article by Erik Bert. *Daily World*, New York, January 24, 1974

Several new combinations of political interest are appearing with regard to the Soviet Union and Soviet-American relations. This article, published in the publication of the U.S. Communist Party, discloses considerable disturbance over one of the combinations. The Ukrainian Congress Committee of America, which is mentioned several times, is placed in bed with the Trotskyites, the CIA, and the AFL–CIO, among others. The common denominator is human rights in the USSR, involving Russian and Ukrainian dissidents, Crimean Tartars and so forth.

It is evident that the full-page advertisement placed in *The New York Times* by the UCCA last June 17, on the occasion of Brezhnev's visit to this country, has irked the Communists to no end. Attacking the Trotskyites for taking up the cause of Ukrainian dissidents, such as Leonid Plyushch, Chornovil, Svitlychny and others, the writer stresses, "Each of them is cited also in the Ukrainian Congress' counterrevolutionary advertisement." He also goes to some length in painting the UCCA as being "not merely anti-Soviet, but includes in its ranks people who worked for Hitler's victory, collaborated with the fascists, and who seek now to tear the Ukraine out of the Soviet Union and to destroy socialism there." The source itself provides the appropriate answer to this crass misrepresentation.

"Second Ukrainian World Congress," a program. The Ukrainian World Congress, Toronto, Canada, November 1–4, 1973

Formed in 1967 in New York City, the Ukrainian World Congress held its second world meeting in November 1973, in Toronto, Canada. The Congress is an international coordinating body of citizens of numerous countries whose heritage is Ukrainian. Some 3 million reside in free countries of the world.

As the first one in New York, this second Congress proved to be of constructive success. Youth was amply represented at the Congress, with such organizations as MUN, ODUM, Plast, SUM, UCY and others participating. The program featured speakers such as the Honorable John Yaremko, Solicitor General of the Province of Ontario; the Right Honorable John G. Diefenbaker, former Prime Minister of Canada and others. A manifesto reaffirming the national independence of Ukraine and the fight against present cultural repressions in Ukraine was formulated and approved by the delegates.

"Nine Years in Siberian Prison Recalled by LI'ER," an article by Tim McBride. *Long Island Sunday Press*, New York, February 3, 1974

Another recent UCCA project realized with the appearance of Myron Mycio on an NBC–TV special to recount his experiences in the Soviet Russian concentration camp system. Along with another fellow-prisoner, Yuri Handler, Mycio told how it was in Siberia in the post-World War II period. The essentials of his experiences are described in this lengthy article.

Forty-nine years now, the Ukrainian-born Long Islander left his father's farm in Western Ukraine when he was twenty. He joined the Ukrainian Insurgent Army to "battle the Russians and gain our rightful freedom and independence." He was caught by the Russian KGB, sentenced to fifteen years of hard labor in Siberia. Transferred from camp to camp, all the way to Kolyma in the Far East, Mycio witnessed children and others being beaten and starved.

THE RETIREMENT OF JOE M. ALSIP

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. CARTER. Mr. Speaker, after many years of distinguished public service, Joe M. Alsip has retired from his post as director of the division of finance, Kentucky Department of Education. I join his many friends and colleagues in paying tribute to his outstanding career and to his devotion to the field of education.

I am pleased to insert in the RECORD an article about Joe Alsip's work and achievements:

ALSIP RETIRES

After twelve years as Director of the Division of Finance, Joe M. Alsip retired from the state Department of Education this summer.

Alsip joined the department in 1956 as an auditor in the Bureau of Administration and Finance and moved up to become the Director of the Division of Finance in 1962.

Alsip's arrival at the Bureau of Administration and Finance coincided with the beginning of the Minimum Foundation Program—the present method of allocating school funds to the schools. According to James Melton, Assistant Superintendent for Administration and Finance. Alsip was a driving force behind the success of the Foundation Program.

As one colleague summed up his influence in the division: "Basically, he's 'Mr. School Finance' so of course we'll all miss him."

Alsip's educational career began at age 18 when he served a five-year stint as a teacher in a one-room school near his hometown of Corbin. Later he was principal of Whitley County High and superintendent of schools in both Williamsburg and London. These long years of service prompted one friend to describe Alsip as "consistent in giving priority to the school children of Kentucky during his entire professional career."

A graduate of Berea Normal School, Alsip attended Cumberland Junior College and received his B.A. from Eastern Kentucky University. He earned his M.A. in school administration from the University of Kentucky.

For the future, Alsip says he is looking forward to "taking it easy, doing some fishing, and working only when I want to." His plans also include pursuing his interests in gardening, woodworking and refinishing antiques.

Although he hopes to take time out to travel, he will continue to reside in Lexington with his wife Velma, a third grade teacher at Yates Elementary School.

LOSING FAITH IN SYSTEM OF JUSTICE?

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the New York Times, in an editorial today, draws some disturbing parallels from three recent decisions involving the killing of students at Kent State University and Jackson State College and the murders at Mylai, South Vietnam.

In the Kent and Jackson State killings, neither Ohio nor Mississippi officials were held accountable by the courts for the deaths of six students, while Lt. William Calley, the only person ever convicted in the My Lai murders, recently was ordered paroled by the Secretary of the Army.

According to the Times, in a democracy "where faith in the judicial system depends on the people's belief that the law provides redress for deliberate violations of the right," the decisions reached in the Calley and Kent and Jackson cases each contain the "potential for creating public disenchantment with justice."

I would like to put this thoughtful editorial in the RECORD at this time for the information of my colleagues:

JUSTICE AND THE PEOPLE

Faith in the judicial system depends on the people's belief that the law provides redress for deliberate violations of their rights. Three recent judicial rulings raise serious questions because they apparently conflict with the public's sense of fairness.

In New Orleans, a United States Court of Appeals held that, although excessive and unjustifiable use of force by the Mississippi Highway Patrol was responsible for the deaths of two students during the 1970 disorders at Jackson State College, the dead students' relatives were not entitled to any damage claims. The explanation: State and local governments are protected by "sovereign immunity."

In Cleveland, a Federal district judge acquitted eight former Ohio National Guardsmen, on trial for the fatal shots that killed four students during the 1970 demonstrations at Kent State University. While emphasizing that "such use of force is, and was, deplorable," the judge nevertheless held that the Government failed to prove that the guardsmen had willfully deprived the students of their civil rights.

In Washington, Secretary of the Army Callaway ordered the parole of former Lieut. William L. Calley, thus freeing the man convicted of murdering 22 South Vietnamese civilians in the hamlet of My Lai in 1968—the only man jailed for that massacre, committed in violation of all military rules.

The court rulings in the Kent and Jackson State cases are strikingly similar. In both instances the judges agreed that grievous and unjustifiable harm had been inflicted by agents of the government; yet in both instances, existing statutes seemed to the judges to override any demands for redress of government-inflicted damage.

The Calley case differs from the two others primarily in that the aggrieved were represented before the bar of justice only in spirit—through the conscience of the American people and the suffering of the anonymous South Vietnamese families. Moreover, the case had been undermined from the start by a military cover-up that blocked all testimony by high-ranking officers who kept the lid on the murders and whose orders may indeed have encouraged Mr. Calley to commit his horrible crime.

Though different in specific details, the deeply disconcerting thread that links the three judicial actions is their potential for creating public disenchantment with justice. The disturbing common denominator is not that those making the judgment may have erred on the side of clemency but that the power of the state seems placed beyond challenge by aggrieved citizens.

The courts said that the government used deadly force improperly, and that it must not do so again. But the courts also said in effect that nothing can be done about it. Thus, there is little incentive, and no compulsion, for government to change its attitude. And for the aggrieved, there is no place to turn for restitution. Similarly, the insulation from accountability of the military, from the lowly executioner in the field to his masters in the Pentagon, suggests a form of "sovereign immunity" that is morally and philosophically incompatible with the concept of justice in a democratic society.

The end effect is to give rise to the feeling that the ordinary citizen is powerless before the colossus of government. It is an invitation to cynicism about a judicial system that fails to protect the weak against the abuse of power by the strong.

A PROGRAM OF THE MISSION OF COMMUNITY CONCERN

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ROUSH. Mr. Speaker, I have told my colleagues in the House before about an organization that exists in the District of Columbia which I became acquainted with as a result of my membership on the District of Columbia Appropriations Subcommittee. This is the Mission of Community Concern which is a neighborhood group that operates a recreation center in Anacostia, a youth services center and an educational opportunity center housed in a building originally donated by Giant Foods at South Capital and Atlantic Streets SE.

Over the past 2 years I have watched with pleasure and respect this group under the presidency of Rev. Shane MacCarthy greatly expand their services. I have visited their component offices, recreation center, and the grand opening of their youth services center.

I have remarked before how impressed I was with their work; how much they accomplish through their energetic dedication to the children and families of the neighborhood; how well they squeeze every penny out of the money support they receive.

I have also indicated before that I was impressed with the furlough program they operate, using Lorton Reformatory furloughees as virtual volunteers. This has been going on for about 4 years, but the formalized program using 5 men on furlough to direct athletic activities, teach, give art instructions, counsel the students on a one-to-one basis, talk with families, chaperone activities, organize sport activities, these began under a grant from the Law Enforcement Assistance Administration last May.

Furloughs for inmates have been in question recently and there are good reasons for that. But this is one example that I know is working and working well and to everybody's advantage, the children, their families, the men on furlough and the correctional institution.

Perhaps the clue to this success is organization and supervision. In the first place the mission and its staff clearly supports the District of Columbia Corrections Department and work closely with them. They consider themselves partners in an effort to help the community and to rehabilitate the men furloughed. There is a project executive director, Ms. Pat Turner, and her job is to carefully interview prospective furloughees, participate in the selection process, identify institutions and agencies where these men can receive vocational or academic training, since part of their day is spent in such training as well as assisting at the mission. For some employment is found in the community as well. The idea, of course, is to prepare these men to return full time to the community having learned the social and economic skills they will need.

There is an immediate supervisor of these men, Ralph Jefferson, who is the support services coordinator. He supervises the day-to-day activities of these five individuals, facilitates individual and group counseling; submits monthly progress reports for Ms. Turner to pass on to the corrections department and seeks employment for those released from Lorton on a full-time basis and part-time work for the furloughees. Thus both Mr. Jefferson and Ms. Turner have to maintain wide-ranging contacts throughout the community.

The average day for the five men is carefully structured. LEAA has supplied funds for administrative and transportation costs, so a van picks them up at Lorton daily at 8 a.m., brings them to the recreational component and then returns them to Lorton at 10 p.m. Those who do not have part-time work now receive a stipend of $50 weekly from ACTION. The days' activities are varied, as I indicated earlier.

I have a special interest in this program because I have met these men and seen how they work. I believe the key to the success experienced here is the fact that there is a careful selection process, an equally attentive monitoring and a conscientious follow-up.

A lot of money has been spent on crime control in this country and I do not think we are having a notable success. The furlough program at the Mission of Community Concern is a small scale operation and the men receive personal attention that is virtually unknown in our penal institutions or even in most half-way houses. Perhaps we cannot buy what they are receiving at the mission in individualized attention and assistance, but I do think this experience with furloughed prisoners a demonstration of what can be done and I hope it will be continued. I think the District of Columbia Department of Corrections and the Mission of Community Concern are to be congratulated on their effort and achievement.

ALIEN CONTROL REGULATIONS EFFECT ON FOREIGN EXCHANGE STUDENTS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. WALDIE. Mr. Speaker, it has been brought to my attention by Mr. Hugh M. Jenkins, executive vice president of the National Association for Foreign Student Affairs, that the increasingly strict regulations associated with alien control in the United States are having a detrimental effect on foreign students, temporarily attending colleges and universities in this Nation.

The National Association for Foreign Student Affairs points out that these regulations were designed for alien control, but not to interfere with international educational development. They have also outlined in the report that follows, some viable proposals designed to rectify the situation.

In the interest of improved foreign relations and international education, I include the attached NAFSA report to be included in the Record:

National Association for Foreign Student Affairs Position Paper on Laws and Regulations Governing International Educational Interchange

During the past twenty-five years United States institutions of higher education have enjoyed a most enviable position in the world educational community. Consequently hundreds of thousands of young people from countries across the world have sought admission to our colleges and universities. In this same period the United States has been able to enhance its world image as a leader in international educational interchange by simply allowing foreign students to enter the country on student visas and permitting them to remain here for study purposes subject to certain regulations developed and administered by federal government agencies pursuant to the laws passed by Congress. If put in the context of the Fulbright Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and similar legislation, these regulations should have been designed to encourage international educational interchange. Instead, the regulations were developed in the context of the Immigration and Nationality Act and therefore were designed not for this purpose but for alien control.

Because of the assumption that educational interchange and the presence of foreign students were beneficial to the United States in its role as a world leader, there was some restraint in the actual implementation of those regulations which were in fact prejudicial to the interests of the foreign student as a member of the campus community. Appraisals of the financial ability of students to maintain themselves during their period of study were based on reasonable evidence of immediately available funds for the first year of study and an assumption of good faith in the sincerity of purpose and good intentions of both the foreign students and the educational institutions in insuring that continuing support would be forthcoming for the succeeding years of the academic programs. An acknowledgement of the need for some supplementary support to meet the substantial financial burden of maintenance and tuition fees governed the policy regarding the issuance of work permits.

Again, this was based on the assumption of good faith on the part of the educational institutions and the students that such employment would be a source of supplementary income to enable the students to fulfill their primary purpose of completing their educational programs. Also, institutions subscribed to the support of international educational activities by providing tuition waivers, scholarships, reduction of fees, supportive services, and employment opportunities to the foreign students on campus.

In this way an arrangement which was *not* designed for this purpose did in fact permit (though not encourage) the development of international educational interchange activities. In addition, without much direct investment of federal funds the United States profited from, and its international stature was strengthened by, the enrollment of foreign students from countries all over the world in American colleges and universities.

During the past few years there has been a dramatic change in the situation. Financial pressures have caused United States institutions to reduce their support and withdraw those privileges which were of direct assistance to their foreign student populations; rising costs in living expenses and tuition have placed an enormous burden on the foreign students themselves. A reversion to a much more rigid interpretation of the restrictions inherent in the existing alien control regulations has curtailed those opportunities formerly enabling foreign students to find the necessary supplementary income to support their studies.

The present problem of increasingly strict regulations and more rigid attitudes toward their enforcement derives from the fact that these regulations were never designed for international educational development but for alien control. The Immigration and Nationality Act and its attendant regulations, including those governing foreign students, are being interpreted in the context of the problems of unemployment and the large number of aliens illegally in this country rather than in the context of encouraging international educational interchange.

It is, therefore, urgently necessary that new legislation be enacted to express the national interest of the United States in the field of educational interchange. The fact that increasing numbers of United States students are presently seeking educational opportunities in foreign universities, often enjoying the benefits of free or minimal cost education provided at the expense of the taxpayers or foreign countries, makes this new appraisal even more urgent if any kind of reciprocity is to be maintained.

The national interest of the United States has already been affirmed by Congress in its statement of purpose as recorded in the Mutual Educational and Cultural Exchange Act of 1961:

"The purpose of this Act is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made toward a peaceful and more fruitful life for people throughout the world; to promote international cooperation for educational and cultural advancement; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world."

Despite this affirmation of the intent of Congress, the prevailing emphasis of regulations relating to students has been placed on the presumed intent of Congress to control aliens as expressed in the Immigration and Nationality Act. A foreign student who seeks to enter the United States for educational purposes is considered primarily in his role as an alien and must first establish that he is "entitled" to a nonimmigrant status. Thus, to obtain a student visa he must declare and demonstrate that: (1) he seeks to enter the United States temporarily and solely for the purpose of pursuing a full course of study; (2) he has a residence in his home country to which he intends to return; (3) he is financially able to support himself for the entire period of his stay in the United States; and (4) he will not work off campus without prior authorization from INS.

In the context of alien control, the regulations governing foreign students may be appropriate; in the context of the obvious benefits to the United States resulting from the strengthening of its leadership role in international educational interchange, the regulations are quite incongruous and unacceptable. The United States has been fortunate in that, despite the reluctant acceptance of foreign students implied in the current regulations, the vast majority of foreign students presently in this country are self-supported. Regardless of any supplementary support they may seek, they have made a substantial investment of personal or family resources in order to come to this country.

The sympathetic interpretation of legal regulations has, until recently, enabled many students from lower economic sections of their communities to enroll in our colleges and universities. However, the increasingly and Nationality Act currently being applied is resulting in a most un-American activity, the restriction of educational interchange opportunities in this country to the privileged classes of foreign countries.

The foreign student who has chosen to come to a college or university in the United States has the right to some consideration on the part of this country. By definition, higher education in the United States is designed to enable each individual to achieve his potential to the fullest extent. In addition, this country traditionally has held in highest respect the "work ethic," taking pride in the fact that many students "work their way through college." Foreign students have the right to expect an education that will enable them to fulfill their potential and that expectation is usually realized. However, they are specifically excluded from the rights of their fellow students to "work their way through college."

What is now needed is legislation designed to meet the needs and opportunities and which will express in specific terms the intent of Congress as stated in the Mutual Educational and Cultural Exchange Act of 1961 and similar laws. Such legislation should express the diplomatic interests of the United States in facilitating the entry of qualified foreign students, regardless of financial status, to colleges and universities. It should recognize the contributions made by foreign students to the intellectual and cultural lives of the American people. It should take note of the substantial contributions made by foreign governments in accepting United States students in their institutions of higher education. It should acknowledge the value of the presence of United States-trained persons in foreign countries. Finally, it should insure, insofar as possible, that needed manpower skills are utilized where those skills will have the greatest impact on the social and economic development of all countries.

In these circumstances, the National Association for Foreign Student Affairs presents the following summary and recommendations:

(1) The presence of significant numbers of well-qualified foreign students from diverse cultures in institutions of higher education is in the national interest, educational interchange being a vital element in the intellectual and cultural lives of the American people and in the role of the United States as a world leader.

(2) The advantages to the United States which accrue from international educational interchange have already been recognized by Congress.

(3) Such educational interchange can be effective only if foreign students are allowed to enjoy a complete educational experience and to share fully in the life of the student community in United States colleges and universities.

(4) The present regulations governing the majority of foreign students in this country are designed not for international educational development but for alien control.

(5) Present policies, if carried to their logical conclusion, will restrict opportunities for study in the United States to the economic elite in foreign countries while reducing the opportunities for United States students to study abroad.

Thus it is essential to the national interest of the United States that there be a complete reappraisal of the regulations governing the admittance and the educational experience of foreign students in the colleges and universities of this country and that such regulations be recast in the context of promoting educational interchange rather than that of controlling aliens.

Therefore NAFSA proposes the following three-step procedure for accomplishing this reappraisal:

(1) As a first step in meeting the crisis, we urgently recommend that the Department of State immediately suspend the new visa instructions contained in the Foreign Affairs Manual of July 25, 1973, and that both the Department of State and the Immigration and Naturalization Service return to the reasonable, flexible, and humane attitudes and practices of the 1960's in the administration and enforcement of regulations governing foreign students.

(2) As a second step, we recommend the revision of present regulations and, where necessary, the enactment of new legislation which will eliminate cumbersome and unnecessary administrative tasks and enhance the ability of the foreign student to earn a part of his own support. Specific proposals of this nature have already been prepared by NAFSA and presented to INS and are now being prepared for presentation to Congress.

(3) Finally, in conjunction with other organizations in high education, and in cooperation with interested federal government agencies, NAFSA will propose broad new legislation which will reaffirm the position of the United States with respect to international education as expressed in the Mutual Educational and Cultural Exchange Act to provide for the development and growth of international educational interchange.

THE BIGGEST WEAPON: FOOD

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. DERWINSKI. Mr. Speaker, this Congress is winding up the session with a great deal of oration, and very little legislative accomplishments, which is most unfortunate in view of major domestic and international problems. It has been most disappointing that very little progress has been directed legislatively to deal with the energy crisis or to develop the U.S. policy on food exports.

These two major concerns are the subject of a column by Rev. Andrew Greeley in the Chicago Tribune's December 3 Perspective section. The editorial follows:

THE BIGGEST WEAPON: FOOD

(By Andrew Greeley)

Food and oil, everyone is telling us, are not the same things. You can hear it from guilt-ridden neo-puritans like the New York Times' Tony Lewis, from the Jesuit magazine America, from the crazy mixture of deadbeats, juvenile delinquents, nincompoops, phonies, and smugglers who pose as Third World diplomats.

It is all right for the Arabs to destroy the economy of the world by ripping everyone off for oil. But it is not all right for the United States—which has a far more powerful stranglehold on food—to use grain as a "political weapon."

One can leave aside such a strange double-standard from men who claim a superior moral sensitivity. Worse than their hypocrisy is their lack of any understanding of world economics.

Food and fuel are the same. Both are absolutely essential to keep the world going. If you corner the market in oil you can starve people thru a world depression just as much as if you cut off food to Bangladesh.

But the connection is even more intimate: oil is essential to produce food because modern farming requires fertilizer made from oil. He who maintains an artificially high oil price directly causes starvation in South Asia.

Of course food is a political weapon; it always has been and always will be. When the Excellent Henry says that we will not use food as a weapon he is talking with tongue in cheek. The decisions the United States makes about food prices and food distribution will have immense political impact—even if we try to pretend otherwise.

One cannot imagine any other world power that has ever existed cornering the food market and still being as concerned about humanitarian issues as the United States is. Where would we all be if the Chinese controlled the world's food supply? Or even the Indians?

But there is one sense in which the anti-Americans are right—tho it is not a sense they would like. Food and oil are different in one critically important respect: oil happens to be there. If you have it, it's mostly an accident. Food must be produced. The Arab sheiks did not have to work to produce oil. Farmers have to work to produce food.

I am not exactly a product of the land. I cringe every time Earl Butz goes into one of his horrible little Calvinistic homilies. But it is not just luck that has produced the immensely successful American agricultural miracle. The land in many of the food short countries is not less fertile than the corn belt and the great wheat plains of America.

The American food-producing system works. The socialist food-producing system that is to be found in countries like China and Russia does not work. Almost all the intellectuals of the world admire Socialism and condemn capitalism. They are horrified that capitalist agriculture produces food surpluses and that socialist agriculture does not. America is evil because it produces so much food.

Most of the rest of the world covets our grain production. To a substantial extent the recent food conference in Rome was an attempt to take over the American agricultural industry.

Many of the speakers left little doubt as to what they had in mind: We could redeem ourselves from the horrendous capitalist sin of producing so much food. We must in effect socialize our farms and turn our grain production over to a world agency.

With our own "liberals" applauding, we were told that the most successful farming industry in the world had to abandon the system by which it had achieved success and convert itself into a system which has failed everywhere it has been tried.

The assumption was that American farmers would continue to produce as effectively when their grain was being confiscated by some Third-World-dominated agency as when they were selling their own crops on the free market.

I guess they don't know very many American farmers. They'll find out what the American farmer is like when the first Arab or Indian bureaucrat shows up to take over next year's crop. Better come in tanks, fellows.

I am not a wild enthusiast for the farm bloc. But the fact remains that the American farmer mans the thin red line between the human race and world starvation. Messing with the already fragile economy of the American farmer will produce the lower standard of living so dearly loved by Tony Lewis, and it will also create international economic equality.

But it will be the equalized standard of living to be found in a cemetery.

SUPPORT FAIR COMPETITIVE PRACTICES ACT

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. WON PAT. Mr. Speaker, I rise to urge the House to support H.R. 14266, the International Air Transportation Fair Practices Act of 1974.

The purpose of H.R. 14266 is to deal specifically with several of the major problems that have been plaguing U.S. air carriers in their dealings with foreign air carriers.

First, the measure provides relief to U.S. air carriers operating in international air transportation from discriminatory and unfair competitive practices to which these carriers have been subjected in their competition with foreign air carriers.

Second, the bill requires expeditious action on any proposed changes in rates for transportation of mail by our international carriers.

Third, and equally important, the measure encourages travel to and from the United States on U.S. carriers and requires that the transportation of Government-financed passengers and property be on U.S. carriers.

These problems, coupled with the fantastic increase in fuel costs, have brought one of our great air carriers, Pan American, to the brink of bankruptcy and has edged other U.S. carriers closer to the same fate.

In recent months, Pan Am and its employees have done a commendable job of bringing to our attention the kind of unfair competition U.S. carriers meet in overseas areas.

One of the most disturbing incidents has occurred when foreign airports have charged exorbitant landing fees to U.S. carriers, while other countries' flag carriers have enjoyed extremely low landing fees at U.S. airports. Thankfully, H.R. 14266 will end this practice, although I must question why the Federal Aeronautics Board did not act sooner to resolve this problem. Should H.R. 14266 become law, all foreign countries who persist in overcharging U.S. carriers on their landing fees will have a similar fee charged to that country's carriers in our ports.

We on Guam have a particularly large stake in the future of Pan Am and our other U.S. carriers in the foreign trade. Guam's major lifeline to the United States is by air. Air transport has also provided Guam with a new source of income through tourism. Pan American airlines was the first U.S. carrier to establish service to Guam and we in the territory are proud of our association with that great country.

Obviously, there is little we can do to bring down the cost of oil, a major factor in resolving the problems of all modes of transportation. But, I sincerely hope that H.R. 14266 will permit Pan Am, TWA, and other U.S. carriers in a more competitive position with foreign carriers.

If not, then America faces the prospect of losing one or more of our flag carriers, while heavily subsidized foreign carriers take over the routes we have developed through the years. I am certain that most of my colleagues in the Congress will agree that this is not in the best interest of either Guam or the United States.

Speaking for Guam, I know that my constituents do not want to see foreign flag carriers establish themselves in the Pacific at the cost of American business interests.

I therefore urge my colleagues here today to add their support to mine for this worthwhile measure.

Thank you.

SPECIALTY STEEL PRODUCERS FACING FERROCHROME SHORTAGE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ASHBROOK. Mr. Speaker, those who favor halting the importation of Rhodesian chrome frequently argue that the embargo would not affect our specialty steel industry. This, however, is not the case.

According to the American Metal Market, ferrochrome—an essential ingredient for specialty steel makers—is already in short supply. Some firms have been forced to change their melting schedules as a result of dwindling reserves.

Although the situation is extremely tight now, reimposition of the Rhodesian embargo would devastate our specialty steel industry. Producers predict that the embargo "would result in either shutting down production in the long term or hiking prices of specialty steel products shortly."

Our Nation can afford neither of these alternatives. For the sake of our domestic economy and for the sake of American steelworkers' jobs, Congress must not reimpose the embargo against Rhodesian chrome.

Following is the text of the article from the November 21 edition of the American Metal Market:

DWINDLING FERROCHROME SUPPLY—SPECIALTY STEEL'S GROWING CRISIS

(By Mark Meadows)

PITTSBURGH.—The supply of ferrochrome, the essential production ingredient needed by specialty steelmakers, has slowly dwindled below 25 days and caused changes in melting schedules at some firms.

A recent survey of specialty steel companies not only recommended the fact that ferrochrome is the most critical "growing" crisis in the production of specialty steels but revealed that some firms have already cut melting schedules from their previous seven-day runs.

Howard D. Beaver, Jr., president of Carpenter Technology Corp., Reading, Pa. said his firm's new melting schedule is presently five to six days, down from seven. He blamed the lack of low carbon ferrochrome for the reduction of melting capacity.

Just 90 days ago, he reported that CarTech was not curtailing melting schedules, though the firm's grip on a sufficient supply of ferrochrome was slowly faltering. At that time, he said an exact time period could not be pinpointed when shortages of this basic raw material would cause a melting alteration.

Martin Ornitz, president of Crucible Stainless Steel division, Midland, Pa., Colt Industries, Inc., indicated that the chrome supply was "very, very tight," with low carbon ferrochrome "almost nonexistent" and charge chromite in "low supply."

He, too, insisted that there was "no surplus at all" but reaffirmed his August statement that production cutbacks were not yet on the Crucible agenda.

Reportedly, other specialty firms were suffering from "missed heats," but confirmation could not be made by presstime.

Specialty steelmakers generally termed the ferrochrome supply situation "extremely tight." E. F. Andrew, vice-president of materials and services, Allegheny Ludlum Industries, Inc., said it is an "undercapacity situation which will not be resolved until the present recession passes and/or new capacity in Africa comes on stream in 1977–78." All trade industry sources noted that the Rhodesian chrome embargo lingering in Congress, if passed, would be "devastating to specialty steel producers nation-wide."

The effect of the reenactment of the Rhodesian chrome embargo, they claimed, would result in either shutting down production in the long term or hiking prices of specialty steel products shortly. The general consensus is that specialty steel producers would be faced with production curtailments within six months after the ban's effective date.

Compounding the fear instilled by the final verdict of the chrome embargo was the problem at Larenco Marcos Port, Mozambique, in which specialty producers confronted stalled chrome shipments caused by social and political problems there in October. This port is a prime supply channel for Rhodesian chrome. Reportedly, the troubles there caused delayed shipments and more worries for producers last month. But Beaver said that the situation has "relaxed."

Frederick C. Langenberg, president of Jessop Steel Co., Washington, Pa., a subsidiary of Athlone Industries Inc., said chromium will remain the "most critical of all raw materials." But he noted that rising imports, especially Japanese stainless steel plate, may prove to be the most alarming. Reportedly, the Japanese exported 928 tons of plate to the U.S. in the month of September, almost equalling the nation's first half total of 978 tons of plate. One source noted that it looks like "dumping."

The apparent rise in imports blends with unverified speculation by some trade sources that foreign nations are buying more chrome through South African supply channels.

Rhodesia is the number one supplier of charge chrome and accounts for about 20 percent of the U.S. total ferrochrome requirements. Of the 20 countries that supply ferrochromium to the U.S., 77 percent is provided by Rhodesia, Turkey and South Africa.

U.S. chrome imports from Rhodesia in 1973 totaled the following: metallurgical grade chromite ore, 20,700 tons; high-carbon ferrochrome, 31,600 tons; and low carbon ferrochrome, 2,500 tons.

Rhodesia currently controls 67.3 percent, or 300 million long tons, of the world's resources of metallurgical grade chromite, while South Africa has 100 million, or 22.4 percent, of the world's resources. The Soviet Union ranks third with 5.9 percent of the world's resources of metallurgical grade chromite.

U.S. demand for ferrochrome this year has been placed at 470,000 tons, with 240,000 tons supplied from domestic production and 130,000 tons from imports. The 100,000-ton gap would have to come from scrap or inventory.

Projected 1975 demand is expected to be 50,000 tons higher because of the catalytic converter surge in the automotive industry. The catalytic converter is made from the straight-chrome stainless grade 409. Shipments of this grade are expected to reach 150,000 tons in 1975, up from about 90,000 tons this year.

As reported previously, supporters of the Rhodesian chrome embargo have repeatedly said that resulting higher prices created by the ban will stimulate new domestic ferrochrome capacity, or specialty steel producers could tap the General Services Administration's stockpile. Industry specialty steel sources contend that ferrochrome refiners must bypass a stringent Environmental Control Agency, which during the past several years has closed various smelting plants for violating emission standards.

As a rebuttal against tapping the GSA stockpile, industry sources indicated that one-half of the 3,405,000 tons of metallurgical grade chromite is "inferior quality, not suited for specialty steel." Since the U.S. has no domestic chrome resources, specialty steel producers would have to depend on Russia, Turkey and South Africa if Rhodesian chrome is cut off. Russian price tags for ferrochrome rose steadily after the Rhodesian chrome ban was first enacted several years ago.

FREEDOM: THE MOST PRECIOUS POSSESSION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. SARASIN. Mr. Speaker, the most precious possession of all is not one that can be measured in the tangible sense; it is not one that can be easily defined; and it is one that is more appreciated, more coveted by those who do not possess it than by those who do. This gift is called freedom, the foundation of America and the beacon light for individuals who are indentured by governments throughout the world.

My own sense of the true meaning of freedom was strengthened this past weekend by an individual whose efforts to escape oppression are legendary throughout the world and especially for those who share his Lithuanian heritage. Simas Kudirka addressed over 300 of us at St. Joseph's School Hall in Waterbury, Conn., relating to us his escape from a Soviet fishing vessel on November 23, 1970, the denial of refuge aboard the U.S. Coast Guard Cutter, *Vigilant*, his return to the Soviet Union and sentence to 10 years in prison for the crime of wanting to be free. Now, after 4 years of pressure from the free world, Simas Kudirka has become a free man.

So much of what we take for granted made such a profound impression upon Simas. He noted the many differences between the world of freedom and the world of suppression—the fact that there are no barbed wires or prison camps, the shame the people of Lithuania feel when they sing the Soviet's national anthem, the belief that nothing has changed since Russia occupied Poland and Lithuania 200 years ago—that the spirit of Ivan the Terrible has merely been disguised in a more beautiful jacket.

Included among those who listened to Mr. Kudirka were Lithuanian groups from throughout the Waterbury area, with many members who had experienced the overwhelming desires for freedom at all costs. Regardless of whether we enjoy freedom as our right from birth or had to struggle and suffer to secure it, all of us were deeply moved by the story of Simas Kudirka, and none could leave the gathering without a heightened awareness of the importance and beauty of freedom.

Above all, though, each of us renewed our determination to spread freedom throughout the world, to secure this gift not only for Simas Kudirka but for all Lithuanians and others from captive nations.

COAL IS THE ANSWER

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. CARTER. Mr. Speaker, if we do not take concerted action to develop our domestic energy resources over the next few years, we will eventually find ourselves in a position of being absolutely unable to meet the ever-increasing energy requirements of our Nation. In view of recent events, dependence on foreign sources offers no assurance of stability.

I submit that in focusing attention on domestic resources, we should closely examine the importance of coal. I am confident that this energy source will play an even greater role in the future, and we should realize the many benefits that will be derived from its expanded use.

I am pleased to insert in the RECORD the remarks of Secretary of the Interior Rogers C. B. Morton, before the National Coal Association, Louisville, Ky., on October 23, 1974:

COAL IS THE ANSWER

I am grateful to the National Coal Association for inviting me to come here to Louisville today. This is still home to me. I consider myself a product of the great state of Kentucky. This makes it easier for me to be proud of a lot of other Kentucky products.

Kentucky produces expensive horses and expensive whiskey. It also produces expensive coal. I've heard $60 a ton quoted as a recent spot price in Eastern Kentucky. That was a week ago and the price may be even higher now.

To the coal industry, of course, higher prices bring the opportunity for a better return on investment. This increased return can be the basis to produce a larger supply of domestic coal.

And a larger supply of domestic coal is exactly what this nation needs to reduce our dependence upon unsure sources of energy.

I titled my remarks, "Coal Is the Answer"—and coal is surely the best hope we have to become independent in energy supplies.

We have hundreds of years' worth, at present rates of consumption. Probably 90% of all our fossil fuel is coal. To match the potential of coal, the oil and gas companies would have to invest hundreds of millions of dollars in exploration—and then, they'd have no assurance that they could ever match coal—simply because you can't match ninety percent with ten percent.

If any Americans think that we've already seen the worst of the energy shortages—they're in for a shock.

What many people called the "Energy Crisis" of last winter was not really a crisis of supply, but a crisis in price. If we are not able to break our reliance on high price foreign oil, our whole economic way of life will be in jeopardy.

As long as a significant share of our energy fuels comes from overseas—we have the threat of international politics cutting off that supply and threatening our economy.

At a bare minimum, we must be able to

meet the bulk of our needs from our own domestic resources.

This means we are going to have to expand the use of coal for energy.

The Federal Government stands ready to back such an expansion by participating in the search for new technology and more effective regulation—that is fair—that does not interrupt production and that inspires confidence on the part of the consumer and the investor.

An Interagency Coal Task Force, chaired by Dr. Tom Falkie, Director of our Bureau of Mines, has made recommendations to me concerning ways in which we can expand production quickly. But . . .

Before this nation can expect that coal will become plentiful—a lot of uncertainties must be overcome.

One uncertainty is that concerning surface mining regulations. Opinions may vary as to the bill that may finally emerge from the Congressional conference committee, but there is little doubt that it will contain strong land reclamation provisions. Your industry, I believe, must recognize that mined land reclamation is part of the price we will all have to pay to achieve public acceptance for coal as an energy source. This is your proper role and, from the environmental viewpoint, the political posture of this country will not permit otherwise. The coal industry has shown itself capable of meeting its social and economic challenges of the past, and I am certain you can do so again.

The industry's recovery from the loss of its railroad market—accomplished by mechanizing the mines to make coal a cheap powerplant fuel, was one example of how your industry met a challenge of the times. The success with which the mines have met the respirable dust standards of the 1969 health and safety law was another. I do not see the coal industry folding up in the face of practical surface mine reclamation standards.

A second uncertainty lies with air quality regulations. Some observers tell me that we are faced with an "either-or" argument—either we change the regulations to allow the burning of dirty fuels and pollute our air—or we go without energy.

I don't see it that way. I'm just naturally suspicious of "either-or" arguments. I am certain that we can continue to work toward the goal of clean air. Already there are significant advances in stack technology, and we should not give up our efforts to achieve this goal. We may have to stretch out the time frame, but we should not abandon the effort.

Just recently, the Philadelphia Electric Company announced it was investing $68 million in scrubber equipment on its Eddystone and Cromby generating plants, so they could convert from low-sulphur fuel oil to coal. The annual savings in fuel costs will be $35 million. This is an expression of growing confidence in the new combustion technology.

I do not believe that clean combustion technology is beyond the reach of American industry. If we had always viewed our technological prospects so negatively, we would never have seen the development of the Model T. or the flight at Kitty Hawk.

The government is going to work hard to help you meet clean air standards—not to defeat them. We are making massive investments, and the Department of the Interior is putting several million dollars into research to find ways to burn coal cleanly. The Bureau of Mines is working on a promising citrate process for scrubbing stack gases. Unlike the lime and limestone methods in use today, the Citrate Process does not leave utilities with a solid waste disposal problem, but produces pure elemental sulfur instead—and pure sulfur is a marketable commodity.

The need to maintain these air quality standards is clear-cut and the demand by the public for clean air is undeniable.

Before we can expect coal mines to expand production to meet the nation's needs, coal mine owners will require some assurance that there will be a continuing good strong market for coal—in the years to come.

Intelligent businessmen are not going to invest the tremendous amount of capital needed to expand production—and then see the market for coal disappear, leaving them with the mortgage, and no buyers.

It's common knowledge that the price of coal is linked to world oil prices and I see nothing on the horizon that indicates any dramatic drop in oil prices.

If we are lucky, we may in a few years see the equalization of foreign and domestic oil prices, perhaps in the $7 or $8 range. This would translate into $30 per ton of coal. I do not believe the coal industry has to worry about being undercut by oil prices in the foreseeable future. It simply isn't going to happen that way.

On October 8. President Ford outlined his program for fighting inflation in a speech to a Joint Session of both houses of Congress. He has named me to head the Energy Resources Council which will direct this nation's efforts to become self-sufficient in energy. The President also has directed that this nation turn the job of generating electricity over to coal. He asked for conversion of oil-fired generating plants to coal-fired generating plants and he asked that this conversion take place as quickly as possible. He also made it plain that it is the policy of this nation that future fossil-fueled generating plants be fired with coal.

There are a lot more reasons—other than the OPEC cartel—why coal will be in demand for the next four or five decades—and for years beyond that.

First, the growth in world population is causing a tremendous increase in the demand for energy fuels. As more and more countries move into the state of mechanization and materialism which we call "developed", their per capital use of energy goes up.

Second, oil supplies are more concentrated, which in itself is a limiting factor.

Third, economics favor the coal industry, because the more exotic energy fuels are not only years away from significant use, they are also much more expensive.

This does not mean that we should not proceed to develop these future fuels, and the Energy Resources Council will have to set national policy in setting priorities for research not only in coal use, but in geothermal heat, solar energy, tidal energy, oil shale and tar sands, as well as nuclear fission and nuclear fusion.

But in the meantime, thank God for coal. Not one of these more exotic fuels will be available to us, in significant quantities, for at least ten years. Nor, as I said, can they compete with coal in price.

Coal is not just the interim answer. In the long haul, it will continue to play a key role in our energy matrix.

The fourth reason why the future of coal in the United States is so bright is tied up with international balance of payment deficits. Our national economy is suffering a hemorrhage—bleeding off 21 billion dollars in 1974. I mean that we are importing 42 billion dollars' worth of resources—oil and all other minerals. At the same time we are exporting 21 billions of dollars' worth. That leaves us "out of pocket" some 21 billion dollars per year. This, obviously cannot continue. Oil alone is costing us 3 million dollars per hour, in money which is flowing out of this nation and into the Middle East. That cannot continue.

When we buy a million dollars' worth of foreign oil this nation loses one million dollars.

When we buy a million dollars' worth of coal, we keep that million dollars in the country. A large part of that million dollars goes into the paychecks of the mining industry—and that simply has got to be good for our economy. Another large part of that million dollars goes into financing increased production of coal, and that is good for the industry and for the independence of this nation.

Foreign nations want our coal—and their needs will increase. Their buying power will add to the long term demand for coal.

We need to go back to the old-time religion of not spending what we haven't got, and we have to go back to the old-fashioned idea of using more of the fuel we've got in greatest supply.

True, but there is nothing old-fashioned about America's plans for coal. The priceless energy, which the sun stored up in coal many eons ago, is going to be unlocked in some new and wonderful ways in the near future—and coal is certainly not going to be the "old-fashioned fuel."

As you people well know, coal is being moved to market in many forms today. Some of it goes from the mine mouth into the firebox, and is turned into electricity for the trip to market.

Some of it is pulverized, formed into a slurry and sent through pipelines to deliver energy where needed. A very great part of our coal goes to market in trucks, ships, and in railroad cars. All of these conventional methods deliver the sun's energy, stored in coal, to the place where that energy can be unlocked and used to make the world warmer, brighter, and more pleasant to live in.

But we are going heavily into newer methods of delivering coal's energy. Through the Office of Coal Research, which was begun in the Department of the Interior and which will become part of the Energy Research and Development Administration, we are spending millions of dollars to perfect coal gasification and coal liquefaction. We have methods which produce synthetic oil from coal. We have methods which will turn coal into a gas—after all, we don't have to tell the mining industry or the coal miner that there is a very close relationship between coal and gases which are occluded in that coal.

We will try hard to make mining a safer occupation—because the new realistic way of looking at things insists on calling the costs of safety a part of the costs of providing energy.

We will do all we can to make sure that governmental regulations do not stymie your efforts to produce coal. Let me repeat here, we will do all we can to help you meet environmental safeguards—but we won't help you to defeat environmental safeguards.

We will seek out new methods for delivering the energy that is locked up in coal. The next ten years is going to be an exciting time for the coal industry—and few of us working in the coal business today will recognize the industry of ten years from now.

The coal industry needs confidence . . . confidence in the demand for coal. And the demand is limited by the systems we have for using coal. We must devise systems for coal, including reclamation, stack technology, transportation, and boiler technology. We must redesign whole systems and basic industrial components with our most abundant fuel in mind.

The coal industry also needs the confidence of the public and the investor. It also needs better relations between management and labor.

I would hope that a coal strike can be avoided through good-faith bargaining and forthright appraisals of the economic situation.

Therefore, coal is demand and systems-limited. Bringing new coal to the surface will not help the industry, if there's no place to use it, no cars to haul it in, and no boilers to burn it under. Mining new coal under present use patterns will only create black monuments to our failure to establish a balanced economic system which converts to energy our most abundant fossil fuel.

Who is responsible for providing these systems for the use of coal? Government must have a role, but we must not interfere with the economic forces of free enterprise; government should encourage cooperation and coordination of planning between the miners and the users of coal.

But in my judgment, the National Coal Association is not worth its salt if it is not actively engaged in the planning and design, along with the electric power industry, the transportation sector, and other basic users, of complete coal-use systems.

Such complete coal-use systems will help to make coal environmentally safe, socially acceptable, and economically dominant in the years ahead.

The future is bright, but it's up to you to seize it.

SUPERSHIP

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert in the Appendix of the Congressional Record a terrifying review of a book, "Supership" which carries grave warnings of perils impending to mankind, the oceans, and the environment from the giant tankers and potential tanker accidents now possible on the seas.

I hope careful consideration of this excellent review and the grave perils so carefully documented here and in the book will compel careful review of the national marine policies and international marine policies by the United States and other nations around the world.

The review follows:

Supership

(Reviewed by Eric Redman)

When The New Yorker featured two long and frightening articles on supertankers by Noël Mostert last May, they had a stunning impact. But excellent as they were, Mostert's articles only hinted at the eloquence and power of his finished book, "Supership." With their indictment of tanker safety standards and their warning of the ecological dangers the huge ships pose, the articles interweave the best traditions of Ralph Nader and Rachel Carson. But the book takes this basic exposé and turns it into real literature, a story of ships, sailors and the sea narrated with an unself-conscious skill that Conrad or Melville might have envied.

The immediate setting of "Supership" is Mostert's own voyage from Europe to the Persian Gulf and back aboard the 200,000-ton supertanker Ardshiel, a ship that would dwarf any familiar passenger liner but still appear as a midget beside the one-million-ton tankers currently contemplated. As a native South African who became a Canadian citizen and now lives in Tangier, Mostert has spent a good deal of time enjoying ocean crossings in one vessel or another, yet the vast impersonality and flimsiness of the Ardshiel made this trip depressing, leaving the tone of "Supership" more wistful than outraged. Indeed the end of his voyage brought unusual relief from the sterility of the tankers: "I found myself sitting soon after on my hotel balcony listening to birds in sidewalk trees, watching the traffic and people, and ardently smelling that characteristic but not especially distinguished Spanish *calle* odor of bad oil, cheap perfume, poor gasoline, stale crushed gamba shells, unflushed bar toilets, and strong coffee. It all had the impact and flavor of paradise regained."

The supertanker era began with the closure of Suez in 1967. The gigantic capacity of the new vessels made the long haul around the Cape of Good Hope more economical. But greed and haste overcame the prudent conservatism that traditionally guides maritime innovation, and soon "economy dominated the concept, design, and construction of these ships to a reckless degree." Equipped only with single bottoms, single propellers and single boilers (of which the Queen Mary had 24), and pushed quickly beyond the limits of proven technology, the supertankers became the most vulnerable as well as the largest human artifacts ever set upon the sea.

Supertankers also brought hundreds of relatively inexperienced officers to the bridge and, as they displaced the older ships, multiplied the secondhand tanker tonnage sailing under the lax restrictions of Panamanian, Liberian and other "flags of convenience." Thus, at the very time enormous quantities of oil began to move in fragile and unpredictable vessels, navigational skill declined instead of advancing. As if that were not enough, navigational standards were also relaxed under pressure from the oil companies, so that supertankers now pass Mostert's native cape more deeply laden in the treacherous winter seas than would probably be safe even in summer.

We are all at least dimly aware of what followed, if only because of the Torry Canyon. But "Supership"—with its detailed accounting of individual disasters and total tonnage lost—manages in a calm and methodical way to impress upon us the staggering frequency of collisions, groundings, explosions and spills. In the first three months of this year, Mostert reports, 112 tankers of all sizes suffered breakdowns at sea; total tanker accidents numbered 326. Small wonder insurance premiums "now amount to as much as 54 per cent" of supertanker operating costs.

Tanker mishaps produce corpses as well as insurance claims. Hundreds of sailors have perished, and several species of seabirds are now nearing extinction. Mostert recounts the freakish case of the tanker Polycommander, whose explosions off the coast of Spain caused a seaborne "fire storm" that rained lethal quantities of oil droplets on local grasslands. Even cattle got killed. Three days after a relatively small spill of refined oil near Falmouth, "oceanographers trawled the area and found that 95 per cent of their catch was dead. A year later, life on the sea bed was still dying."

But Mostert cautions that the greatest devastation may still be invisible: that persistent loss of oil in the sea may already have begun to destroy the marine ecosystem. Particularly in the fertile Southern Ocean—the ultimate sink for oil residues from Cape area spills—the delicate ocean food chain of floating plankton, krill and larger animals has already absorbed substantial quantities of poisons. Because Mostert marshals these facts so coolly, it is difficult to dismiss as overstatement his "simple conclusion" that the world's seas "cannot be expected to survive the oil ships" under current operating and construction standards.

How to tighten those standards is a problem, and enforcing them will be even more difficult. Dumpting of oil ballast water and excess cargo near shore—already illegal under existing agreements—accounts for a substantial portion of ocean pollutions, Mostert thinks, and the wrongdoers can usually avoid detection by dumping at night (or even in the vicinity of a wreck). Since the international legal machinery moves so ponderously and with so little effect on "flag of convenience" fleets, Mostert recommends that the United States or western Europe unilaterally set tougher standards for ships entering their ports. He argues that since these two markets are huge, most of the world's tanker fleet would eventually conform.

Mostert's literary talents, encyclopedic knowledge, thorough research—and above all, his infectious love of the sea—combine to make this the best nonfiction in many months. The oil companies, of course, will not share this view. They will argue that little tankers create more problems than big ones (ignoring the fact that the advent of the big ones bolstered the "flag of convenience" fleets of little ones). They will say Mostert's facts are out of date; that the problems have been corrected.

Unfortunately for that argument, the 200,000-ton Metula—a single prop, single-hulled tanker of Ardshiel's size—waited until Mostert's book had gone to press before it ran aground in the Straits of Magellan. Ripping open half her tanks, Metula left a spill covering 1,000 square miles (enough to blanket Puget Sound) and coated the wild Chilean beaches with sludge two inches thick. Shell Oil denies that the tanker or the route were unsafe.

Not unsafe—just deadly.

JOE FERGUSON: 50 YEARS OF SERVICE TO THE STATE OF OHIO

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. JAMES V. STANTON. Mr. Speaker, a great public servant of Ohio, and a great Democrat, Joseph T. Ferguson, is retiring as auditor of the State of Ohio. On December 8, those who worked for and with Joe Ferguson will be honoring him at an appreciation dinner in Columbus. I take this opportunity to join with many other Ohioans in saluting Joe for his distinguished record of service, and in wishing him a happy and fulfilling retirement. I would now like to insert into the Record a biography of Joe which well sums up his accomplishments:

Fifty Years of Service

Joseph T. Ferguson is serving his fifth term as Ohio's Auditor of the State. He is well on his way to having served longest in that office of any auditor in the history of the state. He also served a term as Treasurer of State. He was the first person elected to a four year term as treasurer. Mr. Ferguson has over fifty years of public service to Ohio to his credit, both as an elected official and as a state employee. He has seen the horse and buggy government of the early 1900's become today's modern, efficient state government for an industrial, urban society.

Born May 12, 1892 in Shawnee, Perry County, he was the oldest of four children. He was reared in modest circumstances. At the age of seven, he started carrying newspapers to help supplement the family income. After graduating from St. Mary's Commercial High School in Shawnee, he became a bookkeeper and paymaster for various coal companies in southeastern Ohio. He financed his high school education through odd jobs and worked in the mines while studying accounting courses at night.

In 1914, Joe Ferguson took the civil service examination—scoring the highest grade in the state for the position of payroll auditor—and went to work for the State Industrial Commission. In 1916, he transferred to the office of Auditor of State Vic Donahey and became an examiner of cities, villages and municipally owned utilities, including the Cleveland City Waterworks.

In November of 1922, he married Clara M. Kost of Lancaster. They have eight children, thirty-nine grandchildren, and three great-grandchildren.

In 1924, when Vic Donahey was in his third term as Democratic Governor of Ohio, Ferguson went to work for the Division of Securities auditing corporations both inside and outside the state. Later, he left state service to become associated with several financial institutions, serving seven years as their manager in Barberton.

Meanwhile, he was seeking elective office. He first ran for Auditor of State in 1928, losing in the Democratic primary. In 1930, 1932, and 1934, he unsuccessfully sought election as Treasurer of State. In 1936, Joseph T. Ferguson was nominated and was elected on the Democratic ticket to the office of Auditor of State. He was re-elected auditor in 1940, 1944 and 1948.

During this time he was elected president of the National Association of State Auditors, Comptrollers and Treasurers. He currently serves on the association's executive committee. Joe Ferguson was Ohio's favorite son candidate for President of the United States at the 1944 Democratic National Convention in Chicago. As Auditor of State and president of the Ohio Sinking Fund Commission in 1944, he expedited veterans bonus payments to all former members of the U.S. Armed Forces and demanded that "red tape" be eliminated.

In 1950, Ferguson won the Democratic nomination for U.S. senator, but he lost the November general election to the late Senator Robert Taft. In 1958, he was elected to the first four year term of Treasurer of the State of Ohio. He served from 1959 to 1963, when he announced his retirement from elective politics. However, by 1970, Joe Ferguson had had enough of retirement and entered the Democratic primary that year as a candidate for Auditor of State. He won the nomination and, in November 1970, he was elected to his fifth term as auditor.

His public record has been one of action. When taking office in 1971, he promised "to clean out every office that has been tainted with corruption and scandal and violation of the people's trust. All bills will be audited before they are paid, and the public will be honestly informed as to the true condition of finances, whether it be on the state, city, county and township levels, or in the schools." He pledged "that all audits will be made on an impartial basis and the audits will not be delayed. Our state examiners will report what they find, and they will not be prevented from doing their duty, regardless of the political affiliations of the officials involved." He has carried through that pledge.

JOHN H. ROUSSELOT RECEIVES AWARD

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. PETTIS. Mr. Speaker, one of our colleagues from the State of California was honored as Legislator of the Year during an awards banquet in Los Angeles on Tuesday.

Representative JOHN H. ROUSSELOT, Republican from the 24th District of California, received the award from the Los Angeles County Federation of Republican Women during ceremonies at the Biltmore Bowl. He is the first Member of Congress to be so honored by the federation.

Representative ROUSSELOT, attending to his duties in the House—for which he was being honored—was unable to attend the gala event before the 400 women representing Republican women's clubs throughout the Los Angeles area.

The award read:

> Legislator of the Year. In grateful recognition to Hon. John Rousselot for your consistent support of legislation which adheres to the Republican precepts of individual freedom and limited government. Given this third day of December, 1974, Jacqueline N. Harker, President.

The Members of the California delegation join the Los Angeles Federation of Republican Women in honoring Mr. ROUSSELOT for his dedication to the standards which this award represents.

OPPOSITION TO TAX ON SERVICE-CONNECTED DISABILITY PAYMENTS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ASHBROOK. Mr. Speaker, I have always been a strong supporter of legislation that is of benefit to the veteran. In 1973 I worked to help pass Public Law 93–177, which granted a 10-percent cost-of-living increase to veterans, widows, and children receiving non-service-connected pensions and dependent parents receiving dependency and indemnity compensation. More recently, on December 3 of this year, I voted to override a Presidential veto of the Vietnam veterans's education bill.

I have also introduced legislation that would provide a flat rate payment to World War I veterans or to their widows without regard to what their income is. In addition, I am sponsoring a bill that provides for a one-time recomputation of military retired pay.

Therefore I was deeply disturbed when I learned that the House Ways and Means Committee has been considering a proposal which would make service-connected disability payments subject to the Federal income tax. I am strongly opposed to such a tax. I am pleased that this ill-conceived proposal has been dropped from the final version of the committee bill.

More than 2.2 million disabled veterans receive disability compensation from the Veterans' Administration. This compensation has certainly been earned. Disabled American veterans have unquestionably made a large sacrifice for our country.

It is unfair to require these veterans to make even further sacrifices. Taxing service-connected disability compensation would, in some cases, produce extremely harsh results. For many veterans this compensation is their only source of income.

I find it especially ironic that a tax on veterans' benefits would be considered at the same time that draft dodgers and deserters are getting an undeserved break. While those who willfully evaded military service are treated with leniency, those who have already sacrificed for our country are urged to make further sacrifices. This is a massive injustice. The Ford administration has not advocated this radical idea. It evidently is being considered only in Congress.

I realize that there is growing interest in a major overhaul of our tax laws. I do not believe, however, that the majority of Americans want this reform to be at the expense of those who have been disabled while serving our country.

Let us not impose a heavier burden on the disabled veteran. Our Nation's veterans deserve better treatment than this from the Federal Government.

THE 1974 FREE ENTERPRISE AWARD

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. GOLDWATER. Mr. Speaker recently it was my pleasure to be present during the presentation of the San Fernando Valley Business and Professional Association's 1974 Free Enterprise Award. The award this year was given to Robert Six, president of Continental Airlines, whose long career is the personification of everything that is good and right in our system of free enterprise and the opportunity for personal initiative.

Since that very system is taking a beating in today's political and economic climate in this Nation, I believe it would be of benefit to my colleagues to have Mr. Six's thoughts on the subject. His remarks are among the very best I have ever heard on this subject:

RESPONSE OF ROBERT F. SIX TO FREE ENTERPRISE AWARD

> Thank you so much, ladies and gentlemen. You do me great honor by naming me to receive the nineteen seventy-four Free Enterprise Award. I deeply appreciate your most kind recognition.
>
> "Enterprise" is a word which sometimes has an old fashioned ring to it. Our marketing people are always using "buzz words" like "sales stimuli" and "motivation evaluation" and "managerial risk mechanisms". Sometimes, I don't know how we did without them when we managed to transform those three old Lockheed Vegas at El Paso into the wide-bodied jumbo jet fleet we have today. The greatest "sales stimuli" I enjoyed way back then was that I had just put my home and all its furniture into hock with my good friends at the bank so I could meet a payroll. That was about all the "motivation" I could stand without the advent of stomach upset.

For "enterprise" is a combination word which has always translated to me as:

"You better do something quick and smart or else everything is going to start falling apart with you in the middle of it".

Most of the people who have achieved business success in the United States have probably been in the same boat as I have been. It often leaked and the oars weren't too reliable, either.

As Continental Airlines and myself grew together, there were some lean years for this nation. Anyone here old enough to remember the depression must recall that what kept us going was a sense of humor plus imagination and perspiration. Recently, America has found that recessions are not academic theories but facts of economic life. There are some who view our future with pain and alarm.

I don't. And you shouldn't either. The free enterprise system, which you celebrate tonight, is as viable as it was when I stood on that Texas sand strip nearly forty years ago and observed the "Tinker-Toy" airplanes which were all my savings and all my debt.

It is still, my friends, a free country. And it still has the seeds of enterprise in its men and women who can create goodness and achieve greatness beyond the wildest dreams of any of us sitting here this evening. I speak of realization in all fields—medicine, the arts, research, manufacturing, agriculture. The spark which ignites every movement, all progress, is that lit in the brain and fueled by the energy of an individual. And it isn't restricted to a special time or place or generation. Yet, adversity always produces enterprise for it bears its own special urgency. We are the product of our needs more than our yearnings.

Freedom is vital to enterprise. Any wild bird can fly better than a canary in a cage. This nation has always provided the liberation of spirit which permits each of us to make a million dollars or a proper jackass of himself. Sometimes both.

Along with you, I frequently loudly lament a world seemingly being fenced by bureaucrats and bound up in red tape. But, when you get down to the bottom line, we're still an impudent, vocal and vigorous people. Our ancestors came here mostly because they resented any form of oppressive authority. We haven't changed much from them.

All governments seem to have a compulsive desire to rule their subjects with a mimeograph machine and an arsenal of hand stamps. But Americans are skittish about brandings and wise and sly in ways of sneaking away from the herd. Sometimes, I wish Americans were a more docile people; but then I review my own life and decide I am not so damn docile myself.

An award for free enterprise is the finest prize you could give me. It's less a trophy of the hunt than a memorial to great people and happy times—my life with Continental Airlines.

Together we have flown higher, faster and farther than I ever dreamed possible. And each day, all of us in an airline learn again how high is the sky.

As long as we treasure, as long as we use the magic of free enterprise in America, there are no goals too distant, no fears too threatening.

For, it is a creed which has tamed a Continent and created all the wonders of the New World.

It is this Nation's bright challenge to darkness, America's hallmark of greatness.

Free Enterprise—wouldn't it be a grim world if nobody ever tried to do better.

My friends, thank you.

MR. LOUIS RUKEYSER SPEAKS ON ECONOMY

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. HOGAN. Mr. Speaker, some of the Members may be familiar with a TV program carried nationally by the Public Broadcasting Service entitled "Wall Street Week." Mr. Louis Rukeyser is the host of that program which originates from WMPB–TV in Owings Mills, Md.

In a speech before the National Press Club on November 18, 1974, Mr. Rukeyser made some remarks about the economy which warrant dissemination. Many will disagree with Mr. Rukeyser's analysis, but there are certainly comments which I felt should be shared with our colleagues.

Because of limitations of space, I have deleted a portion of his remarks, but the major part of his speech follows.

Remarks by Mr. Louis Rukeyser

Good afternoon, ladies and gentlemen, and welcome to this special edition of "Wall Street Wake."

After spending so much time among politicians and economists it's a delightful experience to be with a group of people whose profession is committed to accuracy.

Besides which, this is the one remaining line of work in the country in which those who screw up can't get away with blaming it on the press.

You'd be surprised what a refreshing change that makes and I'm enjoying the experience immensely.

Now, let me begin this afternoon by extending to all of you here in Washington—the entertainment capital of America—the very warmest of greetings from Fun City, the financial capital of America and the home of all that "smart money" you keep hearing about.

And if there are any who doubt the brilliance of those New York fellows, let me remind you that those are the guys who elected John Lindsay, invested in Equity Funding and Franklin National, get their power from Con Edison, and ride home each night on the Penn Central railroad.

Why, if they got any smarter than they are now, the whole country would be bankrupt.

Credibility, of course, is a problem that spreads far beyond Wall Street—and even beyond Washington.

For it will be part of my central thesis to you today that Gerald Ford has inherited not as we so often hear these days an economic policy that failed—but something quite different: a record that adds up to no economic policy at all.

What Mr. Ford has inherited is a five-and-a-half-year period in which economic policies spun 180 degrees between sunrise and sunset the net result of this fundamentally uncertain approach being needless damage not only to the economy itself, but, indeed, to many of the very economic policies that Mr. Nixon told us he was supporting.

In fact, in the economic field, those who believed in the announced objectives of the Nixon Administration whether they call themselves Republicans, or conservatives or just people like myself, who have a certain bias for the free market—should now be the angriest of all at the betrayal they have undergone.

And quite prominently in this category of betrayed supporters, I would certainly include the American business and investing communities.

For when we look at the specifics of the actions that lay behind the perennially overblown promises, we can see that in reality, ladies and gentlemen, the country was presented by the Nixon Administration on economic policy with a series of the most startling reversals since Christine Jorgensen.

And it's scarcely surprising that the long-run benefits of that kind of policy-making—what I have called "government-by flipflop"—became awfully hard to find—or that the economy, and the stock market, ended in their present malaise and despair.

It's important that we remember this now—because it bears very directly on the choices facing Gerald Ford, and because it is significantly at variance with the myth, currently being widely promulgated, that his predecessor stuck too long to an old-fashioned ideological position.

At this point, then, let us turn from the past to the present—to the politicians we have today, and what we ought to be demanding from them.

For it is another part of my thesis to you today that just as the nation is hearing what amounts to a myth about the recent economic past, so the country is in danger of accepting another economic myth—namely, that everybody is baffled by inflation—and we just don't know what to do about it.

This happens to be absolute balderdash. We know how to stop this inflation. The only real question is: Do we have the political courage to do it?

And I'm going to back that up by suggesting to you the kind of action we ought to be taking in ten different areas to get the inflation under control and the country on the move.

Area Number One is the area of public education—to remedy, insofar as possible, our perennial state of economic illiteracy—to which the events of recent years have contributed—and to prepare the country for the time-consuming realities of economic healing.

It means that he has to keep warning us that there can be no quick cure for an inflation of this magnitude—that what took ten years to create cannot be stopped in ten months.

It means he has to avoid the politician's normal instinct to ask, "How much truth can we tell the public today?"

And it means that he has to deal honestly with us on the subject of controls—as his predecessor so tragically did not.

It was Mr. Nixon, let's not forget, who in 1969, 1970, and 1971 kept telling us that wage and price controls would not work and who then, in 1972, 1973, and 1974, absolutely proved it.

Already, cynicism about Mr. Ford's ability to educate us on the subject of controls—to explain that despite their melodramatic simplicity they deal only with inflation's symptoms, not its causes, and that in the process they distort the economy, create shortages and let the real villains of inflation get away scot free—already, such cynicism has led to widespread anticipation of controls—which means many businessmen and many unions have been trying to boost price and wage levels more rapidly than would otherwise have been indicated before a new lid comes on in 1975.

Imposing wage and price controls is one of the few vices in life that is nearly as damaging when you talk about it as when you actually do it.

Yet unless Mr. Ford performs this educational task successfully, you can be sure that the public's patience will prove no more extensive in the future than it has in the past—at home or abroad—and that as the months progress, with unemployment growing—as it will—and inflation not dramatically shrinking—as it will not—the call to abandon the necessary disciplines and turn to wage and price controls instead—will soon appear overwhelming.

America's businessmen and workers will once again be made the convenient scapegoats for irresponsible politicians.

So the President has a lot of educating to do. The traditional talk about the alleged "political realities" has to be put aside if we are really to face our problems for a change. There has always been something a trifle unsavory about the same politicians who helped miseducate the public then complaining that they couldn't take necessary steps because the public wouldn't understand them.

We don't need any more favors like that. We do need more one-term politicians who are willing to tell us the truth, do whatever seems right and then let the chips fall where they may.

So let's move to action—and Area Number Two—the budget.

Ladies and gentlemen, let's face it: The best way to control wages and prices—the only truly fundamental and enduring way—is to control government spending.

And we haven't done it. Only once in the last decade has the U.S. Federal budget shown a surplus. The Government has consistently spent more than it took in—and then depended on in effect, the printing of new money to cover the difference between income and outgo.

That's where inflation started—nowhere else and it is critically important that we not let our politicians make us forget that the energy and other commodity problems came on top of an already inflationary situation.

It's becoming fashionable now to mock this effort to get the Federal monster under control as "that old-time religion" with the mockers, who include some of the worst offenders in creating this inflationary climate, suggesting that in fact budget control was the policy of Richard Nixon and it didn't work.

Ladies and gentlemen, the truth is exactly the opposite.

Anyone who thinks Richard Nixon was an economizer must have believed his campaign speeches. In fact, he originated five budgets. Not a one of them—not a one of them was in the black. The total deficit for the last five years was 67 billion dollars and if you look at the picture for all Federal debt, including that run up by the Federal credit agencies you find that the red-ink figure for the last five years exceeds one hundred billion dollars.

And that, my friends, is a larger increase in Federal debt than this country had seen in the previous 24 years put together.

So whom are we trying to kid?

As for the degree of responsibility at the other end of Pennsylvania Avenue, why, it wasn't until this year that the Congress of the United States had the minimal sense of fiscal responsibility even to set up a committee with the theoretical function of monitoring, coordinating and trying to control Congressional spending.

So there's plenty of blame to go round on this one and an urgent necessity to get the Federal budget under control, to start cutting our suit to fit our cloth—even though we would all like to have a fancier and pleasanter suit with the individual touches that we individually admire.

Area number three is monetary policy and the necessity there, I would suggest, is to overcome the tendency of the Federal Reserve Board to try to atone for all the error made by all the politicians.

The "Fed," as it is known to its friends, who are few, ought to concentrate on sending out a steady, moderately increasing supply of money—instead of bouncing like a Chinese ping-pong ball between the inflationary effect of too much money and the cramping effect of too little.

Which leads us logically to Area number four banking and credit.

It's plainly time to call a halt to the hysterical building of inventories that has led corporate treasurers who can't raise money in the stock market and don't want to pay the current high price for it in the bond market to keep on pressing for more and more bank loans—even at a stratospheric rate of interest and thereby make it more and more difficult for other borrowers to get funds—notably including the nation's would be homeowners.

In addition to some quality priorities on borrowing, surely it is time by now to move toward doing away with the unrealistically low interest ceilings that, for example, prevent a middle class depositor in a savings and loan institution from getting anything like the rate of return that his wealthier neighbor can get in the open money market.

That move alone—in addition to its transparent fairness to ordinary Americans who did what they were told to do when they were young and saved their money—would halt the much-decried flow of money out of the savings-and-loan institutions and immediately make vastly more money available for mortgages.

Area Number Five is labor and since my time is restricted, let we just say a quick word about unemployment.

It is going to rise. The simple fact—which our politicians on both sides of the fence have tried to keep from us—is that no nation, anywhere in the world at any time, has managed to stop a serious inflation without increasing unemployment. It simply can't be done—and those who promised us the opposite brought us only "stag-flation."

The answer, it seems clear, is to do what has to be done—but at the same time, to take special care of the victims of your policy. which was made necessary by an inflation that was certainly not their fault.

But it is critically important—while providing improved unemployment insurance genuine welfare reform and other help to the unwillingly unemployed, not out of a misguided sense of being kind, to neglect once again the basic illness of inflation that really brought them down.

For in the end, that would be more cruel to them and to every other American.

Area Number Six is business and the headline point I want to stress here is the necessity for improving productivity by encouraging investment.

Out of eleven leading industrial nations in the Nineteen Sixties, our country ranked eleventh—deadlast—in rate of productivity gains. To give you an idea of just how humiliating that is. Why, we even got beat by Britain.

Without rising productivity, you can't raise wages without raising prices. And in the long run, you can't raise productivity without raising more capital for new technology and new equipment.

It's not good enough, however, soul-satisfying it may be just to exhort people to work harder.

Plainly, we've got to use our tax laws to direct far more of our savings into productive investment. And that includes easing the existing capital-gains laws that are now about the most punitive and investment-discouraging in the entire world.

Area Number Seven, then, is government restrictions on the free market.

And you know, it's time American business stopped paying lip service to free competitive enterprise and started learning how to practice it without flying off to Mama Government every time things go awry and flying, I presume, by Lockheed jet on Pan Am.

Every economist of whatever persuasion can give you a long list of restrictions built into the economy by the Government at the behest of some special interest—business or labor. They are a luxury we can no longer afford—and it's high time to start rooting them out.

And not just to keep on studying them.

Which takes us to Area Number Eight: international commodity shortages—and here I am going to focus very briefly on the most dramatic example which is, of course, energy.

We've probably seen more demagoguery per square inch on this subject in the last year than on almost any other.

So what must we do?

On the consumption side, we're going to have to live with some new restrictions. On the supply side, we're going to have to have something far more akin to the Manhattan Project—or the space program—in terms of the priorities we give to increasing our own resources.

For a start, we're going to have to bring down the oil from Alaska. We're going to have to erect the necessary refineries and nuclear power plants. Most urgently and immediately, we're going to have to start making better use of our marvelous and unique reservoirs of coal. And we're going to have to stop talking political malarkey and start talking economic sense about such matters as removing the ill-advised controls on natural-gas prices and allowing the market-price system—which is, quite simply, the best tool we've GOT—to get us the oil—and other resources—that an expanding economy will need.

A perfect ecology would be wonderful—and it's good for us all to be conscious of what we can do to obtain it—but first of all, my friends, I can assure you, we're going to make the compromises that are necessary to keep our kids warm in winter and provide the jobs for those who need them.

And I hope we'll have a chance to discuss this environmental question a little more fully in the question period.

But from what I have already said, I suspect you know what I think we need to do in Area Number Nine: Foreign policy.

And that is to conduct our foreign policy with a greater—and more abiding—sense of how it is going to affect our economic interests.

This means, to cite just one example, that we can no longer afford—in the pursuit of a largely spurious "detente"—to punish our own pocketbooks with the likes of another—Russian wheat deal.

And it means that every weapon at our command—including the weapon of weapons—must be withheld when necessary to induce the Arabs we are arming to stop robbing us.

I saw a reference in a newsmagazine the other day to the marvelous new "special relationship" we are supposed to be having now with Saudi Arabia.

My friends, it's pretty "special" all right—It's the relationship between a masochist and a sadist.

And it's going to have to change.

The tenth and last area for action is the Individual—you and me.

In our own affairs, we ought to seek such protection from inflation as we can—for example, by borrowing the techniques of cost-of-living clauses in our personal financial arrangement wherever possible—and by insisting that the Government, having started this inflation, not punish us by letting inflation boost us into a higher tax bracket with lower buying power.

To say nothing of surtaxing those brackets once we pushed into them.

Even more to the point, lets use the U.S. mails—and the ballot box—to advise the politicians that we're not as dumb as they think, and that we're going to be watching, and remembering, how they act on the issues that could, indeed, get inflation under control and the country on the move.

And incidentally, this, to me, makes a lot better sense than last week's latest diversionary tactic—by way of the Sylvia Porter committee—the notion that we private citizens all ought to go around shouting "mea culpa!" for inflation and signing pledges promising to behave better.

This proposal is largely irrelevant, highly superficial and, insofar as it calls on business to hold down prices without asking labor to restrain wages, exceedingly demagogic.

The most useful anti-inflation pledge we really could make would be a pledge to keep a closer—and more thoughtful—eye on our politicians.

Ladies and gentlemen, this nation can solve its economic problems—but it cannot do so with politics as usual. We've got to educate ourselves—and put the pressure on them.

And in the end, we can hope, at least, that it won't be said of America's politicians—as it once was of the British—that the reason the sun never set on the British Empire was that God didn't trust the English in the dark.

ST. PATRICK CHURCH OF YOUNGSTOWN, OHIO, CELEBRATES GOLDEN JUBILEE

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. CARNEY of Ohio. Mr. Speaker, on October 13, 1974, St. Patrick Church, Youngstown, Ohio, celebrated its golden jubilee.

Mr. Speaker, my wife, Lucille, and I are very proud to be members of St. Patrick Church. We are very proud of Msgr. James W. Malone, our bishop, and Msgr. William A. Hughes, our auxiliary bishop, both of whom were baptized at St. Patrick Church. Mrs. Carney and I are also very proud of Rev. P. Breen Malone, our pastor, and all the assistant pastors, sisters, and fellow members of our parish.

As we of St. Patrick's Parish celebrate the 50th anniversary of our beautiful church, our motto is: "The Spirit Lives." I know that I speak for all of the clergy and laity of St. Patrick's when I say, "It really does."

Mr. Speaker, I would like to insert portions of the St. Patrick Church golden jubilee brochure in the RECORD at this time:

ST. PATRICK CHURCH,
Youngstown, Ohio.

DEAR FRIEND: St. Patrick's beautiful Gothic church is fifty years old this year. As a parish we celebrate today with nostalgia, recalling the sacrifices of so many who created this church, and whose lives were enriched within it.

Our parish has an unusual history. Its total life has been in the midst of change. Begun a few years after Pius X changed the age for receiving Communion from thirteen years to seven years, its life has been sustained by the very breath of change, which Alan Toffler describes as the basis of his "Future Shock."

So much has changed since 1911! Consider the development of air travel into the Space Age and the incredible flights to the moon. The Catholic Church itself, once envisioned as a solid rock in a sea of change, has undergone change. Many Catholics, unable to alter their vision, have preferred to remain static, and have lost the excitement of development and renewal.

St. Patrick's Parish has provided its people with unusual opportunities. Its solid foundations and breathtaking architecture have been like a haven of security and comfort to the people as they have had to deal with change. Its walls have encircled her members like the security of a mother's arms encircling her children in a storm. St. Patrick's has nonetheless provided opportunities for development and growth in the modern world. It has explained and encouraged the developments of Vatican II. It has indeed been involved in the problems of the world and brought the message of the Good News of Jesus Christ to the problems of the day. It has provided leadership in the problems of war, race relations, and world hunger.

St. Patrick's parishioners thankfully celebrate the fifty years of this church. We do so not only with nostalgia, but also with wide-eyed anticipation, knowing that tomorrow will bring new challenges, and we will be prepared for these challenges because we celebrate the mystery of Christ in St. Patrick's Church.

REV. P. BREEN MALONE, *Pastor.*

ST. PATRICK CHURCH,
Youngstown, Ohio.

TO ALL THE FRIENDS OF ST. PATRICK'S: I would like to commend the efforts of former priests and sisters assigned to St. Patrick's. They have taught well the Gospel message of love and concern. It is this teaching, instilled in the hearts of present and former parishioners, that helps St. Patrick's Parish and School to exist. Let me explain.

Many students who now attend St. Patrick's School are from families who cannot afford to pay tuition. The tuition of these students is paid for by present and former parishioners. Twenty dollars ($20.00) a month sponsors a child whose parents are not parishioners; twelve dollars and fifty cents ($12.50) a month sponsors a child whose parents are members of St. Patrick's Parish.

The motto of St. Patrick's, celebrating the 50th year of its beautiful church, is *"The Spirit Lives."* It really does!

To so many who helped in the past—
To so many who continue to help—
our entire parish expresses its heartful thanks.

Sincerely,
REV. P. BREEN MALONE, *Pastor.*

P. BREEN MALONE, PASTOR

Father P. Breen Malone was ordained in 1948 by Bishop James A. McFadden, first Bishop of Youngstown. He came to us from St. Jude Church, Columbiana, Ohio, in June of 1967. In accord with Diocesan directives, one of his first steps was to initiate our parish council which is the working, governing body of our parish. Although a deeply spiritual man, temporal affairs are not neglected. During his pastorate, extensive cleaning and repairs have been done on the church, school and convent.

Father Malone, besides being an avid sportsman, is a man of many interests: music, the arts, etc. However, his primary interests art two: the liturgy, and the improvement of the education and living conditions of the poor and the minority groups. He has done much to bridge the gap between our "new" liturgy and the people. Everyone feels "at home" at St. Patrick's liturgical functions be they Catholic, Protestant or Jew. His very active participation in the Civil Rights Movement is only one example of his many endeavor's for Christ's poor.

PARISH HISTORY

On a lovely Spring Sunday morning in 1911 Father Edward Mears, the Pastor of St. Columba Parish, read a letter from John P. Farrelly, the Bishop of Cleveland, to all the people assembled at Mass. The letter announced the formation of a new parish on the south side of Youngstown. The parish was to be named St. Patrick, and the first pastor was to be Father Charles A. Martin. It was estimated that five hundred Catholic families lived in the new parish.

There was a mixed reaction among the people at Mass that day. It's always difficult to leave the parish where one grew up. Many strong ties had been formed at St. Columba Church and School, but a new parish on the south side meant no more long walks down the valley and up the hill to St. Columba for Mass each Sunday. That would be nice!

While the temporary church was being built by the people, Father Martin led the services in the basement of St. Columba. Building plans were quickly formulated, and in only five months a semi-permanent structure in the California Mission style, seating six hundred people, was erected. It cost $16,000.00. The first Mass and dedication took place in November of 1911.

Father Martin, after taking a census of the parish, discovered that there were more than five hundred school aged children in the parish. This fact was discussed with the councilmen, and it was decided that a school was of top priority. Plans were drawn up and within three years the school was completed. It was dedicated by Bishop Farrelly on May 10, 1914.

Under the leadership of Father Charles Martin, St. Patrick Parish grew rapidly. In 1922 there was talk of building a new church. Father Martin was unexpectedly transferred to Cleveland as pastor of St. Coleman's on the west side. Father Edward A. Mooney, D.D., became the second pastor of St. Patrick Parish, but, after only three months, he was named Rector of the North American College in Rome, Italy. In January, 1923 Bishop Schrembs appointed Msgr. William A. Kane, D.D., LL.D., as the new pastor.

Msgr. Kane agreed with the people that a new, larger church was needed, and he hired the famous architect, Edward T. P. Graham, of Boston, Massachusetts, to draw the plans for the new church. Msgr. Kane named John Gerrity as the general contractor. After securing additional property, the first shovel of dirt was removed for the present church on October 23, 1923. The cornerstone was laid fifty years ago this year on March 23, 1924. On Sunday, May 18, 1924 the first services were held in the new edifice. The present church hall was used as a chapel for two years while work on the church proper continued.

The Most Reverend Joseph Schrembs, Bishop of Cleveland, assisted by Msgr. William Kane, Pastor of St. Patrick's, dedicated the new church on June 8, 1926. It was a beautiful, festive occasion, and the people of the parish were very proud of their beautiful, new church.

On the first Friday of September, 1954, St. Columba Church was struck by lightning and destroyed by fire. St. Columba was now the cathedral of the Youngstown Diocese. While the church was being re-built, a special honor came to St. Patrick's. Bishop Emmet M. Walsh named St. Patrick's his pro-cathedral, and the Bishop's throne was erected on the left side of the spacious sanctuary.

In 1931 a yearbook was put out by the parish, and Miss Sarah Varley wrote this description of the church we honor today:

"Having entered the interior of St. Patrick's, the worshipper cannot help but feel the atmosphere of solemnity and repose which pervades the edifice. Harmony and peace everywhere, a spot to open his heart and his very soul, to forget the worries and troubles of the outside world, to seek and find consolation and comfort."

In truth the church is beautiful and majestic. But the celebration of fifty years is not so much about stones as about people. We celebrate fifty years of being part of families and part of the formation of the life of faith in our families.

We celebrate the thousands of baptisms which brought the very like of God to the new children of our parish family. We celebrate the forgiveness of God brought to us when we whispered our sins to the priest. We celebrate the weddings when young lives were pledged, and the priestly ordination of young men as they began their work for Christ throughout the Diocese. We celebrate the memories of loved ones brought here for final blessings before burial. We celebrate the many times we broke bread and partook of the cup, recalling His death until He comes.

During this anniversary celebration we welcome so many of our friends who were part of this parish long ago. We delight in their presence. We express our thanks to them and to all who have had a part in building this church, which is so much a part of each of us.

St. Vincent de Paul Society

The St. Vincent de Paul Organization of St. Patrick Parish has a long history of active participation and cooperation among the priests, nuns and laity. We have worked and prayed together these past fifty years. A few of the accomplishments that come to mind are the establishment of Father Kane's Camp at Lake Milton, the organization of the St. Vincent de Paul Society, the Holy Name Society, the Altar Guild, the Court of Mary, the Blessed Virgin Sodality, the Green Masque Players, the CYO, and the many bazaars that brought all together.

Through the generosity of our people who have contributed after the Masses on Sunday and those who have given unselfishly of their time, our organization has flourished. Our pastors have been solidly behind us as we tried to accomplish the task of caring for those in need. Our work is done quietly and with dignity, and with respect for our fellow man who may today need a helping hand. Some of today's regular contributors have been helped in the past, and now want to help in any way they can.

Let us reflect for a moment on some of the accomplishments of our Society. Many years ago our men helped the pastor of St. Rose Church in Girard to move two old buildings from McDonald to Vienna to establish the Church of St. Vincent de Paul. Later, under the guidance of the pastor of St. Patrick's in Hubbard, we helped to remodel an old house in Masury where the first Masses of St. Bernadette's Parish were celebrated. After many years of going to Cleveland to make weekend retreats, we were instrumental in organizing the Men's Retreat League at St. Paul's Monastery in Canfield, where our Vincentian women worked entire weekends cooking and serving the meals. Later, the retreats were transferred to the beautiful home of the Sacred Heart Missionaries on Logan Avenue.

One of our most recent endeavors was the establishment of the Assumption House Nursing Home on Chalmers Avenue. Permission was granted to the Particular Council of the St. Vincent de Paul Society by the late Bishop Walsh to proceed with the plans to provide housing and care for the aged and infirm.

We are justly proud of our parish and our organization—for the two cannot be separated. We must also remember the many priests and the many nuns, both the St. Joseph Sisters and the Ursulines, who served us so well for so many years. They could be well referred to as "rare jewels in the setting of Catholic action."

Our sincere wish is that today's young people will pick up the torch as it is passed, so that they may continue the good work that is so desperately needed.

Jesus, Mary and Joseph, help those who help the poor!

The Men of St. Patrick's Council,
St. Vincent de Paul Society.

THE UKRAINIAN QUARTERLY CELEBRATES ITS 30TH YEAR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. DERWINSKI. Mr. Speaker, this month The Ukrainian Quarterly is celebrating its 30th year of continuous existence. This is a solid achievement in itself for relatively few institutions, academic and general alike, can claim a record of this kind. As a scholarly journal of East European and Asian Affairs, The Ukrainian Quarterly is read in all quarters of the world, and several institutes in the Communist world, such as the Czechoslovak Academy of Science in Prague, rank it among the first dozen of American scholarship sources for incisive politico-economic analyses of the Soviet Union. It founder and first editor was Dr. Nicholas D. Chubaty, an internationally known scholar and historian, and since the end of the 1950's its editor has been Dr. W. Dusknyok.

Along with other of my colleagues, I warmly congratulate The Ukrainian Quarterly on its "30th" and sincerely wish it and its sponsor, the Ukrainian Congress Committee of America, many more decades of fruitful accomplishment. From its summer issue I commend for its up-to-date commentary analysis the section on "Ukrainian in American and Foreign Periodicals," prepared and written by Dr. Lev E. Dobrinsky of Georgetown University, who is also the chairman of the journal's board:

Ucrainica in American and Foreign Periodicals—Part I

"The Theory and Practice of Communism, Part 4," Testimonies, *Committee on Internal Security*, House of Representatives, Washington, D.C., 1974

At a time when detente seems to becloud many an issue, the highly responsible Committee on Internal Security in the U.S. House of Representatives has launched hearings on the nature of detente and the parallel policies of the communist parties in the Soviet Union and the U.S.A. Extensive testimony is given by Charles Fitzpatrick, a former FBI informant in the CPUSA, on the parallel policies of the two communist parties, and an equally long one is delivered by Dr. Lev E. Dobriansky on the subjects of peaceful coexistence and detente.

Numerous exhibits by both witnesses are contained in the volume. The Fitzpatrick testimony deals with many diverse events and occurrences that support its overall thesis, including the witness' instruction periods with high-level CP officials. The other testimony is drawn more along conceptual lines, and heavy stress is placed on the captive non-Russian nations in the USSR. The witness' characterization of the USSR as an imperium in imperio fascinated those attending the hearing.

The commitee's release quoted extensively parts of the Dobriansky testimony. It stated, "Dobriansky recommended a U.S. policy for recognizing political and economic values in any trade with the communist powers. Then, he added: 'In trade negotiations with the U.S.S.R., the Jewish emigration benefit is a relatively small one compared to possible politico-economic deals involving the human and political rights of the numerous captive non-Russian nations in that empire-state. The claim of interference in 'the domestic affairs of the U.S.S.R.' is specious from an historical viewpoint and on grounds of the international complexion of this state and the international involvement of two of its national republics. Also, the notion that the external policies of any state can be viewed in void of its internal policies is a crass, current myth . . .' "

"Letter to the Soviet Leaders," by Alexander Solzhenitsyn. *Sunday Times Weekly Review*, London, England, March 3, 1974

Of historic moment is this letter sent by the Russian novelist, Alexander Solzhenitsyn, last September to the Kremlin. Translated and reproduced in this English organ, the letter is not in its entirety the original version that Theodore Shabard referred to in his lengthy article in *The New York Times*. Excluded are several specific sentences calling for the end of Russian domination over the non-Russian republics in the USSR.

For some reason Western comments on this expression and similar ones by Sakharov, Amalrik and other Russian dissidents have failed to grasp the unprecedented significance of these new thoughts in the Russian part of the USSR. Their significance lies in the fact that, in sharp contrast to the Kerensky type of Russian which is usually encountered among Russian emigres, these strident voices call for the end of Russian imperio-colonialism, and thus the end of the USSR itself.

Aside from calls for the discarding of Marxian mythology, the reduction of industrialism and the like, that for the surcease of Russian imperio-colonialism within the USSR is the most crucial and all-determining one as concerns peace and freedom in our world. In the months and period ahead this spectacular fact will be extensively elaborated upon.

"'Bourgeois' Drugs Hit Socialist States," an article by John Dornberg. *Washington Star-News*, Washington, D.C., November 26, 1973

This piece is a most interesting survey of drug addiction behind the Iron Curtain. The drug problem appears to be rampant not only in the so-called satellite countries but also in the Soviet Union. In October 1971 senior law officers from all the communist countries met in Sofia to coordinate their drives against the smuggling and trafficking of drugs.

Regarding the USSR, an American interested in the problem put it this way, "The way they drink, they don't need drugs to go on a trip." Nevertheless, hashish, marijuana, and other drugs appear to be in great demand in various parts of the Soviet Union. As the writer carefully points out, "Being the largest multinational country in the world the drug scene in the Soviet Union differs greatly from area to area."

In Turkestan and other Moslemic parts of the USSR hashish is a part of life. In Russian and Ukrainian cities three ounces of marijuana sell at about 10 rubles. The drug problem seems to be most intense in Georgia where narcotic penalties are twice as severe as in other republics. The Soviet law journal, *Sotsialisticheskaya Zakonost*, has recognized the problem in these words, "the main cause of vagrancy in our country continues to be alcoholism, but the use of narcotics is a growing, influential factor."

"The Empire-State of U.S.S.R.—Chief Object of Poltrade," a testimony by Dr. Lev E. Dobriansky, *Congressional Record*, Washington, D.C., April 10, 1974

Introduced by Representative Edward J. Derwinski of Illinois, the testimony on trade with the Soviet Union advances the witness' long-formulated poltrade policy. Trade proportionate to values of political concessions, particularly in the human rights area, is stressed throughout. Given recently before the Senate Finance Committee, the testimony offers a concrete package deal, entailing the resurrection of the Ukrainian Orthodox and Catholic Churches and other essential items before an MFN status and credits are to be extended.

In his remarks, Congressman Derwinski observes, "The testimony refutes what the author maintains are mythical points on the U.S.S.R., presented earlier by our Secretary of State. Also, as an original advocate of the poltrade policy, the witness urges a redirection of our economic leverage toward the empire-state of the U.S.S.R. and its numerous nations within." Some of the Kissinger myths referred to involve his nation-state conception of the USSR, the prospects of economic interdependence, and long-run evolution.

"Brezhnev's Legacy From the Czars," an article by Albert Parry. *The Wall Street Journal*, New York, N.Y., October 4, 1973

Written by a professor emeritus of Russian civilization and language at Colgate University, this article shows the legacy left by the earlier Czars on emigration matters but, more so, the contrast between them and the Red Czars. The entire rendition bears on the emigration issue and concludes with what is in effect a plea: "Let him sentence to death all those who wish to emigrate, then commute the sentence to the next lower penalty—let them go abroad." This is supposed to resolve Brezhnev's dilemma.

The dilemma is really the ruler's fear that, given more liberal emigration, too many subjects would leave. Citing the cases of Alexander Herzen, Ivan Turgenev and others in the last century, the author indicates a liberalizing trend right down to the Bolshevik coup. As he states it, "From 1855 on, during the last three czars, practically any Russian, high or low, could leave his country." Needless to say, the historical conditions are not parallel, and Brezhnev's dilemma is far graver than the writer assumes, especially if non-Russian national consciousness is taken into account.

"Byelorussian Independence Day," a statement by the Honorable William E. Minshall. Congressional Record, Washington, D.C., March 25, 1974

Back in the mid-50's the Ukrainian Congress Committee of America instituted the commemoration of independence days of the non-Russian nations in the USSR with the cooperation of several Members of Congress. The tradition has held up well, and on March 25 in each year the anniversary of the Byelorussian Democratic Republic is observed in the U.S. Congress.

In this statement Congressman Minshall raises the question, "Is it right for a country blatantly to abuse and violate the United Nations Charter and the Universal Declaration of Human Rights without facing reprisals as the U.S.S.R. has done?" He then, in part, answers it by stating, "According to Dr. Lev E. Dobriansky, an expert on Soviet affairs: "The cardinal objective of Moscow and its syndicate members has been and will continue to be the acquisition of Free World agreement to the permanent captivity of their dominated peoples, but the captive nations themselves will from time to time impress themselves on Free World attention, if not on its prudent and insurable aid." When the going gets hot again, as it inevitably will, the aid will be forthcoming.

"Ukraine, the Forgotten Nation," an article by David Floyd. *The London Daily Telegraph*, London, England, September 4, 1973

Reprints of this well-written article have been circulating in many quarters here and abroad. The writer is the foreign affairs correspondent of the *Telegraph*, and wrote the article last year, following his visit to Kiev for the International Horse Show. Although one may take issue with the title of the article, it contains numerous essential points of information to revive the memories of some and to acquaint others with this largest non-Russian nation in Eastern Europe.

As the writer rightly states, "It is time to know a little more about a nation which has been almost deprived of its identity within an empire ruled from Moscow." All of his major points are poignantly expressed and reveal a keen grasp of the realities persisting in Ukraine. For instance, "The truth in that Ukraine is not Russia, any more than France is England." Russification, the puppetry of the Soviet Ukrainian Republic and other relevant phenomena are cogently depicted. But in the end, it can be argued that the nation isn't forgotten; it is just too explosive for Western statesmen, such as we've had, to handle in relations with the USSR.

"Four here Depict Soviet Prison Life," a report by Theodore Shabad. *The New York Times*, New York, N.Y., January 28, 1974

The revival of interest in this country in the Russian concentration camp system cannot but augur well for our future relations with the USSR. Another highlight of this interest is described in this account of four former inmates comparing notes on NBC's television news program "Special Edition." The interview was actually arranged by the editor of this journal, Dr. Walter Dushnyck.

The interviewees consisted of three New York residents and a Los Angeles physician. One was Myron Myclo, a Ukrainian, who fought against the Russians after World War II, was captured in 1947 and spent nine years in Russian camps in Siberia. His account of inhuman treatment is consistent with those given by the others interviewed, and certainly with the mass of evidence assembled twenty years ago in Congressional inquiries into Soviet Russian genocide and domination over the non-Russian nations in the USSR.

"Good Speeches, But Who Listens?," an article by John Chamberlain. *Human Events*, Washington, D.C., May 4, 1974

Reporting on the 7th Conference of the World Anti-Communist League, this prominent columnist waxes somewhat skeptical about the practical effect of the speeches that were delivered. He does stress the fact that correspondents for *Tass* and the communist *Daily World* were on hand for all of them. The talk by Admiral John McCain, Jr., former commander-in-chief of U.S. naval forces in the Pacific and Indian Oceans, intrigued the correspondents most, *if* their notetaking is any measure of interest.

NOBEL PRIZE GOES TO A DEFENDER OF FREEDOM AND FREE ENTERPRISE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. CRANE. Mr. Speaker, this year, a Nobel Prize for economics was awarded to the distinguished economist, Friedrich A. Von Hayek.

In his important work published in 1944, "The Road to Serfdom," Hayek addressed himself to those who thought that there could be a "middle way" between socialist planning and individual planning. He believed that freedom and free enterprise went hand in hand and that once government power began to grow, tyranny was its natural result.

Later, he warned his friends in England that Fabian socialism must, if pursued to logical extremes, lead to totalitarian controls.

Hayek said that:

> The democratic statesman who sets out to plan economic life will soon be confronted with the alternative of either assuming dictatorial powers or abandoning his plans.

Discussing the career of Friedrich A. Von Hayek in an article in the Wall Street Journal, John Chamberlain, who introduced Mr. Hayek to the American public with his foreword to "The Road To Serfdom," writes that:

> The great English economists were primarily logicians, and Hayek, an admirer of the early John Stuart Mill, made elementary logic the basis of The Road to Serfdom. He begins with the incontestable statement that if you are going to plan production from a central political point, you must have control over the habits of consumers. Central planning makes individual planning hazardous or impossible, if only because it must commandeer space and raw materials that the individual planner needs for his own aims.

Mr. Chamberlain writes that:

> If we were to accept the logic of central planning, Hayek argues that the "worst," under such an approach, would get on top.

The reason is that it takes a tough man to compel people to move by community-endowed rapid transit when they prefer individual automobiles, or to accept school busing across county lines when they want to see their children kept close to home in neighborhood schools. The socialist planner may begin as a gentleman; he will end either by wielding a club or giving way to someone who has no gentlemanly compunctions about using force on other human beings. Meanwhile, the demagogue will move in to help the man of force. Hitler had his Goebbels . . ."

Friedrich Von Hayek saw Nazism at close hand as it destroyed freedom in his native Austria. He has seen the same totalitarian forces at work under communism and has seen the tendency toward State power and State Control grow in the Western world itself. Through all of this, he has remained firm in his commitment to freedom and to his belief that free enterprise and other freedoms are inextricably linked.

I wish to extend congratulations to Friedrich Von Hayek on the occasion of this award and want to share with my colleagues the article, "The 'Unknown' Nobel Prizewinner," from The Wall Street Journal of October 24, 1974, and insert it into the Record at this time:

THE "UNKNOWN" NOBEL PRIZEWINNER

(By John Chamberlain)

It was heartening to learn that Friedrich A. Von Hayek, who, now that Ludwig Von Mises is gone, is the undisputed head of the so-called Austrian School of economics, had been chosen with Gunnar Myrdal of Sweden to share this year's Nobel Memorial Prize in Economic Science. It was less heartening to note the incomprehension, even the stupefaction, expressed in some mass media quarters that such a relatively "unknown" person as Hayek could have been so honored.

The point of Hayek's "obscurity" is debatable—after all, his "The Road to Serfdom," published in 1944 by the University of Chicago Press, was a best-seller, running through five editions within a year. "The Road to Serfdom" gave a rallying catchword to anti-Keynesians, ironically reinforced by John Maynard Keynes' own totally unexpected and inexplicable statement that "in my opinion it is a grand book." Keynes not only said that, he also went on to profess that he found himself "in agreement with virtually the whole of it; and not only in agreement . . . but in deeply moved agreement." Meaning that Keynes had become anti-Keynesian.

But if Hayek, a defender of the "Old Whig" virtues of personal freedom, limited government and individual as opposed to top-down central economic planning, had a reclame of a sort some 30 years ago (he's now 75, still vigorous and incredibly productive), he is the first to lament that, while he has changed many an intellectual's mind, he has had all too little impact on events. The politicians of the so-called Anglo-Saxon countries, where he has done most of his writing, don't know him; his warnings about the inflationary costs of state welfarism have never gotten through to the voters, and it would never have occurred to Richard Nixon to say, when he announced that he had become a "Keynesian," that in doing this he was forsaking the wisdom of Friedrich Von Hayek. The man has never had even an antithesis value in political circles.

MEETINGS ON A MOUNTAIN TOP

Hayek's deep-grained pessimism about the possibility that the Western world will ever be able to emerge from the present inflationary crisis without plunging into anarchy followed by dictatorship crops up periodically at meetings of the Mont Pelerin Society, a group which he, in company with a few like-minded economists and political philosophers, started back in 1947 at a now legendary meeting on top of a mountain in Switzerland.

Two years ago the society, then holding its biannual conference in Montreux on Lake Geneva, adjourned briefly to its natal mountain top to recall the circumstances of its founding. Hayek had made plans for the society even before World War II was over; his idea was to enroll the few remaining supporters of the classical liberal and anti-statist philosophy of the 19th Century into a tight band to combat "the Socialists of all parties."

There weren't many of the individualist breed around in 1947. But a few continental figures (Wilhelm Roepke of Geneva, Walter Eucken of Germany, Bertrand de Jouvenal of France, Trygve Hoff of Norway) joined with Lionel Robbins and John Jewkes of England and a group from America that included Ludwig Von Mises, Milton Friedman, George Stigler, Henry Hazlitt, John Davenport, Aaron Director, Frank Knight and Leonard Read to form the nucleus of what was originally supposed to be called the John Stuart Mill Society. The name was dropped when Leonard Read convinced Hayek that the relatively socialistic writings of Mill's old age would be used to cause trouble for it.

From the original group of 36 that met at Mont Pelerin in 1947, the Society has expanded to some 300, with many more than that now clamoring to get in. Standing again on Mont Pelerin in 1972, Hayek confessed that the growth in numbers had not seemed to him to be greatly significant in any practical way. The Western world, despite the growing disillusionment among the economists with government intervention and fine-tuning, was obviously on its merry way to perdition. So maybe the time had come to disband the society; it hadn't solved the problem of persuading governments to do what must be done—i.e., to stop spending beyond their means, and to cease monkeying with the money supply.

Looking about him, however, the pessimistic Hayek had some second thoughts. Faced with ebullient personalities such as Milton Friedman, he could only hope that somehow the Mont Pelerin impact on the Western intellectuals would be reflected in the life of nations. Two years later, at the Brussels 1974 meeting, Hayek was still pessimistic. But, as he said in his flawless English, he was still in favor of plugging away.

John Maynard Keynes, whose praise for "The Road to Serfdom" is still something of a mystery, once said that the world is always ruled by the ideas of some defunct economist. Hayek was distinctly not defunct in 1948 when Ludwig Erhard, a disciple of Mont Pelerin founders Walter Eucken, Wilhelm Roepke and Hayek himself, rejected the advice of the Keynesian interventionists and put the West German economy on a relatively free market footing. The miracle has happened once. Conceivably it can happen again.

If it does, it will be because Hayek's central ideas have worked their way into an effective political movement in some still unforeseen manner. The ideas have been variously stated in Hayek's voluminous works, which range from technical monetary analysis to the history of social attitudes, and from the tract-like terseness of "The Road to Serfdom" to the measured comprehensiveness of his *chef d'oeuvre*, "The Constitution of Liberty." In between his books and articles on political philosophy and economy Hayek has written and spoken extensively on the pitfalls that lurk in trying to apply the methods of the physical sciences to social affairs. In his view people are more than statistical entities, and they cannot be "engineered" as if they were so many pushpins or buckets of mortar.

Hayek can hold his own in technical economics, and it is this part of his work that the Nobel Committee has specifically honored in its award. But ever since he saw Hitler encroaching on his native Austria, Hayek has preferred to write about the larger philosophical questions of freedom. "The Road to Serfdom" addresses itself to the troubles of the average man who wants both security of employment and the right to free choice in the disposal of his time and his income. Hayek knows that the war between the claims of freedom and security begins right at home in the individual psychology. The war will never be finally settled, but if the individual doesn't look at certain long-term aspects he will sell out his freedom for a temporary safety that cannot last. Hence the need for close rational scrutiny of all our current cliches about "social security," planning and the right of the individual to be guaranteed not only a job but protection against inflation by raises that are themselves inflationary.

The great English economists were primarily logicians, and Hayek, an admirer of the early John Stuart Mill, made elementary logic the basis of "The Road to Serfdom." He begins with the incontestable statement that if you are going to plan production from a central political point, you must have control over the habits of consumers. Central planning makes individual planning hazardous or impossible, if only because it must commandeer space and raw material that the individual planner needs for his own aims.

Warning his English friends that a nice Fabian socialism must, if pursued to logical extremes, lead to totalitarian controls, Hayek said that "the democratic statesman who sets out to plan economic life will soon be confronted with the alternative of either assuming dictatorial powers or abandoning his plans." The history of England in the grip of Lord Beveridge's "cradle-to-grave" security philosophy, and the tergiversations of America as it has rocked from New Deal to Fair Deal to New Frontier and on to the Great Society, have borne Hayek out: Both countries have formed national plans by the score, only to abandon them because of the recalcitrance of people who insist on having their own ideas. But the recurrence of the planning and control mania has kept the Anglo-Saxon economies from unlocking individual energies for a long run of action.

THE "WORST" WINS OUT

If we were to accept the logic of central planning, Hayek argues that the "worst," under such an approach, would get on top. The reason is that it takes a tough man to compel people to move by community-endowed rapid transit when they prefer individual automobiles, or to accept schoolbusing across county lines when they want to see their children kept close to home in neighborhood schools. The Socialist planner may begin as a gentleman; he will end either by wielding a club or giving way to someone who has no gentlemanly compunctions about using force on other human beings. Meanwhile, the demagogue will move in to help the man of force. Hitler had his Goebbels; the Thomas Manns and the Stefan and Arnold Sweigs of Germany had to express themselves abroad.

The stark logic of "The Road to Serfdom" has repelled those who think there can be a "middle way" between state planning and individual planning. Admittedly there have been few wholly consistent systems in world history. But it is the drift, the tendency, of contemporary life that has bothered Hayek. People move in droves, and if the momentum toward statism becomes too pronounced, it must entail a cost that is beyond the government's taxing power to pay for the ever-widening projects. A government whose planning restricts the scope of private ingenuity soon runs out of new sources of tax revenue. And Hitler, or Mussolini, or the colonels of the army, move in as a result of the inevitable inflationary blow-off.

The temper of America in the middle and late '40s was against Hayek because of New Deal hangovers and memories of the depression. In such an atmosphere, it was easy for the Keynesian university faculties to identify the Hayek position as extremist. Actually, as Hayek was subsequently to show in his mammoth "The Constitution of Liberty," written during his American sojourn at the University of Chicago, he was thoroughly aware of certain twilight areas that do not easily allow for free market solutions.

The book as a whole insists that the rule of law should be the same for everyone, which means that the state should not attempt to subsidize some people at the expense of others. But Hayek's position was not that of a philosophical anarchist. Like Adam Smith and the Old Whigs he thought government had a duty to keep the currency honest, to provide police and court systems necessary to protect the individual in his rights, and to make itself responsible for public health and the defense of the realm.

Beyond that, he was prepared to argue that the government may have a "safety net" function which would permit some basic welfare "in the interest of those who require protection against acts of desperation on the part of the needy." He actually anticipated the ecologists in his discussion of "neighborhood effects," saying that the "close contiguity of city life invalidates the assumption underlying any simple division of property rights." In this view, antipollution measures and slum clearance are justified not as collectivism but as part of the general police power needed to protect some individuals from the effects of squalor and rot emanating from the premises of irresponsible property owners next door.

IVY LEAGUE MYSTERY

The extreme libertarians part company with Hayek on such things as a minimum for social security and the use of state power to deal with "neighborhood effects." Since he has not been an extreme personality, it is all the more mysterious that Hayek, though he affected many people during his long stay at the University of Chicago, never attracted a following in Ivy League circles. In political terms, Hayek's positions have been essentially Taftian, and it is a commentary on the American university world in general that it has regarded Bob Taft as a Man of the Extreme Right, not as a Man of the Middle who, though solicitous for the poor, still didn't think compromise should always be in a left direction.

The Nobel Prize would not be sufficient to earn Hayek an appointment at Harvard or Yale, assuming he were still young enough to join an Eastern Establishment faculty. But it should be enough to give him some antithesis value in our intellectual discourse. The politicos know all about such New Socialists as Kenneth Galbraith. Maybe some of them will now be aware there is such a thing as an Old Whig. And, knowing that, they might even be disposed to take cognizance of the Old Whig's values, which could still be invoked to save us from the inflationary blow-off that Hayek fears is just around the corner in most of the nations of the West.

MEMORIAL DAY ADDRESS

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. SKUBITZ. Mr. Speaker, a constituent of mine, Dr. Frank W. Shelton, Jr., of Cherryvale, Kans., delivered a notable Memorial Day address which I would like to commend to the attention of my colleagues:

DR. FRANK SHELTON DELIVERS STIRRING MEMORIAL DAY ADDRESS

Mr. Post, Mr. Kahler, Memorial Day Association, Fellow Citizens: It is a privilege to participate in these ceremonies today. I thank Mike Eggleston and Francis Hedge for their renditions of the Gettysburg Address and In Flanders Fields. As a sequel to In Flanders Fields written by Lt. Col. McCrae, R. W. Lillard wrote America's Reply.

"Rest ye in peace, ye Flanders dead.
The fight that you so bravely led
We've taken up. And we will keep
True faith with you who lie asleep
Each with a cross to mark his bed
And poppies blowing overhead
Where once his own life-blood ran red.
So let your rest be sweet and deep
In Flanders Fields.
"Fear not that ye have died for naught,
The torch ye threw to us we caught.
Ten million hands will hold it high
And Freedom's light will never die,
We've learned the lesson that ye taught
In Flanders fields."

Ladies and Gentlemen, have we learned the lesson that they taught, in Flanders Fields?

We bear much today of pride and impeachment. Just who should be impeached? Shouldn't it be, the American People, for our apathy, our fear, our self-satisfaction? Just what do we have to be proud of today? What are our accomplishments?

Well, we have nice homes with modern appliances for our ease and comfort. We have highways and cars and trucks, to speed us from point to point, but we see little of the beauty or the scars that we have placed upon our countryside. And we have reached the moon; we have satellites; we have TV to bring us the news and to entertain us in our homes. Most of these things, Ladies and Gentlemen, are the results of a few gifted people who have invented and developed them. And, most of these things are superficial.

Have we really kept faith with those who died? Have we appreciated and realized the heritage that we have—the great land, the great nation that was handed to us by our forefathers and those who protected the development of this great land? Are we aware that here in southeast Kansas, less than a hundred years ago our pioneer forefathers hewed out a beautiful, productive, progressive agricultural community, which has charm and culture—which is the envy of the industrialized communities of our land?

Today let us try to look through the eyes of our pioneer fathers and those brave men who gave their lives to protect our land, and analyze ourselves, if we can. What criteria do you think that they might use in evaluating us today? I'm sure that it would not be the fundamentals that go into the development of a great nation. Fundamentals such as: loyalty, reliability, integrity, frugality, high-standards, law abiding, courage, productivity, family solidarity, prudence, patriotism, ambition and others.

Would our fighting men from Lexington, Valley Forge, Gettysburg, San Juan Hill, The Argonne, Bataan, The Bulge, Iwo Jima, and hundreds of other battlefields and frontiers, condone the Jane Fondas and the Ramsey Clarks? Would they consider them to be loyal, upright, patriotic American citizens? Would they appreciate our Congress turning over office space to Jane Fonda to propagandize for the benefit of our enemies? And what would they thnk of the proposed amnesty of the cowardly draft-dodgers, the deserters, and the mutineers?

Looking at their standards of law abiding, what about the demagogue-led mobs that for the past few years have burned down our cities, have looted; the crime on the streets; the disregard for the welfare of this nation and its populace? Even in our national Capital, thee hierarchy held back the National Guard and police and prevented them from quelling the mob and the looting—for that matter they even helped them.

Also, I imagine that they would have been amazed and shocked to see mobs led, not just by the demagogues, but by preachers, nuns, priests, professors—taking our halls of the Legislatures, our Capitols in the States and many other governmental facilities, and lying down in the streets and disrupting the entire economy of many cities.

Just what would the Bataan Marchers think of our present day armed services? Would they consider them fighting-ready in their playground bases, with permissiveness, lack of discipline, and misuse of government facilities?

Our forefathers were imbued with integrity. Their words were their bonds. Today we find crookedness, self-privilege, incompetence in the highest places in our government, in our big corporations, in our big unions, in our big educational organizations—using these organizations for the development of their own power. Is this what our forefathers envisioned?

They certainly were frugal people, those people who developed our land. Can we point with pride to the waste, destruction, the giving away of our natural resources, the scarring of our countryside, the turning of a land-of-plenty into a have not land?

They had very high standards, both in their families and in their communities. Would they approve of law breaking teachers, picketing for extra dollars rather than for the welfare of our children? What about cheating as a way of life? Discourtesy, permissiveness, disrespect, sloveniiness? PhD's purchased like writing paper?

I doubt that our forefathers would appreciate our co-ed dorms with their open sexual, drug addiction, drunken atmospheres. And, professors drawing exorbitant salaries, with no assignments. And, administrators building their bureaucracies and their costs and their power.

Courage. We've seen courage in the recent past. The boys from the farms and from the workshops, who became parts of our police forces and our National Guards, have been called up to quell mobs, to protect public property and the persons of our people. And, what was the thanks that they received for this? Well let's look at Kent State. There the militant mobs practically destroyed the town, burned down the ROTC building, refused to disperse, got out of hand to a point where the police, the sheriffs and the state patrol could not handle them, and these boys were called in from the farms in the National Guard to try to bring order. They were cursed, and stoned, and clubbed, and finally some of them shot into the mob for self-protection. Who was indicted? The National Guardsmen. And, we wonder why it is difficult to get our young people to join the police and national guard for the protection of our society.

George Washington, in his farewell address, admonished the people of this Nation not to enter into permanent foreign alliances and not to have favored nations. Those in command of our Nation have disregarded for many years the admonishments of our first Father. Therefore we lost thousands of good men in World War I and World II; and now misguided people have us on the verge of World War III, protecting a favored nation and meddling in foreign affairs—creating inflation here at home that is on the verge of destroying this nation. Those same people have the effrontery to attempt to give away by document our sovereign rights in the Panama Canal. They cancel billions of dollars of indebtedness to the taxpayers of this nation. Also, they have given away hundreds of millions of dollars of our foodstuffs, causing further inflation and placing thousands of our elderly people on the verge of starvation, and some of them actually starving today.

If there was any characteristic of our forefathers that we can remember, it would be prudence. Politicians today are, and have been for years, nurturing able-bodied people on welfare, where they multiply generation after generation. We spend more per person babysitting incompetents than we do educating the gifted. We spend millions of hours and tremendous quantities of our scarce fuel in order to satisfy the false socialistic theories of those who would protect and try to overcome the inferiority complexes and inadequacies of some of our people.

Yes, we have been very delinquent in administering our trust and our legacy which was handed to us by our Forefathers and protected by thousands of dead, some of whom are lying here today.

Yes, I say to you we have not kept faith with the dead.

May I presume to amplify those great words of Lincoln in his Gettysburg Address:

That we here highly resolve that these dead and our pioneer Forefathers shall not have died and labored in vain—that this nation, under God, shall have a new birth of character and freedom—and that this government of the people, by the people, for the people, shall not perish from the earth.

I thank you.

THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS OF GREATER PHILADELPHIA

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. NIX. Mr. Speaker, too often the pages of our newspapers are filled with stories from around the world of hatred and violence between people of different races, religions, or nationalities. Even in our own country, dedicated to liberty and equal justice, the ugly face of bigotry and prejudice has not been eradicated.

One of the great organizations dedicated to promoting understanding and brotherhood in this country is the National Conference of Christians and Jews. A constituent of mine, Mr. John Elliott of Philadelphia, has just completed his term as regional cochairman of the NCCJ. He spoke recently at the annual dinner of the Philadelphia area chapter of that organization and called upon his listeners to rededicate themselves to the ideas of peace, decency, hope and brotherhood. In the belief that Mr. Elliott's address deserves a wider audience, I insert it in the RECORD at this point:

REMARKS OF JOHN M. ELLIOTT

Ladies and Gentlemen: NCCJ is an organization of vast hope and potential. Conceived in the 1920's to combat white sheets, black balls, boycotts, and burning crosses—NCCJ has endowed 5 decades with increasing vitality, equality and decency.

However, NCCJ like all institutions is only human. We are up and we are down. I think we have challenged most of the distinguished individuals and institutions here tonight—and beyond—to find their better selves, their best dimensions.

Tomorrow tragically denominates our common frailty and common loss. It is the 11th Anniversary of President John F. Kennedy. He was a man who urged us to "not be blind to our differences—but to also direct attention to our common interests and the means by which those differences can be resolved." Kennedy said "If we cannot end our differences at least we can help make the world safe for diversity."

And how has our troubled world responded to this mandate. This very week the state legislature cut migrant workers from the protection of Pennsylvania's minimum wage law—Arab guerillas kill Jews; Blacks and whites clash; Catholics, Jews, women and blacks are fashionably tolerated, but largely without real power, in large corporations, law firms, banks and insurance companies, and the middle class—black and white—continues to pay the bills.

We must all become increasingly sympathetic to the little guy—to the middle American—who is the cornerstone of our civilization. We won't find many of them here tonight. They couldn't afford the $125 for a ticket. Yet they are increasingly confronted by the harsh realities of inflation, job insecurity, mugging, and other escalating and confusing vicissitudes of urban existence. Make no mistake, whether you go home tonight to the Northeast or Berwyn—to West Philadelphia or Jenkintown—we are an economic and social whole.

NCCJ has tried. Whether or not it will prevail depends on you. Our brotherhood week program brought together 250 urban-suburban young people—many of whom hadn't seriously encountered the cultural, economic, religious, ethnic and racial pluralism of our great city. NCCJ's interfaith clergy programs have also underscored the common cause of our region's clergymen. NCCJ is concerned with job and educational opportunity; with the effective delivery of health and housing services; with jobs for ex-cons; and with fair play and decency for all. We personally but respectfully challenge you to daily bring these virtues home to your respective institutions and careers.

In his *Profiles in Courage* President Kennedy noted that "The courage of life is often a less dramatic spectacle than the courage of a grand moment." In our daily, unspectacular rounds we must courageously confront and defeat the ugly spectres of the energy crisis and crypto-anti-semitism; of the fashionable "intellectual" tendency to scapegoat urban Catholics and the parochial school system—a pillar of hard earned achievement and vital pluralism in our urban areas; and the contrived and vicious myth of the black welfare hustler. We must instead ventilate stereotypes and educate fears to achieve the just and true society of human beings for which this nation was forged.

I have enjoyed this meaningful 3 year opportunity to serve as Catholic co-chairman of this significant human organization. My successor is Judge Joseph R. Glancey, a man of distinguished accomplishment and broad vision with whom I am honored to serve.

I hope that all of this region's tomorrows are enhanced by the best aspects of our collective hopes and aspirations. If our country is devoid of hope and vigor; if our homes are inadequate; if our jobs are boring and rote; if our schools fail to educate and excite our children—then surely the next generation will harvest the bitter fruits of our ineptitude and indifference. Let us seize the high ground. Let us rededicate ourselves to the original goals of NCCJ. Those pioneers of conscience and human decency—Al Smith, Bernard Baruch and Charles Evans Hughes—did not promise NCCJ ease; did not promise NCCJ comfort, but challenged NCCJ to believe that the future is not a gift but an achievement. The careers of our honorees tonight—Thacher Longstreth, Reverend Henry H. Nichols and Lessing J. Rosenwald—have vindicated the best aspects of NCCJ's mandate to advance brotherhood and understanding. Let us all together achieve peace, decency, hope and brotherhood. Thank you.

REMARKS AT ANTI-DEFAMATION LEAGUE DINNER

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. DULSKI. Mr. Speaker, I was highly honored recently when the Anti-Defamation League of Western New York presented me with a plaque for "commitment and concern for human values" during my congressional career.

The league's annual dinner meeting was held November 21, and also honored outgoing and incoming officers. Outgoing officers included regional board chairman, Samuel J. Weinstein; chairman, Buffalo executive committee, Eugene M. Warner; chairman, Society of Fellows, Edwin Polokoff; honorary chairman, Society of Fellows, Meyer A. Kahn; Treasurer Robert C. Hayman; chairman, officers cabinet, Joseph N. Desmon; and National Commissioner Lester Gross.

Installed as new officers were chairman, Anti-Defamation League, Society of Fellows, Nathan Benderson; chairman, regional board, Donald S. Day; chairman, Buffalo executive committee, Gordon R. Gross; chairman, officers cabinet, Edwin Polokoff; Treasurer Eugene M. Setel; and chairman, former officers advisory council, Eugene M. Warner.

Mrs. Dulski and I thoroughly enjoyed the hospitality and good fellowship of the evening, and want to commend the dinner chairman, Mr. Leonard Rochwarger, as well as national director of leadership for ADL, Abraham Foxman, who gave a most inspiring address.

The Anti-Defamation League is one of the most effective and useful organizations in our country. I would like to insert my remarks to the membership when I received the award:

REMARKS

(By Congressman DULSKI)

This award from the Anti-Defamation League is most gratefully accepted, particularly now that my Congressional career is drawing to a close. Through my years of public service on local and national levels there have been no greater positive influences on human rights legislation than those of B'nai B'rith and ADL.

From its small defensive beginnings in 1913, the Anti-Defamation League has evolved into a widely respected, reputable organization in the forefront of the battle for justice and dignity at home and abroad.

I need not repeat to you the triumphs and disappointments of the last 60 years. You are even more aware than I am of the educational policies you pursued for recognition of the worth of all mankind; of the quick and unstinting help you gave to needy individuals and struggling nations; and of the gradual breaking down of the barriers of ignorance, hatred, and discrimination. You do not need to be reminded of these things, but I do want, from my personal experience, to commend you for untiring, productive sponsoring of legislation to correct bases of inequity.

Landmark laws which open the doors to full membership in our society for all minorities might never have been enacted without the carefully researched, active efforts of ADL.

The long-disputed question of freedom of emigration for Soviet Jews appears to be approaching a successful compromise, through combined legislative and diplomatic pressures, but the outcome might have been far different without ADL.

The nations and peoples of the world have undergone incredible changes since Sigmund Livingston established the Anti-Defamation League to focus defense of the Jewish name, and from our vantage point in 1974, it must be said that most of the changes have been for the better.

The work of ADL is not yet done, by any means, and may not be in our lifetime. But I am confident that it will go forward in the same reasonable, just, peaceful, effective manner, and that progress will continue.

I am very gratified by your according me this honor tonight. I am both proud and appreciative of the opportunities I have had to work for our common objectives. Thank you—and shalom.

WYOMING MOURNS DEATH OF JUSTICE McINTYRE

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, my dear friend and a former Member of Congress from Wyoming Supreme Court died last week in Cheyenne, less than 3 weeks short of his 70th birthday and his scheduled retirement.

A member of the Supreme Court since 1961, McIntyre had served as its chief justice in 1971 and 1972. A colleague who had served with Justice McIntyre throughout the latter's tenure on the bench, Chief Justice Glenn Parker remembered McIntyre as "a dedicated, conscientious and able jurist who contributed a great deal to the judiciary and the State of Wyoming. His death leaves a void in our political system."

A native of Oklahoma, McIntyre received his elementary school education at Ramona, Okla., and graduated from high school at Tulsa.

In the early 1920's, his family moved to Boulder, Colo., where McIntyre entered the University of Colorado and where he received his law degree in 1928.

In the following year he was admitted to the bar in Wyoming and began practice at Glenrock. Two years later he moved to Douglas where he was elected county and prosecuting attorney in 1932.

In 1936 he was appointed a special attorney for the U.S. Department of Justice in Washington and 2 years later was named an associate attorney in the solicitor's office of the Department of Agriculture.

In 1939 he returned to Douglas where he resumed his law practice and the following year he was elected to the 77th Congress as a Democrat where he served one term.

Justice McIntyre entered the Army in 1943 and served as a staff sergeant in headquarters battery of the 616th Field Artillery. He was decorated with France's Croix de Guerre.

Upon his return to Wyoming he was elected State auditor and in 1950, he won the Democratic nomination for Governor. In 1960, he was elected to the Supreme Court where he served continuously until his death.

Besides his service on the court, Justice McIntyre also had been district chairman of the Boy Scouts of America and had been a member of the Longs Peak Council's governing board. He was a recipient of the Boy Scouts' Silver Beaver Award for his contributions to that organization.

He was also a member of the First United Methodist Church of Cheyenne and a board member at both the local and regional levels. In 1963, 1967, and 1970, he was a member of the awards jury of the Freedoms Foundation of Valley Forge, Pa.

Justice McIntyre is survived by his wife Fern, four sons, Joe of Brookeville, Md.; Donald, of Phoenix; Darel, of Scottsdale, and John, also of Phoenix, and 12 grandchildren, as well as four sisters and a brother.

AD COUNCIL AND WIN CAMPAIGN

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. ROSENTHAL. Mr. Speaker, 29 Members of Congress are joining me today in writing to the Advertising Council, Inc., to protest its involvement in producing propaganda materials designed to rally the country behind the President's WIN anti-inflation campaign. In addition, we are writing to the presidents of the three major networks advising them of the controversialty of the WIN program and their obligations under the Federal Communications Commission's "fairness doctrine" to present the other side of this important issue.

As legislators who share responsibility with the executive branch for forging solutions, we are deeply concerned about the Nation's economic woes. However, unlike the President, we are aware that wishful thinking and WIN buttons are extremely dangerous because they paper over serious economic problems rather than working to solve them.

Members of Congress signing the letters are:

LIST OF MEMBERS SIGNING LETTERS

Senator George McGovern of South Dakota, Senator Adlai E. Stevenson III of Illinois, Bella Abzug of New York, Herman Badillo of New York, George E. Brown, Jr. of California, John Conyers, Jr. of Michigan, Dominick V. Daniels of New Jersey, Ronald V. Dellums of California.

Robert F. Drinan of Massachusetts, Don Edwards of California, Joshua Eilberg of Pennsylvania, Donald M. Fraser of Minnesota, Richard H. Fulton of Tennessee, Michael Harrington of Massachusetts, Augustus F. Hawkins of California.

Ken Hechler of West Virginia, Henry Helstoski of New Jersey, Edward I. Koch of New York, Lloyd Meeds of Washington, Parren J. Mitchell of Maryland, Charles B. Rangel of New York, Henry S. Reuss of Wisconsin.

Benjamin S. Rosenthal of New York, Patricia Schroeder of Colorado, Louis Stokes of Ohio, John F. Seiberling of Ohio, Fortney (Pete) Stark of California, Robert O. Tiernan of Rhode Island, Jerome R. Waldie of California, Andrew Young of Georgia.

The FCC's fairness doctrine mandates that all sides of controversial issues of public importance be aired. There is no question that the President's WIN program is controversial; it has even been heavily criticized by members of the President's own party.

Each network claims to have a policy against carrying spot announcements dealing with controversial matters. Regardless of the merits of that policy in general, it would be extremely dangerous to waive it for a campaign which takes the President's perspective on a question as profoundly and politically controversial as the Nation's economic inflation and recession.

If the networks do elect to carry the WIN spots, we expect them to honor their fairness doctrine obligations by providing free time for the presentation of contrasting viewpoints, and I for one am prepared to litigate to assure that they do.

WIN is a partisan program which does not belong in free public service air time and space. But our concern over the Ad Council's efforts to blanket the Nation with WIN bumper stickers, buttons, decals, and slick radio, television, and print ads transcends mere partisanship. The President can commandeer free radio and television time almost at will and he already has done so on October 15 to gain exposure for the then "operative" version of WIN. Now he is using the Ad Council—which brings together big business, the big advertising agencies, and the major print and broadcast media interests—to drum up millions of dollars worth of free public service time and space for WIN.

The entire WIN propaganda campaign being put together by the Ad Council is designed to delude the American people into believing that the President really has a program to control inflation and that the administration is truly committed to solutions in which the public will be participants, not victims. However, our opinion as well as that of economists and journalists of all political persuasions, is that WIN is a cruel hoax, that it is not a program but a hollow hope, that it will do no more for hard-pressed consumers and workers who are being laid off in rising numbers, not to mention persons living on fixed incomes and the poor, than give them promises to eat.

The Ad Council's WIN campaign poses extreme danger to the notion of a press which is truly free from governmental control. On his Citizens Action Committee to Fight Inflation, President Ford brought together the president of the Ad Council, the president of the National Association of Broadcasters, the president of the American Newspaper Publishers Association, and the former president of CBS. When the mass media of this Nation can be put on the President's team for the purpose of lobbying the public on the most controversial and important question facing Americans today, the term "free press" rings hollow indeed.

The country cannot afford this type of press coziness with the President any more than it can afford the skyrocketing prices which WIN is hoping will somehow go away.

The text of our letters to the Ad Council and the networks follows:

LETTER TO ADVERTISING COUNCIL

We are writing to protest the Advertising Council's efforts to promote President Ford's "WIN" anti-inflation program, efforts which you state will constitute an "over-all campaign to rally the country behind the President's measures" (*Advertising Age*, October 7, 1974). As legislators deeply concerned with effectively combating the nation's economic woes, we are disturbed that the Ad Council is serving as a propaganda vehicle for a partisan scheme which the *New York Times* deems so vacuous "that Congress will have to step into the void Mr. Ford has left in his program for fighting inflation" (Editorial, November 11, 1974).

It is improper for the Ad Council, a tax exempt organization which brings together big business, the big media, and the big advertising agencies, to become involved in partisan politics on a burning public issue. However, the unseemly becomes the fraudulent when viewed in light of the Council's by-laws, which state that you will "accept no subsidy from Government and (will) remain independent of it" and will "remain non-partisan and non-political."

We are especially disturbed that while the Ad Council contends it seeks to avoid taking sides on controversial issues it is now propagandizing one side of the biggest controversy in America today. We do not feel that a viewpoint should be denied Council service simply because it is controversial—indeed many important voices on controversial issues do not reach the public because they cannot afford the type of professional services provided by the Council. However, for the Council to waive its non-controversiality rule only for the President in the case of a highly partisan as well as vital public issue, makes a mockery of the Council's by-laws.

Even a cursory reading of daily newspapers reveals that Mr. Ford's so-called "WIN" campaign is immensely controversial. Senator Henry Jackson (D. Wash.) labelled the President's failure to impose meaningful controls on energy use "frankly indefensible" (*Washington Post*, October 11, 1974); Patrick Gorman of the Amalgamated Meat Cutters states that Mr. Ford "made promises to every segment in the country, but the little he did was all for big business" (*Wall Street Journal*, October 8, 1974; *compare* "Business sees no ill effects from Ford anti-inflation plan," *Advertising Age*, October 21, 1974); Senator Mike Mansfield (D. Mont.) labelled the Ford program a continuation of the Nixon economic scheme which has "long proved to be inadequate to meet the emergency" (*New York Times*, October 16, 1974); and Professor Walter Heller, former Chairman of the Council of Economic Advisors, stated that he would give Mr. Ford's program a "D" grade (*New York Times*, October 9, 1974). Even members of the President's own party have strenuously objected to parts of the "WIN" program. Senator Richard Schweiker (R. Pa.) called the proposed 5% tax surcharge "a travesty" and even conservative Representative Joel Broyhill (R. Va.) stated that he was "not going to sit still any longer for efforts to get more tax blood out of the so-called middle earners" (*New York Times*, October 9, 1974).

Moreover, we have learned from both White House and Ad Council sources that the WIN materials being produced by the Ad Council will be based on President Ford's October 15th speech before the Future Farmers of America in Kansas City, Missouri. The extreme controversiality of the subject matter of that speech is indicated by the fact that at least one network (NBC) gave Senator Edmund Muskie, as representative of the Democratic Party, free airtime to respond. Senator Muskie "struck a recurrent theme among Democrats—that President Ford's voluntary program, coupled with tax increases, won't solve problems of inflation and recession." (*Washington Post*, Octber 23, 1974).

We are also disturbed by the Ad Council's role prior to the October 8, 1974 speech which unveiled Mr. Ford's program to "WIN" the war against inflation. You are quoted as telling the President on September 27th that the Ad Council would "assist in any way possible." (*New York Times*, October 9, 1974). Apparently working closely with the White House, you went to work immediately; by October 9th the Council had lined up a major agency, Benton & Bowles, to handle the "WIN" campaign, and you personally were named by Mr. Ford to the Citizen's Action Committee to Fight Inflation, along with several persons with strong media ties: Frank Stanton, former president of C.B.S.; Vincent Wasilewski, president of the National Association of Broadcasters; and Stanford Smith, president of the American Newspaper Publishers Association. With such an alignment of media interests working for the President, the constitutional guarantee of a press which is truly free from government influence seems to ring hollow.

Our concern is that the Ad Council's "WIN" campaign, with its combination of buttons, bumper stickers, decals and posters, along with the type of slick media advertising for which the Council is famous, will have several undesirable consequences: (1) it may persuade many citizens that the nation should, in fact, rally behind Mr. Ford's program, rather than seeking other more effective ways to combat inflation; (2) by placing primary responsibility for battling inflation on the consumer, rather than on special interests like those industries which raise prices in the face of declining demand, the "WIN" campaign may divert public attention away from many of the real causes of inflation; (3) it will distort the national debate no pressing economic matters by giving enormous publicity as well as support to the President's program while monopolizing free "public service" time and space; (4) it will afford no exposure to the views of legislators like ourselves, even though the President's indecisive program has placed the primary responsibility for fighting inflation on the Congress; (5) it makes the Ad Council a partisan propaganda arm of the executive branch, in plain violation of the Council's by-laws and at the expense of the basic First Amendment notion that America's press must be free from government influence so that it will expose the public fully and fairly to all sides of the important public issues.

We realize that the Ad Council has over the years served increasingly as the federal government's free advertising agency. Many Council campaigns—like Smokey the Bear, Help Prevent Crime (by locking your car), MESBIC and Food, Nutrition and Health (cosponsored by the Department of Health, Education and Welfare and the Grocery Manufacturers of America)—have a tendency to paper over ineffective governmental action in dealing with root social problems. This type of bland political public relations should be stopped. However, the "WIN" campaign is far worse, both in degree and in kind: the issue is probably the most important and controversial in America today and the public must be protected from propaganda which travels under the guise of non-partisan, non-political public service advertising.

We have written to the presidents of the major networks indicating our intention to demand that they afford response time under the F.C.C.'s fairness doctrine if they carry any "WIN" materials. We protest your continued efforts on behalf of the "WIN" program, which we regard as a flagrant abuse of the Ad Council's tax-deductible status and the notion of public service and urge that the Council withdraw from the campaign.

We would appreciate your immediate attention to this matter and look forward to a prompt reply.

Sincerely,

MEMBERS OF CONGRESS.

LETTER TO NETWORK PRESIDENTS

DEAR NETWORK PRESIDENT: I am writing on behalf of (Members of Congress) to bring to your attention a potential fairness doctrine problem. The enclosed letter from the legislators to Mr. Robert Keim, President of the Advertising Council, Inc., is self-explanatory; it makes clear that the "WIN" spot announcements being prepared by the Council address one side of a highly controversial issue of public importance—to wit, what actions the federal government and the American people should take to curb the nation's dangerous inflation and related recession. The WIN campaign presents President Ford's viewpoint on that question.

We would expect (network) to refrain from carrying any of the WIN spots as public service announcements (PSAs), in accordance with its "policy" against carrying spot announcements dealing with controversial matters. Regardless of the merits of that policy in general, it would be extremely dangerous to waive it in the case of materials which take the President's perspective on a question as profoundly and politically controversial as the nation's economic inflation and recession. Moreover, it would be eminently unfair for (network) to turn over free airtime to the President's position because you regularly make free airtime available to the President whenever he deems it desirable to address the American people For a recent example see "Media Manipulation by the President?" (*Broadcasting*, October 21, 1974).

If (network) does elect to carry the WIN spots, we would expect you to honor your fairness doctrine obligations. The FCC has made clear that a broadcaster's overall programming must afford a reasonable opportunity for the presentation of contrasting viewpoints on controversial issues of public importance. Thus, to counter the WIN materials, (network) must seek out contrasting speakers who are true "partisan voices" on the other side(s) and afford them a comparable opportunity to reach comparable audiences. *Fairness Report*, 39 Fed. Reg. 36372, 36378 (1974). If WIN spots are added to the President's regular exposure on (network)—news programs, news conferences, and special appearances—(network) must afford spot time to persons with contrasting views on the inflation question if it is to comply with its fairness doctrine obligations.

Those persons must include members of Congress; in campaign appearances, the President repeatedly sought to lay responsibility for causing inflation as well as solving it on the legislature's doorstep. Moreover, representatives of the Democratic party would also seem necessary respondents due to the highly partisan nature of much of the controversy surrounding the WIN program.

Indeed, the WIN program has already stirred up a political fairness doctrine problem. After the networks acceded to the President's demand for coverage of his October 13, 1974, speech before the Future Farmers of America in Kansas City, Missouri (see "Media Manipulation by the President?" *supra*), at least one network (NBC) felt obligged to provide free response time to Senator Edmund Muskie as representative of the Democratic party. It is noteworthy that both Ad Council and White House sources have indicated that the WIN spot announcements will be based on the President's Kansas City speech. The partisan nature of the controversy is indicated by the fact that, in the NBC response, Senator "Muskie struck a recurrent theme among Democrats—that President Ford's voluntary program, coupled with tax increases, won't solve problems of inflation and recession" (*Washington Post*, October 23, 1974).

In sum, we face the very danger articulated by the U.S. Court of Appeals in Columbia Broadcasting System v. F.C.C., 454 F. 2d 1018, 1020 (D.C. Cir. 1971):

> "[I]f the words and views of the President become a monolithic force, if they constitute not just the most powerful voice in the land but the only voice, then the delicate mechanism through which an enlightened public opinion is distilled, far from being strengthened, is thrown dangerously off balance. Public opinion becomes not informed and enlightened, but instructed and dominated."

We would appreciate your immediate attention to this matter and look forward to a prompt reply.

Sincerely,

THOMAS R. ASHER,
Attorney for the above-named Members of Congress.

WHERE DO WE STAND?

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. BRASCO. Mr. Speaker, events of recent weeks with respect to the emerging Middle East equation will affect all of us in months to come. There are certain events and moments in history upon which the hinge of mankind's life turn. One such is approaching in the Middle East. How America reacts will determine much of our collective fate. Certain facts stand out like fire beacons in the night. We would do well to heed them and ensure that they light our perilous path.

Recently, Arafat, head of the Palestine Liberation Organization, was received as if he were a head of state by the United Nations. He spoke from that organization's rostrum, threateningly showing for all to see that the goal of his movement, backed by the entire Arab bloc, is the ultimate total destruction of Israel and her people. His organization, perpetrator of some of the more monumental and horrifying butcheries of modern time, was allowed to shoot its way into the United Nations, and was honored for that accomplishment by a so-called international organization Americans foot most of the bill for. To add a grotesque footnote to the already sordid posturings of the United Nations, Arafat was afterward treated like a conquering hero, being lionized in social functions. His standing ovations are eloquent testimony to the state of intellectual development and moral maturity of the majority of governments represented at the U.N. and to the mentalities of diplomats posing as their agents there.

If one harbored lingering doubts over the U.N.'s remaining shreds of credibility, they were adjourned because of abuse of parliamentary procedure by the General Assembly's presiding officer, who orchestrated an unprecedented abuse of procedure, depriving Israel of her legitimate, guaranteed right to refute in debate the flood of canards loosed against her by various speakers.

Marching in invisible but ascertainable lockstep, the delegates, cowed or bought by Arab oil money, went through their motions of condemning Israel for colonialism, racism, oppression and a variety of other offenses. This was followed by explusion of Israel from UNESCO, another charade posing as an international entity serving mankind's needs.

Meanwhile, two other chains of events continued in the Middle East. The Soviet Union kept on pouring modern weapons into Syria and the PLO, self-proclaimed guardians of human rights, staged another butchery of unarmed, unsuspecting Israeli citizens.

Most astute observers feel another war will take place in the Middle East. It is to be fervently hoped the Israelis will not be caught napping and will emerge militarily triumphant. Only one question mark remains uppermost in our minds. How strongly will America stand up to Russia's inevitable attempt to turn the military tide against Israel and the United States and in favor of the Arabs? Russia's aim is to expel U.S. influence from the Middle East and gain total control of its oil. Only strong U.S. support of Israel can counterbalance that thrust. It is also a matter of geopolitical necessity for America to counterbalance Russian influence.

From these events it is vital that Americans in general draw certain inevitable conclusions in their own future national interest. First, the United Nations is a dismal failure, totally bereft of any saving grace whatsoever. It has become a tool of interests devoted to our destruction in the long run and of Israel in the short run. A time has come for our Government to seriously consider significant withdrawal of financial and political support from that organization. The obvious delight on the part of Arab supporters in the U.N. at America's discomfiture was another broad indication of ongoing hostility with which these nations view the United States. Why, in a period of gloomy economic developments, the United States should continue to foot most bills for this discredited, anti-American institution escapes reason and enters the realm of the inexplicable.

The Arabs, their Communist allies and third-world fellow-travelers can easily afford to physically remove the U.N. from America. In a foreign environment it will shortly cease to command its present attention and press coverage. Our financial aid to it should accordingly be scaled down to a bare minimum.

America's liberal community would do well to examine its hitherto blind, total willingness to excuse anything this institution does. That same element would do well to reexamine its conscience in terms of where it stands on Israel and the blatant anti-Semitism emerging from the shadows of our society in recent days.

The U.N. actions, General Brown's odious behavior, and the international ganging up on Israel have not aroused the ire of some observers who should know better. A number of political columnists and media commentators, most of whom label themselves progressives, have joined the steadily orchestrating chorus of condemnation of Israel's determination to survive. This is perhaps the saddest development of the last few months. Certain columnists have always considered Israel to be fair game. What is serious is the seeming willingness of more traditional liberal commentators to echo their pronouncements. Cumulatively, this can only culminate in a bankrupt endorsement of a sterile policy of appeasement of those who will never be satisfied until Israel is destroyed. Western Europe's democracies found out to their dismay in the late thirties that by selling out an ally and rationalizing such a policy, they only bought a short amount of time.

Realism and steadfastness in support of allies and principle should be our two guiding lights. A time has come for our country to let our friends and foes know just exactly where we stand.

CONTROL GOVERNMENT SPENDING AND INFLATION THROUGH BUDGET REFORM LEGISLATION

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. HEINZ. Mr. Speaker, one of the most significant and far-reaching legislative accomplishments of the 93d Congress has been the enactment of the Budget Control and Impoundment Control Act, signed into law by the President last July. This legislation provides for the reassertion of congressional power of the purse, and for the first time, gives Congress the proper tools for evaluating the financial needs of our Nation, while bringing coherence to the appropriations process.

The long-range significance of the Budget Control and Impoundment Act to our efforts to reduce Federal spending and thereby control inflation has been underscored in an address by the President of Cyclops Corp. of Pittsburgh, Mr. William H. Knoell. In his remarks, Mr. Knoell stresses the need for Congress to face up to our huge Federal deficit, to reinstate fiscal responsibility, and to combine congressional spending decisions with its established budget goals. The text of Mr. Knoell's address follows:

THE GHOST IN OUR FUTURE

(By W. H. Knoell)

Over the years, I have been impressed with the fact that engineers think in a special way as contrasted with what I call the liberal arts type. I suspect it's inherent in the kind of personality that pursues an engineering education, and then it's further developed in the engineering curriculum.

Engineers are taught to seek an answer, and an answer with precision—one which takes into account all of the variables. By and large, you like to deal with tangibles. You don't particularly like loose, sloppy thinking. In attacking a problem, you gather all the factors affecting the solution. You deal in facts, not opinions. Thus, when faced with a problem, you seek the facts.

Because contingencies and alternatives occupy a place of respect in your minds, you tend to plot your curves with different combinations of factors. You think long range. You want things to work. When they don't work, you ask yourself why. "What went wrong in my analysis?" "Did I not take all the relevant information into account?" "What changes do I have to make to make it work?"

I am happy to salute these qualities because I feel this country—indeed, this world—needs more of this kind of thinking. Let me explain why.

All of us have to be concerned with social responsibility. If you're about to leave the room, please hear me out. I know the words are abused. In fact, I didn't put them in my announced title for fear you'd be turned off.

Relax. I'm not here to discuss social responsibility in the normal fashion, but I realize it has an interesting implication.

By "social responsibility", I mean we must consider not only the immediate beneficiaries of, or participants in, our actions, but also well beyond them. I believe that the obligation to think long range is important enough to be honored far more widely than it frequently is.

Specifically—and that's what I wish to explore with you this evening—I believe that this yardstick of social responsibility, against which to measure a course of action, should be applied to government. What we need is more social responsibility in government!

Now, the words "social responsibility" need a footnote so we can be sure we're all tuned to the same channel.

Quite often the words are used in a very loose sense to mean "the impulse to cure social ills". In that sense, a corporation's art school in Harlem was considered an act of social responsibility.

I'm not using the term that way. To me, the word "responsible" carries within it the essential notion of obligation. The art school was an act of considerable social consequence, but I don't believe that it was obligatory. Putting it another way, I would not be willing to say if a corporation does NOT support an art school, it was acting irresponsibly.

On the other hand, if a pollution problem is simply solved by building a taller stack, thus pushing the effects off onto another community farther away, that corporation IS acting in an IRresponsible manner.

And, a government, which—year after year, irrespective of conditions—pays farmers NOT to plant, IS acting in a socially IRresponsible manner. To have maintained restrictions on food production in 1973 was folly enough. But, here we are, approaching the end of 1974, and President Ford is still pleading with Congress to remove the remaining acreage limitation.

To sum up, my definition of "social responsibility" is that no entity in good conscience can turn its back on the consequences of its actions. Further, a government must not focus on the needs of the moment without considering the consequences in the future.

Let me develop this thought with you a little further, using facts with which you are familiar and with a particular experience of mine as the background.

About a year ago, during a period when I was having numerous meetings with officials in Washington, I spent several hours with a member of the President's Council of Economic Advisers in an attempt to enlist his support for the need of price relief in the steel industry. This visit emphasized the opinion that I have long held. By and large, our legislators in Washington are intelligent people who DO understand. But, here's the reality: They are political animals. As such, they do two things: First, they respond to politcal considerations. And, when it's expedient, they push out of their minds—they are able to evade—the knowledge and understanding they possess.

I assure you I had a most lively exchange with a very intelligent economist. We talked about the problems which concerned the steel industry: profitability—capacity—the way the steel industry has been singled out for the past dozen years for particular pressure and attention. Yes, I could have sworn that I was approaching that state of harmony which might even promise the championing of the steel industry's cause by this influential voice in government. Then he said, "Well, now, the problem of the moment to which all attention is being directed is . . ."

In case you don't recognize it, when you hear a Washingtonian utter the words "the problem of the moment", you know you have just been condemned to a narrow, one-cot jail cell in which to exercise your mind. In the confining framework of "the problem of the moment", there is no room to think beyond today. And, in Washington, the overriding concern is for "the problem of the moment".

It so happened that "the problem of the moment" a year ago was—as you, no doubt, remember—the developing shortage in many lines of steel. So, the economist said to me, "If price relief were given to the steel industry, would that increase the supply of steel in the next year?"

You know my answer. I said, "Of course it won't. You know in the steel industry there's a two, three, four-year lead time between the time when a decision is made, the money is spent, the capacity is built, and the facility comes on stream."

He said, "Yes, I understand. But, that's the problem. At the moment, the problem we are trying to deal with is today's supply. If price relief won't help the immediate supply problem, you're not going to get a sympathetic ear in Washington."

Now, let's examine this.

When I told you the member of the President's Council of Economic Advisers understood the steel industry's problems, it was because he and I had reviewed and discussed the events of the last ten to fifteen years.

We started with the period when the United States was still exporting more steel than it imported. It was about that time that the emphasis on steel in the post-war economies of Japan and Europe was beginning to be felt. Because they needed foreign exchange, because steel is best produced in big gulps, foreign productive capacity for steel was built far beyond their domestic needs. And, the largest consuming market in the world was the United States. So, they turned to our markets to sell their steel and gain our dollars. They entered the U.S. market with a smashing success.

How did they do it?

The popular answers given at the time were: They could undersell us because the U.S. steel industry was in trouble. There was poor management. Our capital equipment was old and inefficient. Incest, mental managerial retardation had killed our innovative spirit.

We now know the underlying cause—although few people at the time, including me, suspected how deeply it cut.

The fundamental cause of our inability to compete was Bretton Woods and the fixed dollar exchange rate agreed to at the end of World War II. We had literally been playing a poker game in which we were being forced to match the foreigner's white chips with American blue chips. We were playing in dollars which were very, very severely overvalued. They were able to undersell us by $20 to $30 a ton in our own country.

The stunning fact is that when the dollar was cut loose, it moved as much as 40% in relation to the Japanese yen. Foreign steel began selling at premiums in the $100-a-ton range.

So, I would have to say that the first thing the President's Economic Adviser understood was that, given fair conditions, without strangleholds such as an unrealistic foreign exchange, the American steel industry could compete.

But, unfortunately, on the very same date that the dollar was cut loose, steel prices were frozen at unrealistically low levels. These were the prices that prevailed in our industry as we struggled to compete with the undervalued foreign steel. Thus, the low level of profitability of the steel industry was perpetuated.

As the value of their money moved in relation to the U.S. dollar, their costs went up dramatically, and the foreign mills started withdrawing from the U.S. markets in which they had been concentrating, thus creating the shortages that were "the problem of the moment." The coal industry was having difficulty mining coal because it couldn't get roof bolts. Some construction projects were held up since builders couldn't get reinforcing bars. Oil wells weren't being drilled because drillers couldn't get pipe. In many of these products, there was now limited domestic steel capacity to fill the gap created by the withdrawal of the foreign producers.

Why? This is Lesson No. 2 for our Washington friend. U.S. steel producers, unable to compete with the foreign imports because of the fixed dollar and the foreign governments' concern with their balance of payments, had adjusted as best they could. They had withdrawn from many product lines. Market dislocations and distortions became commonplace in the battle to survive.

But, the grim consequences went beyond that.

18% of domestic steel consumption was being served from offshore. That's the equivalent of all the growth in the consumption of steel in this country for a period of 7 or 8 years. And, it had been taken by the foreign mills.

As the American steel industry lost volume during the foreign invasion, the overhead in our high fixed costs killed us. Selling cheap may have helped cover our fixed costs, but it certainly impacted on our profitability. Perhaps the best indication of this is that in 1970, 1971, and 1972, the steel industry was dead last in return on investment out of the 40 manufacturing categories reported each year by the First National City Bank. We were in total disfavor on Wall Street.

Lesson No. 3: Profitability is essential to maintain and expand capacity.

The plants we closed and the plants we didn't build some years ago are where the steel isn't coming from today. Yes, the gentleman in Washington understood that the problem of today's "shortages" was caused by a narrow and inflexible solution to a problem of yesterday—Bretton Woods. But, it was convenient that he ignore what he knew. He wasn't there yesterday. That wasn't his problem. It wasn't his fault. And, tomorrow's government regulator will not be the same one who today is trying to solve "the problem of the moment" without regard for the problem of the morrow.

The problem of tomorrow is "The Ghost in Our Future". And, like all ghosts, there was a time when it inhabited a real, live corpus. Unfortunately, when things go wrong, politicians—unlike engineers—do not go back to identify the cause. To do so would be to recognize that today's crisis, all too often, is yesterday's hastily contrived legislation or regulation.

This failure to recognize the causes of past breakdowns, this failure to grant them a place of honor in present thinking, is—I believe—the most serious form of social irresponsibility. And, I fear we are on the brink of doing it again.

Already we are hearing a clamor about the unreasonably high profits in steel. Yet, with record production for two years, we continue to have a steel shortage. Significantly, this shortage is occurring with an economy in a decline. If the economy were humming, if—especially—the auto industry were taking its normal share of production, the steel shortage would be staggering.

Despite these hard facts of true shortages, the talk in Washington of reimposing price controls is gaining support every day. Politicians faced with a problem—inflation—have to do something. Rather than go back and identify the true causes of the problem and take steps to correct those, the action that is gaining support is reimposition of price controls. If they do this, it will not be because they do not understand that they will aggravate the shortages, but because—once again—they will be acting as political animals. Again, they will be facing "the problem of the moment".

Is there any hope that we won't be subjected to yet another re-run of the late, late movie?

The inflationary crisis, and the fact that the electorate is becoming politically rebellious, have led Congress to pass what I consider a very important and far-reaching law this past summer, although you may very well never have heard of it since it has received very little publicity.

The new legislation is called the Congressional Budget and Impoundment Control Act. Starting with the 1976–1977 budget, Congress is being forced to consider the budget as a whole, and revenue in relation to spending. Perhaps there is hope that one of the true causes of our inflation today—the $103 billion federal deficit during the Johnson and Nixon administrations—will be faced up to!

Believe it or not, our Congressional legislative procedures have been such that there has been a structural gap between revenues and spending. The divorce of incoming dollars and outgoing dollars, with appropriation bills sliding through Congress, each on its own political steam, has been a procedural framework destined to lead to fiscal irresponsibility. This new law is a form of procedural discipline.

In a very few words, the law requires Congress to tie its separate spending decisions to Congressionally determined budget goals. It puts curbs on back-door spending programs.

Under this law, we can look forward to some sharp debates in Congress as the members are forced to reconcile the programs they wish to finance with the money that is available.

The opportunity is here, but, remember, these are political animals and they will be sorely tempted to subvert the new law when they are looking at federal programs within their home jurisdictions.

Samuel Cohn—former Assistant Director, Office of Management—says, "To make it work, Congress and its individual members will have to act a hell of a lot differently than they do now."

I have great reservations as to whether Congress really has the guts to tighten its belt unless these legislators feel the pressure from you. This is where you come in. Let them know you are aware of this new legislation and that you want them to make it work.

Two committees—one in the House and one in the Senate—have been established to deal with the procedures for this legislation. I urge you to write these committee members.

An editorial in last week's *Wall Street Journal*, following the Democratic sweep, contained this paragraph, which sums up the challenge before Congerss:

"Perhaps the best single test of Congress' ability to curb the special-interest circus is the evolution of its embryonic budget-oversight procedures. Intellectually, even Congress has now recognized that it cannot set the budget merely by toting up the amounts won by various special interests in various committees, that it needs new procedures to consider what the total is in the broader interest. Responsibility means perfecting these procedures and, more doubtfully, taking them seriously."

It's been a pleasure to be able to put a few thoughts before you. Again, I would like to urge you to keep the pressure on in Washington so that the ghost of continuing fiscal irresponsibility is kept out of our future.

H.R. 16204: GOVERNMENT BY NON-PROFIT CORPORATION

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1974

Mr. WALDIE. Mr. Speaker, the National Health Policy, Planning and Resources Development Act of 1974 (H.R. 16204) proposes to assign govenmental powers to nonprofit corporations, thereby eroding more of the public voice in this democracy.

Paul Ward, executive director of the California regional medical program and a long-time friend of mine, has submitted to me the attached essay, a discussion of the ramifications of H.R. 16204. Because of the concise and informative examination given to this bill by Mr. Ward in his essay I insert it in the CONGRESSIONAL RECORD:

GOVERNMENT BY NONPROFIT CORPORATION

(By Paul D. Ward)

(Presented October 19, 1974—Seattle, Wash., to a forum on National Health Insurance cosponsored by the University of Washington's School of Medicine and the Washington State Medical Association.)

The granting of governmental powers to non-profit corporations is a concept that should astound most students of the democratic process. It is almost impossible to believe that Congress is well down the road toward blanketing the nation with non-profit corporations and intends to place the destiny of the nation's health care system in their hands. Under the guise of "keeping the health care system free from politics" they seem determined to commit the future of health care to corporate boards and staff that have little or no responsibility to the general public. Further, not only do Congress and the Administration seem willing at this point to turn many millions of tax dollars over to these corporations to engage in planning, development and regulation of the system, but they would also give them the power to approve or disapprove each proposed use of federal funds for the support of health services, manpower and facilities in the area they are assigned.

As incredible as this may seem, a bill to do just that may pass before the 93rd Congress adjourns.

The bill is H.R. 16204, the "National Health Policy, Planning and Resources Development Act of 1974." It is slated for vote on the floor of the House of Representatives after election.

Too many of us still have a hard time believing such a proposal could have advanced so far in Congress, especially in the House, where the links to the people of this nation are the closest. But it has, and it seems only a drastic awakening of the public will keep it from becoming law. The irony is that this hardly seems the year for passing legislation that robs the people of any direct or indirect voice at the local level, i.e., the traditional means of public accountability. However, the railroad is in full motion and it may be hard to stop.

It is difficult to explain how this concept developed its current momentum. Basically, it all began in the spring of 1973. As the authorizations for many of the programs in the Public Health Service Act were expiring, leaders in Congress pledged to rewrite most of the programs "to prepare the Nation's health care delivery system to meet the challenges of National Health Insurance." Expiration of authorizations for Comprehensive Health Planning, Facility Construction (Hill-Burton), Regional Medical Programs, several manpower training programs, several direct health service programs (such as Migrant Health, Neighborhood Health Centers, Mental Retardation and Mental Health) and other programs provided Congress with the opportunity to redirect them so as to prepare the system for the greater expectations and demands that National Health Insurance would engender. In late June 1973, the expiring programs were extended for one year (until June 30, 1974) to allow time for rewriting.

Congress undertook this task during immensely trying times. The fuel crisis, Watergate, inflation, impeachment hearings—all issues of unusual magnitude—pushed the issue of health care into the background. The rewriting of the Public Health Service Act took place largely at the Congressional staff level and was, in effect, obscured by the flamboyance of the other pervading issues. When the revised parts of the PHS Act began to move in Congress, there was little or no understanding of the actual content of the bills (let alone the many secondary implications) by those involved in the provision of health care, by many Members of Congress or by the general public. As we near the date H.R. 16204 will be debated on the floor, the general public, some Members of Congress and a significant portion of the health care industry still do not understand it.

H.R. 16204 proposes to do a number of good things which need to be done, such as developing a national health policy, improving funding for health planning, continuation of the development of our health resources and providing a means by which that development can be rationalized on a sound economic base. But the apparatus which it sets up to accomplish these ends is as faulty as the objectives are sound. Obviously we cannot expect any bill to be all good, but we should at least hope that the positive aspects would outweigh the negative. In H.R. 16204 the opposite is true; the objectives of the bill will be set back two decades because the apparatus proposed for their implementation is designed to create chaos.

Among other things, H.R. 16204 would create a series of non-profit corporations known as Health Systems Agencies (HSAs), which would occupy geographical areas roughly comparable to the CHP b-agencies of today. These corporations would be selected by the Secretary, in consultation with the Governor of the state in which they are located. They would be responsible for long and short term planning, development of services, for approval or disapproval of virtually all federal funds used through grants and contracts for support of health services, manpower and facilities, for certificate of need determination, and for review of existing health care services rendered by facilities to make a determination as to whether they should continue or not. The financing of the HSA would be almost totally federal, with grants to the agency of up to 50 cents times the population of the HSA's area and $1 per capita for development of resources. HSAs would have considerably more power than the current CHP b-agencies, better funding and less responsibility to the State. Except for their agreement with the Secretary of HEW, they would be free-standing agencies with considerable power.

Unquestionably, the major fault with H.R. 16204 is that it does in fact assign governmental powers to non-profit corporations. It attempts to hedge the legal question of "public accountability" (i.e., the legal precept that public policy can be created only by those officials elected by the voters or an appointee of an elected official duly authorized by law to create policy) by having the non-profit corporation enter into an agreement with the Secretary of HEW to perform such functions on the Secretary's behalf. As such, in theory, the corporation would be an agent of the Secretary's office. In fact, however, the corporation is an autonomous unit exercising public powers at the community level, much as any public agency would do, except that its governing board is neither elected nor appointed by an elected official duly authorized by law to do so.

Nor is it possible to deny that these organizations would be creating public policy. Congress has declared health care a right for all citizens, somewhat in the same sense that education is a "right." No one can deny that influencing the delivery of health care through the planning, development and regulatory process would not in fact be an act of creating public policy. Further, the fact that nearly 80% of the funds authorized for these functions are controlled by the HSA's board and staff should be de facto evidence of where the control lies and where the action occurs. It would be difficult to argue with any honesty that an "agreement" with the Secretary of HEW nullifies the de facto powers of an HSA.

If a local citizen or group feels aggrieved by an action of the agency, to whom does he turn for redress: the mayor, city council, board of supervisors, governor, or other officials? No. Since they do not select the board or staff, they have no responsibility for the actions they take. There is a limited recourse to the courts, and in some cases to the Secretary of HEW as the fund granting agency. About all this assures is abundant court actions during the first years, if this becomes the way health policy is created.

It is not our intent to condemn non-profit corporations. When they are used in a proper way, they usually serve as a sound vehicle for needed accomplishment. They are essentially organizations to provide services for people without involving the profit motive. They were never intended to be public policy creating organizations. Certainly the Health Systems Agencies created under H.R. 16204 are public policy creating organizations that do not possess public accountability in the traditional sense.

A BROAD PUBLIC POLICY AUTHORITY

HSAs would have broad public policy authority in terms of designing the local health system, implementing pieces of that system with its development funds and, to a limited degree, regulating that system. No one questions the legitimacy of a non-profit corporation developing a health plan for the local community so long as final approval of the plan rests with another public body meeting the test of public accountability. No one questions the validity of a non-profit corporation developing health care services for the community so long as that corporation is obligated to follow a publicly adopted plan and so long as its activities are scrutinized by publicly accountable officials. But one would always question the legality and appropriateness of non-profit corporations engaging in the regulatory process regardless of the situation, since this has been a function in our society that has always been assigned to a public body that is in all respects accountable. But when all of these functions are mixed together and placed in a single non-profit corporation such as an HSA, and the only link with public accountability is the agreement that exists with the Secretary of HEW, then the historical concept of democratic government based on elected representatives and their appointees is critically strained.

AGENTS OF THE SECRETARY VERSUS AGENTS OF THE COMMUNITY

Eventually, in order to meet any legal test of public accountability, the HSAs would have to be considered "Agents of the Secretary." This is a dramatic change in philosophy from the current situation. Our current health planning agencies are considered to be agents of the community; that is, an agency belonging to the community and designed to bring providers and the public together at the local level to make decisions about the provision of health care and to develop a plan that is acceptable to the community. This philosophy is completely reversed if the HSA is made an arm of the Secretary extending into the local community. Currently the local planning agency relates to the State A Agency and is considered to be a relatively autonomous part of the overall state planning apparatus. Under H.R. 16204 the relationship is between the HSA and the Secretary with the Secretary consulting the state in an advisory sense only should he decide to seek information from it.

H.R. 16204 distorts the health regulatory process of the past, which traditionally has been at the state level and it revises the philosophy of the development of health resources by making it subject essentially to federal approval. Although there has been much talk in recent years about the decentralization of government, this bill, when its implications are taken into full consideration, could be the most power-centralizing at the federal level that has been developed in recent times.

DEVICES FOR POLICY ENDORSEMENT

Not only does H.R. 16204 grant HSAs the ability to create public policy in regard to the formation of the local health system, but it also creates the devices for enforcing that policy. Again, it must be emphasized that these powers are being given to a self-perpetuating board of directors and staff of a non-profit corporation that has not been elected by the public or appointed by a public official, and has no direct responsibility to the electorate except remotely through the Secretary of HEW. This is a self-perpetuating board which is self-selected in the beginning and is in a position to be as contemptuous of public opinion as it desires. The first of these several powers is found in the $75,000 grants that HSAs can make to local entities for the development of services. These grants cannot be considered sufficient in size to develop most of the kinds of health care services that need to be developed, but they can be used to manipulate the system by buying support for HSA positions.

This is not to say that every Health System Agency would use its granting ability to bribe local providers into complying with the HSA's policy. But it is to say that the Congress and the Administration are at fault in attempting to create a system that would allow for and in fact encourage this type of bribery. It takes little or no imagination to understand that if an institution or a facility applied for this aid it might be obligated to comply with other demands of the HSA, be they right or wrong, if urged upon them. The statement, "Either you do what we say or you don't get your development money," is certainly implied and could only lead to the distortion of the planning activity if it were to be motivated and enforced by this process. Admittedly, much of our activity is already conditioned by this kind of bargaining, but why give a sledgehammer to an organization that has little if any responsibility to the electorate. These might be beneficial powers if the electorate were able to respond by removing the board, or the official responsible for their appointment, when or if the board acted inappropriately, but no such recourse is available.

Another dangerous power given to the HSA is approval or disapproval authority over all funds applied for that are authorized and appropriated through the Public Health Service Act. As has been pointed out in several trade journals in the health field, this approval and disapproval power can be interpreted as applying to all grant and contract funds for research, facilities, manpower, mental health, mental retardation, family planning, etc., where health services are involved. In fact, it could be read as inclusion of all funds appropriated through the Public Health Service Act if the Secretary so decided. On the surface this approval and disapproval may appear innocent; however, the fault lies in the fact that the government is creating a situation wherein the local agency could withhold its approval of funds solely for the purpose of gaining compliance with other parts of its self-approved plan. It is obvious that anyone seeking approval for funding could be compelled to comply with other unrelated desires of the agency in order to gain that approval. Again, many agencies would not use these techniques, but the fault lies in the fact that an apparatus is being created which encourages it and there is little or no recourse for settling grievances except for appealing to the Secretary, which might be less than satisfying since the report on the bill indicates that the Secretary should not insert himself in these decisions except on rare occasions. Who is to say how rare is rare?

THE PRESSURES ON THE GOVERNOR

Another major fault with H.R. 16204 is the process by which local health service areas are created and in turn the HSAs approved to run these areas. The proposed law would have the governors recommend, within certain confines, the geographical boundaries of the area and the non-profit agencies that should be designated as the HSAs. If this legislation is passed and when it is understood by the providers, a strenuous scramble will result among certain of the strong providers in an effort to provide favorable people for the board of any non-profit corporation selected as the Health Systems Agency. Since the agency must make findings for certificate of need and then continuously review all services rendered by institutions to recommend either continuation or termination, naturally the bigger and more aggressive institutions, facilities and providers will want to protect their interests in the services being rendered. The governors are going to receive tremendous pressures, especially from urban areas, concerning the designation of areas and agencies. A tremendous amount of strife will develop during the first year while these designations are being made. For any agency that has these powers vested in its board, and any board that is self-perpetuating after its establishment in that it selects and elects its new members in perpetuity, it is obviously advantageous to obtain favorable board representatives (whether they be public or provider) at the time of agency designation. Later, many institutions, facilities and providers will find themselves without representation and perhaps will feel the need to continually rebel against the decisions made by the agency. Not only will the governor be besieged at the outset, but the courts will be besieged later on the question of public accountability when decisions are made that are not to the liking of those not represented on the board.

FROM CONVENER TO ADVERSARY

H.R. 16204 also completely reverses the philosophy that the local planning agency's role is to draw the local resources and providers together and develop a consensus on what the plan should be. H.R. 16204 places the planning agency in an adversary role with the individual provider at the community level. The agency, at least to a minor degree, regulates as a superior party in the relationship; it cajoles and entices with its $75,000 grants and it acts as the sole creator of the long-term and short-term plans. It replaces the convening body role with the dominant figure role in the relationship.

HOPELESS COMBINATION OF FUNCTIONS

But perhaps the fatal flaw the bill possesses is that it attempts to combine three incompatible functions. There are many compelling reasons why planning, health service development and regulation should not be assigned to the same agency. Each of these functions requires staff possessing different skills and boards composed of different constituencies. This is not to say that health service development should not be required to conform to the needs and priorities set in the plan, nor is it to say that regulation should not be based on input from the plan where appropriate. But it is to say that planning agencies and staffs should not attempt to become regulators or health service developers, and service developers should not attempt either planning or regulation. All three functions require different skills, different attitudes and approaches, and a different involvement of people. To the degree that one attempts to do the other's job, it will further compound our problems.

The function of planning requires an agency board that knows the community it serves and the problems that community faces. It should know how its citizens will react to certain stimuli and have an appreciation for the priorities its citizens intuitively place on needs. The function of planning requires staff leadership imbued with imagination, a deep regard for human problems and an optimism that human needs can be described and a reasonable assurance that there will be an appropriate response to try to meet the need.

The function of regulation requires another approach and another set of interests by its board or commission members. It requires staff leadership possessing much different skills and interests. Regulation requires more of the skills and interests of the economist, the manager and the fiscal expert—an orientation not usually found in today's health planner. Nor do we normally find persons skilled in the art of regulation who make enthusiastic and imaginative planners. Based on our recent experience in certificate of needs, planning staffs should not manage the regulatory process nor should the regulatory staff and board manage planning.

The function of health services development requires yet another set of skills and interests on the part of the staff and its board. It requires staff leadership that has been involved in the administration and delivery of health care, a staff that knows how care is or should be delivered at the patient level, a staff that knows how to create secondary and tertiary referral patterns, how to make quality judgments and how to lead a patient from the front door of an institution or facility to the care he needs. Today's planner looks at the broad health care needs of a given community and tries to match those needs against resources. If the resources in terms of care delivery units are not in existence, then they must be created. Neither today's planner or regulators have the skills to design, arrange or implement a new service. Also, the governing board of a health care development organization, if it is to perform its functions successfully, has to possess a wide technical knowledge of delivery and has to be able to influence the health care industry sufficiently to obtain its cooperation in providing resources to meet the indicated needs. That board should be composed of representatives of the various disciplines: i.e., nursing, hospital administration, physicians, public health, medical education, and others from professional and voluntary associations who have the respect of their peers and can influence their conduct in relation to the described needs. This type of organization can create and has created new services where they were needed by drawing on its strengths with the various state professional associations to gain support for the programs involved. Such support cannot be gained through the planning agencies as described in this bill.

THE RESPONSE

Supporters of H.R. 16204 respond to these criticisms by stating that the bill provides authorization for only three years and any faults can be corrected when and if it is extended. They point out that nearly two years' staff work has been devoted to the bill and that this effort should not be wasted.

Unfortunately, it is this kind of thinking that has plagued the health field for the past decade. Relatively few of the Public Health Service Act programs have had any stability over this period because they do come up for renewal every three years. Both Congress and the Administration have a tendency to think in terms of tearing each of the programs asunder every three years and instituting new programs in their place, instead of making adjustments in ongoing efforts and building on the strengths of the past. It takes three years or more to build a good staff, educate the public on the purposes and utilization of the program, and gain the support of the community and its resources. If, at the end of each three-year period, the participants in the programs have to face the turmoil of indecision, possible abrupt change in purpose and procedure, reorganization and general confusion, we cannot expect much to be accomplished. The effect on paid staff is obvious, but the public participants become disenchanted also, because by the time they become active in and knowledgeable about the program it is changed and much of their effort has been wasted. Most public participants who volunteer their time are too discouraged to try it the second time around.

H.R. 16204 would be a disaster in terms of the turmoil and disillusionment it would create. It purports to be amalgamation of Comprehensive Health Planning, Experimental Health Systems, Regional Medical Programs, Hill-Burton and the various approval or regulatory processes like those required under Sec. 1122, State Certificate of Need and Recertification. But in fact, it will prove to be an entirely new ball game. In most cases the conflict will not be between the programs and their staffs that are slated for amalgamation. It will be among the concerned groups in the health field that want recognition on the HSA board. It will take place when the governor of each state is asked to recommend to the Secretary of HEW the area boundaries for each health service area and which nonprofit corporation with its specified board members should be selected to serve as the HSA. Although some b-agencies have been told that their selection is pro forma, when the witching hour arrives they are apt to be in for a surprise. The proposed language is clear: most of the existing b-agency boards would have to undergo substantial change, if not complete change, and undoubtedly many area boundaries would be subject to change.

With the change in the boards, board members and area boundaries will come changes in the staff that has been engaged in the planning. This always raises the question of how much of the plans, planning data and related efforts of the former agency the new agency will find relevant. In this event the work of the past years may be lost and the total process begun over again, committing many of the same errors, suffering the same learning pains and once again re-inventing the wheel. Add to this the new functions that have been assigned the agency and it is almost certain to be bogged down in its own confusion for months—if not years—to come. This is history repeating itself for we went through this, except on a lesser scale, when the b-agencies took over from the voluntary health planning agencies six to eight years ago.

At this point, the greatest benefit that could accrue to health care in our nation is for H.R. 16204 to fail to become law. This would permit a new bill to be written after the first of the year that would preserve the best of the planning, development and regulatory efforts that have emerged since 1965 when the 89th Congress and certain states put most of these efforts in motion. Our efforts in these areas can be and should be improved, but that is quite a different proposition from that presented in H.R. 16204, which would discard the accomplishments and lessons of the past only to repeat the same problems, create innumerable new problems, and set back several years the chance to prepare the system for National Health Insurance.